The Tennessee Advisory Commission on Intergovernmental Relations

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MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard
Executive Director

DATE: 18 June 2026

SUBJECT: Public Chapter 416, Acts of 2025 (Speech Therapy Services)—Final Report for Approval

The attached commission report is submitted for your approval. 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—the State Group Insurance Program, Affordable Care Act (ACA) plans, TennCare, and CoverKids—to cover speech therapy services for stuttering for both habilitative and rehabilitative care without age or visit caps, or utilization review requirements.

Insurance provisions such as utilization review and visit limits can interrupt care, potentially limiting progress. Eliminating these restrictions, as proposed in the bill, could reduce claim denials, lower out-of-pocket costs, and improve access to needed therapy. But the original bill still raises some concerns. Utilization review is commonly used across healthcare administrative tools to control costs but also to ensure policyholders receive consistent, medically appropriate care. Removing these reviews could potentially lead to higher costs, increased risk of overutilization, reduced oversight and accountability, and greater variation in care that may ultimately affect premiums and public spending. Additionally, changes to coverage requirements for ACA plans may trigger state defrayal obligations, increasing state costs. For these reasons, the report does not recommend the bill as originally filed.

The recommendation of the report as presented at the January 2026 commission meeting remains unchanged:

Visit limits are one of the primary reasons why insurance claims for speech therapy 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 final 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.** But 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.