



Save Money, Save Lives: Facts About Commercial Tobacco-free Workplaces

Strategies to Increase Your Bottom Line

- ✓ Prohibit commercial tobacco use on company grounds – indoors, outdoors, parking lots, & in company-owned vehicles
- ✓ Allow use of FDA-approved nicotine replacement therapies
- ✓ Remove cost barriers by providing full coverage (100%) for commercial tobacco cessation, medication, & counseling
- ✓ The Affordable Care Act gives employers greater flexibility to help employees quit
- ✓ Provide information about free resources to assist with quitting, such as the Montana Tobacco Quit Line
- ✓ Connect with your local Tobacco Education Specialist for guidance

CONTACT

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Commercial Tobacco Has a Price

In Montana, 1,600 adults die each year from smoking. The state of Montana's annual healthcare costs *directly* caused by smoking are \$511 million with smoking-caused production losses estimated at \$898.6 million.¹

Benefits of Adopting Commercial Tobacco-free Workplace Policies

Commercial tobacco-free workplaces create a healthier, more productive & enjoyable environment for everyone. Comprehensive policies that prohibit the use of all forms commercial tobacco and nicotine products can:

- Increase productivity and decrease medical expenses (save an average of \$4,056 annually per employee using commercial tobacco)²
- Lower absenteeism rates
- Lower health insurance premiums (tobacco users can have more and longer hospital stays)
- Decrease Worker's Compensation costs (\$2,189 for smokers vs. \$176 for nonsmokers)³
- Save on maintenance & cleanup costs (cigarette butts are the most littered item in the U.S.)⁴

Lost Production Time

In a 2003 survey of nearly 29,000 U.S. workers, smoking was a leading cause of worker lost production time – greater than alcohol abuse or family emergencies. Quitting smoking can greatly improve a worker's productivity.⁵

RESOURCES

1. Campaign for Tobacco-free Kids. "The Toll of Tobacco in Montana." (Oct. 2022). Retrieved Oct. 2022 from <https://www.tobaccofreekids.org/problem/toll-us/montana>.
2. Berman, M., Crane, R., Seiber, E., & Munur, M. (2014). Estimating the cost of a smoking employee. *Tob Control*, 23(5), 428-433. doi:10.1136/tobaccocontrol-2012-050888.
3. The Association of Health Risks With Workers Compensation Costs. *Journal of Occupational and Environmental Medicine*. 43(6): 534-541, June 2001.
4. Truth Initiative. "Why are cigarette butts the most littered item on earth?" (Aug. 2018). Retrieved Sept 2022, from <https://truthinitiative.org/research-resources/harmful-effects-tobacco/why-are-cigarette-butts-most-littered-item-earth>.
5. Stewart, WF, Ricci, JA, Chee, E, Morganstein, D. Lost productivity work time costs from health conditions in the United States: Results from the American Productivity Audit. *Journal of Occupational and Environmental Medicine* 45(12):1234-1246, 2003.



Calculate How Much Commercial Tobacco Costs You

To calculate the potential effects of commercial tobacco use on your bottom line, use the formula below to see how much your organization is likely to lose due to smoking.

Take the number of employees and multiply it by 14.4 percent - the adult smoking rate in Montana as of 2021. The result is the estimated number of smoking employees.

$$\boxed{} \times \boxed{0.144} = \boxed{}$$

Total # of Employees **Montana Smoking Rate** **# of Smokers**

Next, if you take the number of smokers and multiply it by \$4,056 - the estimated cost of lost productivity - the result is the estimated total cost of lost productivity for your organization each year.

$$\boxed{} \times \boxed{\$4,056} = \boxed{}$$

of Smokers **Lost Productivity Cost Per Smoker** **Total Lost Productivity Costs**

Now take the number of smokers and multiply it by \$2,056 - the estimated cost of healthcare expenses - the result is the estimated total excess healthcare costs directly caused by smoking.

$$\boxed{} \times \boxed{\$2,056} = \boxed{}$$

of Smokers **Lost Productivity Cost Per Smoker** **Total Excess Healthcare Costs**

Finally, add the total cost of lost productivity with the total excess healthcare costs to calculate your organization's estimated loss due to smoking.

$$\boxed{} + \boxed{} = \boxed{}$$

Total Productivity Losses **Total Excess Healthcare Costs** **Total Loss Due to Smoking**

Resources:

1. Berman M., Crane R., Seiber E., & Munur M. (2014). Estimating the cost of a smoking employee. Tobacco Control. Advance online publication. doi: 10.1136/tobaccocontrol-2012-050888
2. Montana Behavioral Risk Factor Surveillance System, 2021.

