



MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Philip Levine, Mayor and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: January 13, 2016

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ESTABLISHING A POLICY NOT TO HIRE INDIVIDUALS WHO USE TOBACCO OR TOBACCO PRODUCTS INCLUDING, BUT NOT LIMITED TO, CIGARETTES, E-CIGARETTES, CIGARS, CHEWING TOBACCO, SNUFF, AND PIPES, AND TO PROHIBIT THE USE OF SUCH PRODUCTS THROUGHOUT THE INDIVIDUALS' EMPLOYMENT WITH THE CITY OF MIAMI BEACH.**

SUPPLEMENTAL INFORMATION

RELEVANT CURRENT MIAMI BEACH POLICY

The City of Miami Beach currently has a Smoke Free Workplace policy in keeping with the Clean Indoor Air Act, Florida Statute 386.201.211. The purpose of this statute is to protect people from the health hazards of secondhand tobacco smoke.

SCOPE OF PROPOSED RESOLUTION

The scope of this proposed resolution as to the non-smoking requirement applies only to employees hired pursuant to any employment announcement published after adoption of the resolution.

Current employees will not be affected. The City is interested in promoting a healthful lifestyle; therefore, current employees who smoke and voluntarily participate in the City's Wellness Program will receive all the support needed to further their success in the smoking cessation programs that will be made available.

BACKGROUND

28,600 adults in Florida die from smoking every year. For every person who dies, another 20 suffer from one or more serious illnesses from smoking.

Cigarette smoking is the major single cause of cancer death in the United States. Lung cancer is not the only type of cancer that can be caused by smoking. The American Cancer Society estimates that in 2013, about 174,100 cancer deaths were caused by tobacco use. Smoking can cause cancer almost anywhere in your body including the lung, mouth, nose, throat, larynx (voice box), trachea (wind pipe), esophagus, kidney, ureteral, bladder, cervical, bone marrow and blood.

Smokeless tobacco products have taken a backseat to smoking for decades, but are recently gaining ground in overall usage and use among young people. Smokeless

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tobacco includes chew, spit, dip, snuff, snus and a host of new dissolvable products. They are simply not a safe alternative to smoking and they can be as addictive as, or more addictive, than cigarettes. Smokeless tobacco causes many significant health problems, including several types of cancer. Smokeless users have an 80 percent higher risk of oral cancer and a 60 percent higher risk of pancreatic and esophageal cancer. Smokeless tobacco products can also increase the risk of a fatal heart attack and stroke.

In addition, there is no scientific evidence that using smokeless tobacco products can help a person quit smoking. Using smokeless tobacco can still lead to nicotine addiction and dependence. <http://www.floridahealth.gov/programs-and-services/prevention/tobacco-free-florida/>

According to the Centers for Disease Control and Prevention, cigarette smoking is responsible for more than 480,000 deaths per year in the United States, including nearly 42,000 deaths resulting from secondhand exposure.

The total economic cost of smoking in the United States is more than \$300 billion a year in direct medical care, lost productivity due to premature death and exposure to secondhand smoke.

On Attachment A, there is information from the Center for Disease Control and Prevention and can be found in a different format at the following link: http://www.cdc.gov/tobacco/data_statistics/fact_sheets/health_effects/tobacco_related_mortality/

In the public sector, the financial consequences are particularly important as insurance premiums and claims are mostly borne by taxpayer dollars.

Health Insurance Costs:

The City of Miami Beach is self-insured and has two carriers who provide health insurance administrative services only (ASO). They are Humana, who has been the City's provider for a significant number of years, and AvMed, who started providing services to the City of Miami Beach when Humana and the Baptist Health Care System dissolved their relationship. While Humana does not segregate smokers and non-smoker, AvMed, who came on board on March 1, 2015, does

Using an average of 1900 eligible employees, 423 or 22% are covered by AvMed and 1078 or 56% are covered by Humana. The balance of the employee population is not covered by the City's health plans because they are not eligible, they prefer not to be, or have health care coverage otherwise.

Set forth below are cost figures from each of our insurers:

AvMed
City of Miami Beach
Respiratory and Lung Cancer
Incurred: 2015
Data excludes capitation and expenses related to prescription coverage

Medical Claims Expenditures for People with Tobacco Use

CCS* Level 1 Description	CCS* Level 2 Description	Paid Amount
DISEASES OF THE RESPIRATORY	ASTHMA	\$ 1,789
	CHRONIC OBSTRUCTIVE PULMONARY DISEASE AND BRONCHIECTASIS	\$ 491
	OTHER LOWER RESPIRATORY DISEASE	\$ 10,029
	OTHER UPPER RESPIRATORY DISEASE	\$ 1,884
	PLEURISY; PNEUMOTHORAX; PULMONARY COLLAPSE	\$ 170
	RESPIRATORY FAILURE; INSUFFICIENCY; ARREST (ADULT)	\$ 68,200
	RESPIRATORY INFECTIONS	\$ 4,019
	NEOPLASMS	\$ 64,478
RESIDUAL CODES; UNCLASSIFIED;	TOBACCO USE	\$ 359
Grand Total		\$ 151,418

Medical Claims Expenditures for all Respiratory and Lung Cancer

CCS* Level 1 Description	CCS* Level 2 Description	Paid Amount
DISEASES OF THE RESPIRATORY	ASTHMA	\$ 127,349
	CHRONIC OBSTRUCTIVE PULMONARY DISEASE AND BRONCHIECTASIS	\$ 18,930
	OTHER LOWER RESPIRATORY DISEASE	\$ 65,899
	OTHER UPPER RESPIRATORY DISEASE	\$ 227,730
	PLEURISY; PNEUMOTHORAX; PULMONARY COLLAPSE	\$ 58,077
	RESPIRATORY FAILURE; INSUFFICIENCY; ARREST (ADULT)	\$ 68,241
	RESPIRATORY INFECTIONS	\$ 229,756
	NEOPLASMS	\$ 155
	SECONDARY MALIGNANCIES	\$ 64,478
Grand Total		\$ 860,616

Not all medical claims may contain a diagnosis for tobacco use, therefore a table has been added to include all respiratory and lung cancer costs for the employer group. Data includes ICD9 and ICD10 diagnosis codes for COPD, Emphysema, Lung Cancer as well as other respiratory disorders.

The issue with ICD codes and claims payment is the lack of specific of information conveyed. For example, if a patient is seen for treatment of a burn on the right arm, the ICD-9 diagnosis code does not distinguish that the burn is on the right arm. If the patient is seen a few weeks later for another burn on the left arm, the same ICD-9 diagnosis code would be reported. Additional documentation would likely be required for a claim for the treatment to explain that the burn treated at this time is a different burn from the one that was treated previously. In the ICD-10 diagnosis code set, characters in the code identify right versus left, initial encounter versus subsequent encounter, and other clinical information.

CCS means Clinical Classification Software

Humana
City of Miami Beach
November 1, 2014 through December 31, 2015

	Major Clinical Condition	Medical Cost	Pharmacy Cost	Clinical Program Status	Status
1	Malignant Neoplasms	\$258,874	\$453	Completed Program During Period	Active
2	Other/Unclassified	\$3,043	\$188,432	Former Participant	Active
3	Malignant Neoplasms	\$185,153	\$586	Declined	Active
4	Malignant Neoplasms	\$62,029	\$100,908	Currently Enrolled	Active
5	Malignant Neoplasms	\$98,446	\$3,120	Completed Program During Period	Active
6	Other/Unclassified	\$2,336	\$96,209	Low Opportunity for Impact	Active
7	Malignant Neoplasms	\$97,740	\$0	Low Opportunity for Impact	Active
8	Rare Diseases	\$5,899	\$83,580	Former Participant	Active
9	Malignant Neoplasms	\$10,857	\$73,165	Former Participant	Active
10	Injury and Poisoning	\$77,077	\$6,483	Currently Enrolled	Active
11	Neoplasms (Benign)	\$82,986	\$52	Low Opportunity for Impact	Termed
12	Rare Diseases	\$4,728	\$76,208	No Response	Active
13	Genitourinary System	\$59,723	\$14,019	Declined	Active
14	Rare Diseases	\$4,086	\$67,014	Former Participant	Active
15	Digestive	\$65,937	\$795	Completed Program During Period	Active
16	Signs and Symptoms	\$15,290	\$51,286	Completed Program During Period	Active
17	Signs and Symptoms	\$63,841	\$407	No Response	Active
18	Retroviral Conditions	\$1,946	\$52,858	Completed Program During Period	Active
19	Retroviral Conditions	\$6,537	\$48,070	Former Participant	Termed
20	Pregnancy and Complications	\$43,091	\$10,248	No Response	Termed
21	Musculoskeletal and Connective Tissue	\$48,858	\$3,952	No Response	Termed
22	Other Heart Disease	\$46,864	\$5,401	Currently Enrolled	Termed
23	Injury and Poisoning	\$44,302	\$6,350	Declined	Active
24	Musculoskeletal and Connective Tissue	\$13,956	\$36,109	Currently Enrolled	Active
	Total	\$822,729	\$386,084		

Labor Related Costs:

In June 2013, National Public Radio (NPR) reported that smokers cost their employers approximately \$5,800 per smoker, per year. And the biggest chunk of that comes not in health care costs, but in work lost during all those smoke breaks. That came in at \$3,077, based on an estimate of five smoke breaks during the work day. <http://www.npr.org/sections/health-shots/2013/06/04/188631885/that-employee-who-smokes-costs-the-boss-5-800-a-year> "The smoking breaks added up to a lot more than we expected," says Micah Berman, an incoming assistant professor of law and public policy at Ohio State University, who led the study, which was published in Tobacco Control.

The researchers tried to be conservative in estimating the number of smoke breaks, figuring on five 15-minute breaks in an eight-hour workday, three of which took place during sanctioned break times. So the cost could well be higher. Furthermore, these figures do not include the sick leave used by smokers due to colds and other respiratory

diseases caused and/or aggravated by smoking and related impacts.

Given that the City of Miami Beach draws applicants primarily from other public sector employers within the county, staff conducted a survey of Miami-Dade County public sector employers which revealed that six municipalities and one large private employer have instituted policies not to hire smokers without detriment to their ability to attract qualified candidates. Attachment B shows the organizations contacted and their respective responses to our questionnaire.

RECOMMENDATION

Given the actual costs and health related issues associated with the use of tobacco products, it is therefore recommended that the Mayor and City Commission approve the attached resolution to go into effect with the first employment opportunity announced effective upon adoption. If this resolution is adopted, the City of Miami Beach will also join four police forces (Clearwater police, Pinellas, Pasco and Hillsborough counties) and an additional seven other public sector employers across the state: Delray Beach, Sarasota County, Atlantic Beach, Flagler County, City of Hollywood, Hallandale Beach. Finally, Fire fighters, by law, must be non-smokers for a minimum of one year to be eligible for employment.

Attachments

JLM/JMT/SC-T

Health Impact from Smoking: Center for Disease Control and Prevention

Overview

Overall mortality among both male and female smokers in the United States is about three times higher than that among similar people who never smoked. The major causes of excess mortality among smokers are diseases that are related to smoking, including cancer and respiratory and vascular disease. Smokeless tobacco is a known cause of cancer. In addition, the nicotine in smokeless tobacco may increase the risk for sudden death from a condition where the heart does not beat properly (ventricular arrhythmias). Tobacco use is the leading preventable cause of death in the United States.

Cigarettes and Death

Cigarette smoking causes about one of every five deaths in the United States each year.^{1,6} Cigarette smoking is estimated to cause the following:

More than 480,000 deaths annually (including deaths from secondhand smoke)
278,544 deaths annually among men (including deaths from secondhand smoke)
201,773 deaths annually among women (including deaths from secondhand smoke)

Cigarette smoking causes premature death:

Life expectancy for smokers is at least 10 years shorter than for nonsmokers.
Quitting smoking before the age of 40 reduces the risk of dying from smoking-related disease by about 90%.

Secondhand Smoke and Death

Exposure to secondhand smoke causes an estimated 41,000 deaths each year among adults in the United States:

Secondhand smoke causes 7,333 annual deaths from lung cancer.
Secondhand smoke causes 33,951 annual deaths from heart disease.

Increased Risk for Death Among Men

Men who smoke increase their risk of dying from bronchitis and emphysema by 17 times; from cancer of the trachea, lung, and bronchus by more than 23 times. Smoking increases the risk of dying from coronary heart disease among middle-aged men by almost four times.

Increased Risk for Death Among Women

Women who smoke increase their risk of dying from bronchitis and emphysema by 12 times; from cancer of the trachea, lung, and bronchus by more than 12 times. Between 1960 and 1990, deaths from lung cancer among women increased by more than 500%. In 1987, lung cancer surpassed breast cancer to become the leading cause of cancer death among U.S. women. In 2000, 67,600 women died from lung cancer. During 2010–2014, almost 282,000 women (56,359 women each year) will die from lung cancer. Smoking increases the risk of dying from coronary heart disease among middle-aged women by almost five times.

Death from Specific Diseases

The following table lists the estimated number of smokers aged 35 years and older who die each year from smoking-related diseases. Annual Cigarette Smoking-Related Mortality in the United States, 2005–2009

Disease	Male	Female	Total
Other cancers include cancers of the lip, pharynx and oral cavity, esophagus, stomach, pancreas, larynx, cervix uteri (women), kidney and renal pelvis, bladder, liver, colon, and rectum; also acute myeloid leukemia			
Other heart diseases includes rheumatic heart disease, pulmonary heart disease, and other forms of heart disease.			
Other vascular diseases include atherosclerosis, aortic aneurysm, and other arterial diseases.			
COPD is chronic obstructive pulmonary disease and includes emphysema, bronchitis, and chronic airways obstruction.			
Source: 2014 Surgeon General's Report: The Health Consequences of Smoking—50 Years of Progress, Chapter 12, Table 12.4[PDF–2.7 MB]			
Cancer			
Lung cancer	74,300	53,400	127,700

Health Impact from Smoking: Center for Disease Control and Prevention

Other cancers	26,000	10,000	36,000
Subtotal: Cancer	100,300	63,400	163,700
Cardiovascular Diseases and Metabolic Diseases			
Coronary heart disease	61,800	37,500	99,300
Other heart diseaseb	13,400	12,100	25,500
Cerebrovascular disease	8,200	7,100	15,300
Other vascular diseasec	6,000	5,500	11,500
Diabetes mellitus	6,200	2,800	9,000
Subtotal: Cardiovascular and Metabolic	95,600	65,000	160,000
Respiratory Diseases			
Pneumonia, influenza, tuberculosis	7,800	4,700	12,500
COPDd	50,400	50,200	100,600
Subtotal: Respiratory	58,200	54,900	113,100
Total: Cancer, Cardiovascular, Metabolic, Respiratory	254,100	183,300	437,400
Perinatal Conditions			
Prenatal conditions	346	267	613
Sudden infant death syndrome	236	164	400
Total: Perinatal Conditions	582	431	1,013
Residential Fires	336	284	620
Secondhand Smoke			
Lung cancer	4,374	2,959	7,333
Coronary heart disease	19,152	14,799	33,951
Total: Secondhand smoke	23,526	17,758	41,284
TOTAL Attributable Deaths	278,544	201,773	480,317

SURVEY, LOCAL PUBLIC SECTOR EMPLOYERS

Employer	Do you hire smokers	How do you notify applicants	Has the policy of not hiring smokers affected your competitiveness in the labor market	Does your policy require employees to remain smoke free once hired	Do you require current employees to stop smoking	Do you have random nicotine testing for employees; if so what happens to employees who test positive	Do you test employees for nicotine	How do you treat E cigarettes
Cutler Bay	No	Application	Yes	Yes	Yes	No	No	No E cigarette policy
Doral	No	Application	No	Yes	Yes	No	No	Treated as cigarettes
Pinecrest	No	Application	No	Yes	No	No	Only if the employee was injured on the job; it's part of the regular blood test	No E cigarette policy
Sunny Isles Beach	No	Application	No	Yes	No	No	No	Not addressed
Mt. Sinai Hospital	No	Application	No	Yes	No	No	During the annual wellness biometric period, nicotine & tobacco testing is done. If test is positive, employee has to pay a surcharge for medical	Treated as cigarettes
South Miami	No, started new policy in May 2015	Application, website	Do not have data to determine	Yes	No	No	No	Treated as cigarettes
Aventura	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Bal Harbor	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Bay Harbor Island	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Biscayne Park	Yes	N/A	N/A	N/A	N/A	N/A	N	No E cigarette policy
Coral Gables	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
El Portal	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Florida City	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Golden Beach	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Hialeah	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Hialeah Gardens	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Homestead	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Indian Creek	Yes	N/A. Last person hired was 7 years ago	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Key Biscayne	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Medley	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Miami Gardens	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Miami Lakes	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Miami Shores	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Miami Springs	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Miami-Dade County	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes

ATTACHMENT B

SURVEY, LOCAL PUBLIC SECTOR EMPLOYERS

Employer	Do you hire smokers	How do you notify applicants	Has the policy of not hiring smokers affected your competitiveness in the labor market	Does your policy require employees to remain smoke free once hired	Do you require current employees to stop smoking	Do you have random nicotine testing for employees; if so what happens to employees who test positive	Do you test employees for nicotine	How do you treat E cigarettes
North Bay Village	Yes	N/A. Last person hired was 7 years ago	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
North Miami	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
North Miami Beach	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Opa-Locka	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Palmetto Bay	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Surfside	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Sweet Water	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Virginia Gardens	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
West Miami	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Dade County School Board	Yes	N/A	N/A	N/A	N/A	No	N/A	Treated as cigarettes
University of Miami	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Florida International University	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Barry University	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy
Baptist Hospital	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Jackson Memorial Hospital	Yes	N/A	N/A	N/A	N/A	N/A	N/A	Treated as cigarettes
Broward County School Board	Yes	N/A	N/A	N/A	N/A	N/A	N/A	No E cigarette policy

Employers 41

Non-smokers 6