



Briefing on Autism and HB 2395

House Insurance Committee

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What is Autism?

- Autism is a medical condition, brought on through no fault of the family.
- Autism affects a person's **communication** abilities and **social skills**, and often causes **repetitive patterns of behavior** and a narrow range of interests.
- Its symptoms range from mild to severe.

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Diagnosing Autism

- The American Academy of Pediatrics recommends **screening** every child for autism at their 18, 24 and 30 or 36 month checkups.
- Autism is **diagnosed** by a medical doctor; usually by a developmental pediatrician, psychologist, pediatric neurologist or team of developmental specialists.



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Prevalence of Autism



AUTISM: A PUBLIC HEALTH CRISIS
PREVALENCE ON THE RISE.
NUMBER OF AUTISM DIAGNOSES PER PERSON SINCE 1975

Year	Prevalence (per person)
1975	1 in 5000
1985	1 in 2500
1995	1 in 500
2001	1 in 250
2004	1 in 166
2007	1 in 150
2009	1 in 110
2012	1 in 88

Source: National Center for Health Statistics, CDC, 2012. *Based on data from the Autism and Developmental Disabilities Monitoring (ADDM) Network, 2008. **Based on data from the Autism and Developmental Disabilities Monitoring (ADDM) Network, 2012. ***Based on data from the Autism and Developmental Disabilities Monitoring (ADDM) Network, 2012. ****Based on data from the Autism and Developmental Disabilities Monitoring (ADDM) Network, 2012.

Autism is an **epidemic** and a **public health crisis**

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Autism is Treatable

- Although there is no known cure for autism, it can be treated so that the symptoms are not disabling
 - A non-verbal child can gain the ability to communicate
 - A non-social child can gain interaction skills.
 - Maladaptive behaviors can be eliminated
- Early intervention is **critical**



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Treatment

- Early diagnosis and treatment are critical to a positive outcome for individuals with an autism spectrum disorder (ASD)
- Treatment is prescribed by a licensed physician or licensed psychologist:
 - Behavioral Health Treatment, e.g. **Applied Behavior Analysis (ABA)** Therapy
 - Speech, Occupational and Physical Therapy
 - Psychological, Psychiatric, and Pharmaceutical Care



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Applied Behavior Analysis

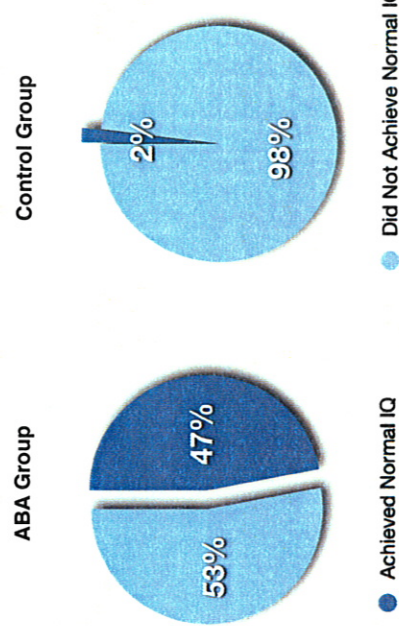
- Behavior Analysis is the science that identifies principles of behavior
- Applied Behavior Analysis (ABA) applies the science of behavior analysis to a clinical setting
- **Different techniques** of ABA (e.g. discrete trial, verbal behavior, pivotal response, natural language paradigm)
- **Common features**
 - structured
 - collect data for target skills or behaviors
 - provide positive strategies for changing responses or behaviors



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Outcome of Lovaas 1987 UCLA Study

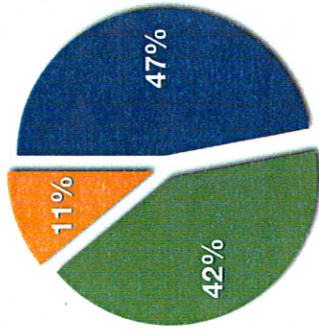
Efficacy of ABA Therapy



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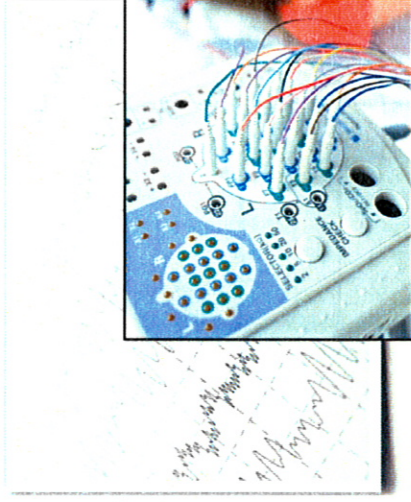
Outcome of Lovaas 1987 UCLA Study

Educational Placement for Group that Received ABA



- Mainstreamed with No Support
- Low-Intensity Special Education Placement (for language delay)
- High-Intensity Special Education Placement (for autism or intellectual disability)

ABA creates positive functional changes in the brain (e.g. EEG)



Applied Behavior Analysis

- ABA is the most commonly prescribed **evidence-based** treatment for ASD
- Decades of research demonstrate the effectiveness of ABA therapy for autism
- Endorsed by **leading national health agencies**; pediatric, neurologic and psychological organizations

Many insurers still deny coverage for ABA based on the assertion that ABA therapy is "experimental."
This assertion is simply not supported by science



ABA Endorsements

- UNITED STATES SURGEON GENERAL (1999)**
"Thirty years of research demonstrated the efficacy of applied behavioral methods in reducing inappropriate behavior and in increasing communication, learning, and appropriate social behavior."
- CENTERS FOR DISEASE CONTROL AND PREVENTION (2012)**
"A notable treatment approach for people with an ASD is called applied behavior analysis (ABA). ABA has become widely accepted among health care professionals..."
- CENTERS FOR MEDICARE AND MEDICAID (2011)**
"...controlled trials have shown both the efficacy of programs based in the principles of ABA and that certain individual characteristics (age, IQ, and functional impairments) are associated with positive outcomes."
- NATIONAL INSTITUTE OF MENTAL HEALTH (2011)**
"One type of a widely accepted treatment is applied behavior analysis (ABA). The goals of ABA are to shape and reinforce new behaviors, such as learning to speak and play, and reduce undesirable ones."

- AMERICAN PSYCHOLOGICAL ASSOCIATION PRACTICE ORGANIZATION (2012)**
"The field of applied behavior analysis has grown substantially in the past decade, enabling more children with autism and their families to obtain needed services. This growth appears to be related to an increase in the number of children diagnosed with an autism spectrum disorder and to the recognition of the effectiveness of behavior analytic services."
- NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE (2012)**
"Therapies and behavioral interventions are designed to remedy specific symptoms and can bring about substantial improvement... Therapists use highly structured and intensive skill-oriented training sessions to help children develop social and language skills, such as Applied Behavioral Analysis"
- AMERICAN ACADEMY OF PEDIATRICS (2012)**
"An example of a demonstrated, effective treatment for ASD is Applied Behavior Analysis, or ABA. ABA uses behavioral techniques to shape and reinforce positive behavior and reduce negative behaviors or narrow the conditions under which they occur."

Federal ABA Endorsements



THE U.S. OFFICE OF PERSONNEL MANAGEMENT (2012)

"The OPM Benefit Review Panel recently evaluated the status of Applied Behavior Analysis (ABA) for children with autism. Previously, ABA was considered to be an educational intervention and not covered under the FEHIB Program. The Panel concluded that there is now sufficient evidence to categorize ABA as medical therapy. Accordingly, plans may propose benefit packages which include ABA."



TRICARE

Military insurance (TriCare) covers autism and specifically includes a benefit for Applied Behavior Analysis therapy.



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When Coverage is Denied

- Because ABA therapy must be administered intensively (sometimes 40 hours per week) it is quite **expensive**.
- Parents are forced to pay **out-of-pocket** to provide their children comprehensive ABA therapy, which typically lasts 3-4 years.
- Often **financially devastating** to families - most affected children go without or receive only a fraction of prescribed treatment
- These children end up in costly **special education programs, and dependent on state funded adult disability services**.



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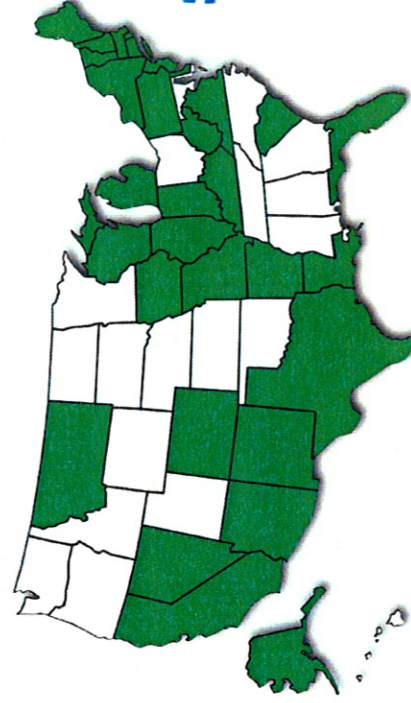
Autism Insurance Reform Saves the State Money

- **Without appropriate treatment**, the lifetime cost to the state has been estimated to be **\$3.2 million per child** with ASD (Ganz, 2007)
- The cost of autism insurance reform could be recovered through reductions in special education and medical expenditures alone. (Oliver Wyman)
- **The high cost option is to oppose autism insurance reform.**



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State Response



31 other states require coverage for ABA for autism

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The Cost of Autism Insurance Reform

	Year of coverage	Number of covered lives	Total Claims Paid	PMPM cost
South Carolina	2	397,757	\$2,042,394	\$0.43
Illinois	2	170,790	\$197,290	\$0.10
Louisiana	2	149,477	\$722,828	\$0.40
Florida	2	386,203	\$1,748,849	\$0.38
Arizona	2	130,000	\$388,662	\$0.25
Missouri	2	1,429,153	\$6,555,602	\$0.38
Kansas	2	99,465	\$309,216	\$0.26
		Average second year cost		\$0.31

References: Data collected by Autism Speaks from State agencies responsible for administering State Employee Health Benefits Programs (2011); Missouri Department of Insurance, Financial Institutions and Professional Registration (2012); and the Kansas Department of Health and Environment (2012)

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Impact of Autism Insurance Reform on Small Business

- No negative impact on small businesses has been reported as a result of enacting autism insurance reform laws.
- The Missouri autism insurance law allows small business owners to opt out of coverage if premiums increase > 2.5% as a result of adding the autism benefit. No small business has opted out of providing the autism benefit.
- Meaningful coverage for autism **improves employee productivity.**

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"It will destroy small business."

"I have been a businessman my whole life. I understand business...I understand that 31 cents per member per month is **NOT** going to destroy any business."



Representative Louis Terhar (R)
Co-Sponsor of Ohio Autism Insurance Reform Law
January 9, 2013

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Effect on Premiums



- Claims incurred for treatment of ASD represent < **0.2%** of **total claims**
- "Given that treatment for autism represent less than 0.2% of overall claims costs, it is **very unlikely that such costs will have an appreciable impact on insurance premiums.**"

- Missouri DIFP

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Autism in Kansas

- The CDC reports that the national prevalence of autism is 1:88
- **8,413** Kansas children less than age 19 are estimated to have autism.



www.statehealthfacts.org (2010 population data)

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KS Autism Insurance Pilot Project

- KSA 75-6524 enacted April 2010
- **Passed overwhelmingly**
 - Senate: 40 - 0
 - House: 88 - 31 - 6
- Covers diagnosis and treatment of autism, including behavioral health treatments such as ABA
- **Kansas legislature acknowledged**
 - importance of early diagnosis and intervention for autism
 - the efficacy and medical necessity of evidenced based treatments such as ABA

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Purpose of the Pilot Project

- Before extending coverage to all state regulated health plans, the legislature wanted to determine the **cost to the State of Kansas**.
- The cost to the State of Kansas is the cost of providing coverage to state employees.

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KS Autism Insurance Pilot Project

- Provided coverage for members of the State Employees Health Plan (SEHP) for **calendar year 2011 only**
- Only 4% (about **300**) of children with autism in Kansas are covered by the SEHP



Kansas Children with ASD (age 0-19)

Self-Funded
Other Public (e.g. TRICARE)
Medicaid
Uninsured
Fully Insured Large Group
Fully Insured Small Group
SEHP

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Cost of the Kansas Autism Pilot Project

	2011	2012
Total Claims Paid	\$163,430.00	\$309,216
Total Covered Lives	99,396	99,465
Unique Claimants	126	126
PMPM	\$0.14	\$0.26

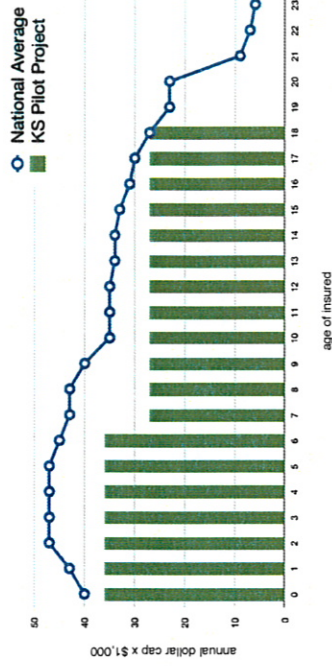


- 2011 claims data was filed with the Kansas Legislature per KSA 75-6524 March 2012.
- SEHCC has voted annually to continue coverage through 2013 but coverage was not required by statute beyond December 2011.

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Autism Insurance Laws

Annual Dollar Caps per Age of Insured



Annual dollar caps for the Kansas pilot project are below the national average (31 states) at every age group 0-23.

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Terms of Coverage: KS Autism Pilot Project vs HB 2395

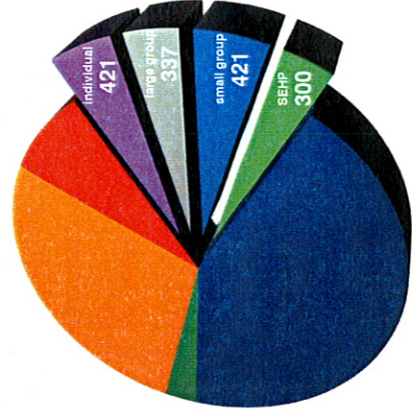
	Pilot Project	HB 2395
Age Cap	19	19
Annual Dollar Cap	\$36K: 0-7 \$27K: 7-19	\$36K: 0-7 \$27K: 7-19
Diagnosis	Y	Y
ABA	Y	Y
Speech Therapy	Y	Y
Occupational Therapy	Y	Y
State Employees	Y*	Y
Fully Insured Individual Plans	N	Y
Fully Insured Small Group Plans	N	Y
Fully Insured Large Group Plans	N	Y

*calendar year 2011 only

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HB 2395

- If enacted, HB 2395 would provide access to life changing treatment to over **1,400 children with autism in Kansas**
- The only cost to the State of Kansas is the cost of continued coverage for State employees



Kansas Children with ASD (age 0-19)

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"I am philosophically opposed to mandates."

"I join my colleagues in commending the Governor on his farsighted, visionary, humane, compassionate and fiscally responsible decision [to provide this coverage]" ...



Senator Bill Seitz (R)
Sponsor of Ohio Autism Insurance Reform Law
January 9, 2013
Board Member
American Legislative Exchange Council (ALEC)
Limited Government • Free Markets • Federalism

The Choice

- Kansas enacts HB 2395 and requires coverage for autism for state employees and all state regulate health plans at a cost of **26 cents** per member of the SEHP per month (~**\$310,000/year**)

OR

- Do not enact HB 2395 and require Kansas taxpayers to pay **\$3.2 million per every child with autism**

The ACA and State Autism Insurance Reform Legislation

- Section 1311(d)(3)(B) of the ACA requires a State to "make payments to or on behalf of an **individual eligible for the premium tax credit** under section 36B of the Internal Revenue Code of 1986 and **any cost-sharing reduction** under section 1402" to defray the cost of benefits that exceed the essential health benefits specified under section 1302(b) of the ACA.
- Per IFS code § 36B(b)(2)(A) and Section 1402(b)(1) of the PPACA the **obligation to defray such costs only applies when eligible individuals enroll in a "qualified health plan offered through an exchange.**
- As currently interpreted by HHS, the proposed benefits in the HB 2395 Kansas autism insurance reform bill *may* exceed the essential health benefits specified in the ACA.
- **HB 2395 clarifies that the proposed benefits would not apply to qualified health plans offered through the State exchange thus eliminating any obligation to the State of Kansas to defray the cost of providing such benefits.**

Faith Community Response: The Moral Imperative

- "The fundamental inequality of autism services - and the demeaning scramble into which most families are driven - **call for action grounded in moral and religious convictions on the dignity of all human persons.**" - Jim Fisher, PhD, Professor of Theology at Fordham University
- Many faith-based self funded (ERISA) health benefit plans have adopted benefit that covers ABA for autism.

Contact Information

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About Autism Speaks

Autism Speaks is the world's leading autism science and advocacy organization, dedicated to funding research into the causes, prevention, treatments and a cure for autism; increasing awareness of autism spectrum disorders; and advocating for the needs of individuals with autism and their families.



Autism Votes is an Autism Speaks initiative: a comprehensive grassroots advocacy program, coordinating activist efforts in support of federal and state legislative initiatives.

For more information, please visit www.autismvotes.org and www.autismspeaks.org

