

Governor's Council on Disabilities & Special Education

HB 187 – Autism Insurance Reform

WHAT:

- HB 187 will require insurance coverage for autism spectrum disorders.
- **Autism** is a disorder affecting at least 1 in 150 children with approximately 1 in 500 requiring significant clinical treatment. Alaska currently has 1,512 children and youth under the age of 21 who have autism; approximately 454 need significant clinical treatment.

WHY:

- Because Alaska law does not require insurance coverage for autism services, families that do not qualify for DHSS services pay out of pocket, often as much as \$50,000 per year or more; in some instances, bearing this burden results in divorce or bankruptcy. Families that cannot afford to do so, go without crucial intervention.
- **Autism is treatable.** 30 years of research shows that with treatment, many children overcome the severe symptoms of their disorder.
 - ✓ About half the children who receive intensive early intervention achieve normal functioning after 2-3 years of treatment
 - ✓ There is an average gain of 22 IQ points
 - ✓ 1/3 gained 45 IQ points
 - ✓ Nearly 50% of those receiving intensive early intervention do not require lifelong services and supports
- **The earlier the diagnosis, the more effective treatment is.** The diagnostic process involves a comprehensive assessment (neurodevelopmental pediatrics, psychology, speech, occupational and physical therapy, ophthalmology, audiology) by a multidisciplinary team. Only those children who meet specific medical criteria are diagnosed with autism.
- **Treatment equals savings.** With treatment, Alaska will see savings of \$208,500 per capita in avoided special education costs and lifetime savings of \$1.08 million per capita. Treatment may include the following medically necessary services
 - ✓ Pharmacy, psychiatric, psychological, rehabilitative and therapeutic care
 - ✓ Rehabilitative care includes applied behavior analysis (the design, implementation and evaluation of environmental modifications to produce socially significant improvement in human behavior or to prevent the loss of an attained skill or function)
- **Without treatment** it is estimated that it will cost the state \$3.2 million per capita (Michael Ganz, Harvard economist)
- **Coverage of medically necessary autism treatment** in Alaska will enable many children to access the services they need and live more productive lives.
- **Most private insurance policies specifically exclude coverage for treating autism**, even when the services are otherwise covered by the health plan.
- **HB 187** requires private insurance policies (approximately 23% of all insurance plans) to provide a maximum coverage of \$36,000 a year for the diagnosis and treatment of autism spectrum disorders, including but not limited to applied behavior analysis
 - Must be prescribed by a licensed physician, psychologist or advanced nurse practitioner

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- Must be provided by an autism service provider as identified in a treatment plan developed following a comprehensive evaluation
- Must identify the medically necessary pharmacy care, psychiatric care, psychological care, rehabilitative care and therapeutic care
- **The maximum likely cost** of such coverage to the private insurance ratepayer is approximately **0.92% or \$3.60** per policyholder per month