



SOUTH CAROLINA: Frequently Asked Questions About the Autism Insurance Reform Law (Ryan's Law)

1. What does Ryan's Law do?

Broadly speaking, Ryan's Law does the following:

Applies to children diagnosed with autistic spectrum disorder at age 8 or younger and continues to apply up to the age of 16.

Requires most state-regulated group insurance policies to provide coverage for the treatment of autism spectrum disorder as prescribed by the insured's treating medical doctor in accordance with a treatment plan. Coverage for any care besides behavioral therapy cannot be subject to dollar limits, deductibles, or coinsurance provisions that are less favorable than those that apply to physical illness generally under the health insurance plan. Plans must provide at least \$50,000 of coverage per year for behavioral therapy (including applied behavioral analysis).

The specific terms and provisions of this law are described in more detail in this FAQ document.

2. When did the law requiring insurance companies to cover services for children with autism spectrum disorder go into effect?

July 1, 2008. It applies to applicable health insurance plans issued, renewed, delivered, or entered on or after that date.

3. Will my employer-provided health insurance be required to cover my child's autism services?

Employers with at least 51 employees for at least 50 percent of its working days during the preceding calendar year and that offer group health insurance coverage are required to offer autism services for children under the age of 16. If your employer has 50 or fewer employees, your child may still receive services through the Pervasive Developmental Disorder Program if they qualify.

4. Are there limits on what our private insurance is going to be required to cover?

Insurance companies are required to cover the costs of all treatment prescribed by the insured's treating medical doctor at the same rate that their plans cover physical illness with the exception of behavioral therapy. Insurance companies can limit their coverage of behavioral therapy to \$50,000 of coverage per year.

5. How will the law be enforced?

The South Carolina Department of Insurance has regulatory authority over state-regulated health insurance programs doing business in South Carolina. The Department uses this authority to enforce the law.

6. What coverage is mandated by law?

The law does not specify exact treatments that are mandated. However, the law does state that the plan must “provide coverage for the treatment of autism spectrum disorder” and specifies that the coverage is to be prescribed by a treating medical doctor in accordance with a treatment plan. While any treatment prescribed by a treating physician may be subject to coordination of benefits, participating provider requirements, utilization review, and medical necessity limitations, insurance companies covered by the law risk penalty if they refuse coverage for proven treatments of autism.

7. Is applied behavioral analysis (ABA) covered?

Yes, the law specifically mentions “behavioral care” and creates a minimum benefit of \$50,000 a year.

8. Will all of the Autism Spectrum diagnoses be covered, or those diagnoses with the keyword of “autism”?

The law specifically defines “autism spectrum disorder” as including “Autistic Disorder”, “Asperger’s Syndrome”, and “Pervasive Developmental Disorder-Not Otherwise Specified”. Coverage is mandated for all three of these diagnoses.

9. Does Autism Spectrum Disorder have to be the primary diagnosis for the child in order to qualify for coverage?

No, there is no requirement that ASD must be the “primary” diagnosis for the child to qualify for coverage.

10. Is Case Management covered?

Case Management is not a mandated under Ryan’s Law.

11. Who determines what services are medically necessary?

The patient’s physician or psychologist indicates on the treatment plan what services are medically necessary, however there is a utilization review process within the insurance company that may review the services ordered on the treatment plan.

12. Will the new law require insurance companies to cover the cost of social groups? Must it be prescribed by a physician?

Ryan's Law does not include a "list" of covered services. Rather, the law requires coverage for specific types of services. Therefore, coverage under the bill will be determined by the insurance company based on the requirements of the law, whether the treatment is medically necessary, and whether the treatment is ordered as part of the child's treatment plan by a licensed physician.

13. Will an insurance company be able to question my child's existing autism diagnosis?

Diagnoses are subject to utilization review of health care services including review of medical necessity. However, once a diagnosis and treatment plan are agreed upon, the health insurance plan may only request an updated treatment plan once every 6 months from the treating medical doctor to review medical necessity, unless the treating doctor and the health insurance plan agree that a more frequent review is necessary.

14. Will insurance companies be able to deny services if my child is not making "sufficient progress or has reached a plateau in his/her progress?"

A treatment plan prescribed by a physician is subject to utilization review and medical necessity review. While an insurance company could decide that services are no longer "medically necessary", such a decision would be subject to external review under the Health Carrier External Review Act.

15. Will private insurers be developing their own medical necessity criteria?

Private insurers will use their own medical necessity criteria. The patient's physician or psychologist indicates on the treatment plan what services are medically necessary, however there is a utilization review process within the insurance company that may review the services ordered on the treatment plan.

16. Will my child be covered under the mandate if I buy my health insurance through the individual market?

No. The mandate does not apply to health insurance companies selling plans over the individual market.

17. I am a state employee or retiree and my family is insured by the State Health Plan. Is my child's coverage included in the mandate?

Yes, the State Health Plan is included within the mandate.

18. Are all group plans offered by (non-small business) employers required to cover autism care as provided by the mandate?

No. Some employers fund their own health benefit program, which means they do not pay premiums to an insurance company to spread the risk of their employees. These health benefit programs are not regulated by the state of South Carolina, but are regulated by the federal government under the Employer Retirement Income Security Act (ERISA). Self-funded employer plans are not covered under the state mandate.

19. How do I know that my health benefit plan is a self-funded plan?

Consult with your employer.

20. What is “utilization review”?

“Utilization review” refers to techniques used by health carriers to monitor the use of, or to evaluate the medical necessity, appropriateness, efficacy, or efficiency of health care services, procedures or settings. Some examples of techniques used include ambulatory review, prospective review, retrospective review, second opinion, certification, concurrent review, case management or retrospective review. (Source: National Association of Insurance Commissioners)

21. What is “grievance review”?

“Grievance review” refers to a health carrier’s internal processes for the resolution of covered persons’ complaints. The complaints may arise out of a utilization review decision or involve the availability, delivery or quality of health care services; claims payment, handling or reimbursement for health care services; or matters pertaining to the contractual relationship between a covered person or health carrier. Some states may call it an “internal appeal” process. (Source: National Association of Insurance Commissioners)