Securing Insurance Coverage for Tobacco Cessation, Counseling and Medications

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Information below derived from the Department of Health and Human Services, Centers for Disease Control and Prevention (CDC) flyer, "Coverage for Tobacco Use Cessation Treatments"

Background

The primary goal is to get universal coverage for effective and cost-effective tobacco cessation services in Washington State. At the outset we discussed whether to work on Medicaid and state supported health care insurance plans, or private insurance coverage first.

We contacted the **Insurance Commissioners Office**, as they have in the past, mandated statewide universal coverage for women's contraceptives, diabetes management and behavioral counseling, as well as other coverage. We were referred back to another policy level group at the state level that makes decisions on whether a mandate would be cost-effective and politically viable.

We also realize that **universal tobacco cessation insurance coverage** could be a legislative issue, as it has been in other states, including California. However, if we do decide that strategically that's our best hope, the TAB subcommittee may have to formally dissolve in the future, as only some of our members can lobby. Still, we have expertise (Leonard Sanderson and Carrie Nyssan from ALA) in our group that could pursue this avenue, if we do decide it has merit and a better chance of succeeding. As private citizens any TAB member can be advocates, but we do have to be careful for this to be done on non-TAB time.

We are curious to see if we can persuade certain **private insurances** to cover it, as it is so cost-effective and saves lives. Private sector insurance coverage has been increasing at a great rate in the past few years, and we can encourage and support this trend. We would like to put together a **business plan** to show the efficacy and cost-effectiveness of cessation coverage through ROI (return on investment).

Public medical coverage is another area that badly needs improvement. Coverage under the Medicaid program in this state is woefully lacking. Only pregnant women qualify for full tobacco cessation coverage. Increasing Medicaid services is a lofty goal—one which we haven't yet figured out how to go about doing. Liesl has spoken with State Department of Health staffers who indicate that work is needed, and that politically it is a hot potato. We may be able to push the envelope with an advocacy group better than as part of the state government. We need to have strong statewide advocates on our side, though, and Dr. Chris Bowles (from Bellingham), Carrie Nyssan from ALA and other functional county TABs might be able to help us with this statewide issue. We have yet to strategize how best to use a wider network of interested advocates. ACS has lists of advocates for I-901, and we can probably get some fine support.

We gathered some information that could help lead the way in this effort:

Paying for tobacco use cessation treatments is the single most cost-effective health insurance benefit for adults that can be provided to employees.

1) Smoking is costly to employers both in terms of smoking-related medical expenses and loss of productivity;
2) Smoking is the leading preventable cause of death in the U.S. smokers who quit will, on average, live longer and have fewer years living with disability; and

3) About 23% of American adults and 28% of teens smoke. More than 70% want to quit, but few succeed without help. Tobacco use treatment ***doubles*** quitting success rates.

The Role of Health Insurance Coverage in Tobacco-Use Cessation

Coverage of tobacco-use cessation increases both use of effective treatment and the number of successful quit attempts.

1) Health insurance coverage of medication and counseling increases the use of effective treatments, and
2) Although 66% of Americans under the age of 65 are insured through an employer, only 24% of employers offer any coverage for tobacco-use treatment.

How Could Benefits Be Designed?

- Pay for counseling and medications, together or separately.
- Cover at least 4 counseling session of at least 30 minutes each, including proactive telephone counseling and individual counseling. While classes are also effective, few smokers attend them.
- Cover both prescription and over-the-counter nicotine replacement medication and buproprion
- Provide counseling and medication coverage for at least two smoking cessation attempts per year.
- Eliminate or minimize co-pays or deductibles for counseling and medications, as even small co-payments reduce the use of proven treatments.

The Cost of Cessation Benefits

- Tobacco cessation is more cost-effective that other common and covered disease prevention interventions, such as the treatment of hypertension and high blood cholesterol.
- Cost analyses have shown tobacco cessation benefits to be either cost-saving or cost-neutral. Overall, the cost/expenditure to employers equalizes at 3 years; benefits exceed costs by 5 years.
- It costs between 10 and 40 cents per member per month to provide a comprehensive tobacco cessation benefit (costs vary based on utilization and dependent coverage)
- In contrast, the annual cost of tobacco use is about $3,400 per smoker or about $7.18 for each pack of cigarettes sold.

How could we tackle this issue?

Multiple tactics coming from many directions could be useful:

1) Educating state Legislators on this issue in the hopes that a bill would be produced to mandate insurance coverage, similar to a 1997 bill mandating insurance coverage for diabetes intervention and medications;

2) Letter-writing or e-mailing all insurance providers appealing to their economic savings as well as the effectiveness of treatment; and

3) Addressing this issue with all major employers in Pierce County, by e-mailing their HR departments, education, and/or choosing a few big employers and getting media coverage for

their response to this issue. Much good data exists on this subject and no debate on it's effectiveness as a Best Practice.

Fact Sheets/Talking Points

We are in beginning stages of figuring this all out. We think putting together talking points, or fact sheets for certain important audiences is an important first step. Here are some ideas:

- What Can Providers Do? (Distribute to Medical Society and other providers)
- What Can Private Insurers Do? (For private insurance brokers)
- What Can Employers Who Negotiate Their Own Coverage Do?
- Current Medicaid and Medicare Coverage in Washington State
- Cost-Effectiveness of Tobacco Cessation Coverage
- What Other States Have Done
- Effective Tobacco Cessation Methods—What the Research Shows
- Tobacco is a Social Justice and Health Disparity Issue
- Diversity in our Cultures requires Diverse Cessation Methods- Beyond what the research shows.
- Evolution of Cessation Treatment as our understanding expands and deepens.
- Mental Health Issues – Tobacco cessation reduces medication dosages and side effects
- Multiple Addictions and Tobacco – Why Quitting It All Together Increases Recovery Rates

How To Grow This Idea

- Working with various key people throughout the state who have a high interest in the goal of increasing cessation insurance coverage for the majority of tobacco users (primarily low-income and underinsured) could be the catalyst for major change and reform.
- Let's develop a workgroup to continue this discussion and make action plans for 2008 and beyond. It could be a 3 to 5 year process and it will take sustained effort for those working on it, but imagine the reward!
- Remember: Each avalanche begins with a snowflake, then a snowball, and eventually it becomes a force of nature. That is how I 901 started, and now Washington State workers no longer have to be exposed to second had work on the job!

SAMPLE FACT SHEET

One of the barriers to increasing tobacco cessation coverage is based on not having enough or the right information. Health providers need to know what they can bill for how to do it, as well as being trained in brief intervention. This is a draft fact sheet as a starting point. We could develop several fact sheets for sharing with different audiences.

What Can Health Care Providers Do To Help Tobacco Users Quit?

Much research has proven the efficacy and cost-effectiveness of tobacco cessation including both drug and behavioral therapies. The Tobacco Advisory Board of Pierce County is working on universal health insurance coverage of proven tobacco cessation treatments, which could lower financial barriers which limit access to these services.

In the meantime, you might be pleasantly surprised to find that patients are much more likely than in the past to get coverage for drugs and counseling for effective tobacco cessation. According to a survey by America's Health Insurance Plans, the percentage of insurers providing full coverage for pharmacotherapy for tobacco cessation more than tripled from 1997 to 2002. The vast majority of insurers surveyed provided full coverage to their members for at least one type of pharmacotherapy for tobacco cessation, as well as at least one type of behavioral intervention, including face-to-face counseling.

Even more exciting, research has shown that even when patients aren't ready to quit tobacco use, they want their provider to encourage them to quit. According to a recent survey of tobacco users, patients whose primary care physicians counseled them about quitting tobacco were more satisfied with their care than patients whose physicians didn't offer counseling. In fact, as the number of counseling interventions increased, satisfaction with care increased.

According to the AAFP Tobacco Cessation Advisory Committee, which analyzed surveys performed by Mathematical Policy Research Inc. and the AAFP, only 70% of family physicians ask their patients about tobacco use and only 40% take action to help patients quit. Lack of reimbursement (after lack of time and lack of knowledge) was one of the most common reasons physicians gave for not offering intervention. As payers find that covering tobacco cessation treatment is cost-effective, these barriers to reimbursement are decreasing rapidly.

When plans do cover counseling, providers can bill for it using the ICD-9 code for tobacco dependence, 305.1, along with the appropriate CPT code for preventive medicine counseling and risk factor reduction intervention services (99401-99404). 99401-99404 should not be used to report counseling and risk factor reduction involving patients with symptoms or established illness. If the patient has chronic obstructive pulmonary disease, or chronic bronchitis, for instance, your counseling would be billed with an office or other outpatient, hospital or consultation code as appropriate. Although there are psychiatric therapeutic codes appropriate for treating tobacco dependence, some health plans have restrictions on mental health benefits that make it difficult for family physicians to get paid for these services.

Although many plans have increased reimbursement to providers for tobacco cessation counseling or assistance, many payers provide little or no payment. In such cases, treatment must be incorporated into a comprehensive preventive medicine visit or an E/M (evaluation and management) office visit.

Insert information on Medicaid and Medicare reimbursement in this state and the AAR (Ask Advise and Refer) and 'Treating Tobacco Use and Dependence'.