

**Senate File 400 - Introduced**

SENATE FILE 400  
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 1043)

**A BILL FOR**

1 An Act requiring certain health insurance policies, contracts,  
2 or plans to provide coverage of applied behavior analysis  
3 for treatment of autism spectrum disorder for certain  
4 individuals, and including applicability and effective date  
5 provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 225D.1, subsection 8, Code 2017, is  
2 amended to read as follows:

3 8. "*Eligible individual*" means a child less than fourteen  
4 years of age who has been diagnosed with autism based on a  
5 diagnostic assessment of autism, is not otherwise eligible for  
6 coverage for applied behavioral analysis treatment or applied  
7 behavior analysis treatment under the medical assistance  
8 program, [section 514C.28](#), [514C.31](#), or other private insurance  
9 coverage, and whose household income does not exceed five  
10 hundred percent of the federal poverty level.

11 Sec. 2. Section 225D.2, subsection 2, paragraph 1, Code  
12 2017, is amended to read as follows:

13 1. Proof of eligibility for the autism support program that  
14 includes a written denial for coverage or a benefits summary  
15 indicating that applied behavioral analysis treatment or  
16 applied behavior analysis treatment is not a covered benefit  
17 for which the applicant is eligible, under the Medicaid  
18 program, [section 514C.28](#), [514C.31](#), or other private insurance  
19 coverage.

20 Sec. 3. Section 225D.2, subsection 3, Code 2017, is amended  
21 to read as follows:

22 3. Moneys in the autism support fund created under  
23 subsection 5 shall be expended only for eligible individuals  
24 who are not eligible for coverage for applied behavioral  
25 analysis treatment or applied behavior analysis treatment under  
26 the medical assistance program, [section 514C.28](#), [514C.31](#),  
27 or other private insurance. Payment for applied behavioral  
28 analysis treatment through the fund shall be limited to only  
29 applied behavioral analysis treatment that is clinically  
30 relevant and only to the extent approved under the guidelines  
31 established by rule of the department.

32 Sec. 4. NEW SECTION. **514C.31 Applied behavior analysis for**  
33 **treatment of autism spectrum disorder — coverage.**

34 1. Notwithstanding the uniformity of treatment requirements  
35 of section 514C.6, a group policy, contract, or plan providing

1 for third-party payment or prepayment of health, medical, and  
2 surgical coverage benefits shall provide coverage benefits for  
3 applied behavior analysis provided by a practitioner to covered  
4 individuals under nineteen years of age for the treatment of  
5 autism spectrum disorder pursuant to a treatment plan if the  
6 policy, contract, or plan is either of the following:

7     *a.* A policy, contract, or plan issued by a carrier, as  
8 defined in section 513B.2, or an organized delivery system  
9 authorized under 1993 Iowa Acts, chapter 158, to an employer  
10 who on at least fifty percent of the employer's working days  
11 during the preceding calendar year employed more than fifty  
12 full-time equivalent employees. In determining the number  
13 of full-time equivalent employees of an employer, employers  
14 who are affiliated or who are able to file a consolidated tax  
15 return for purposes of state taxation shall be considered one  
16 employer.

17     *b.* A plan established pursuant to chapter 509A for public  
18 employees other than employees of the state.

19     2. As used in this section, unless the context otherwise  
20 requires:

21     *a.* "*Applied behavior analysis*" means the design,  
22 implementation, and evaluation of environmental modifications,  
23 using behavioral stimuli and consequences, to produce socially  
24 significant improvement in human behavior, including the use of  
25 direct observation, measurement, and functional analysis of the  
26 relationship between environment and behavior.

27     *b.* "*Autism spectrum disorder*" means a complex  
28 neurodevelopmental medical disorder characterized by social  
29 impairment, communication difficulties, and restricted,  
30 repetitive, and stereotyped patterns of behavior.

31     *c.* "*Practitioner*" means any of the following:

32         (1) A physician licensed pursuant to chapter 148.

33         (2) A psychologist licensed pursuant to chapter 154B.

34         (3) A person who holds a master's degree or a doctoral  
35 degree and is certified by a national behavior analyst

1 certification board as a behavior analyst.

2 *d.* "Treatment plan" means a plan for the treatment of an  
3 autism spectrum disorder developed by a licensed physician  
4 or licensed psychologist after a comprehensive evaluation or  
5 reevaluation performed in a manner consistent with the most  
6 recent clinical report or recommendations of the American  
7 academy of pediatrics. "Treatment plan" includes supervisory  
8 services, subject to the provisions of subsection 5.

9 3. *a.* The coverage for applied behavior analysis required  
10 pursuant to this section shall provide an annual maximum  
11 benefit of not less than the following:

12 (1) For an individual through age six, thirty-six thousand  
13 dollars per year.

14 (2) For an individual age seven through age thirteen,  
15 twenty-five thousand dollars per year.

16 (3) For an individual age fourteen through age eighteen,  
17 twelve thousand five hundred dollars per year.

18 *b.* Payments made under a group policy, contract, or plan  
19 subject to this section on behalf of a covered individual for  
20 any treatment other than applied behavior analysis shall not  
21 be applied toward the maximum benefit established under this  
22 subsection.

23 4. Coverage required pursuant to this section may be  
24 subject to dollar limits, deductibles, copayments, or  
25 coinsurance provisions that apply to other medical and surgical  
26 services under the policy, contract, or plan, subject to the  
27 requirements of subsection 3.

28 5. Coverage required pursuant to this section may be  
29 subject to care management provisions of the applicable  
30 policy, contract, or plan, including prior authorization,  
31 prior approval, and limits on the number of visits a covered  
32 individual may make for applied behavior analysis.

33 6. A carrier, organized delivery system, or plan may request  
34 a review of a treatment plan for a covered individual not  
35 more than once every three months during the first year of

1 the treatment plan and not more than once every six months  
2 during every year thereafter, unless the carrier, organized  
3 delivery system, or plan and the covered individual's treating  
4 physician or psychologist execute an agreement that a more  
5 frequent review is necessary. An agreement giving a carrier,  
6 organized delivery system, or plan the right to review the  
7 treatment plan of a covered individual more frequently applies  
8 only to a particular covered individual receiving applied  
9 behavior analysis and does not apply to other individuals  
10 receiving applied behavior analysis from a practitioner.  
11 The cost of conducting a review under this section shall be  
12 paid by the carrier, organized delivery system, or plan. A  
13 carrier, organized delivery system, or plan shall not change  
14 the provisions of a treatment plan until the completion of a  
15 review of the treatment plan.

16 7. This section shall not be construed to limit benefits  
17 which are otherwise available to an individual under a group  
18 policy, contract, or plan.

19 8. This section shall not be construed as affecting any  
20 obligation to provide services to an individual under an  
21 individualized family service plan, an individualized education  
22 program, or an individualized service plan.

23 9. This section shall not apply to accident-only,  
24 specified disease, short-term hospital or medical, hospital  
25 confinement indemnity, credit, dental, vision, Medicare  
26 supplement, long-term care, basic hospital and medical-surgical  
27 expense coverage as defined by the commissioner, disability  
28 income insurance coverage, coverage issued as a supplement  
29 to liability insurance, workers' compensation or similar  
30 insurance, or automobile medical payment insurance, or  
31 individual accident and sickness policies issued to individuals  
32 or to individual members of a member association.

33 10. This section applies to third-party provider payment  
34 contracts, policies, or plans specified in subsection 1,  
35 paragraph "a" or to plans established pursuant to chapter 509A

1 for public employees other than employees of the state, that  
2 are delivered, issued for delivery, continued, or renewed in  
3 this state on or after January 1, 2018.

4 Sec. 5. EFFECTIVE DATE. The following provisions of this  
5 Act take effect January 1, 2018:

6 1. The sections of this Act amending sections 225D.1 and  
7 225D.2.

8 EXPLANATION

9 The inclusion of this explanation does not constitute agreement with  
10 the explanation's substance by the members of the general assembly.

11 This bill creates new Code section 514C.31, which requires  
12 certain individual and group health insurance policies,  
13 contracts, or plans and plans established pursuant to Code  
14 chapter 509A for public employees other than employees of  
15 the state to provide coverage benefits for applied behavior  
16 analysis for the treatment of autism spectrum disorder.

17 "Autism spectrum disorder" means a complex  
18 neurodevelopmental medical disorder characterized by  
19 social impairment, communication difficulties, and restricted,  
20 repetitive, and stereotyped patterns of behavior.

21 The bill requires coverage for applied behavior analysis  
22 that is provided by a board-certified behavior analyst or by  
23 a licensed physician or psychologist. The required maximum  
24 benefit for coverage for applied behavior analysis for an  
25 individual diagnosed with an autism spectrum disorder is  
26 \$36,000 per year through age 6, \$25,000 per year from age 7  
27 through age 13, and \$12,500 per year from age 14 through age  
28 18.

29 Required coverage can be subject to preauthorization, prior  
30 approval, or other care management requirements, including  
31 limits on the number of visits an individual may make for  
32 applied behavior analysis.

33 Required coverage can be subject to dollar limits,  
34 deductibles, copayments, or coinsurance provisions, or any  
35 other general exclusions or limitations of the coverage that

1 apply to other covered medical or surgical services.

2 The new Code section shall not be construed to limit benefits  
3 otherwise available to an individual under a group policy,  
4 contract, or plan.

5 The new Code section shall not be construed as affecting  
6 any obligation to provide services to an individual under an  
7 individualized family service plan, education program, or  
8 service plan.

9 A carrier, organized delivery system, or plan may request  
10 to review a treatment plan not more than once every three  
11 months during the first year of the treatment plan and not  
12 more than once every six months during every year thereafter,  
13 unless the carrier, organized delivery system, or plan and  
14 the individual's treating physician or psychologist execute  
15 an agreement that more frequent review is necessary. Such  
16 an agreement applies only to that individual and does not  
17 apply to other individuals receiving applied behavior analysis  
18 from a board-certified behavior analyst, a physician, or a  
19 psychologist. The cost of conducting the review of a treatment  
20 plan is to be borne by the carrier, organized delivery system,  
21 or plan. A carrier, organized delivery system, or plan  
22 shall not change the provisions of a treatment plan until the  
23 completion of a review of the plan.

24 The new Code section does not apply to various specified  
25 types of insurance.

26 New Code section 514C.31 applies to third-party provider  
27 payment contracts, policies, or plans specified in the  
28 bill, or plans established pursuant to Code chapter 509A for  
29 public employees other than employees of the state, that are  
30 delivered, issued for delivery, continued, or renewed in this  
31 state on or after January 1, 2018.

32 Coordinating changes are made in Code sections 225D.1 and  
33 225D.2 to provide that persons who are eligible for coverage  
34 of applied behavior analysis treatment under new Code section  
35 514C.31 are not eligible to participate in the state autism

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1 support program. These changes also take effect January 1,  
2 2018.