

Autism: Issues of Coverage and Delivery of Care

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General Coverage Obligations

Health plan obligations to provide coverage for health care services arise in two ways

1. **Statutory:** The health care services are required to be covered by the Knox-Keene Act
 - a. Basic health care services (Health and Safety Code sections 1345(b) and 1367(i); 28 CCR 1300.67)
 - b. Specifically mandated coverage for other health care services may be found elsewhere in the Knox-Keene Act
2. **Contractual:** The terms of the subscriber agreement and EOC provisions
 - a. Definitions (e.g., “services;” “experimental or investigational;” “covered benefits;” “medically necessary;” “custodial care”)
 - b. Limitations and exclusions

Mental Health Parity AB 88 (1999, Thomson)

“This bill would require a health care service plan contract or disability insurance policy issued, amended, or renewed on or after July 1, 2000, to provide coverage for the diagnosis and medically necessary treatment of severe mental illnesses, as defined, of a person of any age, and of serious emotional disturbances of a child, under the same terms and conditions applied to other medical conditions. This bill would allow a health care service plan or disability insurer to provide the required mental health coverage through a separate specialized health care service plan or mental health plan subject to certain conditions, as specified.”

Statute and Regulation

Statute:

Health and Safety Code section 1374.72(a): requires health plans to “provide coverage for the diagnosis and medically necessary treatment” of pervasive developmental disorder or autism “under the same terms and conditions applied to other medical conditions”

Regulation:

Title 28, CCR section 1300.74.72: (a) The mental health services required for the diagnosis, and treatment of conditions set forth in Health and Safety Code section 1374.72 shall include, when medically necessary, all health care services required under the Act including, but not limited to, basic health care services within the meaning of Health and Safety Code sections 1345(b) and 1367(i), and section 1300.67 of Title 28.

Comparable Obligations under AB 88

The same obligations exist for both mental health care services and medical services:

- Coverage of health care services
- Adequacy of network
- Payment of emergency services
- Prior authorization
- Utilization review
- Medical necessity
- Grievances, including IMR, where appropriate

Conclusion

Question that must be answered for every request for services:

- **Is the requested service mandated by either the Act or the contract?**
- **If no, then the health plan is not obligated to pay for the service.**
- **If yes, then health plan must pay for those services that are medically necessary.**