

Introduced by Senator Scott

January 29, 2004

An act to add Section 1367.195 to the Health and Safety Code, and to add Section 10123.75 to the Insurance Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 1158, as introduced, Scott. Hearing aids.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation of health care service plans by the Department of Managed Health Care. Existing law requires a health care service plan to provide specified coverage to its enrollees and subscribers. Existing law provides that a violation of the act is a crime.

Existing law provides for the regulation of health insurers by the Insurance Commissioner. Existing law requires a health insurance policy to provide specified coverage to insureds.

This bill would require health care service plans and health insurers to provide coverage up to \$1,000 for hearing aids, as defined, to all enrollees, subscribers, and insureds under 18 years of age. The bill would provide that the coverage would not apply to certain types of insurance.

Because this bill would place additional requirements on health care service plans, the violation of which is a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1367.195 is added to the Health and
2 Safety Code, to read:

3 1367.195. (a) Every health care service plan contract that
4 covers hospital, medical, or surgical expenses on a group basis,
5 that is issued, amended, or renewed on or after January 1, 2005,
6 shall provide coverage for hearing aids, up to one thousand dollars
7 (\$1,000), to all enrollees and subscribers under 18 years of age.
8 This benefit may be restricted to one claim during a 36-month
9 period.

10 (b) For purposes of this section “hearing aid” means any
11 nonexperimental, wearable instrument or device designed for the
12 ear and offered for the purpose of aiding or compensating for
13 impaired human hearing, but excluding batteries and cords.

14 (c) It shall remain within the sole discretion of the health care
15 service plan as to the provider of hearing aids with which it chooses
16 to contract. Reimbursement shall be provided according to the
17 respective principles and policies of the health care service plan.
18 Nothing contained in this section shall preclude a health care
19 service plan from conducting managed care, medical necessity, or
20 utilization review.

21 SEC. 2. Section 10123.75 is added to the Insurance Code, to
22 read:

23 10123.75. (a) Every policy of health insurance that covers
24 hospital, medical, or surgical expenses, that is issued, amended, or
25 renewed on or after January 1, 2005, shall provide coverage for
26 hearing aids, up to one thousand dollars (\$1,000), to all insureds
27 under 18 years of age. This benefit may be restricted to one claim
28 during a 36-month period.

29 (b) For purposes of this section “hearing aid” means any
30 nonexperimental, wearable instrument or device designed for the
31 ear and offered for the purpose of aiding or compensating for
32 impaired human hearing, but excluding batteries and cords.

33 (c) It shall remain within the sole discretion of the health
34 insurer as to the provider of hearing aids with which it chooses to
35 contract. Reimbursement shall be provided according to the



1 respective principles and policies of the health insurer. Nothing
2 contained in this section shall preclude a health insurer from
3 conducting managed care, medical necessity, or utilization review.

4 (d) This section shall not apply to Medicare supplement,
5 vision-only, dental-only, Champus-supplement insurance, or to
6 insurance excluded from the definition of health insurance
7 pursuant to subdivision (b) of Section 106.

8 SEC. 3. No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.

