ACHI
Arkansas Center for Health Improvement

ISSUE BRIEF

ACHI is a nonpartisan, independent, health policy center that serves as a catalyst for improving the health of Arkansans.

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Tobacco Cessation Services—An Essential Health Benefit?

A higher percentage of Arkansans use tobacco than on average in the United States. Not surprisingly, death rates in Arkansas because of heart disease and stroke are also substantially higher than in the broader U.S. population. Arkansans also have higher rates of high blood pressure and tobacco-related cancers, such as lung or head and neck cancer.

Despite substantial public efforts to help Arkansans stop using tobacco, according to Arkansas Department of Health data, in 2010 nearly 23 percent of adult Arkansans and more than 23 percent of high school students smoked cigarettes. More than eight percent of adult Arkansans and nearly 15 percent of high school students in Arkansas reported use of smokeless tobacco.[i]

Economic Impact of Tobacco Use

Tobacco use creates not only a toll on individuals' health, but also on Arkansas's economy. Businesses lose money because smokers miss work more frequently for illness than other workers. In one year, productivity losses in Arkansas for early death or illness due to smoking were estimated to be $1.4 billion.[ii]

Annual loss of productivity costs resulting from smoking are estimated to be $1.4 billion in Arkansas.

Other economic effects are seen in health care costs—in 2004, smoking in Arkansas cost nearly $900 million in health care expenditures. Of this, the state spent over $165 million in Medicaid funds.[iii, iv]

Quitting is difficult but not impossible. A combination of prescription drugs and counseling increases a person's chance of overcoming a nicotine addiction. Importantly, quitting pays off. According to the Centers for Disease Control and Prevention, within one to nine months of quitting, a former smoker's lung function begins to increase. Within one year of quitting, the risk of heart disease falls by half, and within ten years, lung cancer risk falls by half. Beyond decreasing the chances of an early death, quitting tobacco use increases overall health and quality of life.[v]

Essential Health Benefits under the Affordable Care Act

A primary goal of the Patient Protection and Affordable Care Act of 2010 (PPACA)[vi] is to help uninsured Americans obtain health insurance. As part of this effort, private health insurance plans will be offered to low- and moderate-income individuals and small employers through "purchasing exchanges." To ensure a more consistent level of benefits, PPACA requires certain insurance plans—including those participating in purchasing exchanges—to cover a package of diagnostic, preventive, and therapeutic services and products that are considered **essential health benefits** (EHBs). One of the ten EHB service categories is preventive and wellness services and chronic disease management.

In addition to the EHB service categories, PPACA specified that the scope of services

must be equal to the scope of benefits provided under a typical employer plan. States have the flexibility to select their benchmark plan from one of the following:

- one of the three largest (measured by enrollment) small-group plans in the state,
- one of the three largest state-employee health plans,
- one of the three largest Federal Employee Health Benefits Plan (FEHBP) options, or
- the largest HMO plan offered in the state's commercial market.[vii]

State Options

During its deliberations related to the EHB, the Institute of Medicine (IOM) Committee on Defining and Revising an Essential Health Benefits Package for Qualified Health Plans indicated that some state flexibility in defining the EHB package is important from both a public policy and a practical standpoint. According to the IOM, "Although informed by clinical evidence and economics, judgments of what constitutes an essential health benefit are social value decisions and reflect, at their core, a set of decisions regarding which medical expenses must be shared within a community."[viii]

By providing states with these options—all of which potentially may not have the requisite comprehensive tobacco cessation services—the United States Department of Health and Human Services (DHHS) has, however, given states an avenue to exclude such services from the EHB package. Moreover, the preventive and wellness component of PPACA—including tobacco cessation treatment—is not "one size fits all." Access to the full range of proven and effective treatment options outlined in the U.S. Public Health Service's (PHS) clinical practice guideline, *Treating Tobacco Use and Dependence: 2008 Update*,[ix] is critical to ensuring success at quitting tobacco use.

In looking at the three benchmark options available in Arkansas, the Federal Employee Health Benefit Package (FEHBP) tobacco cessation benefit[x] and the Arkansas State & Public School Employees & Retirees Benefit Plan[xi,xii,xiii] reflect the PHS clinical practice guidelines, with a strong, comprehensive tobacco cessation benefit, while Arkansas's largest small-group plans specifically exempt tobacco cessation counseling and medications as part of their standard plans, although some may offer coverage as a rider.

The FEHBP requires coverage of the following with no copayments or coinsurance and the benefits are not subject to deductibles, annual or lifetime dollar limits:

- Four tobacco cessation counseling sessions of at least 30 minutes each quit attempt
- At least two quit attempts per year
- Counseling including proactive phone counseling (*e.g.,* via a quit line), group counseling or individual counseling
- All Food and Drug Administration (FDA)-approved tobacco cessation medications including the currently approved seven medications

The Arkansas State & Public School Employees & Retirees Benefit Plan coverage, which has no copayments as long as the individual is enrolled with a HealthyGuidance coach, covers the following:

- Five initial phone sessions with a HealthyGuidance Coach with additional sessions if needed

- Unlimited access for call-in support
- If participating in the Tobacco Cessation Program, six terms per lifetime of nicotine replacement patches, bupropion and/or Chanitx at no cost if enrolled and approved by the smoking cessation program; if not enrolled in the Program, coverage for bupropion and Chantix is available with standard tier co-payments

The three largest small-group plans in Arkansas include Blue Cross Blue Shield (BCBS), QualChoice[xiv] and Health Advantage.[xv] They specifically exempt coverage related to smoking. For instance, the BCBS plan states, "Group therapy or group counseling at any time in any setting by any provider is not covered… Treatment of caffeine or nicotine addiction, smoking cessation prescription medication products, including, but not limited to nicotine gum and patches are not covered." QualChoice provides the option to add a smoking cessation rider, if coverage is desired.

Conclusion

Two populations that will be greatest served by the inclusion of a tobacco cessation benefit in the EHB are Medicaid enrollees and individuals who are currently uninsured and aged 18–64—both of these groups smoke at much higher rates that their counterparts in the general population.[xvi,xvii] Medicaid enrollees have nearly twice the smoking rate of the general adult population (37 percent vs. 21 percent, respectively) while 36 percent of individuals without health insurance smoke compared to 20 percent with insurance.

Data suggest that more than 70 percent of smokers want to quit, but few succeed without help. Tobacco use treatment can *double or triple* quitting success rates. Intensive interventions produce higher success rates than do less intensive interventions.[ix]

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>
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With the flexibility for states to select their benchmark plan, Arkansas has the option to select a plan that offers cessation counseling and medication support, or one that exempts coverage for these services. To reduce the health and economic toll that tobacco use takes in our state, Arkansas should adopt a plan that provides support to help people quit using tobacco. This action will decrease disease and medical costs while improving health, productivity, and quality of life.

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