



South Dakota Medicaid Tobacco Cessation Coverage

Why should standard Medicaid cover tobacco cessation?

The Medicaid population smokes at a rate almost two and a half times higher than the private insurance population (23.9 percent vs. 10.5 percent)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 percent of all annual Medicaid spending².

Investments to reduce smoking among the Medicaid population can lead to reductions in general healthcare costs and short-run Medicaid costs. Tobacco cessation can also save state Medicaid programs money over the long term.

- Recent research suggests that if just 1 percent of current smokers in South Dakota quit smoking, the state would save \$2.5 million Medicaid costs the following year³.

The seven medications and two forms of counseling discussed in the MMWR are proven effective tobacco cessation treatments. Improving access to these treatments can encourage more beneficiaries to quit smoking, which would result in substantial savings for the state. See how your state's cessation coverage has improved in the tables below.

Medications

The Affordable Care Act requires all Medicaid enrollees to have access to all seven cessation medications. Despite this requirement, coverage varies by state. States can impose barriers such as cost-sharing, prior authorization and stepped care therapy. States that have Medicaid Managed Care plan can require all managed care plans to cover these medications.

Some of these medications are available over-the-counter (OTC), which means that a patient does not need a prescription to purchase the medication. The patient will still need a prescription for any medication, including any OTC medication, in order for Medicaid to cover the treatment. 'NRT' indicates that a medication is nicotine replacement therapy.

Comprehensive Cessation Benefit:

Seven Medications:

- NRT Gum (OTC*)
- NRT Patch (OTC)
- NRT Lozenge (OTC)
- NRT Inhaler
- NRT Nasal Spray
- Bupropion
- Varenicline

Three Forms of Counseling:

- Individual
- Group
- Phone

¹ Creamer MR, Wang TW, Babb S, et al. Tobacco Product Use and Cessation Indicators Among Adults — United States, 2018. MMWR Morb Mortal Wkly Rep 2019;68:1013–1019. DOI: <http://dx.doi.org/10.15585/mmwr.mm6845a2>.

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

³ Glantz SA. Estimation of 1-Year Changes in Medicaid Expenditures Associated with Reducing Cigarette Smoking Prevalence by 1%, 2019. *Jama Network Open*. Rep 2019;2(4):e192307. DOI: 10.1001/jamanetworkopen.2019.2307.



Medication	2008 Coverage	2018 Coverage
NRT Gum	No	No
NRT Patch	No	No
NRT Nasal Spray	No	No
NRT Lozenge	No	No
NRT Inhaler	No	No
Varenicline	Yes	Yes
Bupropion	Yes	Yes

Counseling

There is no federal requirement that standard state Medicaid programs must cover cessation counseling, but some programs guarantee coverage of counseling.

Counseling	2008 Coverage	2018 Coverage
Individual Counseling	Yes	Pregnant women only
Group Counseling	No	No

Barriers

There is no federal requirement regarding barriers in standard state Medicaid programs, however the 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.

Counseling	2008	2018
Individual Counseling	Yes	Yes