

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

March 11, 2008

LATE TESTIMONY

The Honorable Robert Herkes, Chair
The Honorable Josh Green, M.D., Chair

House Committees on Consumer Protection and Commerce and Health

**Re: HCR 15– Requesting the Auditor to assess the social and financial effects of
requiring health insurers to offer coverage for hearing aids**

Dear Chair Herkes, Chair Green, and Members of the Committees:

Thank you for the opportunity to testify on HCR 15, which would request the Auditor to conduct a study of mandatory health care coverage for hearing aids.

We are pleased that the Legislature is requesting an Auditor's study as required under Hawaii Revised Statutes 23-51 and 23-52. With that being said, HMSA's health plans already provide coverage for hearing aids. Given that coverage for these services currently exists, we do not see the necessity of passing this resolution at this time. We believe that this mandate, as currently worded, could allow access to hearing devices with no limits placed on cost or frequency of replacement.

Additionally, the resolution language requesting the Auditor's report itself asks that the accompanying measure minimally include "limits on utilization, if any and standards of care." Neither of these pieces of information is included in SB 2052 SD1 which we believe is the measure being referenced in HCR 15. This could potentially cause problems as the Auditor begins work on a study of this type.

Another report issued recently by the Auditor cited the fact that the bill accompanying the study request did not include the minimum information required by the Auditor. Due to the absence of this information, the Auditor cited "a lack of adequate information in the proposed bill as required by Section 23-51, HRS." The Auditor went on to state that because of this an assessment was "not feasible." We believe that the current version of SB 2052 SD1 could end up posing the same problems to the Auditor without language being added to meet the minimum information requirement.

Thank you for the opportunity to testify on HCR 15.

Sincerely,

A handwritten signature in black ink, appearing to read "JD", with a long horizontal flourish extending to the right.

Jennifer Diesman
Assistant Vice President
Government Relations