

Helping Benefit Oregon Smokers

Recommendations For Cessation Coverage

Oregon law now requires all private insurance plans based in Oregon to provide coverage to help tobacco users quit. To help ensure that the benefit works for health plans, providers and members, a multi-stakeholder collaborative of health plan representatives and members of the health care community have developed a set of evidence-based, benefit design recommendations.

The Helping Benefit Oregon Smokers recommendations outline the important elements of benefit design that have been shown to increase quit rates. By aligning tobacco cessation coverage with these recommendations, the health care industry can ensure greater effectiveness and efficiency across health plans and health care providers, creating the best opportunity to reduce the toll of tobacco, save lives and health care costs, and increase workplace productivity.

Elements of an Effective Benefit Design

1. Routine screening and referral to get members into treatment
 - Screen for tobacco use at every clinic visit for patients 15 or older and refer for treatment.
 - Identify smokers through health risk appraisals and prompt program registration through promotions in member communications.
2. Use of evidence-based treatment approaches
 - Combining medications and behavioral programs is most effective.
 - Multiple, flexible benefit options are needed to meet a range of treatment needs.
 - Menu of options should include individual and group programs, quitlines, and a selection of FDA approved medications.
3. Annual coverage of treatments singly and in combination
 - Medications and behavioral programs should be covered separately and in combination to create flexible options.
 - Medication combinations should be covered to increase flexibility and effectiveness.
4. Annual access to extended treatment services
 - Tobacco dependence is a chronic, relapsing condition. Some smokers need longer and repeated courses of treatment to quit permanently, so multiple quit attempts and/or extended treatment should be available.
5. Low or no out-of-pocket expenses
 - Cost of treatment is a deterrent, since many smokers are low-income.
 - Full coverage increases quit attempts, rates, and use of medications.
 - Health care reform specifies no co-pays for preventive services.
6. Reimbursement for program-based treatment professionals
 - Screening and referral should be included in routine health care.
 - Benefits should cover cost of specialized programs by trained professionals who meet professional standards and medications.
7. Measure outcomes
 - Track and regularly review physician performance, member participation rates, and member quit rates through 12 months to ensure quality and results.

Please see reverse for the economics and Return on Investment of tobacco cessation benefits.

To access the full Helping Benefit Oregon Smokers Health Plan Benefit Recommendations To Help Oregon Smokers Quit, please visit www.smokefreeoregon.com

Helping People Quit Delivers Strong Return On Investment

Smoking cessation programs are a fraction of the cost of treating tobacco-related illnesses and generate a positive Return on Investment (ROI). The relative costs and returns depend on the benefit design, utilization, and cost-sharing. However the benefits are structured, they are consistently demonstrated to be cost-effective for both employers and health plans. As more smokers quit, health outcomes improve and the Return on Investment increases over time.

Smoking cessation programs vary in comprehensiveness and intensity. As intensity increases, efficacy increases, and costs also increase. Although the health plan ROI PMPM is somewhat higher for the lower-intensity/lower cost interventions, in the long run higher intensity/higher cost interventions produce more quitters—increasing productivity and saving more money for employers.

Estimated Outcomes and Costs by Program Intensity					
Program Intensity	Quit Rates ¹	Enrollment rates ^{2a}	PMPM ^{2b}	ROI ³	
				Year 2	Year 5
Low	16%	6%	\$.19	\$.43	\$1.96
High	32%	6%	\$.45	\$.23	\$1.77

When a menu of benefit options is available, the actual amount of the benefit used will vary based on differences in treatment needs with some tobacco users using more and some less. This range of benefit use makes a benefit with multiple options a reasonable cost on average. In addition, annual use of the benefit is usually modest, since there are a limited number of smokers who are ready to quit at any one time.

Estimated Costs by Treatment Option*			
Option	Odds ratio ¹	Estimated quit rates ¹	Estimated costs ⁴
Counseling alone	1.5 (1.3-1.8)	16.2 (14.0-18.5)	\$175
Medications alone			
NRT/Bupropion	1.9-2.0 (1.7-2.2)	23.4-24.2 (21.3-26.4)	\$167
Varenicline	3.1 (2.5-3.8)	33.2 (28.9-37.8)	\$246
All types counseling + medications (includes individual/groups)	1.4 (1.2-1.6) vs. meds. alone	27.6 (25.0-30.3)	\$300-\$400 individual \$250-\$300 group
Quitline counseling + medications	1.3 (1.1-1.6) vs. meds. alone	28.1 (24.5-32.0)	\$350-\$400

* The reach of treatment options is important. Group programs can be less expensive per person and are effective, but may only be able to reach small groups of people. Individual programs are the most effective but a trained professional may not be available. Quitlines are widely available and are effective, but some patients may not be willing or able to use telephones. The recommendation is to offer more than one option whenever possible to reach more smokers.

¹ Fiore MC, Jaén CR, Baker TB; et al. *Treating Tobacco Use and Dependence: 2008 Update*. Rockville, MD: US Dept of Health and Human Services; May 2008.

^{2a & b} Covering Smoking Cessation as a Health Benefit: A Case for Employers. Milliman, Inc. 2006. http://www.legacyforhealth.org/PDFPublications/Milliman_report_ALF_-_3.15.07.pdf

³ *A Good Investment in a Bad Economy: The ROI Case for Helping Your Members and Employees Quit Smoking*. America's Health Insurance Plans Virtual Seminar: 09/17/09, Jeffrey L. Fellows, PhD, Center for Health Research, Kaiser Permanente NW.

⁴ Cost estimates provided by Oregon Tobacco Quit Line. Group rates provided by Oregon health plans. Individual rates based on Medicare reimbursement rates in Oregon. Medications costs provided by OHSU Pharmacy Information Service.