

THE ECONOMICS OF EXPANDED SMOKING CESSATION TREATMENT

SPOILER ALERT: The return on investment is positive for health and the economy

TOBACCO USE IS #1 PREVENTABLE CAUSE OF DEATH AND DISEASE IN US

HEALTH IMPACT

- In Kansas - 17.3% of adults smoke, or about 381,500 people
- Smoking increases risk for coronary heart disease by 2 to 4 times and smokers are 25 times more likely to develop lung cancer than nonsmokers

ECONOMIC IMPACT

- In Kansas, the annual health care cost directly caused by smoking is \$1.12 billion
- A recent study: if smokers quit before experiencing any symptoms of smoking related disease, 70% of their excess medical costs could be avoided

CAN WE DO BETTER? YES.



That means ... the net economic effects of mandating a more robust benefit package for the private marketplace plans and the State Employee Health Plan (SEHP) is positive. Robust means 4 quit attempts per year versus 2.

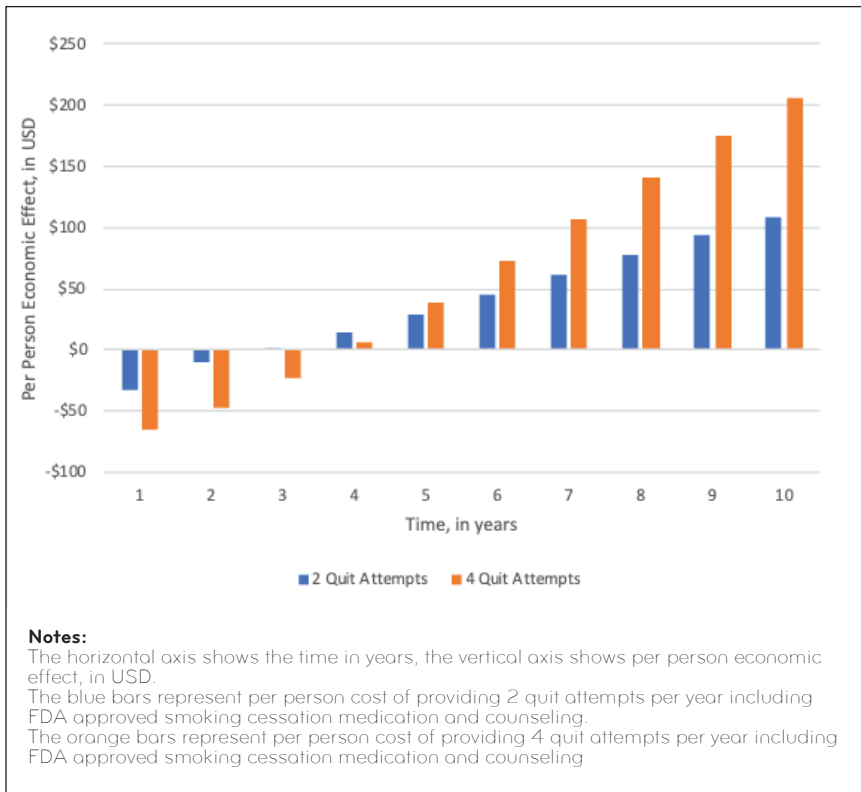
2 ATTEMPTS

8 counseling sessions
180 single med. doses

4 ATTEMPTS

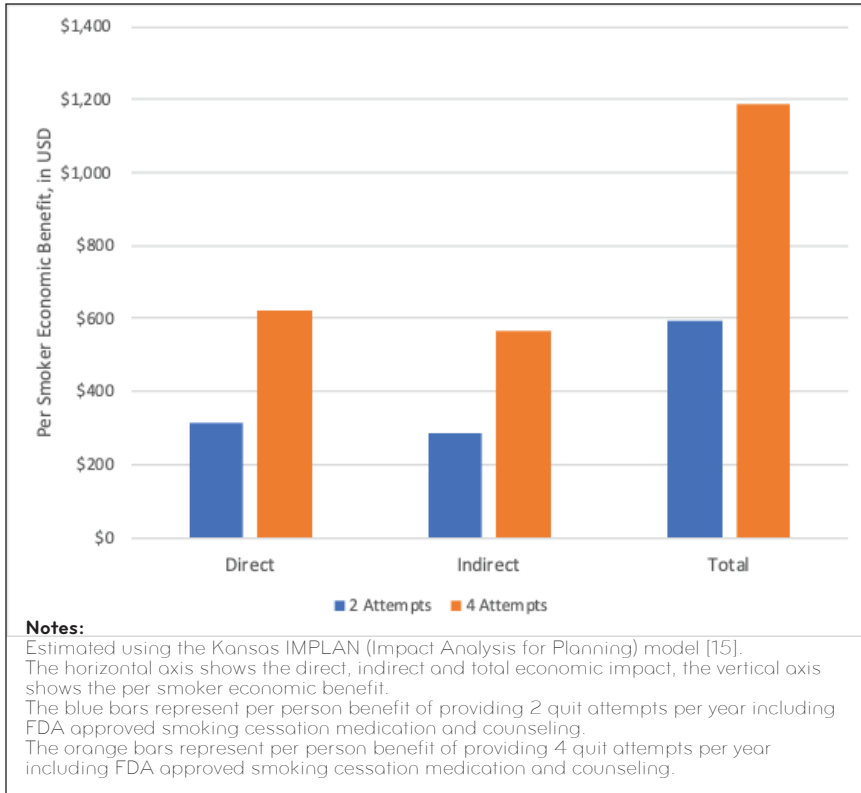
16 counseling sessions
360 single med. doses

4 IS BETTER THAN 2; HERE IS HOW

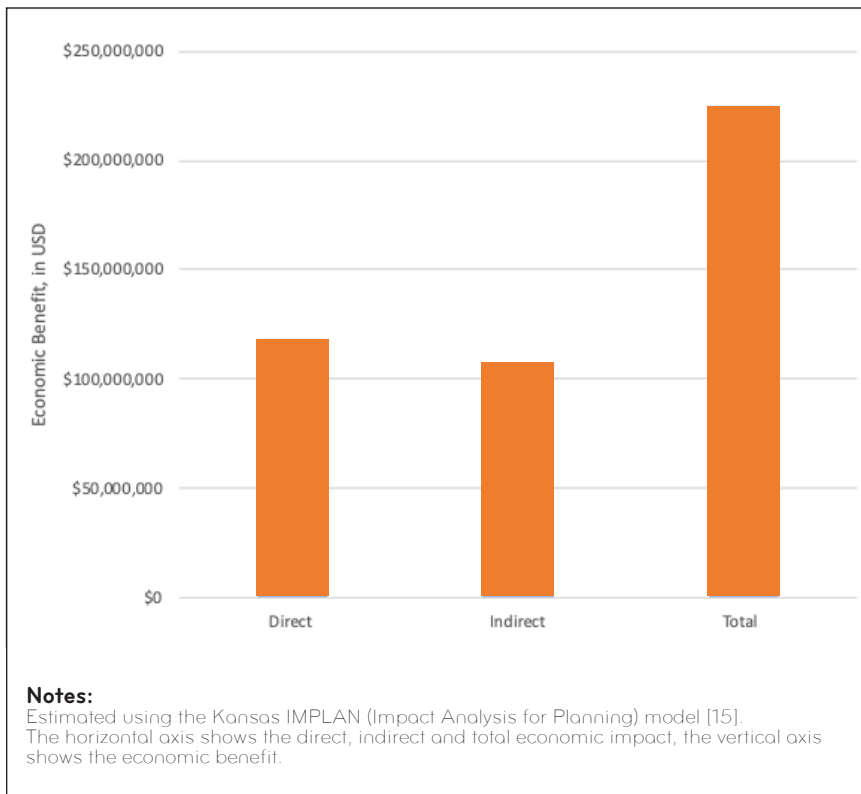


In the first year, the cost of increasing cessation coverage is about \$58 per smoker versus \$32 per smoker with the more limited coverage of two attempts per year. Both coverage levels produce a net economic gain by year 4. Beginning in year 5, the net economic benefits are much greater with the more comprehensive coverage.

At year 10, the per person benefit of covering four quit attempts per year are almost double that of two quit attempts, at \$215 and \$109 per smoker, respectively.



For insurers providing comprehensive smoking cessation coverage, positive returns start in years 5 or 6. By year 10, the economic benefit is \$612 per smoker – meaning more resources available in the economy. With indirect economic effects, the benefit of expanded smoking cessation coverage is almost \$1,200 per smoker.



Moving from limited to expanded coverage for all smokers in the state of Kansas would generate about \$225 million in economic benefit.

WAIT A MINUTE ...

Yeah, we know. Sometimes people change insurance plans. But, if coverage is applied uniformly across all commercial providers and the SEHP, all insurers will achieve economic benefits through a healthier insurance population.

This is a proven model, based on a similar expansion of benefits for Medicaid patients supported by the Kansas Legislature and started in 2018.