

## 1 Sub S.B 95 - Autisms Amendments

### Anticipated Fiscal Impact:

\$66,586/year expected increase to state employee benefit plan.

This substitute bill would require large and small employers, including the State employee risk pool to modify the mandate for autism coverage in two ways.

- 1) It removes the current 600 hour statutory cap for ABA therapy for children with autism. On average, the State health plan has had five children hitting the 600 hour cap for ABA therapy of the 63,665 state members. Projected annual costs without the 600 hour cap is projected to be \$49,879 (see calculation below). This results in a cost of \$.07 PMPM ( $\$49,879/63,665 \text{ members}/12 \text{ months}$ ). The prevalence of this benefit is 1 out of every 226 children (.00442) between the ages of two and nine use ABA therapy to treat autism (33 ABA/7,464 children between 2 and 9). And 1 out of every 1,493 children (.00067) between 2 and 9 go over the 600 hour statutory ABA therapy cap in a year (5 over/7,464 children).

ABA therapy is reimbursed by PEHP at an average of \$37.96/hour. Of those five children that reached the cap, they typically reached the cap with 3.65 months left in the plan year. In addition, these individuals utilized an average of 72 hours per month in ABA therapy prior to hitting the hour cap limit for an average monthly cost of \$2,733.12.

Assuming that these members would continue to use ABA therapy for the remaining part of the plan year at the same rate as when the cap was in place, the expected increase in costs to the State health plan would be \$49,879/year (5 members x 3.65 average months extra x \$2,733.12 average monthly cost).

- 2) This substitute bill would remove any age limits to receive coverage for autism related services, whereas now the statute limits coverage to ages 2-9. Currently PEHP pays an average of \$205 PMPM for ABA therapy for children with autism between ages 5-9 when kids are matured in using this benefit. Based on our experience, after age 9 we would expect 1/3 fewer children to be using ABA therapy services each year between ages 10-12. We also would expect one additional person to receive ABA therapy services age 13 and over. Thus, the average amount of kids covered over the age of 9 (newly covered under this substitute bill) is 8.04.

$8.04 \text{ (expected kids utilizing ABA therapy over age 9)} \times \$205 \text{ PMPM} \times 12 \text{ months} = \$19,771$  for the state risk pool. The state portion of that amount is 84.5% or \$16,707.

PEHP has provided and will continue to provide other services – such as mental health services – for those diagnosed with autism. We expect no fiscal impact related to those services.

Total:

$\$49,879/\text{year}$  for removal of the 600 hour cap on ABA therapy +  $\$16,707$  for removal of the age limits for ABA therapy =  $\$66,586/\text{year}$  expected increase to state employee benefit plan.