

1 SB283
2 140570-5
3 By Senator Ward
4 RFD: Health
5 First Read: 09-FEB-12

1 SB283

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4 ENROLLED, An Act,

5 To require health benefit plans to offer certain
6 coverage for treatment of Autism Spectrum Disorder for certain
7 children in certain policies and contracts; and to amend
8 Sections 10A-20-6.16 and 27-21A-23, Code of Alabama 1975,
9 relating to health care service plans and health maintenance
10 organizations.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. This act may be known and cited as the
13 "Riley" Ward Act.

14 Section 2. (a) As used in this section, the
15 following words have the following meanings:

16 (1) APPLIED BEHAVIOR ANALYSIS. The design,
17 implementation, and evaluation of environmental modifications,
18 using behavioral stimuli and consequences, to produce socially
19 significant improvement in human behavior, including the use
20 of direct observation, measurement, and functional analysis of
21 the relationship between environment and behavior.

22 (2) AUTISM SPECTRUM DISORDER. Any of the pervasive
23 developmental disorders as defined by the most recent edition
24 of the Diagnostic and Statistical Manual of Mental Disorders

1 (DSM), including Autistic Disorder, Asperger's Disorder, and
2 Pervasive Developmental Disorder Not Otherwise Specified.

3 (3) BEHAVIORAL HEALTH TREATMENT. Counseling and
4 treatment programs, including applied behavior analysis that
5 are both of the following:

6 a. Necessary to develop or restore, to the maximum
7 extent practicable, the functioning of an individual.

8 b. Provided or supervised by a Board Certified
9 Behavior Analyst, licensed in the State of Alabama, or a
10 psychologist, licensed in the State of Alabama, so long as the
11 services performed are commensurate with the psychologist's
12 formal university training and supervised experience.

13 c. Behavioral health treatment does not include
14 psychological testing, neuropsychology, psychotherapy,
15 intellectual assessment, cognitive therapy, sex therapy,
16 psychoanalysis, hypotherapy, and long-term counseling as
17 treatment modalities.

18 (4) DIAGNOSIS OF AUTISM SPECTRUM DISORDER. Medically
19 necessary assessment, evaluations, or tests to diagnose
20 whether an individual has an autism spectrum disorder.

21 (5) HEALTH BENEFIT PLAN. Any group insurance plan,
22 policy, or contract for health care services that covers
23 hospital, medical, or surgical expenses, health maintenance
24 organizations, preferred provider organizations, medical
25 service organizations, physician-hospital organizations, or

1 any other person, firm, corporation, joint venture, or other
2 similar business entity that pays for, purchases, or furnishes
3 group health care services to patients, insureds, or
4 beneficiaries in this state. For the purposes of this section,
5 a health benefit plan located or domiciled outside of the
6 State of Alabama is deemed to be subject to this section if
7 the plan, policy, or contract is issued or delivered in the
8 State of Alabama. The term includes, but is not limited to,
9 entities created pursuant to Article 6, Chapter 20, Title 10A,
10 Code of Alabama 1975. The term does not include the Alabama
11 Health Insurance Plan or the Alabama Small Employer Allocation
12 Program provided in Chapter 52 of Title 27, Code of Alabama
13 1975. The term does not include accident-only, specified
14 disease, individual hospital indemnity, credit, dental-only,
15 Medicare-supplement, long-term care, or disability income
16 insurance, other limited benefit health insurance policies,
17 coverage issued as a supplemental to liability insurance,
18 workers' compensation or similar insurance, or automobile
19 medical-payment insurance.

20 (6) PHARMACY CARE. Medications prescribed by a
21 licensed physician and any health related services deemed
22 medically necessary to determine the need or effectiveness of
23 the medications.

1 (7) PSYCHIATRIC CARE. Direct or consultative
2 services provided by a psychiatrist licensed in the State of
3 Alabama.

4 (8) PSYCHOLOGICAL CARE. Direct or consultative
5 services provided by a psychologist licensed in the State of
6 Alabama.

7 (9) THERAPEUTIC CARE. Services provided by licensed
8 and certified speech therapists, occupational therapists, or
9 physical therapists.

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

- 16 a. Behavioral health treatment.
- 17 b. Pharmacy care.
- 18 c. Psychiatric care.
- 19 d. Psychological care.
- 20 e. Therapeutic care.

21 (b)(1) A health benefit plan shall offer coverage
22 for the screening, diagnosis, and treatment of Autism Spectrum
23 Disorder for an insured nine years of age or under in policies
24 and contracts issued or delivered in the State of Alabama to
25 employers with at least 51 employees for at least 50 percent

1 of its working days during the preceding calendar year.
2 Coverage provided under this section is limited to treatment
3 that is prescribed by the insured's treating licensed
4 physician or licensed psychologist in accordance with a
5 treatment plan.

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

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

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

1 (2) The coverage required pursuant to subsection (b)
2 may be subject to other general exclusions and limitations of
3 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 once every six months from the treating
19 licensed physician or licensed psychologist to review medical
20 necessity, unless the health insurance plan and the treating
21 licensed physician or licensed psychologist agree that a more
22 frequent review is necessary for a particular patient.

23 (e) The benefits and coverage provided pursuant to
24 this section shall be provided to any eligible person nine
25 years of age or under. Coverage for behavioral therapy is

1 subject to a thirty-six thousand dollars (\$36,000) maximum
2 benefit per year. Beginning one year after the effective date
3 of this act, this maximum benefit shall be adjusted annually
4 on January 1 of each calendar year to reflect any change from
5 the previous year in the current Consumer Price Index, All
6 Urban Consumers, as published by the United States Department
7 of Labor's Bureau of Labor Statistics.

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

10 "§10A-20-6.16.

11 "(a) No statute of this state applying to insurance
12 companies shall be applicable to any corporation organized
13 under this article and amendments thereto or to any contract
14 made by the corporation unless expressly mentioned in this
15 article and made applicable; except as follows:

16 "(1) The corporation shall be subject to the
17 provisions regarding annual premium tax to be paid by insurers
18 on insurance premiums.

19 "(2) The corporation shall be subject to the
20 provisions of Chapter 55, Title 27, regarding the prohibition
21 of unfair discriminatory acts by insurers on the basis of an
22 applicant's or insured's abuse status.

23 "(3) The corporation shall be subject to the
24 provisions regarding Medicare Supplement Minimum Standards set
25 forth in Article 2 of Chapter 19 of Title 27, and Long-Term

1 Care Insurance Policy Minimum Standards set forth in Article 3
2 of Chapter 19 of Title 27.

3 "(4) The corporation shall be subject to Section
4 27-1-17, requiring insurers and health plans to pay health
5 care providers in a timely manner.

6 "(5) The corporation shall be subject to the
7 provisions of Chapter 56 of Title 27, regarding the Access to
8 Eye Care Act.

9 "(6) The corporation shall be subject to the
10 regulations promulgated by the Commissioner of Insurance
11 pursuant to Sections 27-7-43 and 27-7-44.

12 "(7) The corporation shall be subject to the
13 provisions of Chapter 54 of Title 27.

14 "(8) The corporation shall be subject to the
15 provisions of Chapter 57 of Title 27, requiring coverage to be
16 offered for the payment of colorectal cancer examinations for
17 covered persons who are 50 years of age or older, or for
18 covered persons who are less than 50 years of age and at high
19 risk for colorectal cancer according to current American
20 Cancer Society colorectal cancer screening guidelines.

21 "(9) The corporation shall be subject to Chapter 58
22 of Title 27, requiring that policies and contracts including
23 coverage for prostate cancer early detection be offered,
24 together with identification of associated costs.

1 "(10) The corporation shall be subject to Chapter 59
2 of Title 27 requiring that policies and contracts including
3 coverage for chiropractic be offered, together with
4 identification of associated costs.

5 "(11) The corporation shall be subject to Section 1
6 of the act adding this subdivision requiring that policies and
7 contracts to offer coverage for certain treatment for Autism
8 Spectrum Disorder under certain conditions.

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

14 "§27-21A-23.

15 "(a) Except as otherwise provided in this chapter,
16 provisions of the insurance law and provisions of health care
17 service plan laws shall not be applicable to any health
18 maintenance organization granted a certificate of authority
19 under this chapter. This provision shall not apply to an
20 insurer or health care service plan licensed and regulated
21 pursuant to the insurance law or the health care service plan
22 laws of this state except with respect to its health
23 maintenance organization activities authorized and regulated
24 pursuant to this chapter.

1 "(b) Solicitation of enrollees by a health
2 maintenance organization granted a certificate of authority
3 shall not be construed to violate any provision of law
4 relating to solicitation or advertising by health
5 professionals.

6 "(c) Any health maintenance organization authorized
7 under this chapter shall not be deemed to be practicing
8 medicine and shall be exempt from the provisions of Section
9 34-24-310, et seq., relating to the practice of medicine.

10 "(d) No person participating in the arrangements of
11 a health maintenance organization other than the actual
12 provider of health care services or supplies directly to
13 enrollees and their families shall be liable for negligence,
14 misfeasance, nonfeasance, or malpractice in connection with
15 the furnishing of such services and supplies.

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

19 "(f) Notwithstanding the provisions of subsection
20 (a), a health maintenance organization shall be subject to
21 Section 27-1-17.

22 "(g) Notwithstanding the provisions of subsection
23 (a), a health maintenance organization shall be subject to the
24 provisions of Chapter 56 of this title, regarding the Access
25 to Eye Care Act.

1 "(h) Notwithstanding the provisions of subsection
2 (a), a health maintenance organization shall be subject to the
3 provisions of Chapter 54 of this title.

4 "(i) Notwithstanding the provisions of subsection
5 (a), a health maintenance organization shall be subject to the
6 provisions of Chapter 57 of this title, requiring coverage to
7 be offered for the payment of colorectal cancer examinations
8 for covered persons who are 50 years of age or older, or for
9 covered persons who are less than 50 years of age and at high
10 risk for colorectal cancer according to current American
11 Cancer Society colorectal cancer screening guidelines.

12 "(j) Notwithstanding the provisions of subsection
13 (a), a health maintenance organization shall be subject to
14 Chapter 58 of Title 27, requiring that policies and contracts
15 including coverage for prostate cancer early detection be
16 offered, together with identification of associated costs.

17 "(k) Notwithstanding the provisions of subsection
18 (a), a health maintenance organization shall be subject to
19 Chapter 59 of this title, requiring that policies and
20 contracts including coverage for chiropractic be offered,
21 together with identification of associated costs.

22 "(l) Notwithstanding the provisions of subsection
23 (a), a health maintenance organization shall be subject to
24 Section 1 of the act adding this subsection requiring policies

1 and contracts to offer coverage for certain treatment for
2 Autism Spectrum Disorder under certain conditions."

3 Section 4. This act shall become effective on
4 October 1, 2012.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB283

Senate 10-APR-12

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris
Secretary

House of Representatives
Passed: 01-MAY-12

By: Senator Ward