STAND. COM. REP. NO. 2243

Honolulu, Hawaii

FEB 1 1 2022

RE: S.B. No. 2439

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2439 entitled:

"A BILL FOR AN ACT RELATING TO HEARING AIDS,"

begs leave to report as follows:

The purpose and intent of this measure is to require health insurance policies and contracts issued after December 31, 2022, to provide coverage for the cost of hearing aids at a minimum of \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months in their base plans.

Your Committee received testimony in support of this measure from the Policy Advisory Board for Elderly Affairs, AARP Hawai'i, and twelve individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, Hawaii Association of Health Plans, and Kaiser Permanente Hawaii.

Your Committee finds that currently, most health insurance plans in Hawaii cover the purchase of hearing aids, but the amount of coverage may be low, leaving the patient with a large copayment. As a result, it is not unusual for people with hearing loss to choose to delay or forgo the purchase of hearing aids because they are unable to pay for them. The Legislature attempted to address this issue in Senate Bill No. 309, S.D. 1, Regular Session of 2014 (S.B. No. 309), which proposed a law

mandating insurance coverage for hearing aids. The auditor's sunrise study on S.B. No. 309 expressed concerns that the measure had no limits on coverage, such as minimum or maximum costs covered by insurers or frequency of placement. This measure addresses those concerns by requiring a minimum coverage benefit of \$1,500 per hearing aid for each ear every thirty-six months.

Your Committee acknowledges the concerns of the Hawaii Medical Service Association, which noted that a decision on the type of hearing device an individual requires should be based on medical necessity rather than a fixed dollar amount.

Therefore, your Committee has amended this measure by:

- (1) Replacing the minimum required coverage of \$1,500 per hearing aid for each hearing-impaired ear with coverage of medically necessary hearing aid models, including analog, digital, and digitally programmable models, with standard features;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2439, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2439, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on behalf of the members of the Committee on Health,

JARETT KEOHOKALOLE, Chair

## The Senate Thirty-First Legislature State of Hawaiʻi

## Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:			ite:	
SB 2439	hth, cpn			2-4-	2022
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)		V			
BAKER, Rosalyn H. (VC)					
MORIWAKI, Sharon Y.					
SAN BUENAVENTURA, Joy A.					
FEVELLA, Kurt					
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TOTAL		H	_		/
Recommendation:		<u> </u>	·	<u> </u>	
Adopted Not Adopted					
Chair's or Designee's Signatu	ire: H Bri	h_			
<b>Distribution:</b> Original File with Committee R	Yellow eport Clerk's Office		Pink Drafting Agency	Goldenrod Committee File Copy	

<sup>\*</sup>Only one measure per Record of Votes