

STAND. COM. REP. NO. 2243

Honolulu, Hawaii

FEB 11 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,



JARRETT KEOHOKALOLE, Chair



