ARIZONA STATE SENATE

Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR H.B. 2112

insurance coverage; hearing aids; children

Purpose

Directs health care services organizations to provide hearing aid coverage to children and persons in high school who are under 21 years old and prescribes eligibility and cost limitations.

Background

A health care services organization conducts one or more health care plans to provide an enrollee directly or to arrange for all or a portion of contractually covered health care services and to pay or make reimbursement for any remaining portion of the health care services on a prepaid basis through insurance or otherwise. Every enrollee in a health care plan must be issued an evidence of coverage by the responsible health care services organization. An *evidence of coverage* is any certificate, agreement or contract issued to an enrollee and setting out the coverage to which the enrollee is entitled (A.R.S. §§ 20-1051 and 20-1057).

Limited benefit coverage is an insurance policy that is designed, advertised and marketed to supplement major medical insurance and that includes accident only, dental only, vision only, disability income only, fixed or hospital indemnity, specified disease insurance, credit insurance or Taft-Hartley trusts (A.R.S. § 20-1137).

If requiring hearing aid coverage for children and persons in high school who are under 21 years old increases costs to the state employee health plan, there may be a fiscal impact to the Health Insurance Trust Fund, which has been subsidized for the past seven by appropriations from the state General Fund.

Provisions

1. Requires a health care service organization that issues, amends, delivers or renews an evidence of coverage to provide coverage for a hearing aid and any related service for the full cost of one hearing aid per hearing impaired ear up to $2,200 every 36 months for an enrollee who is under 18 years old or who is under 21 years old if the enrollee is still attending high school.

2. Allows an enrollee to choose a higher priced hearing aid and pay the difference in cost above the $2,200 limit without financial or contractual penalty to the enrollee or hearing aid provider.

3. Allows a health care services organization to make available to the enrollee the option of purchasing additional hearing aid coverage that exceeds the required services.

4. Requires the hearing aid coverage to include fitting and dispensing services, ear molds and any related services as provided by a licensed health care provider.

5. Specifies that the required hearing aid coverage does not apply to short-term travel, accident-only or limited benefit coverage.

6. Specifies that the hearing aid coverage may be subject to deductibles and coinsurance consistent with those imposed on other benefits under the same evidence of coverage.

7. Applies the hearing aid coverage requirements to any evidence of coverage issued with an effective date on or after December 31, 2024.

8. Defines terms.

9. Becomes effective on the general effective date.

House Action

HHS	1/29/24	DPA	8-2-0-0
3rd Read	2/21/24		46-9-4-0-1

Prepared by Senate Research
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MG/AB/cs