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# A BILL FOR AN ACT

RELATING TO HEARING AIDS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that approximately three  
2 to four out of every one thousand children born in Hawaii are  
3 identified as having permanent hearing loss. According to the  
4 National Institutes of Health, about one-third of Americans  
5 between the ages of sixty-five and seventy-five and around  
6 one-half of those older than seventy-five have some degree of  
7 hearing loss.

8       According to the Lions Club, the cost for one digital  
9 hearing aid can be around \$3,000 or more. Some people with a  
10 permanent conductive hearing loss, for whom conventional hearing  
11 aids are not appropriate, may benefit from amplification through  
12 bone conduction hearing aids, which can also cost over \$3,000.  
13 Furthermore, about fifty per cent of childhood hearing loss is  
14 due to genetic causes, meaning that more than one member in a  
15 family may need to wear hearing aids, thereby multiplying the  
16 financial burden of purchasing hearing aids.



1       The legislature also finds that, currently, most health  
2   insurance plans in Hawaii cover the purchase of hearing aids,  
3   but the amount of coverage may be low, leaving the patient with  
4   a large copayment. As a result, it is not unusual for people  
5   with hearing loss to choose to delay or forgo the purchase of  
6   hearing aids because they are unable to pay for them. A 2005  
7   study by the Better Hearing Institute estimated that untreated  
8   hearing loss resulted in a loss of income per household of up to  
9   \$12,000 per year. Hawaii's medicaid managed care plans cover  
10   hearing aid evaluation, selection, purchase, and fitting every  
11   three years, and subsequent hearing aid checks, hearing testing,  
12   ear molds, repairs, and batteries. However, federal medicare  
13   insurance plans for the elderly do not cover hearing aid  
14   purchases and related services, and only cover hearing testing.

15       According to the American Speech-Language-Hearing  
16   Association, twenty-four states currently mandate insurance  
17   coverage for hearing aids. In states that specify the frequency  
18   of replacing hearing aids, the range is every two to five years,  
19   with thirteen of those states requiring replacement every three  
20   years. Fifteen states have parameters on the amount of coverage



1 that the insurance companies must provide, ranging from \$1,400  
2 to \$4,000 per ear or hearing aid.

3 The legislature further finds that the auditor published  
4 report No. 14-10 (2014), a sunrise study on the advisability of  
5 mandating insurance coverage for hearing aids, as proposed in  
6 Senate Bill No. 309, S.D. 1, regular session of 2013 (S.B. No.  
7 309). The auditor found that most insurance plans in Hawaii  
8 already covered or planned to cover the cost of hearing aids by  
9 2015 and that although the coverage levels at that time might  
10 require a large copayment, those insurance plans would have  
11 complied with S.B. No. 309, had it been enacted. The  
12 legislature notes that the auditor's report expressed concerns  
13 that S.B. No. 309, had no limits on coverage, such as minimum or  
14 maximum costs covered by insurers or frequency of placement.  
15 This Act addresses these concerns and includes a minimum  
16 coverage benefit of \$1,500 per hearing aid for each hearing-  
17 impaired ear every thirty-six months.

18 The purpose of this Act is to require health insurance  
19 coverage in the State for hearing aids for all types of hearing  
20 loss and specify the minimum amount of coverage and frequency  
21 for replacement of hearing aids under the coverage.



SECTION 2. Chapter 431, Hawaii Revised Statutes, is amended by adding a new section to article 10A to be appropriately designated and to read as follows:

"§431:10A- Coverage for hearing aids. (a) Each policy of individual and group accident and health or sickness insurance issued or renewed in the State after December 31, 2022, shall provide coverage for the cost of hearing aids for the policyholder and individuals covered under the policy.

(b) Hearing aid purchases covered under this section shall be for medically necessary hearing aid models, including analog, digital, and digitally programmable models, with standard features, per hearing-impaired ear every thirty-six months.

(c) The policyholder and individual covered under the policy may choose a hearing aid that is priced higher than the benefit payable under this section without financial or contractual penalty to the provider of the hearing aid.

(d) This section shall not prohibit an insurer subject to this section from providing coverage that is greater or more favorable to the policyholder and individuals covered under the policy.



1       (e) Coverage required under this section may be subject to  
2       deductibles, copayments, coinsurance, or annual or maximum  
3       payment limits that are consistent with deductibles, copayments,  
4       coinsurance, and annual or maximum payment limits applicable to  
5       other similar coverage under the policy.

6       (f) Every insurer shall provide notice to its  
7       policyholders regarding the coverage required by this section.  
8       The notice shall be in writing and prominently positioned in any  
9       literature or correspondence sent to policyholders and shall be  
10       transmitted to policyholders within calendar year 2022 when  
11       annual information is made available to policyholders, or in any  
12       other mailing to policyholders, but in no case later than  
13       December 31, 2022.

14       (g) This section shall not apply to limited benefit health  
15       insurance as provided in section 431:10A-607.

16       (h) For the purposes of this section, "hearing aid" shall  
17       have the same meaning as in section 451A-1 and includes  
18       conventional and bone conduction hearing aids."

19       SECTION 3. Chapter 432, Hawaii Revised Statutes, is  
20       amended by adding a new section to article 1 to be appropriately  
21       designated and to read as follows:



1       "§432:1- Coverage of hearing aids. (a) Each individual  
2 and group hospital or medical service plan contract issued or  
3 renewed in the State after December 31, 2022, shall provide  
4 coverage for the cost of hearing aids for the member and  
5 individuals covered under the individual and group hospital or  
6 medical service plan contract.

7       (b) Hearing aid purchases covered under this section shall  
8 be subject to a minimum benefit amount equal to the cost for  
9 medically necessary hearing aid models, including analog,  
10 digital, and digitally programmable models, with standard  
11 features, per hearing-impaired ear every thirty-six months.

12       (c) The members and individuals covered under the plan  
13 contract may choose a hearing aid that is priced higher than the  
14 benefit payable under this section without financial or  
15 contractual penalty to the provider of the hearing aid.

16       (d) This section shall not prohibit a mutual benefit  
17 society subject to this section from providing coverage that is  
18 greater or more favorable to the member and individuals covered  
19 under the individual and group hospital or medical service plan  
20 contract.



1       (e) Coverage required under this section may be subject to  
2       deductibles, copayments, coinsurance, or annual or maximum  
3       payment limits that are consistent with deductibles, copayments,  
4       coinsurance, and annual or maximum payment limits applicable to  
5       other similar coverage under the individual and group hospital  
6       or medical service plan contract.

7       (f) Every mutual benefit society shall provide notice to  
8       its members regarding the coverage required by this section.  
9       The notice shall be in writing and prominently positioned in any  
10       literature or correspondence sent to members and shall be  
11       transmitted to members within calendar year 2022 when annual  
12       information is made available to policyholders, or in any other  
13       mailing to members, but in no case later than December 31, 2022.

14       (g) For the purposes of this section, "hearing aid" shall  
15       have the same meaning as in section 451A-1 and includes  
16       conventional and bone conduction hearing aids."

17       SECTION 4. Section 432D-23, Hawaii Revised Statutes, is  
18       amended to read as follows:

19       **"§432D-23 Required provisions and benefits.**

20       Notwithstanding any provision of law to the contrary, each  
21       policy, contract, plan, or agreement issued in the State after



1 January 1, 1995, by health maintenance organizations pursuant to  
2 this chapter, shall include benefits provided in sections  
3 431:10-212, 431:10A-115, 431:10A-115.5, 431:10A-116, 431:10A-  
4 116.2, 431:10A-116.5, 431:10A-116.6, 431:10A-119, 431:10A-120,  
5 431:10A-121, 431:10A-122, 431:10A-125, 431:10A-126, 431:10A-132,  
6 431:10A-133, 431:10A-134, 431:10A-140, and [~~431:10A-134~~],  
7 431:10A-\_\_\_\_\_, and chapter 431M."

8 SECTION 5. The benefit to be provided by health  
9 maintenance organizations corresponding to the benefit provided  
10 under section 431:10A-\_\_\_\_\_, Hawaii Revised Statutes, as contained  
11 in the amendment to section 432D-23, Hawaii Revised Statutes, in  
12 section 4 of this Act, shall take effect for all policies,  
13 contracts, plans, or agreements issued in the State after  
14 December 31, 2022.

15 SECTION 6. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 7. This Act shall take effect on January 1, 2050.



**Report Title:**

Deaf and Blind Task Force; Kupuna Caucus; Health Insurance Coverage; Hearing Aids

**Description:**

Requires health insurance policies and contracts issued after 12/31/22 to provide coverage for purchases of medically necessary hearing aid models, including analog, digital, and digitally programmable, with standard features, per hearing impaired ear, every thirty-six months. Effective 1/1/2050.  
(SD1)

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