

# MAINE STATE LEGISLATURE

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INSURANCE AND FINANCIAL SERVICES

Reported by:

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STATE OF MAINE
SENATE
122ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S.P. 145, L.D. 447, Bill, "An Act To Require Health Insurers To Cover the Costs of Hearing Aids"

Amend the bill by striking out all of sections 2 to 4 and inserting in their place the following:

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

§2761. 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. Required coverage. All individual health policies and contracts must provide coverage for the purchase of a hearing aid for each hearing-impaired ear for an individual covered under the policy who is 18 years of age or under 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.

2 C. The policy, contract or certificate may limit coverage to  
3 \$1,400 per hearing aid for each hearing-impaired ear every  
4 36 months.

6 3. Limits; coinsurance; deductibles. Except as otherwise  
7 provided in this section, any policy or contract that provides  
8 coverage for services under this section may contain provisions  
9 for maximum benefits and coinsurance and reasonable limitations,  
10 deductibles and exclusions to the extent that these provisions  
11 are not inconsistent with the requirements of this section.

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

14 §2847-L. Coverage for hearing aids

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

24 2. Required coverage. All group insurance policies,  
25 contracts and certificates must provide coverage for the purchase  
26 of a hearing aid for each hearing-impaired ear for an individual  
27 covered under the policy, contract or certificate who is 18 years  
28 of age or under in accordance with the following requirements.

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

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

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

38 3. Limits; coinsurance; deductibles. Except as otherwise  
39 provided in this section, any policy, contract or certificate  
40 that provides coverage for services under this section may  
41 contain provisions for maximum benefits and coinsurance and  
42 reasonable limitations, deductibles and exclusions to the extent  
43 that these provisions are not inconsistent with the requirements  
44 of this section.

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

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§4252. Coverage for hearing aids

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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. Required coverage. All health maintenance organization individual and group contracts and certificates must provide coverage for the purchase of a hearing aid for each hearing-impaired ear for an individual covered under the policy, contract or certificate who is 18 years of age or under 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.

3. Limits; coinsurance; deductibles. Except as otherwise provided in this section, any policy, contract or certificate that provides coverage for services 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.'

Further amend the bill by inserting after section 5 the following:

**'Sec. 6. Exemption from review.** Notwithstanding the Maine Revised Statutes, Title 24-A, section 2752, this Act is enacted without review and evaluation by the Department of Professional and Financial Regulation, Bureau of Insurance.

**Sec. 7. Appropriations and allocations.** The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Salary Plan**

10/23

COMMITTEE AMENDMENT "A" to S.P. 145, L.D. 447 .

2 Initiative: Appropriates and allocates funds for the additional  
3 costs of health insurance to the State resulting from the  
4 requirement to provide coverage for hearing aids for persons 18  
5 years of age and under up to a limit of \$1,400 per hearing aid  
6 for each hearing-impaired ear every 36 months.

8	<b>GENERAL FUND</b>	<b>2005-06</b>	<b>2006-07</b>
	Personal Services	\$11,826	\$49,267
10	<b>GENERAL FUND TOTAL</b>	<u>\$11,826</u>	<u>\$49,267</u>
12	<b>HIGHWAY FUND</b>	<b>2005-06</b>	<b>2006-07</b>
	Personal Services	\$4,780	\$20,322
14	<b>HIGHWAY FUND TOTAL</b>	<u>\$4,780</u>	<u>\$20,322</u>

16 Further amend the bill by relettering or renumbering any  
17 nonconsecutive Part letter or section number to read  
18 consecutively.

22 **SUMMARY**

24 This amendment requires health insurance policies, contracts  
25 and certificates to provide coverage for hearing aids for persons  
26 18 years of age and under. The bill required coverage for  
27 persons 21 years of age and under. The amendment allows  
28 insurance policies to limit coverage to \$1,400 per hearing aid  
29 every 36 months. The provisions apply to all policies, contracts  
30 and certificates issued or renewed on or after January 1, 2006.

32 **FISCAL NOTE REQUIRED**  
34 **(See attached)**



# 122nd MAINE LEGISLATURE

LD 447

LR 0869(02)

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

Fiscal Note for Bill as Amended by Committee Amendment **A**

Committee: Insurance and Financial Services

Fiscal Note Required: Yes

### Fiscal Note

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
<b>Net Cost (Savings)</b>				
General Fund	\$11,826	\$49,267	\$53,208	\$57,465
Highway Fund	\$4,780	\$20,322	\$21,948	\$23,704
<b>Appropriations/Allocations</b>				
General Fund	\$11,826	\$49,267	\$53,208	\$57,465
Highway Fund	\$4,780	\$20,322	\$21,948	\$23,704

### Fiscal Detail and Notes

Adding hearing aid coverage for persons age 18 and under with a limit of \$1,400 per hearing aid for each hearing-impaired ear every 36 months will increase premium costs by an estimated 0.05% for the state employee health plan effective with the contract beginning April 1, 2006. The additional employer costs across all funds to the state employee health insurance program is estimated to be \$28,083 for fiscal year 2005-06 and \$118,414 for fiscal year 2006-07.

General Fund appropriations of \$11,826 for 2005-06 and \$49,267 for 2006-07 and Highway Fund allocations of \$4,780 for 2005-06 and \$20,322 for 2006-07 are included in the bill for the salary plan reserve accounts to fund the increases for General Fund and Highway Fund employees. The costs for employees paid by other funds, including a small amount for the Fund for a Healthy Maine, may require increased allotments as recommended by the State Budget Officer and approved by the Governor.

Any additional costs to the Department of Professional and Financial Regulation in implementing this legislation can be absorbed by the department within existing resources. This fiscal note does not reflect the additional costs to the private insurance market as a result of this legislation.