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January 31, 2011

Insurance and Real Estate Committee
Room 2800, Legislative Office Building
Hartford, CT 06106

RE: S.B. 17-An Act Concerning Wellness Programs and Expansion of Health Insurance Coverage

Chairmen Crisco, Megna, and Members of the Committee:

As an audiology provider in the state of Connecticut, I thank you for allowing me to provide input to the committee. While I am in favor of raising the age for providing hearing aid coverage to age eighteen, I would also ask the committee to strengthen and improve the statute. There are eighteen states that mandate hearing aid coverage for children; Connecticut has arguably the weakest mandate.

- The amount of the benefit is lower than any other state, being only 50% of the next lowest state (two state allow only \$2000.) The range of the Connecticut benefit is 50% to 20% of other states that specify an amount; five states do not specify a limit to the benefit. The most common benefit is \$1400 per ear, or \$2800 (four states of eighteen.) Ten states either have a higher specified benefit or do not state a limit.
- Connecticut's low benefit is adjudicated by the insurance companies to be even lower in many instances.
 - The first problem is that many residents have policies which are not subject to the Connecticut mandate at all. In my experience, that is about half of children.
 - The other problem appears to be the wording "Such hearing aids shall be considered durable medical equipment under the policy." This is unique among all the statutes. When the statute was first passed, this did not have any practical effect on hearing aids although it could limit benefits for multiply handicapped children. Now, this is allowing insurance companies to choose to pay for the electronic device alone without any of the fitting and dispensing costs. They are then telling the provider that balance billing is not allowed, with the effect that far less is paid than even under Medicaid. This causes two problems. It eliminates most providers as no private or non-profit program can give away the professional service. Secondly, the insured cannot choose to obtain a higher quality hearing aid than covered by the benefit amount.
 - Seven states (of the twelve that name a benefit amount) explicitly specify that the insured may choose a more expensive hearing aid and pay the difference.

- In the early years of the current statute, that seemed to be everyone's understanding of what our law meant, but we can no longer count on all insurance companies interpreting it in that manner.
- Missouri provides the benefit only for newborns. Of the other states, only Connecticut limits the benefit to age twelve. One state uses fifteen (New Jersey.) Typically the benefit is through age eighteen although several states include dependents in college.
- Only two states provide the benefit every two years: Connecticut and New Jersey. Eleven states use three years, the other four states 4 or 5. It would be much for helpful to more children to raise the benefit amount and limit its use to every three years rather than the current two.

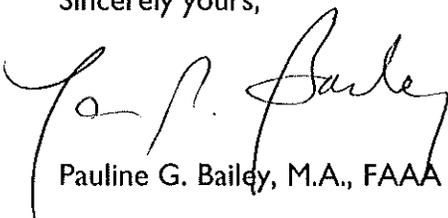
In order of importance, first Connecticut's statute needs to be strengthened so it again results in its original intention: insured children have coverage that provides at least a \$1000 benefit to be used toward the purchase of hearing aids. Parents may choose a hearing aid that is priced higher than the benefit payable under the statute and may pay the difference between the price of the hearing aid and the benefit payable under the statute, without financial or contractual penalty to the provider of the hearing aid. A hearing aid is the electronic device and its associated fitting services, whether the insurance company wants the components "bundled" or "unbundled" for billing.

Secondly, raise the age to eighteen.

Thirdly, increase the benefit to at least \$2800 (\$1400 per ear.) At the present time, this allows children to obtain at least basic level digital hearing aids without parents having to supplement the cost. To help offset the cost, raise the interval to thirty-six months.

Thank you very much for holding this hearing. The importance of adequate hearing aids to the development and education of children is clear from other testimony. The long-term economic benefit to the child, the school system, and the state is also evident to this committee.

Sincerely yours,



Pauline G. Bailey, M.A., FAAA