

MAR 15 2011

MEMO



Senate of Pennsylvania

March 15, 2011

TO: ALL SENATORS

FROM: Stewart J. Greenleaf

Stewart

SUBJECT: Cosponsorship – **Insurance Coverage of Tobacco Cessation Treatments**

I am introducing legislation that would require health insurers to provide coverage for tobacco cessation programs and drugs.

According to the National Commission on Prevention Priorities, providing tobacco cessation counseling and medication is one of the most clinically effective and cost-effective health services available. Tobacco cessation is five to 80 times more cost effective than pharmacologic interventions used to prevent heart attacks.

More than 70 percent of smokers wish they could quit tobacco, and each year one of every two smokers attempts to quit. However, the unassisted successful tobacco quit rate has remained constant at less than five percent. Access to counseling and pharmaceutical benefits doubles the successful quit rate and has achieved quit rates of 25 to 30 percent. Experience in health plans indicates that access to all cessation services saves four dollars (\$4) for every dollar (\$1) invested.

Each adult smoker costs employers one thousand seven hundred sixty dollars (\$1,760) in lost productivity and one thousand six hundred twenty-three dollars (\$1,623) in excess medical expenditures. The aim of this legislation is to diminish the statewide economic and personal cost of tobacco addiction by making tobacco cessation treatments available to all smokers. Approximately 20,000 Pennsylvania adults die annually, at a rate of 16 percent, from smoking-related causes. Tobacco-related personal health care costs total approximately 4.7 billion dollars annually in Pennsylvania.

Under the legislation, every health insurance policy that is delivered, issued for delivery, renewed, extended or modified in this Commonwealth on or after the effective date of this act shall provide for tobacco cessation services that follow recommendations in the Public Health Service sponsored 2008 clinical practice guideline, "Treating Tobacco Use and Dependence: 2008 Update," or its successors. Such coverage shall include at least two courses of treatment in a 12-month period including personal counseling, which may be telephone, group or individual counseling, and all medications approved by the FDA for the purpose of tobacco cessation, including all prescription and over-the-counter medications. A health care plan shall not impose prior authorization or stepped care requirements on tobacco cessation treatment or require counseling as a precondition for anti-smoking prescription drugs. In addition, a health insurer may not require any copayment, co-insurance or deductible for the benefit.

In 2010, the American Lung Association released a study conducted by researchers at Penn State University which looked at the costs and benefits of smoking cessation. It revealed that for every dollar Pennsylvania spends on providing tobacco cessation treatments, it has an average potential return on investment of \$1.23. Eight states (Colorado, Maryland, New Jersey, New Mexico, North Dakota, Oregon, Rhode Island and Vermont) have enacted laws mandating some type of coverage for tobacco cessation treatments.

If you would like to cosponsor this legislation, please contact Pat Snively of my office by e-mailing her at psnively@pasen.gov.