

# ROI for the MassHealth smoking cessation benefit

## Briefing Sheet

### Importance of cost-benefit study

The study's findings show that every \$1 invested in the Massachusetts Medicaid (MassHealth) smoking cessation benefit led to an average savings of \$3.12 in cardiovascular-related hospitalization expenditures, so there was a net return of \$2.12 for every dollar invested. On average, these savings were recouped within slightly more than a year after the benefits were used.

This study demonstrates that a comprehensive smoking cessation benefit delivers a significant return on investment in a short timeframe.

### About the study

The cost-benefit study found the annual cost of the tobacco cessation benefit was \$183 per user, but the averted annual hospital savings averaged \$571 per participant (all in 2010 dollars). These are conservative short-term estimates of savings, because they do not include longer-term savings nor savings that may occur outside the Medicaid program, including reduced harm to family members from secondhand smoke.

The study was conducted by a team at the George Washington University School of Public Health and Health Services and was published on January 6, 2012 in the peer-reviewed online journal *PLoS One*. The study measured the cost of the tobacco cessation program (medications, counseling and outreach) from administrative data and estimated the savings from reducing cardiovascular hospital admissions, based on analyses of the Medical Expenditure Panel Survey and the Behavioral Risk Factor Surveillance System, as well as a study by Land, et al that examined the impact of the MassHealth smoking cessation benefit on cardiovascular hospitalizations.

### Background

In Massachusetts, demand for help to quit smoking is high: 77% of adult cigarette smokers want to quit, and 60% have tried to quit in the past year. It often takes smokers 7 to 12 tries to quit smoking; but using FDA-approved medications or behavioral counseling has been shown to double a smoker's chances of quitting for good, while combining medications and counseling has been shown to nearly triple their chances.

