

# Legislative Analysis



## AUTISM COVERAGE FUND: EXPAND USE

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**House Bill 5742 (Substitute H-2 as reported)**

**Sponsor: Rep. Margaret O'Brien**

**Committee: Appropriations**

**Complete to 9-17-14**

## A SUMMARY OF HOUSE BILL 5742 AS REPORTED FROM COMMITTEE 9-17-14

House Bill 5742 (H-2) adds a new section to the Autism Coverage Reimbursement Act of 2012, under which the Autism Coverage Fund is established. Under the bill, for fiscal year 2014-15 only, up to \$5.5 million from the Fund may be appropriated and expended for university autism programs and autism family assistance services. Appropriations for those purposes have been made in Section 1902 of the Department of Community Health (DCH) budget for FY 2014-15, Article IV, Act 252 of 2014. The bill includes a statement of legislative intent that the amount expended from the Fund under this section be appropriated in FY 2015-16 to reimburse the Fund.

## FISCAL IMPACT

HB 5742 allows for up to \$5.5 million of state restricted Autism Coverage Fund revenue to be used, in FY 2014-15 only, to support university autism programs and autism family assistance services. The Fund has sufficient balance available to support this funding in addition to other uses of the Fund under current law, as described in the Background Information section. If the bill is not enacted, \$5.5 million of the \$9.0 million of appropriations in the enacted DCH budget for these purposes will not be allowable. The appropriations were made from the Fund pursuant to the May 2014 budget Leadership Target Agreement, supporting grants to Central Michigan, Oakland, and Western Michigan (in part) universities, and the Autism Alliance.

University autism programs have received funding since FY 2011-12, at increasing amounts, to support development of education and treatment programs for persons with autism, and development of education programs to build the workforce of health care professionals trained to assess, diagnose and provide treatment services for persons with autism spectrum disorders. Autism family assistance services is a new appropriation in FY 2014-15. Previous appropriations for university autism programs are \$500,000 each in FY 2011-12 and FY 2012-13, and \$2,500,000 in FY 2013-14. These programs are funded in the FY 2014-15 DCH budget as shown in the following table:

<b>Appropriation Line Item</b>	<b>Amount</b>	<b>Sources of Funds</b>	<b>Recipients</b>
Behavioral Health Administration	\$500,000	GF/GP	Eastern Michigan University
University Autism Programs	\$7,000,000	\$3,000,000 GF/GP \$4,000,000 ACF (All one-time)	Eastern Michigan Univ. \$1,000,000 Central Michigan Univ. \$500,000 Oakland Univ. \$500,000 Western Michigan Univ. \$4,000,000 Michigan State Univ. \$1,000,000
Autism Family Assistance Services	\$1,500,000	ACF (One-time)	Autism Alliance of Michigan
<b>Total</b>	<b>\$9,000,000</b>		

## BACKGROUND INFORMATION:

Total appropriations for the Autism Coverage Fund were \$15.0 million GF/GP in FY 2012-13 and \$11.0 million GF/GP in FY 2013-14 in the Department of Insurance and Financial Services (DIFS) budget. Money within the Fund does not lapse and thus the previous fiscal year's balance carries-forward into the subsequent fiscal year. Since it became operational in October 2012, the Autism Coverage Reimbursement Program (ACRP) has approved approximately 19,700 claims related to the diagnosis or treatment of Autism Spectrum Disorder, totaling approximately \$2.6 million in reimbursements to private health insurance carriers. The substantial portion of the expenditures have occurred in FY 2013-14 (see following table). As of September 10, 2014, the balance within the Fund was approximately \$24.3 million, acknowledging that some of the payments of claims for reimbursement received in September 2014 are still being processed.

ACRP Statistics by Month			
Month	\$ Paid	# Claims	\$/Claim
12-Dec	\$244	2	\$122
13-Jan	\$6,981	57	\$122
13-Feb	\$4,324	52	\$83
13-Mar	\$2,172	59	\$37
13-Apr	\$0	0	--
13-May	\$0	0	--
13-Jun	\$1,091	29	\$38
13-Jul	\$0	0	--
13-Aug	\$394	5	\$79
13-Sep	\$86,851	710	\$122
<b>FY 13 Total</b>	<b>\$102,057</b>	<b>914</b>	<b>\$112</b>
13-Oct	\$0	0	--
13-Nov	\$396,269	2,752	\$144
13-Dec	\$3,265	18	\$181
14-Jan	\$5,535	55	\$101
14-Feb	\$0	0	--
14-Mar	\$438,071	3,046	\$144
14-Apr	\$153,684	1,396	\$110
14-May	\$471,571	3,318	\$142
14-Jun	\$24,106	214	\$113
14-Jul	\$56,599	346	\$164
14-Aug	\$0	0	--
14-Sep MTD	\$980,716	7,648	\$128
<b>FY 14 YTD</b>	<b>\$2,529,816</b>	<b>18,793</b>	<b>\$135</b>
<b>GRAND TOTAL</b>	<b>\$2,631,873</b>	<b>19,707</b>	<b>\$134</b>

SOURCE: Office of Financial and Administrative Services, DIFS, 09/10/14

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