



Maryland Academy of Audiology

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March 2, 2023

The Honorable Vanessa E. Atterbeary, Chair
Ways & Means Committee
House Office Building, Room 131
6 Bladen Street
Annapolis, MD 21401

RE: HB925 Sales and Use Tax - Exemption for Hearing Aid Products

Position: **SUPPORT WITH AMENDMENTS**

Alicia D.D. Spoor, Au.D. Testimony

Madam Chair Atterbeary, Vice Chair Wilkins, and Committee Members,

My name is Alicia Spoor and I am a licensed Maryland audiologist, small business owner in Howard County, and the current Legislative Chair for the Maryland Academy of Audiology (MAA). The MAA represents the more than 520 licensed audiologists in the State of Maryland.

On behalf of the Maryland Academy of Audiology, we are pleased to be working with Delegates Buckel, Griffith, Hartman, Hornberger, Jones, Miller, and Vice Chair Wilkins to expand the list of sales and use tax exemptions to include certain hearing aid batteries, transmitters and receiver systems, in-ear monitors, supplies, and accessories.

The Sales and Use Tax – Exemption for Hearing Aid Products legislation would expand the list of items that are tax-exempt to include frequency modulated (FM) systems, wireless hearing aid accessories, and custom-made in-ear monitors (IEMs). While total sales numbers may be low compared with other medical devices, the tax exemption would help the patients who need them and is consistent with the tax-exempt status of other medical devices.

Prescription hearing aids are non-surgical, air-conduction devices that treat hearing loss. Appropriately fit hearing aids can dramatically improve the user's quality of life in the areas of ease of communication, reverberation, background noise, and adoption of voice.¹ However,

¹ <https://harlmemphis.org/abbreviated-profile-of-hearing-aid-benefit-aphab/> [Accessed 02/26/2023].

some individuals, especially children also require the use of a frequency modulated (FM) system during critical learning periods and in meeting environments. The FM system has two components, a transmitter and receiver, that typically connect to a pair of hearing aids. The microphone (transmitter) is used/worn by the speaker (e.g., teacher, presenter) and the sound is transmitted via FM signal to the receivers on the patient's hearing aids.² The FM system reduces background noise to provide a louder signal that the user needs to hear. While the initial cost for an FM transmitter is substantial (\$550-\$1,350³), it is often a one-time purchase as it can be paired with new receivers (\$630-\$850) in future hearing aids. The MAA members do not sell a significant amount of FM systems year-over-year to track sales.

Hearing aid accessories (e.g., TV Streamer, Remote Microphone, Remote Control, or Phone Clip) are purchased by hearing aid users when the hearing aids are not sufficient for a specific listening environment (e.g., television, restaurant), visual reinforcement is necessary (to see the changes being made or due to poor dexterity), but an FM system is not required. The hearing aid manufacturers require that **their own** accessories are purchased for use with **their** current hearing aids. If an individual purchases another manufacturer's hearing aids or upgrades technology within the same hearing aid manufacturer, another accessory (or accessories) must be purchased. Hearing aid accessories are priced by the manufacturers, but typically cost between \$49 and \$399⁴. An informal poll taken from the MAA members indicate that an individual audiologist sells less than 10 hearing aid accessories a year.

Finally, in-ear monitors (IEMs) are devices often used by musicians, audio engineers, and others to protect their hearing/prevent hearing loss in loud environments (e.g., live concert venues) or to enhance low intensity sounds (e.g., recording studio mixing).⁵ Individuals who rely on normal hearing acuity for their livelihoods consider IEMs a vital piece of equipment to complete their job function. A custom-made IEM retails from \$330 to \$2000⁶ for the system and often lasts 5-10 years until the material breaks-down from use or an individual's ears change shape. In-ear monitors require special educational and training knowledge for an audiologist to be proficient.

² <https://www.asha.org/public/hearing/hearing-assistive-technology> [Accessed 02/26/2023].

³ Pricing obtained from multiple audiologist's pricing list and a discount may be applied depending on volume.

⁴ Pricing obtained from multiple audiologist's pricing list and a discount may be applied depending on volume.

⁵ https://en.wikipedia.org/wiki/In-ear_monitor [Accessed 02/26/2023].

⁶ <https://www.sensaphonics.com/collections/custom-in-ear-monitors> [Accessed 02/26/2023].

Therefore, the number of audiologists providing IEMs in Maryland is typically less than 10 providers⁷ and sales are often less than 5-10 IEMs a year.

Despite the varying end-users of frequency modulated (FM) systems, hearing aid accessories, and in-ear monitors (IEMs), their role in the hearing healthcare system is imperative.

I would respectfully suggest two clarifying amendments. First, on line 23, page 2, a 'A CUSTOM-MADE EARMOLD FOR A HEARING AID' was already exempted in Delegate Buckle and Delegate Leudtke's successful legislation in 2020, HB 1326. The MAA would suggest that the phrase 'FOR A HEARING AID' be deleted on line 23. The language would then read 'A CUSTOM-MADE EARMOLD' that would ensure the legislation includes custom-made earmolds for swim protection and other ear and hearing protection.

Secondly, the MAA believes that the word 'Supply' in "HEARING AID SUPPLY" on Page 2, lines, 18, 22 and 28, should be changes to 'SUPPLIES', so each line would then read 'HEARING AID SUPPLIES'.

Thank you for your time and consideration to help your constituents who will benefit from this modest attempt to make theses hearing aid accessories and supplies more affordable. I ask for a favorable committee report on HB 925.

Alicia D.D. Spoor, Au.D.
Legislative Chair, Maryland Academy of Audiology

⁷ <https://www.sensaphonics.com/pages/find-an-audiologist> [Accessed 02/26/2023].