



## DISABILITY AND COMMUNICATION ACCESS BOARD

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March 12, 2008

### TESTIMONY TO THE HOUSE COMMITTEES ON CONSUMER PROTECTION AND COMMERCE AND HEALTH

House Concurrent Resolution 15 – Requesting the Auditor to Assess the Social and  
Financial Effects of Requiring Health Insurers to Offer Coverage for Hearing Aids

The Disability and Communication Access Board (DCAB) is a statewide board with seventeen (17) members appointed by the Governor, thirteen (13) of whom are persons with disabilities or family members. The Board's mission is to advocate and promote full integration, independence, equal access, and quality of life for persons with disabilities in society. This testimony represents a position voted upon by the Legislative Committee of the Board.

We support HCR 15 Requesting the Auditor to Assess the Social and Financial Effects of Requiring Health Insurers to Offer Coverage for Hearing Aids. We are aware that it is a requirement for a study to be conducted related to the social and financial effects of requiring health insurers to offer coverage for hearing aids per Section 21-51, Hawaii Revised Statutes. DCAB supports this study in order to obtain necessary information to amend the statute in an informed and appropriate manner to mandate coverage for hearing aids.

Hearing is essential to most individuals in their daily lives (waking up to an alarm clock, listening for our children or the radio, or to talking on the phone). It allows us to be connected to others in our environment. A hearing aid enhances the person's ability to interact independently in the community, but the cost is prohibitive to the average adult. Being able to have some of the cost covered by a health plan would enable some individuals to be able to obtain a hearing aid without feeling guilty that the money is better spent on some other necessity. An individual should not have to choose between hearing or not hearing when a hearing aid is available as a viable option.

Thank you for the opportunity to testify.

Respectfully submitted,

PATRICIA M. NIELSEN  
Chairperson  
Legislative Committee

FRANCINE WAI  
Executive Director

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Testimony of  
Phyllis B. Dendle  
Director of Government Affairs

Before:  
House Committee on Consumer Protections & Commerce  
The Honorable Robert N. Herkes, Chair  
The Honorable Angus L.K. McKelvey, Vice Chair  
and  
House Committee on Health  
The Honorable Josh Green, M.D., Chair  
The Honorable John Mizuno, Vice Chair

March 12, 2008  
2:15 pm  
Conference Room 325

**HCR 15      REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND  
FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO  
OFFER COVERAGE FOR HEARING AIDS**

Chairs, Vice Chairs, and committee members, thank you for this opportunity to provide testimony on HCR 15 which requests the auditor to assess the social and financial effects of requiring health insurers to offer coverage for hearing aids.

**Kaiser Permanente Hawaii supports this request.**

Kaiser Permanente's position on proposed legislative mandates of health coverage is that they are usually not a good idea, for several reasons:

1. First, because they generally tend to raise the cost of delivering health care, thereby resulting in higher premiums and increased cost to the purchasers and payors of health plan coverage, whether they be employer groups or individuals;
2. Second, because they often tend to dictate how medicine should be practiced, which sometimes results in medicine that is not evidence based and usurps the role and expertise of the practicing physician and other health care professionals who provide medical treatment and services; and
3. Finally, because they often lock in statutory requirements that become outdated and do not keep pace with the ever evolving and advancing fields of medicine and medical technology.

Accordingly, Kaiser supports requesting the legislative auditor to conduct an impact assessment report, as required pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes, to assess among other things:

- a) the extent to which this mandated insurance coverage would be reasonably expected to increase the insurance premium and administrative expenses of policy holders; and
- b) the impact of this mandated coverage on the total cost of health care.

Thank you for the opportunity to comment.

March 12, 2008

TESTIMONY TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE  
AND THE HOUSE COMMITTEE ON HEALTH

House Concurrent Resolution 15 – Requesting the Auditor to Assess the Social and  
Financial Effects of Requiring Health Insurers to offer Coverage for  
Hearing Aids

My name is Art Frank and I have been a deaf consumer for over 30 years. Hearing aids for my Profound Hearing Loss back in 1977 cost me about \$1000 for two hearing aids. In 1988 I had a cochlear implant procedure done to my left ear, so I started using only one hearing aid. A hearing aid at that time cost over \$800.00. Last year (2007) a new hearing aid cost \$2500 at a discounted rate. After trying the hearing aid for 30 days, I decided the cost didn't justify what I was getting out of the hearing aid so I'm using my Cochlear Implant only. Since 1977 I've had three different insurance companies including Kaiser Permanente for the last 15 years. None have paid for hearing aids.

The cost of hearing aids vary, depending on the level of ones hearing loss (moderate to profound), and the specific type of hearing loss. Thus cost varies from one person to another. Today it would cost \$750 to \$3400 for a hearing aid. In the last 30 years it has cost me personally nearly \$10,000 for hearing aids, accessories and batteries. In addition because of my Cochlear Implant it has cost me another \$25,000 out of pocket in 19 years. That is in addition to the original cost in 1988 for surgery, hospitalization, equipment, tests, etc, of \$32,000 with out of pocket about \$3,000.

I realize a Cochlear Implant has nothing to do with this bill, but I wanted all of you to know that having a hearing loss can be damn expensive. Most families today have a tough time paying for hearing aids because it's so expensive. The same goes for senior citizens on a fix income. For me the bottom line has always been our kids, so it's a tragedy whenever I hear of kids who need hearing aids but don't have them because the parents cannot afford them. If this resolution passes and eventually the state mandates that hearing aids be covered by insurance companies, I believe it will prove cost effective for the State of Hawaii in the long run because if children don't learn to use their residual hearing while growing up they will lose it. Consequently they may not be productive, tax paying citizens as adults, but instead they will end up with the government taking care of them with welfare, SSI, etc. I'm sure some of you have seen this happen time and again. I know I have----THINK ABOUT IT. PLEASE KOKUA, PASS THIS RESOLUTION.

Thank you for this opportunity to testify.

Sincerely,

Art Frank  
1509 Piikea St  
Honolulu, HI 96818-1842

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# Francine Aona Kenyon

dba KULI IKE KOKUA  
2520 Jasmine Street  
Honolulu, HI 96816  
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Wednesday, March 12, 2008 at 2:15 pm in House Conference Room 325

**TESTIMONY  
TO  
HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE  
AND COMMITTEE ON HEALTH ON  
HCR 15, REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL  
EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE  
FOR HEARING AIDS**

Aloha, I am Francine Kenyon, a long-time advocate and volunteer consultant for deaf, hard-of-hearing, and deaf-blind people of the State of Hawaii and wear many hats

I strongly support HCR 15, Requesting the auditor to assess the social and financial effects of requiring health insurers to offer coverage for hearing aids, because I grew up with hearing aids since 1-1/2 year old. My doctor never suspected that I was born deaf until my mother dropped the pots and pans and I did not move at all. She realized that I was deaf and took me to the doctor who referred me to audiologist. It cost lots of financial burdens on my parents as well as on deaf people living on social security benefits.

Hearing aids are needed to be replaced every two years but they are costly because the prices for hearing aids are always going up, up, up and up. What can't the prices of hearing aids go down and down like any electronic devices when it comes to a sale?

Vocational Rehabilitation Division provided the assistance for the Vocational Rehabilitation clients to get hearing aids or glasses only once. A few years ago HCIL had the hearing aid grants for HCIL clients referred to by Vocational Rehabilitation counselors but they stopped providing such services. The Vocational Rehabilitation Division took over again. The Lions Club used to help provide hearing aids in old days. We don't know whether the Lions Clubs are continuing the projects or not.

Just recently, Kaiser Permanente just started a new addition to the current Senior Advantage Health Plan for Medicare assistance - dental, vision, and hearing at extra \$20 per month.

Cochlear implants more than \$10,000 are paid in full for by insurances. Hearing aids cost approximately from \$899 to \$3,000.00 and are not covered fully by insurances. So what is the difference about cochlea implants and hearing aids?

I believe that this assessment of social and financial effects of requiring health insurers to offer coverage for hearing aids is very important because it affects many of us losing hearing at later ages as well as children with hearing losses.

Mahalo nui loa for allowing me to testify on this important bill.

Sincerely,

Francine Aona Kenyon

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