

# Opportunities and Challenges: Mapping the Future

Joseph W. Thompson, MD, MPH

*Surgeon General  
State of Arkansas*

*Director  
Arkansas Center for  
Health Improvement*









# Arkansas Tobacco Settlement Act of 2000

# Arkansas Center for Health Improvement

(1999 Public challenge to elected leadership)

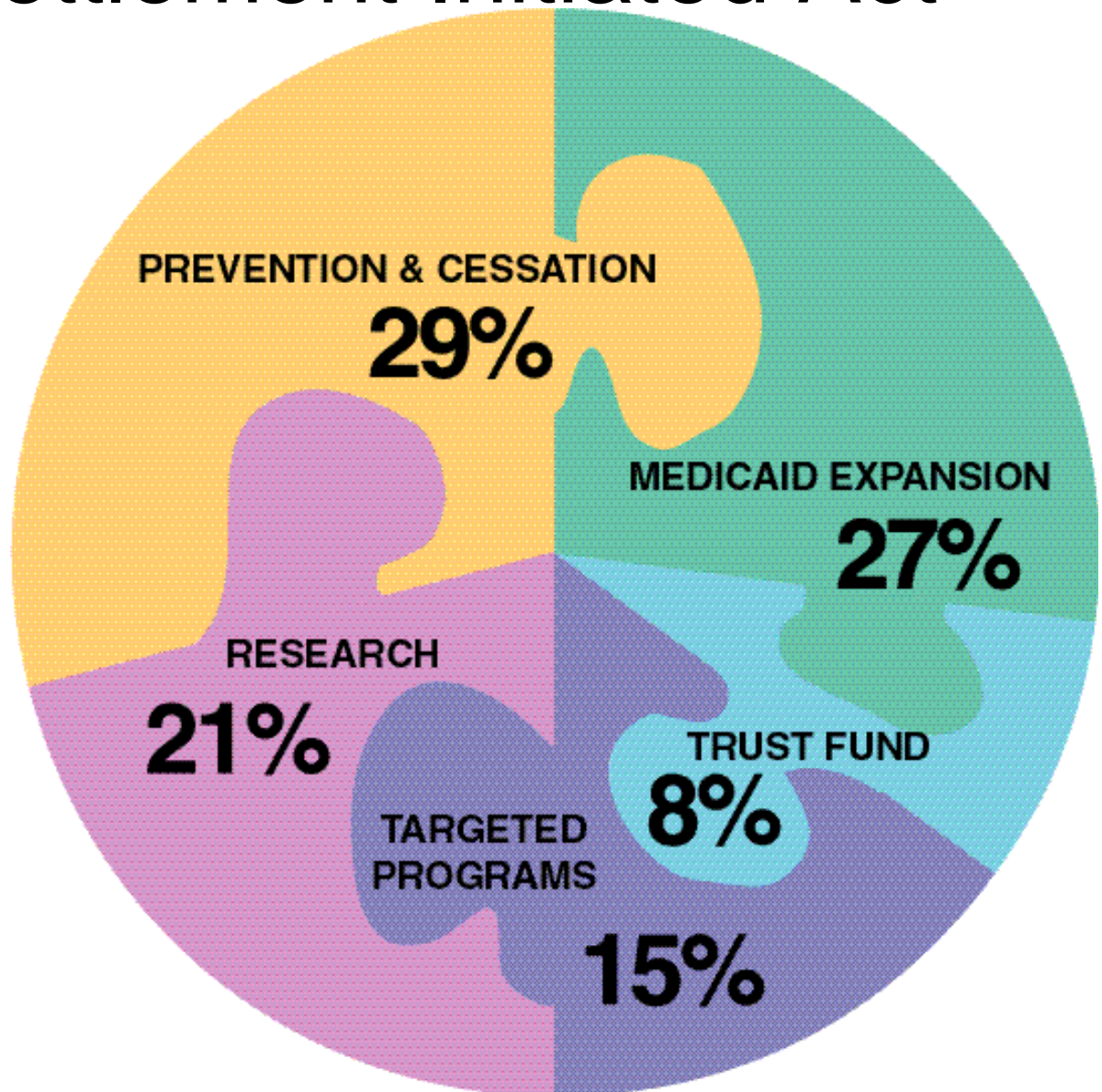
## Four Principles for Tobacco Settlement Decisions

- All funds should be used to improve and optimize the health of Arkansans.
- Funds should be spent on long-term investments that improve the health of Arkansans.
- Future tobacco-related illness and health care costs in Arkansas should be minimized through this opportunity.
- Funds should be invested in solutions that work effectively and efficiently in Arkansas.



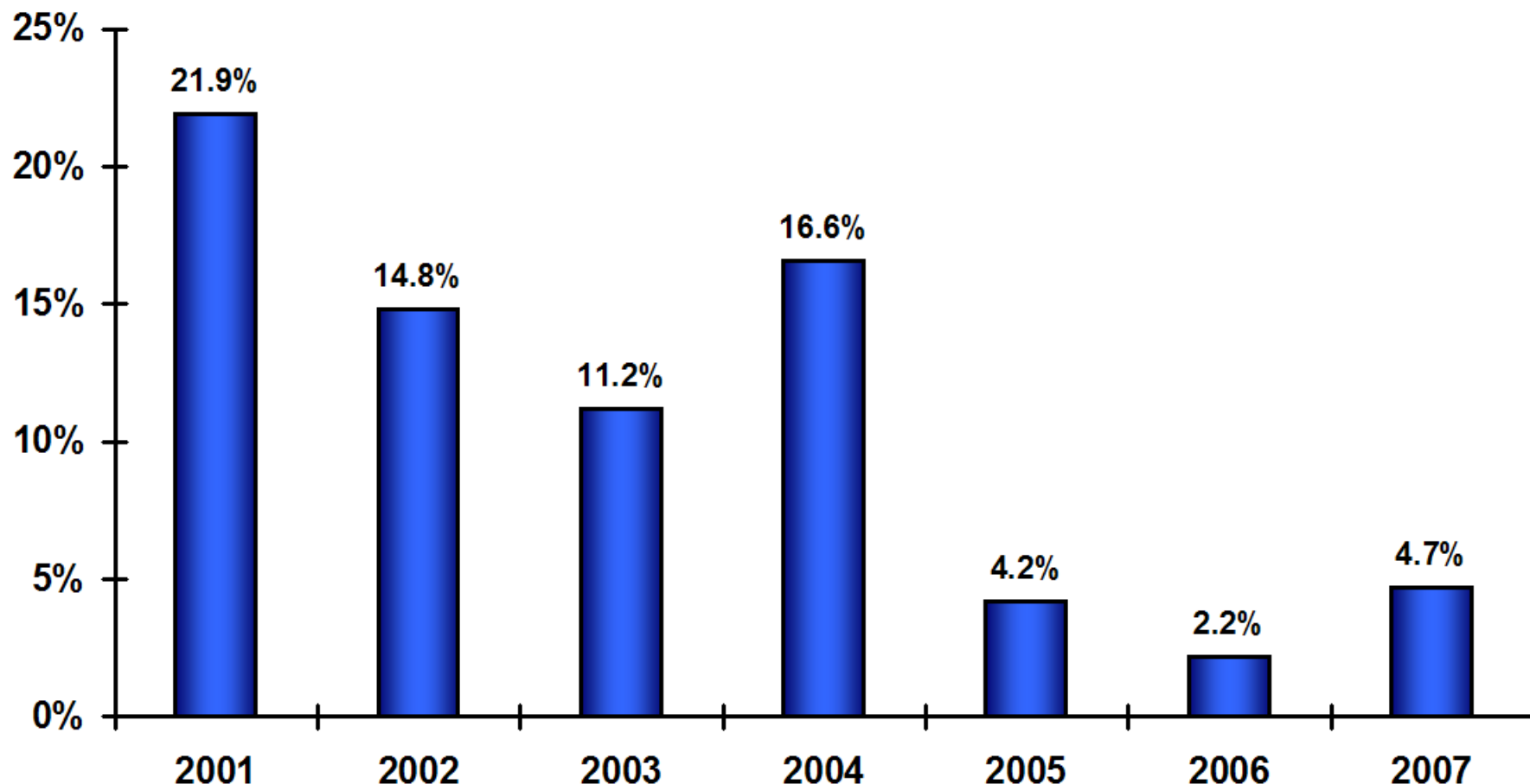
# Tobacco Settlement Initiated Act -

- Staged political process
- ~ \$60m / year
- \$\$ in perpetuity
- All new health programs
- External evaluation in place



• No changes in  
*Thompson et al, Health Affairs 2004;23(1)*  
4 sessions

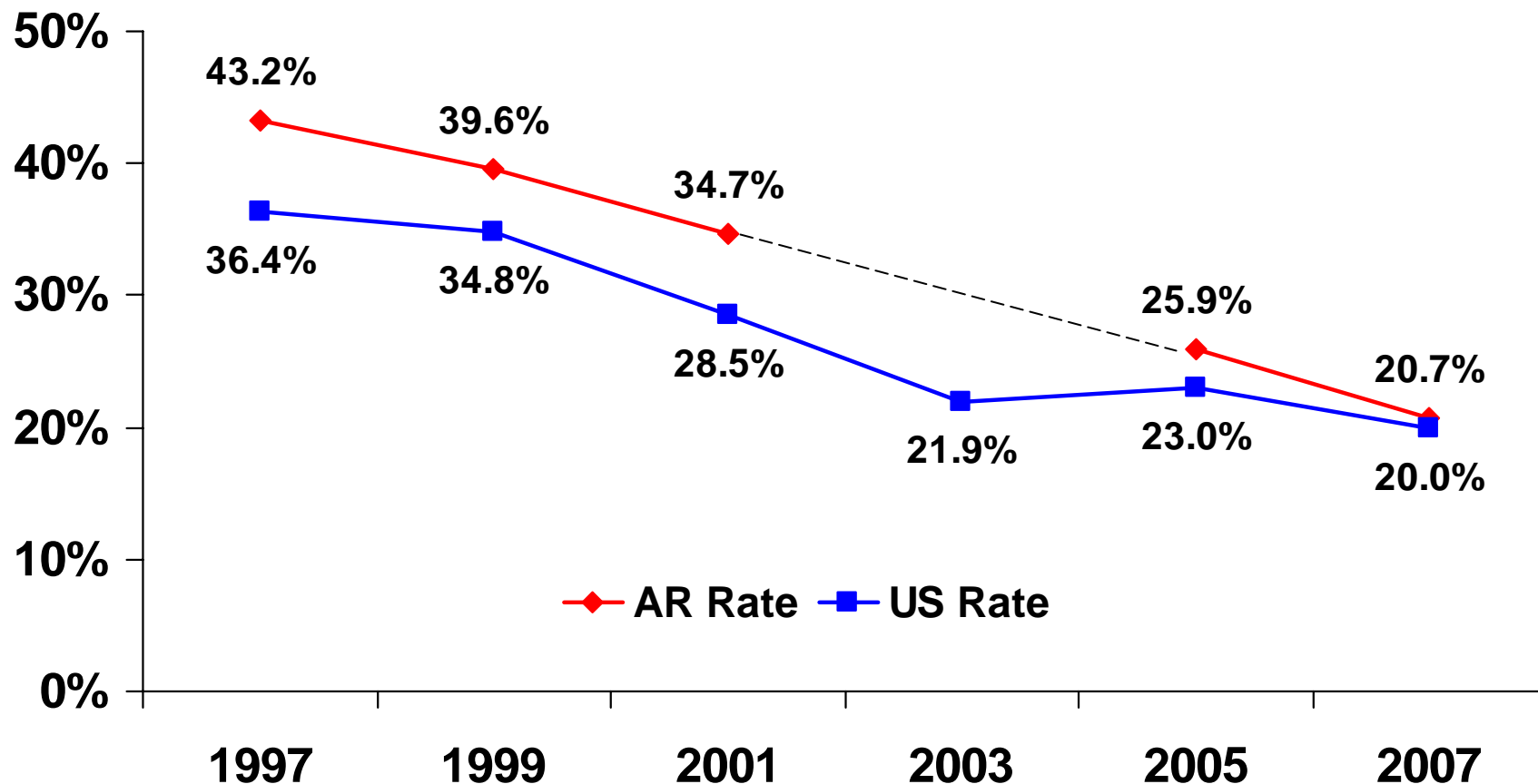
## Successful Youth Attempts to Purchase Tobacco from Retail Sources Arkansas FFY 2001-2007



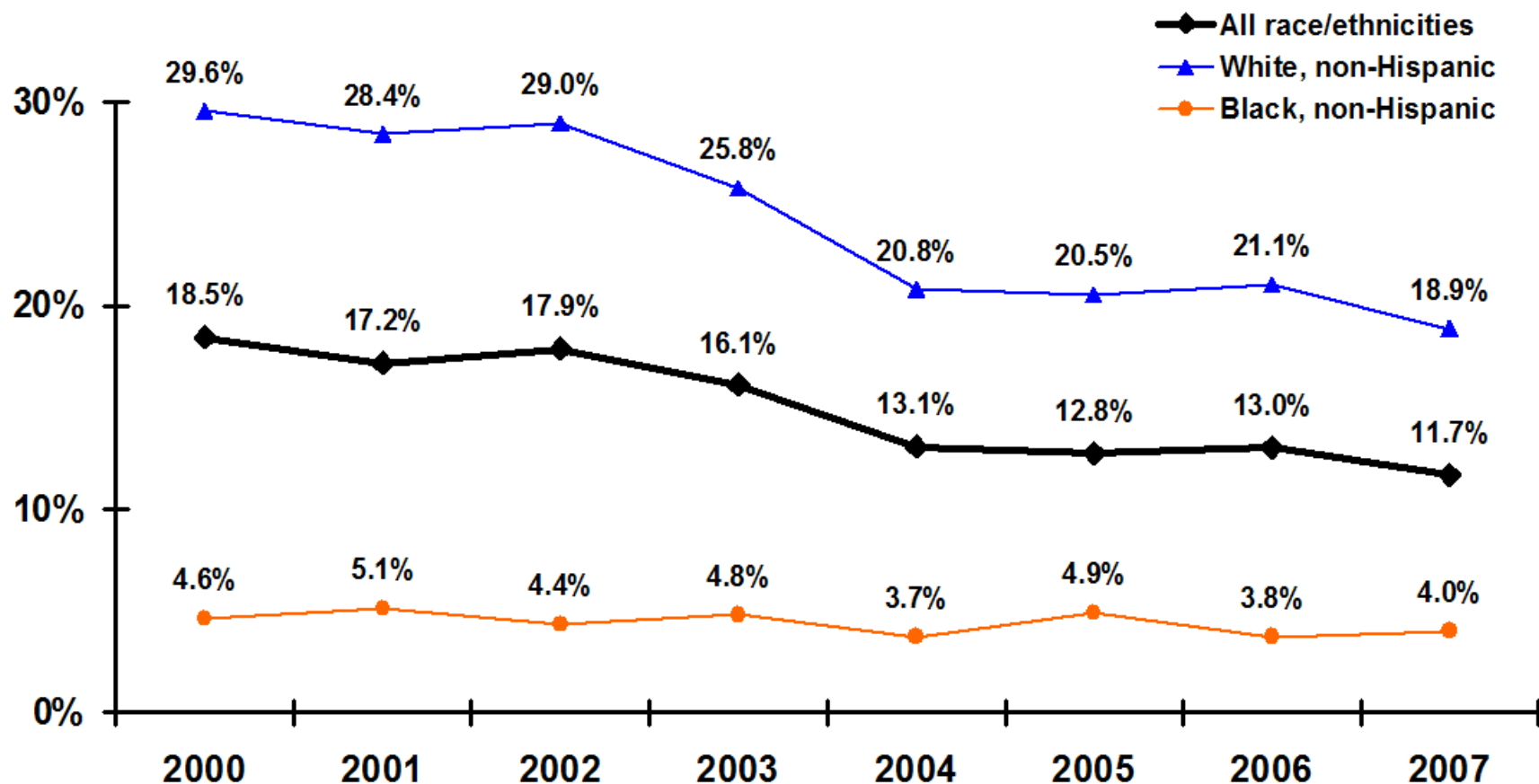
Source: U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) Compliance Checks



## Current Cigarette Smoking among High School Students, Arkansas & the US, 1997-2007\*



## Percentage of teenage mothers\* who smoked during pregnancy by race/ethnicity Arkansas 2000-2007



\* < 18 years of age

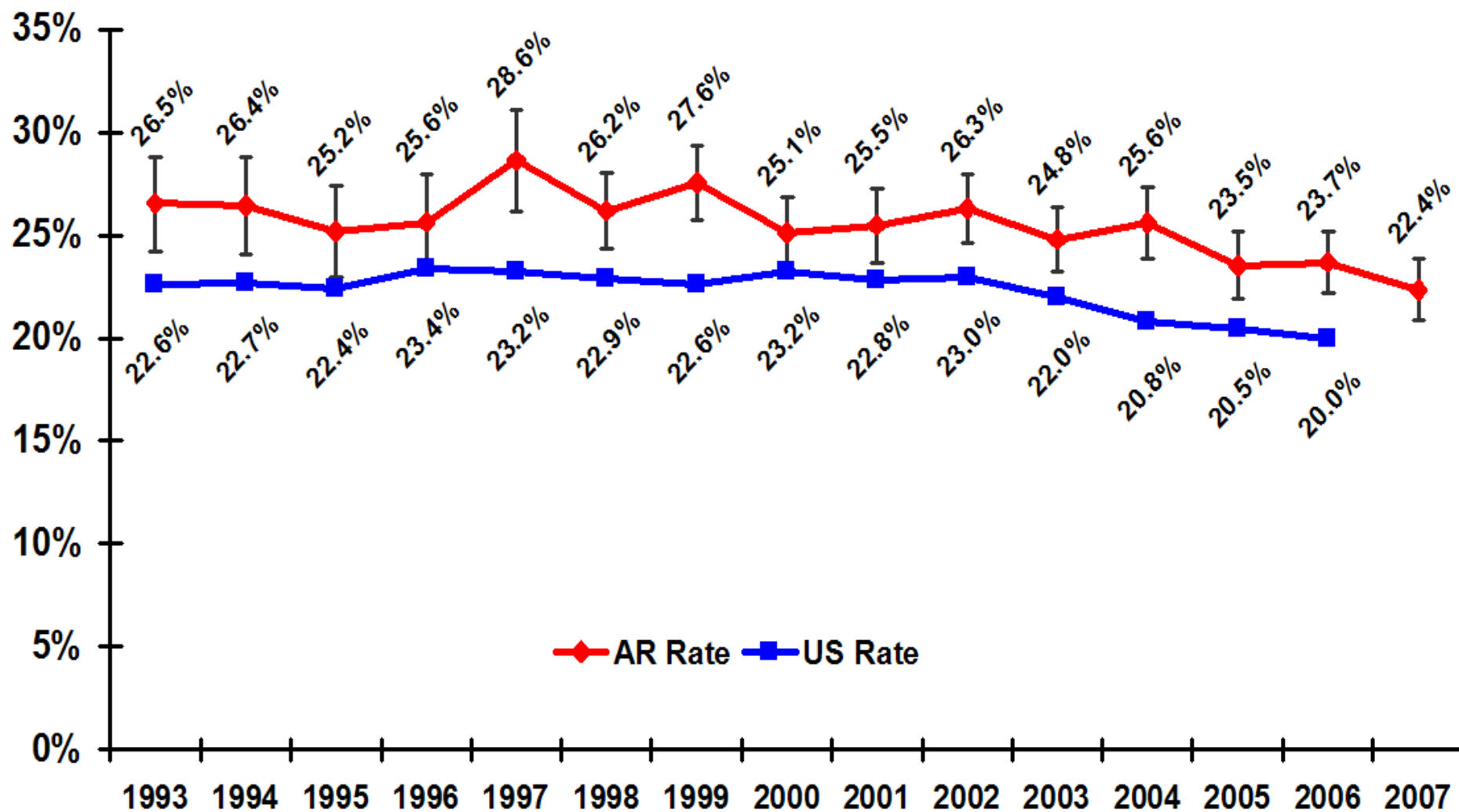
Notes: (1) Percentages are based on approximately 3,500 resident births per year. (2) Data for Hispanic teenagers are not displayed due to the very small number of mothers who smoked during pregnancy in this group (ranged from 2 to 6 teenagers at any given year).

Source: Arkansas Department of Health-Vital Statistics System, Center for Health Statistics



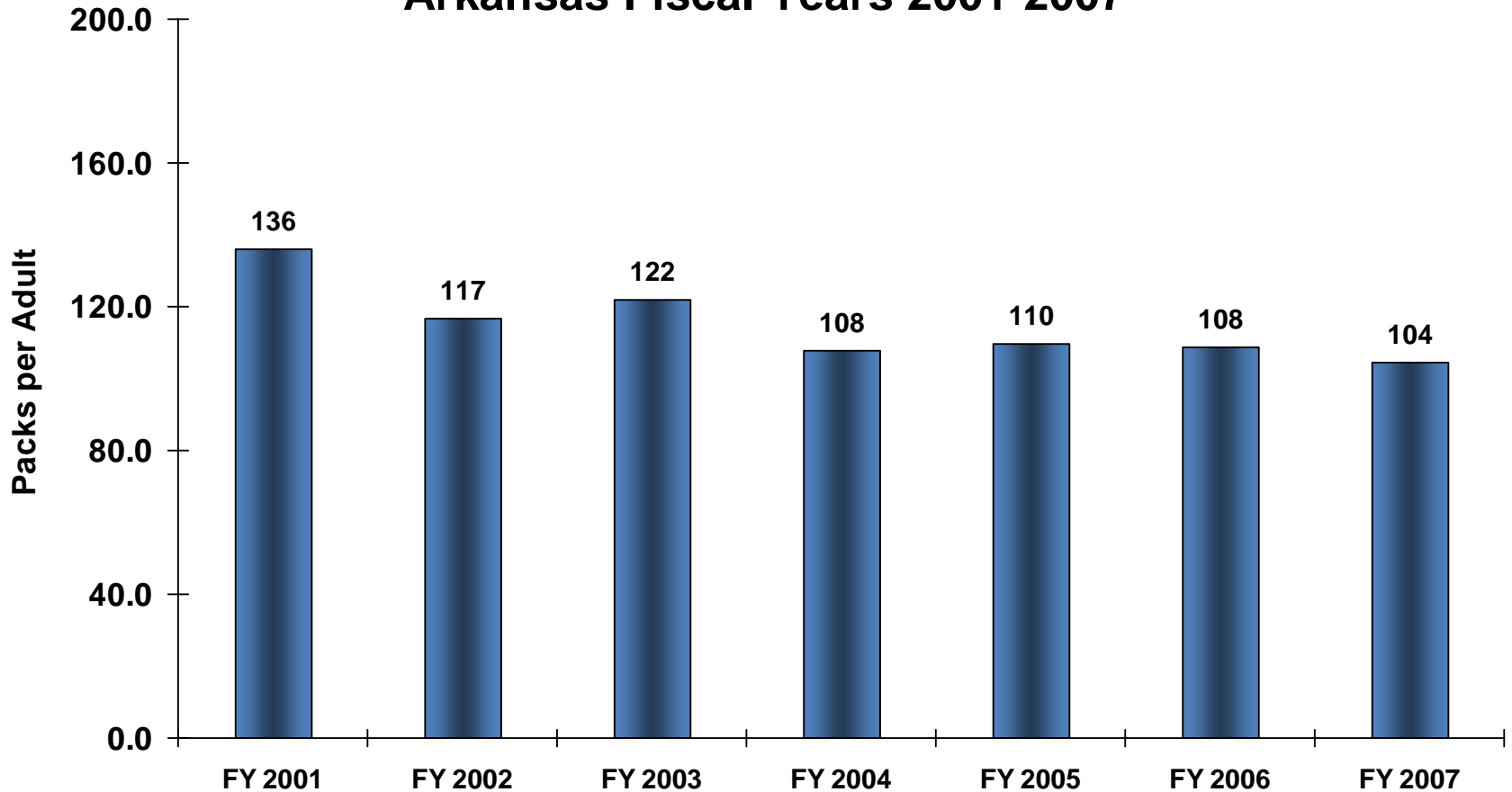


## Current Cigarette Smoking among Adults\* Arkansas & the US 1993-2007



\*Respondents aged  $\geq 18$  years who report having smoked 100 cigarettes in their lifetime and are current smokers on every day or some days.  
Source: Behavioral Risk Factor Surveillance System (BRFSS)

**Per Capita Cigarette Consumption  
Number of Cigarette Packs Sold Taxed per Adult\*  
Arkansas Fiscal Years 2001-2007**



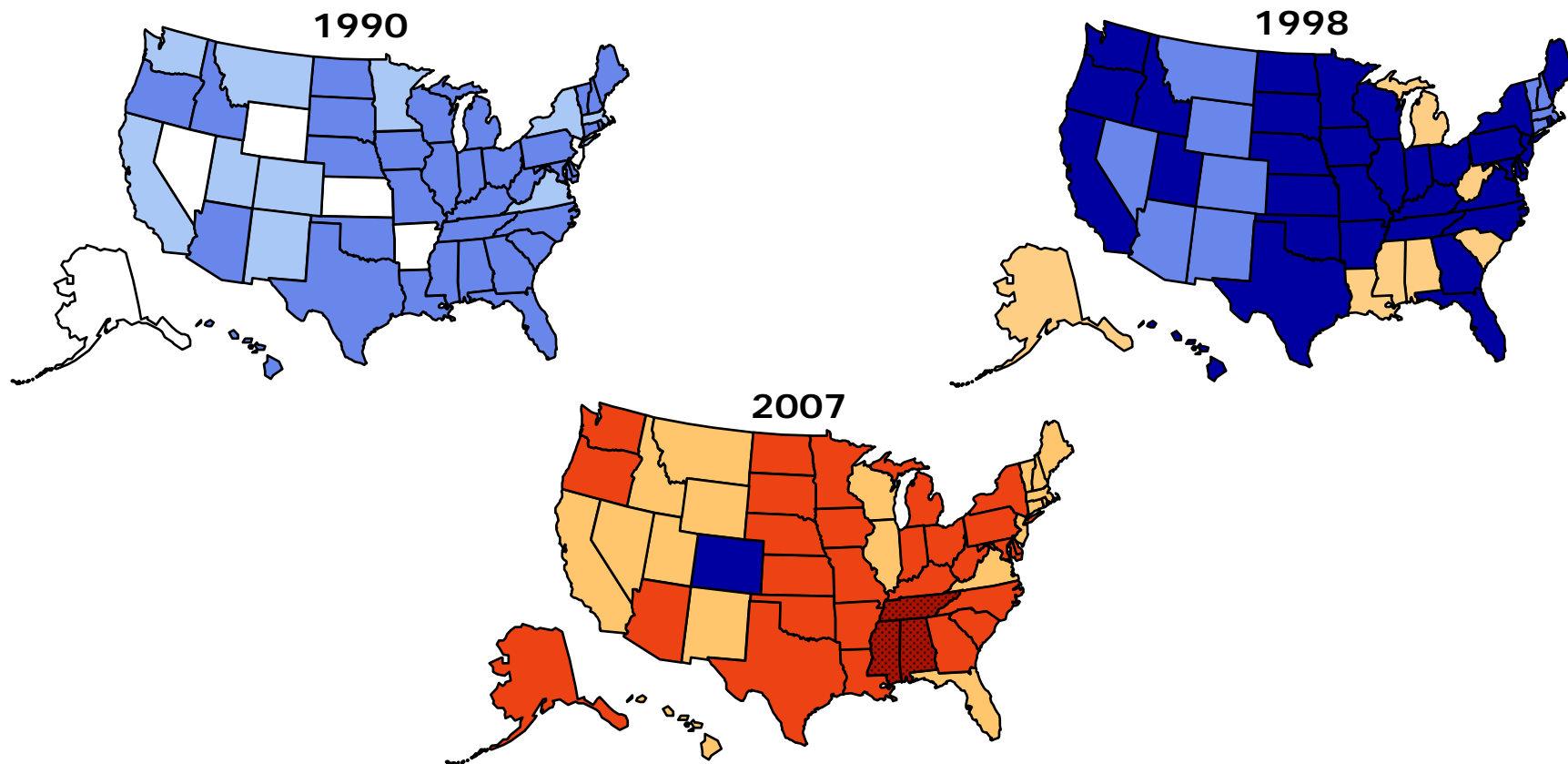


How do you use your state's  
purchasing power?

# Obesity Trends\* Among U.S. Adults

## BRFSS, 1990, 1998, 2007

(\*BMI  $\geq 30$ , or about 30 lbs. overweight for 5'4" person)



No Data   <10%   0%–14%   15%–19%   20%–24%   25%–29%   ≥30%  



Source: CDC Behavioral Risk Factor Surveillance System.



# Arkansas Public School Employees / State Employees Health Insurance Plan

- **Largest state-based insurance plan  
(~ 120,000 employees)**
- **Major state influence in plan design / payment  
structure / network development**
- **Self-insured plan with traditional benefit structure  
– no preventive coverage**
- **Aging work force with chronic illnesses**
- **Escalating health insurance premiums**
- **Lack of risk-management strategies  
(\$1600 / yr for smokers)**
- **Decisions based on annual actuarial experience –  
no long-term strategy**

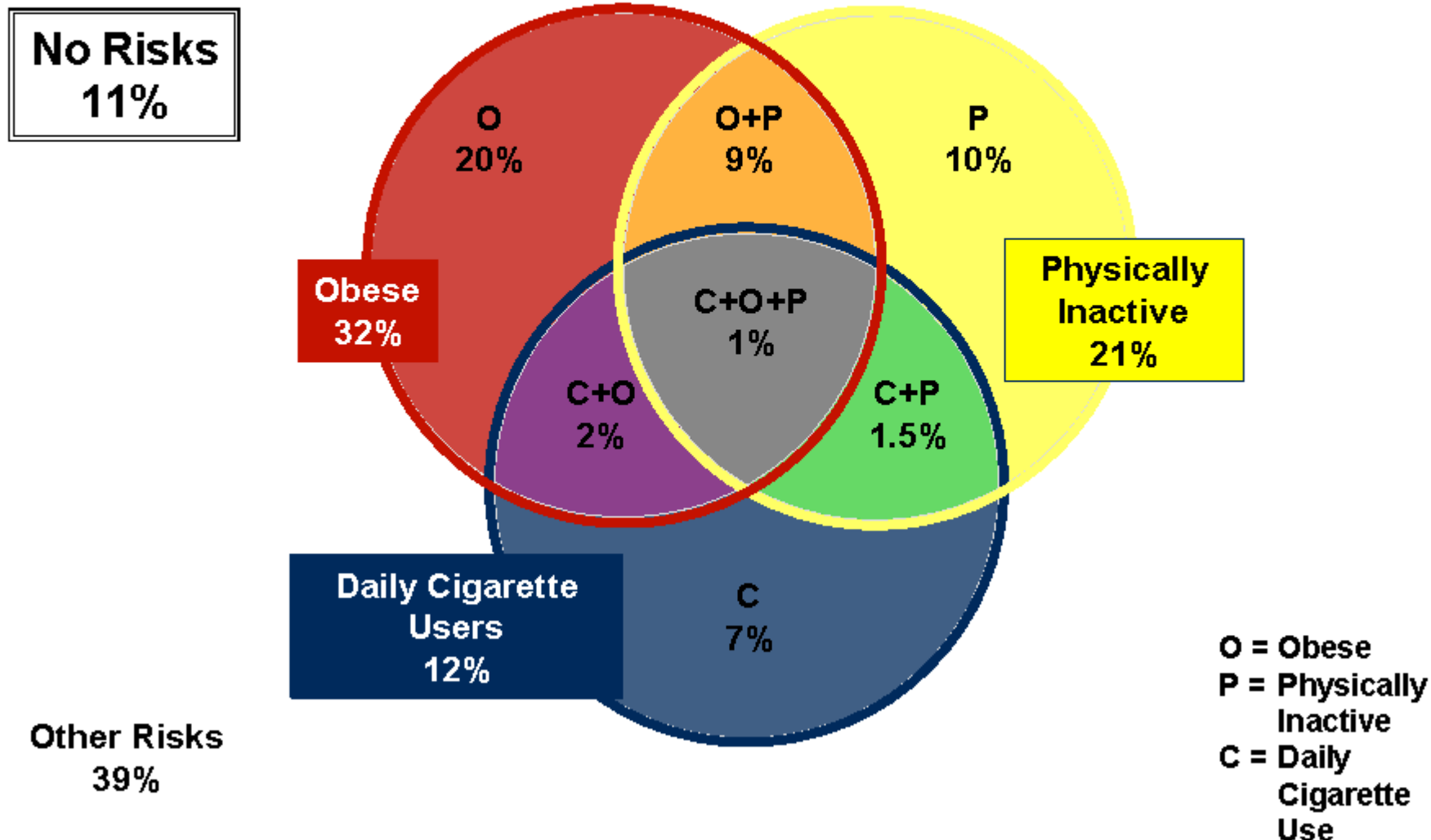


# **Arkansas Public School Employees / State Employees Health Insurance Plan**

- **Charge to the plan:**
  - Incorporate long-term management strategy for disease prevention / health promotion
- **Three phases undertaken:**
  - 1) **Awareness – Health Risk Appraisal (2004)**
    - Tobacco, obesity, physical activity, seat belt use, binge drinking
  - 2) **Support – New benefit incorporation (2005)**
    - first dollar coverage of evidence-based clinical preventive services
    - Tobacco cessation – Rx and counseling
  - 3) **Engagement – Healthy discounts (2006)**

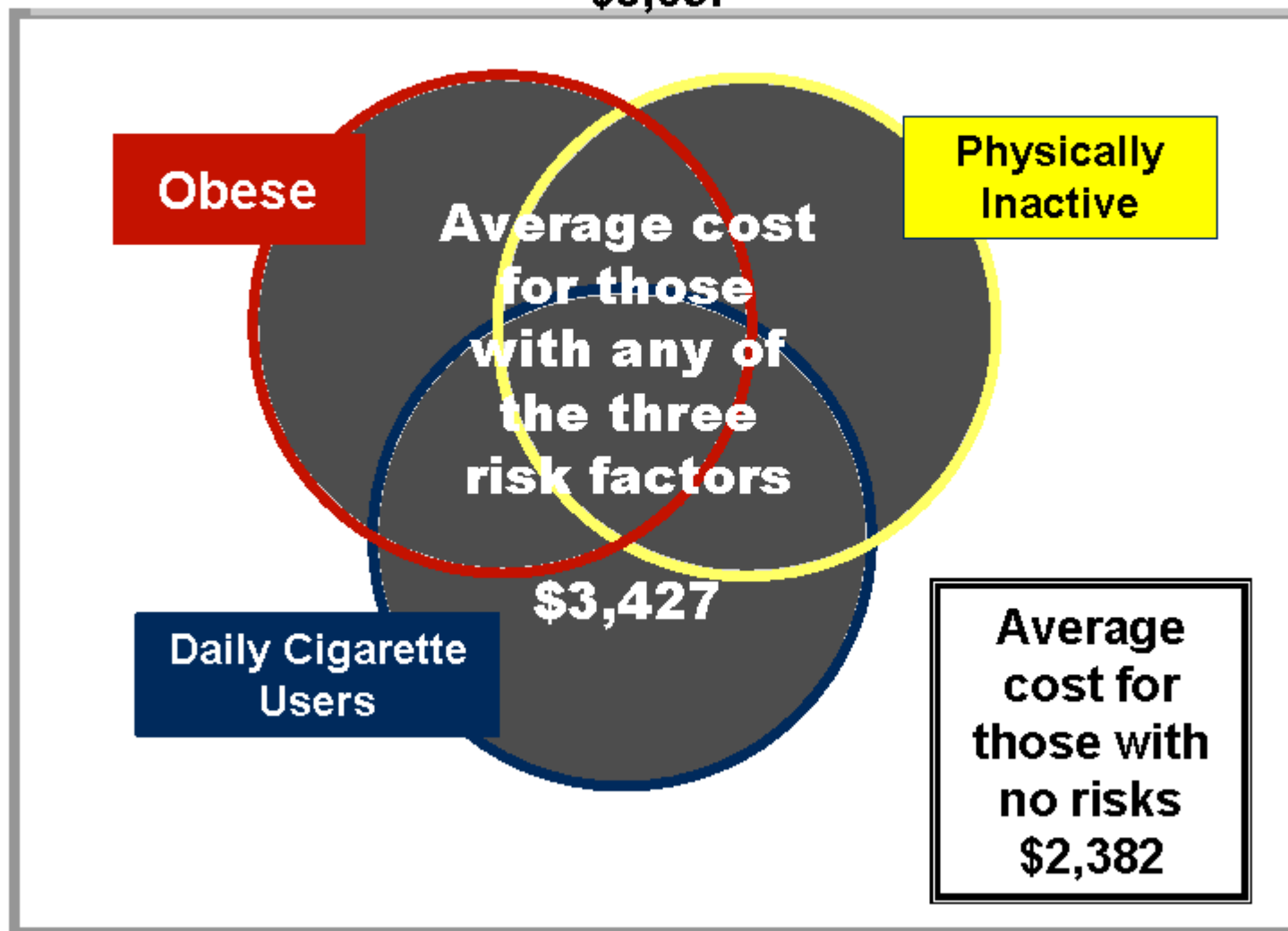
# Self-Reported Risks

HRA Respondents Eligible to Incur Claims (N=43,461)



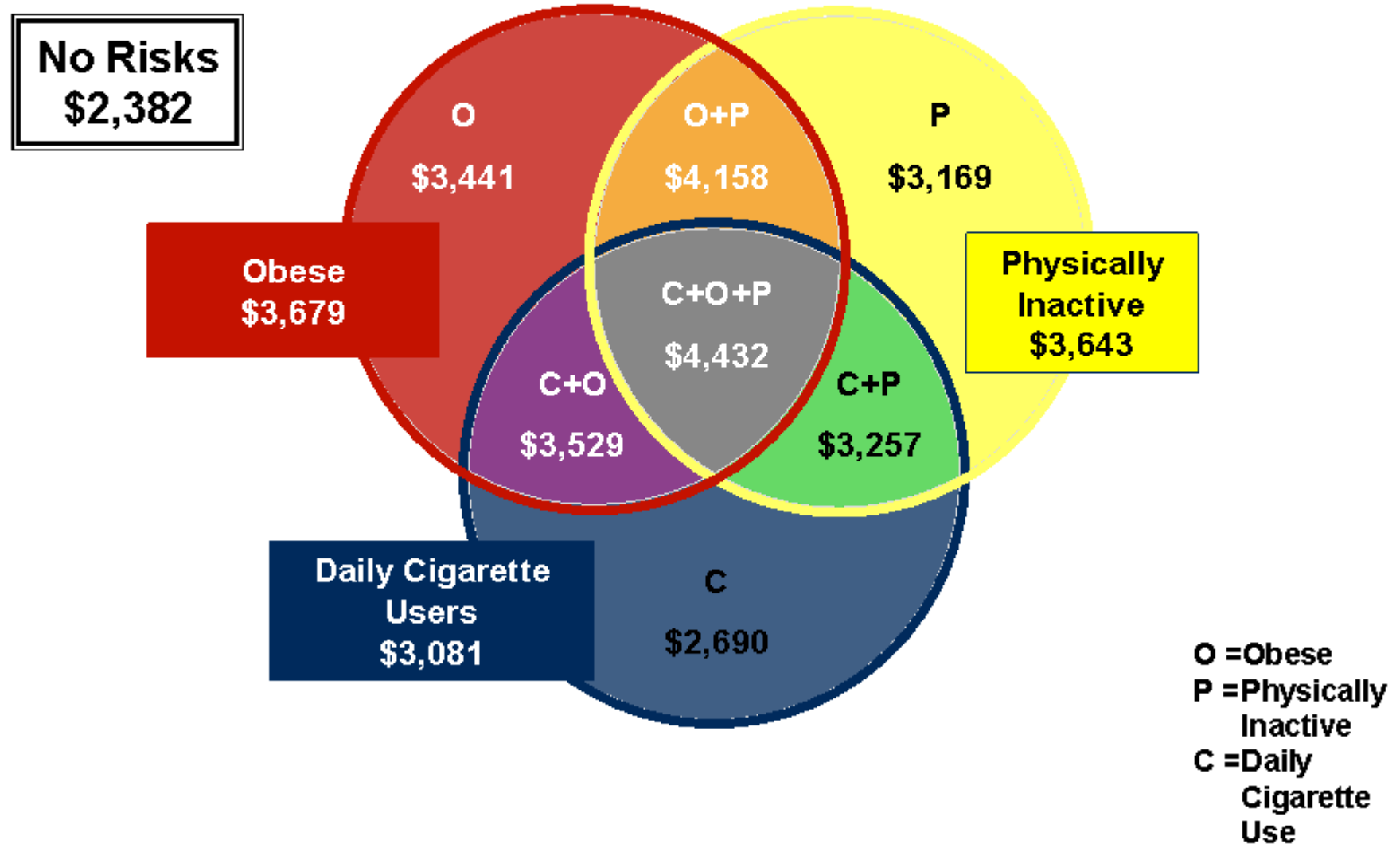
# Average Annual Total Costs (Med + Rx)

Average cost for all HRA respondents eligible to incur claims  
**\$3,097**

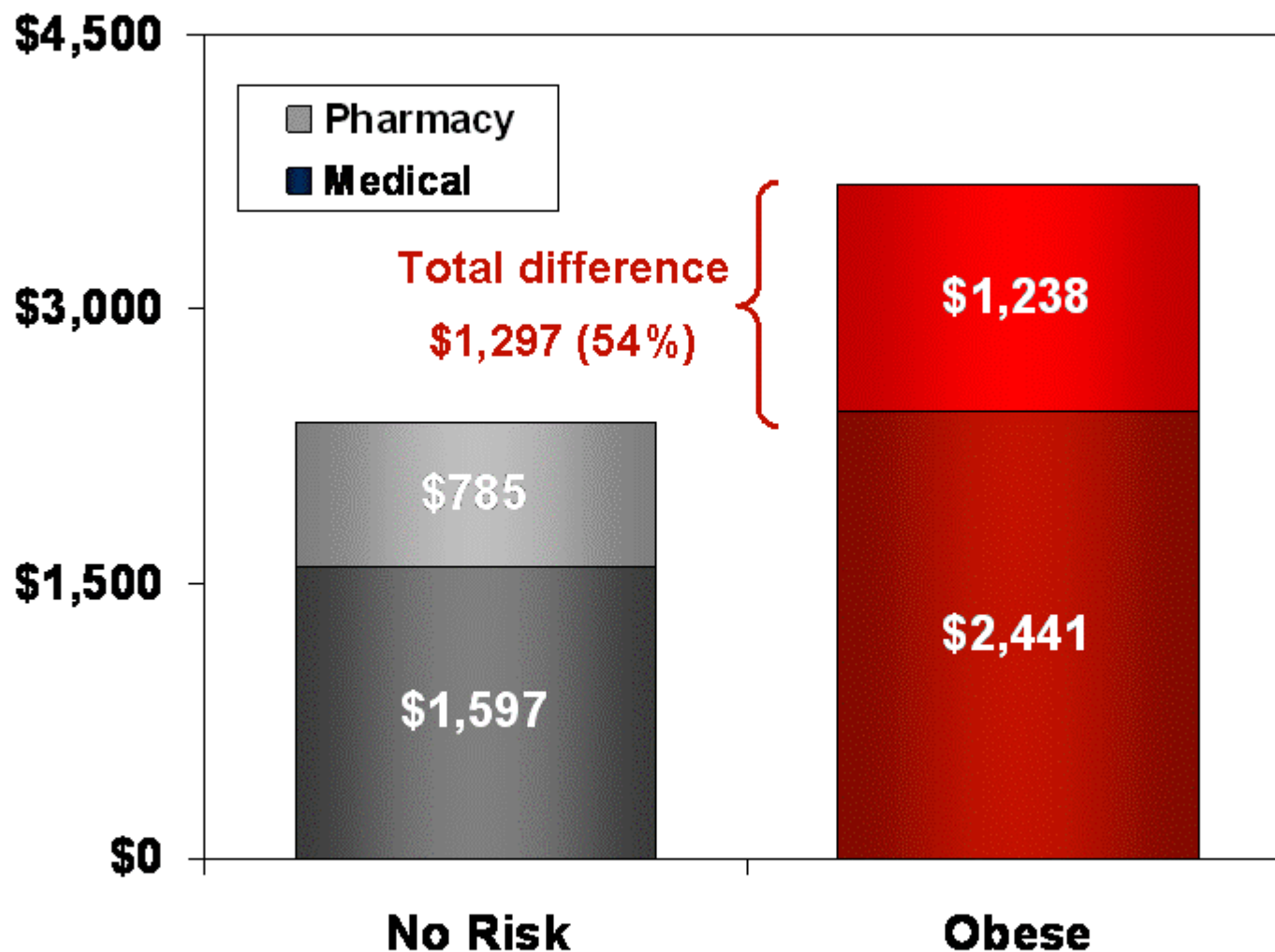




# Average Annual Total Cost by Risk Factor

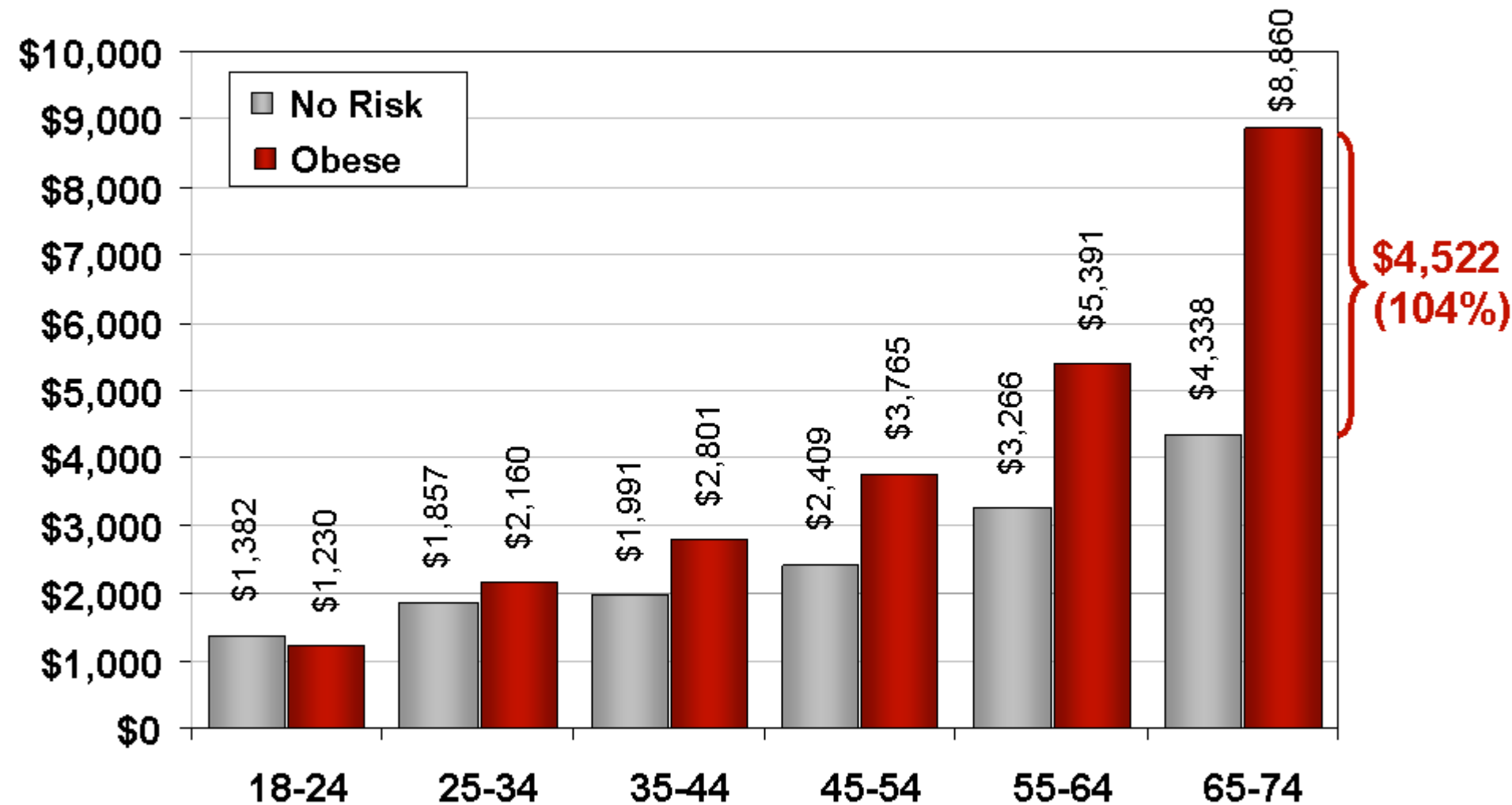


# Annual Average Total\* Costs Linked to Obesity



\*Includes medical (inpatient and outpatient) and pharmacy costs for 18-84 year old state employees.

## Average Annual Total\* Costs Linked to Obesity compared with No Risk by Age Group



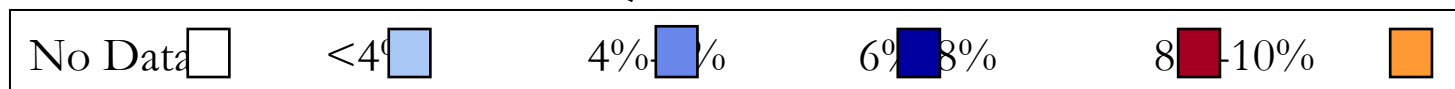
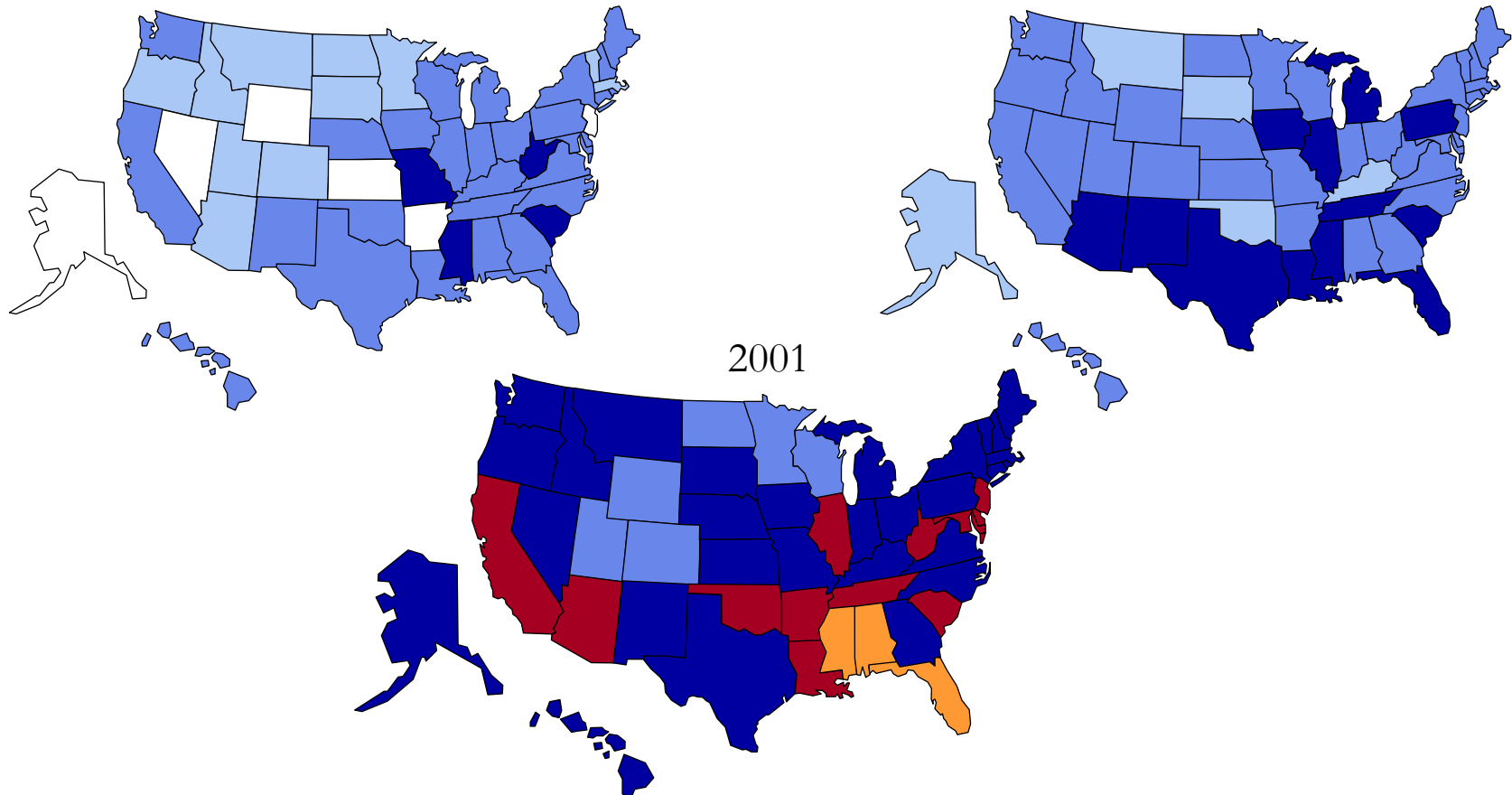
\*Includes medical (inpatient and outpatient) and pharmacy costs for state employees.

# Diabetes Trends\* Among Adults in the U.S., (Includes Gestational Diabetes)

**BRFSS, 1990, 1995 and 2001**

1990

1995



>10%

Source: Mokdad et al., *Diabetes Care* 2000;23:1278-83; *J Am Med Assoc* 2001;286:10.

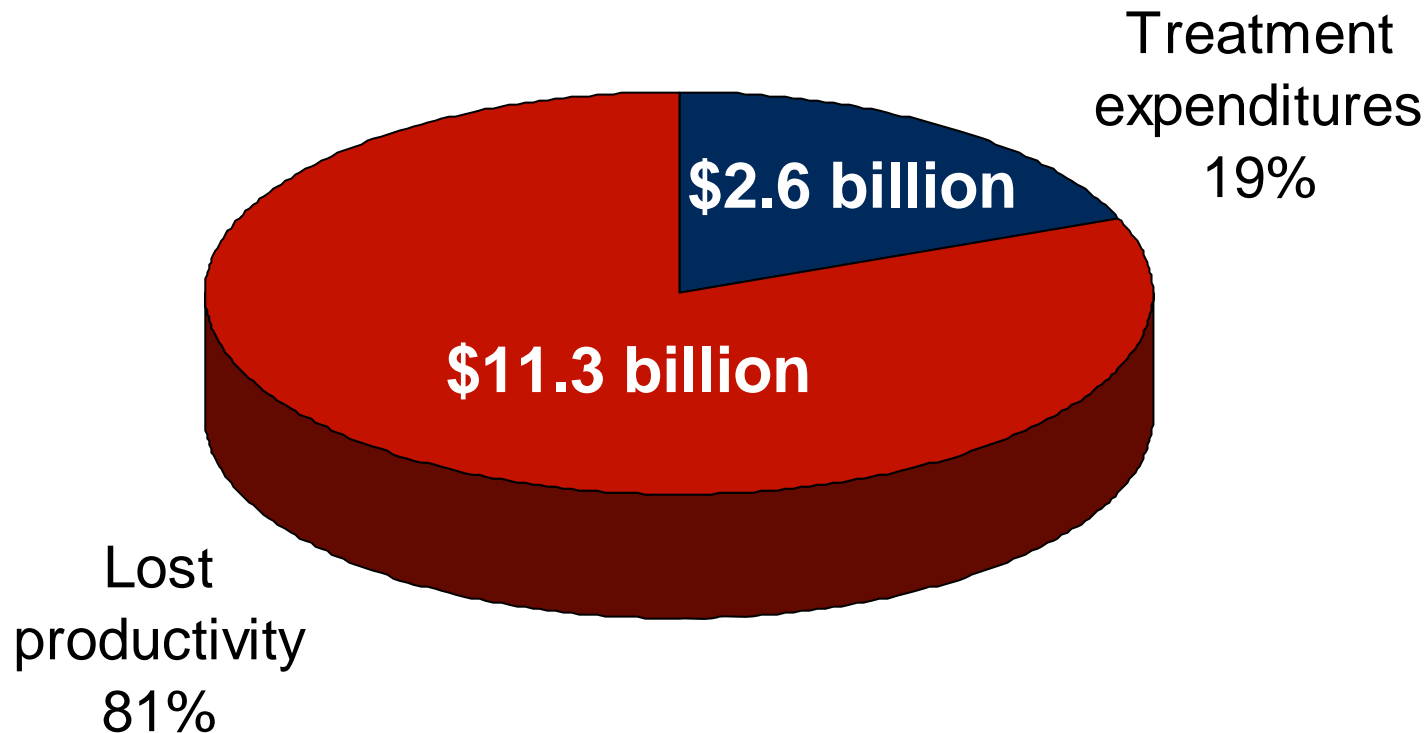


# Data Driving Policy

- ~26% of annual total costs (\$75 million of \$283 million) are associated with obesity, physical inactivity, or daily cigarette smoking.
- Paradigm shift of Board recognizing current costs associated with failed past prevention
- Incorporation of new benefits:
  - Tobacco counseling and pharmaceutical coverage
  - Three-tiered obesity benefit
- Legislative authorization provides up to 3 extra vacation days after health improvements (HELP)

# Economic impact of chronic disease in Arkansas (2003)

**Total costs: \$13.9 billion**



Source: DeVol and Bedroussian. *An Unhealthy America: The Economic Burden of Chronic Disease*. Milken Institute, October 2007. Available at [www.milkeninstitute.org](http://www.milkeninstitute.org).

# Act 1220: Arkansas Child and Adolescent Obesity Initiative

# 84th General Assembly Act 1220 of 2003

*An act to create a Child Health Advisory Committee; to coordinate statewide efforts to combat childhood obesity and related illnesses; to improve the health of the next generation of Arkansans; and for other purposes.*

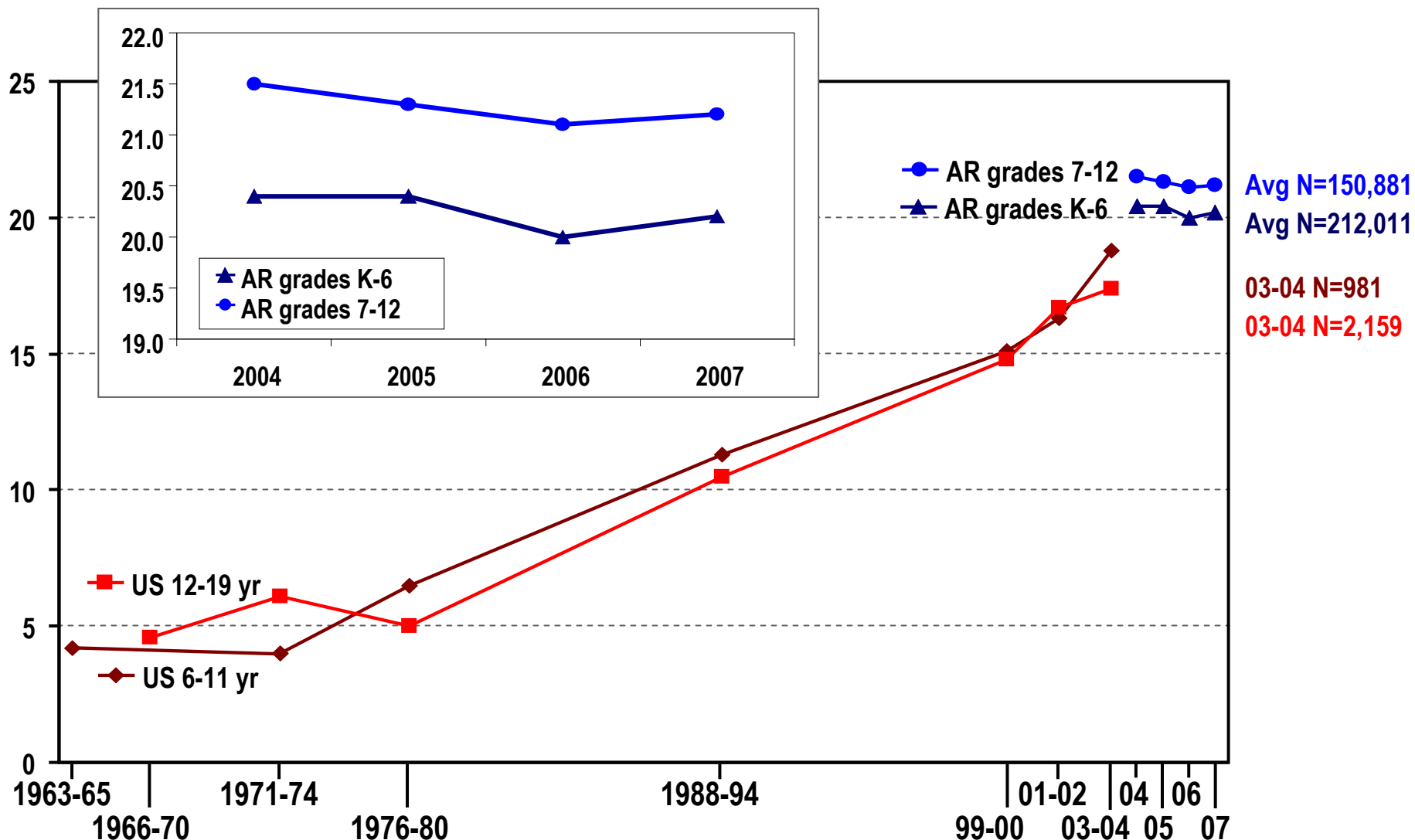
## **Goals:**

- Change the environment within which children go to school and learn health habits every day
- Engage the community to support parents and build a system that encourages health
- Enhance awareness of child and adolescent obesity to mobilize resources and establish support structures





# National and Arkansas Childhood Obesity Trends



NHANES data sources: Ogden et al. *Prevalence and Trends in Overweight Among US Children and Adolescents, 1999-2000*. JAMA 2002;288(14):1728-1732. Ogden et al. *Prevalence of Overweight and Obesity in the United States, 1999-2004*. JAMA 2006;295(13):1549-1555.

Arkansas data source: Arkansas Center for Health Improvement, Little Rock, AR, September 2007.



# Conclusions & Challenges

- **U.S. health and health care system is constantly changing**
- **Separation of health and health care efforts leads to fragmented, inefficient, and ineffective investments (public and private)**
- **Investment in health (prevention of risks) is required upstream to avoid costs (health care) downstream**
- **Need for leadership is clear and the policy window of opportunity is ready to open –  
Let's go!!**

