

BILL ANALYSIS

H.B. 1635
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Insurance
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Early Childhood Intervention (ECI) program provides services to children under age three with disabilities or developmental delays. These early interventions are key to increasing a child's ability to reach developmental milestones, which reduces the tax burden on the state and school systems later in life. This important program for Texas families faces significant funding pressures. Unlike other states, Texas does not require private insurance companies to cover most ECI services. Consequently, Texas disproportionately relies on state general revenue and local funds to cover costs of services for Texas children, including those with private insurance. This has reportedly contributed to a number of ECI contractors giving up their contracts with the state due to the financial hardship funding issues place on providers. To meet the growing demand for services and to maximize non-state sources of revenue for the ECI program, H.B. 1635 requires certain private insurance to cover certain ECI services, including speech therapy, specialized skills training, and other forms of therapy under certain conditions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1635 amends the Insurance Code to require a health benefit plan issuer to provide coverage that complies with statutory provisions relating to health benefit plan coverage for children with developmental delays. The bill includes as rehabilitative and habilitative therapies for purposes of those statutory provisions specialized skills training by a person certified as an early intervention specialist, applied behavior analysis treatment by a licensed behavior analyst or licensed psychologist, and case management provided by a licensed practitioner of the healing arts or a person certified as an early intervention specialist among such therapies.

H.B. 1635 extends the applicability of those statutory provisions to a standard health benefit plan provided under statutory provisions relating to standard consumer choice of benefits health benefit plans, a basic plan under the Texas Public School Retired Employees Group Benefits Act, and a primary care coverage plan under the Texas School Employees Uniform Group Health Coverage Act. The bill excepts a qualified health plan from application of those statutory provisions to the extent that a determination is made under federal law that the provisions require the plan to offer benefits in addition to the essential health benefits required under the federal Patient Protection and Affordable Care Act and that the state is required to defray the cost of the benefits mandated.

H.B. 1635 establishes that coverage for children with developmental delays for specialized skills training may be subject to an annual limit of \$9,000, including case management costs, for each child. The bill prohibits a health benefit plan from applying the limit to coverage for other rehabilitative and habilitative therapies provided in accordance with an applicable individualized family service plan or coverage required by any other law. The bill establishes that a health benefit plan prior authorization requirement, or another requirement that a service be authorized, otherwise applicable to a covered rehabilitative or habilitative therapy service is satisfied if the service is specified in a child's individualized family service plan. The bill requires a child, in accordance with Part C of the federal Individuals with Disabilities Education Act (IDEA), to exhaust available coverage under statutory provisions relating to the coverage of certain therapies before the child may receive benefits provided by the state for early childhood intervention services. The bill establishes that those provisions do not reduce the obligation of the state or the federal government under Part C of IDEA. The bill's provisions apply only to a health benefit plan delivered, issued for delivery, or renewed on or after January 1, 2020.

EFFECTIVE DATE

September 1, 2019.