

Arkansas Tobacco Settlement Commission (ATSC)
Meeting Minutes
February 12, 2019



Commissioners Attending: Dr. John Henderson, Chair; Alex Johnston, Vice Chair; Andrea Allen, Commission Executive Committee Member (By Phone); Nick Fuller, Commissioner; Dr. Ken Knecht, Commissioner (By Phone); Dr. Nate Smith, Commissioner; Dr. Roddy Lochala, Commissioner (By Phone); Mary Franklin, Commissioner (By Phone)

Staff Attending: April Robinson, Administrative Specialist

Guests: Louise Scott, MHI; ShaRhonda Love, MHI; Stephanie Loveless, UAMS East; Charles Saunders, Assistant Attorney General; Julie Chavis, Assistant Attorney General; Jacquie Rainey, UCA (By Phone); Amy Leigh Overton-McCoy, UAMS-COA; Dr. Angela Norman, UAMS-COA; Liz Gates, COPH; Emily Lane, UCA (By Phone); Autumn Sanson, State Treasurer; Sheila Garrett, TPCP

Minutes Recorder: April Robinson

Agenda Item	Discussion
Call to Order/Quorum/ Introduction of Attendees	Chair Henderson called the meeting to order at 9:59 am. Chair Henderson welcomed AETN to the meeting. Attendees introduced themselves and gave their organizational affiliation.
Review/Approval of November Minutes/Public Comment Minutes	Chair Henderson asked for a motion to approve the November minutes. Commissioner Nick Fuller made a motion to approve and Commissioner Alex Johnston seconded the motion. The motion passed unanimously. The November meeting minutes were approved. Chair Henderson asked for a motion to approve the Public Comment minutes. Commissioner Roddy Lochala made a motion to approve and Commissioner Alex Johnston seconded the motion. The motion passed unanimously. The Public Comment meeting minutes were approved.
Guest Speaker Autumn Sanson	Chair Henderson introduced Ms. Autumn Sanson, Chief Investment Officer of Office of State Treasurer. She stated they were excited to report phenomenal earnings this fiscal year to date. In fact, they are very close to earning through January what was earned the entire fiscal year last year. She went over the guiding principles in investing for the tobacco portfolio. The treasury considers this portfolio a liquid account due to the constant flow of monies needed for

	<p>things such as programs on college campuses and the tobacco prevention and cessation programs. The portfolio being liquid requires the treasurer to be very active and practice risk aversion with the tobacco portfolio. That is also what they practice in the short-term portfolio in the state treasury funds. The process was implemented when Treasurer Milligan took office and has proven to be a positive approach for our funds and earnings. Their policy only allows them to invest A1P1 commercial paper to mature in 180 days and A2P2 paper to mature in 90 days. She stated, no investment in commercial paper with a maturity greater than eight days exceeds 5% in any single issue which further mitigates risk. She referenced pages in the portfolio to show examples of the ratings she stated. She pointed out dates to show none of the Commission's investments mature later than February 28th. She stated the reason she pointed these things out is to capture the great yields while also mitigating risk as much as possible and she knows the board appreciates that. She stated they have made great strides in earnings for the past five years for this portfolio. Five years ago, for this particular fund, we earned a little over \$200,000 for the Tobacco Commission. She stated, as of January 2019, we have made \$1.37 million. She stated, we have already made close in the first seven months of this fiscal year, what we made the full previous fiscal year. Rate hikes did help this year, but they attributed this to actively researching the market and making the best decisions for the portfolio based on that. She thanked the Commission for the invitation to speak. Chair Henderson stated it sounds pretty good, especially having \$191,000 in interest in the last month. Chair Henderson thanked Ms. Sanson for being there. Chair Henderson asked if anyone had any questions.</p>
<p>Director's Report</p>	<p>Chair Henderson discussed the treasury and financial reports for the months of November through January. Chair Henderson stated the overall expenses for the Commission is down. The salary expenses will be down next month due to the resignation of Matt Gilmore. The month to date interest is \$191,000 and the fiscal year to date is almost \$1.4 million as stated earlier. The Arkansas Healthy Century Trust Fund no longer exist. The state legislature and Governor transferred that into an emergency fund. Chair Henderson asked if anyone had any questions. Chair Henderson stated the UCA Contract has to be approved for extension. Julie Chavis with the Attorney General's office has reviewed the contract and had no corrections. Chair Henderson asked if anyone had any questions. Chair Henderson asked for a motion to approve the UCA Contract Extension. Commissioner Nate Smith made a motion and Commissioner Mary Franklin seconded the motion. The motion passed unanimously. The UCA Contract Extension was approved. Chair Henderson stated the bylaws stipulate we have to approve the projected expense for the Commission and staff annually. Chair Henderson asked for a motion to approve the expenses for the Commission and the staff. Commissioner Nick Fuller made a motion and Commissioner Alex Johnston seconded the motion. The motion passed unanimously. The annual expenses for the Commission and staff were approved.</p>
<p>April-June 2018 Quarterly Report</p>	<p>Chair Henderson presented the quarterly report. Chair Henderson stated even with the indicators in progress, the compliance is very high. He stated TPCP has 36 indicators, but 21 have been met. He stated the Commission looks</p>

	<p>forward to the progress of the new indicators. Chair Henderson asked if anyone had any questions or comments about the quarterly report. Chair Henderson asked for a motion to approve the quarterly report. Commissioner Ken Knecht made a motion and Commissioner Nate Smith seconded the motion. The motion passed unanimously. The quarterly report was approved.</p>
<p>ATSC Program Updates</p>	<p>Chair Henderson gave the program update for ABI in their absence. Chair Henderson stated in the last fiscal year they received \$10.3 million in funds from tobacco settlement money. They received \$46 million in extramural grants. There was a \$4.44 return for every dollar from extramural sources. ABI has 353 individuals in full time employment. They have been very active in encouraging young people in research in what they call their Next Generation Science Program at all five universities. ABI has been working to get into the APCD (All Payers Claim Database) to allow them to have extra data to use for research. They have nine projects approved that are already using data from the APCD. Chair Henderson reminded everyone about the Fall Research Symposium on Tuesday, September 24th at Arkansas State University in Jonesboro this year. Chair Henderson stated he went last year and that if you attend the experience will be rewarding. Chair Henderson asked if there were any questions.</p> <p>Liz Gates (COPH) stated they hosted four dean candidates. They are all incredibly well qualified. The candidates are from LSU Health Science Center in New Orleans (Louisiana State University), the University of Indiana in Indianapolis, the University of Michigan, and Florida International University in Miami. She stated the Provost is reviewing the comments from people and what her choices are, to report to the Chancellor. Hopefully, someone will be in place by early summer. Ms. Gates stated one of their professors in Behavioral Health Education received a three-year, \$350,000 research fellowship from the Robert Wood Johnson Foundation to look at a new telehealth counseling pilot in West Memphis area for individuals on probation and parole to provide mental health services in hopes of reducing recidivism. The Arkansas Center for Excellence and Birth Defects Research and Prevention has almost completely moved to the college. It is funded at \$4 million over five years. COPH has a new center called the Center for Dietary Supplement Research. This is a partnership with the College of Pharmacy at UAMS (University of Arkansas for Medical Science). The center is researching dietary supplements and their effect on health conditions and safety. Chair Henderson stated it was good to hear about the progress towards hiring a dean. Chair Henderson thanked Ms. Gates for her update and asked if there were any questions.</p> <p>ShaRhonda Love (MHI) stated their Commission is finalizing their five-year Racial Attitude Survey. This is a follow up to the 2009 survey where they gather data on perceptions, opinions, attitudes, behaviors, and knowledge related to health and healthcare practices in Arkansas. It focuses on racial and ethnic groups identified by urban or rural counties. Those results will be presented at the State of Minority Health on April 19th at the Clinton Museum and Library from 11:30 AM to 1 PM. Invited panelists include Dr. Susan Ward Jones who is practicing physician at East Arkansas Community Clinic, Dr. Tiana Jenkins, who is Clinton Health Equity Advisor, Mr. Freeman McKindra who is a community engagement advocate and former Minority Health Commission interim director, Sterling Moore who is</p>

UAMS Vice-Chancellor for Regional Programs, and Dr. Eddie Ochoa who is a physician at Arkansas Children's Hospital. Mrs. Love stated they are still in search of a moderator for the panel discussion as it relates to the five-year survey. They are finalizing their 2019 issue of Bridge Magazine. The focus for this issue will be Healthcare Workforce Diversity. For their sponsorships for the second quarter, they partnered with 21 organizations and provided 8,200 preventive screenings and 5,380 health education encounters. Mrs. Love stated they are excited about the arrival of the Mobile Health Unit last month and it is here today for anyone who is interested in taking a tour after the meeting. They are currently in search of a nurse for the mobile unit. They hope to be providing preventive screenings to the people, where they are in the community.

Chair Henderson stated he was excited to see the unit and it looked very impressive from the outside.

Chair Henderson thanked Mrs. Love for her update and asked if anyone had any questions.

Sheila Garret (TPCP) stated Joy Gray is their new Branch Chief and is responsible for bringing about the Be Well Call Center. For the month of January, they had 805 people call in mostly requesting tobacco cessation. Those calls also consisted of 32 people wanting information on diabetes and 90 people wanting information on hypertension. Ms. Garret stated they actually had to refer someone for suicide prevention. There were 201 people referred to private insurance. If callers are not assisted by their insurance, TPCP will help them. They did 2,122 follow up calls to clients for their 1st thru 4th cessation calls. Of the 805 intake calls, 763 individuals wanted to be enrolled for tobacco cessation help. In January, 176 people utilized the online services. Ms. Garret stated they want to expand their services for the younger generation. They also provide text messaging services. TPCP received 401 faxed referrals from physicians across the state referring patients. They renewed 11 sub-grantees, not including UAPB (University of Arkansas of Pine Bluff). They will be doing their strategic planning this year. They will be looking at data to see how to strategically plan to meet the objectives Chair Henderson mentioned earlier.

Chair Henderson asked Ms. Garret with 800 calls in the last month, do you know around six months ago with the Quitline being out of state, how many calls they received in a month?

Ms. Garret responded it varied, usually in January they would get about 1,000 to 2,000 just depending on when CDC (Center for Disease Control) would do their Tips campaign. They actually answer two numbers, the Be Well and the Quitline. They do anticipate the numbers to increase.

Chair Henderson asked, if they call the 1-800-QUITLINE number or the Be Well number, it goes to you all?

Ms. Garret responded Yes, that is in house in the Tobacco Prevention office.

Chair Henderson asked are there any plans to add obesity to this?

Ms. Garret responded she will let Commissioner Nate Smith answer that.

Commissioner Nate Smith responded right now they are focusing on diabetes and hypertension. He stated these are fairly new concepts and they will get those going and see. Certainly, the more services they can provide under the same framework, the better. They also have at the Health Department separate programs called Diabetes Prevention and programs that are focused on nutrition and physical activity and those will certainly be easy to roll in.

Chair Henderson stated when he asked the same question of the lady cardiologist, who heads the CDC program for

Million Lives Saved, about obesity management, she responded they didn't include that because they didn't know how to.

Commissioner Nate Smith responded it's nice they have it in-house and it allows them to try different things in which they can learn from. They are doing diabetes prevention programs in other settings and folding that in would be a logical step.

Chair Henderson responded right and if we can get a handle on obesity, we can get a handle on a lot of the diabetes and it will not occur.

Chair Henderson thanked Ms. Garret for her update and asked if there were any more questions.

Mary Franklin (TS-MEP) stated their program served 7,083 adults during the quarter. That was an increase of 390 recipients over the previous quarter. They were able to leverage, in addition to the tobacco funds, \$4.8 million in federal funds to serve those individuals.

Chair Henderson asked is there any specific report on the Developmental Disabilities waiting list. Are we making any progress for those individuals?

Commissioner Mary Franklin responded they are making progress there and during the quarter a total of 400 individuals have been allocated a waiver slot and 259 of those individuals have actually had claims paid during the quarter. Within the next quarter we should see the majority of the original 500 slots will be awarded. The program is growing and people are beginning to receive more services.

Chair Henderson thanked Commissioner Mary Franklin for her update and asked if there were any more questions.

Dr. Angela Norman (UAMS-COA) stated they trained over 1,680 healthcare professionals over the last quarter. They also trained 1,454 paraprofessional healthcare professionals. They had 32,147 community presentations that covered 71 of 75 counties in Arkansas. There was a total of 7,207 clinic visits. There were 5,901 exercise classes for seniors in rural communities across Arkansas. They also educated 1,916 students in things related to aging and seniors. They continued work on the anti-psychotics; working in long-term care. In that particular area they focused on the top 25 offenders or the high users in the state. The 25 homes were identified with an intent to educate and saw a rate of improvement on average of 50%. Dr. Norman stated they have received funding in partnering with the Department of Health to initiate a state-wide initiative program for arthritis. They received funding partnering with DHS (Department of Human Services) for a lifespan respite grant to increase respite care to patients in Arkansas. They also received a grant for funding in partnership with the Arkansas Department of Health for an opioid initiative. A Catalyst grant was received from the Hillman Foundation to support the work and the replication of the program they have started. They are piloting a project that includes working for long term care facilities in hospitals on the effect of readmissions by educating the caregiver on how to better take care of their loved one when they return home from their hospital stay.

Chair Henderson stated you have done such an outstanding job with the anti-psychotic program in the nursing homes and glad that even though you are doing an administrative roll, you are still on with the anti-psychotic work. That is great and very important.

Chair Henderson asked do you have any specific programs on fall prevention.

Dr. Norman responded yes, we do have a statewide fall initiative program that was implemented back in the fall. Initially they were going to do that in their fall program, but they recognized it is a huge issue in the state of Arkansas and will continue for a solid year and maybe up to five years. They are meeting with their centers to strategically plan how they want to continue the program.

Chair Henderson responded very good and there are a lot of simple things that we can do to educate seniors on proper foot wear and talking to the physicians about the medications patients are on that may increase their risk of falling.

Dr. Norman responded they are working on the awareness of reporting the falls as well. Seniors are embarrassed to report the first fall, even without injuries, because of fear of losing independence in some way.

Chair Henderson stated an elderly person who falls and does not have a serious injury has a three-time greater risk of being put in assisted living after that. If they have a serious injury, the risk is 10 times greater.

Dr. Norman responded then it is to long term care permanently.

Chair Henderson stated it is a huge problem, but yet there are things we can do that are simple if people are just educated about what to do.

Dr. Norman stated it is their number one priority for 2019.

Chair Henderson responded great.

Chair Henderson thanked Dr. Norman and asked if there were any more questions.

Dr. Stephanie Loveless (UAMS East) stated we have had 35,000 encounters in our area which covers southeastern Arkansas. The programs are still ongoing for senior citizens in exercise. They just received approval to fill a vacant position for a Health Educator in West Memphis. They have extended an offer to a Masters of Public Health currently working in the clinic. They are working with the Corporate Extension Service and our Community Health Nurse Center in our counties to provide Cooking Matters classes. The family medical clinic is up and going and with advertising, they hope to see more patients showing up for appointments. The focus on getting students interested in healthcare is going great. They had A Day in the Life program where they do a one-day panel discussion for students who are interested in healthcare to come in to listen to healthcare professionals talk about their careers. They are getting geared up for summer camps, Mash and Champs. Dr. Loveless stated they a lot of worksite wellness screenings in the past quarter. They have been working to get screenings done for city employees who cannot leave their job or do not have healthcare. They are working with MHI to create a summer camp to teach kids nutrition, exercise, and self-esteem. They have some in line to do it this summer. She stated with the health coaching, they are doing some tobacco cessation with the Helena Health Foundation providing nicotine replacement for them.

Chair Henderson thanked Dr. Loveless and asked if there were any more questions.

Chair Henderson stated he thinks it is exciting to hear about all the things being done to improve the healthcare for Arkansans. The programs are doing a good job at using the tobacco funds appropriately.

Chair Henderson stated the amount for the MSA (Master Settlement Agreement) in the last year was the highest it has

been in the last five years.

Charles Saunders stated there are a number of different adjustments calculated for the MSA. One of the primary adjustments is the Non-Participating Manufacturer; those that did not sign the agreement. He stated there is a calculation based on the market share loss that the signing manufacturers as a result of those that did not sign. It is a big chunk of money in a long-standing dispute. The dispute was settled. As part of that settlement, several years ago they gave a number of fairly sizeable credits against future payments to the big manufacturers. Those credits ended the payment before last. Instead of giving a \$3 million-dollar credit to these manufacturers we didn't have that negative adjustment in our cashflow. That increased the payment amount. It was a lack of credit and not an increase. The other thing is, historically, what has happened with the NPM adjustment, the manufacturers were withholding that amount of money. It was going into a disputed payments account. As a part of that settlement, the manufacturers can no longer withhold that amount. Instead we are basically splitting who's holding that cash until we can resolve the dispute. Instead of it sitting in an account where no one gets to use it, we end up getting about 70% of that money. So, those two factors, the ending of the credit and the splitting of the adjustment going forward resulted in the payment going up.

Chair Henderson asked Non-Participating Manufacturers have no liability correct?

Charles Saunders responded correct. They did not agree to the health limitations like the manufacturers. They also do not pay us money, which means their cigarettes are much cheaper.

Chair Henderson asked so people who are buying cheaper cigarettes, this is likely from the NPM?

Charles Saunders responded yes, very likely.

Commissioner Nate Smith asked the e-cigarette manufacturers that are not a part of the legacy, tobacco companies that are a part of the Master Settlement Agreement, they are not bound by these restrictions?

Charles Saunders responded e-cigarettes are not bound by them at all.

Commissioner Nate Smith stated JUUL certainly has been advertising.

Charles Saunders stated he just found out last week Phillip Morris has been putting JUUL coupons in its packages of Marlboros.

Chair Henderson thanked Charles Saunders for his explanation.

Emily Lane (UCA) stated they are starting to put together the annual report for 2018. They are looking to do something similar like with the Biennial Report which was focusing on Cultural Health and trying to draw the examples from the programs to show how they are contributing to the overall culture of health in state. They are continuing to work on gathering testimonials and other types of data to really highlight some of the personal stories and the things that are really affecting the people throughout the state. She really encourages any of the programs to reach out to her if they have any upcoming events or meetings or anything, they would like for them to attend. They definitely want to get a look at the Mobile Health Unit. They are also in the process of trying to hire a new graduate assistant to work with them. She will keep the Commission updated on how that goes and it should be starting around the 1st of March.

Chair Henderson thanked Ms. Lane and asked if any had any questions.

	<p>Chair Henderson stated with respect to Matt Gilmore’s resignation and choosing a replacement that after speaking with the Governor’s Chief of Staff and the Department of Health, it is best to wait until after the Transformation Bill is passed.</p> <p>Commissioner Nate Smith stated that seemed reasonable to him since we only have a few months before the end of the session. It will give them more clarity of what the situation will be at that time. If it were going to be a longer period of time, he believes the Governor’s office would have encouraged them to move forward.</p> <p>Chair Henderson stated April is doing a good job at taking care of the day to day operations of the Commission.</p> <p>Chair Henderson asked if any of the commissioners have any questions or comments about the directorship.</p>
Other Business	<p>Chair Henderson asked if any had any new business.</p> <p>Chair Henderson announced the proposed upcoming meeting dates for 2019 are April 9, July 9, and November 12.</p>
Meeting Adjournment	<p>Chair Henderson adjourned the meeting.</p>

Meeting adjourned at 11:06 am