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Senate Bill 1158 (as introduced 12-4-14)
Sponsor: Senator Roger Kahn, M.D.
Committee: Appropriations

CONTENT

The bill would amend the Autism Coverage Reimbursement Act to remove language that, effective January 1, 2014, excludes paid claims covered by essential health benefits from being paid or reimbursed from the Autism Coverage Fund.

MCL 550.1833

BACKGROUND

The Autism Coverage Reimbursement Act, which provides for the Autism Coverage Fund, was established by Public Act 101 of 2012 in order to assist health insurance carriers with offsetting the costs of offering autism benefits for the diagnosis and treatment of autism spectrum disorders. For FY 2012-13, \$15.0 million was appropriated to the Department of Insurance and Financial Services for the Autism Coverage Fund. This amount dropped in FY 2013-14 to a total appropriation of \$11.0 million. Money remaining in the Fund at the end of the fiscal year does not lapse, but carries forward into the next fiscal year.

As of September 30, 2014, the balance in the Fund was approximately \$22.0 million. The true balance of the Fund may be slightly less than that amount because some of the payments of claims for reimbursement received in September 2014 onward are still being processed. Additionally, if House Bill 5742 is enacted, up to \$5.5 million of Autism Coverage Fund money may be used to support university autism programs and autism family assistance services.

FISCAL IMPACT

The bill would have no fiscal impact on State or local government as it would allow for the continued disbursement of State restricted Autism Coverage Fund revenue as required under the Autism Coverage Reimbursement Act. As currently written, the statute prevents the Department of Insurance and Financial Services from reimbursing claims made to the Autism Coverage Fund after January 1, 2014, due to the State's inclusion of autism services as an habilitative service in the Essential Health Benefits under the Affordable Care Act. If Senate Bill 1158 is not enacted, separate legislation will be needed if the money available in the Fund is to be used.

Between January and September of 2014, \$2.1 million in claims have been paid from the Fund, none of which were allowable under current law. If this bill is not enacted, the State could be exposed to potential lawsuits resulting in fines and associated trial costs.

Date Completed: 12-11-14

Fiscal Analyst: Ellyn Ackerman

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