

Why should standard Medicaid cover tobacco cessation?

The Medicaid population smokes at a rate twice as high as the private insurance population (22.7% vs. 9.2%).¹ This high smoking rate not only leads to disease and premature death, but also costs the Medicaid program approximately \$39.6 billion per year. That makes up nearly 15% of all annual Medicaid spending nationally.² Investments to reduce smoking among the Medicaid population can lead to reductions in healthcare costs for the Medicaid program and improve the health of Medicaid enrollees



Research suggests that if just 1% of current smokers in New Hampshire quit smoking, the state would save \$7.3 million in Medicaid costs the following year.³

The U.S. Surgeon General concluded in the 2020 report, *Smoking Cessation: A Report of the Surgeon General*, that: “Insurance coverage for smoking cessation treatment that is comprehensive, barrier-free, and widely promoted increases the use of these treatment services, leads to higher rates of successful quitting, and is cost-effective.”⁴ Those treatments are:



¹ Centers for Disease Control and Prevention. Retrieved from https://www.cdc.gov/mmwr/volumes/71/wr/mm7111a1.htm?s_cid=mm7111a1_w

² American Lung Association. (2019). State of Tobacco Control, 2019. Retrieved from <https://www.lung.org/ourinitiatives/tobacco/reports-resources/sotc/facts.html>

³ Glantz S. A. (2019). Estimation of 1-Year Changes in Medicaid Expenditures Associated With Reducing Cigarette Smoking Prevalence by 1. *JAMA network open*, 2(4), e192307. <https://doi.org/10.1001/jamanetworkopen.2019.2307>

⁴ U.S. Department of Health and Human Services. *Smoking Cessation. A Report of the Surgeon General*. Atlanta, Ga: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2020.

Improving access to these treatments can encourage more beneficiaries to quit smoking, which would result in substantial savings for your state. See how New Hampshire’s cessation coverage has changed in the tables below. The *Affordable Care Act* requires all Medicaid enrollees to have access to all seven cessation treatments. Despite this requirement, coverage varies by state. Some states impose unnecessary barriers such as cost-sharing, prior authorization and stepped care therapy. States that have Medicaid Managed Care plans can require all managed care plans to cover these medications.

Medication

Treatment	2020 Coverage	2022 Coverage
NRT Gum*	Yes	Yes
NRT Patch*	Yes	Yes
NRT Lozenge*	Yes	Yes
NRT Nasal Spray	Yes	Yes
NRT Inhaler	Yes	Yes
Bupropion	Yes	Yes
Varenicline	Yes	Yes

*Over the counter medications require a prescription for low or no-cost sharing

Counseling

Counseling	2020 Coverage	2022 Coverage
Individual	Varies	Varies
Group	Varies	Varies

Barriers

There is no federal requirement regarding barriers in standard state Medicaid programs, however the 2020 *U.S. Surgeon General’s Report on Smoking Cessation* concludes that a comprehensive, barrier-free cessation benefit that is widely promoted leads to increased quitting. State Medicaid programs can change policies to reduce barriers for Medicaid enrollees to access tobacco cessation treatments. These treatments can help a person successfully quit, improving their health and reducing overall healthcare costs. [This work](#) could include removing coverage limitations, prior authorization policies, and out-of-pocket costs. Barriers to treatment in the Medicaid program often include: duration limits, annual limits, lifetime limits, stepped care therapy, prior authorization, cost sharing and required counseling for medications.