

SUBJECT: Requiring health benefit plans to cover hearing aids and cochlear implants

COMMITTEE: Insurance — committee substitute recommended

VOTE: 9 ayes — Phillips, Muñoz, R. Anderson, Gooden, Oliverson, Paul,  
Sanford, Turner, Vo

0 nays

WITNESSES: For — America Ririe, Let Texas Hear; Caitlin Sapp, Seton/Ascension Health; Karen Ditty, Texas Academy of Audiology; Leslie Lestz, Texas Pediatric Society; Abbie Hrcir; Laryssa Korduba Hrcir; Jennifer Peterson; Audra Stewart; Madison Wright; (*Registered, but did not testify*: Cheryl Ford and Luckie Ford, Cody's Crusade; Edward Olmeda, Seton Healthcare Family; Bradford Shields, Texas Academy of Audiology; Mark Hanna, Texas Speech Language Hearing Association; and 13 individuals)

Against — Jamie Dudensing, Texas Association of Health Plans; (*Registered, but did not testify*: Annie Spilman, National Federation of Independent Business/Texas; Amanda Martin, Texas Association of Business)

On — (*Registered, but did not testify*: Pat Brewer, Texas Department of Insurance)

DIGEST: CSHB 490 would require certain health benefit plans to provide coverage for the cost of a medically necessary hearing aid or cochlear implant and related services and supplies for a covered individual who was 18 years old or younger.

The coverage would have to include:

- fitting and dispensing services and the provision of ear molds to maintain optimal fit of hearing aids;
- any treatment for hearing aids and cochlear implants, including

habilitation and rehabilitation as necessary for educational gain;  
and

- for a cochlear implant, an external speech processor and controller with necessary components replacement every three years.

The bill would limit the required coverage to one hearing aid in each ear every three years and one cochlear implant in each ear with internal replacement as medically or audiological necessary. The required coverage, including applicable durational limits and coinsurance factors, could not be less favorable than a plan's physical illness coverage.

CSHB 490 would specify the health benefit plans to which it would and would not apply. The state Medicaid program, including the Medicaid managed care program, would not be required to provide the coverage described in the bill.

The bill would take effect September 1, 2017, and would apply to a health benefit plan delivered, issued, or renewed on or after January 1, 2018.

**SUPPORTERS  
SAY:**

CSHB 490 would alleviate out-of-pocket expenses for families with hearing-impaired children. Many health insurance plans in Texas consider hearing aids and cochlear implants as cosmetic devices and, as a result, do not cover these items. Children's hearing aids can cost up to \$6,000 per pair and must be replaced every three to five years. Cochlear implant upgrades also are costly. Removing financial barriers to these devices and related services would allow families to seek the care their hearing-impaired child needs to thrive in society.

The bill would ensure children received medically necessary hearing aids and cochlear implants in a timely manner. Hearing aids provide immediate access to sound, which is crucial during a child's developing years. Failing to address hearing loss in children early on can result in delayed speech and language acquisition, as well as social, emotional, and behavioral issues.

Lack of early intervention in hearing-impaired children also can lead to

lags in academic development and potential placement in special education. The coverage required in the bill would help improve educational outcomes for hearing-impaired children and would help divert hearing-impaired children from special education courses, which could save the state millions of dollars.

**OPPONENTS  
SAY:**

CSHB 490 would increase health care expenses for employers, who ultimately bear the cost of mandated health care benefits. Such mandates can mean higher premiums and co-pays and reduced wages and benefits. Texas already has a significant number of mandated health care benefits, which in the end can hurt the people they were designed to help.

**NOTES:**

A companion bill, SB 552 by Kolkhorst, was referred to the Senate Committee on Business and Commerce on February 8.

CSHB 490 differs from the bill as filed in that the committee substitute would remove:

- certain health benefit plans from the list of those that would have been required to provide coverage for hearing aids and cochlear implants; and
- a provision that would have prohibited the required coverage from being subject to a deductible requirement or dollar limit.