Cerner
Data Driven Benefit Design

Tobacco use is the leading cause of preventable death in the United States – accounting for 20 percent of all deaths annually. The growing evidence that tobacco cessation programs improve employee health and yield cost savings to employers has led many employers to consider implementing smoking cessation programs.

In an effort to share best practices and lessons learned, the National Business Coalition on Health (NBCH) has developed a series of case studies profiling model employers. Cerner Corporation exhibits a best practice in the successful implementation of a smoking cessation program.

Background
Cerner, with over 7,600 associates is headquartered in Kansas City. Founded in 1979, Cerner is a leading supplier of healthcare information technology. Cerner's integrated health management approach provides wellness-based incentives, personal health assessment and biometric screening, a health advisor, primary care, pharmacy, chronic condition management, and education, nutrition, and fitness options to promote a healthy lifestyle. This integrated approach is linked to other programs including Employee Assistance, Work/Life, leaves, etc. Cerner credits their active participation in the Mid America Coalition on Health Care as contributing to their benefit strategies. Using a tool to bring together Cerner's data—including cost and demographics related to health, benefit design, claims, lost work time, and employee satisfaction, Cerner adopted a value based benefit design for tobacco cessation.

Promoting Value Based Benefit Design
"*Using integrated data, we establish goals, design and conduct worksite interventions that remove barriers to healthy actions. This sustainable change approach measures results and provides evaluation information for continued review and continued use of evidence to support changes.*" ***Mike Heckman, Director of Global Benefits, Cerner Corporation***

Implementing a Tobacco Cessation Program
With the information on value based benefit design specifically for tobacco cessation and evidence from the Centers for Disease Control and Prevention (CDC) to show the cost effectiveness of this benefit, Cerner implemented their program using the CDC recommended benefit design. Cerner's program is a comprehensive approach with the following major features:

Employer Programs to Support Employees with Tobacco Cessation

- Significant incentive offered to employees who are tobacco free with a $750 annual premium reduction
- Close coordination with the integrated services provided by health coaches and health advisors
- Coverage for necessary counseling sessions, including proactive phone counseling and individual counseling
- Coverage for both FDA approved prescription medications and over the counter medications as well as bupropion (Up to a $300 contribution to cessation aids)
- Counseling and medication coverage for 2 smoking cessation attempts per year

Initially available for associates only (with plans to add coverage for dependents), all associates must indicate tobacco use annually. Tobacco users are identified via the annual health screening, annual health risk assessment, or self report.

The program features two choices—onsite counseling and telephonic counseling. Both programs require the participant to set a quit date, develop a relapse prevention plan, and participate in the Cerner annual health screening process. The onsite counseling requires the participant to attend 9 meetings over a six month period. The telephonic counseling requires the participant to attend 5 to 10 prescheduled sessions.

Cerner was able to take advantage of the American Cancer Society *Workplace Solutions*[1] which includes information, samples, and facts about implementing a smoke free workplace using the American Cancer Society Quitline and Freshstart for counseling support along with the support for FDA approved medications described above.

Challenges

The major challenges for the program are:

- Communicating the value of managing this health risk factor to the associate population and understanding the effectiveness of this information
- Clearly identifying the relationship of the health risk of tobacco use to daily living—both in the short and longer term
- Ensuring equity for access to and support for the tobacco cessation program at all locations

[1] American Cancer Society, *Workplace Solutions*, 2007. http://www.nbch.org/resources/smoking_cessation.cfm. Resources.

- Addressing the varied preferences—"one size does not fit all"—for the associate population including personal one on one, group settings, and anonymity with the understanding that the higher the comfort level for participants, the higher the likelihood for success.

Outcomes

Cerner measures cost based on the counseling services plus the cessation products along with tracking the premium reduction incentive. Estimates for return on investment (ROI) are estimated as 3.5:1 or as follows:

- $1,162 per participant first year savings
- $2,325 per participant over four years[2][3][4]

Participation in the first year, 2007, included 64 referrals with 52 who engaged with a 55% cessation rate. In the first three quarters of 2008, 26 participants engaged with a 63% cessation rate and 6 participants now qualifying for the tobacco free discount.

*These values are based upon CDC data on the cost of smokers versus former smokers.

Lessons Learned

Cerner notes the following lessons learned:

- Measurement and data are critical
- Participation is not enough
- Necessity to incent good behavior
- Removing barriers to access for employees
- Using evidence based information for the benefit design

According to the Centers for Disease Control & Prevention, a comprehensive benefit includes:

- Coverage of at least four counseling sessions of at least 30 minutes each, including telephone and individual counseling sessions
- Coverage of all FDA-approved nicotine replacement products and tobacco cessation medications

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[2] Centers for Disease Control and Prevention. *Annual Smoking Attributable Mortality, Years of Potential Life Lost and Economic Costs—United States, 1995-1999.* Morbidity and Mortality Weekly Report 2002; 51(14): 300-03

[3] Warner KE, Richard JS, Smith D, Fries BE, Health and Economic Implications of a Work-site Smoking Cessation Program: A Simulation Analysis. *J Occ Environ Med* 1996; 38(10): 981-992

[4] Annual productivity loss estimate of $1,162 is based on work productivity loss of 67.5 hours/year (Warner 1996) multiplied by the national average hourly wage of $17.22. Source: Bureau of Labor Statistics, March 2007. USDL, 07-0486. Available at: www.bls.gov/news.release/empsit.nr0.htm

Employer Programs to Support Employees with Tobacco Cessation

- Providing counseling and medication coverage for at least two smoking cessation attempts per year
- Eliminating or minimizing co-pays or deductibles for counseling and medications

With support from Pfizer, the National Business Coalition on Health developed this case study to provide examples of employer-based tobacco cessation programs to support employees in their attempts to quit smoking. More about this project is available at www.nbch.org.