

# ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 2238

# STATE OF NEW JERSEY

DATED: FEBRUARY 25, 2008

The Assembly Health and Senior Services Committee reports favorably Assembly Bill No. 2238.

This bill requires health insurers to provide health benefits coverage for expenses incurred for certain treatments when prescribed as medically necessary by the covered person's physician upon a diagnosis of autism.

This requirement applies to: health, hospital and medical service corporations; commercial individual and group health insurers; health maintenance organizations; health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs; and the State Health Benefits Program.

The bill provides that when the covered person's primary diagnosis is Autistic Disorder, Childhood Disintegrative Disorder, Asperger's Disorder, Pervasive Developmental Disorder - Not Otherwise Specified or Rhetts's Syndrome, the covered treatments would include: physical therapy; speech therapy; occupational therapy; and evidence-based behavioral interventions.

The bill takes effect on the 90th day after enactment.

#### MINORITY STATEMENT

Submitted by Assemblyman Munoz, Assemblywoman Angelini, and Assemblyman Polistina

The sponsors of this bill should be commended for their dedication to assisting individuals with autism and their families.

However, at this time, the State is facing very serious financial difficulties. The Governor has ordered his cabinet officers to recommend reductions in departmental spending and has directed the State Treasurer to work with the Legislature to identify additional savings.

This bill will have a significant monetary impact on the State. The bill requires health benefits coverage for certain therapies and applied behavioral analysis for the treatment of certain autism disorders. According to a fiscal estimate prepared by the Office of Legislative Services, this bill will cost the State Health Benefits Program \$36.7

million in FY2008 and \$40.3 million in FY2009 (including State and local costs). Additionally, according to a report issued by the Mandated Health Benefits Advisory Commission, “a certain number of people, approximately 4,200, might lose coverage solely as a result of the cost increase associated with this mandate.” It is also unclear if the therapies listed in the bill are currently covered under existing mandate statutes.

Until such time as Governor Corzine delivers his Fiscal Year 2009 State budget to the Legislature, neither the members of this committee, nor the Legislature generally, should endorse any additional spending initiatives. We are, therefore, compelled to withhold support for this particular legislation at this time.