
SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO ASSESS THE SOCIAL AND FINANCIAL
IMPACTS OF REQUIRING HEALTH INSURERS TO OFFER COVERAGE FOR
HEARING AIDS.

1 WHEREAS, according to the National Institutes of Health, an
2 estimated one-third of Americans between the ages of sixty-five
3 and seventy-five and around one-half of those older than
4 seventy-five have some degree of hearing loss; and
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6 WHEREAS, according to the Mayo Clinic, hearing loss is not
7 reversible; and
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9 WHEREAS, according to the Lions Club, the cost of a custom
10 low- to mid-level analog or digital hearing aid begins around
11 \$2,000 or less, and starts around \$3,000 and higher for a high-
12 end hearing aid; and
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14 WHEREAS, Medicare and most insurance companies do not cover
15 the cost of hearing aids; and
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17 WHEREAS, section 23-51, Hawaii Revised Statutes, requires
18 that "[b]efore any legislative measure that mandates health
19 insurance coverage for specific health services, specific
20 diseases, or certain providers of health care services as part
21 of individual or group health insurance policies, can be
22 considered, there shall be concurrent resolutions passed
23 requesting the auditor to prepare and submit to the legislature
24 a report that assesses both the social and financial effects of
25 the proposed mandated coverage"; and
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27 WHEREAS, section 23-51, Hawaii Revised Statutes, further
28 provides that "[t]he concurrent resolutions shall designate a
29 specific legislative bill that:
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31 (1) Has been introduced in the legislature; and
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1 (2) Includes, at a minimum, information identifying the:

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3 (A) Specific health service, disease, or provider
4 that would be covered;

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6 (B) Extent of the coverage;

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8 (C) Target groups that would be covered;

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10 (D) Limits on utilization, if any; and

11
12 (E) Standards of care.
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14 For the purposes of this part, mandated health insurance
15 coverage shall not include mandated optionals"; and
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17 WHEREAS, section 23-52, Hawaii Revised Statutes, further
18 specifies the minimum information required for assessing the
19 social and financial impact of the proposed health coverage
20 mandate in the Auditor's report; and
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22 WHEREAS, Senate Bill No. 894, S.D. 1, has been introduced
23 during the Regular Session of 2011 and mandates health insurance
24 coverage for hearing aids for hospital and medical service plan
25 contracts, medical service corporation contracts, and health
26 maintenance organization plans, other than an accident-only,
27 specified disease, hospital indemnity, Medicare supplement,
28 long-term care, dental, vision, or other limited benefit health
29 insurance policy; and
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31 WHEREAS, the Legislature believes that mandatory health
32 insurance coverage for hearing aids will substantially assist
33 persons who are deaf or hard of hearing to function effectively
34 in the community; now, therefore,
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36 BE IT RESOLVED by the Senate of the Twenty-sixth
37 Legislature of the State of Hawaii, Regular Session of 2011, the
38 House of Representatives concurring, that the Auditor is
39 requested to conduct an impact assessment report, pursuant to
40 sections 23-51 and 23-52, Hawaii Revised Statutes, of the social
41 and financial impacts of mandating coverage for hearing aids for
42 hospital and medical service plan contracts, medical service
43 corporation contracts, and health maintenance organization
44 plans; and



1
2 BE IT FURTHER RESOLVED that the Auditor is requested to
3 identify the number of residents in Hawaii in the target
4 population who are deaf, hard of hearing, and deaf-blind based
5 on national prevalence rates, in order to determine who may be
6 impacted by the cost of hearing aids and cochlear implants; and
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8 BE IT FURTHER RESOLVED that the Auditor is requested to
9 include in the impact assessment report a survey of other states
10 that have implemented a mandate for coverage of hearing aids or
11 cochlear implants to examine what the experience has been in
12 these states; and
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14 BE IT FURTHER RESOLVED that the Auditor is requested to
15 research public and private entities, including Medicare,
16 Medicaid, and health plans in Hawaii, that provide coverage for
17 hearing aids to determine what is currently being used as a
18 standard for frequency of replacement and what, if any, cost
19 limitations are placed on the hearing aid and cochlear implant
20 coverage benefit; and
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22 BE IT FURTHER RESOLVED that the research should examine
23 whether different standards for frequency of replacement are
24 applied to adults in comparison to children who are in need of
25 these devices; and
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27 BE IT FURTHER RESOLVED that the Auditor is requested to
28 compare the cost and utilization of cochlear implants to hearing
29 aid devices; and
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31 BE IT FURTHER RESOLVED that the Auditor is requested to
32 submit findings and recommendations to the Legislature,
33 including any necessary implementing legislation, no later than
34 twenty days prior to the convening of the Regular Session of
35 2012; and
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37 BE IT FURTHER RESOLVED that certified copies of this
38 Concurrent Resolution be transmitted to the Auditor and to the
39 Insurance Commissioner, who in turn is requested to transmit
40 copies to each insurer in the State that issues health insurance
41 policies.

