

STAND. COM. REP. NO.

218

Honolulu, Hawaii

FEB 15 2017

RE: S.B. No. 535

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 535 entitled:

"A BILL FOR AN ACT RELATING TO HEARING AIDS,"

begs leave to report as follows:

The purpose and intent of this measure is to require health insurers to provide coverage after December 31, 2018, for the cost of hearing aids at a minimum of \$1,500 per hearing aid for each hearing-impaired ear every thirty-six months.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board, The Georgia E. Morikawa Center, and eight individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund, Hawaii Medical Service Association, and Kaiser Permanente Hawaii.

Your Committee finds that untreated hearing loss can have a devastating impact on the social, professional, and family interactions of an individual with hearing loss. Your Committee further finds that hearing aids can have a profoundly positive effect on quality of life, but the high cost of hearing aids can be a barrier for many individuals with hearing loss. This measure mandates health insurance coverage for hearing aids for people with all types of hearing loss and specifies a minimum amount of coverage and eligibility for replacement of hearing aids after thirty-six months under the coverage. Your Committee notes that



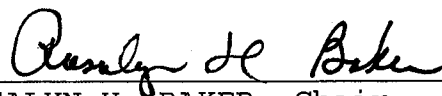
the \$1,500 benefit provided by this measure is a minimum, floor requirement. Health insurance plans are free to offer coverage that is greater or more favorable to a covered individual.

Your Committee has amended this measure by:

- (1) Clarifying that the coverage required excludes limited benefit health insurance policies as provided in section 431:10A-102.5, Hawaii Revised Statutes;
- (2) Clarifying that the required minimum benefit is \$1,500 for a reasonably medically necessary hearing aid per hearing-impaired ear every thirty-six months;
- (3) Specifying that a covered individual who has not used the minimum benefit before the end of the thirty-six-month period is eligible to put any remaining portion of the benefit toward the cost of a replacement hearing aid;
- (4) Clarifying the notification required to be provided to policyholders or members; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 535, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 535, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* <i>SB 535</i>	Committee Referral: <i>CPH, WAM</i>	Date: <i>2/9/17</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
KIDANI, Michelle N.				/
RUDERMAN, Russell E.				/
TOTAL	<i>4</i>			<i>3</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Clarence K. Nishihara</i></div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes