

SUBJECT: Requiring certain health plans to cover ECI services

COMMITTEE: Insurance — favorable, without amendment

VOTE: 7 ayes — Lucio, Oliverson, G. Bonnen, Lambert, Paul, C. Turner, Vo

0 nays

2 absent — S. Davis, Julie Johnson

WITNESSES: For — Kate Johnson-Patagoc, Texas Association for Behavior Analysis Public Policy Group; (*Registered, but did not testify*: Jacquie Benestante, Autism Society of Texas; Anne Dunkelberg, Center for Public Policy Priorities; Christina Hoppe, Children's Hospital Association of Texas; Chris Masey, Coalition of Texans with Disabilities; Lauren Rangel, Easterseals Central Texas; Marilyn Hartman, National Alliance on Mental Illness-Austin; Greg Hansch, National Alliance on Mental Illness-Texas; Will Francis, National Association of Social Workers-Texas; Christine Broughal, Texans for Special Education Reform; Lauren Spreen, Texas Academy of Family Physicians; Shannon Meroney, Texas Association of Health Underwriters; Lee Johnson, Texas Council of Community Centers; Clayton Stewart, Texas Medical Association; Linda Litzinger, Texas Parent to Parent; Clayton Travis, Texas Pediatric Society; Nataly Saucedo, United Ways of Texas)

Against — (*Registered, but did not testify*: Annie Spilman, NFIB; Jessica Boston, Texas Association of Business; Jamie Dudensing, Texas Association of Health Plans)

On — (*Registered, but did not testify*: Rachel Bowden, Texas Department of Insurance)

BACKGROUND: Insurance Code ch. 1367, subch. E requires certain health benefit plans to offer rehabilitative and habilitative therapy coverage for children, including nutritional evaluations and occupational, physical, and speech services. Health plans that provide coverage for these therapies must cover

the amount, duration, scope, and service setting established in the child's individualized family service plan.

The Early Childhood Intervention (ECI) program is a non-Medicaid program funded jointly by the state and federal governments. The program provides certain services to children up to age 3 who have disabilities or developmental delays.

**DIGEST:** HB 1635 would expand the list of rehabilitative and habilitative therapies for children that certain health benefit plans would be required to cover. The list would include:

- specialized skills training by a certified early intervention specialist;
- applied behavior analysis treatment by a licensed behavior analyst or psychologist; and
- case management provided by a licensed practitioner of the healing arts or a certified early intervention specialist.

**Applicability.** The bill would expand the list of health plans required to cover rehabilitative and habilitative therapies to include:

- a consumer choice of benefits plan;
- a basic plan under the Texas Public School Retired Employees Group Benefits Act; and
- a primary care coverage plan under the Texas School Employees Uniform Group Health Coverage Act.

**Exceptions.** HB 1635 would not apply to a qualified health plan, as defined by the federal Affordable Care Act, to the extent a determination was made that:

- the bill would require the plan to offer benefits in addition to the federal essential health benefit requirements; and
- the state would be required to defray the cost of the bill's mandated benefits.

**Coverage.** The bill would authorize the required coverage for specialized skills training to have an annual limit of \$9,000, including case management costs, for each child. A health benefit plan could not apply the annual limit to other required rehabilitative and habilitative therapy coverage. The limit also could not be applied to coverage required by any other law, including coverage for autism spectrum disorder and the state Medicaid program.

The bill would establish that a health plan prior authorization requirement would be satisfied if the service was specified in a child's individualized family service plan.

**Other provisions.** Subject to the federal Individuals with Disabilities Education Act (IDEA), Part C, the bill would require a child to exhaust available coverage under the bill before the child could receive benefits provided by this state for early childhood intervention services. The bill would establish that these provisions would not reduce the state or federal government's obligation under IDEA, Part C.

The bill would take effect September 1, 2019, and would apply only to a health benefit plan issued or renewed on or after January 1, 2020.

**SUPPORTERS  
SAY:**

HB 1635 would provide access to needed services for children up to age 3 who have disabilities and developmental delays by requiring health plans to cover early childhood intervention (ECI) services. In recent years, many ECI providers have withdrawn from the statewide program due to financial reimbursement issues and the inability to serve the increasing number of children eligible for ECI services. Establishing another option for children to receive these crucial services would reduce state and school costs by minimizing the need for special education services later in a child's life.

**OPPONENTS  
SAY:**

HB 1635 would create another mandate for health insurance plans by requiring them to cover certain rehabilitative services for children, which would increase health plan costs. These costs could be passed on to other

consumers through higher premiums.