MEMORANDUM IN SUPPORT

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A.127 (BUCHWALD)

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S.4080 (MURPHY)

AN ACT to amend the general business law, in relation to permitting certain audiologists and hearing aid dispensers to dispense hearing aids for a profit

This measure would amend the general business law to allow an audiologist or hearing aid dispenser, employed by an otolaryngologist (Ear Nose and Throat Physician) to sell hearing aids for profit, pursuant to a two year study program. At the end of this two year period, the Secretary of State shall submit a written report, prepared by the Division of Consumer Protection of the Department of State, concerning the impact of the provisions of this act on consumers. This report shall be distributed to the governor, temporary president of the senate, speaker of the assembly, minority leaders of the senate and assembly, and the chairman and ranking minority member of the Consumer Protection Committee in the Senate and Assembly. The Medical Society of the State of New York strongly supports this bill.

Currently, the law allows audiologists and hearing aid dispensers to sell hearing aids for profit, but prohibits physician otolaryngologists from doing the same. New York is one of only two states that prohibit physicians from selling hearing aids for profit. This results in patients going to an otolaryngologist’s office for a hearing test performed by an employed audiologist and additional testing which would rule out a medical cause of the hearing loss such as a tumor or bacterial infection, and then getting a prescription to take to an independent audiologist or hearing aid dispenser to fill. Alternatively, the patient can go directly to the independent audiologist or hearing aid dispenser, have a hearing test but without the additional testing that would show a potential medical cause of the hearing loss, sign a waiver saying that they have been advised to see an otolaryngologist, and be fitted for and sold a hearing aid.

Many older patients; those who are most likely to suffer from hearing loss, often do not have transportation available to go to multiple offices to get a hearing aid, so do not fill the prescription given to them by their otolaryngologist.
Hearing loss is sometimes correctible by medication or surgery, or even cleaning wax out of the ears, so that the patient might not need a hearing aid; however, the independent audiologist or hearing aid dispenser is unable to offer these alternatives to the patient, as they are not physicians. Therefore, many people are sold hearing aids who could have had their problem corrected without them.

Hearing aids are expensive, selling for between $2,000 and $7,000 each. This cost is not covered by most insurance plans. The mark-up on them is between 100% and 150% currently. Adding employed audiologists who work in an otolaryngologist’s office to the mix of people who can dispense hearing aids for profit would increase competition and drive down the costs, in addition to making the process more thorough and more convenient for patients.

Additionally, patients would be able to have continuity of care provided by their otolaryngologists, which is particularly advantageous when patients have complex medical conditions.

*Consumer Reports* magazine reported in a 2014 article that the best provider of hearing aids is a medical office, headed by an otolaryngologist (Ear Nose and Throat physician), that employs an audiologist to fit and dispense hearing aids. Under current law, this is not an option.

Because of the above, the Medical Society of the State of New York strongly supports this bill and urges that it be passed.

Respectfully submitted,

2/26/15 – Support

ELIZABETH DEARS, ESQ.