

A major focus of SHHH is making sure that anyone who needs hearing aids is able to get them. There are different ways to ensure access to affordable hearing aids and associated hearing health services for children and adults. SHHH is working on many ways to expand access.

➤ Proposed Federal Legislation

At the Federal level SHHH supports legislation that would provide a tax credit for the purchase of hearing aids. Bill H.R.3103 was introduced into the House of Representatives by Rep. Ryun (R-Kansas).

### **H.R. 3103, Hearing Aid Assistance Tax Credit Act:**

#### **What would H.R. 3103, the Hearing Aid Assistance Tax Credit Act, do?**

- Provide a tax credit of up to \$500 per hearing aid, available once every 5 years, towards the purchase of such hearing aid, available to: 1) individuals age 55 and over, or 2) those purchasing a hearing aid for a dependent.

#### **Why do we need this special tax treatment for hearing aids?**

- While 95% of individuals with hearing loss could be successfully treated with hearing aids, only 22% (6.35 million Americans) currently use them according to the most recent 'MarkeTrak' report, the largest national consumer survey on hearing loss in America.
- It is estimated that there are 28 million Americans with hearing loss. Included in this figure are 1 million children under the age of 18 with a diagnosed hearing loss who are not now using a hearing aid, and around 9.7 million Americans age 55 and over.
- 40% of individuals with hearing loss have incomes of less than \$30,000 per year. A Department of Commerce study indicates that the overall family income of people with hearing loss is almost half that of the general population.
- 30% of those with hearing loss cite financial constraints as a core reason they do not use hearing aids, according to a MarkeTrak report.
- The average cost for a hearing aid in 2002 was over \$1,400, and almost 2/3 of individuals with hearing loss require two devices, thereby increasing the average out of pocket expense to over \$2,800.
- Hearing aids are not covered under Medicare, or under the vast majority of state mandated benefits. In fact, 71.4% of hearing aid purchases involve no third party payments, which places the entire burden of the hearing aid purchase on the consumer, according to 'MarkeTrak'.

#### **What is the extent of the problem with hearing loss in this country?**

- Hearing loss is the most prevalent birth defect in America today, affecting 2-3 infants per 1,000 births. 1.2 million children under age 18 have a hearing loss.

- For adults, hearing loss usually occurs more gradually, but increases dramatically with age, with 10 million older Americans experiencing age-related hearing loss.
- According to “Healthy People 2010”, an HHS-led program to address America’s health needs, another 10 million young adults and working aged Americans have noise-induced hearing loss. A primary objective of Healthy People 2010 is to *‘increase the number of deaf or hard-of-hearing people who use adaptive devices, such as hearing aids.’* HR 3103 is one of the most practical and cost-effective tools government can use to accomplish this goal.

### **What is the cost impact of untreated hearing loss?**

- Children who do not receive early intervention cost schools an additional \$420,000 and are faced with overall lifetime costs of \$1 million in special education, lost wages, and health complications, according to a respected 1995 study published in the Intl. Journal of Pediatric Otorhinolaryngology.
- For workers, noise induced hearing loss is the most common occupational disease and the second most self-reported occupational injury.
- Studies estimate a 50-70% reduction of income received for workers with untreated hearing loss as compared to that received by their non-hearing impaired peers.
- For seniors, untreated hearing loss causes additional costs to Medicare and other health programs due to loss of independence, social isolation, depression, safety issues, and quality of life. The Senate Special Committee on Aging, in S. Rpt. 107-74, noted: “As the wave of seniors begins to experience age-related disability, our current long term care system will not be able to support this demographic shift.” Hearing aids help enable seniors to retain their independence and avoid other long-term care costs.
- In 1999, the National Council on the Aging (NCOA) conducted the largest known study on the effects of untreated hearing loss among adults and their families. The study quantified both the negative results of untreated hearing loss and the positive impact of hearing instruments on an individual’s quality of life. It found that impaired hearing results in distorted communication, greater isolation, withdrawal, reduced sensory input, depression, anger, and severely reduced overall psychological health. Conversely, hearing aid usage among those with hearing loss was found to significantly impact the following areas:
  - Increased earnings power, of around 50%;
  - Enhanced emotional and mental stability and reduced anger, anxiety, depression and paranoia;
  - Improved health status and less incidence of pain;
  - Reduced social phobias and improved interpersonal relationships.

### **What is the potential utilization of H.R. 3103?**

Currently 1.28 million Americans of all ages purchase hearing aids each year, with some individuals requiring two devices, bringing the total number of hearing aids

purchased across all age groups to approximately 2 million. This number has remained constant over recent years.

H.R. 3103 would provide a potential benefit to a population of around 2 million individuals, many of whom cite financial reasons as the primary barrier to treatment, and would be available only once every 5 years. H.R. 3103 is not intended to cover the full cost of hearing aids, but will simply provide some measure of financial assistance to the groups who are most in need of these devices but are unable to afford them: those approaching or in retirement, and families with children.

### **Who supports this bill?**

This bipartisan initiative is supported by the Hearing Industries Association, Self-Help for Hard of Hearing People, Deafness Research Foundation, American Academy of Audiology, American Speech-Language Hearing Association, International Hearing Society among others.

To find out the status of H.R. 3103 and any other proposed Federal legislation go to [www.loc.thomas.gov](http://www.loc.thomas.gov)

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### **➤ HEARING AID INSURANCE (HAIL) LEGISLATION INTRODUCED IN THE STATES**

SHHH members are actively working throughout the country to get hearing aid insurance legislation passed in the states. Here is a summary of the bills introduced at the state level.

### **2003 Proposed State Legislation on Hearing Aids**

#### California - S.B. 174

Would require health care service plans and health insurers to provide coverage, up to \$1,000, for hearing aids to all enrollees and subscribers under 18 years of age.

#### Connecticut – H.B. 5498/ S.B. 216

That the general statutes be amended to require health insurers to provide coverage for hearing aids for individuals thirteen years of age and older.

#### Hawaii – H.B. 263/ S.B. 952

Requires health insurance coverage for hearing aids and services

Illinois – H.B. 2531

Would require State Employee Group Insurance plans to cover hearing evaluations and hearing aids

H.B. 3880

Provides greater detail than HB 2531 on what a hearing aid is

Indiana – H.B. 1451

Requires hearing aid coverage if less than 18 years of age

Louisiana – S.B. 408

Requires any new health insurance policy after January 1, 2004, and any existing policy on or before its renewal date but no later than January 1, 2005, to cover hearing aids for children under 18 years of age if the aids are fitted and dispensed by a licensed audiologist or hearing aid specialist. May limit benefits to \$1,400 per ear with hearing loss over a 36 month period. The insuree is able to purchase a more expensive hearing aid and pay the difference to the hearing aid provider.

Maine – S.B. 359

Requires all health insurers to cover the costs of hearing aids

Minnesota – H.B. 6A

Requires coverage of hearing aids for children 18 years of age or younger if hearing loss is congenital and not correctable by other procedures covered in the policy, e.g., surgery; coverage limited to one hearing aid per affected ear every three years; may impose co-payment, co-insurance, or other limitations only if similar limitations apply to other coverages under the plan. Effective for policies issued on or after August 1, 2003.

Missouri – H.B. 282

Requires coverage of at least \$1250 for each needed hearing aid for children.

New Jersey – 6 sets of bills

A.B. 569/ SB 304 – coverage of hearing aid(s) up to \$6,000 first time purchase only

A.B. 741 – must cover hearing aids

A.B. 2447 – must cover hearing aids if 18 years or younger

A.B. 3387/ S.B. 2605 - must cover hearing aids up to \$1,000 every two years if 15 years or younger

S.B. 864 – must cover at least 85% of hearing aid cost every 4 years

S.B. 1664 - must cover hearing aids up to \$1,000 every two years if 18 years or younger

New York – S.B. 4003/ A.B. 1479

Would cover up to \$1000 per hearing aid every two years if under 16, every three years if 16 or older

Rhode Island –H.B. 5498

Would cover up to \$400 per hearing aid

Virginia – S.J.R. 426

Directs the Joint Commission on Health Care to study the costs and benefits of requiring insurers to cover hearing aids for children under age 5.

Washington – H.B. 2281

Would require that all insurance companies in the state that provide coverage for prostheses shall include coverage for hearing aids

### Status of 2003 Hearing Aid Bills

<b>State</b>	<b>Age Limit?</b>	<b>\$ Limit?</b>	<b>Other?</b>	<b>Status</b>
California	Under 18	\$1,000 per ear		Referred to committee
Connecticut	13 yrs and older	None		Referred to committee
Hawaii	None	None		Referred to committee
IL HB 2531*	None	None	State Employee Health Plan only	<i>Passed House; in Senate committee</i>
Indiana	18 yrs or under	None		Referred to committee
Louisiana	18 years or under	\$1,400 per ear every 36 months		<b>Enacted</b>
Maine	None	None		Referred to committee
Minnesota	18 years or under	None; limited to every 3 yrs	Congenital hearing loss only	<b>Enacted</b>
Missouri	children	\$1,250 per ear		Referred to committee
NJ *AB 569	None	\$6,000	1 <sup>st</sup> time purchase only	Referred to committee
NJ AB 741	None	None		Referred to committee
NJ AB 2447	18 years or under	None		In 2 <sup>nd</sup> committee (2002)
NJ AB 3387	15 years or under	\$1,000 per ear every 2 yrs		Referred to committee
NJ SB 864	None	85% of cost every 4 yrs		Referred to committee
NJ SB 1664	18 years or under	\$1,000 per ear every 2 yrs		In 2 <sup>nd</sup> committee (2002)
New York*	None	\$1,000 every 2 yrs if under 16, every 3 yrs if 16 or over		Referred to committee
Rhode Island	None	\$400 per aid		<i>Passed House; in Senate committee</i>
Virginia	N/A	N/A	Need study only	Referred to committee

\* Still in 2003 Session