



# SENATE BILL 676: Autism Health Insurance Coverage

2015-2016 General Assembly

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<b>Committee:</b>	House Insurance	<b>Date:</b>	June 30, 2015
<b>Introduced by:</b>	Sens. Apodaca, Krawiec	<b>Prepared by:</b>	O. Walker Reagan Staff Attorney Kristen Harris Committee Counsel
<b>Analysis of:</b>	Second Edition		

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**SUMMARY:** *Senate Bill 676 creates a new section in Article 3 of Chapter 58 that addresses health benefit plan coverage for the screening, diagnosis and treatment of autism spectrum disorder.*

### BILL ANALYSIS:

**Section 2** of Senate Bill 676 adds a new section to Article 3 of Chapter 58 requiring certain health benefit plans to offer coverage for autism spectrum disorders. The bill defines autism spectrum disorder as "any of the pervasive developmental disorders or autism spectrum disorders as defined by the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders or the most recent edition of the International Statistical Classification of Diseases and Related Health Problems." Autism is expressly carved out from the definition of mental illness under Chapter 58 of the General Statutes. **Sections 1, 3, 4 and 5** make these conforming changes.

**Section 2** of the bill requires certain health benefit plans to provide coverage for the screening, diagnosis and treatment of autism spectrum disorders. **Section 2** specifies that the requirement to provide coverage for autism spectrum disorder will not apply to plans that are non-grandfathered health plans in the individual market that are subject to the requirement to cover the essential health benefit package under 45 C.F.R. 147.150(a). These are plans whose coverage may be determined by the federal government to require the State to make payments for a state-required benefit that is in excess of the essential health benefits.

For plans that are required to provide coverage, coverage may not be denied because the treatments are habilitative or educational in nature. Coverage may be subject to co-payments, deductible, or coinsurance provisions which are no less favorable than the cost-sharing provisions that apply to substantially all other medical services covered by the health plan.

However, coverage for adaptive behavior treatment may be subject to a maximum benefit of up to \$40,000 per year, under the bill and may be limited to individuals under 18 years of age. The bill defines adaptive behavioral treatment as "behavioral and developmental interventions that systematically manage instructional and environmental factors or the consequences of behavior that have been shown to be clinically effective through research published in peer reviewed scientific journals and based upon randomized, quasi-experimental, or single subject designs." Both of the following must be met to meet the definition of adaptive behavior treatment:

- The intervention must be necessary to (i) increase appropriate or adaptive behaviors, (ii) decrease maladaptive behaviors, or (iii) develop, maintain, or restore, to the maximum extent practicable, the functioning of an individual.
- The treatment must be ordered by a licensed physician or licensed psychologist and the treatment must be provided or supervised by one of the specified licensed professionals, so

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long as the services provided are commensurate with the licensed professional's training, experience, and scope of practice.

Although the diagnosis of autism spectrum disorder is removed from the mental illness benefits coverage parity provisions of G.S.58-3-220, the new G.S. 58-3-192 requires every health benefit plan to provide coverage for the screening, diagnosis, and treatment of autism spectrum disorder, with the exception of adaptive behavior treatment, in accordance with the standards set forth in the federal Paul Wellston and Pete Domenici Mental Health Parity and Addiction Equality Act of 2008.

**EFFECTIVE DATE:** This act becomes effective January 1, 2016, and applies to insurance contracts issued, renewed, or amended on or after that date.

\* Former Staff Attorney Amy Jo Johnson substantially contributed to this summary.