



Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T. McRAITH
Director

MEMORANDUM

TO: ALL COMPANIES WRITING POLICIES SUBJECT TO PUBLIC ACT 95-1005

FROM: MICHAEL T. MCRAITH *MM*

DATE: NOVEMBER 10, 2010

RE: AUTISM BENEFIT MANDATE – ANNUAL ADJUSTMENT FOR INFLATION

Public Act 95-1005 (the “Autism Mandate”) requires all individual and group health insurance policies and HMO contracts to provide coverage for the diagnosis and treatment of autism for children under 21. The law established a maximum benefit of \$36,000 per year for the mandated coverage, and required the Director to adjust the maximum benefit for inflation each year using the Medical Care Component of the United States Department of Labor Consumer Price Index for All Urban Consumers (“CPI-U”).

The annual average Medical Care Component of the CPI-U for the Midwest Census Region in 2009 increased by 3.5% compared to 2008.¹ As a result, the maximum benefit required by the Autism Mandate for 2010 increased from \$36,000 to \$37,260. The percentage change in the annual average Medical Care Component of the CPI-U for the Midwest Census Region for 2009–10 is expected to be made available by the Department of Labor on February 18, 2011. Once this percentage change is made available, the Director will calculate and publish the 2011 adjustment for the maximum benefit required by the Autism Mandate. The annual adjustment to the maximum benefit takes effect on January 1 of each year and applies to insurance policies and HMO contracts that are issued, renewed, or modified on or after January 1 of each year.

Benefits provided under the Autism Mandate are in addition to benefits required by the Illinois Serious Mental Illness Mandate (215 ILCS 5/370c). Group insurance policies and group HMO contracts that cover more than 50 employees are also subject to federal mental health parity laws, which in general prohibit annual and lifetime dollar limits, financial requirements, and treatment limitations for the treatment of mental health and substance abuse disorders that are more restrictive than those that have general application to medical and surgical benefits. Policies and contracts subject to the federal mental health parity laws must ensure that benefits provided for the diagnosis and treatment of autism comply with all applicable parity requirements, regardless of any minimum or maximum benefits or limits established by Illinois law.

Questions regarding the annual adjustments to the maximum benefit required by the Autism Mandate should be directed to Dave Grant at Dave.Grant@illinois.gov.

¹ See Table 11A of the Annual Average Indexes, 2009 (“Consumer Price Index for All Urban Consumers: Regions, by expenditure category and commodity and service group”), available at <http://www.bls.gov/cpi/cpid09av.pdf>.