

FAQs from Employers and Associations

The following are frequently asked questions you might receive from employer associations or employers during your outreach.

1. Why should employers focus on something that they consider to be a habit/lifestyle choice, like smoking?

Smoking is not just a habit, it is often an addiction to nicotine. In fact, nicotine addiction from smoking is a chronic, relapsing medical condition, one that costs employers \$193 billion every year.¹ During 2001-2004, average annual smoking-attributable healthcare expenditures were approximately \$96 billion.¹

Smoking cessation is as cost-effective as childhood immunizations and daily aspirin use in high-risk adults, and more cost-effective than other frequently covered adult disease-prevention interventions, including hypertension and high cholesterol.²

When smokers try to quit without treatment or counseling, only three to five percent stay quit for up to one year.³ Employers can help increase the proportion of employees who quit successfully by offering health coverage that includes comprehensive coverage for smoking cessation.⁴

According to a Milliman report, employers who implement comprehensive smoking cessation coverage see an annual decrease in medical and life insurance costs of at least \$210 for each employee or dependent who quits smoking.⁴

2. What should I cover for smoking cessation?

Components of a comprehensive smoking cessation benefit as outlined by the US Centers for Disease Control and Prevention (CDC) and Agency for Healthcare Research and Quality (AHRQ) include the following:⁵

- Cover at least four counseling sessions of at least 30 minutes each, including telephone and individual counseling sessions
- Cover all FDA-approved smoking cessation prescription and over-the-counter treatments
- Provide counseling and medication coverage for at least two smoking cessation attempts per year
- Eliminate or minimize co-pays/deductibles for counseling and medications

3. Are there any recommendations about how employers can implement comprehensive smoking cessation coverage?

There are several publications that can guide employers through a comprehensive smoking cessation offering. Below are two:

- [National Business Group on Health \(NBGH\): Purchaser's Guide to Clinical Preventive Services](#). The NBGH developed a guide to help employers develop a health offering for employers. Included is a section focused on smoking cessation titled "Evidence-Statement: Tobacco Use Treatment," which includes:
 - A cost-benefit analysis of preventive intervention for tobacco use cessation
 - An overview of recommended preventive intervention
 - Recommendations from the Centers for Disease Control and Prevention, the US Public Health Service (PHS) and the Centers for Medicare and Medicaid Services

The "Evidence-Statement: Tobacco Use Treatment" is included in Resources. A full copy of the Guide is available at:
www.businessgrouphealth.org/benefitstopics/topics/purchasers/fullguide.pdf

- [PHS Clinical Practice Guideline *Treating Tobacco Use and Dependence: 2008 Update*](#). According to the updated Guideline, tobacco dependence treatments are both clinically effective and highly cost-effective relative to interventions for other clinical disorders. Insurers and purchasers should ensure that all insurance plans include effective counseling and medication as covered benefits, and the Guideline outlines key inclusions for any smoking cessation benefit. Created by several organizations including the PHS, AHRQ, CDC, National Cancer Institute, National Institute on Drug Abuse and American Legacy Foundation, the Guideline gives direction to physicians, insurers and employers on best practices for treatment and coverage. For a summary fact sheet, see Resources. A full copy of the Guideline is available at:
www.surgeongeneral.gov/tobacco/treating_tobacco_use.pdf

4. Why is now a good time to encourage employers to implement comprehensive smoking cessation coverage?

The first step to reducing smoking prevalence is for smokers to make a quit attempt, and the passage of a new tobacco control policy can be the trigger that motivates employees to quit smoking. This has been the case in New York City, Minnesota and many other states and municipalities that have passed smoking bans and cigarette tax increases.^{6,7}

When smokers try to quit without treatment or counseling, only three to five percent stay quit for up to one year.³ Employer-sponsored smoking cessation programs and comprehensive coverage including access to treatment and counseling have been shown to be effective in helping smokers quit successfully.³

5. I don't have many smokers in my organization, and/or I have very high turnover. If I won't see cost savings from smoking cessation in the next five years, why should I make that investment?

Employers are impacted by significant costs from each employee who smokes; in a study of nearly 35,000 US employees, the average annual cost of health-related productivity loss was about \$4,430 per year for a smoker.⁸ According to a Milliman report, if your business implements comprehensive smoking cessation coverage, you could see an annual decrease in medical and life insurance costs of at least \$210 for each employee or dependent who quits smoking.⁴

Further, analyses by the Centers for Disease Control (CDC) have shown that smoking cessation benefits are either cost-saving or cost-neutral as early as three years after implementation.⁵

6. What does smoking cost employers?

Smoking is extremely costly for employers. Every year, smoking costs employers \$193 billion, including healthcare and lost productivity.¹ Annually, each smoker costs businesses about \$4,430 in health-related lost productivity alone.⁸

7. Are there examples of employers who currently provide comprehensive smoking cessation coverage and what is the result?

One large employer, highlighted in a case study by the National Committee for Quality Assurance, compared the cost of implementing a comprehensive smoking cessation program to the cost of healthcare and productivity losses due to smoking. The company concluded that if nine percent of smokers quit for one year, the resulting savings would offset the cost of a program. Through a program that included reimbursement for expenses, tools and resources for quitting and on-site counseling, the company saw a 25 percent quit rate among smoking employees.⁹

As another example, Pitney Bowes saw a 50 percent quit rate among employees enrolled in the comprehensive program in its first year. The company set up on-site clinics at two of its sites, providing free treatment, referrals to counseling, education materials and structured follow-up support.¹⁰

8. Is smoking cessation cost-effective?

Smoking cessation is as cost-effective as childhood immunizations and daily aspirin use in high-risk adults, and more cost-effective than other frequently covered adult disease-prevention interventions, including hypertension and high cholesterol.²

A 2007 NBGH survey, however, showed that while 70 percent of employers feel that offering smoking cessation benefits is the most effective way to encourage employees to quit, only two percent provide a comprehensive benefit as outlined by the CDC and AHRQ.¹¹ Benefits for smoking cessation, including both pharmacotherapy and behavioral support, cost employers less than \$0.50 per member per month (PMPM), while the PMPM cost to treat diabetes, hypertension and depression ranged from \$3.77 to \$4.74 for pharmacotherapy alone.^{4,12}

9. What is the ROI for a comprehensive smoking cessation benefit?

The National Business Group on Health's Center for Prevention and Health Services says that paying for tobacco cessation treatment provides more return on investment than any other adult treatment or prevention benefit.¹³ According to a recent Milliman report, employers who implement comprehensive smoking cessation coverage see an annual decrease in medical and life insurance costs of at least \$210 for each employee or dependent who quits smoking.⁴ A review of 56 studies published between 1989 and 2005 examining worksite health promotion programs found that for every \$1 spent on the program, employers saved an average of \$6.30.¹⁴

10. If we are considering adding a smoking cessation benefit, how should we go about it?

Discuss your options with your current health plan. Smoking cessation is often included by plans as a rider, which can be purchased separately for your employees. If they do not offer smoking cessation as a standard benefit, encourage them to consider adding it. There are alternatives to including smoking cessation in your company's health plan, including offering reimbursement to employees for the cost of physician visits and medication.

11. If we already offer a smoking cessation benefit, is there anything more that needs to be done?

Utilization of an existing benefit is as important as having the benefit itself. The new tobacco control policy presents a good opportunity to ensure that your employees are aware of their coverage. As an employer, you can also play an important support role for your employees trying to quit smoking by:

- Encouraging employees to set up a quit smoking plan with a physician
- Providing support and encouragement to employees prior to, during and following a quit smoking attempt (e.g., meetings for smokers attempting to quit, communications through e-mail or posters about the importance of quitting)
- Speaking with employees to get feedback on smoking cessation coverage to ensure there are no barriers limiting their ability to receive treatment

Finally, you may want to establish "check-in" points throughout the year, when the company reinforces the need for people to make a quit smoking attempt (e.g., New Year's or the Great American Smoke Out on the third Thursday in November).

12. How should we encourage employees to try to stop smoking?

Suggested activities for employers include:

- Check your current smoking cessation benefit and make sure it is comprehensive in nature (as outlined by the CDC and AHRQ)
- Reduce or remove any barriers to use by eliminating out-of-pocket costs for the employee and making counseling easily accessible
- Ensure that employees are aware of their smoking cessation benefit
- Capitalize on the new tobacco control policy and communicate how to quit smoking to employees via e-mail, posters or postings on the company intranet
- Encourage employees to speak with their doctor to set up a quit plan
- Develop natural “check-in” points when the company can encourage people to stop smoking; develop quarterly or monthly reminders about the stop smoking services provided by the company and its health plan
- Make the quit smoking environment as comfortable as possible for the smoker

¹ Centers for Disease Control and Prevention. Smoking-Attributable Mortality, Years of Potential Life Lost, and Productivity Losses – United States, 2000-2004. *MMWR*, November 14, 2008 / 57(45);1226-1228. www.cdc.gov/mmwr/preview/mmwrhtml/mm5745a3.htm. Accessed February 20, 2009.

² Partnership for Prevention. Priorities for America's health: capitalizing on life-saving, cost-effective preventive services. www.prevent.org/images/stories/clinicalprevention/executive_summary.pdf. Accessed February 13, 2008.

³ Hughes JR, Keeley J, Naud S. Shape of the relapse curve and long-term abstinence among untreated smokers. *Addiction*. 2004;99:29-38.

⁴ Fitch K, Iwasaki K, Pyenson B. Milliman Report – Covering smoking cessation as a health benefit: a case for employers. New York, NY: Milliman, Inc.; December 2006.

⁵ Centers for Disease Control and Prevention. Coverage for tobacco use cessation treatments: why, what, and how. Available at: www.cdc.gov/tobacco/quit_smoking/cessation/00_pdfs/reimbursement_brochure.pdf.

⁶ Centers for Disease Control and Prevention. Decline in Smoking Prevalence – New York City, 2002-2006. *MMWR*, June 22, 2007 / 56(24);604-608. www.cdc.gov/MMWR/preview/mmwrhtml/mm5624a4.htm. Accessed October 13, 2008.

⁷ Minneapolis Star Tribune. Statewide ban motivating Minnesota smokers to quit. December 11, 2007. www.startribune.com/lifestyle/health/12340141.html. Accessed October 13, 2008.

⁸ Bunn WB III, Stave GM, Downs KE, Alvir JM, Dirani R. Effect of Smoking Status on Productivity Loss. *J Occup Environ Med*. 2006; 48:1099-1108.

⁹ National Committee for Quality Assurance. Quality profiles: focus on tobacco dependence and smoking cessation. USA. June 2008.

¹⁰ Pacific Business Group on Health. Tobacco cessation benefit coverage and consumer engagement strategies: a California perspective. San Francisco, CA. June 2008 (revised).

¹¹ Finch R. National Business Group on Health. Smokers in the workplace: exploring employers' understanding and perceptions of the business impact of smoking. www.businessgrouphealth.org/meetings/forum2007/presentations/plenary/plenary6.pdf. Accessed August 26, 2008.

¹² Express Scripts. Drug Trend Report. 2007. www.express-scripts.com/industryresearch/industryreports/drugtrendreport/2007/. Accessed February 4, 2009.

¹³ National Business Group on Health, Center for Prevention and Health Services. Issue Brief. Reducing the Burden of Smoking on Employee Health and Productivity. 2003;1(5):1.

¹⁴ Chapman LS. Meta-evaluation of worksite health promotion economic return studies: 2005 update. *The Art of Health Promotion*. July/August 2005:10.