

**TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 2631, S.D. 1**

February 24, 2012

RELATING TO HEALTH INSURANCE

Senate Bill No. (SB) 2631, Senate Draft (S.D.) 1, proposes to require all accident and health or sickness insurers, and health maintenance organizations to provide health care coverage and benefits for well-baby and well-child screening, and for diagnosis and treatment of autism spectrum disorders up to age 26. Minimum benefits for behavioral health treatment provided may be limited to \$50,000 per year, or \$300,000 during the lifetime of the individual, but shall not be subject to any limits on the number of visits an individual may make for treatment of autism spectrum disorder.

The Department of Budget and Finance opposes SB 2631, S.D. 1, because it will: 1) increase the cost of health insurance leading to higher premiums for employees and employers; 2) duplicates coverage that is already available from the Department of Health and the Department of Education; and 3) adds an additional state health care mandate while the federal health care mandates are still in progress.

Active State employees are currently paying 50% of their health insurance and some employees are finding it increasingly difficult to afford health insurance coverage for themselves and their dependents. The State is struggling to find a way to fund health care for its employees and retirees. Although SB 2631, S.D. 1, may benefit a certain insured group, any increase to the cost of health insurance premiums impacts all of the insured and their employers.

A study was performed by the legislative auditor in 2009 regarding mandatory health insurance for autism spectrum disorders. The auditor concluded that: 1) the Department of Education was providing educational services; 2) health plans were already providing coverage for diagnosis and medical treatment although not to the extent being proposed; and 3) the cost of the mandate was high and would get higher over time resulting in increases to the cost of premiums which would be passed on to all health insurance consumers.

Lastly, the implementation of the federal accountable care act is still in progress. Until fully implemented it is unclear as to what impact the federal mandates will have upon employees and employers. Any additional State mandates should be delayed until the federal mandates are fully implemented.

Testimony of
Phyllis Dendle
Director of Government Relations

Before:
Senate Committee on Ways and Means
The Honorable David Y. Ige, Chair
The Honorable Michelle N. Kidani, Vice Chair

DECISION MAKING
February 24, 2012
9:00 AM
Conference Room 211

SB 2631 SD1 RELATING TO HEALTH INSURANCE

Chair Ige and committee members, thank you for this opportunity to provide written testimony on SB 2631 SD1 which proposes to create a specific mandate for coverage for autism spectrum disorders.

Kaiser Permanente Hawaii opposes this bill and urges the committee to hold it.

We have significant concerns about several features of SB 2631.

We have concerns about the breadth of SB 2631 and the expansive nature of the mandate established. If enacted, this bill will drive up health care costs and cause disparities between different market segments in 2014. The bill fails to clearly delineate responsibilities between health plans and schools. This lack of clarity further exacerbates health care cost escalation, creates access problems, and fails to ensure schools appropriately serve students under federal and state law.

Due to recent federal regulatory guidance, any mandates established in this legislative session will not be included benchmark plans. Therefore, under the terms of this bill, these services will not be mandated for enrollees of the Hawaii Health Connector. By establishing this exclusion, major disparities between different market segments will be created in 2014. Therefore this bill creates the risk of adverse selection and market disruption. In addition, this

bill creates a situation where a group of people may have access to the mandated services in 2013 and then will lose those services in 2014.

We are concerned that the bill fails to draw the line between when health care services, appropriately covered by insurance, and educational and social services, appropriately covered by schools and social services agencies, are provided. This bill establishes a major expansion of health care for insurers. Current federal and state laws, such as the Individuals with Disabilities Education Act (IDEA) address autism-related services provided by schools and mental health agencies. There is a lack of clarity in this bill as it relates to other state and federal laws, which is needed to ensure families gain access to care in the most appropriate settings.

SB 2631 fails to provide specificity in the structure of the broad mandate established by this bill, causes market disruptions, creates significant disparities in access to care, and is inadequate in differentiating the responsibilities of schools under federal and state law from the mandates established by this bill. For these reasons, we urge the Committee to hold SB 2631.

Thank you for your consideration.

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

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THE SENATE THE TWENTY-SIXTH LEGISLATURE REGULAR SESSION OF 2012

Committee on Ways and Means Testimony in Support of S.B.2631, SD1 Relating to Health Insurance

**Friday, February 24, 2012, 9:00 A.M.
Conference Room 211**

Chair Ige and Members of the Committee:

The Hawaii Disability Rights Center testifies in support of this bill.

The purpose of the bill is to require health insurance plans to provide coverage for autism spectrum disorders. This is a very important bill and this coverage is very appropriate for insurance policies. The whole point of insurance is to spread risk and cost among an entire population, so that disproportionate, catastrophic expenses are not heaped upon specific individuals or groups.

With that in mind, we need to realize that autism is occurring among children in epidemic proportions. According to current statistics, **one out of 110 children (1 out of 85 boys) are born with autism**. That is a staggering, alarming figure, as is the cost to those families and to society to care for these individuals over the course of their lives. **It is estimated that the cost of caring for a single individual with autism for a lifetime is \$3 million.** Evidence suggests that techniques such as applied behavioral analysis have been effective in mitigating or reducing or eliminating the effects of autism if used at an early age. While the treatments may seem costly in the short run, hundreds of thousands of dollars, if not millions, are saved over the course of a lifetime by the early utilization of treatments.

Further, while some services are supposed to be provided via the DOE under the Individuals With Disabilities Education Act, in reality, the DOE has done a very poor job

of either educating or providing needed services to children with autism. Therefore, other means of providing coverage and services need to be addressed.

Inasmuch as autism is unfortunately becoming common and the costs are so high, insurance coverage is appropriate as a mechanism to spread the risk and cost amongst all of us. We note that **more than half the states in the country currently mandate some insurance coverage for autism.** Therefore, this would seem to be an approach to addressing this problem which has received broad support.

Thank you for the opportunity to testify in support of this measure.

From: [Fielding Mercer](#)
To: [WAM Testimony](#)
Subject: RE: SB 2631SD1
Date: Thursday, February 23, 2012 1:01:24 AM

Hawaii Academy of Physician Assistants
PO Box 30355, Honolulu, HI 96820-0355
RE: SB 2631 SD1 – SUPPORT with amendments

DATE: Friday, February, 24, 2012
TIME: 9:00AM
PLACE: Conference Room 211

Senate Committee on Ways and Means

Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair

Honorable Chairpersons and Committee members:
HAPA is testifying in support of SB2631 SD 1 with amendments.

While it is probably an oversight, physician assistants are not listed in the definitions of providers in this bill

HAPA recommends the following amendments to include physician assistants in the definitions. (double underlined and bolded)

"§431:10A- **Autism spectrum disorders benefits and coverage; notice; definitions.**

"Pharmacy care" means medications prescribed by a licensed **physician, physician assistant, or registered nurse practitioner** and any health-related services that are deemed medically necessary to determine the need or effectiveness of the medications.

"Treatment for autism spectrum disorders" includes the following care and related equipment prescribed or ordered for an individual diagnosed with an autism spectrum disorder by a licensed **physician, physician assistant, licensed psychologist, or registered nurse practitioner** if the care is determined to be medically necessary:

"§432:1- **Autism spectrum disorders benefits and coverage; notice; definitions**

"Pharmacy care" means medications prescribed by a licensed **physician, physician assistant, or registered nurse practitioner** and any health-related services that are deemed medically necessary to determine the need or effectiveness of the medications.

"Treatment for autism spectrum disorders" includes the following care and related equipment prescribed or ordered for an individual diagnosed with an autism spectrum disorder by a licensed **physician, physician assistant, licensed psychologist, or registered nurse practitioner** if the care is determined to be medically necessary:

Thank you for consideration of these amendments.

Fielding Mercer, PA-C
President
Hawaii Academy of Physician Assistants
hapahawaii@hapahawaii.org
808-778-6726

From: [Hardy Spoehr](#)
To: [WAM Testimony](#)
Subject: Comments: SB 2631, SD1
Date: Thursday, February 23, 2012 6:55:42 AM

SB 2631, SD 1, Relating to health Insurance
Decision making
Friday, Feb 24, 2012
9:00am
Conference Room 211
State Capitol

Comments: Papa Ola Lokahi strongly supports this measure. Thank you for the opportunity to support this measure.

Hardy Spoehr, Executive Director
Papa Ola Lokahi (Native Hawaiian Health Board)



February 23, 2012

Via Email: WAMTestimony@Capitol.hawaii.gov

Senator David Y. Ige
Chair, Senate Committee on Ways and Means
Hawaii State Capitol, Room 215

Re: S.B. No. 2631, SD1 - Relating to Health Insurance
Hearing Date: Friday, February 24, 2012 at 9:00 a.m., Conference Room 211

Dear Chair Ige and Members of the Committee on Ways and Means:

I am Lorri Unumb, Vice President, State Government Affairs, of Autism Speaks. Autism Speaks was founded in February 2005 and has grown into the nation's largest autism science and advocacy organization, dedicated to funding research into the causes, prevention, treatments and a cure for autism; increasing awareness of autism spectrum disorders; and advocating for the needs of individuals with autism and their families.

Autism Speaks submits testimony in **strong support** of S.B. 2631, SD1, which requires all accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for well-baby and well-child screening and diagnosis and treatment of autism spectrum disorders beginning after 12/31/2012.

Autism is a complex neurobiological disorder that inhibits a person's ability to communicate and develop social relationships, and is often accompanied by behavioral challenges. Autism spectrum disorders are diagnosed in one in 110 children in the United States, affecting four times as many boys as girls. The prevalence of autism increased 57 percent from 2002 to 2006. The Centers for Disease Control and Prevention has called autism an urgent public health concern whose cause and cure remain unknown.

The U.S. Surgeon General has reported that treatment for autism can spare an individual from life-long dependency as a ward of the state. In the absence of health insurance coverage, families are often required to pay out-of-pocket for treatments that can cost upwards of \$50,000 per year. In the process, many risk their homes and the educations of their unaffected children – essentially mortgaging their entire futures. Worse yet, children born into families without means go untreated. Without treatment, these individuals become a significant financial burden on the state. According to a Harvard School of Public Health study, the lifetime societal cost of autism

is estimated to be \$3.2 million per person. This cost can be reduced dramatically or eliminated with appropriate intervention.

This legislation will ensure that Hawaii families receive the benefit of health coverage for the treatment of autism spectrum disorder, including applied behavior analysis (ABA). The legislation also insures that coverage cannot be denied because a particular treatment is deemed “habilitative” in nature. The bill also contains provisions to ensure that existing services provided through an individualized family service plan, an individualized education plan or an individualized service plan are continued.

Autism Speaks has advocated for the enactment of insurance legislation at the state level across the nation. So far, 29 states have adopted insurance coverage legislation: Arizona, Arkansas, California, Colorado, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Missouri, Montana, Nevada, New Jersey, New Mexico, New York, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, West Virginia, and Wisconsin. In the states where the laws are effective, individuals with autism are making remarkable progress, and the impact on premiums has been minimal. The average fiscal impact across five of the early-adopting states that have reported data is approximately 25 cents per month for each member of the plan as a result of the added autism benefit.

In each state that requests an independent actual cost estimate, Autism Speaks has engaged Oliver Wyman Actuarial Consulting, Inc. to prepare a report. Each state report has indicated that the impact upon insurance premiums is well under 1% across all markets affected by the legislation. As noted above, experience in other states indicates that impact on premiums has been exceedingly modest, especially during initial years after coverage is provided.

Autism Speaks also supports the amendments made in S.B. 2631, SD1 by the Senate Joint Committees on Health and Commerce and Consumer Protection.

We respectfully ask for your favorable consideration of this measure and ask you to move it forward for further discussion.

Lorri Unumb, Esq., Vice President
State Government Affairs
Autism Speaks
803-582-9905

HAWAII FINANCIAL SERVICES ASSOCIATION

c/o Marvin S.C. Dang, Attorney-at-Law

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February 24, 2012

Senator David Ige, Chair
and members of the Senate Committee on Ways & Means
Hawaii State Capitol
Honolulu, Hawaii 96813

Re: **Senate Bill 2761, SD 1 (Financial Institutions)**
Hearing Date/Time: Friday, February 24, 2012, 9:00 a.m.

I am Marvin Dang, the attorney for the **Hawaii Financial Services Association** (“HFSA”). The HFSA is a trade association for Hawaii’s consumer credit industry. Its members include Hawaii financial services loan companies (which make mortgage loans and other loans, and which are regulated by the Hawaii Commissioner of Financial Institutions), mortgage lenders, and financial institutions.

The HFSA **opposes this Bill as drafted.**

The stated purpose of this Bill is to establish or amend certain regulatory fees charged by the Division of Financial Institutions for the review and analysis of financial institution requests.

However, under this Bill, the Division of Financial Institutions (“Division”) will create new fees and increase other fees for financial institutions such as financial services loan companies.

Some of the 41 fees that are listed in Section 1 of this Bill (pages 1 through 11) are new fees (e.g. reviewing and approving the relocation of a principal office or branch). Others are increases of existing fees. These fee increases don’t seem to take into account the type or size of the financial institution (e.g. a small non-depository financial services loan company rather than a larger financial institution).

Another example is a 50% increase in the hourly rate for examinations (from \$40 to \$60 per hour). Because the number of hours that a state examiner spends at a financial services loan company can vary, the exact dollar amount of this increase is difficult to estimate. However, it will definitely be at least 50% more than the thousands of dollars that are presently being paid annually by a financial services loan company in examination fees.

In Section 2 of this Bill (pages 12 through 13), the amount that some of the smaller non-depository financial services loan company will pay as an annual fee could increase from a range of about \$600 - \$1,100 to \$5,000 depending on the size of the company and the number of its branches. These are increases of about 350% to over 700%.

The fees as stated in this Bill will negatively impact and financially burden non-depository financial services loan companies and thereby hinder Hawaii’s economic recovery.

If you are inclined to pass this Bill, we ask that you put in a “defective” effective date in Section 23 to encourage further discussion between financial services loan companies and the Division.

Thank you for considering our opposition to this Bill as drafted.

MARVIN S.C. DANG
Attorney for Hawaii Financial Services Association

TESTIMONY OF THE AMERICAN COUNCIL OF LIFE INSURERS
COMMENTING ON SENATE BILL 2631, SD 1, RELATING TO HEALTH INSURANCE

February 24, 2012

Via e mail: wamtestimony@capitol.hawaii.gov

Honorable Senator David Y. Ige, Chair
Committee on Ways and Means
State Senate
Hawaii State Capitol, Conference Room 211
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Ige and Committee Members:

Thank you for the opportunity to comment on SB 2631, SD 1, relating to Health Insurance.

Our firm represents the American Council of Life Insurers (“ACLI”), a national trade association, who represents more than three hundred (300) legal reserve life insurer and fraternal benefit society member companies operating in the United States. These member companies account for 90% of the assets and premiums of the United States Life and annuity industry. ACLI member company assets account for 91% of legal reserve company total assets. Two hundred thirty-five (235) ACLI member companies currently do business in the State of Hawaii; and they represent 93% of the life insurance premiums and 92% of the annuity considerations in this State.

As drafted, SB 2631, SD 1, requires all insurers subject to its provisions to provide coverage for autism spectrum disorders. If the bill is intended to include life insurers and fraternal benefit societies issuing disability insurance or long term care insurance, ACLI opposes the bill.

Section 2 of the bill would amend Article 10A of Hawaii’s Insurance Code to include a new section that states that “all accident and health or sickness insurance policies. . . shall provide to the policyholder . . . coverage for . . . well-baby and well-child screening and the diagnosis and treatment of autism spectrum disorders.” (Page 1, lines 11 – 17).. Further, “[e]very accident and health or sickness insurer shall provide written notice to its members regarding the coverage required by this section.” (Page 2, lines 1-3).

Article 10A of the Code (by reference to §431:1-205, HRS) defines “accident and health or sickness insurance” to include disability insurance issued by life insurers and fraternal benefit societies in this State.

Accordingly, as drafted SB 2631, SD 1, may be interpreted to include disability insurance. In order to dispel any confusion as to what this bill is intended to cover, ACLI suggests that paragraph (a) of the new section 431:10A-___, in Section 1 of the bill (at page 1 lines 11 through 14 be amended as follows:

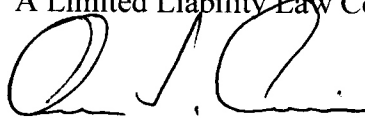
(a) Any other law to the contrary notwithstanding, all accident and health or sickness insurance policies, other than a disability income insurance policy or long term care insurance policy, issued or renewed in this State after December 31, 2012

Further, paragraph (b) of the new section 431:10A-___, in Section 1 of the bill (at page 2 lines 1 through 3 be amended as follows:

(b) Every accident and health or sickness insurer, other than an insurer issuing a disability income insurance policy or long term care insurance policy, shall provide written notice to its members regarding the coverage required by this section.

Again, thank you for the opportunity to comment on SB 2631, SD 1.

LAW OFFICES OF
OREN T. CHIKAMOTO
A Limited Liability Law Company



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February 22, 2012

Ladies and Gentlemen of the Ways and Means Committee:

(re SB 2631-Submitting testimony in favor of SB2631, but with requisite revisions noted below)

I am a Board Certified Behavior Analyst (BCBA) and possess Master's and Bachelor's Degrees in Special Education, and am a PhD candidate at UH in Exceptionalities/Special Education with an emphasis in Applied Behavior Analysis (ABA). I have provided behavioral treatment to children and adolescents with Autism Spectrum Disorders (ASD) using ABA treatment for over 19 years, and here in Hawaii since 1995. We have a service provision agency here on Oahu, and a center based program on Oahu, where we employ 5 Board Certified staff and well trained behavior technicians to provide intensive interventions utilizing ABA to children and adolescents with Autism.

ABA is defined as the process of systematically applying interventions based upon the principles of learning theory to improve socially significant behaviors to a meaningful degree, and to demonstrate that the interventions employed are responsible for the improvements in behavior (Baer, Wolf & Risley, 1968).

There is an effective treatment for Autism and it is ABA, which is the only intervention for ASD recommended by the Surgeon General. When Autism is identified early and with early ABA treatment the symptoms and deficits of autism can be ameliorated and in many cases reversed. The research states that behavioral programs specifically for children with Autism should be comprised of 25-40 hours per week of individualized instruction using ONLY evidence-based teaching procedures and behavior reduction procedures. **The only available evidence-based teaching procedures are derived from the ABA literature (National Standards Report, 2009).**

In 2009, the National Autism Center (NAC) recommended that behavioral treatment services begin as soon as a child is suspected of having an autistic spectrum disorder. Such services should include a minimum of 25 hours a week, 12 months a year, in which



the child is engaged in systematically planned, and developmentally appropriate activity toward identified objectives. What specifically constitutes these hours, however, will vary according to a child's chronological age, developmental level, specific strengths and weaknesses, and family needs. The priorities of focus should include increasing functional spontaneous communication, social instruction delivered throughout the day in various settings, cognitive development and play skills, and proactive approaches to reducing behavior problems.

ABA can be used to target teaching a variety of skills or reduction of socially significant problem behaviors:

- to increase behaviors (eg reinforcement procedures increase on-task behavior, or social interactions);
- to teach new skills (eg, systematic instruction and reinforcement procedures teach functional life skills, communication skills, or social skills);
- to maintain behaviors (eg, teaching self control and self-monitoring procedures to maintain and generalize job-related social skills);
- to generalize or to transfer well in the mainstream classroom);
- to restrict or narrow conditions under which interfering behaviors occur (eg, modifying the learning environment); and
- to reduce interfering behaviors and barriers to learning (eg, self injury or stereotypy).

If Hawaii were to have SB2631 pass, this would give families the option to obtain ABA treatment for their child via their health insurer. These families would have the ability to access scientifically supported ABA services in order to make socially significant changes in their child's behavior, communication and functional skills. The progress given an intensive and well designed ABA program are astounding and life changing! And surprisingly, many children here in Hawaii have never received ABA treatment before.





The cost of ABA is minimal compared to the estimated \$3.2 million over the cost of a lifetime, which is ultimately passed on to society and the tax payers who flip the bill to place these adults in residential settings that cost a fortune. That puts a dollar figure on it, but there is no way to measure the lost contributions to society of afflicted individuals if untreated.

Many families who have children with autism are not able to live a “normal” life, because of their child's significant behavior problems. The activities they can participate in as a family are limited, which is so unfortunate to hear when families tell us they can't go to church, or to the beach, or the movies as a family, for fear that their child will have a huge tantrum or engage in life threatening self injurious behaviors in public.

There is currently no cure for autism, however disruptive behaviors and symptoms, are treatable, much like any chronic disease or disorder are treatable. Without treatment, there is little chance for leading a “normal” life. With intensive ABA treatment, some individuals with ASD actually are able to lose their diagnosis, as they may learn skills, and reduce behaviors to the extent of not meeting the criteria for ASD any longer.

Numerous scientists have reviewed the complete corpus of scientific research and have concluded that competently delivered ABA interventions are evidence-based, effective, and safe for improving functioning, preventing deterioration, and ameliorating symptoms in people with ASD. **Therefore, ABA is a medically necessary behavioral health treatment for those spectrum of disorders.**

Although I am recommending that this bill be passed, I believe it needs to be revised to omit psychologists as being authorized to render ABA treatment. Behavior analysis is a distinct discipline. The practice of ABA is a distinct profession. It is not the same as psychiatry, clinical psychology, psychiatric nursing, or social work. The competencies and training required to practice ABA have been identified by the profession of behavior analysis through extensive job analyses spanning more than a decade. Those requirements are contained in the standards for obtaining the professional credentials in ABA that are issued by the Behavior Analyst Certification Board (BACB), a nonprofit organization that is





accredited by the National Commission on Certifying Agencies of the Institute for Credentialing Excellence. Part of the rationale for establishing the BACB credentialing programs in 1999 was to provide consumers, funding agencies (such as insurers), and governments a means to identify practitioners who have demonstrated that they meet the standards which were established by the profession for practicing ABA. To illustrate the value of this credential, the Department of Defense and Tricare recognized the value of the BACB credentials in its 2007 report on ASD, and adopted them as the principal requirements for ABA supervisors in the provider standards ABA services. Many other health insurers recognize the value of the BACB credentialing for the provision of ABA for their members, such as Cigna, Aetna, and United Behavioral Health.

Even if ABA does appear in the scope of practice of Hawaii state laws for clinical psychologists, the State of Hawaii and consumers cannot be assured that those persons have the training required to provide or supervise ABA services unless they are also certified by the BACB. The burden of checking ABA qualifications of non-BACB certified individuals would likely fall on families of people with ASD, who may be unprepared to make those kinds of judgments and who are already overburdened.

Adoption of the bill in this form, with the provision for clinical psychologists to deliver ABA services, could open the door for people who claim that what they do is ABA to be reimbursed for providing ABA services without demonstrating that they have met the national standards for practicing ABA professionally, (i.e., the BACB certification requirements). Please consider this necessary revision.

Respectfully submitted,

Amy Wiech, M.Ed., BCBA



From: longapw@aol.com
To: [WAM Testimony](#)
Subject: SB 2631, SD1
Date: Wednesday, February 22, 2012 4:47:22 PM

[Please approve this bill](#)

[P.W. Longa](#)

From: [Ray Cook](#)
To: [WAM Testimony](#)
Subject: Testimony - Support SB 2631, SD1
Date: Thursday, February 23, 2012 9:34:40 AM

My name is Raymond Cook and I am a parent of a child with autism. I desire to submit my testimony in favor of **SB 2631, SD1 (SSCR2323) Relating to Health Insurance**, to be heard before Committee on Friday, February 24, 2012, at 9 a.m., Conference Rm 211, at the State Capitol.

This measure will begin to address what has been long overdue in the autism community population - coverage for services for a medical condition. Currently services in our State must be paid without the benefit of insurance, though military families do have some coverage thru their insurance Tricare.

Please support this measure moving forward! Thank you for accepting my testimony.

Sincerely,

Raymond Cook

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Raymond Cook

Pacific Autism Center
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Pacifcautismcenter.com

February 23, 2012

The Honorable Josh Green, M.D., Chair

The Honorable Rosalyn H. Baker, Chair

Senate Committees on Health and Commerce and Consumer Protection

Re: SB 2631- Relating to Health Insurance

Dear Chair Green, Chair Baker and Members of the Committees:

I am an attorney who advocates for disabled children's rights. My interest in this bill extends to the search for financial and administrative and legal relief for my student clients. I support the passing of this bill foremost because it is wise fiscal and social policy to focus on prevention.

The increasing number of children diagnosed with autism is alarming and institutional denial of the problem is even worse. At least one out of every 100 of our keiki are autistic. Harvard estimates 1.5 million Americans are autistic, and that number is growing by 10 percent to 17 percent each year. The Harvard study may be accessed at this Webpage: <http://www.hsph.harvard.edu/news/press-releases/2006-releases/press04252006.html> It is depressing to read that the American Psychiatric Association (APA) is seeking to narrow the definition of autism spectrum disorders because it means that many people with autism will go

unrecognized and without help. Instead of addressing the problem, the APA is hiding from it.

You can read about what the APA is doing at this Webpage:

http://thedp.com/index.php/article/2012/01/apa_redefines_autism

It is heartening, however, to see Hawaii taking active steps to prevent a health crisis turning into a financial crisis, as well. The cost of treating a person with autism over their lives is \$3.2 million, the Harvard study said. Direct medical costs for the treatment of autism such as outpatient services, prescription medication, and behavioral therapies cost about \$30,000 a year per person, the Harvard study said. Under federal law and subsidy, our Department of Education and Department of Health shoulder a great deal of the financial burden related to treatment of autistic children. Under the Individuals with Disabilities Education Act, it was Congress' hope that mainstreaming and integrating children with autism now will prevent inescapable and crushing financial burdens on the federal and state governments later. Congress will not pay to educate (and treat) people with autism passed the age of 23, however. Twenty years from now, the 3-year-old children of today that go without treatment and therapies (and sometimes drugs) will be a financial burden on this state as they require more of the State's health and social services. The State of Hawaii should expect to shoulder much of that burden as many people with untreated autism cannot maintain highly productive jobs or require reduced work hours, the Harvard study said. If we act now to combat this looming health crisis, we will have prevented a greater financial burden later on, as well.

This bill will also give many working parents access to healthcare for their children that they currently cannot get because most people here are insured under HMSA or Kaiser. Except for Tricare, there is no insurance coverage for the diagnosis and treatment of autism. Families that receive insurance from their employers must either have very supportive employers or must

carry additional health insurance, if they can afford it. This bill will allow greater access to autism treatment for many families.

Thank you for your service to this State and for your continued dedication to our children with autism.

Sincerely,

Kainoa Tabar, Esq.

Badger Arakaki , LLC

Pioneer Plaza, Suite 1140

900 Fort Street Mall

Honolulu, HI 96813-3716

Tel : (808) 566-0855

Fax: (808) 566-0955

From: [Janne Sawada](#)
To: [WAM Testimony](#)
Date: Wednesday, February 22, 2012 7:55:32 PM

Regarding [SB 2631, SD1](#)
[\(SSCR2323\)](#).

Hearing, Friday, February 24, at 9:00 AM.

I am writing to voice my support for the measure. Although I do not have a child with autism, I have a number of friends who do. They have had to spend so much time and money trying to find out what resources are available to them. Often, when they finally do find some valuable help, they cannot afford it, and so have to do without it. These parents need their time to focus on their children, not on endless, sometimes fruitless, searches for support; and they need insurance that covers the costs, so that they can actually take advantage of the help that is available.

Thank you, Janne Sawada

Jerry L. Bump
3248 Lamaloa Place
Honolulu, HI 96816

February 23, 2012

The Honorable Senator David Y. Ige, Chair
The Honorable Senator Michelle N. Kidani, Vice Chair
Senate Committee on Ways and Means

Hearing: February 24, 2012, 9:00 a.m., Conference Room 211

Re: Testimony in **Strong Support** of SB2631 – Relating to Insurance

Dear Chair, Vice Chair and Members of the Committee,

Thank you for the opportunity to submit testimony in favor of SB2631.

I am writing to you as a parent who is struggling with raising a child with an Autism Spectrum Disorder (ASD). If SB2631 is passed, it will greatly improve my sons' chance at an independent and productive life.

At 18 months, my son was diagnosed with an Autism Spectrum Disorder (ASD). As devastating as this was to us, we were shocked to find out that our health insurer would not cover any sort of therapy or treatments relating to his ASD. Instead, my family was directed to receive support from DOH and eventually the DOE. We appreciate the help DOH and DOE have provided, but we do not feel they are appropriately staffed and funded to provide the proper therapy my son needs.

My son is now four years old and missing out on receiving these therapies at the most critical time in his life. During the last year, my family spent thousands of dollars for medical services not covered by our health insurer and find ourselves struggling financially from the few treatments that we have sought for him. The therapy we have been able to provide has been helpful, but so much more is needed for our son.

At least 29 states specifically require insurers to provide coverage for the treatment of autism. I urge you to add Hawaii to this list.

Please do the right thing for my child and the rest of Hawaii's keiki and pass SB2631.

Mahalo,
Jerry Bump

From: [White](#)
To: [WAM Testimony](#)
Subject: SB2631
Date: Wednesday, February 22, 2012 11:42:46 PM

----- Original Message -----

Subject: SB2631

Date: Tue, 21 Feb 2012 18:24:21 -1000

From: White <c21oahu@aol.com>

To: , <mailto:senkidani@capitol.hawaii.gov>

Aloha Senators & Representatives,

I am writing to you today to request your support for the Mandatory Health Coverage: Autism Spectrum Disorders SB2631.

My son Dale is born & raised in Wahiawa. He has been an HMSA member since birth. He was diagnosed with sever ASD by State of Hawaii when he was 18 months old in 2008. We have utilized both public & private therapy to help Dale. We've sought the services of medical doctors both within his insurance program & on our own. There is no Autism specialist on his insurance companies list of participating providers. HMSA has covered nothing in relation to his ASD.

He is now five and a half years old and still nonverbal. He cant say his name. He cant say no. Stop. Or help. Or any vocal means to convey his wants/needs. However, early intervention has helped! Because we will never give up on him, he has learned to read & use American Sign Language. The outcome on his quality of life is dependent upon getting services while his brain is in the young formative stages! Statistically, that window of opportunity is already closing for Dale. Having an insurance mandate like SB2631 will assure that no child falls through the cracks due to a parents failure to pay for applied behavior analysis.

Thank you for taking the time to address this important issue in Hawaii for our family, our son Dale, & the thousands of other keiki who need help to overcome their autism challenges.

> A total of 33 states and the District of Columbia have laws related to
> autism and insurance coverage. At least 26 states—Arizona, Arkansas,
> Colorado, Connecticut, Florida, Illinois, Indiana, Iowa, Kansas,
> Kentucky, Louisiana, Maine, Massachusetts, Missouri, Montana, Nevada,
> New Hampshire, New Jersey, New Mexico, Pennsylvania, South Carolina,
> Texas, Vermont, Virginia, West Virginia and Wisconsin—specifically
> require insurers to provide coverage for the treatment of autism.
> Other states may require limited coverage for autism under mental
> health coverage or other laws.
<http://www.ncsl.org/?tabid=18246>

Mahalo,
Jill White
25 B Kilea Pl
Wahiawa HI 96786
622-1255

From: [Tomi Kaneshiro](#)
To: [WAM Testimony](#)
Subject: SB 2631, SDI
Date: Thursday, February 23, 2012 9:03:27 AM

Please vote in support of this bill to provide ABA services to individuals within the Autism Spectrum Disorder. This is the much needed availability of ABA treatment that these children and families have needed.

Thank you,

Tomi A. Kaneshiro
Pacific Autism Center

From: [William Bolman](#)
To: [WAM Testimony](#)
Subject: Testimony for SB 2631
Date: Wednesday, February 22, 2012 6:26:00 PM

TO:

[COMMITTEE ON WAYS AND MEANS](#)

Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair

RE:

[SB 2631, SD1](#)

[\(SSCR2323\)](#)

[RELATING TO HEALTH INSURANCE.](#)

[Requires all accident and health or sickness insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for well-baby and well-child screening and diagnosis and treatment of autism spectrum disorders beginning after 12/31/2012. \(SD1\)](#)

My name is Dr. William Bolman, and I have been a child psychiatrist in Hawaii for 40 years and a Professor of Psychiatry at the John A. Burns School of Medicine for 25 years. I devoutly hope that the Committee on Ways and Means understands that one of the major goals of this legislation is to prevent the enormous economic (medical, educational, social, and vocational) costs to the Hawaii State budget that will occur due to the increase in Autism Spectrum Disorders and related neurological coverage for these conditions if we do not pass this legislation. Quite separate from humanitarian reasons, the reason that 29+ states have enacted legislation within the past several years to provide early recognition, treatment and cost-sharing with private insurance carriers is due to these looming costs. There has now been enough experience with the Autism Spectrum disorders to know that the lifetime, *untreated* costs per person have been found to be \$3.2 million (Harvard School of Public Health study in 2010). We also know that the costs can be dramatically reduced IF we act now. I pray that we will be able to do this.

Kalma K. Wong
P.O. Box 240364
Honolulu, HI 96824
(808) 393-5218/ kalma.keiko@gmail.com

February 24, 2012

Senator David Ige
Chair, Cmte. on Ways and Means
Hawaii State Capitol, Room 215

Senator Michelle Kidani
Vice Chair, Cmte. on Ways and Means
Hawaii State Capitol, Room 228

Re: Testimony in SUPPORT of SB2631; Requires health insurers, mutual benefit societies, and health maintenance organizations to provide health care coverage and benefits for autism spectrum disorders beginning after 12/31/2012
Senate Committee on Ways and Means, February 24, 2012, Room 211, 9:00 a.m.

Dear Chair Ige, Vice Chair Kidani, and Members of the Senate Committee on Ways and Means:

I am writing to express my support of Senate Bill 2631, which requires health insurers, mutual benefit societies, and health maintenance organizations to provide health coverage and benefits for autism spectrum disorders.

Autism is a complex neurobiological disorder that currently affects 1 in 110 children, according to the Centers for Disease Control. This disorder is four times more likely to affect boys than girls. 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, muscle or joint problems, ear infections, allergies, vision and hearing problems, and gut issues. The wide range of co-occurring problems leads to the need for services from trained medical professionals and for a full-range of therapies, including but not limited to speech therapy, occupational therapy, behavioral therapy, and biomedical interventions.

As the mother of two children affected by autism, one of whom has been successfully mainstreamed into regular education and no longer requires any autism services, I can personally attest to the effectiveness of these interventions, as well as to the financial hardship faced by families who often have to pay for these therapies and interventions out of pocket. Medical insurance companies will tell you that these interventions are already covered in their plans; however, closer examination of the insurance plans will tell you that this is stretching the truth. Speech therapy, for example, is often denied in cases that are habilitative, when the patient needs the therapy to learn how to speak (versus rehabilitative, when the patient needs the therapy to re-learn how to speak). Psychological evaluations are often not covered as well, with the insurance companies claiming that the necessary assessments are "educational" and not "medical." This same reason is given for the lack of coverage for crucial behavioral consultation and one to one behavioral therapies.

The medical insurance companies will erroneously tell you that these therapies and interventions, such as speech and behavioral therapies, are already provided by the Department of Education and Department of Health, and therefore it is not necessary for the medical insurance companies to provide coverage. While some children are lucky enough to receive therapies through the Department of Education and Department of Health, many children do not receive enough necessary treatments, and many others simply do not receive any at all. Unfortunately, if these children do not get the treatments they require to become independent when they are young, they will most certainly grow up into adults who will need even more services and will cost the community millions of dollars more. Insurance coverage for autism treatments will help to prevent this tragedy from happening.

Please pass SB2631 and make this crucial step for the children with autism in Hawaii.

Sincerely,

Kalma K. Wong

From: [Laura Cook](#)
To: [WAM Testimony](#)
Subject: SB 2631, SD1 (SSCR2323)
Date: Thursday, February 23, 2012 9:07:06 AM

This e-mail serves as Laura Cook's Testimony of Support of Passing of:
SB 2631, SD1
Currently in the Committee on Ways and Means
Friday, February 24, 2012 at 9:am

My name is Laura Cook and am both a Parent of a child with autism and the founder and owner of Pacific Autism Center. I am in support of this measure as it will offer needed relief to parents who have a child with autism and specifically targeting services that are difficult to obtain, expensive to provide, and offer these children their greatest ability to achieve independence in their life.

My son, was diagnosed with autism when he was just over 3 years old and we were told because of his severity, his prognosis was that he would be institutionalized by the time he was a teenager or young adult. He lacked language, receptive and expressive, could not understand anything occurring around him and could not ask for simple needs like food when he was hungry, or to play with a toy by pointing. He had self injurious behaviors and was covered in bruises by hitting his head on the floor, walls, doors, with his hand, throwing his body against walls, and biting himself, as well as others. He also pulled his hair out and other maladaptive behaviors. He frequently tantrumed as he couldn't express his desires. Needless to say this caused significant problems and disruptions to our family.

I read research and sought out scientifically based solutions as I know something had to be done. After all, he was a very healthy normal child at 12 months. In fact he was developmentally at age 14 months when he was 12 months old. By the time he was 3 years old he was around 9 months developmentally. I know something happened and I knew I was going to do everything in my power to help him overcome this devastating disorder.

I came across research that had a 50% recovery rate, where children were indistinguishable from their peers after intensive 1:1 therapy based in ABA, Applied Behavior Analysis. Within 6 weeks of diagnosis, I had a program running in my home, hired a team of untrained staff, and a consultant from the mainland and was taught ABA so between myself and the team I had hired we would try to recover my son.

Within a year, after running 40 hours a week of intensive therapy he was talking and was able to begin integration part time into a preschool environment with the support of a 1:1 therapist, we did this for 3 years and then faded the therapy back to only about 10 hours a week during his 6th year. My son now receives NO SERVICES! He is at Academy of the Pacific a private school and obtained placement on his own merits. He functions as a typical high school student and will go to college and get married, fulfilling all of a parent's hopes and dreams that we once thought were lost.

Yes, this did cost the State of Hawaii a lot of money but the cost of caring for my son for the remainder of his life would have cost significantly more, not to mention the cost to the family emotionally, his quality of life and the burden it would have

placed on society. **ABA SAVED MY SON'S LIFE!** This must be made available to more families. It compare to withholding chemotherapy for cancer patients, crutches to someone who has broken their leg, or antibiotics for an infection. Granted, sometimes they don't work as well for some patients as well as others but sometimes you need to try a different antibiotic to find the right one that will work, not give up and assume it is a lost cause. Few children reach their potential because of the following reasons:

1. Parents don't have the resources to access the care when the child needs it.
2. The State of Hawaii offers services but controls the provider and therefore the quality of care and they are educationally based and they do not stand up to medical standards based in science.
3. Parent's are unable to easily get the training and support they need to get support in the home, the child's primary environment.
4. Parent's efforts are diverted to fighting the system to obtain services vs. focusing on learning the skills they need to help their child over come the maladaptive behaviors that are interfering with them learning to communicate and therefore learn, which starts in the home.
5. Parents need to have easier access to centers who focus on training staff and offering high quality of services that is based on the science of ABA, which includes data collection and analysis, by Certified Behavior Analysts.
6. Parents need to be supported to avoid non-proven methods that wastes money and the child's precious time.
7. Children need intensity. There is research that shows that 10 and 15 hours shows little progress. They need significant repetition and frequency of services. It is like unto you ,earning a foreign language, if you were to have 1 hour a day, how much would you learn, how quickly and how much would you remember from the prior lesson? Now lets make that 8 hours a day, would you learn more quickly? is there a greater chance of learning it more effectively? Ans these kids don't learn at your pace they have significant difficulty learning.

I started Pacific Autism Center because no one offered the type of quality services I knew was required to help children achieve the needed success in their lives, like unto my son. **Please pass this bill so we may be able to continue this mission and reach more children!**

Autism is a neurological, disorder. There is a scientifically proven method to help 50% of children, if given the intensity of services and quality of staff, they can live a more fulfilling life. This is not only the right thing to do but the most humane way to treat those who have no voice to help themselves. They are smart, they can learn and they can live a more productive life, if we but only give them the opportunity!

If anyone wants to contact me in regards to my testimony or other ways I can help, please don't hesitate to ask. Thank you.

Laura Cook
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