

JAN 16 2008

A BILL FOR AN ACT

RELATING TO HEALTH INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. According to the Mayo Clinic, an estimated
2 one-quarter of Americans between the ages of sixty-five and
3 seventy-five and around three-quarters of those older than
4 seventy-five have some degree of hearing loss. According to a
5 study by the Better Hearing Institute, untreated hearing loss
6 cut household income by an average of nearly \$23,000 per year.

7 The Mayo Clinic reports that hearing loss is irreversible.
8 Therefore, the only available treatment is the use of a hearing
9 aid. According to the American Association of Retired Persons,
10 the cost of a custom hearing aid can range as high as \$2,000.
11 Medicare and most private insurance companies do not cover the
12 cost of hearing aids. It is not unusual for people with hearing
13 loss to know that hearing aids are expensive and are not covered
14 by insurance so they choose not to purchase them.

15 The purpose of this Act is to require that the cost of
16 hearing aids be covered by medicaid and private health insurers.



1 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§346- Hearing aid device coverage. The department
5 shall provide coverage for the cost of hearing aids to medicaid
6 and QUEST recipients for hearing aids prescribed by licensed
7 physicians and fitted by a licensed practitioner under chapter
8 451A."

9 SECTION 3. Chapter 431:10A, Hawaii Revised Statutes, is
10 amended by adding a new section to be appropriately designated
11 and to read as follows:

12 "§431:10A- Hearing aid devices; notice. (a) Any other
13 law to the contrary notwithstanding, each health policy,
14 contract, plan, or agreement issued or renewed in this State
15 after December 31, 2008, shall provide, not as an employer
16 option, coverage for the cost of hearing aid devices for the
17 policyholder and individuals covered under the policy, contract,
18 plan, or agreement.

19 (b) Coverage required under this section may be subject to
20 deductibles, copayments, coinsurance, or annual or maximum
21 payment limits that are consistent with deductibles, copayments,
22 coinsurance, and annual or maximum payment limits applicable to



1 other similar coverage under the policy, contract, plan, or
2 agreement.

3 (c) Every insurer shall provide notice to its
4 policyholders regarding the coverage required by this section.
5 The notice shall be in writing and prominently positioned in any
6 literature or correspondence sent to policyholders and shall be
7 transmitted to policyholders within calendar year 2008 when
8 annual information is made available to policyholders, or in any
9 other mailing to policyholders, but in no case later than
10 December 31, 2008."

11 SECTION 4. Chapter 432, Hawaii Revised Statutes, is
12 amended by adding a new section to be appropriately designated
13 and to read as follows:

14 "§432- **Hearing aid devices; notice.** (a) Any other law
15 to the contrary notwithstanding, each individual and group
16 hospital or medical service plan, policy, contract, or agreement
17 issued or renewed in this State after December 31, 2008, shall
18 provide, not as an employer option, coverage for the cost of
19 hearing aid devices for the member and individuals covered under
20 the individual and group hospital or medical service plan,
21 policy, contract, or agreement.



1 (b) Coverage required under this section may be subject to
2 deductibles, copayments, coinsurance, or annual or maximum
3 payment limits that are consistent with deductibles, copayments,
4 coinsurance, and annual or maximum payment limits applicable to
5 other similar coverage under the individual and group hospital
6 or medical service plan, policy, contract, or agreement.

7 (c) Every mutual benefit society shall provide notice to
8 its members regarding the coverage required by this section.
9 The notice shall be in writing and prominently positioned in any
10 literature or correspondence sent to members and shall be
11 transmitted to members within calendar year 2008 when annual
12 information is made available to policyholders, or in any other
13 mailing to members, but in no case later than December 31,
14 2008."

15 SECTION 5. Section 432D-23, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "**§432D-23 Required provisions and benefits.**

18 Notwithstanding any provision of law to the contrary, each
19 policy, contract, plan, or agreement issued in the State after
20 January 1, 1995, by health maintenance organizations pursuant to
21 this chapter, shall include benefits provided in sections
22 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116,



1 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120, [and]
2 431:10A-121, and 431:10A- , and chapter 431M."

3 SECTION 6. The benefit to be provided by health
4 maintenance organizations corresponding to the benefit provided
5 under section 431:10A- , Hawaii Revised Statutes, as contained
6 in the amendment to section 432D-23, Hawaii Revised Statutes, in
7 section 5 of this Act, shall take effect for all policies,
8 contracts, plans, or agreements issued in the State after
9 December 31, 2008.

10 SECTION 7. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 8. This Act shall take effect upon its approval.

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Report Title:

Hearing Aid Devices; Mandatory Health Insurance Coverage

Description:

Requires that hearing aid devices be included in mandatory insurance coverage for medicaid and private health insurance.

