Issue Brief

Working with Insurance Commissioners to Promote Comprehensive Coverage for Tobacco Cessation

ASTHO has sought to better understand ways to improve access to comprehensive tobacco cessation services in order to support state and territorial health agencies’ efforts to expand insurance coverage for cessation. The 2010 Patient Protection and Affordable Care Act (ACA) recognizes tobacco cessation as a key preventive service to cover in full to help reduce healthcare costs over time. However, since ACA’s implementation, not all insurance plans have fully adopted the ACA requirements for tobacco cessation coverage even after the required implementation date, which varied by private and public insurance programs from 2010 to 2013. ASTHO’s Tobacco Prevention and Control Program has explored this topic and analyzed how health departments can partner across government agencies to promote comprehensive coverage of tobacco cessation services. This issue brief highlights the topic of insurance coverage for tobacco cessation and offers insights from a state that has leveraged cross-governmental partnerships to advance insurance providers’ comprehensive cessation coverage.

Background

Tobacco cessation services, along with efforts to expand insurance coverage on proven cessation treatments, are necessary components of comprehensive tobacco control strategies. With seven in 10 people who smoke wanting to quit, it is vital to ensure affordable cessation services are accessible and available to make it as easy as possible for those who smoke to have a strong quit attempt. Tobacco cessation treatments have high effectiveness across populations, including among those with mental illness and substance use disorders, who consume 40 percent of all cigarettes. For health insurance providers, tobacco cessation is one of the most cost-effective preventive services that can be covered, resulting in savings by reducing long-term healthcare costs related to tobacco use.

ACA requires non-grandfathered health insurance plans to cover, at no cost to the patient, preventive services that the United States Preventive Services Task Force (USPSTF) grades with an A or B rating. Unfortunately, even though tobacco cessation is rated as an A-grade preventive service and must be covered without cost-sharing under ACA, many insurers do not fully cover cessation services at the required level. The variation in coverage is due to a number of factors, including grandfathered or transitional plan status. In addition, though insurance companies are incentivized to comply with ACA guidelines in order to be accredited, employers can customize the benefits package they offer to employees through the plan, which may affect the level of coverage for preventive services.

This reality is a missed opportunity for patients, health insurers, and states, as tobacco cessation services offer a significant return on investment (ROI) by reducing long-term costs of smoking-related healthcare such as treatment for heart disease, cancer, and other respiratory disease. For example, in a cost-benefit analysis of comprehensive cessation benefits for Medicaid recipients in Massachusetts, researchers found that $1 in program costs resulted in an average of $3.12 in medical savings—a $2.12 ROI for every dollar spent on the program. Patients who quit smoking benefit from an improved health status while also saving money by eliminating cigarettes from their personal expenditures, in addition to potential savings on insurance premiums. Employers can also find cost savings when employees who smoke quit, as an employee who smokes is estimated to cost companies an annual excess of $5,816 due to productivity losses and higher healthcare costs.
Given these known benefits and requirements, the Departments of Labor, Health and Human Services, and the Treasury (known as the tri-agencies) issued Frequently Asked Questions (FAQs) in 2014 to address key aspects of ACA implementation as it relates to limitations on cost-sharing. Included in the FAQs is an outline of the requirements for coverage of cessation in order for health insurance plans to be in compliance with ACA, as per the USPSTF guidance for coverage:

The Departments will consider a group health plan or health insurance issuer to be in compliance with the requirement to cover tobacco use counseling and interventions, if, for example, the plan or issuer covers without cost-sharing:

1. Screening for tobacco use; and,
2. For those who use tobacco products, at least two tobacco cessation attempts per year. For this purpose, covering a cessation attempt includes coverage for:
   - Four tobacco cessation counseling sessions of at least 10 minutes each (including telephone counseling, group counseling and individual counseling) without prior authorization; and
   - All Food and Drug Administration (FDA)-approved tobacco cessation medications (including both prescription and over-the-counter medications) for a 90-day treatment regimen when prescribed by a healthcare provider without prior authorization.xvii

Despite this guidance, not all private health insurance plans meet the coverage guidelines required by ACA. For public insurance programs, there are different cessation coverage guidelines: the USPSTF guidance does not apply to Medicare or traditional Medicaid but does apply to Medicaid expansion plans. Additionally, ACA requires all Medicaid programs to cover at least some cessation medications for all enrollees and all tobacco cessation medications and counseling for pregnant women with no cost-sharing.xviii, xix, xx The effects of Medicaid cessation coverage provide insight into the barriers and benefits of cessation coverage. For example, an analysis of state Medicaid plans from 2013 shows that when coverage is comprehensive with no cost-sharing, utilization rates and quit rates are higher, highlighting opportunities to cover a low-cost preventive service that will help reduce long-term costs and save lives.xix,xxi The effects of comprehensive coverage are further exemplified by Medicaid cessation benefits in Massachusetts, which resulted in reduced smoking rates and hospitalizations as well as a return on investment.xxii

The tri-agencies’ guidance is further complicated by other barriers to receiving tobacco cessation services. Some cessation medications can be obtained over the counter without a prescription. However, in order to get insurance coverage for these medications, a healthcare provider needs to write a prescription for the medication like any other medication from a pharmacy. This requires that providers and patients communicate about the need for a written prescription as well as look into the insurance plan to identify what medications are covered, since plans may vary as long as they cover at least one form of the medications in full. Since it can take multiple attempts before a person who smokes successfully quits, there is need to provide additional education to consumers and providers about how frequently cessation benefits can be utilized.xxiv

These complexities make it necessary for patients and providers to be aware of the available cessation benefits and also hinge on the notion that all insurance plans fulfill ACA requirements. Without a system
to monitor and enforce ACA guidelines such as tobacco cessation coverage, health officials can address this gap in outcomes with insurance providers in their state and through raising awareness of the required benefits among patients and providers. The issue of comprehensive coverage for tobacco cessation is an opportunity for cross-sector collaboration, in which state public health officials can build relationships with health plans and regulators to increase awareness of best practices and cost savings of cessation coverage, as well as encourage compliance with ACA guidelines. This effort falls within the guiding principles of the CDC Best Practices for Comprehensive Tobacco Control Programs.

**Federal Regulation**

There is lack of clarity regarding federal enforcement of cessation coverage. The tri-agencies’ guidance provided a reference point for what is to be covered, but there is no mechanism for enforcing the requirements or ensuring that insurance providers are aware of the components. There are two agencies tasked with monitoring insurance companies and their adherence to ACA as a whole at the federal level: the Center for Consumer Information and Insurance Oversight and the Federal Insurance Office. These agencies are charged with many oversight responsibilities, though not specifically to monitor tobacco cessation coverage.

The lack of definition in the current federal guidance of what constitutes comprehensive cessation coverage presents a barrier for state-funded tobacco cessation programs. Several health agencies, including ASTHO, have encouraged the federal government to take action through a joint letter to the Secretary of Health in 2014. In addition, another solution offered by a report analyzing insurance plans’ adherence to the guidelines called for federal regulators to guide insurance companies on model contract language for tobacco cessation to help minimize lack of compliance with ACA. In the absence of action on this front, states have the opportunity to provide guidance on this issue to insurance providers in their market.

**Key Considerations for State Health Agencies**

State health agencies can take action to promote state-based insurers’ compliance with comprehensive cessation coverage requirements in order to increase access to this preventive benefit by partnering with the state’s Department of Insurance (DOI) and insurance commissioner. The insurance commissioner is a credible source to get the message out to appropriate insurance providers and consumers through means such as bulletins or consumer alerts. Before engaging this resource, it is important for state health officials to understand the unique qualities of their state system and how the commissioner has issued consumer alerts and guidance to insurance companies in the past.

With this assessment in mind, state health officials can begin to build a relationship with the insurance commissioner and their office by requesting a meeting through a contact who is connected to DOI, or by calling or sending a letter to the commissioner. The initial meeting offers a chance to establish rapport and build trust by allowing state health officials to better understand how DOI functions and its current priorities, as well as provide education on comprehensive tobacco cessation coverage. A direct request for the commissioner to take action on the issue need not come in this first interaction; a strategy can be developed once the state health official has a better understanding of the commissioner’s priorities.

Through education about the benefits of comprehensive cessation coverage and ACA requirements, state health officials can make a clear ask to the commissioner to notify all insurance providers of what
they are supposed to cover in their plans. A secondary ask can then request that similar information be shared with consumers to inform them about what services are to be offered through their insurance plans. This intergovernmental partnership between public health agencies and DOI can lead to increased awareness across key audiences and raise the primacy of tobacco cessation coverage to the fore of healthcare services, while also enabling patients to know what to ask for when seeking services.

State Example: Delaware
In 2014, public health partners found an opportunity for the insurance commissioner to take action in Delaware, a state known for garnering support for prevention and tobacco cessation programming. Thanks to active and passionate partners like the American Lung Association and Sen. Tom Carper, education on tobacco use, policy, and cessation coverage has been an ongoing effort within the state among decision-makers and consumers.

Public health leaders from the American Lung Association spoke with Delaware Insurance Commissioner Karen Weldin Stewart in a meeting arranged by the agency’s hired counsel (though this was an effective way to schedule an appointment, it is not the only way to do so). The goal of the meeting was to educate on the topic of comprehensive cessation coverage. In doing so, Commissioner Weldin Stewart quickly agreed that it was important to take action on the issue and subsequently asked public health leaders to provide appropriate language. Commissioner Weldin Stewart then enacted a two-pronged approach moving forward. She issued a bulletin to all insurers in the Delaware market and distributed a consumer alert newsletter.

In addition to a supportive insurance commissioner, Delaware also has a public health champion within its state legislature. Sen. Tom Carper, founding Vice Chairman of the Truth Initiative Board, has also taken action alongside the insurance commissioner by speaking out on the topic and writing letters to major insurance companies in the state asking for information on their plans’ coverage of tobacco cessation and reminding them of the requirements of ACA. This added action enhances the volume and reach of the message in Delaware to bring insurance providers into awareness and compliance, while also bringing the topic of cessation to the attention of consumers.

Though the insurance commissioner and other supporters have taken action to encourage comprehensive tobacco cessation coverage, these actions are challenging to enforce and monitor. Public health partners in Delaware recognize the need to revisit the discussion with DOI to further dissect enforcement barriers, which emphasizes the need for continuous education on the topic. In addition, Sen. Carper’s demonstrated collaboration with state health officials and other government agencies has kept the conversation relevant, encouraging continued progress on comprehensive cessation coverage. Recognizing that this issue spans federal, state, public, and private lines, state health officials have a powerful opportunity to bridge those relationships to make a difference at the state and local level.

The experience in Delaware exemplifies a robust effort by multiple partners to bring comprehensive tobacco cessation coverage to the forefront as an important public health and economic issue. With insurance and ACA compliance being so complicated to navigate, it takes an interdisciplinary team of partners to make sure the requirements of the law are known and enacted.
Lessons Learned
Though there is no single approach to engaging insurance commissioners on this issue, Delaware’s experience offers the following lessons that health officials can apply as they consider effective strategies in their states given their unique legislative processes and climates.

- Incorporate messaging about comprehensive insurance coverage requirements when health officials have the opportunity to speak to any audience about smoking cessation.

- Consider strategies to inform both insurers and consumers about the requirements and benefits for smoking cessation services, in addition to educating healthcare providers.

- Conduct qualitative research to learn about the state insurance commissioner by talking to partners within DOI as well as reviewing DOI’s website and past communications issued in order to get a sense of their typical approach. Communications may range from bulletins and consumer alerts to letters and checklists.

- Find out if there is a liaison to DOI within the state health agency to engage before approaching the insurance commissioner. Engage with the insurance commissioner and their liaisons to build rapport and develop trust. Then ask the commissioner to take action.

- Utilize ROI studies and state success stories when communicating with stakeholders to emphasize how cessation coverage saves money.

- Tie the effort into other tobacco control initiatives. For example, in Delaware, public health partners were working on strategies to maintain funding for tobacco prevention in their state, making it a natural talking point when approaching the insurance commissioner.

- Partner with external public health partners that are willing to get involved and take the lead at an advocacy level.

- Educate internally and externally about the meaning of comprehensive coverage (seven FDA-approved therapies and three proven forms of behavioral counseling).

Resources
The resources below can help health officials when preparing to approach insurance commissioners on the topic of comprehensive cessation coverage.

- American Lung Association’s Affordable Care Act Tobacco Cessation Guidance Toolkit – includes key resources and links such as template letters, links to FAQs and fact sheets, and a map of states that have taken action around guidance

- FAQs about Affordable Care Act Implementation (Part XIX) – published by the tri-agencies; question five addresses ACA requirements for tobacco cessation coverage
• **USPSTF Recommendations for Tobacco Smoking Cessation in Adults, Including Pregnant Women: Behavioral and Pharmacotherapy Interventions** – outlines guidelines and ratings for adequate coverage of tobacco cessation

• **Tobacco Control Legal Consortium’s “How the Affordable Care Act Affects Tobacco Use and Control” fact sheet** – helpful summary to reference when learning about ACA basics from a legal perspective and when developing talking points

• **America’s Health Insurance Plans’ ROI calculator** – tool to estimate state-specific return on investment of providing insurance coverage for smoking cessation; especially useful for insurance providers and employers

States can leverage interdisciplinary partnerships to pinpoint and remove barriers to tobacco cessation services through health insurance. Working with state insurance commissioners is a viable avenue to address this area of tobacco control and prevention work and expand tobacco cessation availability to populations ready to quit.

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Ibid.


