

MAINE STATE LEGISLATURE

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INSURANCE AND FINANCIAL SERVICES

Reported by: REPORT B

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STATE OF MAINE
SENATE
121ST LEGISLATURE
SECOND SPECIAL SESSION

COMMITTEE AMENDMENT "C" to S.P. 359, L.D. 1087, Bill, "An Act To Require All Health Insurers To Cover the Costs of Hearing Aids"

Amend the bill by striking out the title and substituting the following:

'An Act To Require All Health Insurers To Offer Coverage for the Costs of Hearing Aids'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

'Sec. 1. 24 MRSA §2317-B, sub-§12-B is enacted to read:

12-B. Title 24-A, sections 2761, 2847-L and 4252. Offer of coverage for hearing aids, Title 24-A, sections 2761, 2847-L and 4252;

Sec. 2. 24-A MRSA §2761 is enacted to read:

§2761. Mandated offer of coverage for hearing aids

1. Hearing aid; definition. For purposes of this section, "hearing aid" means any nonexperimental, wearable instrument or device designed for the ear and offered for the purpose of aiding or compensating for impaired human hearing, excluding batteries and cords and other assistive listening devices, including, but not limited to, frequency modulation systems.

2. Mandated offer of coverage. All individual health policies and contracts must make available coverage, at the option of the policyholder and at appropriate rates, for the

COMMITTEE AMENDMENT

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COMMITTEE AMENDMENT "C" to S.P. 359, L.D. 1087

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purchase of a hearing aid for each ear for an individual covered under the policy in accordance with the following requirements.

A. The hearing loss must be documented by a physician or audiologist licensed pursuant to Title 32, chapter 77.

B. The hearing aid must be purchased from an audiologist licensed pursuant to Title 32, chapter 77 or a hearing aid dealer licensed pursuant to Title 32, chapter 23-A.

C. The policy, contract or certificate may limit coverage to \$1,400 per hearing aid for each hearing-impaired ear every 36 months.

D. An individual may choose a hearing aid that is priced higher than the coverage required under this section and may pay the difference between the price of the hearing aid and the maximum payment available under this section.

3. Limits; coinsurance; deductibles. Except as otherwise provided in this section, any policy, contract or certificate that provides coverage required to be made available under this section may contain provisions for maximum benefits and coinsurance and reasonable limitations, deductibles and exclusions to the extent that these provisions are not inconsistent with the requirements of this section.

Sec. 3. 24-A MRSA §2847-L is enacted to read:

§2847-L. Mandated offer of coverage for hearing aids

1. Hearing aid; definition. For purposes of this section, "hearing aid" means any nonexperimental, wearable instrument or device designed for the ear and offered for the purpose of aiding or compensating for impaired human hearing, excluding batteries and cords and other assistive listening devices, including, but not limited to, frequency modulation systems.

2. Mandated offer of coverage. All group insurance policies, contracts and certificates must make available coverage, at the option of the policyholder and at appropriate rates, for the purchase of a hearing aid for each ear for an individual covered under the policy in accordance with the following requirements.

A. The hearing loss must be documented by a physician or audiologist licensed pursuant to Title 32, chapter 77.

note

COMMITTEE AMENDMENT "C" to S.P. 359, L.D. 1087

2 B. The hearing aid must be purchased from an audiologist
3 licensed pursuant to Title 32, chapter 77 or a hearing aid
4 dealer licensed pursuant to Title 32, chapter 23-A.

5 C. The policy, contract or certificate may limit coverage
6 to \$1,400 per hearing aid for each hearing-impaired ear
7 every 36 months.

8 D. An individual may choose a hearing aid that is priced
9 higher than the coverage required under this section and may
10 pay the difference between the price of the hearing aid and
11 the maximum payment available under this section.

12 3. Limits; coinsurance; deductibles. Except as otherwise
13 provided in this section, any policy, contract or certificate
14 that provides coverage required to be made available under this
15 section may contain provisions for maximum benefits and
16 coinsurance and reasonable limitations, deductibles and
17 exclusions to the extent that these provisions are not
18 inconsistent with the requirements of this section.

19 Sec. 4. 24-A MRSA §4252 is enacted to read:

20 §4252. Mandated offer of coverage for hearing aids

21 1. Hearing aid; definition. For purposes of this section,
22 "hearing aid" means any nonexperimental, wearable instrument or
23 device designed for the ear and offered for the purpose of aiding
24 or compensating for impaired human hearing, excluding batteries
25 and cords and other assistive listening devices, including, but
26 not limited to, frequency modulation systems.

27 2. Mandated offer of coverage. All health maintenance
28 organization individual and group contracts and certificates must
29 make available coverage, at the option of the policyholder and at
30 appropriate rates, for the purchase of a hearing aid for each ear
31 for an individual covered under the policy in accordance with the
32 following requirements.

33 A. The hearing loss must be documented by a physician or
34 audiologist licensed pursuant to Title 32, chapter 77.

35 B. The hearing aid must be purchased from an audiologist
36 licensed pursuant to Title 32, chapter 77 or a hearing aid
37 dealer licensed pursuant to Title 32, chapter 23-A.

38 C. The policy, contract or certificate may limit coverage
39 to \$1,400 per hearing aid for each hearing-impaired ear
40 every 36 months.

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D. An individual may choose a hearing aid that is priced higher than the coverage required under this section and may pay the difference between the price of the hearing aid and the maximum payment available under this section.

3. Limits; coinsurance; deductibles. Except as otherwise provided in this section, any policy, contract or certificate that provides coverage required to be made available under this section may contain provisions for maximum benefits and coinsurance and reasonable limitations, deductibles and exclusions to the extent that these provisions are not inconsistent with the requirements of this section.

Sec. 5. Applicability. The requirements of this Act apply to all policies, contracts and certificates executed, delivered, issued for delivery, continued or renewed in this State on or after January 1, 2005. For purposes of this Act, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.'

SUMMARY

This amendment replaces the bill and changes the title and is the minority report of the committee. It establishes a mandated offer for coverage for hearing aids under individual and group health insurance policies. The amendment allows insurance policies to limit coverage to \$1,400 per hearing aid every 36 months. The provisions apply to all policies, contracts and certificates issued or renewed on or after January 1, 2005.

FISCAL NOTE REQUIRED
(See attached)

**121st Maine Legislature
Office of Fiscal and Program Review**

LD 1087

An Act To Require All Health Insurers To Cover the Costs of Hearing Aids

LR 0989(04)

**Fiscal Note for Bill as Amended by Committee Amendment C
Committee: Insurance and Financial Services**

Fiscal Note Required: Yes

Minority Report



Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Because the amendment requires a mandated offer of coverage for hearing aids -- and not mandatory coverage -- the State Employee Health Plan (SEHP) would have the option to include or exclude this coverage. The fiscal note assumes the SEHP would only make the decision to expand coverage if sufficient funding is available to offset any additional costs.

Any additional costs to the Department of Professional and Financial Regulation in implementing this legislation can be absorbed by the department within existing resources.