



CARD
CENTER FOR AUTISM
& RELATED DISORDERS

INSURANCE FUNDING FOR AUTISM

*What Insurance Companies Will and
Won't Cover & Effective Strategies to
Maximize Benefits*

Please note!

The following material is for informational purposes ONLY and is not meant to be construed as legal advice. You must check with your insurance company or legal consultant for verification of specific benefits that may be available to you under your insurance plan.

Requirements for Covering Autism: How Far We've Come

- As recently as 1994, insurance companies in most states were allowed to completely reject any claims submitted with a diagnosis of Autism.
- The reason? The opinion of the medical insurance establishment was that there was no treatment available from any type of provider which could produce a significant improvement- none.
- No coverage for any type of service or medication whether provided by an M.D., Speech Therapist, Occupational Therapist, anyone!
- Today, this is far from the truth, because there is verifiable proof that there are many types of medical and therapeutic treatments which can greatly improve the lives of children with Autism, and can even cause Recovery.

Requirements for Covering Autism: How Far We've Come

- Today, many states require coverage for Autism but still don't mandate any benefits for Behavioral Therapies.
- While these mandates have been a great start because they require insurance companies to pay for Autism/PDD the same as any other disease of the brain, they DID not require that they cover any type of care/therapy that wasn't already covered in the plan.
- The result is that while most plans do have to cover Speech therapy, Occupational therapy, drugs and most M.D. services, they still don't have to cover Behavioral Therapies without a passing a state law!

We Still Have Work To Do!

- Until a State law mandating ABA coverage is passed in your state, you will probably get no coverage at all for Behavioral Therapies.
- There are many bills in the works now but who knows how long they will take to be approved by the governors, if at all!
- We all need to support any State legislation that would mandate coverage and give our kids what they need.

States that have passed legal mandates to cover behavioral therapy

While carriers in most states still exclude coverage for ABA Therapy, there are now 23 states that have passed laws mandating coverage for behavioral therapies including ABA.

- Arizona
- Colorado
- Connecticut
- Florida
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Massachusetts
- Missouri
- Montana
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- Pennsylvania
- South Carolina
- Texas
- Vermont
- Wisconsin

States that have passed legal mandates to cover behavioral therapy

Here's a summary of what each state mandate requires:

- **Arizona:** Effective June 30, 2009: Therapy is covered up to \$50,000 per year up to age 9, \$25,000 per year up to age 16. (HB2847)
- **Colorado:** Effective July 1, 2010: Therapy is covered up to \$34,000 per year through age 8, \$12,000 per year ages 9 through 18. (SB 09-244)
- **Connecticut:** Passed 6-3-09: Therapy is covered for up to \$50,000 for a child who is less than nine years of age, \$35,000 for a child who is at least nine years of age and less than thirteen years of age, and \$25,000 for a child who is at least thirteen years of age and less than fifteen years of age. (SB301)
- **Florida:** Effective April 2009: Covers \$36,000 per year, \$200,000 lifetime up to age 18. (SB2654)

States that have passed legal mandates to cover behavioral therapy

- **Illinois:** Effective December 12, 2008: Covers \$36,000 per year up to age 21. (SB934)
- **Indiana:** Effective prior to 7-1-01: Therapy is covered with no dollar or age limit. (ACT 1122)
- **Iowa:** Effective July 1, 2011: Mandate only applies to state employee health care plans. Covers \$36,000 per year up to age 21. (HF2531)
- **Kansas:** Effective January 1, 2011: Mandate only applies to state employee health care plans. Covers \$36,000 per year up to age 7 and \$27,000 per year between the ages 7 and 19. (HB2160)

States that have passed legal mandates to cover behavioral therapy

- **Kentucky:** Effective January 1, 2011: Covers \$50,000 per year up to age 7 and \$1,000 per month from 7 to 21. (HB159)
- **Louisiana:** Effective January 1, 2009: Covers \$36,000 per year, \$144,000 lifetime up to age 17. (HB958)
- **Maine:** Effective January 1, 2011: Covers \$36,000 per year up to age 21. (LD1198)
- **Massachusetts:** Effective January 1, 2011: Therapy covered with no age or dollar maximums. (H.4935)
- **Missouri:** Effective January 1, 2011: Covers \$40,000 per year (more if medically necessary) to age 18. (HB1311)

States that have passed legal mandates to cover behavioral therapy

- **Montana:** Effective January 1, 2010: Covers up to \$50,000 per year up to age 8, and \$20,000 per year between ages of 9 and 18. (SB234)
- **Nevada:** Effective January 1, 2011: Covers up to \$36,000 per year under the age of 18, or under the age of 21 if the individual is enrolled in high school (AB 162)
- **New Hampshire:** Effective January 1, 2011: Covers \$36,000 per year ages 0-12, and \$27,000 per year ages 13-21. (HB569)
- **New Jersey:** Effective February 9, 2010: Covers \$36,000 per year up to age 21. (S. 1651/A. 2238)

States that have passed legal mandates to cover behavioral therapy

- **New Mexico:** Effective June 19, 2009: Covers up to \$36,000 per year under the age of 19, or under the age of 21 if the individual is enrolled in high school, \$200,000 lifetime maximum benefit (SB 39)
- **Pennsylvania:** Effective July 1, 2009: Covers \$36,000 per year up to age 21, no lifetime maximum. (HB1150)
- **South Carolina:** Effective July 1, 2008: Covers up to \$50,000 per year up to age 16. (title 38, chapter 71, section 280)
- **Texas:** Effective July 1, 2007: Covers up to age 5 only- no dollar maximums. Effective January 1, 2010: Covers up to age 10 only- no dollar maximums (HB1919 & HB451)

States that have passed legal mandates to cover behavioral therapy

- **Vermont:** Effective July 1, 2011: No dollar maximums. Only covers children between the ages of 18 months and 6 years. (S262)
- **Wisconsin:** Effective June 30, 2009: (date under review): Covers at least \$50,000 per year for intensive-level services (with a minimum of 30-35 hours of care) per week for four years. After the four year intensive-level services period, coverage of at least \$25,000 annually for post-intensive-level services.

New Federal Law Eliminates Dollar Maximums for ABA Therapy.....But Only If You Have Coverage!

Important Change for State Mandated Coverage & Group Employer Plans That Voluntarily Add Coverage:

The Federal Mental Health Parity Act Eliminates Dollar Maximums!!

Another positive change that has had a huge impact on coverage is the federal Mental Health Parity Act (the “Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008”) that took effect on 10-3-2009. This federal law requires parity in benefits for mental health and substance abuse disorders. Basically, this law says that carriers cannot have a benefit limit or dollar maximum for a mental health diagnosis that isn’t also applied to any other medical condition. In effect, this federal law overrides most of the state laws that include a calendar year dollar maximum for autism treatment. For example, the Illinois law only requires plans to cover up to \$36,000 per year. The federal law would not allow a maximum for autism if there were no such maximum for all other medical diagnoses. As a result, this law overrides the state law and the \$36,000 maximum will have to be removed. Benefits would be unlimited and all appropriate ABA services would have to be covered. The Mental Health Parity Act should take effect for any large group employer plan (50 or more employees) on the plan’s next annual renewal date on or after 10-3-2009.

Federal Health Insurance Reform Bill Signed Into Law on March 23, 2010

ABA Coverage Will Be Mandatory in 2014!!!

IMPORTANT NEWS:

- The federal Health Insurance Reform Bill was signed by President Obama and includes an amendment for Autism Insurance Reform that would require coverage for ABA therapy with no yearly dollar maximum on coverage. By 2014, most health care plans will be required to cover ABA therapy.
- Here's what it says: ABA coverage will be required starting in 2014 (when the exchanges start) through language found in an amendment to the bill added by Senator Menendez. The language was broadly written and requires coverage of "Behavioral Health Treatments" which would include ABA. This excerpt is from New Jersey Senator Robert Menendez Web site: "... require insurance plans to provide behavioral health treatments. Plans in the exchange must cover behavioral health treatments as part of the minimum benefits standard. For example, applied behavior analysis is a behavioral health treatment for people with autism. Unless behavioral health treatment is explicitly spelled out as a covered benefit, people with autism are not likely to receive comprehensive healthcare."
The "exchange" plans will define the "minimum coverage" for a plan to be counted towards having purchased appropriate coverage under the new requirements. This means that plans can be sold that do not include all of these things, but they would not qualify as insurance coverage which would exempt people from paying the fee for not having insurance coverage. This means, that the vast majority of plans will include this benefit.
- As of March, 25, 2010 the bill made it through reconciliation with no changes so it's a done deal (as much as anything can be guaranteed with Insurance)!

Not All Insurance Is Created Equal: How do you know if your plan will cover ABA?

Even if you live in one of the 23 states that mandate coverage, there are many exceptions as to which plans do not have to cover behavioral therapies:

- State mandates usually only apply to “large group employer plans”. This means employers with 50 or more full-time employees.
- Individual plans are usually exempt from these state laws.
- Self-insured plans (larger employer groups who fund their own claims)
- Plans issued/underwritten in a state other than the one that has a law mandating coverage
- Limited Benefit coverage (plans meant to supplement major medical plans)

Not All Insurance Is Created Equal: How do you know if your plan will cover ABA?

Some Larger Employer plans have decided to add benefits after administrators received input from employees about how much the benefits are needed. Just because they don't "have to" pay for ABA under state law, doesn't mean they can't or won't.

- Adobe Systems Inc.
- AOL
- Arnold & Porter
- CISCO
- City of Atlanta
- Deloitte
- Eli Lilly
- Greenbille Hospital System
- Halliburton
- Home Depot
- Intel
- Lexington Medical Center
- Mayo Clinic
- Michelin
- Microsoft
- Morrison and Foerster
- NVidia
- Ohio State University
- Oracle
- Progressive Group
- State Farm
- Symantec
- Time Warner, Inc. (not Time Warner Cable)
- University of Minnesota
- Wells Fargo
- Yahoo Inc.

Also, the Department of Defense has had a \$36,000 per year benefit for over two years now that applies to all active duty military families. The tide is turning!!

How different types of plans work

- **Does my plan have any benefits for ABA Therapy?:** Ask your HR contact to tell you if any of your health plan choices have any benefits. **They have to get an answer for you!** Always ask for information in writing and always get the name of whomever you are speaking with.
- **HMO and POS.** These plans require you to choose a Primary Care Doctor. There is usually no deductible and the copayments are lower than PPO plans.

How different types of plans work

- **PPO Plans**. These plans usually pay a higher percentage (80-100%) for participating providers and will most likely have a calendar year deductible.
- **Mental Health Carve-Out Carriers**. Some bigger companies have one company paying their medical claims and another paying their mental health claims (they “carve-out” those claims and hire another company to handle them). Example: you may think you have Aetna for your insurance but your mental health claims may be handled by CIGNA!!

If I do get coverage for ABA Therapy do I have any out-of-pocket costs?

- Plans may require a flat, **dollar copayment or co-insurance** (co-insurance is when you pay a percentage of the bill 10-50%).
- **PPO plans and some POS plans** usually require a calendar year deductible before they pay benefits. They usually have out-of-pocket maximums and, once you pay a certain dollar amount in coinsurance, they start paying at 100% for the rest of the year.

If I do get coverage for ABA Therapy do I have any out-of-pocket costs?

- **If your ABA provider is a Participating Provider** with your insurance carrier then they will bill insurance for you and then bill you for any copayments or deductibles.
- **If your ABA provider is NOT Participating** with your insurance carrier then they may not be able to bill for you so you will probably have to pay privately and then submit bills to the insurance carrier for reimbursement. If you have a PPO plan then they should cover a percentage of the cost after your deductible is satisfied.
- **Important Note Regarding Access to Care**: If your plan has benefits for ABA, no matter what type of plan you have, if they don't have a participating ABA provider in your area they will have to refer you to a non-participating provider and provide benefits at the highest level.

Insurance companies and what they are “required” to do

If your plan is subject to mental health parity laws then the insurance carrier must cover the medically necessary treatment of Autism at the same benefit level as other medical care covered by the plan such as Speech therapy, Occupational therapy, drugs and M.D. services. If your plan is not issued in one of the 23 states or your plan is not subject to the state laws, they still don't “have to” cover ABA therapy!

My Insurance Plan has no benefits for ABA Therapy. What can I do to change this?

You can request that your employer purchase benefits for Behavioral Therapies. Contact the employee benefits folks in your HR department and ask if your health plans can be changed at the next open enrollment to include such benefits.

My Insurance Plan has no benefits for ABA Therapy. What can I do to change this?

IF YOU HAVE A PPO TYPE PLAN:

- Even if there are no Behavioral Therapy benefits you can still submit your claims and ask for coverage based on medical necessity. If they reject your claim follow the grievance procedures in your book and see what happens. Of course you would have to pay for the therapy up front which is not possible for most families. People are fighting to get this covered even if their plan has no benefits because “it should be” and they have been winning once their case is heard by state regulators so it’s always worth a try if you are paying privately anyway.
- They may deny your claim saying it’s:
 - Not medically necessary;
 - Invalid Diagnosis;
 - Pre-existing condition;
 - Not covered because the provider isn’t licensed; or
 - Not a covered benefit.

My Insurance Plan has no benefits for ABA Therapy. What can I do to change this?

IF YOU HAVE A PPO TYPE PLAN:

- Get a copy of your benefit booklet (called an EOC or SPD). By law it has to tell you step by step how to request reconsideration, file a grievance, etc. Print out those pages and review the steps. It has to tell you how long you have to file, how long they have to respond and what to do next.
- If your plan is regulated by your states department of insurance, usually the final step in your appeal rights is to request an IMR (Independent Medical Review). Your claims are reviewed by an independent panel of professionals in the field. This is where health carriers denials have been overturned and they have then been forced to cover ABA programs.

My Insurance Plan has no benefits for ABA Therapy. What can I do to change this?

IF YOU HAVE AN HMO PLAN:

- Even if there are no Behavioral Therapy benefits you can request a referral for ABA Therapy services based on medical necessity. If they do not authorize services, follow the grievance procedures in your benefit booklet. You are in a much better position under an HMO plan because you don't have to send in a claim first to get the ball rolling (meaning paying money out-of-pocket). You can ask for a referral and that starts everything in motion before you have to pay out-of-pocket. People are fighting to get this covered even if their plan has no benefits because "it should be" and they have been winning once their case is heard by state regulators.
- They may deny your referral request saying it's:
 - Not medically necessary;
 - Not approved because the provider isn't licensed; or
 - Not a covered benefit.

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- Get a copy of your benefit booklet (called an EOC). By law it has to tell you step by step how to request reconsideration, file a grievance, etc. Print out those pages and review the steps. It has to tell you how long you have to file, how long they have to respond and what to do next.
- HMO plans are usually regulated by the state and the final step in your appeal rights is most likely to request an IMR (Independent Medical Review). Your request for services is reviewed by an independent panel of professionals in the field. This is where health carriers denials have been overturned and they have then been forced to approve ABA programs.

Helpful Web-sites

- Autism Society of America
<http://www.autism-society.org>
- Autism Votes/Autism Speaks
<http://www.autismvotes.org/site>
- TACA-Talk About Curing Autism Now
<http://www.talkaboutcuringautism.org/resources/autism-insurance/insurance-coverage-for-biomedical-traditional-treatments.htm>

Conclusion

With most states close to bankruptcy, it will be even harder for state funded programs and School Districts to provide services for behavioral therapies. The insurance carriers should have been providing coverage all along and legislative insurance reform would have an enormous impact by finally requiring insurers to end discrimination against children with autism and cover therapies that are literally causing families across the country to go broke trying to provide their children with the services they need and deserve.

Dealing with Autism is a huge struggle. We shouldn't have to fight for every penny to get the care our kids deserve!