



# Senate

General Assembly

**File No. 305**

January Session, 2011

Senate Bill No. 978

*Senate, March 31, 2011*

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT EXPANDING GROUP HEALTH INSURANCE COVERAGE FOR THE TREATMENT OF AUTISM SPECTRUM DISORDERS TO CERTIFICATE HOLDERS IN THIS STATE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 38a-514b of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *January 1, 2012*):

4 (b) Each group health insurance policy or certificate providing  
5 coverage of the type specified in subdivisions (1), (2), (4), (11) and (12)  
6 of section 38a-469 that is delivered, issued for delivery, renewed,  
7 amended or continued in this state shall provide coverage for the  
8 diagnosis and treatment of autism spectrum disorders. For the  
9 purposes of this section and section 38a-513c, an autism spectrum  
10 disorder shall be considered an illness.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2012</i>	38a-514b(b)
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**INS**      *Joint Favorable*

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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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### ***OFA Fiscal Note***

***State Impact:*** None, See below for out-years impact.

***Municipal Impact:*** None

### ***Explanation***

The bill's provisions do not result in a fiscal impact to the state or municipalities in FY 12 and FY 13, as the bill's provisions do not apply to individuals covered by the state employee health plan or municipal health plans.

### ***The Out Years***

It is unclear how the requirements of the bill will be reconciled with the provisions required by the Patient Protection and Affordability Care Act and what the resulting fiscal impact will be to the state. The federal health care reform act requires that, effective January 1, 2014; all states must establish a health benefit exchange, which will offer qualified plans that must include a federally defined essential benefits package. While states are allowed to mandate benefits in excess of the basic package, the federal law appears to require the state to pay the cost of any such additional mandated benefits. The extent of these costs will depend on the mandates included in the federal essential benefit package, which have not yet been determined. However, neither the agency nor mechanism for the state to pay these costs has been established.

It is unclear to what extent the state would be liable for the extension of the state's mandated autism coverage to this new population of certificate holders under federal health care reform.

**OLR Bill Analysis****SB 978*****AN ACT EXPANDING GROUP HEALTH INSURANCE COVERAGE FOR THE TREATMENT OF AUTISM SPECTRUM DISORDERS TO CERTIFICATE HOLDERS IN THIS STATE.*****SUMMARY:**

By law, group health insurance policies must provide coverage for the diagnosis and treatment of autism spectrum disorders. This bill extends the coverage requirement to group health insurance certificates. Thus, Connecticut residents insured by out-of-state group health insurance policies must receive this coverage (see COMMENT).

Current law, which the bill extends to group health insurance certificates, applies to group policies delivered, issued, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; and (4) hospital or medical services, including coverage under a health maintenance organization plan. Due to the federal Employee Retirement Income and Security Act (ERISA), this requirement does not apply to self-insured plans.

EFFECTIVE DATE: January 1, 2012

**BACKGROUND*****Diagnosis of Autism Spectrum Disorders***

The law defines “diagnosis” as the medically necessary assessment, evaluation, or testing a licensed physician, psychologist, or clinical social worker performs to determine if a person has an autism spectrum disorder. It specifies that a diagnosis is valid for at least 12 months, unless a licensed physician, psychologist, or clinical social worker decides a shorter period is appropriate or changes the insured's diagnosis.

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**Coverage and Conditions**

Current law requires a group health insurance policy to cover:

1. behavioral therapy for children under age 15;
2. prescription drugs a licensed physician, physician assistant, or advanced practice registered nurse prescribes to treat autism spectrum disorder symptoms and co-morbidities (diseases or conditions existing together), to the extent the policy covers prescription drugs for other diseases and conditions;
3. direct and consultative psychiatric and psychological services; and
4. physical, speech, and occupational therapy services provided by a licensed physical, speech and language, and occupational therapist.

In order for the policy to cover these treatments, they must be (1) medically necessary, (2) identified and ordered by a licensed physician, psychologist, or clinical social worker for an insured person diagnosed with autism; and (3) based on a treatment plan developed by one of those providers following a comprehensive evaluation or reevaluation of the insured. The policy can limit the coverage for behavioral therapy to a yearly benefit of (1) \$50,000 for a child who is less than nine years of age, (2) \$35,000 for a child between nine and 13 years of age, and (3) \$25,000 for a child age 13 or 14.

The coverage the law requires may be subject to the other general exclusions and limitations of the group health insurance policy, including (1) coordination of benefits, (2) participating provider requirements, (3) restrictions on services provided by family or household members, and (4) case management provisions. But any utilization review must be performed in accordance with the law.

**Behavioral Therapy**

The law defines “behavioral therapy” as any interactive behavioral

therapy derived from evidence-based research. It includes applied behavior analysis, cognitive behavioral therapy, or other therapies supported by empirical evidence that they effectively treat individuals diagnosed with an autism spectrum disorder. Therapist must be provided or supervised by (a) a behavior analyst certified by the Behavior Analyst Certification Board, which is a nonprofit professional credentialing organization, (b) a licensed physician, or (c) a licensed psychologist. Supervision involves at least one hour of face-to-face supervision of the autism services provider for every 10 hours of behavioral therapy provided.

### **Coverage Prohibitions**

The law prohibits a group health insurance policy from:

1. limiting the number of visits to an “autism services provider” (a person, entity, or group that provides treatment for autism spectrum disorders) on any basis other than a lack of medical necessity or
2. imposing a coinsurance, copayment, deductible, or other out-of-pocket expense that places a greater financial burden on an insured for access to the diagnosis and treatment of an autism spectrum disorder than for the diagnosis and treatment of any other medical, surgical, or physical health condition under the policy.

### **COMMENT**

#### **Enforcement**

The bill requires an out-of-state employer who employs a Connecticut resident to comply with a Connecticut insurance mandate if the employer provides health insurance coverage through a group policy. It is unclear who would enforce the coverage requirement as the Insurance Department does not have regulatory authority over an out-of-state insurer that is not licensed in Connecticut. Conversely, an insurer licensed in another state is bound by the laws of that state and not Connecticut law.

**COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 10 Nay 9 (03/17/2011)