
SENATE CONCURRENT RESOLUTION

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

1 WHEREAS, 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; and

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6 WHEREAS, further according to the Mayo Clinic, hearing loss
7 is not reversible; and

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9 WHEREAS, according to the Hawaii Lions Club, the cost of a
10 custom low- to mid-level analog or digital hearing aid begins
11 around \$2,000 or less, and starts around \$3,000 and higher for a
12 high-end hearing aid; and

13
14 WHEREAS, Medicare and most insurance companies do not cover
15 the cost of hearing aids; and

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17 WHEREAS, section 23-51, Hawaii Revised Statutes, requires
18 that "[b]efore any legislative measure that mandates health
19 insurance coverage for specific health services, specific
20 diseases, or certain providers of health care services as part
21 of individual or group health insurance policies, can be
22 considered, there shall be concurrent resolutions passed
23 requesting the auditor to prepare and submit to the legislature
24 a report that assesses both the social and financial effects of
25 the proposed mandated coverage"; and

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27 WHEREAS, section 23-51, Hawaii Revised Statutes, further
28 provides that "[t]he concurrent resolutions shall designate a
29 specific legislative bill that:

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31 (1) Has been introduced in the legislature; and
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- 1 (2) Includes, at a minimum, information identifying the:
- 2
- 3 (A) Specific health service, disease, or provider
- 4 that would be covered;
- 5
- 6 (B) Extent of the coverage;
- 7
- 8 (C) Target groups that would be covered;
- 9
- 10 (D) Limits on utilization, if any; and
- 11
- 12 (E) Standards of care.
- 13

14 For the purposes of this part, mandated health insurance
 15 coverage shall not include mandated optionals"; and
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17 WHEREAS, section 23-52, Hawaii Revised Statutes, further
 18 specifies the minimum information required for assessing the
 19 social and financial impact of the proposed health coverage
 20 mandate in the Auditor's report; and
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22 WHEREAS, S.B. No. 192, S.D. 1 (2009), mandates health
 23 insurance coverage for hearing aids for hospital and medical
 24 service plan contracts, medical service corporation contracts,
 25 and health maintenance organization plans, other than an
 26 accident-only, specified disease, hospital indemnity, Medicare
 27 supplement, long-term care, dental, vision, or other limited
 28 benefit health insurance policy; and
 29

30 WHEREAS, the Legislature believes that mandatory health
 31 insurance coverage for hearing aids, as provided in S.B.
 32 No. 192, S.D. 1 (2009), will substantially assist persons
 33 suffering from hearing loss to lead full lives; now, therefore,
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35 BE IT RESOLVED by the Senate of the Twenty-fifth
 36 Legislature of the State of Hawaii, Regular Session of 2010, the
 37 House of Representatives concurring, that the Auditor is
 38 requested to conduct an impact assessment report, pursuant to
 39 sections 23-51 and 23-52, Hawaii Revised Statutes, of the social
 40 and financial impacts of mandating coverage for hearing aids for
 41 hospital and medical service plan contracts, medical service
 42 corporation contracts, and health maintenance organization plans
 43 as provided in S.B. No. 192, S.D. 1 (2009); and
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1 BE IT FURTHER RESOLVED that the Auditor is requested to
2 identify the number of residents in Hawaii in the target
3 population who are deaf, hard of hearing, and deaf-blind based
4 on national prevalence rates, in order to determine who may be
5 impacted by the cost of hearing aids and cochlear implants; and
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7 BE IT FURTHER RESOLVED that the Auditor is requested to
8 include in the impact assessment report a survey of other states
9 which have implemented a mandate for hearing aids or cochlear
10 implants to examine what the experience has been in these
11 states; and
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13 BE IT FURTHER RESOLVED that the Auditor is requested to
14 research public and private entities that provide coverage for
15 hearing aids to determine what is currently being used as a
16 standard for frequency of replacement and what, if any, cost
17 limitations are placed on the hearing aid and cochlear implant
18 coverage benefit. This research should examine whether
19 different standards are applied to adults compared to children
20 in need of these devices. Entities for this research should
21 include, but not be limited to, Medicare, Medicaid, health plans
22 in Hawaii, and individuals who need, use, or otherwise
23 experience the need for such devices or procedures; and
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25 BE IT FURTHER RESOLVED that the Auditor is requested to
26 compare the cost and utilization of cochlear implants to hearing
27 aid devices; and
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29 BE IT FURTHER RESOLVED that the Auditor is requested to
30 submit its findings and recommendations to the Legislature,
31 including any necessary implementing legislation, no later than
32 twenty days prior to the convening of the Regular Session of
33 2011; and
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35 BE IT FURTHER RESOLVED that certified copies of this
36 Concurrent Resolution be transmitted to the Auditor and to the
37 Insurance Commissioner, who in turn is requested to transmit
38 copies to each insurer in the State that issues health insurance
39 policies.

