

HOUSE BILL REPORT

E2SSB 5179

As Reported by House Committee On:
Health Care & Wellness
Appropriations

Title: An act relating to requiring coverage for hearing instruments under public employee and medicaid programs.

Brief Description: Requiring coverage for hearing instruments under public employee and medicaid programs.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Bailey, Keiser, Palumbo, Hasegawa and Conway).

Brief History:

Committee Activity:

Health Care & Wellness: 3/21/17, 3/22/17 [DPA], 2/16/18 [DPA];
Appropriations: 4/3/17, 4/4/17, 2/24/18, 2/26/18 [DPA(HCW)].

**Brief Summary of Engrossed Second Substitute Bill
(As Amended by Committee)**

- Requires coverage for hearing instruments for enrollees in Medicaid and Public Employees' Benefit Board health plans.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: Do pass as amended. Signed by 13 members: Representatives Cody, Chair; Macri, Vice Chair; Caldier, Clibborn, DeBolt, Harris, Jinkins, Maycumber, Riccelli, Robinson, Slatter, Stonier and Tharinger.

Minority Report: Do not pass. Signed by 2 members: Representatives Schmick, Ranking Minority Member; Graves, Assistant Ranking Minority Member.

Staff: Chris Blake (786-7392).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Health Care Authority (Authority) has responsibility for a number of health care programs for public employees and low-income residents of Washington.

Hearing Aid Coverage for Public Employees' Benefits Board Plan Enrollees.

The Public Employees' Benefits Board (PEBB), acting through the Authority, approves benefit plans and premiums for active state employees, retired state and kindergarten through twelfth grade (K-12) employees, and some active local government and K-12 employees. Under the Uniform Medical Plan, enrollees may receive one hearing examination every year. Enrollees may receive up to \$800 every three years for the purchase of a hearing aid, ear molds, batteries and cords, and a follow-up consultation. The PEBB fully-insured health plans offer similar coverage.

Hearing Aid Coverage for Medicaid Enrollees.

The Authority administers the medical assistance program, generally known as "Medicaid," which is a state-federal program that pays for health care for low-income state residents who meet certain eligibility criteria. Benefits under the program vary according to a person's eligibility category which is determined by several factors, including income, age, health condition, and disability status.

Hearing aid coverage is currently available for Medicaid clients who are up to 20 years old once they have completed a hearing evaluation and received a referral for a hearing aid. In addition, adults who are enrolled for coverage through the Developmental Disability Administration at the Department of Social and Health Services may receive hearing aids. Coverage includes new monaural or binaural hearing aids, as well as ear molds, replacement parts, and repairs. Hearing aid coverage had been available for adults enrolled in Medicaid until the 2011-13 Operating Budget eliminated the benefit.

Summary of Amended Bill:

Beginning January 1, 2019, health plans offered to public employees and their dependents must include coverage for a new hearing instrument every five years and services and supplies such as the initial assessment, fitting, adjustment, and auditory training. The hearing instrument must be recommended and dispensed by an audiologist, hearing aid specialist, or physician or osteopathic physician who specializes in otolaryngology.

Beginning January 1, 2019, the medical assistance program must include coverage for hearing instruments when medically necessary. The coverage must include a new hearing instrument every five years, a new hearing instrument when alterations to an enrollee's existing hearing instrument does not meet the patient's needs, and services and supplies such as the initial assessment, fitting, adjustment, and auditory training. The hearing instrument must be recommended and dispensed by an audiologist, hearing aid specialist, or physician osteopathic physician who specializes in otolaryngology.

The term "hearing instrument" is defined as any wearable prosthetic instrument or device that aids, improves, compensates for, or corrects defective human hearing. The term includes any parts and accessories, except for batteries, cords, ear molds, and assistive listening devices.

The medical assistance benefit is null and void if it is not referenced in the operating budget.

Amended Bill Compared to Engrossed Second Substitute Bill:

The amended bill adds licensed physicians and osteopathic physicians who specialize in otolaryngology to the list of health care providers who may recommend or dispense a hearing instrument.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, section 2 is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) This bill is needed because it restores coverage of hearing aids for Medicaid eligible adults which had existed through the end of 2010. Nearly 50 percent of persons aged 75 and older have a disabling hearing loss. Medicaid recipients need to be able to hear and understand what is being said. Hearing loss leads to social isolation and depression. The inability to hear can complicate one's ability to communicate with medical professionals, such as understanding medication instructions. Hearing aids can help people with dementia by reducing confusion, facilitating social participation, and improving the ability to understand which, in turn, reduces caregiver burden. Reducing caregiver burden can provide financial benefits to the state by postponing the time when institutional care is needed. This coverage is an investment in prevention and supports people to be more productive. Treating hearing loss is just as important as treating other health conditions. Today's modern hearing aids are effective and can transform lives so that people can live happily and engage with society.

Hearing aids have an average cost of \$2,400. Private organizations are committed to working with the state to find the most cost-effective and rehabilitative process for moving forward with this. The \$800 for a hearing aid under the Public Employees Benefits Board coverage does not go very far. The portion of the population that needs hearing aids is not likely to increase very much and prices are going down. With the coming arrival of over-the-counter hearing aids in the next few years, cost will be reduced further.

There should be an amendment to include otolaryngologists to help ensure access for hearing aids. This amendment would help patients by increasing access, competition, convenience, and continuity of care. This amendment would enable families to obtain a medical diagnosis,

and have their hearing aids prescribed, fitted, and dispensed by a physician in one convenient stop.

(Opposed) None.

Persons Testifying: Sean Graham, Washington State Medical Association; and Diane Thompson, Cheri Perizelli, and Cynthia Stewart, Hearing Loss Association of Washington.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Health Care & Wellness. Signed by 27 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Bergquist, Buys, Caldier, Cody, Fitzgibbon, Haler, Hansen, Harris, Hudgins, Jinkins, Kagi, Lytton, Manweller, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan, Tharinger, Vick and Wilcox.

Minority Report: Do not pass. Signed by 6 members: Representatives Stokesbary, Assistant Ranking Minority Member; Condotta, Graves, Schmick, Taylor and Volz.

Staff: Catrina Lucero (786-7192).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care & Wellness:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, section 2 is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) None.

(Opposed) None.

Persons Testifying: None.

Persons Signed In To Testify But Not Testifying: None.