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AUTISM INSURANCE MANDATE BILL:

OVERVIEW & BACKGROUND

SB 946 (Steinberg)

What this Legislation Accomplishes:
Senate Bill 946, which is authored by Senate President pro Tem Darrell Steinberg, requires private health plan and insurance plan coverage of behavioral health treatment for Autism Spectrum Disorder (ASD) and Pervasive Developmental Disorder (PDD). The bill also defines the scope of these treatments and appropriate service providers, and it eliminates unwarranted restrictions on those who are qualified to provide these treatments.

Why SB 946 is Necessary:
Autism Spectrum Disorder is the fastest-growing serious developmental disability in the U.S., and is now more common than childhood cancer, juvenile diabetes and pediatric AIDS combined. Although there is no cure for ASD, National Institutes of Mental Health, the American Academy of Pediatrics, and other autism experts have established that behavioral health treatment (BHT) is the single most effective form of medical treatment for autism. Nevertheless, many private health plans and health insurance companies deny BHT under the pretext that it is an educational service and therefore not a covered benefit. This administrative decision by the health plans precludes any review by physicians or other medical providers, thereby potentially withholding crucial medical services to the many children who need them.

The combination of more than a 12-fold increase in autism-related referrals to California's regional centers over the past decade and a simultaneous decrease in available state resources has left many families struggling to find adequate providers and payment for the behavioral health treatment their children need. This legislation seeks to ensure access to this potentially life-altering treatment for children with ASD and PDD while saving the State money.

The Fiscal Realities of the Autism Insurance Mandate Bill:
SB 946 does not impose any significant costs to the State general fund. To the contrary, requiring private health plans and insurers to assume their fair share of the burden will save state-

funded regional centers and school districts tens of millions of dollars. Additionally, any increases in premiums passed down from the health plans and insurance companies to enrollees will be minimal. The California Health Benefits Review Program (CHBRP) has estimated that, at most, enrollees would experience an increase of 0.14-0.27%. Amendments to the bill, subsequent to the CHBRP analysis, will result in even lower increases in premiums. SB 946 is a step in the right direction to ensure that the health plans and insurers are doing their fair share in the treatment of this disorder.

Providing appropriate medical services is good business. Many of the most successful companies in California, such as Microsoft and Cisco, have self-funded health coverage and provide behavioral health treatment for autism. These companies have found that this type of coverage results in greater motivation among their employees while reducing absenteeism and stress. These companies have found that providing this benefit is not only good public policy, it's also a good business practice.

Future of the Autism Insurance Coverage:
SB 946 provides clear standards for service delivery as well as a transitional framework that will help move California towards more structured guidelines for the provision and coverage of behavioral health treatment for ASD and PDD. This bill will help countless children and their families overcome this devastating disorder while saving the state money and enabling California to maintain its leadership in the area of autism treatment.

Regrettably, SB 946 (due to California's current fiscal crisis) cannot provide coverage and services to individuals who are covered by Medi-Cal, CalPERS or Healthy Families. However, Senator Steinberg has pledged his personal commitment to leave no stone unturned until all of California's most vulnerable populations receive the healthcare and services that they need and deserve.

To date there are 27 other states that have mandated autism health insurance coverage, and another 10 states are currently contemplating similar legislation. This bill would not only keep California aligned with other states, but it would also provide crucial leadership in shaping future federal policy pertaining to the Patient Protection and Affordable Care Act of 2010.