

Health Insurance Coverage for Behavioral Therapy

By: Alex Reger, Principal Analyst
February 8, 2022 | 2022-R-0042

Issue

Summarize health insurance coverage requirements for behavioral therapy in Connecticut and surrounding states.

Summary

In Connecticut, “behavioral therapy” includes any interactive behavioral therapies derived from evidence-based research ([CGS §§ 38a-488b & 514b](#)). It is a broad term that includes many types of treatment, including applied behavior analysis (ABA). Connecticut law requires certain health insurers to cover behavioral therapy, including ABA, but limits this coverage to the diagnosis and treatment of autism spectrum disorder (ASD).

New York and Vermont require certain health insurers to cover “behavioral health treatment,” which is similar to “behavioral therapy” as used in Connecticut law, to treat certain conditions. New Jersey, New York, and the remaining New England states also require health insurers to specifically cover ABA. However, only two of these states, New Hampshire and Vermont, appear to require this coverage for a broader range of mental and nervous conditions, rather than only to treat ASD.

Connecticut

Connecticut law requires certain health insurance policies to cover the diagnosis and treatment for autism spectrum disorder (ASD), including the use of “behavioral therapy” ([CGS §§ 38a-488b & 514b](#)). To be eligible for coverage, the treatments must be medically necessary, identified and

ordered by a licensed health care provider in accordance with a treatment plan developed by a licensed behavior analyst or other provider, and provided to a child under the age of 21.

The law prohibits policies from (1) limiting the number of visits, other than for a lack of medical necessity, and (2) imposing a cost-sharing (i.e., copayment, coinsurance, or deductible) for ASD treatment greater than the cost-sharing it applies for other conditions.

Additionally, state law broadly requires coverage of mental or nervous conditions, including certain inpatient and outpatient services ([CGS §§ 38a-488a](#) & [-514](#)). However, this law does not specifically reference behavior therapy or ABA.

The ASD coverage requirement applies to fully-insured individual and group health insurance policies delivered, issued, renewed, amended, or continued in Connecticut that cover (1) basic hospital expenses; (2) basic medical-surgical expenses; (3) major medical expenses; or (4) hospital or medical services, including those provided under an HMO plan. Because of the federal Employee Retirement Income Security Act (ERISA), state insurance benefit mandates do not apply to self-insured benefit plans.

To determine whether a specific health insurance policy is subject to these requirements, a constituent may contact the Connecticut Insurance Department’s [Consumer Affairs Unit](#).

Other Select States

Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont all generally require health insurers to cover ABA as treatment for ASD, as shown below in Table 1. New Hampshire and Vermont additionally require this coverage for “pervasive development disorders” and “early childhood developmental disorders,” respectively. New York and Vermont additionally use the term “behavioral health therapy” in their coverage requirements.

Table 1: Applied Behavioral Analysis Coverage Requirements in Select States

State	Description	Statute
Maine	Requires ASD treatment coverage, including ABA, for children 10 and under	Me. Rev. Stat. Ann. tit. 24-A, § 2847-T ; Me. Rev. Stat. Ann. tit. 24-A, § 2768
Massachusetts	Requires ASD treatment coverage, including ABA	Mass. Gen. Laws Ann. ch. 175, § 47AA Mass. Gen. Laws Ann. ch. 176B, § 4DD

Table 1 (continued)

State	Description	Statute
New Hampshire	Requires ABA to be covered as treatment for ASD or “pervasive development disorders”	N.H. Rev. Stat. Ann. § 417-E:1 N.H. Rev. Stat. Ann. § 417-E:2
New Jersey	Requires coverage of ABA as treatment of ASD for individuals under 21 years old	N.J. Stat. Ann. § 17B:27A-7.16 N.J. Stat. Ann. § 17B:27-46.1ii
New York	Requires coverage of ABA as treatment for ASD	NY Ins. Law § 3216(c)(25)(A) NY Ins. Law § 3221(c)(17)(A)
Rhode Island	Requires coverage of ABA as treatment for ASD for children under 15 years old	RI Gen Laws § 27-20.11-3
Vermont	Requires coverage of ABA as treatment for “early childhood developmental disorders” for children under 21 years old	Vt. Stat. Ann. tit. 8, § 4088i

AR:kl