

# New study finds positive return on investment for states that invest in quit smoking treatments

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A new study released today by the American Lung Association, and conducted by researchers at Penn State University, finds that helping smokers quit not only saves lives but also offers favorable economic benefits to states. The study, titled *Smoking Cessation: the Economic Benefits*, provides a nationwide cost-benefit analysis that compares the costs to society of smoking with the economic benefits of states providing cessation (quit-smoking) coverage. The study comes at an important time, as important cessation benefit provisions are being implemented at the federal and state levels as a result of healthcare reform legislation.

Each year, [tobacco use](#) kills 393,000 people in America, and this new study identifies significant and staggering costs directly attributable to death and disease caused by smoking. For example, the study finds that smoking results in costs to the U.S. economy of more than \$301 billion. This includes workplace productivity losses of \$67.5 billion, costs of [premature death](#) at \$117 billion, and direct medical expenditures of \$116 billion.

The study also calculates the combined medical and premature death costs and workplace productivity losses per pack of cigarettes. The nationwide average retail pack of cigarettes is \$5.51. The costs and workplace productivity losses nationwide equal \$18.05—more than 300 percent the average retail price of a cigarette pack.

"This study spells out in dollars and cents the great potential economic benefits to states of helping smokers quit. We urge the District of Columbia and all states to offer full coverage of clinically proven cessation treatments for smokers, which will not only save lives but also money," Charles D. Connor, President and CEO of the American Lung Association.

Smoking is the number one preventable cause of illness and death in the United States and surveys show that 70 percent of tobacco users want to quit. Quitting can often take several attempts before a smoker is successful. Using evidence-based treatments increases smokers' chances of quitting - but many smokers don't have access to or don't know about what kind of treatments are available to them.

In addition to identifying the staggering costs of smoking to the U.S. economy, this new study now provides state governments with compelling economic reasons to help smokers quit. For example, the study finds that if states were to invest in comprehensive smoking cessation benefits, each would receive, on average, a 26 percent return on investment. In other words, for every dollar spent on helping smokers quit, states will see on average a return of \$1.26.

Some states (and the District of Columbia) would see a higher return than others. For example, the study finds that the District of Columbia would receive the highest return on its investment. For every dollar spent on [smoking cessation](#) treatments, it would see a return of \$1.94. Other states with higher than average returns include the following: Louisiana (\$1.47), Massachusetts (\$1.43), Maine (\$1.41), Ohio (\$1.41) and North Dakota (\$1.41). State specific data can be found at [www.lungusa.org/cessationbenefits](http://www.lungusa.org/cessationbenefits).

The study derives these economic benefits by considering lower medical costs due to fewer people smoking, increased productivity in the workplace and reduced absenteeism and premature death due to smoking.

Some of the highest rates of smoking are found among people enrolled in Medicaid, the joint federal

and state health program for low-income people.

The American Lung Association urges every state to provide all Medicaid recipients and state employees with comprehensive, easily accessible tobacco cessation benefits. A comprehensive cessation benefit includes all seven medications and three types of counseling recommended by the U.S. Public Health Service for tobacco cessation. Only six states now provide comprehensive coverage for Medicaid recipients: Indiana, Massachusetts, Minnesota, Nevada, Oregon and Pennsylvania.

The Lung Association also recommends that private insurance plans and employers offer comprehensive cessation coverage and encourages states to require them to cover these treatments. Only seven states have such requirements now: Colorado, Maryland, New Jersey, New Mexico, North Dakota, Oregon and Rhode Island.

Provided by Porter Novelli

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