

**SB**

**74**

<TARGET><BILL>SB 74</BILL><SUBJECT>SB  
74</SUBJECT><COMM>HRLS27</COMM></TARGET>

OK  
Fund  
Orders

27-LS0443E  
Bailey  
4/14/12

**HOUSE CS FOR SENATE BILL NO. 74( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-SEVENTH LEGISLATURE - SECOND SESSION**

Final  
1/15  
4/15/12

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): SENATORS ELLIS, French, Wielechowski, Wagoner, Meyer, Menard, Paskvan, McGuire, Davis, Thomas, Olson, Egan, Kookesh**

**REPRESENTATIVES Saddler, Austerman, Muñoz, Tuck, Holmes, Gruenberg, Johansen, Costello, Kawasaki, Stoltze, Kerttula, Miller, Edgmon, Millett, Foster, Gardner, Feige, Doogan, Gara, Cissna, Petersen, Guttenberg, Herron, Seaton, Peggy Wilson, Thompson, Olson, Lynn, Dick**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act requiring insurance coverage for autism spectrum disorders, describing the**  
2 **method for establishing a covered treatment plan for those disorders, and defining the**  
3 **covered treatment for those disorders; and providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **\* Section 1.** AS 21.42 is amended by adding a new section to read:

6 **Sec. 21.42.397. Coverage for autism spectrum disorders.** (a) Except for a  
7 fraternal benefit society, a health care insurer that offers, issues for delivery, delivers,  
8 or renews a health care insurance plan in this state shall provide coverage for the costs  
9 of the diagnosis and treatment of autism spectrum disorders. Coverage required by this  
10 subsection must include treatment prescribed by a licensed physician, psychologist, or  
11 advanced nurse practitioner, provided by or supervised by an autism service provider,  
12 and as identified in a treatment plan developed following a comprehensive evaluation.  
13 Covered treatment includes medically necessary pharmacy care, psychiatric care,  
14 psychological care, habilitative or rehabilitative care, and therapeutic care. In this

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subsection,

(1) "habilitative or rehabilitative care" means professional counseling, guidance services, and treatment programs necessary to develop, restore, or maintain the functioning of an individual to the maximum extent practicable, including applied behavior analysis or other structured behavioral therapies; in this paragraph, "applied behavior analysis" means the design, implementation, and evaluation of environmental modifications, using behavioral stimuli and consequences, including direct observation, measurement, and functional analysis of the relationship between environment and behavior, to produce socially significant improvement in human behavior or to prevent the loss of an attained skill or function;

(2) "therapeutic care" means services provided by or under the supervision of a speech-language pathologist licensed under AS 08.11 or an occupational therapist or physical therapist licensed under AS 08.84.

(b) Coverage under this section

(1) is required to be provided only to individuals under 21 years of age;

(2) may not limit the number of visits to an autism service provider for treatment;

(3) is subject to copayment, deductible, and coinsurance provisions, and other general exclusions or limitations included in a health insurance policy to the same extent as other health care services covered by the policy; and

(4) must cover medically necessary treatment that is coordinated with an education program, but may not be contingent on the coordination of treatment with an education program.

(c) An insurer providing health care insurance to a small employer in the group market with 20 or fewer employees is not required to provide insurance coverage to the small employer that includes the coverage required under (a) of this section.

(d) The director may waive the coverage required in this section for an insurer providing health care insurance to a small employer in the group market with 21 - 25 employees if the small employer demonstrates to the director by actual claims

1 experience over any consecutive 12-month period that compliance with this section  
2 has increased the premium cost of the small employer's health insurance policy by  
3 three percent or more during the consecutive 12-month period.

4 (e) This section does not limit benefits that are otherwise available to an  
5 individual under a health care insurance plan.

6 (f) A health care insurer may not refuse to deliver, execute, issue, amend, or  
7 renew coverage to an individual or terminate coverage because the individual is  
8 diagnosed with or has received treatment for autism spectrum disorders.

9 (g) In this section,

10 (1) "autism service provider" means an individual who is licensed,  
11 certified, or registered by the applicable state licensing board or by a nationally  
12 recognized certifying organization and who provides direct services to an individual  
13 with an autism spectrum disorder;

14 (2) "autism spectrum disorders" means pervasive developmental  
15 disorders, or a group of conditions having substantially the same characteristics as  
16 pervasive developmental disorders, as defined in the American Psychiatric  
17 Association's Diagnostic and Statistical Manual of Mental Disorders-IV-TR, as  
18 amended or reissued from time to time;

19 (3) "health care insurance plan" has the meaning given in  
20 AS 21.54.500;

21 (4) "health care insurer" has the meaning given in AS 21.54.500;

22 (5) "medically necessary" means any care, treatment, intervention,  
23 service, or item prescribed by a licensed physician, psychologist, or advanced nurse  
24 practitioner in accordance with accepted standards of practice that will, or is  
25 reasonably expected to,

26 (A) prevent the onset of an illness, condition, injury, or  
27 disability;

28 (B) reduce or ameliorate the physical, mental, or developmental  
29 effects of an illness, condition, injury, or disability;

30 (C) assist to achieve or maintain maximum functional capacity  
31 in performing daily activities, taking into account both the functional capacity

1                   of the individual and the functional capacity of other persons of the individual's  
2                   age.

3       \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5                   **APPLICABILITY.** AS 21.42.397, enacted by sec. 1 of this Act, applies to a health  
6 insurance policy that is offered, issued for delivery, delivered, or renewed on or after  
7 January 1, 2013.

8       \* **Sec. 3.** This Act takes effect January 1, 2013.

# FISCAL NOTE

**STATE OF ALASKA**  
**2011 LEGISLATIVE SESSION**

Fiscal Note Number 1  
 Bill Version SB 74  
 (S) Publish Date 4/1/11

Identifier (file name) SB074-CCED-INS-03-25-11  
 Title Insurance Coverage: Autism Spectrum Disorder  
 Sponsor Senator Ellis  
 Requester Senate Health and Social Services  
 Dept. Affected DCCED  
 Appropriation Insurance Operations  
 Allocation Insurance Operations  
 OMB Component Number 354

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants								
Miscellaneous								
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES</b>								
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
1178 Micro-Loan Fund (RLF)								
Other (please identify)								
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2011) cost 0.0

**POSITIONS**

Full-time								
Part-time								
Temporary								

Why this fiscal note differs from previous version (if initial version, please note as such)

**Initial Version**

Prepared by Linda Hall, Division Director  
 Division Division of Insurance  
 Approved by Susan Bell, Commissioner  
Commerce, Community, and Economic Development

Phone 465-2560  
 Date/Time 3/25/11 12:30 PM  
 Date 3/26/2011

FISCAL NOTE #1

STATE OF ALASKA  
2011 LEGISLATIVE SESSION

BILL NO. SB 74

**Analysis**

This legislation mandates coverage for the diagnosis and treatment of autism spectrum disorders in any plan offered by health care insurer.

The Department does not expect a fiscal impact as a result of this legislation.

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version SB 74  
 Fiscal Note Number 2  
 (S) Publish Date 2/22/12

Identifier (file name) SB074-DCCED-INS-02-21-12 Dept. Affected DCCED  
 Title Insurance Coverage for Autism Spectrum Disorder Appropriation Insurance Operations  
 Allocation Insurance Operations  
 Sponsor Senator Ellis  
 Requester Senate Rules OMB Component Number 354

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Services	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Commodities	0.0		0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>FUND SOURCE</b>		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>POSITIONS</b>								
Full-time								
Part-time								
Temporary								

<b>CHANGE IN REVENUES</b>								
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Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required;  
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial Version of SB 74 updated on the new form for the 2012 Legislative Session

Prepared by Linda Hall, Division Director  
 Division Division of Insurance  
 Approved by Susan K. Bell, Commissioner  
Commerce, Community, and Economic Development

Phone 907-465-2560  
 Date/Time 12/8/11 9:00 AM  
 Date 2/21/2012

FISCAL NOTE #2

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. SB 74

**Analysis**

This legislation mandates coverage for the diagnosis and treatment of autism spectrum disorders in any plan offered by a health care insurer. The Division does not expect a fiscal impact as a result of this legislation.