



DAVID Y. IGE  
GOVERNOR

JOSH GREEN  
LT. GOVERNOR

**STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310  
P.O. BOX 541  
HONOLULU, HAWAII 96809  
Phone Number: 586-2850  
Fax Number: 586-2856  
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN  
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI  
DEPUTY DIRECTOR

**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Health  
Thursday, February 4, 2022  
1:00p.m.  
Via Videoconference**

**On the following measure:  
S.B. 2439, RELATING TO HEARING AIDS**

Chair Keohokalole and Members of the Committee:

My name is Colin M. Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill 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.

We note that it is unclear whether the amendments in sections 2 through 4 of this bill, which would require health plans to provide benefits for hearing aids, would be construed as "in addition to the essential health benefits" within the meaning of 45 Code of Federal Regulations (CFR) § 155.170(a), or subject to defrayment provisions under 45 CFR § 155.170(b) which apply to benefits "in addition to the essential health benefits."

For the Committee's information, Hawaii Revised Statutes section 23-51 provides, in part, that "[b]efore 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, [sic] can be considered, there shall be concurrent resolutions passed requesting the auditor to prepare and submit to the legislature a report[.]"

Thank you for the opportunity to testify on this bill.



February 2, 2022

The Honorable Jarrett Keohokalole, Chair  
The Honorable Rosalyn H. Baker, Vice Chair  
Senate Committee on Health

Re: SB 2439 – Relating to Hearing Aids

Dear Chair Keohokalole, Vice Chair Baker, and Committee Members:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 2439, which requires health insurance policies and contracts issued after 12/31/22 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.

HMSA's plans cover hearing aids that are medically necessary to correct hearing loss. Our commercial plans currently provide coverage for hearing aid replacements at the rate of one hearing aid per ear every sixty months. While we appreciate the intent of this measure, we would like to offer a few comments.

Primarily, we would like to bring to the committee's attention the fact that Medicare plans are preempted by federal law from any state mandated coverage. Therefore, this measure may not cover the legislature's intended population.

As written, we have concerns with including a minimum benefit amount per device. The decision on the type of device a member may require should be based primarily on medical necessity rather than cost. The committee may wish to consider using "medically necessary hearing aid models (analog, digital, digitally programmable) with standard features," instead of a fixed dollar amount. In addition, notifications to members of policy changes as mentioned in Sections 2(f) and 3(f) are more accessible, efficient, and timely for individual members via website than through mailing written notices.

Finally, this measure proposes to create a new mandated health benefit and therefore we respectfully suggest the auditor first conduct a study to assess the social and financial costs pursuant to HRS 23-51 and 23-52. Such an assessment was not included in the previous audit conducted in 2014.

Thank you for the opportunity to testify on SB 2439.

Sincerely,

Matthew W. Sasaki  
Assistant Vice President  
Government & External Relations

**SB-2439**

Submitted on: 2/1/2022 1:02:13 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Sherry Shimizu	Individual	Support	Yes

Comments:

Greetings Senators, Committee Chair, Committee Clerk, and everyone:

I am requesting a sign language interpreter for this Friday, February 4, 2022 at 1:00 p.m. regarding the SB2439 Relating to Hearing Aids. Please contact Shaun Shimizu at Hawaii Interpreting Services [info@interpretinghawaii.com](mailto:info@interpretinghawaii.com) or 808-394-7706.

Also, if possible to ask the Committee Chair to move the bill up to the beginning of the agenda for the sign language interpreter and my testimony over zoom?

During these difficult economic times, this important bill will help both children and adults with hearing loss continue to be a part of their families, friends and communities, but at this time are unable to afford expensive hearing aids.

February 2, 2022

Testimony of Eleanor Macdonald  
Submitted to the Hawaii State Senate  
COMMITTEE ON HEALTH

Honorable Senator Jarrett Keohokalole, Chair  
Honorable Senator Rosalyn H. Baker, Vice Chair

Re: SB2439 Relating to Hearing Aids

Dear Chair, Vice Chair and Members,

I would like to enthusiastically support SB 2439 Relating to Hearing Aids.

This legislation would require individual and group health insurers to provide coverage of prescription hearing aids for individuals who are experiencing hearing loss, but unable to afford the cost of hearing aids.

At this writing, there are five (5) states that currently mandate coverage of hearing aids for both children and adults. This coverage by health insurance companies helps to avoid the much higher cost of treating resulting conditions such as isolation from family and friends; lack of access to information and eventual atrophy of tissue in the auditory cortex of the brain.

Brain health for seniors and elderly residents of Hawaii should be a top priority for health insurers to maintain independent living in their homes and communities for as long as possible. Please pass this very important bill.

Mahalo,

Eleanor Macdonald

# PETER L. FRITZ

## THE SENATE THE THIRTY-FIRST LEGISLATURE REGULAR SESSION OF 2022

### COMMITTEE ON HEALTH

Testimony on S.B. 2439  
Hearing: February 4, 2022

### RELATING TO HEARING AIDS

Chair Keohokalole, Vice Chair Baker, and members of the Committee. My name is Peter Fritz. I use hearing aids. I am testifying **in support** of this bill. Poor hearing is an unmistakable health hazard, threatening mind, life and limb and it could cost health insurers much more than it would to provide hearing aids and services for individuals with a hearing loss. Because many people are now wearing masks, people are discovering that they have a hearing loss. This bill could make hearing aids more affordable.

This bill would require health insurance policies and contracts, that do not offer benefits for hearing aids, to provide coverage for the cost of hearing aids for each hearing-impaired ear every thirty-six months in their base plans. Providing a benefit could help make hearing aids more affordable and would help more people be treated for their hearing loss.

According to a recent article in the Journal of the American Medical Association (“JAMA”), poor hearing is an unmistakable health hazard, threatening mind, life and limb and it could cost health insurers much more than it would to provide hearing aids and services for individuals with a hearing loss.<sup>1</sup>

Hearing loss is now known to be the largest modifiable risk factor for developing dementia, exceeding that of smoking, high blood pressure, lack of exercise and social isolation, according to an international analysis published in The Lancet in 2017, Vol. 390, No. 10113.<sup>2</sup> The analysis indicated that preventing or treating hearing loss in midlife has the potential to diminish the incidence of dementia by 9 percent.

About 85 percent of those with hearing loss are untreated. For older adults alone, this increased health care costs by 46 percent over a period of 10 years, compared with costs incurred by those without hearing loss, according to an article in JAMA Otolaryngology Head and Neck Surgery.<sup>3</sup>

In a study that covered 154,414 adults 50 and older who had health insurance claims, researchers at Johns Hopkins found that untreated hearing loss increased the risk of developing dementia by 50 percent and depression by 40 percent in just five years when compared to those without hearing loss.<sup>4</sup>

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<sup>1</sup> JAMA Otolaryngol Head Neck Surg. 2019;145(1):36-43. doi:10.1001/jamaoto.2018.2876

<sup>2</sup> The Lancet 2017, Vol. 390, No. 10113. [http://dx.doi.org/10.1016/S0140-6736\(17\)31756-7](http://dx.doi.org/10.1016/S0140-6736(17)31756-7)

<sup>3</sup> JAMA Otolaryngol Head Neck Surg. 2019;145(1):36-43. doi:10.1001/jamaoto.2018.2876.

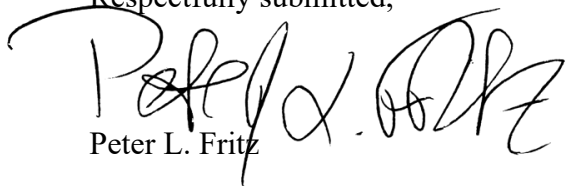
<sup>4</sup> Id.

The analysis of the voluminous data linked untreated hearing loss to more and longer hospitalizations and readmissions and more visits to an emergency room.<sup>5</sup> Within 10 years, untreated hearing loss accounted for 3.57 percent of people significantly injured in a fall, 3.2 percent of all cases of dementia, and 6.88 percent of those seeking treatment for depression. The percentages may seem small, but given how common these conditions are, they affect a very large number of individuals, resulting in great personal, financial and societal costs.

Making hearing aids more available and affordable has benefits beyond the cost.

Thank you for the opportunity to testify.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Peter L. Fritz", written over the printed name.

Peter L. Fritz

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<sup>5</sup> Id.

**SB-2439**

Submitted on: 2/3/2022 12:47:40 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Nikki	Individual	Support	Yes

Comments:

Aloha,

My name is Nikki Kepoo and I am a mother of a deaf child and an advocate for all deaf, hard of hearing, and deaf blind children. In the years of advocating, families face many hardships spiritually, emotionally, mentally, and financially. Many of the families of children using hearing aids, or assisted devices, have not only the burden of paying for these devices out of pocket, but of the stress to maintain them.

Children are apt to play, fidget, lose, or break things. Every challenge a family faces is compounded when providers do not have any policy to support the needs of the child physically. Hearing aids are instrumental in their ability to establish strong language skills. As the child grows, the molds and devices need growth. These items are not cheap, they are an expense that cannot be measured against the child's needs in academics, social, and emotional needs.

It is my understanding that some providers to allow some support, but it is barely a dent towards these products. This bill has been introduced and moved through all committees only to be held back when conferees were not assigned. I understand there are interested parties who disagree with covering such items, but if they were a parent of a hard of hearing child, they would be willing to cover MUCH more than \$1,500. They would be looking at ways to make it free for the life of the child.

These aids are not only critical for this community, but for our elderly. With the use of masks, as a hearing person I'm already having difficulty so imagine the impact to those that relied on hearing aids previously. Please hear our plea to help our families worry more about opportunities and less about where they'll find the money to help their child get new hearing aids.

Mahalo,





February 2, 2021

The Honorable Jarrett Keohokalole, Chair  
The Honorable Rosalyn H. Baker, Vice Chair  
Senate Committee on Health

**Senate Bill 2439 – Relating to Hearing Aids**

Dear Chair Keohokalole, Vice Chair Baker, and Members of the Committee:

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to provide testimony on SB 2439. HAHP is a statewide partnership of Hawaii's health plans and affiliated organizations to improve the health of Hawaii's communities together. The vast majority of Hawaii residents receive their health coverage through a health plan associated with one of our organizations.

While we appreciate the intent of this measure, we believe that the decision on the type of device a patient may require should be based on medical necessity rather than a mandatory minimum cost. Moreover, most health plans in Hawaii already offer coverage for hearing aids for their members.

We would also like to respectfully comment that Medicare plans are preempted by federal law and this measure may not have the intended impact.

Finally, if this bill should move forward, we believe that this is a new mandated benefit subject to an impact assessment report by the State Auditor pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes. A previous audit conducted in 2014 did not address social and financial costs related to a mandated minimum benefit for hearing aids.

Thank you for allowing us to testify expressing concerns on SB 2439.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members

[hahp.org](http://hahp.org) | 818 Keeaumoku St., Honolulu, HI 96814 | [info@hahp.org](mailto:info@hahp.org)

AlohaCare | HMAA | HMSA | Humana | HWMG | Kaiser Permanente | MDX Hawaii | Ohana Health Plan |  
UHA Health Insurance | UnitedHealthcare

Testimony of  
John M. Kirimitsu  
Legal and Government Relations Consultant

Before:  
Senate Committee on Health  
The Honorable Jarrett Keohokalole, Chair  
The Honorable Rosalyn H. Baker, Vice Chair

February 4, 2022  
1:00 pm  
Via Videoconference

**SB 2439 Relating to Hearing Aids**

Chair, Vice Chair, and committee members, thank you for this opportunity to provide testimony on bill mandating insurance coverage for hearing aid devices.

**Kaiser Permanente Hawaii would like to offer comments.**

Kaiser Permanente supports the intent of this bill and already offers a base hearing aid benefit on our standard commercial and individual plans. However, Kaiser Permanente is concerned that the \$1,500.00 minimum coverage requirement in this bill will divert the focus away from medical care, i.e., what is medically appropriate, and instead prioritize purely financial incentives, i.e., choosing the most expensive products. This minimum cost threshold would only de-incentivize those vendors, at the expense of the consumer, who may be offering discounted products in a competitive market, to forego such discounts in favor of higher pricing to meet the minimum coverage threshold.

Thank you for your consideration.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830  
1-866-295-7282 | Fax: 808-536-2882  
aarp.org/hi | [aarphi@aarp.org](mailto:aarphi@aarp.org) | [twitter.com/AARPHawaii](https://twitter.com/AARPHawaii)  
[facebook.com/AARPHawaii](https://facebook.com/AARPHawaii)

The State Legislature  
The Senate Committee on Health  
Friday, February 4, 2022  
1:00 p.m.

**LATE**

TO: The Honorable Jarrett Keohokalole, Chair

RE: Support for S.B. 2439 Relating to Hearing Aids

Aloha Chair Keohokalole and Members of the Committees:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with over 140,000 members in Hawai'i. **AARP supports S.B. 2439** which requires future health insurance policies to provide coverage for cost of hearing aides at a minimum of \$1,500 per hearing aid for each hearing-impaired ear.

Hearing loss can occur at all ages and the risk increases significantly as people grow older. According to John Hancock Cochlear Center for Hearing and Public Health 2020 report, roughly nine out of ten people with hearing loss are adults ages 50 and older. In Hawaii, it is estimated that 28,000 kūpuna over age 65 have hearing loss rated moderately severe and greater. Unfortunately, many cannot afford the care and hearing technologies to address their hearing loss. The federal Medicare's hearing coverage is very limited and enrollees often face large out-of-pocket costs for the hearing aids. While health insurance companies have made strides in expanding benefits for hearing loss, the minimum coverage among these companies is not consistent. S.B. 2439 addresses this issue.

Thank you very much for the opportunity to **support S.B. 2439**.

Sincerely,

A handwritten signature in black ink that reads "Keali'i S. Lopez". The signature is fluid and cursive, with the first name being the most prominent.

Keali'i Lopez, State Director

Date: February 4, 2022

**LATE**

**TO: SENATE COMMITTEE ON HEALTH**  
Senator Jarrett Keohokalole, Chair  
Senator Rosalyn Baker, Vice-Chair  
Senator Kurt Fevella, Member  
Senator Sharon Moriwaki, Member  
Senator Joy San Buenaventura, Member

**FROM: POLICY ADVISORY BOARD FOR ELDERLY AFFAIRS**  
Suzie Schulberg, Community Member - Legislative Committee

Hearing: Friday, February 4, 2022, 1:00pm

Subject: SB 2439, Relating to Hearing Aids

Position: **STRONG SUPPORT** for **SB 2439**

The Policy Advisory Board for Elderly Affairs (PABEA) has a statutory obligation to advocate on behalf of senior citizens of Hawaii. While we advise the Executive Office on Aging, we do not speak on behalf of the Executive Office on Aging.

PABEA is in strong support of SB 2439, which requires health insurance policies and contracts issued after 12/31/22 to provide coverage for hearing aids at a minimum of \$1,500 per hearing aid for each hearing impaired ear every thirty-six months in their base plans.

SB2439 will bolster insurance coverage and help in reducing the costly burden often associated with a critical life support device that affects over two-thirds of Americans by the time they reach age 70. The inability to hear and loss of hearing generally, increases the risk of cognitive problems and decline, including dementia. Hearing loss also contributes to the preventable withdrawal of aging individuals from vital social interaction and successful functioning in activities of daily living.

It is critically important that aging individuals be provided the capability to hear well with ease and ability to do so without undue economic burden. Please ensure that SB2439 continues to move forward and be given due consideration this Legislative Session, regardless of the legal or fiscal challenges its enactment may face. Allow our kupuna to age with dignity and grant them every opportunity available to hear well and continue to enjoy all the activities that are important to them.

Thank you for your consideration and allowing PABEA this opportunity to provide testimony in support of SB2439 and our kupuna.

**SB-2439**

Submitted on: 2/1/2022 12:12:50 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Darlene Ewan	Individual	Support	No

Comments:

I support this bill.

P.O. Box 4777  
Kaneohe, HI 96744

February 4, 2022

Senate Committee on Health  
415 S. Beretania Street  
Honolulu, HI 96813

Re: Senate Bill 2439 – Relating to Hearing Aids

Dear Chair Keohokalole, Vice Chair Baker, and Members of the Committee on Health,

My name is Debbie Jackson and I support of Senate Bill 2439 – Relating to Hearing Aids. I was a hearing person, and over the years my ability to hear began to decline. I now use 2 hearing aids and have had them for the past 3 years.

My hearing has gotten worse, but because I am a member of an HMO I purchased my hearing aids from Costco which was a less expensive alternative than the vendor that the HMO offers. Because I did this, the HMO did not pay anything to cover the cost of the hearing aids. Now that my hearing is declining, I need to get another hearing assessment and again purchase new hearing aids.

I don't understand the rationale for the HMO not to cover any of the cost for my hearing aids, because I purchased them outside the network. My private vision plan covers some of the cost when I purchase new prescription eyeglasses. What is the difference between being able to see more clearly than to improve my ability to hear? Both of these sense are important to function and communicate effectively in society.

Please pass this measure to ensure consumers such as myself are dealt with fairly in covering the increasing cost of healthcare. I understand the there is a concern related to conducting a sunrise review, however this bill addressed the concerns put forth in the study.

Thank you for considering my testimony support of this bill.

Sincerely,

Debbra L. Jackson  
Hard of Hearing Consumer

**Senate  
Committee on Health  
Friday, February 4, 2022  
1:00 p.m.**

To: Chair Jarrett Keohokalole  
Re: SB2439, Relating to Hearing Aids

Aloha Chair Keohokalole, Vice-Chair Baker, and Members of the Committee,

I am Lila Mower, President of Kokua Council, one of Hawaii's oldest advocacy groups. We focus on policies and practices which can impact the well-being of seniors and our community.

I concur with the testimony submitted by my colleague, Kokua Council's Vice President, Rick Tabor, in **support of SB2439**.

Hearing impairment contributes to dementia and other seemingly unrelated disorders and diseases, causes isolation among those who are hearing impaired, and increases the possibility of mental health issues.

Passage of this measure will lower the greatest barrier to the use of hearing aids, its cost, so that more may use this technology to live healthier and happier lives.



**SB-2439**

Submitted on: 2/3/2022 6:38:59 AM

Testimony for HTH on 2/4/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Margaret A. Perkinson, PhD	Individual	Support	No

Comments:

I support SB 2439.

THE SENATE  
THE THIRTY-FIRST LEGISLATURE  
REGULAR SESSION OF 2022  
COMMITTEE ON HEALTH  
Senator Jarrett Keohokalole, Chair  
Senator Rosalyn H. Baker, Vice Chair  
NOTICE OF HEARING  
**SB2439**

POSITION: **SUPPORT SB2439**

Aloha Chair Vice-Chair and Members,

In a 2021 report by the National Institute on Deafness and Other Communication Disorders (NIDCD) based on their findings that 18% of adults age 20-69 have hearing loss issues in both ears. 2 out of 3 of every 1,000 children in the USA are born with a detectable level of hearing loss in one or both ears. In addition, the data also suggest that approximately 15% of American adults or 37.5 million aged 18 and over report some trouble hearing.

In addition, men are twice as likely to experience hearing loss than women, and those numbers are staggering. Bottom line is, about 28.8 million US adults could benefit from using hearing aids. Further research has suggested that there is a relationship between hearing loss and social isolation with Dementia and Mental Health issues. Further studies conducted by SAMHSA (Substance Abuse and Mental Health Services Administration) suggested that individuals with moderate to severe hearing loss are up to five times as likely to develop dementia.

At a neurological level, brain scans indicate a faster rate of atrophy in the brain in individuals with hearing loss that contributes to social isolation. Further research findings have linked hearing loss and social isolation with Dementia and Mental Health issues. Consequently, there have been writings in academic journals that draw parallels between hearing issues as a possible trigger toward negative behavioral mood swings. Behaviors exhibited usually include anger, denial, depression, anxiety, social withdrawal, fatigue, increased substance use, and self-esteem-related issues. Sadly, hearing impairment has also been found to increase the risk for psychosis.

One of the most detrimental of not addressing hearing loss through hearing aids and other medical devices is that the damage can become irreversible. However, this may be prevented if there is early intervention in addressing hearing loss. People's hearing is connected to people's well-being. Insurance coverages are increasing the medical and mental health issues their hearing-impaired consumer's experience and paying more for the complications than they would be if they had covered the hearing aid costs to begin with. This situation is simply not equitable to those with hearing complications.

Thank you for your time in reading this testimony. Please allow this bill to be passed through this committee and one step closer to being signed into law.

Mahalo,

Ken Farm

**SB-2439**

Submitted on: 2/3/2022 4:46:04 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

**LATE**

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Barbara J. Service	Individual	Support	No

## Comments:

Aloha Chair Keolokalole and Vice Chair Baker!

I am Barbara Service and I'm a resident of Senate District 8 and House District 19. I am a retired social worker and a Kupuna advocate (as well as being a Kupuna!).

The ramifications of not being able to hear (or hear well) are enormous. Those who can't hear sometimes misunderstand what's being said to them or around them. They may face ridicule due to not understanding. This could lead to social isolation, a significant factor in a decline in the quality of life, especially among Kupuna. Those who are socially isolated are at high risk of Alzheimer's Disease or other dementias. Alzheimer's is a very costly and, as yet (unfortunately) an incurable disease.

It is estimated that 28 million in the U.S. could benefit from using hearing aids.

Please ensure that at least part of the cost of hearing aids (now as much as \$10,000) is covered by medical insurers in their base plans.

Mahalo!

Barbara J. Service. MSW (ret)

Kupuna advocate

**SB-2439**

Submitted on: 2/3/2022 5:10:40 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

**LATE**

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Laura Safranski	Individual	Support	No

## Comments:

I stand in support of this becoming a minimum standard. This will not cover the entire cost but it's a very important start

**SB-2439**

Submitted on: 2/3/2022 6:24:18 PM

Testimony for HTH on 2/4/2022 1:00:00 PM

**LATE**

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Cheryl Shimizu	Individual	Support	No

Comments: