HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 79 Insurance Coverage for Hearing Aids for Children
SPONSOR(S): Brannan, Zika and others
TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 498

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Finance & Facilities Subcommittee	18 Y, 0 N	Poche	Lloyd
2) Appropriations Committee	26 Y, 0 N	Lee	Pridgeon
3) Health & Human Services Committee			

SUMMARY ANALYSIS

Approximately 30 million people in the U.S. aged 12 years or older have hearing loss in both ears, based on standard hearing examination. Hearing loss is also one of the most common birth defects in the U.S. – two or three out of every 1,000 children are born with a detectable level of hearing loss in one or both ears.

Many people who are deaf or hard-of-hearing have some hearing. In some instances, a hearing aid may help a child with hearing loss maximize their residual hearing. Hearing aids make sounds louder and can be worn by people of any age, including infants. Babies with hearing loss may understand sounds better using hearing aids. There are many styles of hearing aids that can help many types of hearing loss. A young child is usually fitted with behind-the-ear style hearing aids because they are better suited to growing ears. Florida law does not require private health insurance policies or health maintenance organization (HMO) contracts to provide coverage for hearing aids.

The bill requires individual health insurers and HMOs to provide hearing aid coverage for a covered child 21 years of age or younger who is diagnosed with hearing loss by a licensed physician or licensed audiologist and for whom the hearing aid is prescribed as medically necessary. The bill requires a minimum coverage limit of $3,500 per ear within a 24-month period. The insured or subscriber is responsible for the cost of hearing aids and related services that exceed the coverage limit provided in their policy or contract.

If, however, a child experiences a significant and unexpected change in his or her hearing or experiences a medical condition requiring an unexpected change in the hearing aid before the existing 24-month period expires, and if alterations to the existing hearing aid do not or cannot meet the child's needs, the bill requires that a new 24-month period must begin with full benefits and coverage. The bill applies to private individual policies or contracts issued or renewed on or after January 1, 2023.

The bill may have a significant, indeterminate negative fiscal impact on state government and the private sector. The bill does not apply to the State Group Insurance Program. However, for health plans obtained through federal marketplace exchanges, the state may be required to reimburse the cost of any new coverage mandate that raises the cost of those plans. *See* Fiscal Analysis & Economic Impact Statement.

The bill provides an effective date of January 1, 2023.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Approximately 30 million people in the U.S. aged 12 years or older have hearing loss in both ears, based on standard hearing examination.[1] Hearing loss is also one of the most common birth defects[2] in the U.S. – two or three out of every 1,000 children are born with a detectable level of hearing loss in one or both ears.[3]

Many people who are deaf or hard-of-hearing have some hearing. In some instances, a hearing aid may help a child with hearing loss maximize their residual hearing.[4] Hearing aids make sounds louder and can be worn by people of any age, including infants. Babies with hearing loss may understand sounds better using hearing aids. There are many styles of hearing aids that can help many types of hearing loss. A young child is usually fitted with behind-the-ear style hearing aids because they are better suited to growing ears.[5]

Hearing loss may be in one ear (unilateral loss) or in both ears (bilateral loss). The degree of hearing loss can range from mild to profound:[6]

- Mild Hearing Loss (26-40 decibels): may hear some speech sounds, but soft sounds are hard to hear.
- Moderate Hearing Loss (41-70 decibels): may hear almost no speech when another person is talking at a normal level.
- Severe Hearing Loss (71-90 decibels): will hear no speech when a person is talking at a normal level and only hear some loud sounds.
- Profound Hearing Loss (91 decibels or more): will not hear any speech and will hear only very loud sounds.[7]

Hearing loss can affect a child's ability to develop communication, language, and social skills. Recent research shows that early detection of hearing loss can help infants and children with learning and reaching developmental milestones. In the U.S., researchers have reported children have more favorable language outcomes, such as greater vocabulary and reading abilities, when hearing loss is identified sooner and the child receives hearing aids and interventions at an earlier age.[8] A second study similarly found children who received hearing aids and cochlear implants earlier had better language outcomes, comparing language skills with the provision of a hearing aid at three months compared to 24 months:[9]

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[1] National Institutes for Health, National Institute on Deafness and Other Communication Disorders, *Quick Statistics About* Hearing, available at https://www.nidcd.nih.gov/health/statistics/quick-statistics-hearing.
[2] Florida Newborn Screening, *Early Hearing and Intervention Program*, available at https://floridanewbornscreening.com/hearing/early-hearing-and-intervention-programs/.
[3] *Id*.
[4] Centers for Disease Control and Prevention, National Center on Birth Defects and Developmental Disorders (June 8, 2020), available at https://www.cdc.gov/ncbddd/hearingloss/treatment.html. The amount of hearing a deaf or hard-of-hearing person has is referred to as "residual hearing."
[5] *Id*. A plastic ear mold is connected to a behind-the-ear hearing aid and is fitted for the child's ear. It directs sound from the hearing aid into the ear canal. Each individual's ear is shaped differently, and a child's ear will change as he or she grows. An audiologist uses a soft material to make a copy of the child's outer ear canal. This is used to make an ear mold that will fit the child. As the child grows, new ear molds can be made and attached to the same hearing aid.
[6] Florida Department of Health, Children's Medical Services, *A Florida Parent's Guide to Hearing* (Apr. 2020 Edition), available at http://floridanewbornscreening.com/wp-content/uploads/Hearing-Guide-English-FINAL-1.pdf.
[7] Centers for Disease Control and Prevention, *National Center on Birth Defects and Developmental Disorders* (June 8, 2020), available at https://www.cdc.gov/ncbddd/hearingloss/types.html.
[8] Christine Yoshinaga-Itano, Ph.D., et al, *Early Hearing Detection and Vocabulary of Children with Hearing Loss*, Pediatrics, (Aug. 2017, Vol. 140, No. 2), available at https://pediatrics.aappublications.org/content/140/2/e20162964.
[9] Teresa Y.C. Ching, Ph.D., *Age at Intervention for Permanent Hearing Loss and 5-Year Language Outcomes*, Pediatrics, (Sept. 2017, Vol. 140, Issue 3), available at https://pediatrics.aappublications.org/content/140/3/e20164274.

> The younger the child received intervention, the better the language outcome. In addition, more substantial benefits of earlier access to useful HAs (hearing aids) and CI (cochlear implants) were obtained by those with worse hearing. Earlier intervening, rather than access to UNHS (universal newborn hearing screening), improved outcomes.[10]

Florida Newborn Hearing Screening Program

Florida has a universal newborn hearing-screening program[11] requiring all Florida-licensed facilities that provide maternity and newborn care to screen, or refer for screening, all newborns prior to discharge for hearing loss, unless a parent objects to the screening.[12] All test results, including recommendations for any referrals or follow-up evaluations by a licensed audiologist, a physician licensed under chapters 458 or 459, F.S., or other newborn hearing screening providers in the hospital facility, must be placed in the newborn's medical records within 24 hours after the completion of the screening procedure.[13]

For babies born in a facility other than a hospital, the parents are to be instructed on the importance of having a screening conducted, information must be provided, and assistance must be given to make an appointment within three months.[14] The initial newborn screening and any necessary follow-up and evaluation are covered benefits reimbursable by Medicaid, health insurers, and health maintenance organizations, with some limited exceptions.[15] For those newborns and children found to have a permanent hearing loss, the law also provides for referral to the state's Part C program of the federal Individuals with Disabilities Education Act[16] and Children's Medical Services' Early Intervention Program, Early Steps.[17]

Hearing Aid Coverage in Public Insurance Programs

Medicaid

Florida Medicaid provides hearing services for eligible recipients under the age of 21, if such services are medically necessary to correct or ameliorate a defect, a condition, or a physical or mental illness. This coverage includes diagnostic services, treatment, equipment, supplies, and other measures described in 42 U.S.C. 1396d(a).[18] Medicaid recipients under the age of 21 have coverage for the following hearing-related services:

- Recipients who have documented, profound, severe hearing loss in one or both ears have coverage for:
  - An implanted device for recipients age five years and older; or
  - A non-implanted (softband) device for recipients under age five.
- Cochlear implants for recipients age 12 months and older who have documented, profound to severe, bilateral sensorineural hearing loss.
- For recipients who have moderate hearing loss or greater, the coverage is:
  - One new, complete (not refurbished) hearing aid device per ear, every three years, per recipient;
  - Up to three pairs of ear molds per year, per recipient; and
  - One fitting and dispensing service per ear, every three years, per recipient.

[10] *Id*.
[11] Florida's Early Hearing Detection and Intervention Program (EHDI) is Florida's newborn hearing-screening program, available at https://floridanewbornscreening.com/hearing/early-hearing-and-intervention-programs/.
[12] S. 383.145, F.S.
[13] S. 383.145(3)(e), F.S.
[14] S. 383.145(3)(i), F.S.
[15] S. 383.145(3)(j), F.S.
[16] Pub. L. No. 108-446. The Part C program provides benefits and services for infants and toddlers from birth to age 36 months. Children's Medical Services within the Florida Department of Health, administers Florida's Part C program, known as Early Steps.
[17] The Early Steps program services children with disabilities, developmental delays, or children with a physical or mental condition known to create a risk of a developmental delay, http://www.cmskids.com/families/early_steps/early_steps.html.
[18] R. 54G-4.110, F.A.C. (2021). The hearing services coverage policy from the Agency for Health Care Administration, available at https://www.flrules.org/Gateway/reference.asp?No=Ref-06744.

A recipient under the age of 12 months may receive up to two newborn screenings. A second screening may be conducted only if the recipient did not pass the test in one or both ears. An eligible recipient may receive one hearing assessment every three years for the purposes of determining hearing aid candidacy and the most appropriate hearing aid.[19] Medicaid also covers repairs and replacement of both Medicaid and non-Medicaid provided hearing aids, up to two hearing aid repairs every 366 days, after the one-year warranty period has expired.[20]

State Children's Health Insurance Program[21]

The Children's Health Insurance Program (CHIP) was enacted as part of the Balanced Budget Act of 1997, and it created Title XXI of the federal Social Security Act as a joint state-federal funding partnership to provide health insurance to children in low to moderate income households.[22] The Florida Healthy Kids Corporation[23] is one component of Florida's Title XXI program, known as Florida KidCare, and is the only program component utilizing a non-Medicaid benefit package.[24] The other program components, Medicaid for children, Medikids, and Children's Medical Services Network, follow the Medicaid benefit package.[25]

In order for health benefits coverage to qualify for premium assistance payments, KidCare enrollees must receive hearing screenings as a covered, preventative health service.[26] Additionally, s. 409.815(2)(h), F.S., provides the benefits for durable medical equipment include within covered services equipment and devices that are medically indicated to assist in the treatment of a medical condition, and specifically prescribed as medically necessary. Hearing aids are covered only when medically indicated to assist in the treatment of a medical condition. There are no out-of-pocket costs for the well-child hearing screening for subsidized Title XXI eligible children.[27]

Hearing Aid Coverage in the Private Health Insurance Market

The Office of Insurance Regulation (OIR) is responsible for the regulation of all activities of insurers and other risk-bearing entities that do business in Florida.[28] Florida law does not require health insurance policies or health maintenance organizations contracts to provide coverage for hearing aids. According to the OIR, some of the plans offered by UnitedHealthcare (All Savers, Neighborhood Health, etc.) cover hearing aids if recommended by a physician, and bone anchored hearing aids are covered with some restrictions. Molina and Health First cover implant type hearing aids, if medically necessary.[29]

Currently, 24 states appear to mandate health benefit plans to provide coverage for hearing aids for children.[30] Coverage requirements range from authorizing coverage of a hearing aid every 24 months to every five years. Many states include caps on the amount the insurer must pay. These caps range from $1,000 to $4,000.[31]

State Mandated Health Insurance Coverage

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[19] Agency for Health Care Administration, *Hearing Services Coverage Policy* (June 2016), available at http://ahca.myflorida.com/medicaid/review/specific_policy.shtml.
[20] *Id*.
[21] 42 U.S.C. s. 1397aa-1397mm.
[22] Pub. L. No. 105-33, 111 Stat. 251, H.R. 2015, 105th Cong. (Aug. 5, 1997).
[23] Ss. 624.91-624.915, F.S.
[24] Ss. 409.810-409.821, F.S.
[25] S. 409.815(2)(a), F.S., and s. 391.0315, F.S.
[26] S. 409.815(2)(a), F.S.
[27] Florida Healthy Kids Corporation, *Medical Benefits*, available at https://www.healthykids.org/benefits/medical/.
[28] The Office of Insurance Regulation is under the Financial Services Commission, which is composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, which serves as the agency head of the commission. S. 20.121(3), F.S.
[29] Office of Insurance Regulation correspondence (Dec. 8, 2020).
[30] Information from the American Speech-Language-Hearing Association, available at https://www.asha.org/advocacy/state/issues/ha_reimbursement/.
[31] *Id*.

Prior to 2012, the OIR identified 18 state-mandated benefits.[32] Subsequently, Florida has not enacted any mandated benefits. Examples of benefits mandated under Florida law include:

- Treatment for temporomandibular joint disorders;
- Coverage for bone marrow transplants;
- Coverage for certain cancer drugs;
- Diabetes treatment services;
- Osteoporosis;
- Certain coverage for newborn children;
- Child health supervision services; and
- Treatment of cleft lip and cleft palate in children.[33]

Section 624.215, F.S., requires every person or organization seeking consideration of a legislative proposal, which would mandate a health coverage or the offering of a health coverage by an insurer, to submit to the Agency for Health Care Administration and the legislative committees having jurisdiction, a report that assesses the social and financial impacts of the proposed coverage. Proponents submitted a report to Senate Banking and Insurance Committee staff in 2021 indicating there are less than 7,200 children under the age of 18 in Florida who are deaf.[34] Hearing aids and the services necessary to prescribe, evaluate, fit, and manage children with hearing loss generally cost an average of $3,500 per ear depending on the technology and enhancements selected by the audiologist based on the individual needs of the child.[35]

Advocates of the bill note that untreated hearing loss may lead to tremendous expense for the taxpayer, as described below:

- Untreated pediatric hearing loss costs $420,000 in special education costs per child and $1 million dollars over the lifetime of the individual;
- Longitudinal, peer-reviewed studies have shown that healthcare costs are significantly higher for individuals with untreated versus treated hearing loss;
- Increased costs are not confined to the medical bills in the studies. Medical providers must absorb (and pass on via increased overall costs) costs incurred from longer visit times due to communication difficulties, increased risk of malpractice lawsuits from communication difficulties, and necessary accommodations like interpreter services;
- Communication difficulties in deaf and hard of hearing patients, which would be mitigated by appropriate access to sound, result in more physician visits and overuse of emergency rooms and urgent care centers; and
- Patients with untreated hearing loss are more likely to be misdiagnosed when visiting providers for unrelated health issues and are more difficult to treat due to communication difficulties.[36]

Federal Patient Protection and Affordable Care Act

The federal Patient Protection and Affordable Care Act (PPACA)[37] does not require health insurance policies to cover hearing aids for adults or children. Under the PPACA, individuals and small businesses can obtain health insurance coverage on or off the federal marketplace exchanges.[38] All

[32] Centers for Medicare & Medicaid Services, *Florida – State Required Benefits*, available at https://downloads.cms.gov/cciio/State%20Required%20Benefits_FL.pdf.
[33] *Id*.
[34] Florida Coalition for Spoken Language Options, 2021 Florida Legislature, *SB 1268 Mandate Report*.
[35] *Id*.
[36] *Id*.
[37] The Patient Protection and Affordable Care Act (PPACA) (Pub. L. No. 111-148) was enacted on March 23. 2010. On March 30, 2010, PPACA was amended by Pub. L. No. 111-152, the Health Care and Education Reconciliation Act of 2010. The two laws are collectively referred to as the ''Patient Protection and Affordable Care Act'' or ''PPACA.''
[38] Exchanges are entities established under PPACA through which qualified individuals and qualified employers can purchase health insurance coverage in qualified health plans (QHPs). Many individuals who enroll in QHPs through individual market exchanges are eligible to receive a premium tax credit (PTC) to reduce their costs for health insurance premiums and to receive reductions in required cost-sharing payments to reduce out-of-pocket expenses for health care services. 42 U.S.C. s. 18031.

non-grandfathered health plans[39] must offer qualified health plans meeting certain federal mandates, including the provisions of the following ten essential health benefits (EHB):

1. Ambulatory services (outpatient care);
2. Emergency services;
3. Hospitalization (inpatient care);
4. Maternity and newborn care;
5. Mental health and substance abuse disorder services;
6. Prescription drugs;
7. Rehabilitative services and rehabilitative services and devices;
8. Laboratory services;
9. Preventive care and chronic disease management; and
10. Pediatric services, including oral and vision care.[40]

States may modify the EHB offered in their states by mandating additional coverage. However, states must defray the associated costs such benefits imposed on qualified health plans coverage, and those costs should not be included in the percentage of premium attributable to the coverage of EHB for calculating the premium tax credit for eligible enrollees[41] on the exchange.[42] The State may be required to defray the costs of any additional benefits beyond the required EHB put in place after 2011.[43]

For plan years beginning on or after January 1, 2020, each state must identify and report to the federal Department of Health and Human Services (DHHS) benefits mandated by state law and identify which of those benefits are in addition to EHB. The first annual submission deadline for states to notify the DHHS of their state-mandated benefits was July 1, 2021.[44] Each qualified health plan issuer in the state must quantify cost attributable to each additional required benefit and then report this to the state.[45] In May 2020, DHHS clarified existing rules to provide that it would also be permissible for issuers to choose to rely on another entity, such as the state, to produce the cost analysis, provided the issuer remains responsible for ensuring that the quantification complies with existing rules.[46] Further, the DHHS noted that this calculation should be done prospectively to allow for the offset of an enrollee's share of premium and for purposes of calculating the PTC and reduced cost sharing.[47]

Audiologist Scope of Practice and Licensure Requirements

An audiologist is licensed under ch. 468, part I, F.S., to practice audiology.[48] The practice of audiology includes the application of principles, methods, and procedures for the prevention, identification, evaluation, consultation, habilitation, rehabilitation, instruction, treatment, and research, relative to hearing and the disorders of hearing, and to related language and speech disorders.[49] A licensed audiologist may:

- Offer, render, plan, direct, conduct, consult, or supervise services to individuals or groups of individuals who have or are suspected of having disorders of hearing, including prevention, identification, evaluation, treatment, consultation, habilitation, rehabilitation, instruction, and research;

[39] A "grandfathered health plan" is a plan that maintains coverage that was in place prior to the passage of the PPACA or in which the enrollee was enrolled on March 23, 2010, while complying with the consumer protection components of the PPACA. If a group health plan enters a new policy, certificate, or contract of insurance, the group must provide the new issuer the documentation from the prior plan so it can be determined whether there has been a change sufficient to lose grandfather status. S. 627.402, F.S.
[40] 42 U.S.C. s. 18022(b)(1)(A)-(J).
[41] In Florida, 1,705,902 or 95% of the total marketplace exchange enrollees receive premium tax credits. KFF, Marketplace Effectuated Enrollment and Financial Assistance (2020), available at https://www.kff.org/other/stateindicator/effectuated-marketplace-enrollment-and-financialassistance/?currentTimeframe=0&sortModel=%7B"colId":"Location","sort":"asc"%7D.
[42] HealthCare.gov, *Subsidized Coverage*, available at https://www.healthcare.gov/glossary/subsidized-coverage/. Household income must be between 100 percent and 400 percent of the federal poverty level to qualify for a premium tax credit.
[43] 42 U.S.C. s. 18031(d)(3)(B)(ii).
[44] 45 CFR § 156.111.
[45] 45 CFR § 155.170(c).
[46] 85 Fed. Reg. 29218 (May 14, 2020).
[47] *Id*.
[48] S. 468.1125(1), F.S.
[49] S. 468.1125(6)(a), F.S.

- Participate in hearing conservation, evaluation of noise environment, and noise control;
- Conduct and interpret tests of vestibular function and nystagmus, electrophysiologic auditory-evoked potentials, central auditory function, and calibration of measurement equipment used for such purposes;
- Habilitate and rehabilitate, including, but not limited to, hearing aid evaluation, prescription, preparation, fitting and dispensing, assistive listening device selection and orientation, auditory training, aural habilitation, aural rehabilitation, speech conservation, and speechreading;
- Fabricate ear molds;
- Evaluate tinnitus; and
- Include speech and language screening, limited to a pass/fail determination for identifying individuals with disorders of communication.[50]

To become licensed as an audiologist, an applicant must:

- Have earned a doctoral degree in audiology or have completed the academic requirements of a doctoral degree program with a major emphasis on audiology at an institution that meets specified requirements;[51]
- Receive a passing score on a national examination;[52] and
- Demonstrate a minimum of 11 months of full-time professional employment or practice with a provisional license.[53]

An audiologist is required to perform a final fitting for a client to ensure the physical and operational comfort of the hearing aid "when indicated."[54]

Hearing Aid Specialist Scope of Practice and Licensure Requirements

A hearing aid specialist is licensed under ch. 484, part II, F.S., to practice the dispensing of hearing aids.[55] To become a hearing aid specialist, an applicant must:

- Be a graduate from an accredited high school or its equivalent;
- Have completed a training program as established by the Board of Hearing Aid Specialists that is a minimum of six months in length, or be licensed or certified and have been actively practicing for at least 12 months as a licensed in another state; and
- Pass an examination as established by the Board of Hearing Aid Specialists.[56]

A hearing aid specialist is required to perform a final fitting for all clients to ensure the physical and operational comfort of the hearing aid.[57]

Effect of Proposed Changes

The bill requires individual health insurers and health maintenance organizations (HMOs) to provide hearing aid coverage for a covered child from birth through age 21 who is diagnosed with hearing loss by a licensed physician or a licensed audiologist and for whom the hearing aid is prescribed as medically necessary. The bill requires a minimum coverage limit of $3,500 per ear within a 24-month period. The insured or subscriber remains responsible for the cost of hearing aids and related services that exceed the coverage limit provided for in the policy or contract.

If, however, a child experiences a significant and unexpected change in his or her hearing or experiences a medical condition requiring an unexpected change in the hearing aid before the existing 24-month period expires, and alterations to the existing hearing aid do not, or cannot, meet the needs of the child, the bill requires that a new 24-month period must begin with full benefits and coverage.

[50] S. 468.1125(6)(b), F.S.
[51] S. 468.1155(3)(b), F.S.
[52] S. 468.1155(1)(a), F.S.
[53] *Id.*
[54] S. 468.1225(3), F.S.
[55] S. 484.041, F.S.
[56] S. 484.045, F.S.
[57] S. 484.0501(3), F.S.

For a child younger than 18 years of age, a hearing aid must be prescribed, fitted, and dispensed by a licensed physician or a licensed audiologist. Coverage for a hearing aid prescribed to a child between 18 and 21 years of age, inclusive, must be fitted and dispensed by a licensed physician, licensed audiologist, or a licensed hearing aid specialist.

The bill applies to policies or contracts that are issued or renewed on or after January 1, 2023.

The bill provides an effective date of January 1, 2023.

B. SECTION DIRECTORY:

Section 1: Creates s. 627.6413, F.S., relating to coverage for hearing aids for children.

Section 2: Amends s. 641.31, F.S., relating to health maintenance contracts.

Section 3: Provides an effective date of January 1, 2023.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

PPACA requires states to pay for the cost differential in health insurance premium caused by a mandated health benefit. The total cost of the bill's coverage mandate for all commercial health plans in Florida is unknown; per federal rules, the state may select a new essential health benefits (EHB) benchmark plan for plan years beginning on or after January 1, 2020. If the state opts to select a new EHB-benchmark plan, including state mandated coverage, the state is required under federal rule to submit an actuarial certification and associated actuarial report[58] affirming that the state's new EHB-benchmark plan provides a scope of benefits that is equal to, or greater than, the scope of benefits provided under a typical employer plan[59] and that it does not exceed the generosity of the most generous plans.[60]

The report will detail the amount the state must reimburse individuals in the commercial health insurance market for increased premium costs due to state-mandated benefits. This could result in additional costs to the state by an estimated $1.3 million per year.[61]

The bill may have a significant, indeterminate negative fiscal impact on state government. The bill does not apply to the State Group Insurance Program. However, for health plans obtained through federal marketplace exchanges, the state may be required to reimburse the cost of any new coverage mandate that raises the cost of those plans. If the state is required to pay for any portion of the reimbursements, the estimated amount would not exceed $1.3 million annually.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

[58] 45 C.F.R. s. 156.111(e)(2)(i) and (ii).
[59] 45 C.F.R. s. 156.111(b)(2)(i).
[60] 45 C.F.R. s. 156.111(b)(2)(ii)(A) and (B).
[61] Florida Coalition for Spoken Language Options, *supra* note 7, at 7.

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill requires individual health insurers and HMOs to cover hearing aids for insured children aged 21 years and younger. The costs associated with such mandated coverage may result in higher insurance premiums for individuals with private insurance plans. However, the impact is likely minimal, as the estimated increase per policy or contract is only $0.74 per year.[62] Individuals insured by plan covered under PPACA should not be negatively impacted since the State is responsible for increased costs associated with the mandated coverage for hearing aids.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to impact county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill provisions do not require additional rule-making authority for implementation.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

[62] *Id*.