

## Special Audio Report Transcript

Headline: Advocates, Business Groups Raising Concerns  
About State's New Autism Coverage Mandate

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### TEXT:

California is one of 29 states that soon will require health plans to cover specialized behavioral therapy for children with autism. But even before the law takes effect, both advocates and critics are taking issue with it. This is a special report from *California Healthline*, a daily news service of the California HealthCare Foundation. I'm Deirdre Kennedy.

Advocacy groups across the nation have applauded Gov. Jerry Brown (D) for signing [SB 946](#) into law. Lorri Unumb, vice president of state government affairs for Autism Speaks, says the law will provide huge benefits to families who have been paying out of pocket for expensive autism treatments, including Applied Behavior Analysis:

***(Unumb): "Applied Behavioral Analysis, or ABA ... is the most commonly prescribed treatment for autism. It is an intensively administered therapy, sometimes 20, 30, 40 hours per week for a child, depending on the level of severity."***

Unumb has a severely autistic son who is completely nonverbal. She says ABA treatment helped him develop some basic social skills like eye contact.

***(Unumb): "Through repetition and positive reinforcement, the therapist who worked daily with my son got him to understand the concept of imitation and that created pathways to learning that would not otherwise have been present."***

ABA is one of a number of intensive behavioral interventions covered by the new law. Such therapies can cost as much as \$70,000 a year.

Until now, health plans in California covered some health care services for autism, but they considered ABA an educational service rather than a medical therapy. Nicole Evans, vice president for communications at the California Association of Health Plans, says the new law will drive up the state's health care costs by nearly \$850 million a year.

***(Evans): "The cost burden ultimately will bear out in the premium price, so it's going to be on families and businesses -- and that's a reality that we all need to be clear about."***

To ensure the governor would sign the bill, its author -- state Senate President Pro Tempore Darrell Steinberg -- attempted to reduce its burden on the state budget. Steinberg crafted the law so public insurance programs -- as well as the health insurance plan provided to state employees through CalPERS -- are not required to cover the specialized autism therapy. But that compromise has made both consumer advocates and business groups unhappy.

Henry Loubet is chief strategy officer with Keenan & Associates, a consulting firm that serves a number of public agencies, including cities and counties around California. He says the law does not provide equal treatment for people enrolled in different types of health plans.

***(Loubet): "To have a law which only covers and/or exempts a certain class of commercially insured individuals -- as well as the state Medi-Cal program -- yet somehow is enforced for much of the rest of the population is seriously questionable."***

Loubet says families who receive coverage through CalPERS or public insurance programs like Medi-Cal are being unfairly left out of the law.

***(Loubet): "I believe that PERS should be included in the bill under SB 946 as well as Medi-Cal. It should be consistent, it should be fair across the board and we should not have these exemptions."***

CalPERS has not taken a position on the new law. But an anonymous source said there would likely be a second round of debate before the law goes into effect next July.

Whether or not the law is amended, SB 946 is slated to expire in July 2014. That's when the Affordable Care Act requires states to set up health insurance exchanges. California Association of Health Plans spokesperson Nicole Evans:

***(Evans): "There's going to be essential health benefits that the federal government is going to lay out as a part of the broader ACA. Will ABA coverage be in that or not, we don't know. Where we're at right now is that health plans are working with the legislators on implementing SB 946 and making sure that we do so in a collaborative way."***

The state is required to convene an autism advisory task force by February to help the Department of Insurance and the Department of Managed Health Care make recommendations for education, training and licensing of professionals who provide intensive behavioral therapy.

This has been a special report for *California Healthline*, a daily news service from the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please email us at [CHL@CHCF.org](mailto:CHL@CHCF.org).  
I'm Deirdre Kennedy, Thanks for listening.