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**Obama Administration Announces Expanded Medicaid Coverage to Help Smokers Quit
– Initiative Will Save Lives and Health Care Costs
Statement of Matthew L. Myers
President, Campaign for Tobacco-Free Kids**

WASHINGTON, D.C. (June 24, 2011) – The Obama Administration today took critical steps to help smokers quit by announcing expanded Medicaid coverage of tobacco cessation services, including comprehensive cessation coverage for pregnant women and funding for telephone quitlines. These actions will help more Medicaid beneficiaries quit smoking, protecting their own health and that of their children and families who may be exposed to harmful secondhand smoke. It will also save taxpayers money by helping to reduce the \$30.9 billion a year Medicaid spends to treat tobacco-caused disease.

Nearly 35 percent of Medicaid enrollees smoke, compared to 20.6 percent of the adult population as a whole. Medicaid coverage of tobacco cessation quitlines and services will help more tobacco users quit, and reduce the death, disease and health care costs resulting from tobacco use.

The Administration announced that it will allow states to get federal Medicaid matching funds for the cost of telephone quitline services provided to Medicaid beneficiaries. Quitlines provide telephone-based tobacco cessation services, including counseling and in some cases medications, to help smoker quit. Providing Medicaid coverage for quitlines will improve access to tobacco cessation programs for this critical group. It is particularly important to provide this funding now, as new, graphic warning labels featuring the 1-800-QUIT-NOW number will be placed on cigarette packs beginning in September 2012.

The Administration also provided direction to the states for implementing the requirement in the health care reform law that Medicaid cover comprehensive tobacco cessation treatment for pregnant women. The health reform law will also remove barriers for accessing cessation medications under Medicaid and provide incentives for states to cover cessation and other proven disease prevention services for all Medicaid beneficiaries. We urge all states to offer comprehensive cessation benefits, including telephone quitlines, to all Medicaid recipients and to aggressively promote the availability of the services in order to achieve the maximum public health benefit.

There is strong evidence that Medicaid coverage to help smokers quit is highly cost-effective and saves money. After Massachusetts provided Medicaid coverage of smoking cessation services in 2006, the smoking rate among beneficiaries declined by 26 percent in the first 2.5 years. Among benefit users, there was a 46 percent decrease in hospitalizations for heart attacks and a 49 percent decrease in hospitalizations for cardiovascular disease.

Massachusetts estimates that these health gains saved \$15.4 million in health care costs in the first two years – more than \$3 for every dollar spent on the benefit.

We applaud the Obama Administration for its leadership in reinvigorating the fight against tobacco use, the leading preventable cause of death in the United States. Tobacco kills more than 400,000 Americans and costs the nation \$96 billion in health care bills each year.

Letter from Center for Medicare and Medicaid Services to the states:
<http://www.cms.gov/smdl/downloads/SMD11-007.pdf>

Blog Post by CMS Administrator Donald Berwick: <http://www.healthcare.gov/news/blog/index.html>