



OFFICE OF THE UNDER SECRETARY OF DEFENSE  
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WASHINGTON, D.C. 20301-4000

PERSONNEL AND  
READINESS

The Honorable Adam Smith  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

MAR 16 2019

Dear Mr. Chairman:

This interim report is in response to section 716 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328), which requires an analysis and report on the Comprehensive Autism Care Demonstration (ACD) upon its completion.

The ACD was developed originally to analyze, evaluate, and compare the quality, efficiency, convenience, and cost effectiveness of those applied behavior analysis (ABA) services that do not constitute proven medical care provided under the requirements governing the TRICARE Basic Program. However, not enough information was obtained to answer these questions. Therefore, this is an interim report. A final report will be submitted after the conclusion of the ACD, currently projected in December 2023. By extending the demonstration, the Government will gain additional information about what services TRICARE beneficiaries are receiving under the ACD, and how to target services most effectively where they will have the most benefit; gather more comprehensive outcomes data; and gain greater insight and understanding of Autism Spectrum Disorder (ASD) in the TRICARE population.

The Department is committed to ensuring military dependents diagnosed with ASD have timely access to medically necessary and appropriate ABA services. Thank you for your interest in the health and well-being of our Service members, veterans, and their families. A similar letter is being sent to the Chairman of the Senate Armed Services Committee.

Sincerely,

A handwritten signature in black ink, reading "James N. Stewart", is written over a large, stylized flourish.

James N. Stewart  
Assistant Secretary of Defense for Manpower  
and Reserve Affairs, Performing the Duties  
of the Under Secretary of Defense for  
Personnel and Readiness

Enclosure:  
As stated

cc:  
The Honorable William M. "Mac" Thornberry  
Ranking Member



**OFFICE OF THE UNDER SECRETARY OF DEFENSE**

**4000 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-4000**

**PERSONNEL AND  
READINESS**

MAR 16 2019

The Honorable James M. Inhofe  
Chairman  
Committee on Armed Services  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

This interim report is in response to section 716 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328), which requires an analysis and report on the Comprehensive Autism Care Demonstration (ACD) upon its completion.

The ACD was developed originally to analyze, evaluate, and compare the quality, efficiency, convenience, and cost effectiveness of those applied behavior analysis (ABA) services that do not constitute proven medical care provided under the requirements governing the TRICARE Basic Program. However, not enough information was obtained to answer these questions. Therefore, this is an interim report. A final report will be submitted after the conclusion of the ACD, currently projected in December 2023. By extending the demonstration, the Government will gain additional information about what services TRICARE beneficiaries are receiving under the ACD, and how to target services most effectively where they will have the most benefit; gather more comprehensive outcomes data; and gain greater insight and understanding of Autism Spectrum Disorder (ASD) in the TRICARE population.

The Department remains committed to ensuring military dependents diagnosed with ASD have timely access to medically necessary and appropriate ABA services. Thank you for your interest in the health and well-being of our Service members, veterans, and their families. A similar letter is being sent to the Chairman of the House Armed Services Committee.

Sincerely,

A handwritten signature in black ink that reads "James N. Stewart". The signature is fluid and cursive, with a large initial "J" and "S".

James N. Stewart  
Assistant Secretary of Defense for Manpower  
and Reserve Affairs, Performing the Duties  
of the Under Secretary of Defense for  
Personnel and Readiness

Enclosure:  
As stated

cc:  
The Honorable Jack Reed  
Ranking Member

# Interim Report to Congress



## The Department of Defense Comprehensive Autism Care Demonstration March 2019

**ANALYSIS BY THE DEPARTMENT OF DEFENSE ON THE COMPREHENSIVE  
AUTISM CARE DEMONSTRATION – INTERIM REPORT**

**Pursuant to:** Section 716, the National Defense Authorizations Act for  
Fiscal Year 2017 (Public Law 114-328)

The estimated cost of this report or study for  
the Department of Defense (DoD) is  
approximately \$10,000 in Fiscal Years 2018 -  
2019. This includes \$0 in expenses and  
\$10,000 in DoD labor.

Generated on 2018Nov01 RefID: 7-A15D62F

# **ANALYSIS BY THE DEPARTMENT OF DEFENSE ON THE COMPREHENSIVE AUTISM CARE DEMONSTRATION – INTERIM REPORT**

## **INTRODUCTION**

This interim report is in response to section 716 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Public Law 114-328), which requires an analysis and report to the Committees on Armed Services of the Senate and the House of Representatives on the Comprehensive Autism Care Demonstration (ACD) upon its completion. Specifically, the analysis is to “(a) use data gathered during the demonstration to set future reimbursement rates for providers of applied behavior analysis under the TRICARE program; (b) review comparative commercial insurance claims for purposes of setting such future rates, including by conducting an analysis of the comparative total of commercial insurance claims billed for applied behavior analysis, and reviewing any covered beneficiary limitations on access to applied behavior analysis services at various military installations throughout the United States; and (c) determine whether the use of applied behavioral analysis under the demonstration has improved outcomes for covered beneficiaries with autism spectrum disorder.” The ACD was developed originally to analyze, evaluate, and compare the quality, efficiency, convenience, and cost effectiveness of those applied behavior analysis (ABA) services that do not constitute proven medical care provided under the requirements governing the TRICARE Basic Program; however, not enough information was obtained to answer these questions. Therefore, this is an interim report and a final report will be submitted after the conclusion of the ACD, currently projected as December 2023.

## **BACKGROUND**

ABA is one of many TRICARE covered services available to mitigate the symptoms of Autism Spectrum Disorder (ASD). Other services include, but are not limited to: speech and language therapy, occupational therapy, physical therapy, medication management, psychological testing, and psychotherapy. In June 2014, TRICARE received approval from the Office of Management and Budget to publish the ACD Notice in the Federal Register. In July 2014, three previous programs were consolidated to create the ACD. The program is based on limited demonstration authority with the goal of striking a balance that maximizes access while ensuring the highest level of quality services for eligible beneficiaries. The consolidated demonstration ensures consistent ABA service coverage for all TRICARE eligible beneficiaries, including Active Duty family members (ADFM) and non-ADFM (NADFM) diagnosed with ASD. ABA services are not limited by the beneficiary’s age, dollar amount spent, number of years of services, or number of sessions provided. All care is driven by medical necessity. Generally, all ABA services continue to be a purchased care benefit; however, several direct care initiatives were established to support beneficiaries diagnosed with ASD and their families. These initiatives include the Fort Belvoir Community Hospital (FBCH) Autism Resource Center (ARC) designed to provide resources for beneficiaries newly diagnosed with ASD and their families, the Joint Base Lewis McCord Center for Autism Resources, Education and Services (JBLM CARES) program which provides patient-centered care services for beneficiaries diagnosed with ASD and their families during the transition period of locating purchased care services, and the Play & Language for Autistic Youngsters (P.L.A.Y.) Project, first launched

within the Military Health System (MHS) at Wright Patterson Air Force Base (WPAFB), which provides training of a portable parent-focused early childhood intervention to beneficiaries diagnosed with ASD. The ACD began July 25, 2014, and was set to expire December 31, 2018, but was extended to December 31, 2023 via a Federal Register Notice. The notice stated additional analysis and experience is required in order to determine the appropriate characterization of ABA services as a medical treatment, or other modality, under the TRICARE program coverage requirements. By extending the demonstration, the government will gain additional information about what services TRICARE beneficiaries are receiving under the ACD, how to most effectively target services where they will have the most benefit, collect more comprehensive outcomes data, and gain greater insight and understanding of ASD in the TRICARE population.

## ANALYSIS

### **Reimbursement rates**

When TRICARE reimburses individual professional providers under the TRICARE Basic Program, TRICARE authorized individual professional providers are reimbursed at the rate known as the CHAMPUS Maximum Allowable Charge (CMAC). In general, the CMAC rates mirror Medicare rates. CMAC rates are adjusted by geographic locality using the Medicare Geographic Price Cost Index. These geographic locality adjustments are in place for 113 areas in the U.S. Medicare does not have a rate established for ABA services at this time.

Defense Health Agency (DHA) first implemented a reimbursement change to one Current Procedural Terminology (CPT) code in 2014 at the beginning of the ACD. After significant feedback, the Under Secretary of Defense for Personnel and Readiness commissioned a study to evaluate commercial and Medicaid reimbursement rates. Subsequent to this study, DHA implemented new reimbursement rates for all covered CPT codes in December 2015. Due to ongoing stakeholder concerns suggesting access to care challenges related to reimbursement changes, section 716 of the NDAA for FY 2017, signed December 23, 2016, directed that “in furnishing applied behavior analysis under the TRICARE program to individuals during the period beginning on December 23, 2016, and ending on December 31, 2018, the reimbursement rates for providers of applied behavior analysis will not be less than the rates that were in effect on March 31, 2016.” Thus, a rate floor was implemented at the previous rates of \$125.00 per hour for Board Certified Behavior Analysts, \$75.00 per hour for assistant behavior analysts, and \$50.00 for Behavior Technicians . This is reflected in the ABA rate tables.

In May 2018, the DHA completed an analysis to determine whether the April 2016 reimbursement rate changes (which were effect until December 23, 2016) under the ACD affected access to ABA services by TRICARE beneficiaries. The analysis found overall access to ABA services improved during this period and, therefore, the April 2016 rate reductions did not appear to negatively affect access to care under the ACD in the vast majority of states. In general, DHA found access measures increased at lower rates during the period after December 2016, when the prior rates were reinstated, in comparison to the period from April to December 2016, when rates decreased in many locations. As the number of beneficiaries enrolled in the ACD has increased significantly, the MHS has added providers so that access to care is within

standards in most locations. The MHS currently has over 25,000 certified providers for approximately 15,400 beneficiaries in the ACD, and the average wait-time from date of referral to the first appointment for ABA services is approximately 28 days. There are some localities that exceed the standard, and regional contractors are working to recruit new providers, as appropriate. The DHA will continue to monitor access so any access issues can be identified and addressed.<sup>1</sup>

In 2019, new CPT category I codes for Adaptive Behavior Services will be implemented. The DHA is reviewing the codes and descriptions, collaborating with stakeholders, and considering options to determine reimbursement rates for each code. Analysis is ongoing and a detailed description will be provided as soon as it is ready.

### **Comparative commercial insurance claims**

A comparative analysis<sup>2</sup> of ABA services, provided by 40 health care plans with ABA benefits comparable to those under the ACD, was completed November 8, 2017. Although this analysis provided valuable information, the Department anticipates more changes, to include the impact of the implementation of the new CPT codes for ABA services in 2019 and, therefore, will provide a more detailed report as this information becomes available.

### **Outcomes**

The Department completed an extensive ABA coverage review and benefits determination in 2010, which was updated in 2013, and continually monitors the status of ongoing ABA research. Although ABA services show promise as part of a comprehensive treatment program for ASD, the research does not meet the TRICARE Basic Program hierarchy of evidence standard to be recognized as scientifically proven medical/psychological care for the diagnosis of ASD. The regulatory definition regarding proven medical care governing what TRICARE may cover often requires a higher standard of evidence than what may be generally covered in the larger health care industry, such as commercial insurance plans, Medicaid programs (due to its characterization under each program), and the Federal Employees Health Benefit Program. The Department acknowledges there are evolving changes in commercial and private healthcare plans which influence the national landscape on the acceptability of ABA services as a medical benefit; however, the TRICARE hierarchy of evidence requires a higher level of scientific evidence of ABA's effectiveness than currently exists in the literature. TRICARE is continuously monitoring the medical literature for research related to ABA services for the diagnosis and treatment of ASD.

The Department continues to support evaluations into the nature and effectiveness of ABA services. The publication of the *TRICARE Operations Manual* (TOM) section on the ACD

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<sup>1</sup> Kennell and Associates, *Tracking TRICARE Beneficiaries' Access to Care Under the Autism Care Demonstration (ACD) Program*, May 4, 2018

<sup>2</sup> Kennell and Associates, *Tracking TRICARE Beneficiaries' Access to Care Under the Autism Care Demonstration (ACD) Program*, May 4, 2018

(TOM Change 199, dated November 29, 2016), included the evaluation of health related outcomes through the requirement of norm-referenced, valid, and reliable outcome measures with data collection starting on January 1, 2017. Outcome measures data for beneficiaries is required at baseline entry into the ACD program and every six months thereafter, with more comprehensive outcome measures at every two-year increment of ABA services.

To acquire additional information on ABA services under TRICARE, the agency has been working with the Congressionally Directed Medical Research Program (CDMRP), which awarded a contract to a research group from the University of Rochester. The results of the CDMRP study will further DHA's understanding of the impact of ABA services delivered to ACD participants and aims to provide important data regarding the most beneficial amount of treatment. Additionally, findings from this study may benefit the larger community of individuals diagnosed with ASD and their families in several ways, including but not limited to: offering more choices to families, potentially identifying response to treatment through predictive factors, and lowering cost while increasing access. The CDMRP study was awarded September 2018. This study will provide an annual report starting in 2020 and has a duration of 5 years.

## **INITIATIVES**

The DHA is committed to ensuring TRICARE eligible beneficiaries diagnosed with ASD, and their families, receive the medically necessary care and services needed to reach their maximum potential. The DHA also continues collaborating with various stakeholders. In addition to hosting 13 provider information and stakeholder roundtable meetings since 2014, the DHA presented on medical documentation and claims filing at the Annual Association of Professional Behavior Analysts in April 2018, as well as at the Autism Law Summit in October 2018. The DHA also made improvements to the program after obtaining the results of the DoD Office of the Inspector General North and South audit reports on ABA services, including increased monitoring and audits of ABA services prior to payment. The TRICARE Quality Management Contract also provides quality audits identifying compliance for ABA treatment plans. These activities allow the DHA to better assess and inform the future of the demonstration and the TRICARE benefit. Additionally, to increase communication and proactive messaging, the DHA maintains an ACD email box for providers, advocates, and beneficiaries to email with policy questions or concerns.

The newest addition to DHA's communication effort with ACD stakeholders is the recently established messaging mechanism through Gov Delivery (<https://public.govdelivery.com/accounts/USMHS/subscriber/new>) for both providers and beneficiaries to easily access the most up to date information regarding the ACD.

Additionally, DHA also collaborated with ASD initiatives at military treatment facilities to include the ARC program at FBCH, the JBLM CARES program at Madigan Army Medical Center, and the P.L.A.Y. Project WPAFB. FBCH ARC is a half day resource clinic for military parents/guardians of children diagnosed with ASD. A variety of local ASD experts from medical, school, military, and community speak in 15 minute increments to provide an all-inclusive overview on how to build their beneficiary's team. FBCH ARC served over 100 families in its first year of operation and expanded the model to Walter Reed National Military

Medical Center in December 2018. The JBLM CARES program is a joint installation partnership between Madigan Army Medical Center and the JBLM Armed Forces Community Service, focusing on providing patient-centered care for military children diagnosed with ASD and their families. JBLM CARES offers occupational, physical, and speech therapy, ABA services, Exceptional Family Member Program Systems Navigation, Child Youth and School Services Respite Care, and more. JBLM CARES served approximately 1000 families in its first year of operation. Additionally, JBLM CARES hired its first board certified behavior analyst, whose primary mission is parent training courses. Finally, the P.L.A.Y. Project is an evidence-based ASD intervention utilizing parent-implemented teaching strategies to promote a child's social development. WPAFB successfully implemented this model as an alternative or additional intervention for children diagnosed with ASD. Based on the success of the program, WPAFB extended this program to two Global Strike Command bases: Barksdale Air Force Base (AFB) and Whiteman AFB. Since the program started in 2014, it has serviced over 120 military families.

## **CONCLUSION**

The Department is committed to ensuring all TRICARE-eligible beneficiaries diagnosed with ASD reach their maximum potential, and all treatment and services provided support this goal. At the end of FY 2017, there was a total of 13,930 beneficiaries with a diagnosis of ASD participating in the ACD: 10,528 ADFMs and 3,402 NADFM's at an annual cost of \$268 million. Therefore, the Department is working to improve the care and services provided to beneficiaries diagnosed with ASD and pursuing a more effective method of delivering and validating the effectiveness of these ABA services.

TRICARE continues to be the most robust benefit nationwide for beneficiaries diagnosed with ASD and is leading the nation in providing comprehensive services for these beneficiaries. The Department fully supports the continued research on the nature and effectiveness of ABA and other services for individuals diagnosed with ASD, and the evolution of the ABA field from an educational discipline toward a health care discipline.