



HRM Articles Analysis – sample

CONFIDENTIAL

HR Magazine: Helping Workers Kick the Habit



9/1/2007

Pamela Babcock

Vol. 52, No. 9

Programs aimed

Vol. 52, No. 9

Tools

Programs aimed at helping employees give up tobacco can pay off in lower health care costs.

Smoking is more than a health threat for the 45 million Americans who use tobacco. It's also an employers' problem because it raises health cost issues and productivity concerns.

Smoking and the illnesses that link to it, such as cancer and heart disease, account for annual medical costs of \$150 billion or more, by some estimates. In turn, those costs affect the premiums for employer-sponsored health care. As employers try to exert control over their fast-rising health costs through wellness programs and other efforts to improve employees' health, some are adopting smoking-cessation programs as one of their tools.

Smoking-cessation approaches range from reminding employees of the health effects of smoking, to offering them multifaceted assistance programs, to requiring them to quit smoking if they want to keep their jobs.

In that middle ground between encouragement and ultimatum reside a number of generally affordable programs that typically offer counseling—sometimes one-on-one—and various types of drugs formulated to help smokers quit. Health coverage companies, behavioral health organizations, stand-alone wellness companies, hospitals and others number among the providers.

As the availability of smoking-cessation programs increases and as new drugs arrive in the market, it's important for benefits specialists to know how to choose a cessation approach that will work best for their employees, and where to turn when looking for a program.

The Will To Quit

Although about 47 million Americans say they have quit smoking, almost as many still smoke. About 70 percent of those who smoke say they want to quit, but only 5 percent succeed long term, the U.S. Centers for Disease Control and Prevention reports.

Indeed, quitting is difficult. Less than 7 percent of smokers who try to quit on their own abstain for longer than a year; most light up within a few days of attempting to quit, according to pharmaceutical manufacturer Pfizer Inc. It takes about 10 attempts, with or without treatment, before the average smoker kicks the habit for good, says Pfizer. The company recently introduced a smoking-cessation drug.

"Although we have made significant progress, tobacco use is still the leading cause of preventable illness and death," says Susan Butterworth, director of Health Management Services within the School of Nursing at Oregon Health & Science University (OHSU), based in Portland. "Nicotine dependency is more than a lifestyle choice. It's an addiction, and employees need assistance in addressing it," she says.

How Programs Work

Butterworth and many other smoking-cessation experts recommend a strategic approach that includes "quit medications" and health counseling.

Medications available over the counter include nicotine patches and nicotine gum; prescription drugs include nasal sprays, inhalers and pills. An article on the U.S. Food and Drug Administration's web site describes how these medications work: "Most medical aids to smoking cessation are nicotine replacement products. They deliver small, steady doses of nicotine into the body to relieve some of the withdrawal symptoms, without the 'buzz' that keeps smokers hooked. ... Like cigarettes, the products deliver nicotine into the blood, but they don't contain the tar and carbon monoxide that are largely responsible for cigarettes' dangerous health consequences."

Many programs that operate under an employer-sponsored wellness initiative include a personal health assessment that identifies smoking as a health risk. Follow-up efforts often involve counseling—increasingly delivered by the Internet with threaded discussion, chat or e-mail. The vast majority, Butterworth says, deliver counseling by phone, while others deliver it in person.

One of the largest cessation companies, Free & Clear Inc., a coaching-based provider in Seattle, has been named the official quit-smoking program for 16 states and more than 100 large employers and health plans. Last year, the company registered more than 115,000 people into tobacco-cessation programs and completed nearly 700,000 intervention calls, says Dr. Tim McAfee, senior vice president for clinical and behavioral sciences at Free & Clear.

The company offers a personal Internet application, called Web Coach, in its Quit For Life Program. It also offers Vital Signs, a real-time, online reporting tool for clients. OHSU's Health Management Services competes in the field, offering smoking cessation as one of its healthcoaching services for outside clients.

Other major providers of smoking-cessation programs include QuitNet, WebMD and the Mayo Clinic.

Employers should avoid "going with a canned or low-cost program that doesn't embrace best practice in nicotine dependence treatment," says Butterworth, also an associate professor in

OHSU's School of Nursing. Look for programs that use best practices—a combination of quit medications and coaching—and that demonstrate measurable outcomes, she says.

Measurable outcomes are determined by quit rates at one year compared with the rates in a control group in a random controlled study, Butterworth says. When the quit rate significantly exceeds the rate in the control group, the treatment is considered effective.

The combined use of coaching and quit medications—she calls it “the gold standard”—seems to work equally well across demographic and cultural differences within workplaces, but she adds that it's important for health coaches “to understand the culture, to be sensitive to employee norms, and to be acquainted with their benefits and other resources.”

Employees may prefer accessing information in different ways, for example. Office workers who have desktops may prefer Internet products, while those on a manufacturing line may do better with telephone coaching or printed handouts.

Costs and Savings

Employers can provide programs such as a telephone “quit line”—generally the lowest-price approach—for under 5 cents per employee per month, a figure based on the total population of employees and their covered dependents, not on the number of employees using the service. The figure is in the results of research commissioned by the American Legacy Foundation, a Washington, D.C., organization that focuses on smoking prevention and cessation, and carried out by Milliman, a global consulting organization based in Seattle.

The research report, *Covering Smoking Cessation as a Health Benefit: A Case for Employers*, released last December, found that more-comprehensive coverage that includes therapy and selected pharmaceuticals costs 28 cents to 45 cents per health plan member per month.

The annual savings for each smoker who quits, according to the report, is about \$210 through reductions in costs for smoking-related conditions such as stroke, coronary heart disease, pneumonia, childhood respiratory disease and low birth weight. The dollar savings alone may not fully offset an employer's annual cost for a cessation program, but they can make a difference over time, since they accrue each year the employee remains a nonsmoker.

In addition, smoking cessation reduces annual medical and life insurance costs almost immediately, says the study's author, Bruce Pyenson, a principal and consulting actuary with Milliman in New York.

Among the approaches compared in the study, telephonic quit lines, with no face-to-face contact with employees, had quit rates of 4.5 percent, Pyenson says. Programs with more features, such as counseling and a range of medications, cost more but had higher quit rates, up to about 30 percent.

Noting that the costs of cessation programs vary according to the type of service provided and the vendor providing it, Butterworth says one-time fees for each health-coaching participant range from \$100 to \$250.

Building the Base

Before settling on a particular program, benefits specialists should determine the incidence of smoking among the company's employees, experts suggest, and start their searches by

tapping their trusted sources of information, such as brokers and health plan providers.

Christopher J. Mathews, a Washington, D.C.-based senior health consultant and vice president of the Segal Co., a benefits consulting organization headquartered in New York, recommends working with your health plan or advisor to find out whether smoking is a real problem in your employee population. Employee surveys can be used to determine how many smokers you have and whether any are really interested in quitting.

If your organization's smoker population is made up of those who have been smoking for 30 years, you might not get a lot of traction. "But if the smoker population is comprised of those who sincerely wish to quit, then the prospects for success are greatly improved," Mathews explains.

Karen Roberts, a senior vice president in Aon Consulting's Health and Benefits Practice in Las Vegas, recommends making sure that the program has support from the top. "If your CEO is a cigar smoker and there's no way he's going to quit, there's a problem," she says. "You really have to walk the talk with these programs."

Take inventory of your physical premises to determine how committed you are to the cessation program. Are you going to push cessation but still have designated smoking areas on your property or allow smoking in company cars?

Also, take inventory of provisions in your health benefits plan to determine if there are barriers to a program's success, such as lack of coverage for smoking-cessation drugs or for coaching or counseling, Mathews says. If such coverage isn't provided, he says, and your plan, in effect, becomes "a barrier to providing the necessary support needed for smokers to quit, it will need to be modified."

As sponsor of your health plan, you should decide how many attempts to quit smoking by an individual will be covered by your plan and whether there would be a maximum on the benefit per employee, Mathews says.

For OHSU's own tobacco-cessation program, provided by Health Management Services, the university has structured its employee health plan so that over-the-counter quit medications such as patches and gum are free, and there are no co-payments for prescription-only quit medicines approved by the U.S. Food and Drug Administration. Employees who sign up also receive an individual quit plan.

Butterworth and her staff acknowledge that some smokers may want to try alternative cessation approaches such as acupuncture and hypnosis; they are not included in any OHSU plan, however.

Butterworth recommends motivational interviewing, an approach "used by many reputable vendors" to help tobacco users develop the self-confidence necessary to quit. It's important, she says, to "engage smokers who aren't ready to quit" to "help them consider their options, draw out their ambivalence and help them weigh the pros and cons of quitting."

OHSU's smoking-cessation campaign expands this month to its entire Portland campus—12,000 employees, thousands of patients and students. All smoking will be banned, even on streets and sidewalks.

Try a Little Tenderness

Roger Reed, a nurse practitioner and executive vice president of Gordian Health Solutions, a

health management provider based in Franklin, Tenn., says a positive and benevolent approach can go a long way in a smoking-cessation initiative. "The biggest mistake," he says, "is to start taking a list of smokers and singling them out with some kind of punitive action, such as saying you have 12 months to quit or you won't work here anymore."

Gordian provides one-on-one coaching, online information and health materials via mail to large employers, health plans and government entities. Last year, the company had 6,755 people enrolled in tobacco-cessation programs.

"Most people try to stop smoking multiple times, and it's just that one time when they make that one more attempt that it actually works," Reed says, adding, "You never know." It could be that when their employer provides that extra opportunity, it just might be the employee's time to quit for good.

Pamela Babcock is a freelance writer based in the New York City area.

Critical Analysis of the Article: Helping Workers Kick the Habit

Article Summary

The article shows the benefits companies can have if they implement health programs with a specific focus on smoking-cessation. Although there are expenses involved in the short term to pay consultants, nicotine patches and gums and for organizing counseling sessions, the benefits are many times over in the long term. Even if a small percentage of the employees give up smoking, their medical expenses drop dramatically, leading to significant overall savings. The author looks at this the other way in terms of the cost the company bears to pay the medical insurance premiums for their employees. These can significantly reduce the overall expenses for the company.

The author also outline the different types of programs which are run by companies ranging from making available nicotine patches, gums to coaching to computer based guidance programs. Some companies also use phone counseling to help employees deal with the cessation program. The article ends by recommending a middle path, which utilizes a combination of

medication and coaching programs and dissuades companies to take the extreme method of firing employees who cannot give up smoking.

Analysis

The author cites best practice within different organizations and expert comments to create effective smoking cessation programs. The author shows the variety of methods which exist, starting from requiring employees to quit if they fail to give up smoking to very milder ones which are awareness programs which keep employees informed of the various ill-effects of smoking.

The author argues using facts that giving up smoking is very difficult with only 5% succeeding in the long term. Further, it takes multiple attempts for a person interested to actually quit smoking. With these the author builds the case for a holistic approach which is midway between awareness campaigns and firing threats. The author cites experts to show that the best way could be to use a combination of medication and counseling sessions. The article successfully uses statistics to show the cost savings brought by such programs in the long term, citing the fact that although the cost of cessation program range from 28 cents to 45 cents per employee per month, the medical expenses for people who successfully quit could be as high as \$210 on an average. This makes the authors' argument very strong and shows that significant long term cost savings could be had if the management invests in smoking-cessation programs.

Issues Discussed

The key issues that are discussed in the article are:

1. The significance of impact of smoking on medical expenses for employees and the company
2. The variety of programs that exist to help people quit smoking
3. The difficulty for an smoking-addict to quit smoking
4. The best program design to help employees quit smoking
5. Cost-Benefits of the smoking-cessation programs

With these issues the author provides us a holistic perspective from a human resource point of view of how investing in smoking cessation programs can lead to both employee benefits and significant reduction in medical benefit expenses.

Agreement or Disagreement

The author is spot on in identifying how smoking cessation programs can be very useful in preventing diseases. From personal experience, I have had a few relatives who were smoking addicts and suffered from several problems ranging from heart related problems to lung cancer. These not only left them and their families in misery but also were a significant drain on the family's savings. Although purely anecdotal, I believe this must be a common case seen in other families also. Hence I completely agree with the author.

Literature also shows how smoking cessation program can lead to significant savings. Marks et al. (1990) show how for every \$1 spent on smoking cessation program for women approximately \$3.31 can be saved by having healthy kids. A similar conclusion I reached by McGhan et al. (1996) who show that smoking cessation programs are very cost effective for employers. From these and my personal anecdotes I completely agree with the author's point of view.

Professional Projection

The article has helped develop insight into how cessation program can lead to cost savings on the human resource front apart from increasing employee wellness and productivity. Another learning point from the article is how we could use a cost benefit analysis to evaluate all Human Resource (HR) programs from a business result (revenue increase, cost reduction) point of view. This factual basis should help persuade management of the company to invest in such beneficial programs easier.

As a future HR professional I would definitely look at using smoking cessation programs for employees, using the suggested approach of combining medication with coaching and mentoring programs. My aim would be to help improve the success rate of the program because a few percentage point increase in the success rate could mean significant cost reductions in medical bills for the company and improved health and wellness for employees.

References

1. [Marks JS](#), [Koplan JP](#), [Hogue CJ](#), [Dalmat ME](#). (1990), *A cost-benefit/cost-effectiveness analysis of smoking cessation for pregnant women*, Am J Prev Med., 282-9.
2. McGhan, William F.; Smith, Marilyn Dix. (1996), *Pharmacoeconomic analysis of smoking-cessation interventions*, American Journal of Health-System Pharmacy: Volume 53(1), 45-52

CONFIDENTIAL