# MAINE STATE LEGISLATURE

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L.D. 38

Will's.

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Date: 5/13/19

(Filing No. H- 24/)

2	Date: J/J// (Fining No. 11- × 1/)			
3	HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES			
4	Reproduced and distributed under the direction of the Clerk of the House.			
5	STATE OF MAINE			
6	HOUSE OF REPRESENTATIVES			
7	129TH LEGISLATURE			
8	FIRST REGULAR SESSION			
9 10	COMMITTEE AMENDMENT "A" to H.P. 39, L.D. 38, Bill, "An Act To Require Insurance Coverage for Hearing Aids for Adults"			
11 12	Amend the bill in section 1 in subsection 2 by striking out all of paragraph B (page 1, lines 10 and 11 in L.D.) and inserting the following:			
13 14 15	'B. The hearing aid must be purchased from an audiologist or hearing aid dealer licensed pursuant to Title 32, chapter 137 in accordance with federal and state laws, regulations and rules for the sale and dispensing of hearing aids.'			
16 17	Amend the bill in section 3 in subsection 2 by striking out all of paragraph B (page 1, lines 25 and 26 in L.D.) and inserting the following:			
18 19 20	'B. The hearing aid must be purchased from an audiologist or hearing aid dealer licensed pursuant to Title 32, chapter 137 in accordance with federal and state laws, regulations and rules for the sale and dispensing of hearing aids.'			
21 22	Amend the bill in section 5 in subsection 2 by striking out all of paragraph B (page 2, lines 3 and 4 in L.D.) and inserting the following:			
23 24 25	'B. The hearing aid must be purchased from an audiologist or hearing aid dealer licensed pursuant to Title 32, chapter 137 in accordance with federal and state laws, regulations and rules for the sale and dispensing of hearing aids.'			
26	Amend the bill by adding after section 8 the following:			
27 28 29 30 31	'Sec. 9. Calculation and transfer; premium costs. The State Budget Officer shall calculate the amount of increased premium costs that apply to each General Fund account and Highway Fund account for all departments and agencies and transfer the amounts by financial order upon the approval of the Governor. The transfers are considered adjustments to appropriations in fiscal year 2020-21.			
32 33	Sec. 10. Appropriations and allocations. The following appropriations and allocations are made,			

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ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

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1		Departments and Agencies - Statewide 0016					
2 3 4		Initiative: Provides ongoing funds for increased premium costs to departments and agencies statewide as a result of the State Employee Health Plan being required to cover hearing aids.					
5		GENERAL FUND	2019-20	2020-21			
6		All Other	\$0	\$158,492			
7							
8		GENERAL FUND TOTAL	\$0	\$158,492			
9		HIGHWAY FUND	2019-20	2020-21			
10		All Other	\$0	\$56,779			
11							
12		HIGHWAY FUND TOTAL	\$0	\$56,779			
13	,						
14		Amend the bill by relettering or renumbering any	non consecutive	Part letter or			
15		section number to read consecutively.					
16		SUMMARY					

This amendment adds language to clarify the requirement that the purchase of a hearing aid in accordance with the bill's coverage must be done in accordance with federal and state laws, regulations and rules for the dispensing of hearing aids. The amendment also adds an appropriations and allocations section and provides for the calculation and transfer of amounts for premium costs by financial order.

# FISCAL NOTE REQUIRED

(See attached)



# 129th MAINE LEGISLATURE

**LD 38** 

LR 291(02)

An Act To Require Insurance Coverage for Hearing Aids for Adults

Fiscal Note for Bill as Amended by Committee Amendment (H-241)
Committee: Health Coverage, Insurance and Financial Services
Fiscal Note Required: Yes

## **Fiscal Note**

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$0	\$158,492	\$158,492	\$158,492
Highway Fund	\$0	\$56,779	\$56,779	\$56,779
Appropriations/Allocations				
General Fund	\$0	\$158,492	\$158,492	\$158,492
Highway Fund	\$0	\$56,779	\$56,779	\$56,779

### Fiscal Detail and Notes

The bill requires the State Employee Health Plan to offer hearing aid coverage at a minimum of \$3,000 per hearing aid. Based on information provided by the state health plan on the incidence of hearing loss among plan members and national statistics on the percentage of individuals with hearing loss who use hearing aids, it is estimated that premiums for the state plan will increase by \$1.09 per member per month. The total cost to the plan is estimated to be \$347,319 annually for the 26,550 current plan members. The bill includes General Fund appropriations of \$158,492 in fiscal year 2020-21 and Highway Fund allocations of \$56,779 in fiscal year 2020-21 to state departments and agencies that pay premiums to the health plan to cover the increased premium costs for those two funds. The remaining costs of \$132,047 will be absorbed by multiple funds across state government. It is expected that coverage of hearing aids under the State Employee Health Plan will begin on or after July 1, 2020.