



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

**FINANCIAL SERVICES
COMMISSION**

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GOVERNOR

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CHIEF FINANCIAL OFFICER

BILL McCOLLUM
ATTORNEY GENERAL

CHARLES BRONSON
COMMISSIONER OF
AGRICULTURE

February 15, 2010

The Honorable Charlie Crist
Governor, State of Florida
The Capitol, PL 05
400 South Monroe Street
Tallahassee, Florida 32399-0001

Re: 2010 Developmental Disabilities Compact Annual Report

Dear Governor Crist:

Pursuant to Section 624.916(6), Florida Statutes, the Office of Insurance Regulation (Office) is submitting this annual report to the Governor and the Legislature to provide information regarding the implementation of the agreement negotiated between the Developmental Disabilities Compact Workgroup (DDWC) and signatories of the Developmental Disabilities Compact (Compact). The law specifically mandates the report include the following: (a) the signatories to the agreement; (b) an analysis of the coverage provided under the agreement in comparison to the coverage required under ss. 161.627.6686 and 641.31098; and (c) an analysis of the compliance with the agreement by the signatories, including documented cases of claims denied in violation of the agreement.

Background

The Office's previous report of February 16, 2009, detailed the formation of the working groups mandated by the bill and a summary of the activities the working groups engaged in to complete their statutory responsibilities. A compact was approved on December 17, 2008.

Signatories to the agreement

Total Health Choice, Inc., an in-state HMO operating in Broward and Dade counties, was the only signatory to the compact, signing it on March 24, 2009.

...

KEVIN M. McCARTY • COMMISSIONER
200 EAST GAINES STREET • TALLAHASSEE, FLORIDA 32399-0305 • (850) 413-5914 • FAX (850) 488-3334
WEBSITE: WWW.FLOIR.COM • EMAIL: KEVIN.MCCARTY@FLOIR.COM

Affirmative Action / Equal Opportunity Employer

An analysis of the coverage provided under the agreement in comparison to the coverage required under ss. 627.6686 and 641.31098

The Compact agreement and the Steven A. Geller Autism Coverage Act (Act) are identical in applicability to types of insurance plans, eligibility requirements for individuals, covered services, specific coverage limitations, and contain a similar definition for covered disorders. The statute and the Compact require coverage to an eligible individual for well-baby and well-child screening for diagnosing the presence of autism spectrum disorder, and treatment of autism spectrum disorder through speech therapy, occupational therapy, physical therapy, and applied behavior analysis. Coverage is limited to treatment prescribed by the insured's treating physician in accordance with a treatment plan, and coverage is limited to \$36,000 annually and \$200,000 in lifetime benefits. Coverage may not be denied because the services are habilitative in nature (as opposed to rehabilitative).

In addition to autism spectrum disorder, the Compact also includes Down syndrome within the scope of coverage.

The Compact defines "medically necessary" and agrees to provide coverage only to those individuals when the developmental disability treatment has been determined to be medically necessary. Medically necessary means a covered service that will, or is reasonably expected to accomplish one or more of the following:

1. Arrive at a correct diagnosis.
2. Prevent the onset of an illness, condition, injury or disability.
3. Reduce, correct, or ameliorate the physical, mental, developmental, or behavioral affects of an illness, condition, injury or disability.
4. Assist in the achievement or maintenance of sufficient functional capacity to perform age-appropriate or developmentally appropriate daily activities.

The Act does not define medically necessary but states an insurer may not deny or refuse to issue coverage for medically necessary services.

The Compact further provides that determinations of covered services shall be made on the basis of health information provided by the individual and the individual's family, the primary care physician, consultants with appropriate specialty training, as well as other providers that may have evaluated the individual's condition. The Act limits coverage to treatment that is prescribed by the insured's treating physician in accordance with a treatment plan.

An analysis of the compliance with the agreement by the signatories, including documented cases of claims denied in violation of the agreement

Total Health Choice, Inc. has limited membership in regards to lives enrolled in Large Group. There are a total of 160 eligible individuals. A review of claims for these individuals found that

The Honorable Charlie Crist
February 15, 2010
Page 3

none of the individuals had been diagnosed with having a developmental disability at 8 years of age or younger; therefore, there were no services provided, the treatment prevalence rate is zero and there were no claims denied for services.

If you would like any further information on this issue, please do not hesitate to contact me or Deputy Commissioner Mary Beth Senkewicz at 850-413-5104 or MaryBeth.Senkewicz@flor.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin M. McCarty", written over the word "Sincerely,".

Kevin M. McCarty
Commissioner



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February 15, 2010

The Honorable Larry Cretul
Florida House of Representatives
420 Capitol
402 South Monroe Street
Tallahassee, Florida 32399

Re: 2010 Developmental Disabilities Compact Annual Report

Dear Speaker Cretul:

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Sincerely,

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Kevin M. McCarty
Commissioner



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February 15, 2010

The Honorable Jeff Atwater
Florida Senate
409 Capitol
404 South Monroe Street
Tallahassee, Florida 32399

Re: 2010 Developmental Disabilities Compact Annual Report

Dear President Atwater:

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Kevin M. McCarty
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