



226 Anne Dallas Dudley Blvd., Suite 508  
Nashville, Tennessee 37243-0760  
Phone: (615) 741-3012  
Fax: (615) 532-2443  
[www.tn.gov/tacir](http://www.tn.gov/tacir)

## ***MEMORANDUM***

**TO:** Commission Members

**FROM:** Cliff Lippard  
Executive Director

**DATE:** 30 January 2026

**SUBJECT:** Public Chapter 416, Acts of 2025 (Speech Therapy Services)—Draft Report for Review and Comment

The attached draft commission report is submitted for your review and comment. It was prepared in response to Public Chapter 416, Acts of 2025, which directed the commission to study the feasibility and effects of implementing the changes to insurance coverage for speech therapy services that were included in the bill as originally filed. The original bill—Senate Bill 231 by Senator Akbari and House Bill 296 by Representative Love—would have required some insurance plans, including the State Group Insurance Program, Affordable Care Act (ACA) plans, TennCare, and CoverKids, to cover speech therapy services for stuttering—both habilitative and rehabilitative—without age or visit caps, or utilization review requirements.

Stuttering is a speech disorder characterized by disruptions in the flow of speech often beginning in early childhood. For many individuals, stuttering is a chronic and variable condition that requires ongoing, individualized treatment to manage symptoms and maintain fluency gains over time. Clinical guidance, including recommendations from the American Speech-Language-Hearing Association, emphasize that treatment duration should be driven by individualized needs.

Provisions within some insurance plans, including utilization review and visit limits, may result in interrupted treatment, limiting progress and affecting individuals who need consistent therapy. By eliminating utilization reviews and visit limits, the bill would have reduced the likelihood that insurance claims would be denied. This could

reduce direct out-of-pocket costs for individuals receiving therapy and, as a result, lead to individuals seeking and receiving more needed therapy.

Despite the original bill's potential benefits to individuals seeking therapy for stuttering, the policy changes proposed in it raise some concerns. There is no comparable therapy service or similar condition that is exempt from utilization review. Insurance companies use utilization reviews like prior authorization and medical necessity not only as administrative tools to control costs but also to ensure policyholders receive consistent, evidence-based care. Removing these reviews could potentially lead to higher and less predictable costs, increased risk of overutilization, reduced oversight and accountability, and greater variation in care that may ultimately affect premiums, public spending, and equitable access to services.

Moreover, under the ACA, each state selects an Essential Health Benefits (EHB) benchmark plan that defines the minimum coverage required for ACA plans in that state. If a state makes legislative changes to the coverage requirements for ACA plans and those changes increase the cost of ACA plans, then the incremental cost increases must be covered by the state—a process referred to as “defrayal.” As originally filed, the bill would have resulted in defrayal.

Because of the concerns involved in eliminating utilization reviews and making legislative changes to minimum coverage standards for ACA plans, the draft report does not recommend the bill as originally filed. But there is an existing administrative process through which states can make changes to their EHB plans, which, importantly, avoids defrayal, and could be used to increase minimum visit limits for all habilitative and rehabilitative therapies, including but not limited to therapy for stuttering. Tennessee's current EHB requires ACA plans to cover at least 20 visits per year for habilitative and rehabilitative services. While insurers may choose to cover more visits, commission staff are aware of only one insurer in Tennessee whose ACA plans cover more than the minimum.

Because visit limits are one of the primary reasons speech therapy claims are denied and because public programs in Tennessee—the State Group Insurance Program, TennCare, and CoverKids—already provide coverage for medically necessary therapies with either no visit limits or higher visit limits, increasing the minimum number of therapy visits required under ACA plans would help ensure more equitable access to care. To achieve this without triggering state defrayal costs or disrupting standard insurance practices such as utilization review, **the draft report recommends that the Tennessee Department of Commerce and Insurance update Tennessee's Essential Health Benefits (EHB) benchmark plan for ACA plans to increase the minimum annual number of speech therapy visits each plan is required to cover.** Selecting a

new EHB plan would adopt all coverage requirements of the selected plan, and therefore it would be beneficial for the state to consider how broader changes to the essential health benefits—not just speech therapy—may affect cost and coverage.