

HOUSE BILL NO. 4740

July 15, 2025, Introduced by Reps. Snyder, McFall, Brixie, Wilson, Miller, Xiong, Foreman, Breen and Hoskins and referred to Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 3406s (MCL 500.3406s), as amended by 2016 PA
276.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3406s. (1) Except as otherwise provided in this section,
2 an insurer that delivers, issues for delivery, or renews in this
3 state a health insurance policy shall provide coverage for the
4 diagnosis of autism spectrum disorders and treatment of autism
5 spectrum disorders. An insurer shall not do any of the following:

1 (a) Terminate coverage or refuse to deliver, execute, issue,
2 amend, adjust, or renew coverage solely because an individual is
3 diagnosed with, or has received treatment for, an autism spectrum
4 disorder.

5 (b) Limit the number of visits an insured or enrollee may use
6 for treatment of autism spectrum disorders covered under this
7 section.

8 (c) Deny or limit coverage under this section on the basis
9 that treatment is educational or habilitative in nature.

10 (d) ~~Except as otherwise provided in this subdivision, subject~~
11 **Subject** coverage under this section to dollar limits, copays,
12 deductibles, or coinsurance provisions that do not apply to
13 physical illness generally. ~~An insurer may limit coverage under~~
14 ~~this section for treatment of autism spectrum disorders to an~~
15 ~~insured or enrollee through 18 years of age and may subject the~~
16 ~~coverage to a maximum annual benefit as follows:~~

17 ~~(i) For a covered insured or enrollee through 6 years of age,~~
18 ~~\$50,000.00.~~

19 ~~(ii) For a covered insured or enrollee from 7 years of age~~
20 ~~through 12 years of age, \$40,000.00.~~

21 ~~(iii) For a covered insured or enrollee from 13 years of age~~
22 ~~through 18 years of age, \$30,000.00.~~

23 (2) This section does not limit benefits that are otherwise
24 available to an insured or enrollee under a policy, contract, or
25 certificate. An insurer shall utilize evidence-based care and
26 managed care cost-containment practices pursuant to the insurer's
27 procedures if the care and practices are consistent with this
28 section. An insurer may subject coverage under this section to
29 other general exclusions and limitations of the policy, contract,

1 or certificate, including, but not limited to, coordination of
2 benefits, affiliated provider requirements, restrictions on
3 services provided by family or household members, utilization
4 review of health care services including review of medical
5 necessity, case management, and other managed care provisions.

6 (3) If an insured or enrollee is receiving treatment for an
7 autism spectrum disorder, an insurer may, as a condition to
8 providing the coverage under this section, do all of the following:

9 (a) Require a review of the treatment consistent with current
10 protocols and may require a treatment plan. If requested by the
11 insurer, the cost of treatment review must be borne by the insurer.

12 (b) Request the results of the autism diagnostic observation
13 schedule that has been used in the diagnosis of an autism spectrum
14 disorder for the insured or enrollee.

15 (c) Request that the autism diagnostic observation schedule be
16 performed on the insured or enrollee not more frequently than once
17 every 3 years.

18 (d) Request that an annual development evaluation be conducted
19 and the results of the annual development evaluation be submitted
20 to the insurer.

21 (4) A qualified health plan offered through an American health
22 benefit exchange established in this state pursuant to the federal
23 act is not required to provide coverage under this section to the
24 extent that it exceeds coverage that is included in the essential
25 health benefits as required pursuant to the federal act. As used in
26 this subsection, "federal act" means the patient protection and
27 affordable care act, Public Law 111-148, as amended by the health
28 care and education reconciliation act of 2010, Public Law 111-152,
29 and any regulations promulgated under those acts.

1 (5) This section does not apply to a short-term or 1-time
2 limited duration policy or certificate of no longer than 6 months
3 as described in section 2213b.

4 (6) This section does not require the coverage of prescription
5 drugs and related services unless the insured or enrollee is
6 covered by a prescription drug plan. This section does not require
7 an insurer to provide coverage for autism spectrum disorders to an
8 insured or enrollee under more than 1 of its health insurance
9 policies. If an insured or enrollee has more than 1 health
10 insurance policy that covers autism spectrum disorders, the
11 benefits provided are subject to the limits of this section when
12 coordinating benefits.

13 (7) As used in this section:

14 (a) "Applied behavior analysis" means the design,
15 implementation, and evaluation of environmental modifications,
16 using behavioral stimuli and consequences, to produce significant
17 improvement in human behavior, including the use of direct
18 observation, measurement, and functional analysis of the
19 relationship between environment and behavior.

20 (b) "Autism diagnostic observation schedule" means the
21 protocol available through Western Psychological Services for
22 diagnosing and assessing autism spectrum disorders or any other
23 standardized diagnostic measure for autism spectrum disorders that
24 is approved by the director, if the director determines that the
25 diagnostic measure is recognized by the health care industry and is
26 an evidence-based diagnostic tool.

27 (c) "Autism spectrum disorders" means any of the following
28 pervasive developmental disorders as defined by the Diagnostic and
29 Statistical Manual:

1 (i) Autistic disorder.

2 (ii) Asperger's disorder.

3 (iii) Pervasive developmental disorder not otherwise specified.

4 (d) "Behavioral health treatment" means evidence-based
5 counseling and treatment programs, including applied behavior
6 analysis, that meet both of the following requirements:

7 (i) Are necessary to develop, maintain, or restore, to the
8 maximum extent practicable, the functioning of an individual.

9 (ii) Are provided or supervised by a board certified behavior
10 analyst or a licensed psychologist if the services performed are
11 commensurate with the psychologist's formal university training and
12 supervised experience.

13 (e) "Diagnosis of autism spectrum disorders" means
14 assessments, evaluations, or tests, including the autism diagnostic
15 observation schedule, performed by a licensed physician or a
16 licensed psychologist to diagnose whether an individual has 1 of
17 the autism spectrum disorders.

18 (f) "Diagnostic and Statistical Manual" means the Diagnostic
19 and Statistical Manual of Mental Disorders published by the
20 American Psychiatric Association or another manual that contains
21 common language and standard criteria for the classification of
22 mental disorders and that is approved by the director, if the
23 director determines that the manual is recognized by the health
24 care industry and the classification of mental disorders is at
25 least as comprehensive as the manual published by the American
26 Psychiatric Association on April 18, 2012.

27 (g) "Pharmacy care" means medications prescribed by a licensed
28 physician and related services performed by a licensed pharmacist
29 and any health-related services considered medically necessary to

1 determine the need or effectiveness of the medications.

2 (h) "Psychiatric care" means evidence-based direct or
3 consultative services provided by a psychiatrist licensed in the
4 state in which the psychiatrist practices.

5 (i) "Psychological care" means evidence-based direct or
6 consultative services provided by a psychologist licensed in the
7 state in which the psychologist practices.

8 (j) "Therapeutic care" means evidence-based services provided
9 by a licensed or certified speech therapist, occupational
10 therapist, physical therapist, or social worker.

11 (k) "Treatment of autism spectrum disorders" means evidence-
12 based treatment that includes the following care prescribed or
13 ordered for an individual diagnosed with 1 of the autism spectrum
14 disorders by a licensed physician or a licensed psychologist who
15 determines the care to be medically necessary:

16 (i) Behavioral health treatment.

17 (ii) Pharmacy care.

18 (iii) Psychiatric care.

19 (iv) Psychological care.

20 (v) Therapeutic care.

21 (l) "Treatment plan" means a written, comprehensive, and
22 individualized intervention plan that incorporates specific
23 treatment goals and objectives and that is developed by a board
24 certified or licensed provider who has the appropriate credentials
25 and who is operating within ~~his or her~~ **the provider's** scope of
26 practice, when the treatment of an autism spectrum disorder is
27 first prescribed or ordered by a licensed physician or licensed
28 psychologist as described in subdivision (k).