

STAND. COM. REP. NO.

1777

Honolulu, Hawaii

APR 03 2019

RE: H.B. No. 469
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred H.B. No. 469, H.D. 1, 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, 2019, to provide coverage for the cost of hearing aids for each hearing-impaired ear every thirty-six months.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board and twelve individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association. Your Committee received comments on this measure from the Department of the Attorney General, Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund, and Kaiser Permanente Hawaii.

Your Committee finds that hearing aids are expensive and current insurance coverage is usually minimal. This prevents many individuals and families from obtaining hearing aids that would improve their quality of education, communication abilities, quality of life, and employment opportunities. Your Committee further finds that approximately eighty-five percent of



individuals with hearing loss go untreated, which ultimately results in higher health care costs and longer hospitalization, readmissions, and more visits to an emergency room. Your Committee further finds that in 2014, the Auditor submitted a sunrise study on the advisability of mandating insurance coverage for hearing aids, as proposed in S.B. No. 309, S.D. 1, Regular Session of 2013. The 2014 Auditor's report found that most insurance plans in Hawaii already covered or planned to cover the cost of hearing aids by 2015 but expressed concerns that S.B. No. 309, S.D. 1, had no limits on coverage, such as minimum or maximum costs covered by insurers or frequency of replacement. This measure includes a minimum amount of coverage and the frequency for replacement of hearing aids under the coverage, and is intended to address the concerns raised in the 2014 Auditor's report. Accordingly, a second impact assessment report is unnecessary.

Your Committee has amended this measure by:

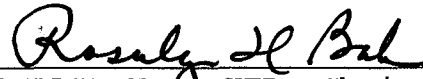
- (1) Deleting references to an employer option with regard to the required coverages;
- (2) Inserting \$1,500 as the minimum benefit per hearing-impaired ear every thirty-six months;
- (3) Clarifying that the coverage required shall not apply to limited benefit health insurance;
- (4) Clarifying that this measure shall be exempt from the Auditor's impact assessment report requirement under section 23-51, Hawaii Revised Statutes;
- (5) Updating the purpose section;
- (6) Inserting an effective date of July 1, 2019; and
- (7) 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 469, H.D. 1, as amended herein, and



recommends that it pass Second Reading in the form attached hereto as H.B. No. 469, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 469, HD1</i>	<i>CPH</i>	<i>3/14/19</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312		<input checked="" type="checkbox"/> Pass, with amendments 2311		<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
CHANG, Stanley (VC)	✓			
KEOHOKALOOLE, Jarrett				✓
NISHIHARA, Clarence K.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.				✓
FEVELLA, Kurt	✓			
TOTAL	<i>5</i>			<i>2</i>
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
<i>[Signature]</i>				
Distribution:	Original	Yellow	Pink	Goldenrod
	File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy

*Only one measure per Record of Votes