

Priority V: Autism Insurance Reform (HB187)

BACKGROUND/URGENCY:

Autism is a disorder affecting at least 1 in 150 children with approximately 1 in 500 requiring significant clinical treatment. Alaska currently has 1,512 children and youth under the age of 21 who experience autism; approximately 454 need significant clinical treatment. Because Alaska law does not require insurance coverage for autism services, families that do not qualify for DHSS services pay out of pocket, often as much as \$50,000 per year or more. In some instances, bearing this burden results in divorce or bankruptcy. Families that cannot afford to do so, go without crucial intervention. The effects of intensive supports at early age ranges are significant and can be “life-long.”

Autism is treatable. 30 years of research shows that with treatment, many children overcome the severe symptoms of this disorder. About half the children who receive intensive early intervention achieve normal functioning after 2-3 years of treatment. There is an average gain of 22 IQ points and one-third of the children gained 45 IQ points. Nearly 50% of those receiving intensive early intervention do not require lifelong services and supports. These statistics only underscore the critical role of early intervention in the developmental process of future learning, growth and education.

The earlier the diagnosis, the more effective is the treatment. The diagnostic process involves a comprehensive assessment (neurodevelopmental pediatrics, psychology, speech, occupational and physical therapy, ophthalmology, audiology) by a multidisciplinary team. Only those children who meet specific medical criteria are diagnosed with autism.

Treatment equals savings. With treatment, Alaska will see savings of \$208,500 per capita in avoided special education costs and lifetime savings of \$1.08 million per capita. Treatment may include the following medically necessary services: pharmacy, psychiatric, psychological, rehabilitative and therapeutic care. Rehabilitative care includes applied behavior analysis (the design, implementation and evaluation of environmental modifications to produce socially significant improvement in human behavior or to prevent the loss of an attained skill or function).

Without treatment it is estimated that it will cost the state \$3.2 million per capita (Michael Ganz, Harvard economist).

Coverage of medically necessary autism treatment in Alaska will enable many children to access the services they need and live more productive lives.

Most private insurance policies specifically exclude coverage for treating autism, even when the services are otherwise covered by the health plan.

HB187 requires private insurance policies (approximately 23% of all insurance plans) to provide a maximum coverage of \$36,000 a year for the diagnosis and treatment of autism spectrum disorders, including but not limited to applied behavior analysis.

ACTION REQUESTED

The Key Coalition of Alaska asks the Alaska State Legislature to:

Approve passage of HB187 (Autism Insurance Reform) requiring insurance coverage for autism spectrum disorders