

NASW Maryland - 2024 SB 778 FAV - Hearing Aid Cove

Uploaded by: Karessa Proctor

Position: FAV

**Senate Finance Committee
February 28, 2024**

**Senate Bill 778 Health Insurance - Hearing Aids for Adults - Coverage
Support**

On behalf of the National Association of Social Workers, Maryland Chapter (NASW-MD) Committee on Aging, we would like to voice our support for Senate Bill 778 - Health Insurance - Hearing Aids for Adults - Coverage. This bill will provide Marylanders with coverage for a portion of the cost of hearing aids.

As social workers for older adults, we are aware of the importance of hearing aids for seniors, in the context of physical and mental health. Hearing loss, if untreated, is related to an increased risk of dementia and falls, among other health hazards. Adults who have untreated hearing loss have much greater overall health care expenses (an average of 46% higher) than adults who do not have hearing loss.

In addition to these risks, untreated hearing loss often leads to social isolation. According to studies by Johns Hopkins University, the inability to hear conversations and other sounds often causes individuals to withdraw from others and become depressed. Every decibel drop in perception in people under 70 increases the odds of becoming severely lonely by 7%, one Dutch study showed.

Despite the serious effects of untreated hearing loss, only about 20% of older Americans with hearing loss wear hearing aids, according to an NPR report, leaving more than 23 million older adults with untreated problems. One obstacle has been the lack of coverage by Medicare and other insurers. The average price of two hearing aids in the United States is roughly \$4700, a price that is out of reach for many Marylanders.

Many Marylanders purchase hearing aids only after suffering years of hearing loss. Unfortunately, the longer the wait, the more likely that the brain does not adjust quickly enough to make the hearing aids effective. Financial assistance for hearing aids will help people avoid putting off getting their devices, which will also contribute to the overall effectiveness of the aids.

For these reasons, we ask that you give a favorable report on Senate Bill 778. We believe it is a vital piece of legislation that will help ensure that older adults have greater access to and ability to pay for hearing aids they need.

Respectfully,

Karessa Proctor, BSW, MSW
Executive Director, NASW-MD

2024 MOTA SB 778 Senate Side.pdf

Uploaded by: Michael Paddy

Position: FAV



Maryland Occupational Therapy Association

PO Box 36401, Towson, Maryland 21286 ♦ www.mota-members.com

Committee:	Senate Finance Committee
Bill Number:	Senate Bill 778 – Health Insurance - Hearing Aids for Adults - Coverage
Hearing Date:	February 28, 2024
Position:	Support

The Maryland Occupational Therapy Association (MOTA) supports *Senate Bill 778 – Health Insurance - Hearing Aids for Adults - Coverage*. This bill requires insurers, non-profit health service plans, and health maintenance organizations (collectively known as carriers) to provide coverage for all medically appropriate and necessary hearing aids for an adult who is covered under a policy and may limit the benefit payable to \$1,400 per hearing aid for each hearing-impaired ear every 36 months.

It is not unusual for an occupational therapist to work with a person who is deaf or hard of hearing; because of the many causes of hearing loss and different areas of the body it can affect, occupational therapists are important members of a treatment team that can provide meaningful activities to help people participate fully in their lives. Hearing loss comes with a host of negative consequences. Mild hearing loss has been found to double the risk of developing dementia and moderate loss tripled the risk. People with a severe hearing impairment were found five times more likely to develop dementia.¹ It is also linked with social isolation, walking problems, and fall risks.

This bill will make hearing aids more accessible to adults Marylanders and ultimately improve lives. We urge a favorable report. If we can provide any additional information, please contact Robyn Elliott at relliott@policypartners.net.

¹ <https://www.hopkinsmedicine.org/health/wellness-and-prevention/the-hidden-risks-of-hearing-loss>

SB 778 FWA.pdf

Uploaded by: Senator Gallion

Position: FWA

JASON C. GALLION
Legislative District 35
Harford and Cecil Counties

Education, Energy, and
the Environment Committee



Annapolis Office
James Senate Office Building
11 Bladen Street, Room 414
Annapolis, Maryland 21401
410-841-3603 · 301-858-3603
800-492-7122 Ext. 3603
Fax 410-841-3115 · 301-858-3115
Jason.Gallion@senate.state.md.us

District Office
64 S. Main Street
Port Deposit, Maryland 21904

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 27th, 2024

The Honorable Pam Beidle, Chair

Senate Finance Committee

RE: SB778 – Health Insurance – Hearing Aids for Adults - Coverage

Position: **Favorable w/ Amendment**

Dear Chair Beidle,

Currently, minors in the State of Maryland are eligible for a max benefit payable limit to \$1,400 per hearing aid for each hearing-impaired ear every 36 months.

SB 778 simply expands the limit for adults to be in line with the benefit limit provided to minors. SB 778 will help adults with hearing loss overcome the economic obstacles that often leave individuals untreated and without hearing aids.

There is one amendment through collaboration with the various health insurance groups that specifies coverage will be provided if the hearing aids are prescribed, fitted, and dispensed by a licensed audiologist.

I respectfully ask the committee for a favorable report to assist our hearing-impaired adults gain greater access to hearing aids.

Sincerely,

A handwritten signature in blue ink that reads 'Jason Gallion'.

Jason Gallion

Senator, District 35

SB778 Amendment.pdf

Uploaded by: Senator Gallion

Position: FWA



SB0778/553424/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

21 FEB 24
12:12:01

BY: Senator Gallion
(To be offered in the Finance Committee)

AMENDMENT TO SENATE BILL 778

(First Reading File Bill)

On page 3, in line 15, after "CONTRACT" insert "IF THE HEARING AIDS ARE PRESCRIBED, FITTED, AND DISPENSED BY A LICENSED AUDIOLOGIST".

2024 Legislation (SB 778 - HI - Hearing Aids - Cov

Uploaded by: Ben Steffen

Position: INFO



February 28, 2024

The Honorable Pamela Beidle
Chair, Senate Finance
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB 778 - Health Insurance – Hearing Aids for Adults – Coverage – Letter of Information

Dear Chair Beidle and Members of the Committee,

The Maryland Health Care Commission (MHCC) is submitting this letter of information on *SB 778 - Health Insurance – Hearing Aids for Adults – Coverage*. This bill would require insurers, nonprofit health service plans, and health maintenance organizations that provide health insurance benefits under certain insurance policies or contracts to provide coverage for hearing aids for adults. The bill authorizes a limit on the benefit payable of \$1,400 per hearing aid for each hearing-impaired ear every 36 months. It also authorizes an insured or enrollee to choose a hearing aid that is priced higher than the \$1,400 payable benefit and pay the difference between the price of the hearing aid and the payable benefit without financial or contractual penalty to the provider of the hearing aid.

Over the interim the MHCC was asked to conduct a mandated health insurance services evaluation on the coverage of hearing aids for adults that was introduced by *HB1145/SB397, 2023 - Hearing Aids for Adults - Coverage* during the 2023 legislative session. We contracted with Lewis and Ellis (L&E), LLC., an actuarial consulting firm, to evaluate the social, medical, and financial impact of the proposed mandated insurance coverage for adult hearing aids. L&E completed the study which MHCC submitted to the General Assembly in January 2024.

The key findings of the report and summary statistics are the following:

- According to a report by the National Center for Health Statistics, among adults using hearing aids, 85.4% experienced no difficulty in hearing, 13% faced some challenges, while the remaining 1.6% had significant difficulties or were completely unable to hear even with the use of a hearing aid.
- Based on interviews with audiologists, it's reported that hearing aids are included in the treatment plans for approximately 85% or more of patients with sensorineural hearing loss. According to data from Johns Hopkins and the CDC, around 15% of

adults aged 18 and over experience hearing loss that ranges from mild to severe. Of these adults, only about

- 20% use hearing aids. The utilization of hearing aids increases with age, therefore, when only considering adults aged 18 to 64, only about 10% with hearing loss utilize hearing aids.
- Insurance coverage for hearing aids is inconsistent, with most plans not providing hearing aid benefits. Based on information from healthcare providers and Maryland-specific data, it's estimated that only about 20-40% of insurance plans currently cover hearing aids for adults.
- According to audiologists interviewed, approximately 15% of patients are turned away because the provider is not in-network with the patient's specific insurer. Two major reasons were cited for not reaching a contractual agreement with an insurer:
 - 1) The parties are not able to come to an agreement regarding the allowability of balance billing. Balance billing would allow the provider to bill the insurer for the difference between the allowable hearing aid benefit and a more expensive option, if elected by the insured.
 - 2) The insurer solely contracts with a hearing aid network vendor, such as Amplifon or TruHearing, limiting the insured's accessibility to only the providers participating with that vendor.
- While many states mandate hearing aid coverage for children only, some states, including Arkansas, Connecticut, Illinois, New Hampshire, and Rhode Island require coverage for both children and adults.
- The main reasons identified for patients with hearing loss not using hearing aids include the high cost of hearing aids, underestimation of the importance of hearing health, lack of awareness about how to get hearing tested or acquire hearing aids, being uninsured, and accessibility challenges, particularly in rural areas.
- L&E leveraged data from provider interviews and publicly available sources to develop estimates for each variable that could influence cost or utilization, categorizing them into low-end, mid-range (best or point estimate), and high-end assumptions. These ranges aren't confined to just the three scenarios of low, mid, and high illustrated; instead, they are designed to encompass the various uncertainties



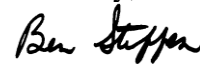
inherent in each assumption. This approach aims to offer a spectrum of potential outcomes.

- L&E estimated that the financial impact of the proposed HB 1145 from 2023 was between 0.00%-0.10% of premium. This impact means that the best or point estimate of this legislation on premiums is an increase of about **0.02% or \$0.13 per member per month (PMPM)**. However, the best estimate can be as high as 0.10% of premium (or \$0.74 PMPM) or as low as 0.00% of premium (or \$0.01 PMPM). The subsequent report discusses the data used to inform each assumption evaluated by L&E in detail. The table below summarizes the calculation of the financial impact.
- Cost impact estimates for similar adult hearing aid coverage mandate proposals in two states ranged from 0.00%-0.36%. L&E considered these estimates in the analysis; however, these estimates included coverage variations of hearing-aid related services and cost-sharing levels, which differ from the Maryland proposal.

Finally, the Commission urges proceeding with caution when considering the adoption of additional mandated health insurance services given their cumulative deleterious impact on affordability over time despite a minimal impact on premiums of any single mandate at the time of adoption.

We appreciate your consideration. If you have any questions or if we may provide you with any further information, please do not hesitate to contact me at ben.steffen@maryland.gov or 410-764-3566 or Ms. Tracey DeShields, Director of Policy Development and External Affairs, at tracey.deshields2@maryland.gov or 410-764-3588.

Sincerely,



Ben Steffen,
Executive Director

cc: The Honorable Jason C. Gallion, Education, Energy, and the Environment Committee

