

## Confirmed Coverage

### A new Arizona law forces insurance companies to pay for autism treatments

by [Dave Devine](#)

On July 1, Arizona will join several other states in prohibiting medical insurance companies from excluding coverage for children with autism spectrum disorder (ASD). While advocates are elated, the implementation details remain somewhat sketchy.

The reasons for the new law are straightforward: Some insurance policies now specifically exclude benefits for ASD-related treatments, forcing parents of these children into a financial bind.

According to an article in the December 2008 issue of *Pediatrics*, the journal of the American Academy of Pediatrics, "Parents of more than half of (children with ASD) had to reduce or stop work to care for their child." More than 25 percent of these parents spent 10 hours or more per week "providing or coordinating their child's care."

In addition, the *Pediatrics* report found that families including a child with ASD were more likely to have financial problems than families including a child with other special health-care needs.

To address this situation, the Arizona Legislature last year adopted the new law requiring insurance companies to provide coverage for "interactive therapies derived from evidence-based research."

The statute defines ASD as including autistic disorder, Asperger syndrome and pervasive developmental disorder. The *Pediatrics* study explains that children with ASD have "significant qualitative limitations in social interactions, verbal and nonverbal communications, and restricted repetitive and stereotyped patterns of behavior, interests and activities."

Kim Crooks, of the Tucson Alliance for Autism, says that federal government figures from 2007 estimate between 3,500 and 5,000 children with ASD in Pima County. She also reports that 73 percent of families participating in her organization request some kind of financial assistance.

Autism Speaks, a national advocacy organization, wrote in a press release last year about Arizona households with ASD children: "These families are either going broke trying to provide services for their children or stitching together inadequate treatment plans because they simply cannot afford the help their children need and deserve. That is about to change."

The new law requires insurance companies to provide a maximum of \$50,000 annually in benefits for ASD children up to the age of 9, and \$25,000 from 9 to 16.

"We'll be sending a notice to our policyholders and also insurance brokers," says Renée Hunt, of Blue Cross Blue Shield of Arizona, explaining how their customers will be notified of the law. However, notification will be included with contract renewals—so some policyholders might not get them until as late as next June.

How many people may use the new benefit, and how much that will raise premiums, are two questions that remain unanswered.

Susan Pisano, vice president of communications for America's Health Insurance Plans, an organization based in Washington, D.C., did not comment specifically on Arizona's statute, but did offer some general observations.

"The overall impact of mandates like this has been to increase the cost of coverage," she says. "That makes it impossible for many employers to purchase (health insurance)."

A fiscal analysis prepared for the Arizona Legislature estimates that policyholders on average will see premiums increase by half of 1 percent to pay for the new coverage. Thus, individuals and families—presently paying thousands of dollars in annual premiums—will probably see an increase of much less than \$50 per year.

On the other hand, the projected impact to the cash-strapped state of Arizona—with 65,000 insurance-enrolled employees—is about \$3.6 million annually.

However, the implementation of the law could also save the state money, thanks to a reduction in the caseload for the Division of Developmental Disabilities.



Another uncertainty about the law is who will be allowed to diagnose children with autism spectrum disorder. From her Washington, D.C., office, Rebecca Stelzner of Autism Speaks says, "We always favor medical professionals. School principals shouldn't do it."

On the other hand, Peri Jude Radecic, director of the Arizona Center for Disability Law, favors a much broader allowance for those doing diagnoses.

"We would support (it being done by) individuals with experience in diagnosis, not (necessarily) medical doctors," she says.

While the question of diagnosis remains unsettled, the types of treatment allowed by the law are clear. According to the statute, "behavioral therapy" can be delivered to children with ASD in a number of ways, including applied behavior analysis (ABA).

Stelzner thinks that's a real positive. "There are 12 states with similar laws," she points out, "and it's only ones including ABA that we endorse."

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