

Maryland HB 1145

COVERAGE OF HEARING AIDS FOR ADULTS

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Mandate Evaluation Process



Lewis & Ellis was engaged to address the social, medical, and financial impact of the proposed mandated insurance coverage adult hearing aids.



Resources included publicly available literature and statistics, provider interviews, and gathered data from the Maryland All-Payer Claims Database (APCD).



Proposed Legislative Bill Changes

Current Mandate Summary

- Insurance Article § 15-838 Annotated Code of Maryland mandates the coverage of hearing aids for minors, with an option for adults, for individual and group carriers.
- A carrier may limit the benefit payable to \$1,400 per hearing aid for each hearing-impaired ear every 36 months.

Proposed Bill Summary

- House Bill 1145 (HB1145) proposes the coverage of adult hearing aids by amending Section § 15-838 and adding Section § 15-838.1.
- HB1145 would amend Section § 15-838 to remove language that pertains solely to minors and add Section § 15-838.1, which stipulates hearing aid coverage for adults.



Medical and Social Evaluation

Background

- The Centers for Disease Control and Prevention (CDC) defines hearing loss as when any part of the ear is not functioning as it should. This definition encompasses all parts of the ear, including the outer ear, middle ear, inner ear, hearing (acoustic) nerve, and auditory system.
- Hearing loss is categorized on a spectrum that ranges from normal to profound. This classification is determined based on the degree of hearing loss measured in decibels. The accompanying chart provides a typical mapping of hearing loss classifications.

Degree of hearing loss	Hearing loss range (dB HL)
Normal	-10 to 15
Slight	16 to 25
Mild	26 to 40
Moderate	41 to 55
Moderately severe	56 to 70
Severe	71 to 90
Profound	91+



Medical and Social Evaluation

Background

- Hearing loss is generally categorized into two primary types: conductive hearing loss and sensorineural hearing loss. Additionally, these two types can coexist in the same individual, leading to a condition known as mixed hearing loss.
- Conductive hearing loss is typically treated with medication and surgery.
- Sensorineural hearing loss (SNHL) SNHL is the most prevalent form of hearing loss, and unlike conductive hearing loss, it usually cannot be remedied through medicine or surgery. As a result, hearing aids are typically used to treat this type of hearing loss.
- It's important to note that hearing aids are not a cure for hearing loss. Instead, their primary function is to improve hearing ability.

Medical and Social Evaluation

Medical Effectiveness

- Approximately 85% of adults aged 18 and over experience no difficulty hearing when using a hearing aid. However, the remaining 15% still encountered some minor or major challenges.
 - This is significantly improved from 1990 when the satisfaction rate was approximately 60%.
- In terms of physical health and wellbeing, they are known to decrease various risks and complications, including:
 - risk of a fall-related injury,
 - the likelihood of diagnosis of anxiety or depression,
 - the number of emergency room or hospitalization visits,
 - and the number of nights in a hospital.

Medical and Social Evaluation

Service Availability and Usage

- As of 2022, there were 270 audiologists employed in Maryland. This equates to an approximate rate of 4.4 audiologists per 100,000 population. However, an insurers participating network consists of a subset of the total number of audiologists.
 - A nationwide study involving audiologists from all 50 states revealed that the number of audiologists per 100,000 population varies widely from state to state, ranging from 2.1 to 7.6.
- Based on interviews with audiologists, hearing aids are included in the treatment plans for a significant majority, approximately 85% or more, of patients with SNHL.



Medical and Social Evaluation

Utilization and Insurance Coverage

According to data from Johns Hopkins and the CDC, around 15% of adults aged 18 and over experience hearing loss that ranges from mild to severe. Of these adults, only about 20% actually use hearing aids. The utilization of hearing aids increases with age, therefore, when only considering adults aged 18 to 64, only about 10% with hearing loss utilize hearing aids.

Insurance coverage for hearing aids is inconsistent, with most plans not providing hearing aid benefits. Based on information from healthcare providers and Maryland-specific data, it's estimated that only about 20-40% of insurance plans currently cover hearing aids for adults.



Medical and Social Evaluation

Utilization and Insurance Coverage

According to audiologists interviewed, approximately 15% of patients are turned away because the provider is not in-network with the patient's specific insurer. Two major reasons were cited for not reaching a contractual agreement with an insurer:

The parties are not able to come to an agreement regarding the allowability of balance billing. Balance billing would allow the provider to bill the insurer for the difference between the allowable benefit and the more expensive option elected by the insured.

The insurer solely contracts with a hearing aid network vendor, such as Amplifon or TruHearing, limiting the insured's accessibility to only the providers participating with that vendor.



Medical and Social Evaluation

Barriers and Disparities

The main reasons identified for patients with hearing loss not using hearing aids include:

- Cost
- Underestimation of the importance of hearing health,
- Lack of awareness about how to get hearing tested or acquire hearing aids,
- Being uninsured, and
- Accessibility challenges, particularly in rural areas.

Financial Evaluation and Assumptions

L&E leveraged data from provider interviews and publicly available sources to develop estimates for each variable that could influence cost or utilization, categorizing them into low-end, mid-range, and high-end assumptions.

These ranges aren't confined to just the three scenarios of low, mid, and high illustrated; instead, they are designed to encompass the various uncertainties inherent in each assumption. This approach aims to offer a spectrum of potential outcomes.

Each assumption range is discussed in further detail within L&E's official report.



Financial Evaluation Results

Estimated Fiscal Impact Range

	Low	Mid	High
Hearing Aid Mandate Premium Cost PMPM	\$0.01	\$0.13	\$0.74
Maryland Projected 2024 Premium PMPM	\$723.89	\$723.89	\$723.89
Hearing Aid Mandate Percentage Impact	0.00%	0.02%	0.10%

- L&E notes that nothing in HB1145 would prevent or limit carriers from making cost-sharing or other benefit changes to non-hearing aid benefits which could ultimately mitigate or eliminate the impact of the mandated hearing aid coverage.