

# Study Tallies Annual Cost Of Secondhand Smoke

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The effects of secondhand tobacco smoke cost the U.S. economy nearly \$10 billion a year, ranging from medical bills to lost hours on the job, according to a study commissioned by insurance actuaries.

While the study, to be released today, probably won't affect current litigation against tobacco companies, it could encourage insurers to consider separate pricing for nonsmokers exposed to tobacco smoke, attorneys say.

A smaller proportion of nonsmokers have been exposed to secondhand smoke in recent years, but the study concludes that direct medical costs total about \$5 billion annually, while indirect costs, including lost wages and costs related to disabilities, total about \$4.7 billion. Members of the Society of Actuaries and a researcher at Georgia State University business school arrived at these figures after reviewing more than 200 studies published since 1964.

Among the medical conditions more common among those exposed to secondhand smoke, the researchers concluded, are sudden infant death syndrome and chronic pulmonary disease, as well as asthma and spontaneous abortion.

"If you look at any one individual, the probabilities are pretty low, but if you happen to be the one who gets lung cancer, it's significant to you," said Donald F. Behan, the study's lead author and a senior research associate with Georgia State University's J. Mack Robinson College of Business. "There seems to be a relatively greater impact on children than adults."

The study eventually could lead life and health insurers to charge more to insure people exposed to what the industry calls environmental tobacco smoke, according to Tim

Harris, a member of the actuarial society's board of governors and a principal in St. Louis with actuarial firm Milliman Inc.

For now, tests to gauge exposure to tobacco smoke are costly and imprecise, Mr. Harris added, but some insurers could decide to ask applicants about exposure at home or work.

Edward L. Sweda, senior attorney with the Tobacco Products Liability Project at Northeastern University School of Law in Boston, said a study pinning down the costs of secondhand smoke is likely to be more helpful in the public-policy debate over smoking bans than in current litigation against tobacco companies.