

New Law to Provide Speech Therapy and Other Services in NJ

Hilda Pressman, MA, CCC SLP BRS-S

On August 13th 2009, Governor Corzine signed into law, a bill (A2238/S1651) requiring insurance companies to cover the screening, evaluation and therapeutic treatment for all individuals who are diagnosed with autism and other developmental disabilities. The bill was sponsored by Assembly Speaker Joseph Roberts, who sees this initiative as one of the legacies of his 22-year career in the legislature. Senator Joseph Vitale was the sponsor in the upper house.

The law which takes effect in February, 2010, will apply to insurance companies regulated by the state, such as Horizon Blue Cross/Blue Shield of New Jersey (the largest insurer in the state) and state and local government plans. Large companies that self-insure or federally-regulated plans are not required to provide the coverage. Under the new law, the insurance companies must cover “expenses incurred for medically necessary occupational, physical and speech therapy as prescribed through a treatment plan” for individuals with autism or other developmental disabilities. Behavioral treatment, such as Applied Behavioral Analysis (ABA) is covered but only for children with autism. ABA will be capped at \$36,000 per year. This will be reviewed in 2011 and will rise annually based on the consumer price index.

Specific wording in this bill also states that “coverage of these therapies shall not be denied on the basis that the treatment is not restorative”. This will make insurance benefits for these therapies accessible to young children who have previously been routinely denied coverage for their treatment. These decisions were based upon the treatment being deemed to be “developmental” or “educational” and not restorative. The law specifically excludes a requirement to provide reimbursement for services provided under an IFSP (Early Intervention) or IEP (school-based) plan. However, parents may submit insurance claims for reimbursement of their cost share portion of covered therapies.

Providers will be responsible for submitting a proposed treatment plan to include: diagnosis, frequency and duration of treatment, therapeutic goals and outcomes. This will be submitted at the initiation of treatment and “once every six months” substantially helping families and clinicians who have previously been asked to submit updated information after as few as 8 sessions. When this occurs, interruption in services often results, until authorization is again given.

Members of the Healthcare Committee of the New Jersey Speech-Language-Hearing Association (NJSHA) along with Lynn Nowak, Executive Vice President of Porzio Governmental Affairs, lobbyist for NJSHA, have been working on introducing a bill which would cover speech therapy services for those for whom speech therapy would not be “restorative” as well as for individuals with voice disorders and stuttering. They had fruitful meetings with legislators. The committee was made aware of the current bill, originally introduced by Autism NJ, which only specified autism. The Arc of NJ was able to add the words “and other developmental disabilities”. The words “non restorative” came from the bill that was being written by NJSHA. Lynn Nowak, on behalf of NJSHA supported the present bill in committee. The Healthcare committee is chaired by Barbara Schwerin Bohus and Kathleen Palatucci. Instrumental in working on the law were members Robynne Kratchman and Hildy Lipner. The President of NJSHA is Theresa Bartolotta.

Most people are unaware of the limits to their insurance benefits until they attempt to use them. It is often the SLP who has to inform families about the limitations of their coverage. After the insurance company meets its financial obligations as required in the contract, patients may forgo necessary treatment due to inability to support the cost of their own care. Human resource

managers and employers are similarly unaware of this issue when purchasing insurance plans for their employees. The plan summary that is given to employees usually states “speech therapy 20 sessions per calendar year” without stating the exclusions or conditions. Often exclusions and definitions of what constitutes medical necessity are unclear and denial of payment can occur for therapy already performed, leaving the patient responsible for the outstanding bill. Authorized sessions, may be doled out in small numbers by the insurer. Continuing treatment often requires frequent and multiple authorizations with documentation review of clinical progress notes by the insurance company each time. Frequent and regular interruption in treatment and the continuity of care occur while awaiting the next authorization. Resources allocated for addressing authorizations, appeals and retroactive denials result in an increase in paperwork and limitations on available patient contact time.

The Healthcare Committee of NJSHA was awarded grants by the American Speech-Language-Hearing Association (ASHA) and by NJSHA. With these funds, the Healthcare Committee of NJSHA will be doing a public awareness campaign in October, including a series of public service notices in local parent’s and children’s magazines and hopefully, on radio and TV. The information will urge employees to carefully review their policies during the annual renewal period in November and December. They should ask to see a copy of the detailed coverage information and speak with their benefits representative or Human Resources Department, about any of their concerns. Employers are often willing to discuss changes with the insurance company and find that adding expanded speech therapy benefits or making changes to allow children to be covered for speech therapy services has a minimal cost. The goal of the public awareness campaign is to provide information and education to the consumers to enable improved self advocacy and informed decision making.