



ASSOCIATION OF REGIONAL CENTER AGENCIES

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September 12, 2011

Honorable Edmund G. Brown
Governor
State Capitol, First Floor
Sacramento, CA 95814

RE: Senate Bill 946 (Steinberg) – Health care coverage: mental illness: developmental disorder and autism: public health

Dear Governor Brown:

On behalf of the Association of Regional Center Agencies (ARCA) representing California's independent nonprofit regional centers serving over 246,000 people with developmental disabilities, we are pleased to offer our strong support for Senate Bill 946 (Steinberg).

The regional centers are mandated to exist through the Lanterman Developmental Disabilities Services Act for the purposes of providing services and supports for children and adults with developmental disabilities. The primary conditions eligible for regional center services include mental retardation, epilepsy, cerebral palsy, autism and conditions similar to mental retardation. As entities primarily funded through a blend of state and federal funds with capitated budgets, regional centers are payers of last resort for services that are directly related to a person's developmental disability.

In the last decade, the regional centers have experienced the same worldwide trend of the increased rate of children being diagnosed with autism. The state's cost through the regional centers of providing treatment to children with autism has skyrocketed due not only the rising number of diagnoses, but the unique and challenging service needs of these children. Much of the treatment related to children with autism requires therapeutic routines that interface with their general health needs and developmental progression. With intensive early intervention and treatments, some autistic children will have a greater possibility of mainstreaming with their typically developing peers rather than a continued dependence on regional center services. This will provide significant cost savings to the regional centers and the state general fund.

It is important to note for purposes of service provision that regional centers are governed by statute and regulation on specifically who is eligible to receive services through the system. The term "autism" as defined in the Lanterman Act and through Title 17 regulations is not an all-encompassing term that includes all conditions or disorders on the autism spectrum.

Historically, regional centers have assumed a substantial, if not full financial responsibility for the treatment of children with autism, including but not limited to occupational therapy, physical therapy, speech and applied behavior analysis. While existing law requires the regional centers have families with health coverage through a managed care plan to access their insurance before the regional center purchases a service, not all plans will assume financial responsibility or provide services at the level of care the child may require to successfully progress.

Senate Bill 946 would require health care service plan contracts and health insurance policies to provide coverage for behavioral health, specifically pervasive developmental disorder or autism. ARCA was in strong support of Assembly Bill 171 (Beall), Senate Bill 166 (Steinberg), Senate Bill 770 (Steinberg) that sought to provide similar avenues of requiring managed care plans to provide some level of coverage for autism services. Families and employers pay increasingly higher premiums while also experiencing denial for autism services through private insurance. This leaves the publicly-funded regional center system to bear the additional financial weight of filling the service need gap. ARCA and the regional centers firmly believe the passage of SB 946 is a step in the right direction to ensure families of children with autism will receive the services they need that should not be covered only through state funds. Children who are also ineligible for regional center services but are diagnosed with a condition on the autism spectrum would also have access to some level of service and treatment they otherwise would not be receiving.

We respectfully request your support of this bill not only on the fiscal merits of the bill, but also for the health and well-being of thousands of children and adults with autism and other developmental disabilities in California. SB 946 would conservatively save the state millions of dollars through offsetting regional center funds towards funding autism health-related treatment and services, funds which could be used to support other segments of the regional center population.

In spite of growing cost pressures and budgetary constraints, ARCA and the regional centers remain dedicated to providing the highest quality level of care and services to Californians with developmental disabilities.

We urge you to sign Senate Bill 946 into law and provide a way for the costs of serving California's children with autism to be shared between the state and managed care plans.

If you have any questions or concerns regarding our position on this bill, please do not hesitate to contact our office.

Sincerely,

Original signed by

Robert J. Baldo
Executive Director

Cc: Senator Darrell Steinberg