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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

March 5, 2013

The Honorable Mary Pilcher-Cook, Chairperson Senate Committee on Public Health and Welfare Statehouse, Room 441-E Topeka, Kansas 66612

Dear Senator Pilcher-Cook:

SUBJECT: Fiscal Note for SB 175 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 175 is respectfully submitted to your committee.

SB 175 would require that any health insurance policy or organization that provides coverage for accident and health services to provide coverage for the diagnosis and treatment of autism spectrum disorder for any covered individual under the age of 19 years, for all policies, plans or contracts issued or renewed on or after July 1, 2013. Coverage for individuals between the age of birth and less than seven years could not exceed \$36,000 per year. Coverage for persons between the age of seven and less than 19 years of age could not exceed \$27,000 per year.

In addition, if autism spectrum disorder benefit amounts would exceed the essential health benefits required under the Patient Protection and Affordable Care Act, the autism spectrum disorder benefits would not be required of a "qualified health plan" offered through the health insurance exchange, as of January 1, 2014. The bill would apply to all policies, contracts, and certificates of insurance delivered, renewed or issued for delivery within or outside of this state for an individual who resides or who is employed in this state.

The Kansas Insurance Department would review all policies, plans and contracts in its normal course of business that would be affected by the enactment of SB 175. The agency states that it would have no additional expenditures to implement provisions of the bill. The Department notes that organizations offering health insurance policies or contracts that would be affected by the bill could incur additional costs to expand autism spectrum disorder coverage. Any fiscal effect associated with SB 175 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget