

MEDICAL SOCIETY
of the
STATE OF NEW YORK

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Senior Vice President/

Division of Governmental Affairs
MEMORANDUM IN SUPPORT

**IN SENATE INSURANCE
COMMITTEE**

S.7000 (BRESLIN)

**AN ACT to amend the insurance law and the
public health law, in relation to coverage for
the screening, diagnosis and treatment of
autism spectrum disorder**

This measure would expand health insurance coverage for the screening, diagnosis and treatment of autism spectrum disorders. **The Medical Society of the State of New York** supports this bill.

The Medical Society of the State of New York has long-standing policy directing us to seek the passage of legislation requiring the insurance industry to cover all therapy services needed by autistic individuals. People with autism should be treated by health insurers no differently than people with any other health disorder.

The Centers for Disease Control (CDC) have now estimated that the number of children with autism is 1 in 110 nationwide. Existing state law requires that insurance coverage for autism not exclude the diagnosis and treatment of autism spectrum disorder. Current law does not clarify for consumers or insurers the scope of coverage that is required, and does not establish a regulatory process for the promulgation of rules which identify treatment and therapy options.

This legislation would require policies to provide such coverage and provides for an updated definition of the term "autism spectrum disorder". It amends existing provisions of the insurance law to require coverage under health insurance policies issued by indemnity and non-profit insurance companies, as well as health maintenance organizations. Specifically, it requires coverage for the group of neurological conditions known as "autism spectrum disorder", limited only by whatever restrictions are otherwise contained in the policy. Coverage would require utilization review, medical necessity determinations and appropriate case management.

Identifying treatment and therapy options, through promulgation of regulations, would be the responsibility of the Commissioner of Health, in consultation with the Insurance Superintendent and the Commissioners of Mental Health and Mental Retardation and Developmental Disabilities. Until such time as regulations are issued, coverage will be according to treatment guidelines issued by the American Academy of Pediatrics. Only those treatments and therapies which have been determined by recognized medical authority as evidence-based and clinically proven will be covered.

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The legislation also insures that services already being provided to children pursuant to an individualized family service plan under section 2545 of the public health law, or an individualized education program under article 89 of the education law, are not included within this mandate. This bill closes significant existing gaps in coverage while, at the same time, insuring that only evidence-based and clinically proven treatments are covered, thereby limiting overall cost of this expanded coverage.

Children denied intensive early treatment will have a lower level of functionality and are much more likely to need life-long support services. Cost analyses show that every dollar spent on early treatment will save \$5 to \$7 in long-term costs, which can be significant. In the absence of adequate health insurance coverage, the families of those affected bear the costs of treatment. Many of them do not have the resources to provide adequate treatment,(Out-of-pocket costs often run as high as \$2,000 to \$4,000 per month), and the Autism Society of America estimates that the lifetime cost of caring for a child with autism ranges from \$3.5 to \$5 million. Alternatively, the taxpayers pay these costs through Medicaid and increased demand for services through schools. Information on the real costs for mandatory autism coverage from Aetna in Texas shows an increase of less than .1%, and an actuarial analysis of legislation introduced in Massachusetts showed an estimated worse case scenario cost increase of .8% per policy holder.

New York State Insurance Law was significantly changed in 2006, by requiring that every policy which provides coverage for hospital, surgical, or medical care shall not exclude coverage for the diagnosis and treatment of medical conditions otherwise covered by the policy solely because the treatment is provided to diagnose or treat autism spectrum disorder. This law has helped ameliorate the problem, but it does not specify health care services specific to the treatment of autism. Nor does Timothy's Law provide adequate provisions, pertaining only to specified psychiatric disorders co-morbid with autism.

California, Texas, Pennsylvania, Florida, Illinois, Montana, Indiana, Louisiana, Oregon, South Carolina and Arizona all have laws requiring health insurers to cover autism. Similar legislation is under consideration in many other states. In early 2009, legislation was introduced in the United States Senate calling for modifications to federal insurance law that would require autism coverage with no annual spending caps or age limits.

This bill is long overdue and the Medical Society of the State of New York strongly supports it and urges that it be passed.

Respectfully submitted,

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GERARD L. CONWAY, ESQ.