

PMPM Cost of HB1658

The estimate of the PMPM increase of HB1658 (with the amendment that only children ages 0-18 would be covered) would be between \$.51 and \$1.14.

How was the per month per member cost and increase determined?

Total number of children with developmental disabilities (including autism spectrum disorders) who have private medical insurance¹: 28,068

MODDC estimated that 33% of adults and children with a developmental disability have an ASD diagnosis. MO Department of Mental Health estimates 50% of children 0-18yrs with a developmental disability have an ASD diagnosis.

Based on the estimate that 33% of children with DD have ASDs	Based on the estimate that 50% of children with DD have ASDs
Number of these children with autism spectrum disorders (ASD) ² : 9356	Number of these children with autism spectrum disorders (ASD) ² : 14,034
Number of these children with developmental disabilities not including ASDs: 18,712	Number of these children with developmental disabilities not including ASDs: 14,034
PMPM cost to cover therapies related to ASDs ³ : \$.79	PMPM cost to cover therapies related to ASDs ³ : \$.79
PMPM cost for DD/not ASDs ⁴ : \$1.58	PMPM cost for DD/not ASDs ⁴ : \$.79
Breakdown of coverage by therapy ⁵	Breakdown of coverage by therapy ⁵
ASD: \$.42 for ABA therapy (53%) \$.37 for other therapies (47%)	ASD: \$.42 for ABA therapy (53%) \$.37 for other therapies (47%)
DD/not autism: \$.84 for ABA therapy (53%) \$.74 for other therapies (47%)	DD/not autism: \$.42 for ABA therapy (53%) \$.37 for other therapies (47%)
Costs already being covered by insurance ⁶ Speech therapy: \$.37 OT/PT: \$.07	Costs already being covered by insurance ⁶ Speech therapy: \$.19 OT/PT: \$.09
Total PMPM increase is \$1.14.	Total PMPM increase is \$.51.

Note: These costs do NOT take into account that ABA therapy is mostly associated with children who have ASDs, and not as commonly used by children without ASDs. (The Thompson Center saw 28 kids for ABA in January 2018. Only one of these children did not have an ASD.) The PMPMs above reflect that all children with developmental disabilities would use the same amount of ABA therapy. Taking this into account would lower the PMPM significantly more.

Explanation of Sources

It is important to note that the DIFP's 2018 Autism Report shows that 3,769 children with an ASD had insurance claims for autism related services. Based on this, only between 27%-40% of Missouri's children with ASDs had claims submitted for ASD services. The numbers were compiled proportionately, instead of using a basic equation (the total number of people multiplied by the cost of the services and divided by the total number of insurance policies). This reflects the discrepancy between the total number of children with DD who have insurance and the total number of children with DD with insurance who may actually file DD-based service claims.

1- Missouri Developmental Disabilities Council Comprehensive Review and Analysis: 5 Year State Plan (2017-2021)

2- The exact number of individuals with autism in the state of Missouri is not available. MODDC states 33% of adults and children with a developmental disability have an ASD. The Missouri Department of Mental Health states that about 50% of the individuals in their system with developmental disabilities under the age of 18 have an ASD. The coordinator of the Office of Autism Services with DMH explained the percentage is higher when dealing with children.

3-The PMPM cost is from the DIFP 2018 Autism Report.

4-To figure the PMPM cost of HB1658, the proportion of the number of children with ASDs to the number of children with DD/not including ASDs was used to create a similar proportion in regards to the cost.

$$$.79 \text{ (pmpm cost)} / \$1.58 \text{ (pmpm cost)} = 9356 \text{ (children w/ ASDs)} / 18,712 \text{ (children w/ DD/not ASDs)}$$

5-According to the DIFP 2018 Autism Report, approximately 53% of therapy claims for children with ASDs in 2017 were for ABA therapy; 47% were for other therapies. ABA is more expensive, as it requires many more hours a week. It is not as commonly used as a treatment for children with developmental disabilities/not ASDs, as it is for children with ASDs.

6-The ACA requires habilitative services as an essential health benefit, so a portion of the PMPM in the "other therapies" category is already reflected in insurance premiums. The Missouri Benchmark Plan requires coverage for speech therapies and 20 physical or occupational therapy sessions. According to various therapists, it is common for speech therapy to be used twice as often as physical and occupational therapies. For example, a child would get speech therapy twice a week, but PT and OT once a week. This was used to determine what cost of these therapies is already being covered by insurance. Roughly 50% of the "other therapies" amount is speech therapy, which is covered. The OT/PT cost is based on 100 sessions for the year, with 20 (20%) of them being covered. While it is a rough estimate, it demonstrates the impact that the Missouri Benchmark Plan already has on the PMPM in regards to habilitative therapies.

