

SCR12



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 5, 2010

The Honorable David Y. Ige, Chair
Senate Committee on Health
and

The Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce & Consumer Protection
Twenty-Fifth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senators Ige and Baker and Members of the Committees:

SUBJECT: SCR 12 – REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL EFFECTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR HEARING AIDS

The position and views expressed in this testimony do not represent nor reflect the position and views of the Department of Health.

The State Council on Developmental Disabilities **SUPPORTS SCR 12**. The purpose of the concurrent resolution is to request the Auditor to: 1) conduct an impact assessment report of the social and financial impacts of mandating health insurers to provide coverage for hearing aids; and 2) submit findings and recommendations to the Legislature prior to the convening of the Regular Session of 2011.

The Council is aware that Section 23-51, Hawaii Revised Statutes (HRS), requires that before any legislative measure mandating health insurance coverage can be considered, concurrent resolutions must be passed by the Legislature requesting the Auditor to submit a report to the Legislature that assesses both the social and financial effects of the proposed mandated coverage (see attached Section 23-51, HRS).

The Council recognizes the merits of SB 192 SD1 (2009) that provides for mandated coverage of hearing aids and acknowledges the benefits hearing aids provide for individuals with disabilities regarding auditory stimulation, developing and maintaining communication and language skills, and preventing further developmental delays and hearing disabilities.

The Honorable David Y. Ige
The Honorable Rosalyn H. Baker
Page 2
March 5, 2010

The Council appreciates the Legislature's initiative in addressing mandated coverage of hearing aids by private health insurers and looks forward to the results of the Auditor's report.

Thank you for the opportunity to present testimony in support of SCR 12.

Sincerely,



Waynette K.Y. Cabral
Executive Administrator



Rosie Rowe
Chair

Attachment (1 page)

**[PART IV.] SOCIAL AND FINANCIAL ASSESSMENT OF
PROPOSED MANDATORY HEALTH INSURANCE COVERAGE**

§23-51 Proposed mandatory health insurance coverage; impact assessment report. Before any legislative measure that mandates health insurance coverage for specific health services, specific diseases, or certain providers of health care services as part of individual or group health insurance policies, can be considered, there shall be concurrent resolutions passed requesting the auditor to prepare and submit to the legislature a report that assesses both the social and financial effects of the proposed mandated coverage. The concurrent resolutions shall designate a specific legislative bill that:

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

For purposes of this part, mandated health insurance coverage shall not include mandated optionals. [L 1987, c 331, pt of §1; am L 1990, c 227, §1; am L 1996, c 270, §2]

Taken from Section 23-51, HRS, Volume 1, 2007 Cumulative Supplement.



DISABILITY AND COMMUNICATION ACCESS BOARD

919 Ala Moana Boulevard, Room 101 • Honolulu, Hawaii 96814
Ph. (808) 586-8121 (V/TDD) • Fax (808) 586-8129

March 5, 2010

TESTIMONY TO THE SENATE COMMITTEES ON HEALTH AND COMMERCE AND CONSUMER PROTECTION

Senate Concurrent Resolution 12 – 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) supports Senate Concurrent Resolution 12 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 increased 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 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.

DCAB proposes an amendment to page 2, line 33. Please replace "suffering from hearing loss to lead full lives" with "who are deaf or hard of hearing to function effectively in the community." Hearing loss does not normally result in physical pain or suffering. By amending the language, the Legislature will model "people-first" language acknowledging the person first and then the physical condition.

Thank you for the opportunity to testify.

Respectfully submitted,

CHARLES W. FLEMING
Chairperson
Legislative Committee

FRANCINE WAI
Executive Director

HMSA



(An Independent Division of the Blue Cross and Blue Shield Association)

March 5, 2010

The Honorable David Ige, Chair
The Honorable Rosalyn Baker, Chair

Senate Committees on Health and Commerce and Consumer Protection

Re: SCR 12 – Requesting the Auditor to Assess the Social and Financial Effects of Requiring Health Insurers to Offer Coverage for Hearing Aids

Dear Chair Ige, Chair Baker and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SCR 12 which requests the State Auditor perform a study to assess the social and financial effects of requiring health plans offer coverage for hearing aids. HMSA supports this resolution.

We are pleased that the Legislature is requesting an Auditor's study as required under Hawaii Revised Statutes 23-51 and 23-52 but would point out that the majority of HMSA's health plans do provide coverage for hearing aids. The study being requested will provide decision-makers with objective information prior to mandating benefit changes. With health care costs continuing to escalate it is important to consider the impact that these changes could have on the cost of health care, especially for local employers who typically bear the brunt of such cost increases.

A similar resolution was proposed during a past legislative session and additional language was drafted to assist the Auditor's office in researching this issue. We believe that the following clauses should be added to the current resolution to ensure the study takes a more comprehensive view:

BE IT FURTHER RESOLVED that the Auditor is requested to identify the number of residents in Hawaii in the target population who are deaf, hard of hearing and deaf-blind based on national prevalence rates, in order to determine who may be impacted by the cost of hearing aids and cochlear implants; and

BE IT FURTHER RESOLVED that the Auditor is requested to include in the impact assessment report a survey of other states in the U.S. which have implemented a mandate for hearing aids or cochlear implants to examine what the experience has been in these states; and

BE IT FURTHER RESOLVED that the Auditor is requested to research public and private entities that provide coverage for hearing aids to determine what is currently being used as a standard for frequency of replacement and what, if any, cost limitations are placed on the hearing aid and cochlear implant coverage benefit. This research should examine whether different standards are applied to adults compared to children in need of these devices. Entities for this research should include, but not limited to, Medicare, Medicaid and health plans in Hawaii, and individuals who need, use or otherwise experience the need for such devices or procedures; and

BE IT FURTHER RESOLVED that the Auditor is requested to compare the cost and utilization of cochlear implants to hearing aid devices;

We believe that having the Auditor perform studies such as these bring great value to all the stakeholders involved. Thank you for the opportunity to testify today.

Sincerely,



Jennifer Diesman
Vice President
Government Relations

From: Antonette Port [portr001@hawaii.rr.com]
Sent: Thursday, March 04, 2010 3:02 PM
To: HTHTestimony
Subject: SCR 12

Testimony: SCR 12 Requesting the Auditor to Assess the Social and Financial Effects of Requiring Health Insurers to Offer Coverage for Hearing Aids.

Date & Time: Friday, March 5, 2010, 10:00 a.m.

Committee on Health

Senator David Y. Ige, Chair

Committee on Commerce and Consumer Protection

Senator Rosalyn H. Baker, Chair

Dear Senators,

I would like to express my support SCR 12. We know that there is a growing problem of hearing aid use by the elderly. This reduces the quality of life substantially in seniors. Hearing loss also can lead to accidents and other health issues that raise costs to our state far beyond the cost of providing hearing aids.

For this reason, it seems reasonable to enact this Senate Concurrent Resolution which will help to determine the cost of requiring health insurers to provide coverage for hearing aids.

I would appreciate it if your committees approve SCR 12.

Sincerely,

Richard Port

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 04, 2010 11:38 PM
To: HTHTestimony
Cc: huney_girl_1@yahoo.com
Subject: Testimony for SCR12 on 3/5/2010 10:00:00 AM

Testimony for HTH/CPN 3/5/2010 10:00:00 AM SCR12

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Yvette Sakamoto
Organization: Individual
Address: 85-208 Kilo'uhane Pl. Waianae, Hawaii
Phone: 808-398-4807
E-mail: huney_girl_1@yahoo.com
Submitted on: 3/4/2010

Comments:

I am trying to get help for myself for my needs of having Hearing aid, Batteries, tests and so on... the cost is soo unbelievable and its not affordable, my health Insurance does not help us at all.... its frustrating and the cost affects us on our daily lives and financial strain too. why cant you guyz help us..and understand, that we..have disabilities that needs HELP...to support us and to ease our suffering from financial strain and to see How we live in our World of Deafness and hard of hearing realities..We need more Services to give us opportunities to survive on these Hardship that we cant afford, especially with families and myself...its like getting medications, but these Hearing aids are not Cheap anymore, so is the batteries and the cost of Repairement too.and it doesnt work for a lifetime..it does breakdown just like a car too...PLEASE..Help us..We need your support to understand, that our LIVES Depends on Hearing aids and equipments that are needed to keep us going..the communications, and SErvices to Better or Living Ways to Survive!!