Texas Health Insurance Coverage for Tobacco Dependence: 2007

Phyllis Gingiss, Dr.P.H.
Victoria Mosier, M.A.
Sandra Coombs
Khurram Shahzad, B.S.

April 30, 2007

Prepared by the University of Houston Health Network for Evaluation and Training Systems and the University of Houston Health Law and Policy Institute as part of research sponsored by the Texas Department of Health under contract 2007-020813.

Phyllis Gingiss, Dr.P.H. is Professor of Public Health Education, University of Houston, and Adjunct Professor of Family and Community Medicine, Baylor College of Medicine. She is Director of the Health Network for Evaluation and Training Systems (NHETS), University of Houston and serves as Principal Investigator for the Texas Tobacco Prevention and Control Research and Evaluation Project conducted at the University of Houston.

Victoria Mosier, M.A. is Program Director for the Texas Tobacco Prevention and Control Research and Evaluation Project conducted by HNETS at the University of Houston.

Sandra Coombs and Khurram Shahzad are student research assistants with HNETS at the University of Houston.

Table of Contents

Background

Texans with health needs can have those needs met in a variety of ways. Insurance of some kind is the primary solution to having healthcare needs met on a regular basis. Public insurance through Medicare or Medicaid (which can include CHIP and STAR) are available to those who qualify. Private insurance through a variety of companies, either on an individual basis or though a group rate, are available to those who can afford it. Either the federal or state government mandates services provided by public insurance, while services provided by private insurance are consumer-driven. Services can differ dramatically, often providing minimal coverage to those who need that coverage the most. For example, Medicaid recipients, whose smoking prevalence is approximately 39% greater than the prevalence in the overall U.S. adult population[1, 2], are disproportionately affected by tobacco related disease and disability.

This study is a follow-up of 2003 and 2005 studies to examine the tobacco services offered through Texas insurance plans. During the course of this study, we have identified a growing number of Texas HMO programs that predominantly provide services to Medicaid STAR enrollees. For example, changes in the percentage of Medicaid clients enrolled in managed care in Texas increased from 29% in 2000 to 65.9% in 2006[3]. Appendix A illustrates the growth of the Medicaid managed care program since 1994.

Because of the changes noted above and HNETS research which indicated that the Texas Department of Insurance's (TDI) Top 40 List of Best-Selling Health Plans included health plans which were not predominantly commercial, analysis was undertaken of the main source of funding for Texas HMOs. *Among the 26 plans eligible for inclusion in our report, 46% were predominantly Medicaid/CHIS, 42% were predominantly commercial, and 12% were predominantly Medicare*[4]. This information led us to examine participant responses by plan type.

The following objectives were established for this report:

A. Identify the scope and nature of tobacco cessation coverage provided by Texas HMOs and examine how those services differ by HMO type (Medicaid, Commercial and Medicare).

B. Determine services currently covered under Medicare and Texas Medicaid/CHIP and determine access to information about available services by policy makers, health plan administrators, providers and consumers.

Methods

The questionnaire was based on a modified edition of an American Association of Health Plans national survey. It has been repeated biannually since 2003 to examine changes in coverage for Texans. Organizations were requested to complete the written questionnaire based on their best-selling health care product. "Best-selling" was defined as "the general medical/surgical package with the largest number of members." When necessary, follow-up calls were made to organizations predominantly representing Medicare or Medicaid public plans to clarify which

type of plan they were describing. For this report, use of the term Medicaid is used to refer to Medicaid, CHIP, and STAR programs. The Texas Department of Insurance (TDI) list of the top 40 HMOs based on premium sales was used to derive an eligible sample. Figure 1 describes criteria for plan inclusion/exclusion. 26 plans were eligible for inclusion in this study.

Figure 1. Criteria for HMO Inclusion or Exclusion

Inclusion	1)	Health plans on the Texas Department of Insurance Top 40 HMO Lists (Texas Department of Insurance 2006 Annual Report) that do not meet any of the exclusions listed below.
Exclusion	1)	HMOs listed on the Texas Department of Insurance Top 40 HMO Lists that were previously active but are no longer offering TX services.
	2)	HMOs listed on the Texas Department of Insurance Top 40 HMO Lists that exclusively provide specialized services (e.g. dental coverage, mental health, etc).
	3)	HMOs other than Medicare, Medicaid/CHIP public programs that are predominantly comprised of specialized health plans such as, Veteran's Affairs, Indian Health Services, catastrophe, or disability.
	4)	HMOs that have less than 0.15% of the Top 40 market share

Eighteen of the 26 (69%) eligible plans participated. Of the 18, 9 (50%) were predominantly Medicaid, 7 (39%) were commercial, and 2 (11%) were Medicare. Plan participation in this study was representative of state HMO distribution by category. While percentages are provided for ease of interpretation, they are not considered to be statistically stable due to the small number of participants in some categories (e.g. Medicare plans).

Results

A. Scope and nature of TX tobacco cessation coverage.

- *None* of the participants used the 2000 Public Health Service Clinical Practice Guideline for Treating Tobacco Use and Dependence, which provides guidelines for effective practice. Three used guidelines provided by the American Lung Association and one commercial organization used a proprietary plan.
- Table 1 describes benefit design and coverage (see Appendix B). Full coverage means there is no additional charge to the member outside of the normal co-pay for prescriptions or behavioral interventions. Partial coverage refers to annual or lifetime limits on coverage. Regarding overall services across plan types, the majority of plans (78%) provided full coverage for "asking about tobacco use." Medicaid and Medicare plans were more likely to provide full coverage for pharmacotherapies (89% and 100%, respectively) than commercial plans.
- 50% of all plans provided full/partial coverage for smoking cessation and 44% provided full/partial coverage for Zyban, also known as Bupropion or Wellbutrin. 5% or less provided full/partial coverage for OTC Nicotine Replacement Therapy (NRT), prescription NTR or NRT only with enrollment in a cessation program. Medicare plans had better coverage, although limited to only those with tobacco-related disorders.
- Half of all participants provided written information and self-help materials in provider offices. Fewer provided information via their health plan website (33%), individual

education and/or counseling (22%), group counseling or classes (17%), or telephone counseling (22%). Commercial plans were more likely to provide information through their health plan website.

- Most plans (78%) *requested* that their providers offer counseling and treatment. Only one Medicaid plan *required* those services.
- Overall, only 28% of plans maintained an information system to identify enrollees who smoke
- Documentation of smoking status in the patient's medical record was frequently *requested* (78%) and record of smoking status was *requested* by 67% of plans. However, only 11% of plans *required* documentation. Medicaid plans were notably less likely to *request* or *require* either form of record keeping, especially electronic medical records to document smoking status.
- Half (50%) of all plans had one or more strategies for patients with special health conditions or needs. Needs most frequently covered (n=5) included: adolescent programs, pregnancy, and other chronic illnesses. Obvious differences existed between needs covered by the Medicare and Medicaid plans.
- Table 2 (Appendix B) describes plans' responses to the Quitline. Overall, 39% reported awareness and provider or member encouragement to use; 22% were aware of it but didn't encourage use, and 39% were not aware of it. *The Medicaid plans were the most likely to encourage provider referrals and member use.*
- Responses to the Quitline became more favorable from 2005 to 2007. Plans reporting use increased from 21% in 2005 to 39% in 2007.
- Interest in working with TSHSH to encourage awareness and use of the Quitline was high (89%) among participating plans.

B. Services covered by Medicare and Medicaid

- Appendix C describes tobacco services with known coverage by Medicare and Medicaid and a state-level report of Medicaid coverage of tobacco cessation benefits and collaborations by state[5]. Of note, the Medicare benefits available are clearly stated on the U.S. Department of Health and Human Services Medicare website. In contrast, information about Texas Medicaid coverage of tobacco services was found in two national manuscripts in professional journals and on the Kaiser Foundation website, but was not located in any known state-sponsored information[5-7]. Medicaid coverage under the Women's Health Program was generally stated, but specific information could not be found. Furthermore, multiple calls to Texas Medicaid offices and to individual Medicaid health plans by members of the HNETS research team failed to identify descriptive information about available services. The CHIP and STAR programs provide coverage, but descriptive information was buried in technical state reports, such as the description of CHIP coverage in a report describing state contractual expectations for CHIPS providers. No public or professional information was located other than the brochure of one HMO plan.

Recommendations

- Information currently available about Medicare and Medicaid/CHIP tobacco cessation services should be publicized through the TTPI website and disseminated through its statewide network of Regional Tobacco Specialists.
- Coordination with other state programs could be beneficial to all. Nationally, many Medicaid programs report that they coordinate with other state agencies. Partnerships between TTPI and the Texas Medicaid program can facilitate joint planning for future services such as the missing counseling services, strengthen available services, increase use of the Quitline by Medicaid HMOs, and disseminate service information.
- The increasing use of the Quitline and the extremely high level of future interest in acceleration of use provides a positive momentum to build upon. State quitlines appear to serve as complements to rather than substitutes for Medicaid coverage of tobacco-dependence counseling.

References

(1) CDC. State medicaid coverage for tobacco-dependence treatments - United States, 1994-2001. *MMWR* 2003 May 30;52(21):496-500.

(2) Lethbridge-Cejku M, Rose D, Vickerie J. Summary health statistics for U.S. adults: National Health Interview Survey, 2004. *Vital Health Statistics* 2007;10.

(3) Hawkins A, Bell CE, Traylor C. Texas Medicaid in Perspective. 2007.

(4) Texas Department of Insurance. Health Maintenance Organizations Financial Report - Texas Only Basic Service First Quarter 2006. 2006.

(5) Halpin HA, Bellows NM, McMillan B. Medicaid Coverage for Tobacco-Dependence Treatments. *Health Affairs* 2006;25(2):550-6.

(6) Centers for Disease Control and Prevention. State Medicaid Coverage for Tobacco-Dependence Treatments - United States, 2005. *MMWR* 2006;55(44):1194-7.

(7) Kaiser Family Foundation. The Henry J. Kaiser Family Foundation. *http://www statehealthfacts org/cgi-bin/healthfacts cgi* 2007.

(8) U.S. Department of Health and Human Services. The official U.S. government site for people with Medicare: Preventative Services. *http://www medicare gov/Health/Overview asp* 2007.

(9) U.S. Department of Health and Human Services. Centers for Medicare & Medicaid Services. *http://www cms hhs gov/SmokingCessation/* 2007.

(10) Texas Health and Human Services Commission. Texas Women's Health Program Information for Clients. *http://www hhsc state tx us/WomensHealth/InformationforClients html#CoveredServices* 2007.

(11) Texas Health and Human Services Commission. HHSC Uniform Managed Care Manual. *http://www hhsc state tx us/Medicaid/UMCM/Chp1/1_0 pdf* 2007.

Appendices

Appendix A

The table below, extracted from the Texas Medicaid In Perspective Sixth Edition[3] report, illustrates the growth of Medicaid managed care since the first pilot program in 1994.

Table 6.2: Percentage of Medicaid Clients Enrolled in Managed Care SFYs 1994-2006

State Fiscal Year	Service Areas and Implementation Dates	Total Medicaid Managed Care Enrollment	% of Medicaid Population in Managed Care
1994	Travis County (8/93) & Tri-County Area (12/93)	58,243	2.9%
1995	Same as above	65,388	3.2%
1996	Travis County and SE Region (Tri-County expanded to 3 additional counties 12/95 and renamed)	71,435	3.5%
1997	Travis (expanded 9/96), SE Region, Bexar (9/96), Lubbock (10/96), Tarrant (10/96)	274,694	13.8%
1998	Travis, SE Region, Bexar, Lubbock, Tarrant, Harris STAR (12/97), Harris STAR+PLUS (3/98)	364,336	19.6%
1999	Travis, SE Region, Bexar, Lubbock, Tarrant, Harris, Dallas (7/99)	425,069	23.5%
2000	Travis, SE Region, Bexar, Lubbock, Tarrant, Harris, Dallas, El Paso (12/99)	523,832	29.0%
2001	Same as above	623,883	33.4%
2002	Same as above	755,698	35.9%
2003	Same as above	988,389	39.7%
2004	Same as above	1,112,002	41.4%
2005	Same as above	1,191,139	42.9%
2006	All managed care (including STAR, STAR+PLUS, & PCCM expansion counties*)	1,835,643	65.9%

*A list of all managed care service areas and counties can be found at:
http://www.hhsc.state.tx.us/medicaid/reports/PB6/PDF/AppendixE.pdf

Appendix B

Tables of Select Results

Table 1. Benefits Design and Coverage: Counseling and Treatment to Prevent Tobacco Use

	Total (n = 18)		Commercial (n = 7)		Medicaid (n = 9)		Medicare (n = 2)	
	*Full Coverage	**Partial Coverage	Full Coverage	Partial Coverage	Full Coverage	Partial Coverage	Full Coverage	Partial Coverage
Ask about tobacco use	14 (78%)	--	4 (57%)	--	8 (89%)	--	2 (100%)	--
Smoking counseling	6 (33%)	3 (17%)	2 (29%)	1 (14%)	2 (22%)	2 (22%)	2 (100%)	--
Pharmacotherapies (Zyban, Wellbutrin)	4 (22%)	4 (22%)	1 (14%)	1 (14%)	1 (11%)	3 (33%)	2 (100%)	--
OTC NRT (gum, patches, etc.)	1 (5%)	1 (5%)	--	--	--	1 (11%)	1 (50%)	--
Prescription NRT	3 (17%)	2 (11%)	1 (14%)	1 (14%)	1 (11%)	1 (11%)	1 (50%)	--
NRT only with enrollment in cessation program	3 (17%)	2 (11%)	1 (14%)	1 (14%)	1 (11%)	1 (11%)	1 (50%)	--

*Full coverage means there is *no additional charge to the member outside of the member's normal co-payment for prescriptions or behavioral interventions.*

**Partial coverage refers to *annual or lifetime limits on coverage.*

Table 2. Use of the American Cancer Society Tobacco Quitline

	Total (n = 18)	Commercial (n = 7)	Medicare (n = 2)	Medicaid (n = 9)
Not aware	7 (39%)	2 (29%)	2 (100%)	3 (33%)
Aware but don't encourage use	4 (22%)	3 (43%)	--	1 (11%)
Aware and encourage provider referrals and/or member use	7 (39%)	2 (29%)	--	5 (56%)

Appendix C

Services Covered by Medicare and Medicaid

Medicare[8, 9]

Tobacco cessation –Covers smoking counseling:
A Medicare beneficiary is covered for smoking counseling **if** s/he has a condition that is adversely affected by smoking or tobacco use, or if the metabolism or dosing of a medication that is being used to treat a condition the beneficiary has is being adversely affected. Coverage includes up to 2 quit attempts per year. Each quit attempt may include a maximum of 4 intermediate or intensive counseling sessions, with the total annual benefit covering up to 8 sessions in a 12-month period. These visits must be ordered by a doctor and provided by a qualified doctor or other Medicare-recognized practitioner. The patient pays 20% of the Medicare-approved amount, after applicable deductibles.

Tobacco cessation –Covered Pharmacologic Interventions:
Bupropion (Wellbutrin SR, Wellbutrin XL and Zyban)

Tobacco cessation – Covered Nicotine Replacement Therapy over-the-counter:
Gum, patch, nasal spray, inhaler

Medicaid

Assessment of health risk factors:
Women's Health Program[10]: Assessment of health risk factors such as smoking, obesity, and exercise are reported to be covered, but no additional benefit coverage details for accessing smoking cessation information was found.

According to 2003 data provided to the University of California from state Medicaid representatives[5, 6]:

Tobacco cessation –Covered Pharmacologic Interventions:
Bupropion (Zyban)

Tobacco cessation – Covered Nicotine Replacement Therapy over-the-counter:
Gum, patch, nasal spray, inhaler

Please note: Written materials for the above Medicaid coverage information were **not** verifiable as covered benefits from the Texas Medicaid Service website. The HNETS research assistant who talked to the Medicaid specialist was told that the SARS Support Specialist would need to call for verification of payment of the above services under the current plan (personal communication, SARS Support Specialist, 4/27/07). Exhibits 1 and 2, presented on pages 8 and 9 of this report, are excerpts from "Medicaid Coverage For Tobacco-Dependence Treatments," a

manuscript from the journal Health Affairs[5] from which we extracted information regarding Texas Medicaid coverage.

CHIP[3, 11]

Covered up to $100 for a 12-month period limit for a plan-approved program

- Health Plan defines plan-approved program
- May be subject to formulary requirements

CHIP tobacco cessation coverage was buried in Chapter 6 of the HHSC Uniform Managed Care Contract Terms and Conditions[11], which describes contractual expectations regarding tobacco services, and in Chapter 7 of the Texas Medicaid In Perspective Sixth Edition[3] report. Neither of these publications are accessible or widely available to the general public.

STAR[3]

Smoking cessation services are covered at the discretion of the HMO servicing the STAR enrollee. STAR enrollees have the value-added and flexible-benefits programs offered by the HMO.

EXHIBIT 1
State Tobacco-Dependence Treatments Provided, 1998 And 2003

State	Any coverage	NRT			Zyban	Counseling		Comprehensive coverage[a]
		Gum	Patch	Spray/ inhaler		Individual	Group	
AZ	98, 03				98, 03			
AR	03				03			
CA	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03[b]	98, 03[b]	98, 03
CO	98, 03	98, 03	98, 03	98, 03	98, 03			
DE	98, 03	98, 03	98, 03	98, 03	98, 03			
FL	98, 03	98, 03	98, 03		98, 03	98, 03[b]	98, 03[b]	98, 03
HI	03	03	03	03	03			
IL	03	03	03	03	03			
IN	03	03	03	03	03	03	03	03
KS	03		03		03	03	03	03
LA	98, 03	98, 03	98, 03	98, 03	98, 03			
ME	98, 03	98, 03	98, 03	98, 03	98, 03	03		03
MD	98, 03	98, 03[c]	98, 03[c]	98, 03	98, 03			
MI	98, 03	98, 03	98, 03		98, 03			
MN	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03
MS	03	03	03	03	03			
MT	98, 03	98, 03[b]	98, 03	03	98, 03			
NV	98, 03	98, 03	98, 03	98, 03	98, 03			
NH	98, 03	98, 03	98, 03	98, 03	98, 03			
NJ	98, 03	98, 03	98, 03	98, 03	98, 03	03	03	03
NM	98, 03	98, 03	98, 03	98, 03	98, 03			
NY	03	03	03	03	03		03	03
NC	98, 03	98, 03[c]	98, 03[c]	98, 03	98, 03			
ND	98, 03	98, 03	98, 03		98, 03	03		03
OH	98, 03	98, 03	98, 03	98, 03	98, 03			
OK	03	03	03	03	03			
OR	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03	98, 03
PA	03	03	03	03	03	03	03	03
RI	98, 03					98, 03[b]	98, 03[b]	
SD	03				03			
TX	98, 03	98, 03	98, 03	98, 03	98, 03			
UT	03	03	03		03			
VT	03	03	03	03	03			
VA	98, 03			98, 03[b]	98, 03[b]			
WV	03	03	03	03	03	03		03
WI	98, 03		98, 03[c]	98, 03	98, 03	03		03
DC	98, 03	98, 03[c]	98, 03[c]	98, 03	98, 03			
1998	24 (47%)	20 (39%)	21 (41%)	18 (35%)	23 (45%)	5 (10%)	5 (10%)	4 (8%)
2003	37 (73%)	30 (59%)	32 (63%)	28 (55%)	36 (71%)	13 (25%)	10 (20%)	13 (25%)
Added since 1998	13	10	11	10	13	8	5	9

SOURCE: Center for Health and Public Policy Studies, State Medicaid Tobacco Dependence Treatment Survey, University of California, Berkeley (administered annually from 1998 to 2003).

NOTES: States were surveyed in 1998 and in subsequent years through 2003 regarding whether they covered tobacco-dependence treatments for the general Medicaid population. Any inconsistencies with previous publications are the result of further clarification since the 1998 survey.

[a] Defined as coverage for (1) at least one nicotine replacement therapy (NRT), (2) Zyban, and (3) individual or group counseling.

[b] This benefit was not reported as being covered in the 1998 survey; however, when respondents in subsequent surveys were asked for the first year this service was covered, the year reported was prior to 1998.

[c] Maryland, North Carolina, Wisconsin, and Washington, D.C., cover nicotine replacement gum or the patch, or both, only if there is a prescription.

EXHIBIT 2
Tobacco-Dependence Treatments For Special Medicaid Populations And Program Coordination

	Special populations		Coordination		
States	Exclusive treatment for pregnant women	Treatment covered through EPSDT	Medicaid works with tobacco control division	Medicaid works with maternal and child health division	State operates a smoking quitline
AK					●
AZ	●	●	●	●	●
AR		●			●
CA		●	●	●	●[a]
CO	●	●			●
CT				●	●[a]
DE		●		●	●
FL		●			●
GA				●	●
HI		●			
IL		●		●	●[a]
IN		●		●	
IA	●		●		●
KS			●	●	●
KY	●	●		●	
LA					●
ME		●	●	●	●
MD	●			●	
MA	●	●	●	●	●
MI		●		●	●
MN	●			●	●
MS	●	●	●	●	●
MO				●	
MT		●		●	
NE		●	●	●	●
NV	●	●	●		●
NH	●	●		●	●
NJ	●	●	●	●	●
NM		●		●	●
NY	●		●	●	●
NC				●	
ND		●		●	●[b]
OH		●		●	●
OK		●	●	●	●
OR	●		●	●	●
PA	●	●			●
RI	●	●			●
SC				●	●[b]
SD		●		●	●
TX				●	●
UT	●	●	●	●	●
VT		●			●
VA	●	●		●	
WA	●	●		●	●
WV	●		●	●	●
WI	●	●	●	●	●
WY		●	●	●	●[a]
DC				●	
States	20 (39%)	32 (63%)	17 (33%)	37 (73%)	39 (76%)

SOURCE: Center for Health and Public Policy Studies, State Medicaid Tobacco Dependence Treatment Survey, University of California, Berkeley, 2003.

NOTES: State Medicaid agencies were asked (1) if they offer any tobacco dependence treatment exclusively for pregnant women; (2) if the state operates a telephone quitline for smokers; (3) if they cover any tobacco dependence treatments under their Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program; (4) if they work with their state's tobacco control division; and (5) if they work with their state's maternal and child health division. The quitline information provided in the survey was verified by the Center for Tobacco Cessation survey of states through September 2003.

[a] Identified as a state with a quitline by the Center for Tobacco Cessation survey.

[b] Although North Dakota and South Carolina did not report having a quitline in 2003, they were identified as states with quitlines through press releases announcing the launch of the quitlines in 2004.