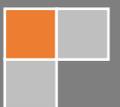


2018

# A Guide for Working with Employers to Provide Tobacco Cessation Coverage and Purchase Quitline Services



## Introduction

The Affordable Care Act (ACA) requires both self- and fully insured employers to provide tobacco cessation treatment without barriers for their employees. Public health professionals can serve as a resource to employers -- defining comprehensive cessation benefits, identifying evidence-based treatment programs and educating on the return-on-investment for quitline services. By engaging employers to purchase quitline services, state funding can be prioritized to serve uninsured and underinsured callers with a more robust package of services, including coaching and NRT.

The purpose of this guide is to provide information and easy-to-access resources to state health departments and their partners who are interested in improving cessation coverage and utilization of the quitlines among employers in their states. This guide includes an overview of the types of employers and other groups who purchase health benefits for employees and outlines the key processes that need to occur to successfully build cost-sharing partnerships with employers to improve cessation coverage and utilization of quitlines for treatment services. To demonstrate the application of the information, states' experiences and approaches to partnering have been included under Section IV.

## I. Know the Types of Employers and Other Groups who Purchase Insurance

Employers of all sizes provide health benefits for their employees. Large employers are most often self-insured. Self-insured employers manage their own financial risks and design their benefit plans. Smaller employers are often fully-insured, purchasing a package of services from a health plan, which in-turn carries the risk. Some employers or other groups may work with an insurance broker or underwriter who may sell and service contracts for multiple health plans.

### A. Self-insured employers

- a. Typically employ over 500 employees. The state is often one of the largest self-insured employers.
- b. Design their own benefits and manage their own financial risk.
- c. Utilize a third party administrator/health plan to process claims and manage other needs.
- d. Self-insured plans fall under Employee Retirement Income Security Act of 1974 (ERISA) laws administered and enforced by the Employee Benefits Security Administration (EBSA). ERISA does not require employers provide a benefit plan, but it regulates the operations of such health benefit plans.

### B. Fully-insured employers

- a. Typically employ 3-199 employees. The insurer carries the financial responsibility, not the employer. The insurer offers a defined set of benefits with options to buy additional benefits, often called a rider.
- b. Plans are regulated by the state's Department of Insurance.
- c. State legislation most often applies to fully-insured employers only.

### C. Purchasing groups

- a. Offer affordable group health coverage to businesses with less than 100 employees
- b. Referred to as purchasing co-ops, employer-purchasing coalitions, purchasing coalitions or alliances
- c. Educate leaders of purchasing groups rather than small employers.

### D. Brokers

- a. Some groups engage brokers who act as agents licensed by the state to sell and service contracts for multiple health plans.
- b. Wellness brokers specifically sell and service wellness programs which often include a cessation component.

## II. Identify Large Employers

Focusing on engaging large employers to provide cessation coverage and purchase quitline services can have the biggest impact on improving tobacco-users access to tobacco treatment. Identifying a state's largest employers can be done easily by searching online for "largest employers" in "x" state or by city, county or municipality.

As noted, the state is often the largest employer. Working with the state to improve its cessation benefits for state employees can have a significant impact on the number of tobacco users who have access to treatment. State employee benefits can also serve as a model for other employers.

## III. Assess Existing Employer Cessation Coverage

Conducting an assessment of an employer's cessation benefit coverage is key to identifying next steps or strategies for helping them improve their cessation benefit and accessing evidence-based treatment services. Typically, the Human Resource Director or the Wellness Program Director can help direct you to the person in charge of employee benefits. Don't be surprised if the person in charge lacks the knowledge of what cessation benefits are offered or that the employer offers no cessation coverage. In either case, it is a great opportunity for building a working relationship by helping them understand the type of coverage that provides the most benefit for both the employer and employee and how they can cost-effectively provide cessation services by using a quitline.

You may assess coverage through an oral interview, written survey and occasionally through online research of the employer's website. There are many sample cessation assessment tools available located at <https://www.naquitline.org/page/ResourceCenter> under the section, "Cessation Assessment Tools." Any of the tools can be tailored to meet your states needs.

## IV. Engage Employers in a Discussion on Offering Comprehensive cessation Coverage and/or Purchasing Quitline Services

Over the years, states involved in the NAQC Public-Private Partnership Initiative have taken many different approaches to "making the case" for cessation coverage and the purchase of quitline services. States quickly learned that employers considered coverage and/or use of the quitline for different reasons. The following is a brief sampling of the approaches or strategies states have used to improve an employer's provision of cessation treatment.

- A. Insurance premium differential or surcharges - Under the Affordable Care Act, insurers may charge a higher premium or surcharge to employees who use tobacco. However, they must provide the employee with a reasonable alternative to potentially avoid the higher premium/surcharge. Completion of a cessation program, such as a quitline program, can serve as a reasonable alternative for the employee.

### *Oklahoma's Experience*

An Oklahoma health system recently contracted with the state quitline for cessation services for their employees. For many years, the health system received 5 calls (10 calls for pregnant women) and two weeks of NRT at no cost. When the health system required attestation of cessation services for employees to receive the non-smoker insurance rate, the quitline offered to provide a year of reporting for free. To continue to receive the reports for attestation after the first year, Paola Klein, Oklahoma tobacco helpline coordinator worked out an agreement with the health system to pay for calls 2-5 (10 calls for pregnant women). The state agreed to continue to pay for 2 weeks of NRT.

### *North Carolina's Experience*

In North Carolina, a statute introduced by the General Assembly that required the State Health Plan for Teachers and State Employees charge a premium differential for tobacco users was the initial motivator for a change in state employee cessation benefits. Joyce Swetlick, director of tobacco cessation seized the opportunity to promote the quitline to the State Employee Wellness Director. Joyce emphasized the quitline's evidence-based programming, excellent quit rate and return-on-investment. As a result, the state partnered with the tobacco program to pay for quitline coaching services, a quit kit including eight weeks of patches for all state employees, and outcome evaluation.

- B. Passing smoke-free workplace policies - Employers implementing smoke-free workplaces often want to support employees in quitting tobacco by offering a cessation treatment program.

### *North Carolina's Experience*

When Orange County passed an ordinance for smoke-free public places they decided to provide free NRT to residents who participate in a tobacco cessation program. Through on-going communications, the county agreed to contract with the quitline to purchase 8 weeks of NRT, including patches, gum, lozenge, and combination therapy for all residents, including employees that call the quitline.

Since then, North Carolina has built an infrastructure to include ten regional tobacco control managers. As part of regional contracts with the Tobacco Prevention and Control Branch, the managers received training on techniques for engaging employers in discussions on cessation coverage, and asking payers to partner with the QuitlineNC.

- C. Limiting quitline eligibility - When a state decides to limit quitline services to only uninsured callers, employers can be prompted to purchase quitline services or NRT for their employees.

### *Utah's Experience*

As of July 2018, Utah's state quitline changed their eligibility criteria to prioritize services to the uninsured and Medicaid populations. Insured callers are now limited to 1 call and 2 weeks of NRT and are encouraged to call their health plan for additional services. Uninsured and Medicaid callers receive up to 5 calls and 8 weeks NRT. And, pregnant and postpartum women continue to receive the pregnancy program regardless of insurance status.

As a result of the eligibility change limiting quitline services to insured callers, the University of Utah Health Plans (an insurer serving employer plans and not related to the University) approached Sandra Schulthies, cessation services coordinator, and Julie Christie, health plan liaison, about purchasing quitline services. After multiple conversations, the Health Plan decided to contract for state quitline services for the full 5 call program for their members.

### *Kentucky's Experience*

Kentucky's quitline provides coaching to all callers but due to limited funding can only provide NRT to the uninsured and pregnant women. In August 2013, Northern Kentucky University decided to go tobacco-free. To show their support of faculty and staff, the University wanted to provide something for free. Building on an already established relationship, Bobbye Gray, the state tobacco cessation program administrator, successfully encouraged the University's benefit director to contract with the quitline to make NRT available for faculty and staff. As a result of this decision, an alumnus of the University offered to pay for NRT for students as well!

- D. Demonstrating return-on-investment (ROI) - It is well documented that tobacco cessation treatment has a positive return-on-investment. Public Health can ensure that employers understand the financial benefits of tobacco-use treatment interventions.

#### *Washington's Experience*

Washington state legislators rely on the Washington State Institute for Public Policy report to make funding and legislative decisions. An annual report summarizes whether a program's benefits exceed its cost and is updated every few years. The report's analysis of the quitline program calculated a 95% chance that the benefits are greater than costs. As a result, legislation was passed in 2008 requiring cessation coverage for Medicaid enrollees. Until that time, only pregnant women had coverage, and the coverage was limited to face-to-face counseling. Demonstrating the ROI of quitline services and showing that Medicaid was mandated to provide coverage because of the cost-benefit can be strong motivators for employers to provide coverage and purchase quitline services.

- E. Building relationships with brokers and underwriters - Insurance brokers work with multiple employers and can serve as a referral source for employers interested in implementing a tobacco cessation program.

#### *Kentucky's Experience*

Bobbye Gray, Kentucky's tobacco cessation administrator capitalizes on every opportunity to educate insurers, brokers and other key stakeholders about tobacco cessation coverage and the state quitline as a cost-effective cessation resource. Through her on-going efforts, she has built relationships with many of the state's insurance brokers, Medicaid MCOs and other key figures within the health plan industry. One of her successes in the commercial sector was the result of outreach to Kentucky Northwestern Mutual Insurance Company, an insurance underwriter. The Company decided to contract with the quitline service provider for NRT for its employees, as well as promoting quitline services to employers they insure.

#### *Arizona's Experience*

Arizona recently secured a contract with an employer Tucson Orthopedics with 300+ employees and family members. Over a year ago, the Human Resource Director reached out to ASHLine to inquiry about their cessation program because they were considering implementing a surcharge for tobacco users. Adrienne Lent, ASHLine's manager of public-private partnerships promoted ASHLine's employer program. Initially, the HR director did not want to spend any money on the program but almost a year later their insurance broker reached out to discuss contracting for quitline services. Building relationships with brokers takes time but these types of relationships have been instrumental in gaining quitline contracts with a number of Arizona employers, including Tucson Orthopedics.

- F. Mandating coverage through state legislation - State legislation that requires insurance plans to include cessation coverage can motivate employers and health plans to seek cessation treatment programs like quitlines.

#### *Kentucky's Experience*

Kentucky recently passed legislation that requires **fully-insured plans** and Medicaid to provide tobacco cessation coverage. This is a great step to increasing access to treatment and also provides an opportunity for states to promote quitlines as an evidence-based resource for meeting the legislative requirements. Remember ACA applies to both self- and fully-insured plans and state legislation only applies to fully-insured plans unless otherwise specifically noted in the legislation.

- **Kentucky Cessation Coverage Legislation**

Other states with legislation requiring cessation coverage, include: Colorado, Oregon, and Rhode Island.

- G. Promoting the “Value-Added” of quitlines - One of the biggest challenges to engaging employers to purchase quitline services is when the state quitline provides services to all residents for “free,” regardless of insurance status. However, when restricting eligibility is not an option, promoting the “value-added” of quitline services can be a win-win for both the employer and the quitline.

### *Arizona’s Experience*

In 2013, the ASHLine launched efforts to form tobacco cessation service partnerships with employers. In collaboration with the Arizona Department of Health Services (ADHS), a summit was held for employers, insurance brokers, and human resources professionals. ASHLine offered employers a free tobacco cessation program featuring additional services for the next three years. In 2016, Adrienne Lent, ASHLine’s manager of public-private partnerships revisited the seven employers who actively used the program. Information gathered included value-added services (services beyond basic quitline counseling and medication that the employer valued), program satisfaction, and interest in continuing the program via a cost-sharing partnership. Employers identified value-added services as monthly reporting for tobacco surcharges, assistance with on-site engagement, and promotion of insurance covered quit medications. As a result of the “value-added services,” a number of employers agreed to pay for the employer program.

***Cochise Combined Trust (CCT)*** – a consortium of entities offering employee benefits to Cochise County and Cochise Community Colleges employees was motivated to pay for quitline services because of the availability of monthly reports. CCT pays a per-person fee for those who enroll and receive quitline counseling.

***Pueblo Mechanical and Control, Inc.*** – a HVAC company contracted for quitline services because of the value-added services, monthly reporting and the promotion of insurance-covered quit medications. More specifically, the organization was excited about using their teledoctor program, which allows employees to obtain a prescription from a doctor through a remote video clinical session completed at the employee’s convenience. Pueblo Mechanical also pays a per-person fee for those who enroll and receive quitline counseling.

## **V. Educate Employers, Brokers and Others**

Educating employers, brokers and other key decision makers on the benefits of coverage and the ROI of providing treatment services is often a key factor in an employer decision to pay for cessation services.

To assist states in their education efforts, NAQC has developed PowerPoint presentations and a number of fact sheets in template format. Materials can be tailored with the state’s logo, quitline information and other state specific information. Materials developed by a number of states, including states participating in the NAQC Public-Private Partnership Initiative, are also included as resources and may be tailored to meet a state’s need.

### A. Power Point presentations (template format)

- **Tobacco Cessation Coverage: Creating a Healthier Workforce and Improving your Business’s Bottom Line**
- **Power Point Template: Partnering to Improve Tobacco Cessation Coverage in “X” State (for educating the state’s benefits director about state employee cessation coverage)**

### B. Employer educational materials

- **Staying Competitive in the Marketplace: Helping Employees Become Tobacco Free (NAQC-Quitlines)**
- **Helping Tobacco Users Quit is Smart Business (Arizona)**
- **Employer Cessation Toolkit -3 Ways to Quit (Florida)**
- **Employer Cessation – Benefits to Quit (Florida)**
- **Employer Cessation Brochure (Florida)**
- **Oregon Cessation Benefit (Summary)(Oregon)**

- [Recommended Summary Plan Description Language for Self-Funded Employers - Baseline Tobacco Cessation Covered Benefits \(Colorado\)](#)

C. [Employer return-on-investment \(ROI\) resources and fact sheets](#)

- [Calculating the Return on Investment: Employee Tobacco Cessation Coverage Utilizing Telephonic Counseling and Medication](#)
- [Employee Smoking Costs Employers! Providing Cessation Treatment Saves Money!](#)
- [Tobacco Cessation Treatment – Saving Money and Improving Employee Health](#)
- [Kentucky Quitline ROI Brief \(Kentucky\)](#)
- [Tobacco QuitlineNC Return on Investment for State Health Plan for Teachers and State Employees \(North Carolina\)](#)
- [Tobacco Cessation Return on Investment-Utah Overview \(Utah\)](#)

## VI. Promote the Purchase of Quitline Services

Once you have educated the employer on the benefits of providing employees with cessation treatment coverage, it is important that you discuss the options you can make available to him/her. A number of states have prepared partnership plans that outline the quitline services they can offer to employers. The ease of access to services, the evidence based nature of the services, national and state media promoting quitline services, health care referral systems and reports are some of the strong selling points for employers.

Sample Partnership Plans:

- [North Carolina Quitline Partnership Plan 2016](#)
- [Colorado Tobacco Cessation Partnership Plan](#)

States have utilized many different service models and payment mechanisms for the provision of quitline services to callers who are covered under a separate employer or health plan contract. A summary of those models and mechanisms are outlined in the document below.

Service Delivery Models and Payment Mechanisms

- [Making the Case-Public and Private Insurers Covering Costs of Quitline Services: Service Delivery Models and Payment Mechanisms](#)

Quitline service providers often contract directly with employers to provide quitline services rather than having the employer contract with the state. This contracting arrangement is often preferred as it simplifies the process for the state. For states that are unable to promote one service provider, a list of service providers is provided below.

Quitline Service Providers

- [Quitlines: Tobacco Cessation Services](#)

## Other Resources

To assist you in “making the case” to employers, links to a number of related research articles are provided below.

- [Smoking and Absence from Work: Systematic Review and Meta-analysis of Occupational Studies](#)
- [Estimating the Cost of a Smoking Employee](#)
- [Effect of Smoking Status on Productivity Loss](#)
- [Smoking-attributable Medical Expenditures by Age, Sex, and Smoking Status Estimated Using a Relative Risk Approach](#)
- [Healthcare Costs Around the Time of Smoking Cessation](#)

## ACKNOWLEDGEMENTS

### Authors and Contributors

NAQC would like to acknowledge two of its staff. First, we thank the author of this report, Deb Osborne. We also thank Natalia Gromov, who was responsible for layout and distribution of the report.

### Funder

This report is made possible through a Cooperative Agreement with The Centers for Disease Control and Prevention. The contents of this publication are under the editorial control of NAQC and do not necessarily represent the official views of the funding organization.

### Recommended Citation

North American Quitline Consortium (2018). *A Guide for Working with Employers to Provide Tobacco Cessation Coverage and Purchase Quitline Services* (Deb Osborne, Author). Phoenix, AZ.

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