

SCR 196

Measure Title:

REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL IMPACTS OF REQUIRING HEALTH INSURERS TO PROVIDE COVERAGE FOR THE DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDERS.

Report Title:

Auditor; Sunrise Review; Health Insurance; Autism

Introducer(s):

IGE, BAKER, Fukunaga, Menor

Current Referral:

HTH/CPH, WAM



DISABILITY AND COMMUNICATION ACCESS BOARD

919 Ala Moana Boulevard, Room 101 • Honolulu, Hawaii 96814
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March 24, 2008

TESTIMONY TO THE SENATE COMMITTEES ON HEALTH AND COMMERCE, CONSUMER PROTECTION, AND AFFORDABLE HOUSING

Senate Concurrent Resolution 196 – Requesting the Auditor to Assess the Social and Financial Effects of Requiring Health Insurers to Provide Coverage for Diagnosis and Treatment of Autism Spectrum Disorders

The Disability and Communication Access Board (DCAB) is a statewide board with seventeen (17) members appointed by the Governor, thirteen (13) of whom are persons with disabilities or family members. The Board's mission is to advocate and promote full integration, independence, equal access, and quality of life for persons with disabilities in society. This testimony represents a position voted upon by the Legislative Committee of the Board.

We support SCR 196 Requesting the Auditor to Assess the Social and Financial Effects of Requiring Health Insurers to Provide Coverage for Diagnosis and Treatment of Autism Spectrum Disorders. We are aware that it is a requirement for a study to be conducted related to the social and financial effects of requiring health insurers to offer coverage for diagnosis and treatment of Autism Spectrum Disorders, per Section 21-51, Hawaii Revised Statutes. DCAB supports this study in order to obtain necessary information to amend the statute in an informed and appropriate manner to mandate coverage for diagnosis and treatment of Autism Spectrum Disorders.

Thank you for the opportunity to testify.

Respectfully submitted,

PATRICIA M. NIELSEN
Chairperson
Legislative Committee

FRANCINE WAI
Executive Director



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 24, 2008

The Honorable David Y. Ige, Chair
Senate Committee on Health
and
The Honorable Russell S. Kokubun
Senate Committee on Commerce, Consumer Protection & Affordable Housing
Twenty-Fourth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senators Ige and Kokubun and Members of the Committees:

SUBJECT: SCR 196 – REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO PROVIDE COVERAGE FOR DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDERS.

The position and views expressed in this testimony do not represent nor reflect the position and views of the Department of Health.

The State Council on Developmental Disabilities **supports SCR 196**. The purpose of the concurrent resolution is to request the Auditor to: 1) conduct an impact assessment report of the social and financial impacts of mandating health insurers to provide coverage for the diagnosis and treatment of autism spectrum disorders; and 2) submit findings and recommendations to the Legislature prior to the convening of the Regular Session of 2009.

The Council appreciates the Legislature's interest and concern about autism spectrum disorders and looks forward to the results of the Auditor's report.

Thank you for the opportunity to present testimony in support of SCR 196.

Sincerely,

Waynette K.Y. Cabral
Executive Administrator



AUTISM SPEAKS
It's time to listen.

Kalma K. Wong
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March 23, 2008

Senator David Ige
Chair, Senate Health Committee

Senator Russell Kokobun
Chair, Committee on Commerce, Consumer
Protection, and Affordable Housing

Senator Carol Fukunaga
Vice-Chair, Senate Health Committee

Senator David Ige
Vice-Chair, Committee on Commerce, Consumer
Protection, and Affordable Housing

Re: In support of SCR196, Requesting the Auditor to Assess the Social and Financial Impacts of Requiring Health Insurers to Provide Coverage for Diagnosis and Treatment of Autism Spectrum Disorders, Senate Committee on Health and Senate Committee on Commerce, Consumer Protection, and Affordable Housing, March 24, 2008, 1:45 p.m., room 016

Dear Chair/Vice-Chair Ige, Chair Kokobun, Vice-Chair Fukunaga, and members of the Senate Committee on Health and Committee on Commerce, Consumer Protection, and Affordable Housing:

I am writing to express my support of Senate Concurrent Resolution 196, which requests that the State Auditor assess the social and financial impact of requiring health insurers to provide coverage for the diagnosis and treatment of autism spectrum disorders, as is outlined in Senate Bill 2532.

Autism is a complex neurobiological disorder that currently affects 1 in 150 children, according to the Center for Disease Control. Autism impairs a person's ability to communicate and relate to others, and is often associated with repetitive behaviors, poor eye contact, and rigidity in routines. Children with autism often have co-occurring conditions, such as behavioral problems, speech disorders, depression, anxiety, muscle or joint problems, ear infections, vision and hearing problems, and allergies. The wide range of co-occurring problems leads to their need for services from trained medical professionals and for a full-range of therapies. The therapies include speech therapy, occupational therapy, and intensive behavioral therapy, such as Applied Behavior Analysis (ABA), among others. With proper medical intervention and intensive therapies children with autism can improve to such an extent that they can enter mainstream classrooms unassisted.

Unfortunately, children with autism are often denied coverage for necessary therapies by private health insurance companies. One important therapy denied by insurers is Applied Behavior Analysis (ABA). ABA has a decades-long record of efficacy and is recognized by The U.S. Surgeon General's 2001 Report on Mental Health as the treatment that is effective for autism. Although ABA is the single intervention most often sought by parents of children with autism, insurers frequently deny it as a benefit. As a result, families often pay for these costly services out of pocket. But many families cannot afford these effective therapies and are forced to go without them at all, leaving children with autism even farther behind.

The failure of insurance companies to provide coverage for effective treatments for autism is not only an injustice to families affected by autism, it is also a gross disservice to Hawaii and to the citizens of this state. It has been estimated that the cost of caring for someone with autism is \$3 million over his or her lifetime, and the cost to the country per year is \$13 billion. However, with effective treatments, it has been estimated that the cost savings per child is \$2.4 to \$2.8 million per year to age 55. Mandated insurance coverage for autism will result in a huge cost savings for everyone in the long run.

Please pass Senate Concurrent Resolution 196 and take an important step toward making insurance coverage for autism a reality.

Thank you for your consideration.

Sincerely,

Kalma K. Wong
Hawaii Chapter President &
Advocacy Chair for Hawaii, Autism Speaks
(Formerly Cure Autism Now)



HAWAII DISABILITY RIGHTS CENTER

900 Fort Street Mall, Suite 1040, Honolulu, Hawaii 96813

Phone/TTY: (808) 949-2922 Toll Free: 1-800-882-1057 Fax: (808) 949-2928

E-mail: info@hawaiidisabilityrights.org Website: www.hawaiidisabilityrights.org

TESTIMONY TO THE TWENTY-FOURTH STATE LEGISLATURE, 2008 SESSION

To: Senate Committee on Health
Senate Committee on Commerce, Consumer Protection and
Affordable Housing

From: Gary L. Smith, President
Hawaii Disability Rights Center

Re: SCR 196

Hearing: Monday, March 24, 2008 1:45 PM
Conference Room 016, State Capitol

Members of the Committee on Health:

Members of the Committee on Commerce, Consumer Protection and Affordable
Housing:

Thank you for the opportunity to provide testimony supporting SCR 196

I am Gary L. Smith, President of the Hawaii Disability Rights Center, formerly known as the Protection and Advocacy Agency of Hawaii (P&A). As you may know, we are the agency mandated by federal law and designated by Executive Order to protect and advocate for the human, civil and legal rights of Hawaii's estimated 180,000 people with disabilities.

We support this Concurrent Resolution. We believe that medical insurance policies should cover the treatments for autism spectrum disorder. Yet, there are many advocates in the community for the needs of autistic children who have relayed experiences concerning a lack of coverage. If that is true, then the legislature should in our view mandate such coverage. This is a serious condition which can be ameliorated with proper treatment.

We realize that under state law, a Report from the Legislative Auditor is required before the legislature can mandate such coverage. In that event, we hope the Committee will pass this Concurrent Resolution so we can have the study.

Thank you for the opportunity to provide testimony in support of this Resolution.

Teresa Chao Ocampo
215 N. King Street, Apt. 207
Honolulu, HI 96817

March 24, 2008

Senator David Ige, Chair
Senator Carol Fukunaga, Vice-Chair
The Senate Health Committee

And

Senator Russell Kokobun, Chair
Senator David Ige, Vice Chair
Senate Commerce, Consumer Protection, and Affordable Housing Committee

State Capitol
415 South Beretania Street
Honolulu, HI 96813

Meeting on Wednesday, March 24, 2008, Conference Room 16 at 1:45 p.m.

RE: SCR 196 RESOLUTION REQUESTING AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO PROVIDE COVERAGE FOR DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDERS.

Dear Senators Ige, Fukunaga, Kokobun and Respective Committees:

I STRONGLY SUPPORT SCR 196. An assessment of this nature will show that providing early and intense treatment to children with Autism will reduce the social and financial impacts to our society if their medical needs are met early on in life. Additionally, this resolution will also show that having health insurers to provide the necessary types of treatment will have little to no financial impact on other private members of these health organizations.

According to the Autism Society of America, Autism is a complex neurological disorder that typically appears in the first three years of life. It affects the functioning of the brain and therefore impacts the normal development of the brain in the areas of social interaction and communication skills. Autism and its many variations are recognized in the American Psychiatric Association's Diagnostic & Statistical Manual of Mental Disorders (DSM-IV-TR). Therefore, Autism is a treatable medical condition.

In February 2007, the Centers for Disease Control and Prevention had issued a report that concluded that the prevalence of Autism had risen to 1 out of 150 children in the United States and almost 1 in every 94 boys. This means that there may be as many as 1.5 million Americans today living with Autism. If you review the statistics from the Department of Education, Hawaii's Autism rates have steadily increased in parallel with the national average. Financial challenges for parents are magnified due to limited insurance coverage for therapies in the treatment of Autism. Hawaii's insurance companies currently do not RECOGNIZE Autism as a medical disease or disorder thereby making this financially difficult for many if not most of those Hawaii families with an autistic child.

Parents must often make difficult choices between their Autistic child and the needs of the rest of the family where they incur thousands and thousands of dollars of out of pocket expenses for therapies, drugs and various labs that are currently not covered by health insurance providers here in Hawaii. As a parent of an Autistic child, I find that every day is a struggle.

Routine tasks that many people take for granted such as eating, brushing teeth, changing clothes, going to school and basic safety and hygiene needs all take a toll on parents and family of Autistic children day to day. We have to teach our children how to understand pragmatic speech, how to read body language and how to understand inferences in social settings. We have to teach our children how to express their emotions and what they mean. We have to teach our children not to panic when they get wet by a few drops of rain. We have to teach our children how to survive in a world that no longer tolerates individual differences. Our children need these services early in life to help them function in society independently as adults. These are some of the reasons why this Resolution is so important to the children of Hawaii, even more so to those who are yet to be diagnosed.

Insurance companies may argue that there will be a shift in the cost of autism related services to those private members who currently pay premiums. This is the usual argument from the insurance companies whenever they face this type of situation, however, the findings almost always show that there is little to no impact on the private members. We will never know the answer unless the proposed assessment is conducted and we owe it to these children to find out before it's too late for them.

Please support SCR 196 for our children and their future.

Sincerely,

Teresa Chao Ocampo
Parent of an Autistic child
Javanut418@aol.com
808-585-8641

Via Fax 586-6659

March 24, 2008

Chair Senator David Ige and Vice-Chair Senator Carol Fukunaga of the Health Committee, and Chair Senator Russell Kokobun and Vice-Chair Senator David Ige of the Commerce, Consumer Protection, and Affordable Housing Committee.

Re: Testimony in SUPPORT for SCR196, Relating to Health Insurance Coverage for Autism Spectrum Disorders on Monday March 24, 2008, 1:45 p.m., Room 16.

Dear Chair Ige and Vice-Chair Fukunaga, and the members of the Consumer Protection and Commerce Committee:

1 in every 150 children in the USA is being diagnosed with autism according to the CDC in Atlanta. 1 in every 94 boys are now diagnosed. There is no cure for autism but there is treatment.

With early intervention involving applied behavioral analysis therapy (ABA) there has been a 48 percent success rate in mainstreaming autistic kids back to their original grade levels with their peers. These kids become indistinguishable from other typical kids and continue without the need of further therapy. It should be noted that in the cases where autistic kids can't be placed back in the same class, the progress that they make with ABA therapy is remarkable. This is the only recommended therapy for autism by the US Surgeon General. Currently there is no health insurance coverage offered for treatment of any autism spectrum disorders in Hawaii.

Out of pocket expenses for ABA treatments can range from \$50,000 to \$100,000 depending on the city. Many families go into debt and bankrupt to provide these proven therapies. Providing ABA therapies for these children now will create cost savings to the state by giving these children a chance to become functioning tax paying members of society instead of wards of the state at a cost of over \$4 million per person over their lifetime.

Timing of treatment is critical. Currently, the CDC states "Research shows that early intervention can greatly improve a child's development"

If nothing is done now, our children will not outgrow this disorder. They could become unmanageable, and any intervention at this point will be in the form of managed care. This will put a great burden on the economic welfare of our state systems, because we will have to pay for managed care services over the entire lifetime of autistic adults.

Can you imagine if someone you loved dearly had a stroke, but they could not go to rehab, because the treatment was too expensive. How could you face them every day. This is one of the reasons why families with a child of Autism break-down. It is heartbreaking to watch your child be consumed by autism. This is one reason divorce rates among families with a child of autism are 80%.

We are all in this together as taxpayers. Let's be a part of the solution, and invest in our children now, and help them. It will be a win/win. Or, we can do nothing now, and invest later in a lifetime of managed care. Either way; we are all going to pay. Please pass Dylan's Law House Bill SCR 196 and make insurance coverage for autism a reality.

Sincerely,
Deborah Tasato-Kodama

