

SAVING LIVES, SAVING MONEY

Oklahoma was the first state to create a constitutionally protected trust for public health, and TSET's targeted and sustained investments in programs and grants are making an impact on the lives of Oklahomans.

In FY2017, adult smoking in Oklahoma dropped to an all-time low of 19.6 percent and obesity among adults declined for the first time since 2011, according to data released by the Centers for Disease Control and Prevention.

This shows promise for the health of Oklahomans and affirms the efforts of TSET and others investing grants and programs that work to put healthy policies in place and provide opportunities for healthier choices.

In fact, researchers found that adult smoking rates in Oklahoma are plunging 10 times faster than smoking rates in comparable states. This success is due

in large part to TSET-funded efforts to educate the public on the dangers of tobacco, the Oklahoma Tobacco Helpline and grants at the local level that support tobacco-free environments.

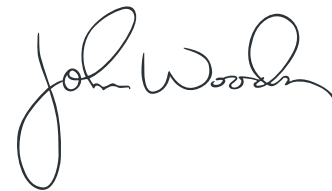
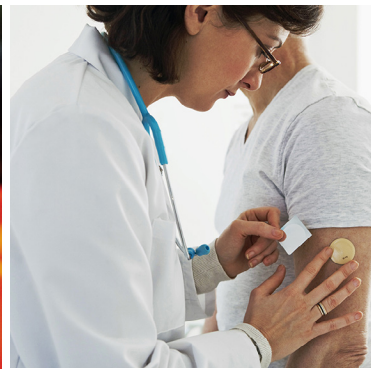
Since 2006, TSET grants and programs have helped save more than 42,280 lives and more than \$1.24 billion in medical costs have been avoided.

Part of that effort comes from our partnership with the Stephenson Cancer Center. TSET renewed a \$5.5 million annual grant for the next five years to support the TSET Cancer Research Program. The grant will continue to support the center's efforts to earn National Cancer Institute designation, provide cutting-edge treatment and support research for adult and pediatric cancers in Oklahoma. The mission of the TSET Cancer Research Program is to decrease the burden of cancer in

Oklahoma and the nation by supporting and promoting innovation in cancer research and treatment.

With all of these many accomplishments, TSET is a national model for how states can safeguard Master Settlement Agreement dollars to reduce preventable deaths from cancer and cardiovascular disease by preventing and reducing tobacco use and obesity.

I applaud our staff, grantees and partners who are committed to helping Oklahomans improve their health, while being strategic with our dollars to make a maximum impact. I look forward to our continued commitment to creating a healthier future for Oklahoma.

Oklahoma Tobacco Helpline
1 800 QUIT NOW
 1-800-784-8669 OKhelpline.com

FY17 MILESTONES

PREVENTION

TSET invests in primary prevention to support healthy behaviors before unhealthy habits take root. Grants and programs focus on preventing and reducing tobacco use and obesity to reduce the leading causes of death in our state—cancer and cardiovascular disease.

3,193

residents protected from tobacco use after the Oklahoma County TSET [Healthy Living Grant Program](#) worked with Manhattan Management to make more than 1,000 apartment units smokefree.

\$435,625

in of incentive grants awarded to schools, school districts, and communities through the [Healthy Communities and Healthy Schools Incentive Grant Program](#). Grant dollars are often leveraged with local funds to complete projects that promote healthy choices.

12,500

feet of sidewalk was added in Muskogee through a partnership with the TSET [Healthy Living Program](#) and the City of Muskogee. In addition to sidewalks, the partnership also improved streetscapes, paved trails, and promoted active transportation and physical activity.

Grantee Chosen as an “America Walks” Fellow

A TSET grantee was chosen as an “America Walks” walking fellow in FY2017. Jody Reiss, who works on the TSET Healthy Living Program in Rogers County, was one of 24 fellows from around the country who participated in a national education seminar focused on making communities more walkable. Since taking part in the Walking College curriculum, Reiss has worked with partners in Claremore and Rogers County to develop a plans for additional sidewalks, support complete streets plans and develop projects that would be eligible for additional grant funds for Safe Routes to School.



RESEARCH

Since 2008, TSET has been a partner in bringing cutting-edge research and treatments to Oklahoma. TSET funds the Oklahoma Center for Adult Stem Cell Research, Oklahoma Tobacco Research Center and the Stephenson Cancer Center. TSET’s research grants advance discoveries, add to the knowledge base and provide hope.

\$27.5

million was approved by the TSET Board of Directors for the Stephenson Cancer Center to support the [TSET Cancer Research Program](#) over a five-year grant in FY17.

\$3,340,521

in external grant funding was awarded to researchers at the [Oklahoma Tobacco Research Center](#) in FY17.

51

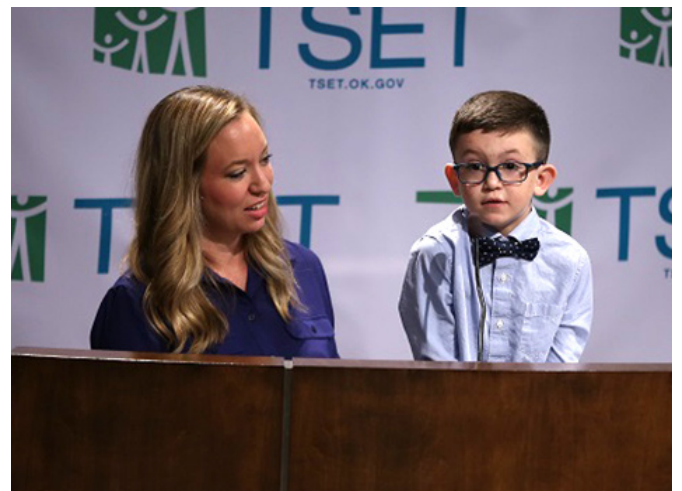
stem cell investigators and researchers supported by the [Oklahoma Center for Adult Stem Cell Research](#).

2,573

patients enrolled in clinical trials at Stephenson Cancer Center. The Stephenson Cancer Center ranks second nationally for the number of patients participating in a trial sponsored by the National Cancer Institute.

TSET Partners to Support Pediatric Cancer Research

Oklahoma children are benefitting from a partnership between TSET, Stephenson Cancer Center, Children’s Hospital Foundation and the University of Oklahoma Health Sciences Center. During FY17, funding commitments of up to \$2.2 million were secured to recruit three pediatric cancer researchers, expand pediatric clinical trials and support cancer research for Oklahomans of all ages. And with up to \$1 million annually from a TSET grant, the Stephenson Cancer Center will make pediatric cancer research a key area of focus, increasing access to treatment for children statewide.



HEALTH SYSTEMS

TSET provides grants to health systems to address tobacco use and obesity. Grantees are often able to leverage federal dollars through the Oklahoma Health Care Authority to help expand reach and impact.

53,535

patients served by physicians working in rural and underserved areas as part of the [Oklahoma Medical Loan Repayment Program](#) funded by a TSET grant to the Physician Manpower Training Commission.

18,026

patients referred to the Oklahoma Tobacco Helpline by the [Oklahoma Department of Mental Health and Substance Abuse Services](#) and the [Oklahoma Hospital Association](#) in FY17.

25,000

hospital employees at 40 facilities statewide impacted by TSET's grant with the Oklahoma Hospital Association to support the [WorkHealthy Hospital](#) initiative that makes lasting change that promotes tobacco free, healthy environments for patients and staff.

Addressing Shortage of Doctors in Rural Areas

In FY2017, the physician training program at the Comanche County Memorial Hospital became self-sustaining thanks to funding from TSET and a partnership with the Oklahoma State University Medical Authority. The hospital had started a residency program in hopes of recruiting more physicians to serve in rural southwest Oklahoma. Hospitals often help cover resident salaries until physicians in training are able to bill for services. Bridge funding from the TSET and OSU partnership allowed the program to recruit additional residents and begin billing for services, freeing up funds to support newer physicians in training.



HEALTH COMMUNICATION

Combined with other programs, mass media campaigns are proven to be one of the most effective strategies to reduce tobacco use and promote healthy behaviors. TSET campaigns are proven to change knowledge, attitudes and behaviors to support healthy lifestyle choices.

29%

decrease in Oklahomans with children in the home who reported drinking regular soda one or more times per day after the [Rethink Your Drink](#) campaign educated Oklahomans on the amount of sugar in popular beverages.

70%

of Oklahomans can name the [Tobacco Stops With Me](#) program that educates on the dangers of secondhand smoke and tobacco use. The education intervention counters the nearly \$165 million spent yearly by the tobacco industry to market addictive products in Oklahoma.

60%

of registrants to the [Oklahoma Tobacco Helpline](#) reported an annual income of \$20,000 or less, 39% were uninsured and 14.8% were enrolled in Medicaid. Connecting Oklahomans with higher rates of tobacco use with free tobacco cessation services is key to saving lives and saving dollars.

Oklahoma Tobacco Helpline Enrollment Increases

Enrollment in the Oklahoma Tobacco Helpline increased 38 percent in FY17 since the launch of expanded services. The Oklahoma Tobacco Helpline exceeds national benchmarks as 32.2 percent of callers were tobacco free seven months after registering. Smokers who quit cold turkey have only a five percent quit rate. Tobacco users over the age of 55 accounted for 30 percent of Helpline users. The Helpline offers free coaching by phone, web, text or emails. Since 2003, the Helpline has served more than 360,000 Oklahomans.



MEASURES OF PROGRESS

Established by voters in 2000, the Oklahoma Tobacco Settlement Endowment Trust (TSET) is a state grantmaking trust devoted to preventing cancer and cardiovascular disease by preventing and reducing tobacco use and obesity. TSET funds the Oklahoma Tobacco Helpline to provide free resources to Oklahomans who want to quit using tobacco. TSET funds grants and programs at the local level to create environments that support healthy choices. Since the launch of these innovative programs and grants, amazing progress has been made. TSET initiatives have saved tens of thousands of lives and billions of dollars in healthcare costs.

Led by professors and scientists from the University Of Wisconsin School Of Medicine and Public Health and the University of Oklahoma, an independent study was conducted to determine the extent of TSET's impact. Researchers conclude that TSET's grants and programs have had an overwhelmingly positive effect on Oklahoma's health by rapidly reducing adult smoking.

Because of TSET's investments in grants and programs, Oklahoma's smoking rate has dropped 10x faster than similar states.

BECAUSE OF TSET...

OKLAHOMA SMOKING RATES HAVE DROPPED
10X FASTER
 than similar states.

42,000

LIVES SAVED

\$1.24

BILLION
 IN DIRECT MEDICAL COSTS AVOIDED

1 BILLION
Cigarette sales
have decreased
 by 1 billion packs
 since 2001.

Source: OK Tax Commission

58.1%
Quit attempts
among smokers
 has increased from
 48.1% in 2001 to
 58.1% in 2016.

Source: BRFSS

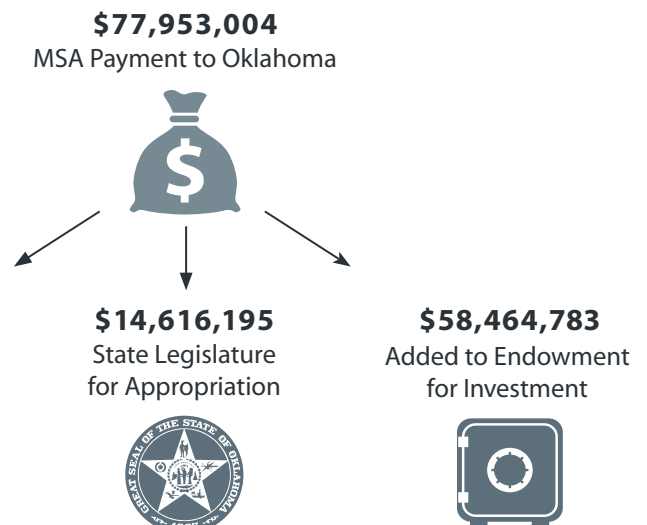
84%
Homes with a
smokefree policy
 have increased from
 54.9% in 2001 to
 84% in 2016.

Source: BRFSS

FY17 PAYMENTS & EARNINGS

The Tobacco Settlement Endowment Trust (TSET) is funded by earnings from investments of payments from the 1998 Master Settlement Agreement (MSA) between 46 states and the tobacco industry. MSA payments to the state are divided — TSET receives 75 percent, the State Legislature receives 18.75 percent, and the Attorney General's Office receives 6.25 percent.

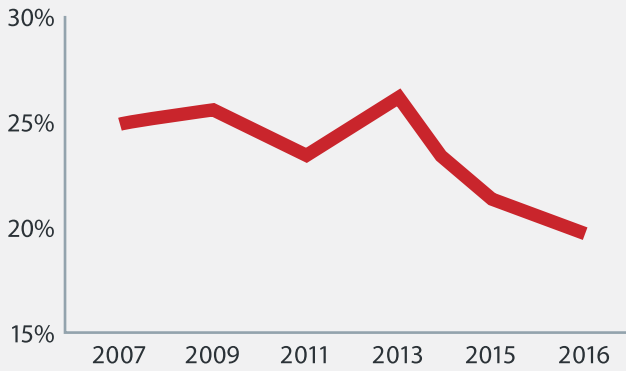
TSET's Endowment fund is constitutionally protected to ensure a growing revenue source dedicated to improving the health of Oklahomans.



Balance as of 6-30-17: \$1.1 Billion

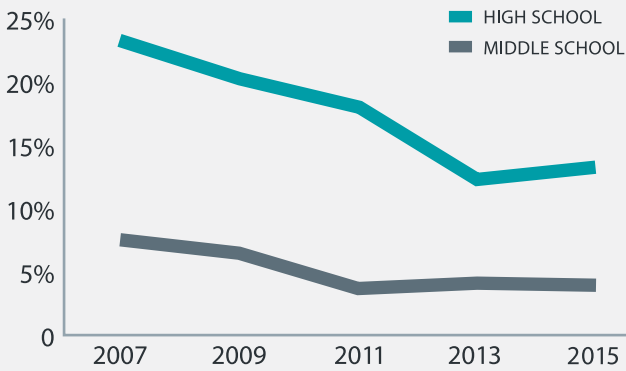
HEALTH INDICATORS

ADULT SMOKING



Source: BRFSS

YOUTH SMOKING



Source: Youth Tobacco Survey

	OK	U.S.
Heart Disease Deaths (rate per 100,000)	228.2	165.5
Cancer Deaths (rate per 100,000)	177.9	165.5
Obesity - Adult	32.8%	29.9%
Obesity - Youth	17.3%	13.9%
150 Minutes Weekly Physical Activity - Adult	16.9%	20.5%
60-Minutes Daily Physical Activity - Youth	32.2%	27.1%
Fruit Consumption (at least 1 per day) - Adult	48.9%	60.3%
Fruit or Fruit Juice Intake, Past 7 Days - H.S. Students	92.6%	94.8%
Vegetable Consumption (at least 1 per day) - Adult	75.5%	77.9%
Vegetable Intake, Past 7 Days - H.S. Students	91.9%	93.3%

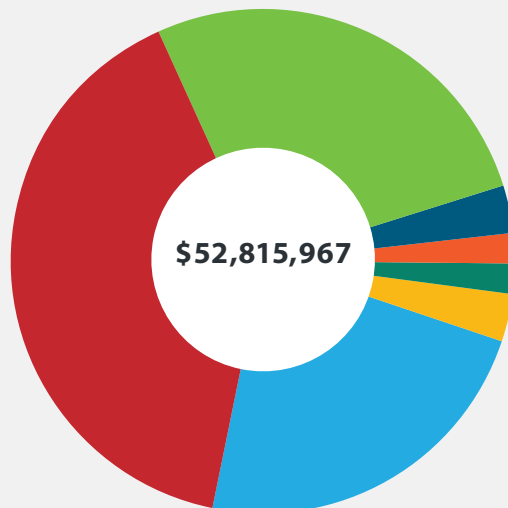
FY17 BUDGET ALLOCATIONS

\$39,736,416

Certified Investment Earnings to TSET



Certified in November 2017; available for FY18 and beyond.



\$52,815,967

- Tobacco Prevention
- Obesity Prevention, Physical Activity & Nutrition
- Administration
- Emerging Opportunities
- Programs & Grant Management Support
- Evaluation
- Research

Funded by FY17 earnings and one-time reserve funds. Only the earnings from endowment investments are used to fund grants and programs.

FY17 GRANTS



Conference Sponsorships (\$14,500)

- \$2,500 · Oklahoma Institute for Child Advocacy
- \$2,500 · Oklahoma Nutrition Information and Education (ONIE) Project
- \$2,500 · Alzheimer's Association
- \$1,000 · Institute for Coordinated School Health



- \$1,000 · YMCA of Greater Oklahoma City
- \$2,500 · Rural Health Association of Oklahoma
- \$2,500 · Oklahoma Academy of Family Physicians



Health Systems Initiatives & Emerging Opportunities (\$2,975,000)

- \$390,000 · Oklahoma Department of Mental Health and Substance Abuse Services
- \$660,000 · Oklahoma Hospital Association
- \$220,000 · Oklahoma Health Care Authority - SoonerQuit Provider Engagement
- \$170,000 · OHCA - SoonerQuit Health Promotions
- \$211,000 · Oklahoma City Boathouse Foundation (ended in FY17)

\$120,000 · Oklahoma State Department of Health - FitnessGram

\$635,000 · Oklahoma State University Medical Authority - physician residency

\$319,000 · Physician Manpower Training Commission - Oklahoma Medical Loan Repayment Program

\$250,000 · Rescue Social Change - Free the Night



Healthy Communities Incentive Grant (\$295,000)

- \$10,000 · Town of Antlers
- \$20,000 · Town of Braggs
- \$20,000 · City of Fairview
- \$4,000 · Town of Inola
- \$25,000 · City of Noble
- \$50,000 · City of Sand Springs
- \$10,000 · City of Wagoner
- \$20,000 · Town of Wainwright
- \$16,000 · City of Woodward
- \$20,000 · City of Stroud
- \$20,000 · City of Checotah
- \$20,000 · City of Crowder
- \$20,000 · City of Kiowa



- \$20,000 · City of Vian
- \$20,000 · City of Clearview



Healthy Schools Incentive Grants (\$140,625)

- \$1,500 · Brushy Public Schools
- \$1,500 · Dahlenegah Public Schools
- \$3,000 · Fairview Public Schools
- \$5,000 · Hugo Public Schools
- \$3,000 · Porum Public Schools
- \$5,000 · Prague Public Schools
- \$20,000 · Stillwater Public Schools
- \$2,625 · Zaneis Public Schools
- \$1,500 · Coyle Elementary
- \$10,000 · Jenks West Elementary
- \$2,000 · Lincoln Elementary (Ardmore)



- \$2,500 · Millwood Elementary Learning Academy
- \$2,500 · Millwood Arts Academy
- \$2,500 · Millwood High School
- \$2,000 · Monroe Elementary School (OKCPS)
- \$3,000 · Martin Luther King Jr. Elementary School (OKCPS)
- \$2,500 · Okeene Elementary School
- \$5,000 · Lone Grove Public Schools
- \$5,000 · Seminole Public Schools
- \$1,000 · Coyle High School
- \$4,000 · Jenks East Elementary School

- \$3,000 · Colcord Public Schools
- \$3,000 · Allen Public Schools
- \$5,000 · Alva Public Schools
- \$3,000 · Arnett Public Schools



- \$3,000 · Bennington Public Schools
- \$5,000 · Chandler Public Schools
- \$5,000 · Idabel Public Schools
- \$1,500 · Lane Public Schools
- \$2,500 · Okeene Jr. High School
- \$1,500 · Moseley Public Schools
- \$3,000 · Nowata Public Schools
- \$2,000 · Okarche Public Schools
- \$3,000 · Rattan Public Schools
- \$3,000 · Ripley Public Schools
- \$3,000 · Tushka Public Schools
- \$3,000 · Waukomis Public Schools
- \$3,000 · Wright City Public Schools
- \$3,000 · Warner Public Schools



Healthy Living Program (\$13,207,390)

- \$129,120 · ACE-HI - Adair County Environmental Health Initiative, Inc. (FY16 through November 2017)
- \$219,000 · Atoka County Health Department
- \$295,000 · Bryan County Health Department
- \$308,000 · Canadian County Health Department

\$175,000 · Carter County Health Department

\$250,000 · Cherokee County Health Services Council

\$113,000 · Cherokee Nation (Adair) (March 2017-present)

\$185,000 · Choctaw County Health Department

\$420,000 · City of Elk City serving Beckham, Custer, Roger Mills, and Washita counties

\$155,000 · Comanche County Health Department

\$200,000 · Comanche County Memorial Hospital

\$175,000 · Community Children's Shelter and Family Services Center - serving Carter County

\$326,000 · Gateway to Prevention & Recovery - serving Pottawatomie County

\$245,000 · Gateway to Prevention & Recovery - serving Seminole County

\$323,350 · Gateway to Prevention & Recovery - serving Hughes, McIntosh, Okfuskee counties



\$240,000 · Great Plains Youth and Family Services - serving Caddo and Kiowa counties

\$200,000 · Jackson County Health Department

\$195,000 · Johnston County Health Department - serving Johnston and Marshall counties

\$195,000 · KI BOIS Community Action Foundation - serving Haskell and Latimer counties

\$275,000 · Kingfisher County Health Department - serving Blaine and Kingfisher counties

\$248,000 · LeFlore County Youth Services

\$298,000 · Lincoln County Health Department



\$289,000 · Logan County Health Department

\$309,000 · Mayes County HOPE

\$177,000 · McClain-Garvin Youth and Family Services

\$205,000 · McCurtain County Health Department

\$381,000 · Muskogee County Health Department

\$440,000 · Norman Regional Health System - serving Cleveland County

\$270,000 · Norman Regional Health System - serving Grady County

\$260,000 · Norman Regional Health System - serving McClain County

\$250,000 · Northeastern Tribal Health Systems - serving Ottawa County

\$155,000 · Northwest Family Services - serving Woods, Major and Alfalfa counties

\$167,000 · Nowata CAN

\$666,000 · Oklahoma City-County Health Department

\$279,000 · Okmulgee County Health Department

\$281,400 · OSU Seretean Center - serving Creek County

\$234,000 · OSU Seretean Center - serving Kay County

\$294,000 · OSU Seretean Center - serving Payne County

\$195,000 · People Inc. - serving Sequoyah County

\$315,000 · Pittsburg County Health Department

\$250,000 · Pontotoc County Health Department

\$175,000 · Pushmataha County Health Department

\$185,500 · ROCMND Area Youth Services - serving Craig County

\$261,250 · ROCMND Area Youth Services - serving Delaware County

\$301,000 · Rogers County Volunteers for Youth

\$243,000 · Rural Health Projects, Inc. - serving Garfield and Grant counties

\$200,000 · Southwest Oklahoma Community Action Group - serving Greer, Harmon, Jackson and Tillman counties

\$204,000 · Texas County Health Department

\$681,770 · Tulsa County Health Department

\$279,559 · Wagoner County Health Department

\$80,000 · Woodward County Health Department



Oklahoma Tobacco Helpline (\$3,875,000)



Health Communications (13,773,597)

- Oklahoma Tobacco Helpline
- Tobacco Stops with Me
- Shape Your Future



Program Evaluation (\$2,004,000)

\$289,000 · Oklahoma Tobacco Research Center

\$1,715,000 · University of Oklahoma College of Public Health



Technical Assistance, Training and Consultation (\$1,885,500)

\$1,200,500 · Oklahoma State Department of Health

\$350,000 · ChangeLab Solutions

\$200,000 · Emory (Public Health Academy of Oklahoma)

\$15,000 · Oklahoma Center for Non-Profits

\$90,000 · University of Wisconsin (Research Consultation)

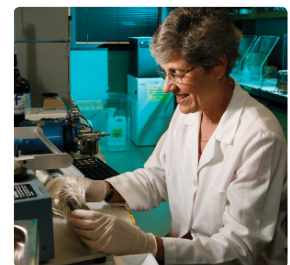


Research (\$12,300,000)

\$3,800,000 · Oklahoma Tobacco Research Center

\$5,500,000 · TSET Cancer Research Program - Stephenson Cancer Center

\$3,000,000 · Oklahoma Center for Adult Stem Cell Research (OMRF)



WHAT GUIDES US

VISION

Improving the Health of Every Oklahoman

MISSION

To improve the health and quality of life of all Oklahomans through accountable programs and services that address the hazards of tobacco use and other health issues.

VALUES & BEHAVIORS

To encourage programs and initiatives that are based on the best research available, follow practices with proven results, and provide the best opportunity for success.

To explore emerging opportunities that encourage creative and innovative approaches.

To work cooperatively with other public and private organizations and funders to support joint efforts that will use funds efficiently, avoid duplication, minimize administrative expense and provide the opportunity for sustained activity.

To plan and encourage community-based comprehensive services for urban and rural areas of Oklahoma.

To make funding decisions based on the best interests of the people of Oklahoma and the merits of the proposals.

To encourage grantees to leverage additional resources through partnerships, grants and other monetary and in-kind contributions.

STRATEGIC PLAN



BOARDS

The constitution created two TSET boards. A five-member [board of investors](#), chaired by the State Treasurer, invests and manages the fund. A seven-member board of directors allocate the earnings from the endowment fund to grants and programs.

Seven different appointing authorities appoint the bi-partisan [board of directors](#) to represent each of Oklahoma's Congressional Districts. This structure helps ensure that the decisions made are in the best interests of the people, and the State of Oklahoma.

FY17 Directors

Don Millican, CPA, Chair
Bruce Benjamin, PhD, Vice Chair
Jim Gebhart, FACHE
Casey Killblane
Curtis Knoles, MD
Ken Rowe, CPA
Michelle Stephens, JD

FY17 Investors

Ken Miller, Chair
Brenda Bolander, CPA
Todd Dobson, CPA
Donald Pape
R. Scott Vaughn, CPA



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