



Maryland Chamber of Commerce

Legislative Position

**SB 394
OPPOSE**

**Finance
Committee**

2/26/09

SB 394

Health Insurance – Coverage of Autism Spectrum Disorders

Bill Summary: This bill would require specified services in the treatment of autism spectrum disorders as a mandated health insurance benefit for individuals up to age 21.

Chamber Position: The Maryland Chamber of Commerce opposes this bill because it will add a significant and uncontrollable increase in the cost of health insurance paid by employers. Studies reflect that Maryland already has among the highest number of mandated health benefits in the country.

Health insurance policies currently provide individuals with autism spectrum disorders habilitative services until the age of 19, including occupational therapy, physical therapy and speech therapy. This bill mandates that such policies must also cover applied behavioral analysis, which is an intensive treatment in one-on-one sessions with specialized therapists. The December 31, 2008 report by Mercer to the Maryland Health Care Commission stated on page 5 that “it is not unusual for these sessions to be as frequent as six days a week for as many as 30 to 40 hours a week. ABA is almost universally excluded from health coverage, generally because insurers do not consider it a medical treatment...”

Although the bill has language that would appear to impose an annual cap of \$50,000 per individual in benefits, plus a CPI escalator, we are very concerned that such a limit conflicts with provisions of the federal Mental Health Parity Act. Therefore, there would be no actual limit on annual expenses under this new mandate.

While the Mercer report attempted to make cost estimates for this mandate, it acknowledged on page 21 that “there are no insured data with actual utilization and unit costs for the services considered under this mandate; therefore, cost by age cannot be directly calculated.”

At a time when the General Assembly is seeking to expand access to basic health care for the general population, this bill would add a significant, unquantifiable cost to health insurance for specialized services that are not generally recognized as a medical treatment. For these reasons, we urge an unfavorable report for this bill.

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