

Joint Legislative Audit and Review Commission



**Evaluation of House Bill 83:
Mandated Coverage of Autism Spectrum Disorders**

Briefing for the Special Advisory Commission on
Mandated Health Insurance Benefits

September 29, 2008



Autism Spectrum Disorders (ASDs) Are Developmental Disabilities

- Affect social interactions, communication, and behavior
- 1 in 150 children have an ASD (CDC estimate)

HB 83 Mandates Coverage for Diagnosis and Treatment of ASDs for Individuals Under 21

- Early intervention results in better outcomes
- Would cover intensive behavioral interventions, including Applied Behavior Analysis (ABA)-based therapies
- ABA-based therapy covered by
 - At least 7 other state autism mandates
 - U.S. military TRICARE program
 - Medicaid

In This Presentation

- Medical Efficacy and Effectiveness
- Social Impact
- Financial Impact
- Balancing the Medical, Social, and Financial Considerations

Effectiveness of Treatments Varies

- Speech, occupational, & physical therapy considered effective
- ABA-based therapy effectiveness is well documented (medical experts, American Academy of Pediatrics (AAP))
 - Breaks skills into small components & applies positive reinforcement
- Documented effectiveness of other treatments varies
- Treatments should be based on sound theoretical constructs, rigorous methodologies, & empirical studies of efficacy (AAP)

Experts consulted at two VA medical schools

Children With ASDs Receive Treatment Through Schools, But Some May Need Additional Services

- Approximately 7,500 public school children in VA with an ASD (DOE)
- Early Intervention Services & public schools provide services
- Some children may require additional services
 - Schools' goal is to help students learn & function in educational environment
 - Some schools not equipped to provide intensive one-on-one behavioral therapy

Most Families Seek Additional Services for Their Children

- Severity of disability determines type and amount of additional services children need
 - Speech & occupational therapy
 - Pharmaceuticals
 - Respite services
 - Psychotherapy & counseling
- Approximately 15-25% of children receive additional behavioral therapy
- Case management most frequently provided service for Medicaid recipients

Paying for ASD Services Can Cause Significant Financial Hardship

- One third of health plans report covering ASD services, but few cover ABA-based therapies
 - Considered investigational, habilitative, and/or educational
 - But many treatments both educational & medical – distinction unwarranted (medical experts)
- Cost of services can be substantial depending on severity of child's condition
 - Range from 10% of to greater than median income for intensive behavioral therapies
 - Other medical costs higher for children with ASDs & some families have multiple children with ASDs

Premium Estimates in Range of Other VA Mandates, But Higher Than Other States

	Autism Mandate (HB 83)	Existing VA Mandates	Other States
Estimated % of Monthly Premium	2% (\$4.88, median estimate)	.08% - 4.01%	<1%

Concerns With HB 83

- Potential increase in use of investigational treatments
- Potential use of non-reputable providers
- Potential reduction in school services
 - But not anticipated by DOE
 - Not permitted by federal law
- Lack of coordination of services across treatment settings

Coverage of ASD-Related Services Appears Appropriate, But Mandate May Be Premature

- Coverage of ASD services appears needed & consistent with role of health insurance
- 2009 JLARC study will address coordination & delivery of services
- Other considerations
 - Cap coverage amount to reduce premium impact
 - Only cover evidence-based treatments
 - Require providers be certified or licensed

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This evaluation is available on our website

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