



MEMORANDUM OF SUPPORT

June 17, 2010

S.7000-B (Breslin, Duane, C. Johnson, Foley, Fuschillo, Huntley, Morahan, McDonald, Hassell-Thompson, et al) Passed Senate June 9, 2010 by a vote of 61-0

**A.10372-A (Morelle, Silver, Weisenberg, Nolan, Gottfried, Schroeder, et al)
ASSEMBLY RULES REPORT # 151**

Autism Speaks, the nation's largest autism science and advocacy organization, strongly supports S. 7000-B sponsored by Senator Neil Breslin and A.10372-A sponsored by Assemblyman Joseph Morelle. This landmark legislation would require health insurers to provide coverage for the treatment of "autism spectrum disorders" as defined by the Diagnostic and Statistical Manual of Mental Disorders, 4th Edition as published by the American Psychiatric Association.

The Commissioner of Health, in conjunction with the Superintendent of Insurance, Office of Mental Health and the Office of Mental Retardation and Developmental Disabilities, is charged with responsibility for promulgating rules within one year of enactment which define the scope of such coverage. These new regulations will ensure a consistent framework for statewide coverage of autism services and will greatly lessen variances in coverage depending upon the particular insurance plan or coverage which is obtained. The Department of Health is also required to regularly update these regulations to insure that new treatments as they become available are covered, without the necessity of new statutory amendments. This regulatory process will also insure that all stakeholders, but particularly the autism community, are able to openly participate in the design of appropriate coverage.

Autism is a complex neurobiological disorder that inhibits a person's ability to communicate and develop social relationships, and is often accompanied by behavioral challenges. Autism spectrum disorders are diagnosed in one in 110 children in the United States, affecting four times as many boys as girls. The prevalence of autism increased 57 percent from 2002 to 2006. The Centers for Disease Control and Prevention has called autism an urgent public health concern whose cause and cure remain unknown.

The U.S. Surgeon General has reported that treatment for autism can spare an individual from life-long dependency as a ward of the state. In the absence of health insurance coverage, families are often required to pay out-of-pocket for treatments that can cost upwards of \$50,000 per year. In the process, many risk their homes and the educations of their unaffected children – essentially mortgaging their entire futures. Worse yet, children born into families without means go untreated. Without treatment, these individuals become a significant financial burden on the state. According to a Harvard School of Public Health study, the lifetime societal cost of autism

is estimated to be \$3.2 million per person. This cost can be reduced dramatically or eliminated with appropriate intervention.

This legislation will finally insure that thousands of New York families receive the benefit of health coverage for the treatment of autism spectrum disorder, including applied behavior analysis (ABA). The legislation also insures that coverage cannot be denied because a particular treatment is deemed “educational or habilitative” in nature. This provision is significant since some insurers have attempted to deny coverage for ABA services in New York and other states on the basis that such treatments were viewed as “educational” in nature. Just as important, the bill has no annual monetary coverage limitations or limits based upon age.

The bill also contains provisions to insure that existing services provided through an individualized family service plan, an individual education plan or an individualized service plan are continued. The bill also encourages insurers to more fully develop participating provider networks which is especially important in regions of the state where gaps in service may exist.

Autism Speaks has advocated for the enactment of insurance legislation at the state level across the nation. So far, 21 states have adopted insurance coverage legislation: Arizona, Colorado, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Missouri, Montana, Nevada, New Jersey, New Mexico, Pennsylvania, South Carolina, Texas, Vermont and Wisconsin. In the states where the laws are effective, individuals with autism are making remarkable progress, and the impact on premiums has been minimal. In South Carolina, for instance, one insurer reported a fiscal impact of approximately 20 cents per month for each member of the plan as a result of the added autism benefit.

An actuarial cost estimate prepared on behalf of Autism Speaks by Oliver Wyman Actuarial Consulting, Inc., indicates that the impact upon insurance premiums to be modest. In fact, the Wyman study reports that the expected long-term premium increase to be about 0.63%, across all markets affected by the legislation. As noted above, experience in other states indicates that impact on premiums has been exceedingly modest, especially during initial years after coverage is provided.

We urge that this vitally important bill be enacted into law during the 2010 legislative session.

Other organizations which have endorsed this legislation to date are: The American Academy of Pediatrics, the Autism Science Foundation, the Medical Society of the State of New York, the New York State Association for Behavior Analysis, Inc., and the Asperger Syndrome and High Functioning Autism Association of New York.

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