

## STRATEGY 4: Seizing policy changes as opportunities for “breakthrough” increases in treatment use and quit rates

***“Pairing...public health policy changes with efforts to improve treatment access holds great promise for major breakthroughs in treatment use and quit rates.”***

Along with effective cessation media campaigns and treatment promotions, the *CDC Guide for Community Preventive Services* recommends two tobacco control policy interventions that increase cessation and treatment use and demand at the population level.<sup>3</sup> They are:

- Increasing tobacco prices/taxes.
- Reducing out-of-pocket cessation treatment costs through coverage expansions.

In addition, there is growing evidence that smoking bans and restrictions may increase quit attempts, quitting and treatment use. Pairing these public health policy changes with efforts to improve treatment access holds

great promise for major breakthroughs in treatment use and quit rates.

### **STIMULATING AND HARNESSING THE TREATMENT DEMAND THAT IS GENERATED BY TOBACCO CONTROL POLICY CHANGES**

#### ***Increasing Tobacco Prices/Taxes***

Higher cigarette prices induce smokers to quit, with the greatest effects on smokers in low-income and blue-collar populations where smoking rates are highest and treatment use is lowest.<sup>18</sup>

A 10 percent increase in cigarette prices reduces adult smoking prevalence by 2 percent, and it increases the probability of a quit attempt by 10-12 percent and of a

successful quit by 1-2 percent.<sup>3, 19</sup> More than 43 states and several cities (e.g., New York City, Chicago) have raised their tobacco taxes in the last five years, and there are signs that this trend will continue. Cost and tax increases also can boost treatment use when treatment options are widely available.

For instance, Frank Chaloupka and colleagues found that a 40-cent per pack increase in Illinois' state cigarette excise tax in 2002 more than doubled state quitline call volumes. Other studies have linked cigarette price increases to higher NRT sales.<sup>20</sup> Providing and promoting barrier-free cessation treatments at the time when tobacco prices or taxes take effect could help to convert more smokers to successful quitters.

### **Reducing Out-of-Pocket Treatment Costs**

Reducing treatment costs by increasing insurance coverage and reimbursement also boosts the

population quit rate.<sup>3</sup> The marked increases in public and private tobacco cessation treatment coverage over the past decade provide another key venue for boosting treatment use and quitting.

In 1995, only one state Medicaid program covered any tobacco dependence treatments. In 2005, 42 state Medicaid programs and 96 percent of U.S. health plans provided coverage for some form of evidence-based counseling or pharmacotherapy.<sup>21, 22</sup>

There is still much progress to be made in the number and type of treatments covered, and the extent of coverage. There is also a great need to promote these benefits.

One study found that only about 1/3 of smokers, and fewer than 2/3 of providers, in two states with generous Medicaid benefits were aware of these benefits.<sup>23</sup> There are similar findings for health plans.<sup>24</sup>

Several studies have now shown that smokers who are unaware of their treatment benefits are, not surprisingly, unlikely to use them!

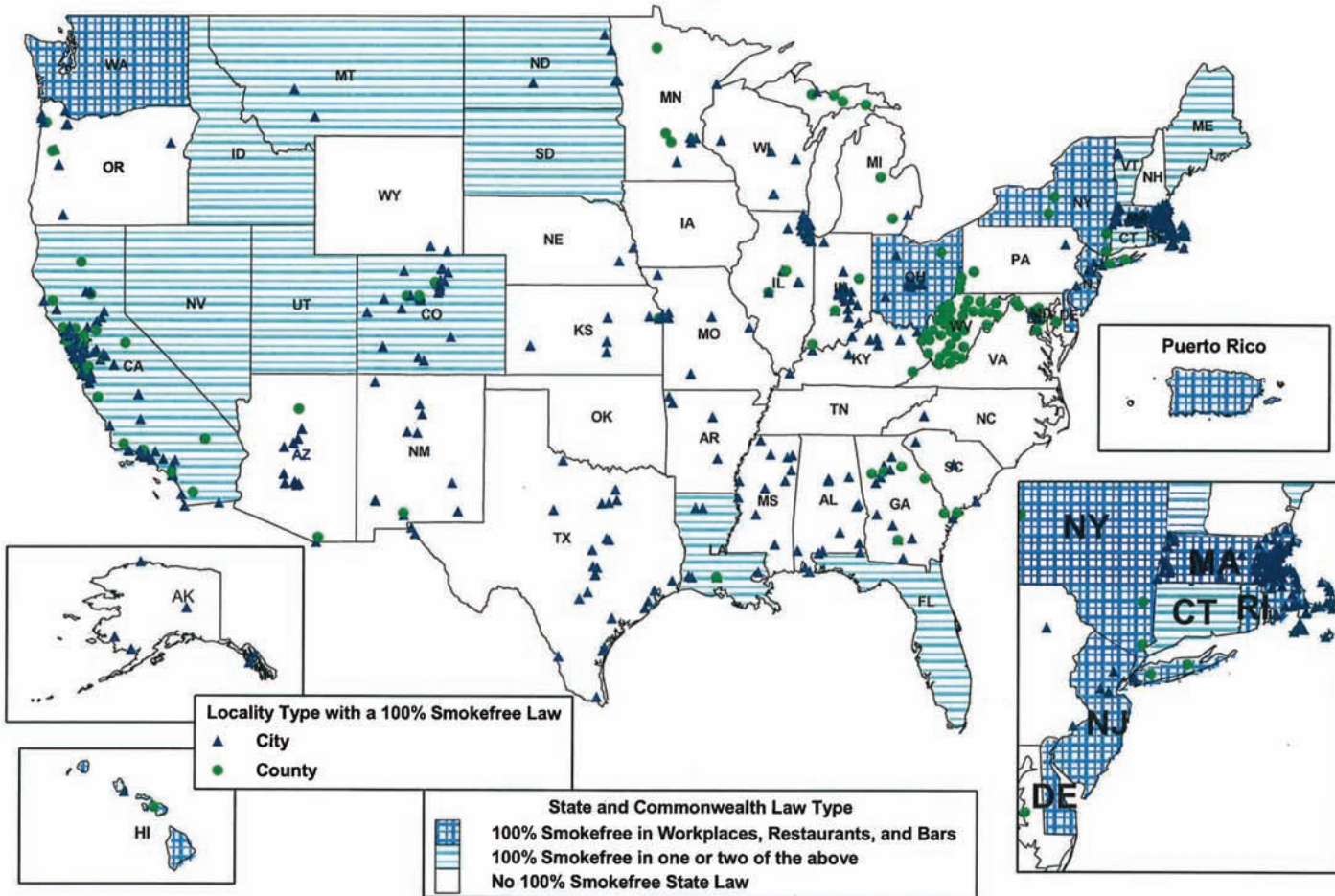
Reaping the full quitting and health benefits of expanded coverage requires promoting the coverage and reducing non-financial treatment access barriers.

Free quitlines have gone a long way towards eliminating such barriers. An increasing number of quitlines are even mailing free NRT samples to quitline callers, following strategies pioneered by Michael Cummings and colleagues throughout New York State.<sup>25</sup>

# United States 100% Smokefree Laws

American Nonsmokers' Rights Foundation

*In effect as of April 2, 2007*



### **Smoke-Free Air Laws**

As of April 2007, 35 states, Washington D.C., Puerto Rico and hundreds of municipalities had implemented or enacted 100 percent smoke-free provisions in workplaces and/or restaurants and/or bars – representing 54.8 percent of the U.S. population.

There is growing evidence that smoking bans and restrictions not only reduce harmful secondhand smoke exposure but also consistently improve revenue streams for bars and restaurants by attracting more business from nonsmokers. And they appear to significantly boost quitting motivation, quit attempts and treatment use.

For instance, quitline calls increased significantly following the implementation of New Zealand’s 2004 expanded smoke-free legislation – without any increase in quitline advertising.<sup>26</sup>

Fully seizing these policy “pushes” requires being proactive – getting out ahead of the policy implementation to anticipate and accommodate increases in treatment demand.

For instance, in preparing for January 1, 2008, when Baltimore’s new comprehensive smoking ban will take effect, Mayor Sheila Dixon has organized an NRT Initiative through which smokers can qualify for free nicotine patches or gum.

Similarly, several national groups and organizations – the National Tobacco Cessation Collaborative, North American Quitline Consortium, and Campaign for Tobacco-Free Kids – are working to develop policy “playbooks” to guide states/cities that pass smoke-free policies in ways to expand treatment access, capacity and promotion so they can take full advantage of the increase in quitting efforts and demand for treatment.

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With a new understanding of the business and human tolls of tobacco use from Oregon's "Make it Your Business" campaign, Ed Wallace Jr. decided to invest in tobacco cessation after a mechanic suffered a heart attack while fixing a motorcycle at his Harley dealership.

### **CLARIFYING AND HEIGHTENING THE INCENTIVES FOR PURCHASERS, HEALTH INSURERS, AND BUSINESSES TO EXPAND TOBACCO CESSATION TREATMENT ACCESS AND COVERAGE**

So called "meta-consumers" — health plans, employers and the government — have a tremendous influence on which products and services are offered to smokers and which are covered in part or in full.

Making the business case for tobacco dependence treatment is important. In addition to improving the health of employees, tobacco cessation products and services can improve employee productivity and performance. Good examples discussed at the Consumer Demand Roundtable meetings include:

- Oregon's "Make it Your Business Campaign," led by Dawn Robbins, starts by clarifying the true business costs of tobacco use, including the costs related to reduced smoker productivity. This campaign helped drive the

Public Employees Benefits Board, the state's largest health care purchaser, to offer a barrier-free tobacco cessation benefit.

- *Partnership for Prevention*, based in Washington, D.C., is developing a Workplace Program Guide as a tool to provide employers with guidance to implement the most effective and cost-effective health promotion interventions. Tobacco use screening and treatment top the list. The Guide will educate employers about the total costs of tobacco use, the total value of tobacco cessation activities (policies and treatments) and their impact on business success.
- Beginning in 1996, the National Committee on Quality Assurance (NCQA) added measures of tobacco cessation advice and assistance to its core HEDIS "report card" for managed care plans, and has promoted the use

of these measures in federal (Medicare) pay-for-quality initiatives (e.g., the Doctors Office Quality initiative). Including tobacco cessation treatment metrics in new pay-for-performance initiatives will provide enduring incentives for their delivery.

- Similarly, the *CEO Roundtable on Cancer* has developed employer guidelines for companies to be Gold Standard-certified. Requirements for promoting healthy lifestyles and cancer prevention include implementing a full indoor and outdoor smoking ban at the workplace, and providing evidence-based counseling and prescription and non-prescription medications for smoking cessation at no cost to employees. The CEO Roundtable on Cancer was convened to support a C-Change initiative, which is focused on demonstrating the

value and ultimate cost-savings associated with cancer prevention and early detection services and increasing coverage through employee benefit programs.

- The Healthy Workforce Act of 2007 proposed by Senator Tom Harkin (D-Iowa) and his staff includes a tax credit of \$200.00 per employee to businesses that offer comprehensive health promotion programs, including evidence-based preventive screenings, behavior change programs (including tobacco cessation treatments) and work environment and policy changes. To boost employee participation, companies would be encouraged to offer meaningful incentives, like reduced health insurance premiums.

# COVERAGE FOR TOBACCO USE CESSATION TREATMENTS

Why,

What,

and

How

## Why Is Health Insurance Coverage for Tobacco Use Treatments So Important?

- Smoking is costly to employers both in terms of smoking-related medical expenses and lost productivity.
  - Ten percent of smokers alive today are living with a smoking-related illness.<sup>1</sup>
  - Men who smoke incur \$15,800<sup>2</sup> (in 2002 dollars) more in lifetime medical expenses and are absent from work 4 days more per year than men who do not smoke.<sup>2</sup>
  - Women who smoke incur \$17,500<sup>2</sup> (in 2002 dollars) more in lifetime medical expenses and are absent from work 2 days more each year than nonsmoking women.<sup>1</sup>
  - In 1999, each adult smoker cost employers \$1,760 in lost productivity and \$1,623 in excess medical expenditures.<sup>3</sup>
  - Smoking causes heart disease, stroke, multiple cancers, respiratory diseases, and other costly illnesses. Secondhand smoke causes lung disease and lung cancer.<sup>4,5</sup>
  - Smoking increases costly complications of pregnancy, such as pre-term delivery and low birth-weight infants.<sup>6</sup>
- Smoking is the leading preventable cause of death in the United States.<sup>4,5</sup> Smokers who quit will, on average, live longer and have fewer years living with disability.<sup>7</sup>
- About 23% of American adults and 28% of teens smoke.<sup>11,12</sup> More than 70% want to quit, but few succeed without help.<sup>11</sup> Tobacco use treatment *doubles* quitting success rates.<sup>7</sup>

*Paying for tobacco use cessation treatments is the single most cost-effective health insurance benefit for adults that can be provided to employees.<sup>13, 14, 15</sup>*

## What Treatments Are Available? How Effective Are They?

Smoking cessation treatments have been found to be safe and effective. These include counseling and medications, or a combination of both.<sup>8</sup>

- Face-to-face counseling and interactive telephone counseling are more effective than services that only provide educational or self-help materials.<sup>9,16</sup>
- The effectiveness of counseling services increases as their intensity (the number and length of sessions) increases.<sup>7</sup>
- Smokers are more likely to use telephone counseling than to participate in individual or group counseling sessions.<sup>16,17</sup>



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
CENTERS FOR DISEASE CONTROL AND PREVENTION



To encourage businesses to offer cessation coverage, this guide provides information for businesses and government agencies on health insurance coverage for tobacco use cessation treatments.

- America's Health Insurance Plans (AHIP), the advocacy organization for U.S. health plans and insurers, promotes findings from health economists at the Center for Health Research at Kaiser Permanente Northwest. The research shows that the return on investment (ROI) for tobacco cessation services yields savings in as little as two years, and sooner for pregnant smokers. In addition to providing details on the business case, the website (<http://www.businesscaseroi.org/roi/default.aspx>) includes an interactive online "ROI calculator" that health plans can use to estimate their own cost savings.<sup>27</sup>
- Many employers cite the lack of information about the cost of cessation benefits as a barrier to coverage. Now that quitlines provide free counseling to smokers across the U.S., their concerns focus increasingly on pharmacotherapy. Marguerite Burns and colleagues examined

pharmacotherapy costs among Wisconsin state employees and found that they averaged only 13-cents per member per month.<sup>28</sup>

- To encourage businesses to offer cessation coverage, the CDC created “Coverage for Tobacco Use Cessation Treatments,” a guide that provides information for businesses and government agencies on health insurance coverage for tobacco use cessation treatments. This document explains why insurance coverage for tobacco cessation is important, what treatments are available to help employees, and how to design the treatment benefits. It is available online at [www.cdc.gov/tobacco/quit\\_smoking/cessation/00\\_pdfs/ReimbursementBrochureFull.pdf](http://www.cdc.gov/tobacco/quit_smoking/cessation/00_pdfs/ReimbursementBrochureFull.pdf).

#### **ALLOCATING MSA BONUS FUNDS FOR TOBACCO CONTROL: A “TWICE IN A LIFETIME” OPPORTUNITY**

Unfortunately, less than 4 percent of the original Master Settlement Agreement (MSA) funds awarded to the states have been allocated for tobacco control. However, beginning in 2008, the states that have not securitized their MSA funds will have a second chance as MSA bonus funds become available. In the coming year, efforts to help states allocate sufficient dollars for comprehensive tobacco control from the final 2008-2018 MSA bonus payments represent a critical policy lever, and one with enormous potential impact on tobacco cessation treatment access, use and demand. In addition, creating business incentives for corporate investment in publicly funded services, such as quitlines, also holds promise. For more information on the use of MSA funds by states, visit the Campaign for Tobacco-Free Kids’ website at <http://tobaccofreekids.org/reports/settlements>.

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