

## **BILL ANALYSIS**

C.S.H.B. 4506  
By: Cortez  
Insurance  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Despite an increased understanding of the scientific and psychological nature of autism spectrum disorder, state law has not updated applicable definitions with respect to certain insurance requirements related to the disorder. It has been suggested that many health insurance providers would welcome an updated statutory definition of what constitutes autism spectrum disorder as well as clarity regarding the responsibilities of insurance providers in covering their clients' treatments for said disorders. C.S.H.B. 4506 seeks to update the definition of autism spectrum disorder, require a plan to provide coverage for such treatment to any enrollee who is diagnosed with the disorder from the date of diagnosis, and expressly prohibit the plan from limiting coverage for benefits for an enrollee 10 years of age or older.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 4506 amends the Insurance Code, for purposes of statutory provisions regarding group health benefit plan coverage for certain serious mental illnesses and other disorders, to update the definition of "autism spectrum disorder" to mean, as follows:

- a neurobiological disorder or developmental disability that significantly affects verbal communication, nonverbal communication, and social interaction and that meets the diagnostic criteria for autism spectrum disorder specified by the Diagnostic and Statistical Manual of Mental Disorders, 5th edition, or a later edition; or
- a diagnosis made, using a previous edition of that manual, of autism, Asperger's syndrome, or Pervasive Developmental Disorder—Not Otherwise Specified.

The bill removes the current definition providing that "autism spectrum disorder" is a neurological disorder that includes autism, Asperger's syndrome, or Pervasive Developmental Disorder—Not Otherwise Specified.

C.S.H.B. 4506, in revising the requirement under current law that requires coverage for certain health benefit plan enrollees for all generally recognized services prescribed in relation to autism spectrum disorder by the enrollee's primary care physician in the treatment plan recommended by that physician, does the following:

- removes the provision limiting coverage to an enrollee whose diagnosis of the disorder was in place prior to the child's 10th birthday, thereby requiring such a plan instead to

provide coverage for such treatment to any enrollee who is diagnosed with the disorder from the date of diagnosis;

- removes a provision that established that a health benefit plan is not required to provide such coverage for benefits for an enrollee 10 years of age or older for applied behavior analysis in an amount that exceeds \$36,000 and instead expressly prohibits the plan from limiting coverage for benefits for an enrollee 10 years of age or older.

C.S.H.B. 4506 applies only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2024.

### **EFFECTIVE DATE**

September 1, 2023.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 4506 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both the substitute and the introduced remove a provision from current law that established that a health benefit plan is not required to provide the coverage for benefits for an enrollee 10 years of age or older for applied behavior analysis in an amount that exceeds \$36,000. However, they replace that provision with two prohibitions of a different nature, applicable to the coverage, as follows:

- the substitute expressly prohibits the plan from limiting coverage for benefits for an enrollee 10 years of age or older, which the introduced did not; and
- the introduced expressly prohibited an enrollee from being evaluated for the disorder more than once every 10 years, which the substitute does not.