

HCS HB 936 -- HEALTH INSURANCE

SPONSOR: Luetkemeyer

COMMITTEE ACTION: Voted "do pass" by the Committee on Financial Services by a vote of 17 to 0.

This substitute requires health insurance entities to provide coverage for associated hearing evaluations, consumable supplies, and hearing aids for dependent children through 19 years of age who are covered by a health policy or health plan. Coverage will begin after January 1, 2005.

The substitute:

- (1) Specifies the type of hearing aid which will be covered. The hearing aid must be prescribed and dispensed by licensed professionals;
- (2) Requires that a replacement hearing aid for children will be covered once every three years;
- (3) Prohibits a health insurer or health plan from establishing a benefit cap for hearing aids less than \$1,250 per hearing aid, per ear. If an enrollee chooses a more expensive hearing aid, the enrollee is required to pay the difference without a financial or contractual penalty being imposed upon the provider of the hearing aid. Health insurers or health plans are also prohibited from requesting hearing acuity information from enrollees;
- (4) Allows a health insurer or health plan to provide more favorable insurance coverage for hearing aids;
- (5) Prohibits enrollees from being subject to greater deductibles and copayments than other similar health care benefits or services;
- (6) Exempts supplemental insurance policies; and
- (7) Authorizes the Director of the Department of Insurance to develop rules to implement the provisions of the substitute.

FISCAL NOTE: Not available at time of printing.

PROPOSERS: Supporters say that hearing aids cost an average of \$2,300 per ear and are beyond the reach of many young parents. Without the ability to hear, children cannot learn. Ninety percent of these children are born to hearing parents who are unable to fully communicate with their children. Current law

covers children until age three, but then coverage disappears. The bill requires only about 25% of the patient's costs to be covered; and these costs will be incurred by less than 300 children each year, so the impact on premiums from this mandated coverage will be negligible.

Testifying for the bill were Representative Moore; Jody Pacheco; Missouri School for the Deaf; Missouri Commission for the Deaf and Hard of Hearing; Paraquad Association; and Governor's Council on Disability.

OPPONENTS: Those who oppose the bill say that every year 10 to 15 groups ask for mandated health coverage for various illnesses and conditions. Individually it doesn't cause drastic financial problems, but collectively it will cause health insurance to increase to the point that many people will lose their health insurance altogether.

Testifying against the bill was Blue Cross/Blue Shield.

Richard Smreker, Senior Legislative Analyst