

1 SB224  
2 173889-1  
3 By Senator Allen  
4 RFD: Banking and Insurance  
5 First Read: 11-FEB-16

2  
3  
4  
5  
6  
7  
8 SYNOPSIS: Under existing law, a health benefit plan is  
9 required to offer coverage for the treatment of  
10 Autism Spectrum Disorder for a child age nine or  
11 under for certain defined group insurance plans and  
12 contracts.

13 This bill would require health benefit plans  
14 to cover the treatment of Autism Spectrum Disorder  
15 for a child age nine or under for certain insurance  
16 plans and contracts.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

21  
22 Relating to health benefit plans; to amend Sections  
23 10A-20-6.16, 27-21A-23, and 27-54A-2, Code of Alabama 1975, to  
24 require health benefit plans to cover the treatment of Autism  
25 Spectrum Disorder for certain children in certain health  
26 insurance plans and contracts.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1                   Section 1. Sections 10A-20-6.16, 27-21A-23, and  
2 27-54A-2, Code of Alabama 1975, are amended to read as  
3 follows:

4                   "§10A-20-6.16.

5                   "(a) No statute of this state applying to insurance  
6 companies shall be applicable to any corporation organized  
7 under this article and amendments thereto or to any contract  
8 made by the corporation; except the corporation shall be  
9 subject to all of the following:

10                   "(1) The provisions regarding annual premium tax to  
11 be paid by insurers on insurance premiums.

12                   "(2) Chapter 55 of Title 27, regarding the  
13 prohibition of unfair discriminatory acts by insurers on the  
14 basis of an applicant's or insured's abuse status.

15                   "(3) The Medicare Supplement Minimum Standards set  
16 forth in Article 2 of Chapter 19 of Title 27, and Long-Term  
17 Care Insurance Policy Minimum Standards set forth in Article 3  
18 of Chapter 19 of Title 27.

19                   "(4) Section 27-1-17, requiring insurers and health  
20 plans to pay health care providers in a timely manner.

21                   "(5) Chapter 56 of Title 27, regarding the Access to  
22 Eye Care Act.

23                   "(6) Rules promulgated by the Commissioner of  
24 Insurance pursuant to Sections 27-7-43 and 27-7-44.

25                   "(7) Chapter 54 of Title 27.

26                   "(8) Chapter 57 of Title 27, requiring coverage to  
27 be offered for the payment of colorectal cancer examinations

1 for covered persons who are 50 years of age or older, or for  
2 covered persons who are less than 50 years of age and at high  
3 risk for colorectal cancer according to current American  
4 Cancer Society colorectal cancer screening guidelines.

5 "(9) Chapter 58 of Title 27, requiring that policies  
6 and contracts including coverage for prostate cancer early  
7 detection be offered, together with identification of  
8 associated costs.

9 "(10) Chapter 59 of Title 27, requiring that  
10 policies and contracts including coverage for chiropractic be  
11 offered, together with identification of associated costs.

12 "(11) Chapter 54A of Title 27, requiring that  
13 policies and contracts ~~to offer coverage for~~ cover certain  
14 treatment for Autism Spectrum Disorder under certain  
15 conditions.

16 "(12) Chapter 12A of Title 27.

17 "(13) Chapter 2B of Title 27.

18 "(b) The provisions in subsection (a) that require  
19 specific types of coverage to be offered or provided shall not  
20 apply when the corporation is administering a self-funded  
21 benefit plan or similar plan, fund, or program that it does  
22 not insure.

23 "§27-21A-23.

24 "(a) Except as otherwise provided in this chapter,  
25 provisions of the insurance law and provisions of health care  
26 service plan laws shall not be applicable to any health  
27 maintenance organization granted a certificate of authority

1 under this chapter. This provision shall not apply to an  
2 insurer or health care service plan licensed and regulated  
3 pursuant to the insurance law or the health care service plan  
4 laws of this state except with respect to its health  
5 maintenance organization activities authorized and regulated  
6 pursuant to this chapter.

7 "(b) Solicitation of enrollees by a health  
8 maintenance organization granted a certificate of authority  
9 shall not be construed to violate any provision of law  
10 relating to solicitation or advertising by health  
11 professionals.

12 "(c) Any health maintenance organization authorized  
13 under this chapter shall not be deemed to be practicing  
14 medicine and shall be exempt from the provisions of Section  
15 34-24-310, et seq., relating to the practice of medicine.

16 "(d) No person participating in the arrangements of  
17 a health maintenance organization other than the actual  
18 provider of health care services or supplies directly to  
19 enrollees and their families shall be liable for negligence,  
20 misfeasance, nonfeasance, or malpractice in connection with  
21 the furnishing of such services and supplies.

22 "(e) Nothing in this chapter shall be construed in  
23 any way to repeal or conflict with any provision of the  
24 certificate of need law.

25 "(f) Notwithstanding the provisions of subsection  
26 (a), a health maintenance organization shall be subject to all  
27 of the following:

1           "(1) Section 27-1-17.

2           "(2) Chapter 56, regarding the Access to Eye Care  
3 Act.

4           "(3) Chapter 54.

5           "(4) Chapter 57, requiring coverage to be offered  
6 for the payment of colorectal cancer examinations for covered  
7 persons who are 50 years of age or older, or for covered  
8 persons who are less than 50 years of age and at high risk for  
9 colorectal cancer according to current American Cancer Society  
10 colorectal cancer screening guidelines.

11           "(5) Chapter 58, requiring that policies and  
12 contracts including coverage for prostate cancer early  
13 detection be offered, together with identification of  
14 associated costs.

15           "(6) Chapter 59, requiring that policies and  
16 contracts including coverage for chiropractic be offered,  
17 together with identification of associated costs.

18           "(7) Rules promulgated by the Commissioner of  
19 Insurance pursuant to Sections 27-7-43 and 27-7-44.

20           "(8) Chapter 12A.

21           "(9) Chapter 54A, requiring policies and contracts  
22 ~~to offer coverage for~~ cover certain treatment for Autism  
23 Spectrum Disorder under certain conditions.

24           "(10) Chapter 2B, regarding risk-based capital.

25           "§27-54A-2.

26           "(a) As used in this section, the following words  
27 have the following meanings:

1           "(1) APPLIED BEHAVIOR ANALYSIS. The design,  
2           implementation, and evaluation of environmental modifications,  
3           using behavioral stimuli and consequences, to produce socially  
4           significant improvement in human behavior, including the use  
5           of direct observation, measurement, and functional analysis of  
6           the relationship between environment and behavior.

7           "(2) AUTISM SPECTRUM DISORDER. Any of the pervasive  
8           developmental disorders as defined by the most recent edition  
9           of the Diagnostic and Statistical Manual of Mental Disorders  
10          (DSM), including Autistic Disorder, Asperger's Disorder, and  
11          Pervasive Developmental Disorder Not Otherwise Specified.

12          "(3) BEHAVIORAL HEALTH TREATMENT. Counseling and  
13          treatment programs, including applied behavior analysis that  
14          are both of the following:

15                 "a. Necessary to develop, maintain, or restore, to  
16                 the maximum extent practicable, the functioning of an  
17                 individual.

18                 "b. Provided or supervised by a Board Certified  
19                 Behavior Analyst, licensed in the State of Alabama, or a  
20                 psychologist, licensed in the State of Alabama, so long as the  
21                 services performed are commensurate with the psychologist's  
22                 formal university training and supervised experience.

23                 "c. Behavioral health treatment does not include  
24                 psychological testing, neuropsychology, psychotherapy,  
25                 intellectual assessment, cognitive therapy, sex therapy,  
26                 psychoanalysis, hypotherapy, and long-term counseling as  
27                 treatment modalities.

1           "(4) DIAGNOSIS OF AUTISM SPECTRUM DISORDER.

2           Medically necessary assessment, evaluations, or tests to  
3           diagnose whether an individual has an autism spectrum  
4           disorder.

5           "(5) HEALTH BENEFIT PLAN. Any group insurance plan,  
6           policy, or contract for health care services that covers  
7           hospital, medical, or surgical expenses, health maintenance  
8           organizations, preferred provider organizations, medical  
9           service organizations, physician-hospital organizations, or  
10          any other person, firm, corporation, joint venture, or other  
11          similar business entity that pays for, purchases, or furnishes  
12          group health care services to patients, insureds, or  
13          beneficiaries in this state. For the purposes of this section,  
14          a health benefit plan located or domiciled outside of the  
15          State of Alabama is deemed to be subject to this section if  
16          the plan, policy, or contract is issued or delivered in the  
17          State of Alabama. The term includes, but is not limited to,  
18          entities created pursuant to Article 6, Chapter 20, Title 10A.  
19          The term does not include the Alabama Health Insurance Plan or  
20          the Alabama Small Employer Allocation Program provided in  
21          Chapter 52 of this title. The term does not include  
22          accident-only, specified disease, individual hospital  
23          indemnity, credit, dental-only, Medicare-supplement, long-term  
24          care, or disability income insurance, other limited benefit  
25          health insurance policies, coverage issued as a supplemental  
26          to liability insurance, workers' compensation or similar  
27          insurance, or automobile medical-payment insurance.



1           "(6) PHARMACY CARE. Medications prescribed by a  
2 licensed physician and any health related services deemed  
3 medically necessary to determine the need or effectiveness of  
4 the medications.

5           "(7) PSYCHIATRIC CARE. Direct or consultative  
6 services provided by a psychiatrist licensed in the State of  
7 Alabama.

8           "(8) PSYCHOLOGICAL CARE. Direct or consultative  
9 services provided by a psychologist licensed in the State of  
10 Alabama.

11           "(9) THERAPEUTIC CARE. Services provided by licensed  
12 and certified speech therapists, occupational therapists, or  
13 physical therapists.

14           "(10) TREATMENT FOR AUTISM SPECTRUM DISORDER.  
15 Evidence-based care prescribed or ordered for an individual  
16 diagnosed with an autism spectrum disorder by a licensed  
17 physician or a licensed psychologist who determines the care  
18 to be medically necessary, including, but not limited to, all  
19 of the following:

20           "a. Behavioral health treatment.

21           "b. Pharmacy care.

22           "c. Psychiatric care.

23           "d. Psychological care.

24           "e. Therapeutic care.

25           "(b) (1) A health benefit plan shall ~~offer coverage~~  
26 for cover the screening, diagnosis, and treatment of Autism  
27 Spectrum Disorder for an insured nine years of age or under in

1 policies and contracts issued or delivered in the State of  
2 Alabama to employers with at least 51 employees for at least  
3 50 percent of its working days during the preceding calendar  
4 year. Coverage provided under this section is limited to  
5 treatment that is prescribed by the insured's treating  
6 licensed physician or licensed psychologist in accordance with  
7 a treatment plan.

8 "(2) To the extent that the screening, diagnosis,  
9 and treatment of autism spectrum disorder are not already  
10 covered by a health insurance policy, coverage under this  
11 section shall be ~~offered for inclusion~~ included in health  
12 insurance policies that are delivered, executed, issued,  
13 amended, adjusted, or renewed in the State of Alabama at the  
14 date of the annual renewal for coverage.

15 "(3) A health benefit plan may not deny or refuse to  
16 issue coverage on, refuse to contract with, or refuse to renew  
17 or refuse to reissue or otherwise terminate or restrict  
18 coverage on an individual solely because the individual is  
19 diagnosed with Autism Spectrum Disorder.

20 "(c) (1) The coverage required pursuant to this  
21 section may not be subject to dollar limits, deductibles, or  
22 coinsurance provisions that are less favorable to an insured  
23 than the dollar limits, deductibles, or coinsurance provisions  
24 that apply to physical illness generally under the health  
25 insurance plan, except as otherwise provided for in subsection  
26 (e).

1           "(2) The coverage required pursuant to subsection  
2           (b) may be subject to other general exclusions and limitations  
3           of the health benefit plan, including, but not limited to,  
4           coordination of benefits, participating provider requirements,  
5           restrictions on services provided by family or household  
6           members, utilization review of health care services including  
7           review of medical necessity, case management, and other  
8           managed care provisions.

9           "(d) The treatment plan required pursuant to  
10          subsection (b) shall include all elements necessary for the  
11          health insurance plan to appropriately pay claims. These  
12          elements include, but are not limited to, a diagnosis,  
13          proposed treatment by type, frequency, and duration of  
14          treatment, the anticipated outcomes stated as goals, the  
15          frequency by which the treatment plan will be updated, and the  
16          treating licensed physician's or licensed psychologist's  
17          signature. The health insurance plan may ~~only~~ request an  
18          updated treatment plan only once every six months from the  
19          treating licensed physician or licensed psychologist to review  
20          medical necessity, unless the health insurance plan and the  
21          treating licensed physician or licensed psychologist agree  
22          that a more frequent review is necessary for a particular  
23          patient.

24          "(e) The benefits and coverage provided pursuant to  
25          this section shall be provided to any eligible person nine  
26          years of age or under. Coverage for behavioral therapy is  
27          subject to a thirty-six thousand dollars (\$36,000) maximum

1 benefit per year. Beginning October 1, 2013, this maximum  
2 benefit shall be adjusted annually on January 1 of each  
3 calendar year to reflect any change from the previous year in  
4 the current Consumer Price Index, All Urban Consumers, as  
5 published by the United States Department of Labor's Bureau of  
6 Labor Statistics."

7 Section 2. This act shall become effective October  
8 1, 2016.