



Advancing Health & Performance Globally

## Smoking Cessation: A Productive Preventive Health Strategy for Employers

Tobacco use remains the single most preventable cause of death in the United States, despite this nation's relative success in reducing the national smoking rate to about 1 in 5 - a stubborn residual of 18% that remains well above the Healthy People 2010 goal (now the 2020 goal) of 12%.

The results are huge health care costs, and less appreciated but significant economic losses. A published study in the *Journal of Occupational and Environmental Health* calculated the average cost of lost productivity for a smoker in the workplace at \$4430 annually – or \$1800 higher than a non-smoker.

Treatment for tobacco dependence – both tobacco cessation counseling and FDA-approved medication – has been recognized by the Public Health Service and the Agency for Healthcare Research & Quality as the "gold standard" of health care cost effectiveness. This is easily understood given the U.S. Surgeon General's report on the impact of tobacco use on chronic diseases like cancer, cardiovascular and pulmonary disease.

## **Recommended and Now Mandated Covered Services**

Recommendations of the U.S. Preventive Services Task Force (USPSTF) call for health plans to cover, without cost-sharing:

- Screening for tobacco use and,
- For those who use tobacco products, at least two (2) tobacco cessation attempts per year.

Coverage for a cessation attempt includes:

• Four (4) tobacco cessation counseling sessions of at least 10 minutes each – phone, group and individual counseling without prior authorization;

Institute for Health and Productivity Management | Work Place Wellness Alliance 17470 N Pacesetter Way | Scottsdale, AZ 85255 | p: +1.480.305.2100 | f: +1.480.305.2189 website: www.ihpm.org/ihpm-global • All FDA-approved tobacco cessation medications – both prescription and over-the-counter – for a 90-day treatment regimen when prescribed by a health care provider, without prior authorization.

The importance of smoking cessation as a preventive health strategy has been recognized in the Affordable Care Act (ACA) mandate for tobacco cessation coverage without cost sharing by employees. IHPM recently carried out a survey both to (1) educate its large employer network on the "safe harbor" example of compliance with the ACA mandate, and (2) assess employers' plans for benefit design changes – if any – needed for compliance.

## IHPM Employer Survey Findings on ACA Mandate for Preventive Care

All but one of 13 large employer respondents from a cross section of industry sectors – energy, technology, chemicals, manufacturing, services – were aware of the tobacco cessation requirements of the ACA coverage mandate. Eight of these employers currently offered a smoking cessation program, all using an external vendor with whom they were at least "somewhat satisfied."

Employee participation rates in these programs ranged anywhere from 10 to 24% for a majority of the employers, and were lower or unknown for the others. Five of them do not require employees to share the cost of tobacco cessation counseling; the others plan to remove this cost-sharing requirement and provide full coverage.

Company communications about these programs are an important determinant of employee participation. Respondents found multiple channels to be at least somewhat effective: (1) e-mails; (2) company website/portal; (3) posted fliers; (4) home mailings; (5) materials provided during open enrollment; (6) referrals from on-site screenings.

Employers reported work force smoking prevalence rates ranging from less than 5% to more than 25%, with a majority reporting rates in the 11 to 20% range (recall the national average of 18%). Most used more than one data source to determine these rates – medical claims, worksite screenings, HRA surveys or plan selection with a premium differential for non-smokers. Nearly half the respondents relied solely on self-reports from employees, which typically understate smoking prevalence.

Nine respondents were aware of the USPSTF recommendations for tobacco use screening and coverage of tobacco cessation attempts. Four of these require copayments from their covered employees plan for FDA-approved tobacco cessation medications – one for prescription drugs only, the other 3 for OTC as well as Rx drugs. (Two employers did not cover either kind of medication, but one was planning to add coverage of both kinds).

## In Sum

While the U.S. has led the world in reducing the prevalence of smoking in its working population, there remains a significant opportunity to realize large medical and productivity cost savings by reducing the stubborn residual rate of 18% down toward the Healthy People 2020 Goal (formerly the 2010 Goal) of 12%.

This will require a 33%, or one-third, reduction in the work force smoking population – a challenging goal for the next 3-and-a-half years, made more so by the availability of e-cigarettes as a barrier to reaching it. The ACA mandates for full coverage of preventive health practices without cost-sharing, however, should aid progress in reducing the residual rate of 1 in 5 smokers in the U.S. work force.

There is room for improvement, and the consequences – for future health care cost savings and productivity gains – can be profound.

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