

PLEASE SUPPORT SB 464
Senator Janet Howell

ASDs CAN OFTEN BE EFFECTIVELY TREATED, RESULTING IN COST SAVINGS ~ JLARC

“According to cost-benefit analysis, providing intensive treatment to young children can significantly reduce public costs by decreasing the need for special education and other forms of public assistance, with savings likely to accrue over the lifetime of individuals with ASDs.” (JLARC indicates over **\$137,000** per child in special education costs alone)

The benefit of ABA services to meaningfully improve outcomes for children is well documented, and is considered as such in CDC materials and Virginia’s own JLARC study on autism.

SB 464 will help families of the Commonwealth meet the challenge of providing their children diagnosed with autism spectrum disorder (ASD) the early intervention Applied Behavior Analysis (ABA) and other therapies proven to mitigate or diminish the impacts of ASD.

ASD is a diagnosis that occurs across racial, ethnic and socioeconomic groups, with diagnosis impacting boys 4 to 5 times as often as girls.

- [Center for Disease Control](#) (CDC) estimates the population prevalence of autism in the U.S. is an *average of 1:110* children
- Per the 2009 [JLARC Assessment of Services for Virginians with Autism Spectrum Disorders Final Report](#), nearly half of children who receive early intervention treatment may avoid being placed in special education classes (page 10)
- Additionally, the JLARC report indicates that ABA services and early intervention could significantly reduce public costs, with savings that would accrue over the lifetime of these children

The nationally prominent actuarial firm, Oliver Wyman, has reviewed the JLARC report and other sources. Based on those findings, Oliver Wyman produced the report called: “[Actuarial Cost Estimate: Virginia House Bill No. 303 and Virginia Senate Bill No. 464](#),” based on the bills as introduced. However, with the Amendment in the Nature of a Substitute, an update was necessary, and information is as follows:

SB 464, and Amendment in the Nature of a Substitute would:

- Provide treatment to children diagnosed with ASD from ages 2 – 6 years
- Cost less than 1% of current premiums *annually* (ranging from between \$4.80 to \$10.90/year per covered person)
- Allow nearly 50% of children with an ASD diagnosis and who receive early and intensive ABA services to realize “normal levels of functioning” (per JLARC Study, page 10)
- Allow an additional 40% of diagnosed children to realize moderate gains
- Save the Commonwealth and localities funding on special education needs based on the efficacy of the ABA services (JLARC Study, page 10)
- Provide a “price guarantee” to companies with opt-out language should premium increases of 1% or more to insureds be required due to ABA claims
- Range of Estimates of Substitute Bills: Cost estimate based on age cap and capping benefits at \$35K/year

Scenario	% Diagnosed Under Age 6 Starting ABA	Avg. Annual ABA Program Cost	Avg. Annual non-ABA Cost	Annual Premium Increase per Person	Premium Increase (% of Premium)
Low	40.0%	\$25,000	\$2,050	\$4.80	0.12%
Middle	50.0%	\$30,000	\$3,075	\$7.20	0.18%
High	66.7%	\$34,961	\$4,100	\$10.90	0.27%

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Commonwealth: a state governed for the common good.