



# Smoking Cessation

## How employers impact their bottom line by helping employees quit smoking

Whether employees smoked used to be a hands-off subject for employers; that was their own business. Today, however, a cultural shift is driving management to take on employee smoking as a way to reduce health care costs and increase productivity, and smoking cessation programs are increasingly being rolled out as part of an organization's overall wellness program.

"The key is the culture within that employer's organization — really taking a top-down approach, having the business owner or CEO promote, champion and buy in to the program," says Steve Martenet, president of HealthLink.

Employers also need to take a long-term approach to the effectiveness of smoking cessation programs because it is difficult to quit, and payback on the investment won't happen in the first year. Additionally, the program needs to be tailored to each organization's unique needs.

### Why should employers care if employees smoke?

First, they should care from a humanistic standpoint, as caring about whether your employees smoke gets to quality-of-life issues. Smoking is the cause of nine out of 10 deaths from lung cancer, three out of 10 deaths from all cancers, nine out of 10 deaths from chronic obstructive pulmonary disease, such as emphysema, and one out of five deaths from heart disease, according to the Campaign for Tobacco-Free Kids.

From a business and cost perspective, there are very real costs in terms of health care and lost productivity as a result of having a work force that smokes. Each smoking employee costs an employer \$1,000 per year due to direct medical claims, absenteeism and additional building maintenance, according to National Cancer Institute data.

And when compared to nonsmokers, the Mayo Clinic found in a seven-year study of 30,000 of its workers that the average health care costs of its smoking employees and retirees was \$1,275 more per year than those of its nonsmoking employees.

## How can employers encourage employees who smoke to quit?

There are steps employers can take to decrease the number of employees who smoke.

- Educate employees about the dangers of smoking.
- Create an environment that discourages smoking, which includes not allowing smoking in the building and/or on your property.
- Offer smoking cessation programs as part of a corporate health and wellness strategy.

What are some best practices for smoking cessation programs?

A number of tools can be used as part of a smoking cessation program, such as:

- Ongoing support and motivation.
- Personalized plans to quit.
- Rewards for participation and achieving milestones.
- Integrating cessation efforts with health care benefits, such as paying for nicotine replacement therapy.
- Having customized data that reports on the program's effectiveness.

Each situation is different, depending on how big an issue smoking is for an employer and on the workplace culture, so use these variables to customize the program to meet your specific needs. With self-funded insurance, it is easier to create unique one-on-one lifestyle management programs. For fully insured employers, some insurance companies will offer — depending on state mandates — smoking cessation as part of wellness programs, either embedded into the basic offering or sold as an add-on or rider.

Many employees won't quit in the first year, so be persistent. Every year, 17 million adults attempt to quit and only 1.3 million succeed, according to AllOneHealth Group. Smoking cessation programs require a three-year investment to break even, with benefits exceeding costs after five years when it has become ingrained in the culture of that organization.

## Are cessation programs more effective than charging smokers more for health insurance?

There is a carrot- and stick-approach, and charging more is certainly a stick approach. However, a lot of employers combine the two approaches because it is easier to charge a smoker more if you are providing them with an opportunity to quit. Employers should consult with corporate attorneys before they differentiate what they charge for smoking and nonsmoking employees, as some state laws may prevent fully insured companies from doing this. In fact, the federal government thinks so much of the practice of differentiating that it is built into the health care reform act.

Smoking employees cost more and from an employer's perspective, the ability to charge more could help offset that health care cost. Still, the addictive nature of smoking means such penalties are more of an incentive not to smoke than a reason to quit.

How does tobacco use impact employers' costs?

Tobacco costs the U.S. \$96 billion in health care expenditures and another \$97 billion in lost productivity each year, according to the Centers for Disease Control. There is a huge opportunity for employers to find the right smoking cessation program for the organization. There is already incentive for many employees, as studies have found that 68 percent of smokers want to quit.

An example of the impact on cost is Illinois, which recently more than doubled its cigarette taxes. As a result, 72,700 Illinois kids will not become smokers and 53,400 adults will quit, according to the Campaign for Tobacco-Free Kids. In Missouri, voters will decide Nov. 6 whether cigarette taxes should be raised by 73 cents. HealthLink supports increasing the state cigarette tax, which is the lowest in the nation at 17 cents. Through the tax code, the health of the community will improve. Employers can do this on a smaller scale through an effective smoking cessation program.

