

TOBACCO SETTLEMENT AGREEMENT FUND OVERSIGHT COMMITTEE

Minutes

March 2, 2026

Call to Order and Roll Call

The second meeting of the Tobacco Settlement Agreement Fund Oversight Committee was held on March 2, 2026, at 1:00 PM in Room 131 of the Capitol Annex.

Representative Michael Sarge Pollock, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Jason Howell, Co-Chair; Representative Michael Sarge Pollock, Co-Chair; Senators Craig Richardson, and Robin L. Webb; and Representatives Myron Dossett, Daniel Fister, Kim King, Shawn McPherson, and Rachel Roarx.

Guests: Rachel Dockal, Director, Division of Administration and Financial Management, Department for Behavioral Health, Developmental and Intellectual Disabilities (DBHDID), Cabinet for Health and Family Services (CHFS); Sarah Johnson, Director, Division of Substance Use Disorder, DBHDID, CHFS; Misty Sammons, Director, Division of Administration and Financial Management, Department for Community Based Services (DCBS), CHFS; Andrea Day, Director, Division of Child Care, DCBS, CHFS; Julie Brooks, Policy Specialist, Department for Public Health (DPH), CHFS; Mike Tuggle, Assistant Director, Division of Administration and Financial Management, DPH, CHFS; and Andy Waters, Assistant Director, Division of Maternal and Child Health, DPH, CHFS.

LRC Staff: Stefan Kasacavage, Hillary Abbott, Kelly Ludwig, and Rachel Hartley.

Approval of minutes for the meeting of February 23, 2026

A motion to approve the February 23, 2026, meeting minutes was made by Representative Roarx and seconded by Representative McPherson. The meeting minutes were approved by voice vote.

Tobacco Settlement Budget Report from the Cabinet for Health and Family Services

Rachel Dockal, Director, Division of Administration and Financial Management, DBHDID, CHFS, detailed how their annual appropriation of tobacco settlement funds is primarily directed toward substance use prevention and treatment for pregnant women. DBHDID leverages a combination of direct tobacco settlement funds, restricted funds, general funds, and federal grants, with most expenditures going to services through contracts with community mental health centers and other partners across the state. Administrative costs are kept minimal, with most resources funneled into programs that support pregnancies and children.

Sarah Johnson, Director, Division of Substance Use Disorder, DBHDID, CHFS, stated the outcomes of these investments are measured in long-term public health improvements including lower maternal complications and decreased child welfare and criminal justice involvement.

In response to Representative King, Ms. Johnson stated she will provide the committee with the number of women served in each program DBHDID supports.

In response to Co-Chair Howell, Ms. Johnson outlined how high-risk populations are identified and the process for referrals from medical providers.

In response to Representative McPherson, Ms. Johnson outlined the continuum of care as children grow older and age out of specific programs.

Misty Sammons, Director, Division of Administration and Financial Management, DCBS, CHFS, discussed the use of tobacco settlement funds for early childhood education and foster care supports including the all-stars quality rating and improvement system for early childhood education providers, scholarships for child care workers, and subsidies for families unable to afford child care payments.

In response to Chair Pollock, Andrea Day, Director, Division of Child Care, DCBS, CHFS, stated one scholarship is administered by the Kentucky Higher Education Assistance Authority, which covers full tuition of a college degree for child care workers and another scholarship for those seeking credentials rather than a college degree.

In response to Representative McPherson, Ms. Day stated scholarship recipients have a minimum service requirement to work in Kentucky.

In response to Co-Chair Howell, Ms. Day stated high turnover in the child care field is attributed primarily to low wages and the inability of small businesses to offer competitive salaries or benefits, which is a trend consistent with national data.

Julie Brooks, Policy Specialist, DPH, CHFS, presented on several programs overseen by DPH and supported by tobacco settlement funds, including Health Access Nurturing Development Services (HANDS) that receives a mix of funding and is implemented primarily through local health departments and nonprofit agencies. Funding allocations are based on service volume and utilization, with adjustments made mid-year as needed. Performance is closely monitored, with federal benchmarks guiding outcomes. Recent data showed significant improvements in postpartum care follow-up, well-child visits, and daily reading to children, all contributing to healthier families and early childhood development.

The smoking prevention and cessation program also benefits from tobacco settlement funds, which are used for program implementation, while federal funds cover administrative costs. The program has contributed to a decline in adult and youth smoking, and increased quit line usage.

The lung cancer screening initiative supports staff and local outreach, providing screenings for uninsured and underinsured individuals and supporting quality improvement in healthcare centers.

Early childhood oral health initiatives use tobacco settlement funds to provide dental varnishes and to expand dental hygiene teams, with a loan repayment program for dental graduates who commit to serving in under-resources areas for four years. Funds have also been used to upgrade water systems in small communities.

The Healthy Start program, now an optional service for local health departments, focuses on training and consulting with child care centers to ensure safety and compliance, with all funding passed through to local agencies.

Early childhood mental health services, for children from birth to age five, are funded through DPH and reallocated to support specialists in community mental health centers and consultants for child care. These programs can bill Medicaid and private insurance for some services, but tobacco settlement funds cover non-billable services.

In response to Representative McPherson, Ms. Brooks stated local health departments conduct prevention and education initiatives to combat youth vaping, including alternatives to suspension for students caught vaping.

Representative McPherson requested detailed information on the reported 16 water systems that have received upgrades.

In response to Chair Pollock, Ms. Brooks stated the smoking cessation efforts target youth for prevention and all ages for quitting, with the quit line serving as a primary resource for individuals seeking help.

In response to Representative King, Ms. Brooks stated infrastructure improvements to water systems benefit the entire community and reduce exposure to contaminants like lead, which can erode tooth enamel and increase dental care costs.

In response to Co-Chair Howell, Ms. Brooks outlined the competitive application process for selecting water systems for upgrades, healthcare facilities for lung cancer screening, and smoking cessation programs, which is based on a local needs assessment.

Co-Chair Howell requested additional information on how dentists are matched to underserved areas and whether retention is tracked beyond the required four-year service period. Co-Chair Howell also requested data regarding geographic tracking of cessation efforts to determine which messages and interventions are most effective in different regions.

In response to Co-Chair Howell, Ms. Brooks briefly described the quality improvement program as supporting healthcare facilities in data monitoring and promoting best practices. Ms. Brooks stated the integration of chronic disease programs within the same division allows for coordinated efforts and data sharing. The age range for lung cancer screenings is 50 to 80 years old.

Adjournment

There being no further business, the meeting was adjourned.