

March 12, 2014

The Honorable Richard Carlson, Chairperson  
House Committee on Taxation  
Statehouse, Room 185-N  
Topeka, Kansas 66612

Dear Representative Carlson:

SUBJECT: Fiscal Note for HB 2704 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2704 is respectfully submitted to your committee.

HB 2704 would require large employer non grandfathered group health plans to add coverage for the treatment of autism disorder for children under the age of eleven. The bill has an expansive definition of what autism would mean for purposes of coverage. In addition it expands the definition of eligible providers to include Line Therapists and licensed Assistant Behavioral Analysts. Coverage for Applied Behavioral Analysis (ABA) therapy is limited from birth to age nine and to 520 hours per calendar year. No coverage would be required for inpatient services. All other covered services for autism care must be treated in the same manner as other medical services covered under the plan.

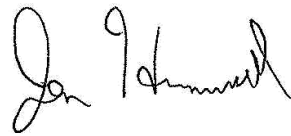
HB 2704 would also require the Behavioral Sciences Regulatory Board to license ABA providers. The bill would require that no person shall practice ABA in Kansas unless they are a licensed Behavior Analyst, a licensed Assistant Behavior Analyst working under the supervision of a licensed Behavior Analyst, an individual who has a bachelor's or graduate degree and completed course work for licensure as a Behavior Analyst and is obtaining supervised field experience under a licensed Behavior Analyst pursuant to required supervised work experience for licensure, or a licensed psychologist practicing within the rules and standards of practice for psychologists in the state of Kansas and whose practice is commensurate with their level of training and experience. The Behavioral Sciences Regulatory Board would also be required to promulgate rules and regulations necessary to implement and administer the act.

The Department of Health and Environment indicates that HB 2704 would expand the coverage provided for autism spectrum disorder currently offered in the State Employee Health Plan (SEHP) by removing current annual dollar limit on services and potentially increasing the plan expenditures for these services. Depending on the utilization that results from removing the

annual benefit cap, it could have an effect on the state's and other covered public employers costs for covering employees under the plan.

The Behavioral Sciences Regulatory Board (BSRB) states that the fiscal effect of HB 2704 would depend upon the actual number of licensees who would be required to submit applications for licensure. If the number of licensees is relatively small, the agency could process the applications utilizing existing resources. However, if the number of applications is much larger than a hundred, an additional credentialing specialist position would be required. The agency estimates annual salary expenditures of \$49,500 and a one-time expenditure of \$1,500 for a computer. The BSRB would charge license application fees and renewal fees in order to cover the additional expenditures. Any fiscal effect associated with HB 2704 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Hummell". The signature is written in a cursive style with a large initial "J".

Jon Hummell,  
Interim Director of the Budget

cc: Zac Anshutz, Insurance  
Max Foster, Behavioral Sciences  
Aaron Dunkel, Health & Environment