

4.8 Quiz

Quiz Result

Excellent! You are gaining a good understanding of the module. Well done! You may now proceed to the next activity.

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Time taken	1m 1s
Grade	10/11

4.8 Quiz

1. When you plan to set up a health promotion fund through an innovative and sustainable financing mechanism, evidence generation and mobilizing political support are the main strategies involved in getting started.

Your Answer (Correct):

• True

Correct Answer:

• True

Before setting up a health promotion fund, it is important to determine whether there is any political support for such an initiative. If there is seemingly no backing, it is wise not to progress until there is at least some interest at the government level. Ideally, the Health Minister and the Finance Minister would be supportive.

In Thailand, the Minister of Finance was an early supporter of the concept, which was seen as complementing the national Fiscal and Financial Master Plan for Social Development. The ability to address health issues through prevention and health promotion must always be cited as the major reason for seeking new funding mechanisms for a health promotion fund. The case should be based on evidence, which will require the gathering of baseline data highlighting population health status and trends.

2. Which of the following strategies is needed to set up a health promotion fund?

Your Answer (Correct):

- Strong leadership and dedication
- Generate evidence-based resources
- Mobilise political support
- Prepare draft legislation
- Raising public awareness
- Be prepared for opposition

Correct Answer:

- Strong leadership and dedication
- Generate evidence-based resources
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- Prepare draft legislation
- Raising public awareness
- Be prepared for opposition

All the above. Countries that have increased tobacco tax for health promotion and tobacco control funds and created appropriate funding mechanisms for their distribution have identified several key strategies.

These include

- mobilising political support (identifying a champion/ campaign leader with strong leadership and dedication),
- establishing evidence-based resources,
- raising public awareness (assessing and planning for the public awareness campaign to educate the public about the issue are important steps),

- prepare draft legislation (it will be useful to have a clear concept of the source of fund and fund management that depends on the administrative and legislative structures in place for collecting the tax (surcharge or dedicated tax) on tobacco, alcohol, or sugar-sweetened beverage.

Such draft legislation is a useful tool for advocacy and it will help to clarify what is being proposed.

3. What kind of evidence is needed to convince policymakers to support innovative and sustainable financing for health promotion?

Your Answer (Correct):

- Major non-communicable diseases (NCDs) burden in the country
- Healthcare costs from major preventable risk factors (economic loss)
- Health, economic, and social loss in the country
- Comparison between overall existing health care expenditure vs. health promotion/tobacco control budget
- Public support (public opinion poll)

Correct Answer:

- Major non-communicable diseases (NCDs) burden in the country
- Healthcare costs from major preventable risk factors (economic loss)
- Health, economic, and social loss in the country
- Comparison between overall existing health care expenditure vs. health promotion/tobacco control budget
- Public support (public opinion poll)

All the above. It is important to undertake local research to generate evidence that can be used as key messages to convince policymakers that raising taxes as an innovative and sustainable financing for health promotion will be economically cost-effective as well as have positive health benefits.

The evidence should cover the following:

- Epidemiology, health-related evidence of disease burden study (major non-communicable diseases (NCDs) burden, healthcare costs, social costs of consumption, productivity loss, and others.
- Comparison between overall existing health care expenditure vs. health promotion/tobacco control budget
- Public support (conduct public opinion polls to measure the public's views and support towards the proposed policy)

The above evidence can be used as a persuasive argument to support the need to establish an innovative financial mechanism for health promotion. It may also serve as baseline data for future evaluation.

4. Which tobacco control measure is the most cost-effective and high return on investment?

Your Answer (Correct):

- Tax increase

Correct Answer:

- Tax increase

Based on the United Nations Development Programme (UNDP) study on the return on investment, the aggregated results from more than 20 investment cases showed

Intervention	Average ROI (15 YEARS)
Tax	460
Ban on tobacco advertising, promotion, and	292
Warning labels	232
Smoke-free	121
Standardised/plain packaging	121
Mass media	87
Cessation advice	4

5. When the Ministry of Finance (MOF) disagrees with 'earmarked tax' as it is against fiscal discipline, what arguments/advocacy points can be used to convince them to use fiscal measures to generate sustainable financing for health promotion funds?

Your Answer (Correct):

- Suggest requiring the industries to pay an extra 2% excise tax, dedicated to the Health Promotion budget (making the polluters pay)
- MOF will get the full amount of the excise tax revenue they are expected to get
- The 2% surcharge/additional excise tax is a very small amount compared to the total excise tax
- Public opinion supports using the sin tax (tobacco/alcohol) to fund health promotion
- Health promotion will improve health and save the healthcare budget (economic burden), complementing to government's Universal Health Coverage policy

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All the above. A common argument against a surcharge/dedicated tax is that this will set a precedent and may disrupt the country's financial discipline if more of such cases occur.

In addition to the five arguments, another way to engage policymakers who oppose a dedicated or surcharge tax to fund health promotion is by asking, "What other alternatives do we have?"

Either we retain the existing financial process/discipline, which neglects health promotion, and face the consequences of a growing healthcare burden, or we impose a surcharge tax on the industry, with the opportunity to gain additional government revenue to fund health promotion". In other words, we have to weigh the benefit of improving health and saving lives against preserving financial discipline.

6. You would like to persuade and convince policymakers to dedicate funds to tobacco control and health promotion programmes which will ultimately have a positive effect on the health of the community. The following steps/arguments are necessary to achieve this?

Your Answer (Correct):

- Provide evidence of the
 - 1) health and economic burden of non-communicable diseases (NCDs)
 - 2) the benefit of health promotion
 - 3) sin tax (tobacco/alcohol) for health promotion
- Propose the funding/budget source to derive from additional 'surcharge' tax from the industries (polluter pay principle)
- The government is responsible for protecting/promoting health and societal development
- Frame the arguments as health, economics, and development issues, as well as support the country's Universal Health Coverage (UHC) policy)
- The government's obligation to international guiding principles: World Health Organization Framework Convention on Tobacco Control (WHO FCTC), United Nations NCDs Declaration, 2030 Agenda for Sustainable Development Goals (SDGs)

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7. What is another term used in some countries that is similar to 'surcharge' (the tax that the industry pays on top of the excise tax)?

Your Answer (Correct):

- Compulsory contribution

Correct Answer:

- Compulsory contribution

The term "surcharge tax" or "compulsory contribution" refers to requiring the industry to pay a percentage of "additional tax" on top of the excise tax. The full amount of excise taxes is collected by a finance ministry and, at the same time, the additional surcharge tax or compulsory contribution is directed to the health promotion or tobacco control fund.

The fund provides adequate and sustainable funding for a broad range of health promotion programmes that would continue to bring immediate and major benefits to the community.

8. Which health promotion foundation/tobacco control fund has used the term above?

Your Answer (Correct):

- Vietnam Tobacco Control Fund

Correct Answer:

- Vietnam Tobacco Control Fund

Vietnam Tobacco Control Fund (VNTCF) was established under the Tobacco Control Law passed by the National Assembly of Vietnam on 18 June 2012 and effective on 1 May 2013. The funding source for VNTCF is derived from a compulsory contribution, which is calculated as a percentage of the excise tax-based prices (factory price) imposed on tobacco manufacturers and importers.

They are required to contribute one percent (1%) of factory prices of all cigarette packs produced locally or imported to be consumed in the country, beginning from 1 May 2013. This tax will be increased to 1.5% from 1 May 2016 and 2% from 1 May 2019. The fund is also open for voluntary contributions from national and international organisations and individuals as well as other legal sources. All the collections received are directed to the Fund and used for the prevention and control of tobacco harms.

To learn more about VNTCF, please visit:

<https://hpfhub.info/fund-management/a-global-overview-of-health-promotion-funds-and-the-agencies-that-govern-and-manage-them/vietnam-tobacco-control-fund-2013/>

9. Below are the common arguments used by the tobacco industry and its front groups to spread false information against raising tobacco taxes to perpetuate misconceptions. Match each of the following myth options commonly used by the industry.

Your Answer (Correct):

-

**Penalises
the poor**

Poor people are penalised more by increased tobacco taxes.

Job Losses

If the demand for tobacco falls there will be permanent job losses in many countries.

**Lost
revenue**

Tobacco tax increases will result in lost revenue. If demand for cigarettes falls when prices are increased, then revenues must fall as well.

**An
unpopular
action**

Increasing tobacco taxes will be unpopular with the people, who do not support tax increases.

**Promote
smuggling**

Higher cigarette taxes will result in more cigarette smuggling.

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10. Tobacco and alcohol manufacturers should be held responsible for their harmful products. What principle is applied here?

Your Answer (Correct):

- Polluter pay principle

Correct Answer:

- Polluter pay principle

It is worth considering that the social, economic, and health costs of tobacco/alcohol/sugar-sweetened beverage consumption should be shifted to related companies by introducing an additional surcharge tax on their products dedicated for use in health promotion to lessen the government's health cost burdens. In adopting a policy to increase tobacco/alcohol/sugar-sweetened beverage taxes and dedicating a small surcharge to fund health promotion, governments have not suffered any loss or reduction in revenue (based on the definition of a surcharge tax) but rather have gained from health care cost savings. Government has a legitimate right to impose a dedicated tax on the tobacco industry that can be directed to health promotion programmes.

11. Establishing an appropriate organisational model/mechanism for managing and disbursing the fund was one of the important steps to set up a health promotion fund. Identify the characteristics of each model below.

Your Answer (Incorrect):

Correct Answer:

- The governing board is attached to the government sector.
- The funds channelled from the government and administered by an independent body.
- Submit annual budget and strategic plan for government approval.
- Ministry of Health determines the annual budget allocation and sets the priority action areas.
- Independent Board of Directors have autonomy in decision-making over the development of action plans and their implementation.

Semi-autonomous agency

- Set up and managed by any government department.
- Minimise the potential for duplication of funding or effort.
- Gain direct access to policymakers or easier access to other government departments.
- Less independence, more ministerial control.
- Limited flexibility to undertake innovative and perhaps controversial programmes and activities.
- Capacity may be limited by bureaucratic requirements.

A unit within the governance structure

- 📌 Independent statutory body.
- 📌 Mandated by legislation.
- 📌 Guaranteed funding source through the legislation.
- 📌 Appointed to boards of governance.
- 📌 Operate without bureaucratic constraints.
- 📌 Multi-sectoral collaboration across a range of government departments, non-governmental and community-based organisations.
- 📌 Plan and implement long-term health promotion/tobacco control programmes.

Autonomous agency