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## FISCAL IMPACT REPORT

**SPONSOR** Thomson/Bash/ **ORIGINAL DATE** 2/7/19  
Figueroa **LAST UPDATED** \_\_\_\_\_ **HB** 322

**SHORT TITLE** Autism Spectrum Disorder Coverage **SB** \_\_\_\_\_

**ANALYST** Esquibel

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$385.2	\$385.2	\$770.4	Recurring	General Fund
		\$1,540.8	\$1,540.8	\$3,081.6	Recurring	Federal Medicaid matching funds
<b>Total</b>		\$1,926.0	\$1,926.0	\$3,852.0	Recurring	General Fund/Fed Funds

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Albuquerque Public Schools (APS)  
 Children, Youth and Families Department (CYFD)  
 Department of Health (DOH)  
 NM Public School Insurance Authority (NMPSIA)  
 Office of Superintendent of Insurance (OSI)  
 Human Services Department (HSD)

### SUMMARY

#### Synopsis of Bill

House Bill 322 proposes removing age restrictions and dollar limitations on health insurance coverage associated with the treatment of autism spectrum disorder. Under the provisions of the bill, treatment of autism spectrum disorder would no longer be limited to children and teenagers under the age of 19, and the coverage changes would apply to public employees, commercial insurance, and Medicaid. The bill would also add language to ensure the diagnostic criteria for autism spectrum disorder meets definitions found in the appropriate medical compendia.

## FISCAL IMPLICATIONS

HB322 would impact the Medicaid budget since the bill would require the extension of autism spectrum disorder (ASD) services to all full-benefit Medicaid recipients. The Centers for Disease Control estimate the prevalence of ASD in the general population is 1 percent, with an increasing rate of diagnosis every year. HSD estimates that approximately 1 percent of the Medicaid-enrolled adult population, or 3,210 adult Medicaid recipients, could utilize ASD treatment. While the average cost per child for ASD services in 2016 was approximately \$15,000, HSD expects the cost of treating an adult would be more episodic and less costly, or approximately \$6,000 per qualifying adult recipient or \$1,926,000 in total funds annually, with federal matching funds covering approximately 80 percent of the cost. HSD notes the potential number of individuals who could be eligible for ASD services could grow resulting in additional fiscal impacts for the Medicaid program.

NMPSIA estimates the fiscal impact of the bill could potentially range from \$1.6 million to \$3.4 million annually assuming NMPSIA would remove its existing limit on the number of service visits. While the bill does not explicitly reference removal of visit limits, it could be interpreted as such and failure to remove existing limits could result in legal exposure. If NMPSIA were to retain the existing visit limits, the potential fiscal impact would be significantly reduced from \$60,000 to \$125,000 annually since the only change would be to remove age limits.

APS indicates currently, coverage is mandated for treatment of autistic spectrum disorder for covered APS members up to the age of 19; or 22 if they are still in high school. The coverage liability is also capped at \$36,000 annually and \$200,000 lifetime. The removal of these restrictions necessarily increases the liability to the APS district. However, the profile of APS-covered individuals impacted by HB322 is such that the additional costs would most likely not be actuarially material and would not require rate increases.

## SIGNIFICANT ISSUES

OSI reports current age restrictions on autism benefits violates the Affordable Care Act's non-discrimination provision and are currently unenforceable. This legislation would bring New Mexico law into compliance with current federal law.

CYFD notes coverage is excluded for specialized education and related services authorized by the federal Individuals with Disabilities Education Improvement Act and administered by state and local school boards.

## OTHER SUBSTANTIVE ISSUES

DOH reports that according to the Centers for Disease Control (CDC), the national prevalence of Autism Spectrum Disorder (ASD) is 1 in 59 children, an increase from 1 in 150 in 2000, and occurs equally in all racial, ethnic, and socioeconomic groups (<https://www.cdc.gov/ncbddd/autism/data.html>). If the CDC prevalence is applied to the population of New Mexico, this could result in 28,900 individuals of all ages with ASD.

In terms of workforce capacity to provide Applied Behavioral Analysis (ABA) services to adults with ASD, the previous HM51/SM79 ASD taskforce stated that "opening the ABA benefit to

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adults would require some workforce training given that most BCBAs [Board Certified Behavior Analysts] work with children and youth and that many of the adults who might receive services were those with challenging behaviors.”

HB322 would extend services that children receive through Medicaid-funded Early and Periodic Screening, Diagnostic and Treatment (EPSDT) to adults. Currently in Medicaid, adults only receive rehabilitative therapies after an injury or illness rather than habilitative.

HB322 does not address whether adults with ASD who are served through the state’s Developmental Disabilities Waiver would be able to receive the expanded benefit.

RAE/gb