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Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Commerce and Consumer Protection
Thursday, February 20, 2025
9:30 a.m.
State Capitol, Conference Room 229 & via Videoconference
On the following measure:

S.B. 1494, S.D. 1, RELATING TO HEARING AIDS

WRITTEN TESTIMONY ONLY

Chair Keohokalole and Members of the Committee:

My name is Jerry Bump, and I am the Acting 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 on or after 1/1/2026 to provide optional coverage for the cost of hearing aids at a minimum \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months.

We note that it is unclear whether the amendments in sections 2 through 5 of this bill 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."

Thank you for the opportunity to testify.

SB-1494-SD-1

Submitted on: 2/16/2025 5:21:54 PM

Testimony for CPN on 2/20/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ruth Love	Individual	Support	Written Testimony Only

Comments:

Can we please also make an allowance of some sort for loss of covered Hearing aids by children? Children are not always very responsible for belongings and often lose their hearing aids. When a parent is trying to replace 2 lost hearing aids the cost is very high. Is it possible to install locator chips in hearing aids?

The elderly also often have issues with lost or stolen (in care homes by other residents) hearing aids as well.

Thank you

Mrs Ruth Love

PETER L. FRITZ

T-Mobile Relay (808) 568-0077

THE SENATE
THE THIRTY-THIRD LEGISLATURE
REGULAR SESSION OF 2025

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Testimony on S.B. 1495 SD1
Hearing: February 20, 2025

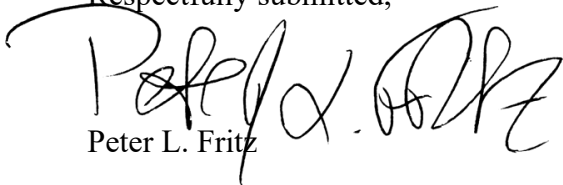
RELATING TO HEARING AIDS

Chair Keohokalole, Chair, Vice Chair Fukunaga, and members of the Committee, my name is Peter Fritz. I am an individual with a hearing disability and a hearing aid user. I am testifying **in support of S.B. 1494 SD1 and amending the bill to require mandatory coverage.**

I support this bill, but I prefer S.B. 1494 because it mandates hearing aid coverage for all policies. While many policies currently offer coverage for hearing aids, upon information and belief, the policies that do not offer coverage are policies that cover lower income workers who are less likely to afford hearing aids.

Please advance a bill that requires mandatory hearing aid coverage in all health insurance policies.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Peter L. Fritz', with a large, stylized initial 'P'.

Peter L. Fritz

February 3, 2025

Testimony of Eleanor Macdonald
Submitted to the Hawaii State Senate
Commerce & Consumer Protection Committee

Honorable Senator Jarrett Keohokalole, Chair
Honorable Senator Carol Fukunaga, Vice Chair

Re: SB1494, SD1 Relating to Hearing Aids, Insurance

Dear Chair, Vice Chair and Members,

I would like to enthusiastically support SB 1494, SD 1, Relating to Hearing Aids and insurance coverage.

This legislation would require individual and group health insurers to provide optional coverage of prescription and over-the-counter hearing aids for individuals who are experiencing hearing loss at a minimum of \$1500/hearing aid, but unable to afford the high cost of hearing aids.

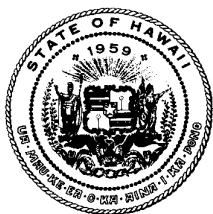
At this writing, there are five (5) states (Arkansas, Connecticut, Illinois, New Hampshire and Rhode Island) that currently mandate coverage of hearing aids for both children and adults, “potentially exceeding \$1,500.” This coverage by health insurance companies helps to avoid the much higher cost of treating dementia resulting isolation from family and friends, lack of access to information and eventual atrophy of tissue in the auditory cortex of the brain.

According to The Council for Community & Economic Research, Hawaii is the #1 most expensive state to live in the United States and people throughout the state of Hawaii just cannot afford to pay the high cost for hearing aids.

Please pass this very important healthcare bill.

Mahalo,
Eleanor Macdonald, M.Ed., CRC (ret.)

LATE



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • (808) 204-2466 (VP)

February 20, 2025

TESTIMONY TO THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senate Bill 1494 SD1 – Relating to Hearing Aids

The Disability and Communication Access Board (DCAB) supports Senate Bill 1494 SD1 – Relating to Hearing Aids. This bill requires health insurance policies and contracts issued on or after January 1, 2026, to provide optional coverage for the cost of hearing aids at a minimum \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months.

Ensuring access to communication aligns with the Americans with Disabilities Act (ADA) and DCAB's ongoing commitment to advocating for the rights of individuals with disabilities.

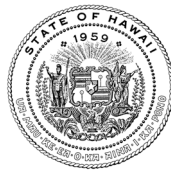
Currently, private health insurance plans often provide partial coverage for eyeglasses to correct vision, yet coverage for hearing aids remains inconsistent and insufficient. This bill would ensure individuals with hearing loss have improved access to necessary hearing aids through private insurance carriers, promoting greater communication access.

Hearing is an essential sense necessary for effective communication, daily functioning, and overall quality of life. For individuals with hearing loss, access to hearing aids is crucial for participation in social, educational, and professional environments.

Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW
Executive Director



LATE

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

STATE OF HAWAII'
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TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON CONSUMER PROTECTION
ON SENATE BILL NO. 1494 SD1

February 20, 2025
9:30 a.m.
Conference Room 229 & Videoconference

WRITTEN ONLY

RELATING TO HEARING AIDS

Chair Keahokalole, Vice Chair Fukunaga, and Members of the Committee:

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees has not taken a position on this bill. EUTF staff would like to provide comments.

Currently, the Kaiser Permanente EUTF medical plans comply with the benefit coverage requirements of hearing aids in SB1494. The HMSA EUTF medical plans generally cover hearing aids at standard plan coinsurance levels with one hearing aid per hearing impaired ear every 60 months. Compliance with SB1494 is estimated to add \$2.1 million annually in claims to the HMSA EUTF plans (\$200,000 active employees and \$1.9 million retirees) and increase the unfunded liability by \$40.7 million.

Thank you for the opportunity to testify.

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

February 20, 2025

To: Chair Keohokalole, Vice Chair Fukunaga, and Members of the Senate Committee on Commerce and Consumer Protection (CPN)

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: February 20, 2025; 9:30 am/Conference Room 229 & Videoconference

Re: Testimony with comments on SB 1494 SD1– Relating to Hearing Aids

The Hawaii Association of Health Plans (HAHP) would like to offer comments on SB 1494 SD1. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP appreciates the intent of this measure to help those with hearing loss improve their quality of life. However, we would like to respectfully comment on several points:

- Medicare plans are preempted by federal law, so this measure may not have the intended impact.
- We believe that a decision on the type of device a patient may require should be based on medical necessity rather than a mandatory minimum cost.
- Most health plans in Hawaii already offer coverage for hearing aids for their members.
- Finally, if this bill should move forward, we believe that as a new mandated benefit, it should be subject to an impact assessment report by the State Auditor pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes. An auditor's report was requested by the legislature in 2022 (SCR61 SD1 HD1), but has not yet been conducted.

Thank you for the opportunity to testify on SB 1494 SD1.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members

February 20, 2025

The Honorable Jarrett Keohokalole, Chair
The Honorable Carol Fukunaga, Vice Chair
Senate Committee on Commerce and Consumer Protection

Re: SB 1494 SD1– RELATING TO HEARING AIDS

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

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide comments on SB 189, which requires health insurance policies and contracts issued on or after 1/1/2026 to provide optional coverage for the cost of hearing aids at a minimum \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months.

HMSA appreciates the intent of this measure but offers comments regarding the applicability of this measure. Since a majority of Kupuna over 65 are covered by Medicare, which is regulated by federal law, HMSA believes that federal preemption would prevent the state from mandating coverage for this population. We also believe that the decision of the hearing device an individual uses, should be driven by medical necessity and not a mandatory minimum cost.

As identified in the preamble, should this measure move forward, we believe that as a new mandated benefit, it should be subject to an impact assessment report by the State Auditor pursuant to Sections 23-51 and 23-52 of the Hawaii Revised Statutes. An auditor's report was requested by the legislature in 2022 (SCR61 SD1 HD1) but has not yet been received.

Thank you for the opportunity to testify on SB 1494 SD1.

Sincerely,



Dawn Kurisu
Assistant Vice President
Community and Government Relations

LATE

SB-1494-SD-1

Submitted on: 2/18/2025 4:18:55 PM

Testimony for CPN on 2/20/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Meriah Nichols	Individual	Support	Written Testimony Only

Comments:

Too many people do not wear the hearing aids that they need, because they cost too much and insurance does not cover them. Not being able to hear is highly isolating, and contributes to mental illness and premature mental decline.

Added to that, people who cannot access hearing are usually people who do not access communication in other forms (like signed language). This means that they are not able to work or sustain employment. Which becomes an even greater cycle of poverty and isolation.

Please make hearing aids covered by insurance. The fact that they are not is actually incomprehensible, as our ears are part of our body and health.

LATE**LATE****SB-1494-SD-1**

Submitted on: 2/19/2025 11:14:12 AM

Testimony for CPN on 2/20/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephen Laracuenta	Individual	Support	Written Testimony Only

Comments:

Aloha and thank you folks for continuing to move this Bill along. I am Deaf and 72 years old. I won't be able to be there in person or via Zoom, so I am using this written testimony to express my support for SB1491 SD1. I have used hearing aids since I was 3 years old. When I became 21 years of age, then the responsibility fell on me to pay for the hearing aids myself. Lucky for me, the Division of Vocational Rehabilitation or DVR paid for my hearing aids until I completed my postsecondary training to become a fully certified Teacher of the Deaf and got my first teaching job in New York City. The Employer provided insurance paid most of the cost there, in New York State. Then I moved to Hawaii in 1988, I was paid \$12,000 less than what I was earning in NYC and found that HMSA in Hawaii paid only 25% for the cost of my new hearing aid while I paid 75%. Nowadays, I'm still paying 75%, after 36 years. Thirty six divided by every three years of buying a new hearing (Hawaii's tropical climate is brutal for my hearing aids) equals 12 times I bought a hearing aid in Hawaii at the cost of \$2,000 per hearing aid equals \$24,000 dollars worth of hearing aids. My 75% share of that comes to \$18,000 I could have spent on other things. The only reason I'm paying so much is that I happen to be Deaf. Many Deaf folks can't afford to spend this much money, so they do without. As a Deaf professional (now retired) I can afford it, but is it fair? That's why I am supporting this Bill. Mahalo for your time to read this testimony and your continued consideration of this Bill. Please pass it and make it happen.

LATE**LATE****SB-1494-SD-1**

Submitted on: 2/19/2025 8:27:43 PM

Testimony for CPN on 2/20/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sherry Shimizu	Individual	Support	Written Testimony Only

Comments:

February 19, 2025

Dearest Honorable Senators Keohokalole (Chair), Fukunaga (Vice Chair), and Members McKelvey, Richards, Awa of Commerce and Consumer Protection (CPN):

My name is Sherry Shimizu, I am a graduate of Pearl City High School and received a bachelor of science degree at Rochester Institute of Technology in New York with a major in Packaging Science or better known as Engineering and minor is Criminal Justice. I am a resident of Pearl City, Senatorial District 16.

I am testifying today to express my very strong support for SB 1494 SD1, which will mandate "health insurance policies and contracts issued on or after 1/1/2026 to provide coverage for the cost of hearing aids at a minimum \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months". This bill is very important to me personally, because I have been Deaf in one ear and hard-of-hearing in the other ear all of my life; I used to use one lateral hearing aid and decided to stop about 8 years ago. Hearing aids are very expensive and I cannot afford new ones, similarly with my family members and friends. My parents, siblings and other family members are also either Hard-of Hearing or Deaf.

I know first-hand the frustration of missing information because I did not hear it clearly; I know first-hand how much hearing aids can and do help in accessing the information I otherwise miss; and I know first-hand how it feels to be told to "Pay Attention!" when I did everything I possibly could to do just that then to be told "nevermind." Adjusting to changes in my hearing, over time, make all this a lifelong challenge.

I know, too, how expensive hearing aids are; the challenges in finding and acquiring the most suitable aids for my own use, as well as after time seeking out a qualified and understanding audiologist, even rarely one who signs. And I certainly know the anguish of sometimes having to give up something I really wanted or needed in order to afford an upgrade to my hearing aids. Over-the-counter (OTC) hearing aids nor so called AirPods do not work for profoundly Deaf people, since much more powerful hearing aids are needed and require adjustments by a professional Audiologist depending on the individual's severe hearing loss. Based on my experience and those of my family and friends' which I just explained, I believe children of school age who want Hearing Aids can and this accommodation contribute to their future success just like me.

Most people with disabilities have resources that help pay for the assistive technology they need: Deaf people are provided with interpreters; Blind people have many resources to access information via speech or braille; Deaf-Blind people have a national program that provides them with the technology they need; and individuals with physical challenges have resources to help pay for durable medical equipment. Individuals who are hard-of-hearing rarely have support to help pay for the most important access devices in their lives, because medical insurance does not cover hearing aids, although it should.

Hearing aids for a hard-of-hearing person are akin to prescription eyeglasses. In both cases a specialized doctor is needed to make a specific prescription, and a licensed provider is needed to provide the technology. Yet prescription eyeglasses are covered by insurance, while hearing aids are not. Hearing aids are not permanent nor invasive and are much cheaper than cochlear implants; cochlear implants are a form of abuse parents do to their children, some babies before they are 1 year old, their brains are surgically cut open and skulls drilled through, imagine not even having a chance of forming to full adult size brains. Google is your friend to look up the video of the actual procedure.

We in the hard-of-hearing community have tried for years to advocate for legislation to rectify this situation. Many of us have worked hard to have legislation introduced and heard. Invariably the committees we testify approve the proposed legislation - but the Legislature does not. I am here to ask you, please: we need this technology / accommodation / accessibility and we need your help in enabling us to acquire it. SB 1494 will be a major step in this direction.

Thank you for the opportunity to testify,
Sherry Shimizu