

# Comprehensive & Barrier-Free Tobacco Cessation

Benefits Will Generate Millions in Savings

## Problem:

- Tobacco is the state's leading cause of preventable death and cancer.
  - Kansans spend \$1.12 billion each year to treat the health effects of smoking
- 36% of Kansans in KanCare smoke.
- \$237.4 million in annual KanCare costs are spent treating tobacco-related illnesses.
- Tobacco use is especially prevalent and deadly among Kansans with serious mental illness and substance use disorders (MI/SUD)

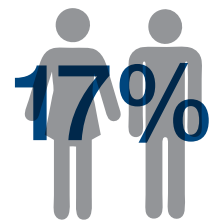
## Solution:

- SB 316 offers comprehensive and barrier-free tobacco treatment for KanCare beneficiaries.
- By strengthening tobacco treatment opportunities, we can save lives, improve health and reduce costs to the state.

## Benefits:

- Increasing smoking cessation will improve patient health *and improve the state economy.*
- Smoking cessation produces
  - lower medical costs,
  - lower risk of smoking-related death,
  - higher productivity for smokers and those who would have been exposed to second-hand smoke, and
  - lower costs for babies born to smoking mothers.
- SB 316 will generate millions of direct and indirect dollars for the state economy.
- These benefits far exceed the dollars from retail sales of cigarettes and the taxes the state gets from those sales.
- **By strengthening tobacco cessation, SB 316 can help the state qualify for an enhanced federal matching rate on Medicaid spending related to tobacco cessation.**
- Since smokers with MI/SUD have more difficulty quitting, the return on investment for treating all people who smoke in KanCare will be even greater than illustrated on page 2.

## Toll of Tobacco Use in Kansas



of Kansas adults smoke



\$1.12 billion in annual health costs

36%

of KanCare participants smoke

\$237.4

million in annual Medicaid costs

*Sources – Campaign for Tobacco Free Kids; Medical Assistance with Smoking and Tobacco Cessation: Findings from a 2014-2015 Nationwide Survey of Adult Medicaid Beneficiaries*

# RETURN ON INVESTMENT FOR COMPREHENSIVE TOBACCO TREATMENT IN KANCARE: THE CASE OF BENEFICIARIES WITH MI/SUD

*The Economics of Proactive Smoking Cessation Treatment for Individuals with Serious Mental Illness and/or Substance Use Disorder in the Medicaid Population<sup>1</sup>*

## Purpose of the study:

- Smoking cessation programs have the potential to improve individual health and productivity as well as reduce future healthcare spending.
- The study estimates the economic impact of proactively providing smoking cessation treatment through Kansas Medicaid for a population of adults with particularly high smoking rates and expected healthcare expenditures—those with severe mental illness and/or a substance use disorder.

## Findings

1. Tobacco use among these beneficiaries costs Kansas \$66.1 million
  2. Barrier-free, comprehensive coverage for cessation medication and behavioral support for quitting would **save \$943 per smoker**
  3. This equals a potential total economic gain of \$29 million:
    - Net direct economic benefit of \$15 million.
    - Additional \$14 million in indirect economic benefits
    - 189 jobs created
    - \$816,000 in additional state tax revenue
  4. Smoking cessation efforts have the potential to increase the Kansas economy by \$29 million to \$34 million.
  5. Economic benefits remain after accounting for the multiple rounds of treatment that many will require to quit for good.
- Estimated economic gain to the state of **\$1.57 for every \$1.00 spent on cessation.**
  - These gains account for 1) losses to retailers for reduced tobacco sales and 2) variable success rates of different treatment methods within subgroups (2%-19%)

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Barrier-free, comprehensive coverage for cessation medication and behavioral support for quitting would

**save \$943 per smoker**

<sup>1</sup>For a complete copy of the study with full results and methodology, see [namikansas.org/resources/smoking-cessation-information](http://namikansas.org/resources/smoking-cessation-information)