

ALASKA STATE LEGISLATURE



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Senate Finance Committee
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Health & Social Services Committee
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Community & Regional Affairs
Committee
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World Trade Special Committee
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SENATOR JOHNNY ELLIS RULES COMMITTEE CHAIR

SPONSOR STATEMENT – SENATE BILL 74

SB 74 – An act requiring insurance coverage for autism spectrum disorders

Autism is a devastating disorder affecting at least 1 in 110 American children. Despite being treatable, many children diagnosed with an Autism Spectrum Disorder (ASD) never receive the treatment they need. In fact, most insurance plans explicitly exclude treatment of ASDs, even when the service is otherwise covered by the health plan.

SB 74 would require insurance coverage for autism spectrum disorders, including the behavior therapies that after 30 years of study have shown to be the only effective treatment of these disorders. One of the nation's foremost actuarial firms has studied the cost of providing insurance coverage for autism spectrum disorders, and concluded that the cost to policy holders in Alaska would be minimal, estimated at around 0.39% of insured premiums across all markets or \$1.34 per policy holder per month. This legislation allows Alaska to start this process on our own terms, without a federal mandate, and gives the state the needed time to build capacity to meet the demands created by SB 74.

Treatment has been shown to improve, often significantly, the symptoms of ASD. In some cases, effective treatment eliminates the need for special education services for a child with ASD. The cost savings in special education alone amounts to approximately \$208,500 per capita while the child is in school. This number rises to over \$1.08 million over the autistic person's lifespan. Furthermore, the incremental societal cost of not treating autism has been estimated to be approximately \$3.2 million per capita.

Coverage of ASDs by insurers would not only provide a needed service to those families suffering directly from the affects of a child with autism, but saves the state and taxpayers exponentially over the lifespan of those diagnosed with autism. Though there is no cure for ASDs, this legislation would help significantly to treat individuals and families suffering from these disorders. Prompt passage of this legislation would allow the state to reap the health and economic benefits that would result from covering ASDs.

I respectfully ask for your careful consideration and support of SB 74.

