

Helping Smokers Quit: Why MaineCare should cover smoking cessation medications

Too many Mainers with low incomes smoke. The most recent BRFSS survey data shows that nearly 40% of those who said they are insured by MaineCare also said they smoke. This is more than double the adult general population.ⁱ

It is estimated that smoking related illness increases costs in the MaineCare program by \$216 million per year.ⁱⁱ This is a preventable cost that could be avoided or at least reduced by supporting cessation.

Survey data tells us that smokers with low incomes want to quit at rates similar to the general population (70%). There is an opportunity to help them quit if we assist them.

A recent study that tracked a smoking cessation program in Massachusetts's Medicaid program found that there was a statistically significant decrease in the rate of myocardial infarctions (heart attacks) among those who accessed the smoking cessation benefit. They also found that the cost of providing the cessation benefit saved \$3.12 for every dollar spent. These are not just long-term avoided costs, but near-term. The study covered a period of two and half years.ⁱⁱⁱ

I have attached the study for your review.

In the supplemental budget passed in May, LD 1746, the Legislature eliminated coverage of smoking cessation medications within MaineCare. This removed about \$1.2 million available to purchase both nicotine replacement and prescription medications. The Maine Tobacco Helpline does provide vouchers for NRT to prospective quitters. However, it is important to note that they cannot provide reimbursement for prescriptions and they only have a budget of about \$450,000 for vouchers. These are vouchers that in previous years were used by those Mainers who did not have access to a smoking cessation insurance benefit. In other words, that money was already spoken for.

With the elimination of coverage for smoking cessation medications within Medicaid, Maine is now only 1 of 3 states, joining Alabama and Georgia that only cover these medications for pregnant women, as required by the Affordable Care Act.^{iv}

We were very disappointed to see this cessation medication benefit eliminated in the last session and feel that it is a lost opportunity to save lives, improve health and reduce healthcare costs.

ⁱ BRFSS 2010, Part B analysis provided by Maine CDC

ⁱⁱ Campaign for Tobacco Free Kids, Toll of Tobacco: Maine

ⁱⁱⁱ Richard P, West K, Ku L (2012) The Return on Investment of a Medicaid Tobacco Cessation Program in Massachusetts. PLoS ONE 7(1): e29665. doi:10.1371/journal.pone.0029665

^{iv} American Lung Association, "Helping Smokers Quit: Tobacco Cessation Coverage 2011."



ISSUE BRIEF

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Does curbing tobacco use lower health care costs?

Takeaways

- Tobacco use is the leading cause of preventable death in the United States and costs the nation \$96 billion annually in healthcare costs and an additional \$97 billion in lost productivity.¹
- Tobacco prevention and cessation efforts, especially well-funded and comprehensive programs, are proven to reduce tobacco use and lower associated healthcare costs, providing a strong return on investment (ROI).
- Despite revenue streams from tobacco use and high ROIs, the most successful prevention programs have been cut repeatedly over the past five years.

cataracts, peptic ulcers, adverse surgical outcomes, low bone density and reduced fertility in women, fetal deaths and pregnancy complications, and a “diminished health status” that leads to more sick days taken and more healthcare services needed.

According to the Centers for Disease Control and Prevention, smoking³ rates are higher among people under age 65 with Medicaid insurance (31%) and those without any health insurance (32%) than among U.S. adults overall (19%). Efforts to reduce tobacco use, especially among Medicaid participants and the uninsured, could significantly reduce healthcare spending.

COMPREHENSIVE PROGRAMS HAVE THE HIGHEST ROI

California has the longest history of tobacco programming, the oldest comprehensive smoke-free workplace law, and the most money invested in tobacco control. Researchers found that the decline in smoking rates substantially reduced personal healthcare expenditures in the state. The ROI was approximately \$50 saved for every \$1 invested.⁴

Before the recent recession, the state of Washington funded a comprehensive prevention and cessation program to complement its smoke-free workplace law and high tobacco tax. Researchers narrowed the ROI calculation to include only the incidence and hospitalization data from strokes, heart disease, respiratory ailments, and the four leading types of cancer attributed to cigarettes. The ROI exceeded \$5 in healthcare costs saved for every \$1 invested.⁵

In 2006, Massachusetts began offering adults with Medicaid insurance smoking cessation medications

Overview

Over the past few years, researchers have looked at tobacco prevention and cessation programs in different states, estimated the amount of healthcare costs each program has saved, and compared that number to the cost of each program. The calculations yield a ROI ratio that highlights the need for these programs.

THE HEALTH AND ECONOMIC IMPACT OF TOBACCO USE

Tobacco use costs the United States nearly \$200 billion every year in healthcare costs and lost productivity. Cigarette smoking² contributes to 10 types of cancer, cardiovascular disease, lung disease,

| State | ROI | ROI's comprehensive cessation program | What was included in ROI calculation | Total State Expenditures on Tobacco Prevention and Cessation | | |
|-------|-----------------------------------|--|--|--|---------|---------|
| | | | | FY00 | FY07 | FY12 |
| CA | \$50 saved for every \$1 invested | Most comprehensive program in the United States* | Looked at all health care expenditures | \$134.5M | \$84.0M | \$70.0M |
| WA | \$5 saved for every \$1 invested | Comprehensive program | Only looked at hospitalizations for seven types of major illness | \$17.5M | \$27.1M | \$0.8M |
| MA | \$3 saved for every \$1 invested | Medicaid-focused cessation program | Only looked at hospitalizations for cardiovascular disease | \$48.0M | \$9.3M | \$4.2M |

*Elements of California's program include:

- Aggressive media campaign that de-glamorizes tobacco use and the tobacco industry
- Public policy changes that limit the availability of tobacco products and reduce exposure to second hand smoke
- Promotion of services that help smokers quit
- Youth-focused educational outreach
- Overall program funding at CDC-recommended levels

and nicotine replacement products, reaching more than a third of these adults and triggering a 26 percent drop in that segment's smoking rate. Researchers narrowed the ROI calculation even further, comparing the cost of this program with the decrease in hospital admissions for cardiovascular conditions among program participants, and determined that \$3 in medical costs were saved for every \$1 invested.⁶

REVENUES GENERATED FROM TOBACCO USE ARE NOT SPENT ON TOBACCO CONTROL

Despite the ROI provided by tobacco prevention and cessation programs, taxes and other revenues generated from tobacco are rarely dedicated to these programs. As a result, tobacco control programs are often underfunded in times of prosperity and cut during economic hardship.

In 1994, the state of Mississippi sued the tobacco industry seeking reimbursement for healthcare costs associated with cigarette smoking. This lawsuit, and subsequent suits from other states, resulted in the \$206 billion Master Settlement Agreement (MSA). Most of the MSA revenue, however, is not used to address smoking rates. In fiscal year 2012, states will receive \$25.6 billion from the MSA and tobacco

taxes but only spend \$456.7 million on prevention programs.

CONCLUSION

ROI equations need to be considered when looking at federal and state spending priorities, especially when funding streams generated by tobacco use are available for policies and programming to prevent youth smoking and help smokers quit.

WANT TO KNOW MORE?

- [Interactive Tobacco Map Provides Latest Data \(RWJF\)](#)
- [For the Public's Health: Investing in a Healthier Future \(IOM\)](#)
- [The 1998 State Tobacco Settlement 13 Years Later \(CDC\)](#)

¹ www.pe.com/local-news/topics/topics-health-care-headlines/20120622-health-mapping-your-life-history-for-better-care.ece
² www.cdc.gov/tobacco/data_statistics/sgr/2004/pdf/executivesummary.pdf
³ www.cdc.gov/nchs/data/series/sr_10/sr10_252.pdf
⁴ www.plosmedicine.org/article/info%3Adoi%2F10.1371%2Fjournal.pmed.0050178
⁵ http://ajph.nphapublications.org/doi/pdf/10.2105/AJPH.2011.300506
⁶ www.plosone.org/article/info%3Adoi%2F10.1371%2Fjournal.pone.0029565