



March 27, 2019

The Honorable Richard Bloom
State Capitol, Room 2003
Sacramento, CA 95814

Michael D. Belote

Dennis K. Albiani

Faith Lane Borges

Erinn P. Ryberg

Anthony Molina

**SUBJECT: AB 598 (BLOOM) HEARING AIDES: MINORS – SUPPORT IF AMENDED
ASSEMBLY HEALTH COMMITTEE**

Dear Assembly Member Bloom,

The California Association of Health Underwriters (CAHU) has a position of **SUPPORT if AMENDED** to **AB 598**, as introduced February 14, 2019, which would establish a new health insurance coverage mandate to include coverage for hearing aids for children under age 18. CAHU agrees with the heart of this measure and respectfully requests an amendment to ensure reasonable cost containment measures are included.

Under AB 598, most health plans must cover medically necessary hearing aids for minors. According to the California Health Benefit Review Program (CHBRP) which reviewed nearly identical language, AB 1601 (Bloom) in 2017; it costs approximately \$18,000 for hearing aids, repairs and related services per minor covered.

With sensitivity to the medical necessity of these devices for children and the fiscal realities of rising premiums, CAHU respectfully requests cost containment measures, such as limits on annual replacements and innovative technologies be included. As drafted, AB 598 contains appropriate minimum coverage levels but is silent on any reasonable maximums.

CAHU supports the objective of AB 598 and is also aware that this coverage needs to be balanced since coverage mandates to health insurance plans and policies ultimately result in higher premiums. CAHU would move to a SUPPORT position if this new benefit mandate is AMENDED to include appropriate cost containment measures to ensure that other policyholders do not face unnecessary premium rate increases.

CAHU is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians, families and businesses evaluate, select, purchase, and use their health care coverage plans. Our agents and brokers also serve as consumer advocates for policyholders and their families year round to help with questions and if coverage disputes arise - all at no additional cost to the consumer.

For these reasons, CAHU REQUESTS AMENDMENTS to MOVE TO SUPPORT. Please feel free to reach Faith Lane Borges at (916) 441-5050.

Sincerely,

Faith Lane Borges

On behalf of the California Association Health Underwriters

cc: Chair and Members, Assembly Health Committee
Kristene Mapile, Principal Consultant, Assembly Health Committee
Alex Khan, Consultant, Assembly Republican Caucus