

Representative Roger E. Barrus proposes the following substitute bill:

INSURANCE COVERAGE FOR AUTISM

SPECTRUM DISORDERS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Roger E. Barrus

LONG TITLE

General Description:

This bill amends the Comprehensive Health Insurance Pool Act to create a limited benefit indemnity policy to cover the treatment of autism spectrum disorders.

Highlighted Provisions:

This bill:

- ▶ defines terms;
 - ▶ requires the Comprehensive Health Insurance Pool to offer a limited indemnity benefit for autism spectrum disorders beginning January 1, 2010;
 - ▶ requires an actuarially sound and separate risk pool for autism spectrum disorders;
 - ▶ creates the Autism Spectrum Disorders Fund for administering and paying claims;
- and
- ▶ requires the board to report to the Legislature's Commerce and Workforce Services Appropriations Subcommittee prior to November 1, 2009 regarding solvency of the autism spectrum disorders and risk pool eligibility to purchase a policy.

Monies Appropriated in this Bill:

None

Other Special Clauses:



26 None

27 **Utah Code Sections Affected:**

28 ENACTS:

29 **31A-29-201**, Utah Code Annotated 1953

30 **31A-29-202**, Utah Code Annotated 1953

31 **31A-29-203**, Utah Code Annotated 1953



33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **31A-29-201** is enacted to read:

35 **Part 2. Autism Spectrum Disorders Limited Benefit Indemnity Plan**

36 **31A-29-201. Definitions.**

37 As used in this part:

38 (1) "Autism spectrum disorder" means a pervasive developmental disorder, as defined
39 by the most recent edition of the Diagnostic and Statistical Manual on Mental Disorders,
40 including:

- 41 (a) Autistic Disorder;
- 42 (b) Asperger's Disorder; and
- 43 (c) Pervasive Developmental Disorder Not Otherwise Specified.

44 (2) "Early intensive behavior therapy" means therapy that:

- 45 (a) involves intensive behavioral intervention over an extended period of time;
- 46 (b) is evidence-based; and
- 47 (c) is generally accepted by the medical community or the American Academy of

48 Pediatrics as an effective treatment for young children with an autism spectrum disorder.

49 (3) "Treatment of autism spectrum disorders" means any treatment generally accepted
50 by the medical community or the American Academy of Pediatrics as an effective treatment for
51 children with an autism spectrum disorder.

52 Section 2. Section **31A-29-202** is enacted to read:

53 **31A-29-202. Creation of pool -- Creation of fund.**

54 (1) (a) There is created, in accordance with this part, the "Autism Spectrum Disorders
55 Plan" within the Comprehensive Health Insurance Pool created by this chapter.

56 (b) (i) The board shall establish separate risk pools for the Comprehensive Health

57 Insurance Pool created by Section 31A-29-104 and the Autism Spectrum Disorders Plan
58 created by this section.

59 (ii) The risk pool for the Autism Spectrum Disorders Plan shall be actuarially sound
60 and shall be funded by premiums.

61 (2) (a) There is created an enterprise fund known as the "Autism Spectrum Disorder
62 Fund" for the purpose of paying the benefits and the costs of administering the Autism
63 Spectrum Disorders Plan created by this part.

64 (b) The fund created in Subsection (2)(a) shall consist of all money and interest paid
65 into it in accordance with this part, whether in the form of cash, securities, or other assets, and
66 of all money received from any other source.

67 (c) Custody, management, and investment of the fund shall be governed by Title 51,
68 Chapter 7, State Money Management Act.

69 (d) Prior to November 1, 2009, the board shall report to the Legislature's Commerce
70 and Workforce Services Appropriations Subcommittee regarding:

71 (i) the actuarial projections and assumptions made regarding the adequacy of premiums
72 to support the Autism Spectrum Disorders risk pool and the Autism Spectrum Disorders Fund;

73 (ii) whether the risk of inadequate reserves should be assumed by the state, the
74 Comprehensive Health Insurance Pool, or the Autism Spectrum Disorder risk pool;

75 (iii) whether offering the policy to individuals residing outside of the state would
76 strengthen the solvency of the risk pool; and

77 (iv) whether a policy can be prepaid in full by a third party on behalf of a child.

78 Section 3. Section **31A-29-203** is enacted to read:

79 **31A-29-203. Powers of board -- Contents of plan.**

80 (1) The board shall, in addition to the powers granted in Sections 31A-29-105 and
81 31A-29-106, have the power to develop and administer an autism spectrum disorder limited
82 benefit indemnity plan that may be offered beginning January 1, 2010.

83 (2) The autism spectrum disorders plan shall include the following features:

84 (a) the plan shall be an enhancement of, and not a replacement for, hospital or medical
85 expense insurance;

86 (b) benefits shall be limited to indemnity benefits payable on a per day or per episode
87 of treatment basis, with coinsurance, and annual and lifetime maximum;

88 (c) coverage must be purchased for a child during the period of time in which the
89 biological mother is pregnant with the child up to three months after the birth of the child;
90 (d) benefits are payable under the plan when:
91 (i) the child is at least two years old, until the child has reached six years of age; and
92 (ii) the child is diagnosed with an autism spectrum disorder based on ICD 9 codes that
93 are specified in the plan;
94 (e) benefits shall include early intensive behavioral therapy and other treatment of
95 autism spectrum disorders as specified in the benefit plan; and
96 (f) benefits under the plan are not transferable from one child to another child in a
97 family.