

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.