Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 331 (Menjivar) – As Amended June 1, 2026

Policy Committee: Health Vote: 14 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires a large group health plan or health insurer to cover medically necessary hearing aids for enrollees under 21 years of age.

Specifically, this bill:

1) Requires a large group health plan or insurer (collectively, health plan) to cover hearing aids for enrollees under 21 years of age, if medically necessary and provided by a contracted provider, unless the health plan contract allows for out-of-network coverage.

2) Requires the health plan to include a pediatric audiologist as a contracting provider for children under five years of age.

3) Specifies that the maximum required coverage amount under this bill is $3,000 per individual hearing aid and provides that an enrollee may purchase a hearing aid that exceeds the maximum coverage amount and requires the enrollee to be responsible for the difference between the cost of the hearing aid and the maximum coverage provided by the health plan.

4) Prohibits a health plan from imposing a deductible, coinsurance, or copayment requirement, or other financial or treatment limitations, including a limit below $3,000 per individual hearing aid, on medically necessary hearing aids.

5) Prohibits a high deductible health plan, as defined under federal law, from imposing cost sharing as described in item 4, above, unless not applying cost sharing would conflict with federal requirements for high deductible health plans.

6) Requires coverage for hearing aids to include an initial assessment, new hearing aids at least once every three years, new earmolds, new hearing aids if alterations to existing hearing aids cannot meet the needs of the enrollee, a new hearing aid if the existing one is no longer working, and fittings, adjustments, auditory training, and maintenance of the hearing aids. Specifies that the three-year new hearing aid limit does not apply if alterations to existing hearing aids cannot meet the needs of the enrollee or an existing hearing aid is no longer working.

7) Specifies that “hearing aid” includes both a hearing aid traditionally worn behind the ear and a nonimplanted auditory osseointegrated (integrated with bone) device.

8) Exempts Medi-Cal managed care plans (MCPs) and specifies that existing law pertaining to hearing aid coverage applies to MCPs.

FISCAL EFFECT:

Minor and absorbable costs to the Department of Managed Health (DMHC) and the Department of Insurance (CDI).

The California Health Benefits Review Program (CHBRP) and the California Public Employees Retirement System (CalPERS) anticipate zero to minimal effect on premiums for DMHC-regulated health plans in CalPERS. Effects on premiums for CDI-regulated insurance policies would likely also be negligible.

CHBRP estimates this bill will increase premiums in the state-regulated large group market by $17.3 million across all employers ($14.2 million or 0.02%) and enrollees ($3.1 million or 0.01%), while decreasing enrollee out-of-pocket costs by $12.0 million. These costs are not borne by the state.

COMMENTS:

1) **Purpose**. This bill is sponsored by Children Now and Let California Kids Hear. According to the author:

> Numerous experts agree that pediatric hearing loss is considered a developmental emergency requiring timely intervention to prevent permanent delays. These preventable consequences are not only devastating for children and family; they are costly to society. California requires hospitals and perinatal services to screen all newborns to identify those that are Deaf or Hard of Hearing (DHH). Despite…identifying nearly all DHH children as newborns there remains a lack of access to hearing aids once they have been identified …Since private health insurance plans are not required to cover hearing aids for kids, only 1 in 10 families in California have some coverage. The lack of comprehensive coverage means care can be unaffordable and leave children without access to hearing aids and services that support their development.
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> Over 35 states…require coverage for children's hearing aids through commercial plans and/or the state exchange. California should follow suit in ensuring that children are able to access hearing aids at an early stage in life.

2) **Background.** ***Pediatric Hearing Loss.*** Pediatric hearing loss includes a wide range of pathologies. Early detection and prompt management are essential for the development of normal language and psychosocial functioning, as well as to identify potentially reversible causes or other underlying problems. About 50% of congenital hearing loss cases are due to genetic causes, 25% of cases are due to maternal illness during pregnancy, premature birth, or complications after birth, and for the remaining 25% of cases, the causes are unknown. Reasons for acquired hearing loss include excessive noise, injury, certain medications,

tumors, jaundice, meningitis, or problems with blood circulation.

Children's Hearing Aid Coverage. Children up to age 21 with family income up to 266% of the federal poverty level (FPL) are eligible for Medi-Cal coverage for hearing aids. Medi-Cal will pay up to $1,510 per person each fiscal year for hearing aid benefits, including hearing aids, except for some beneficiaries who are not subject to the hearing aid benefit cap. Children who are younger than age 21 and receive full-scope Medi-Cal are not subject to the hearing aid benefit cap. In addition, hearing aids that are lost, stolen, or irreparably damaged beyond the patient's control are not subject to the cap.

California Children Services (CCS) is a state program administered by the Department of Health Care Services (DHCS) that provides coverage for children under age 21 with certain eligible medical conditions, including hearing loss. Children may also qualify for CCS by meeting certain age, residence, medical, and financial requirements, including family state adjusted gross income of $40,000 or less or out-of-pocket medical expenses expected to be more than 20% of the family's adjusted gross income.

The Hearing Aids Coverage for Children Program (HACCP) covers hearing aids and related services for children under the age of 21 who have a household income of up to 600% FPL and who are not otherwise eligible for Medi-Cal or CCS. DHCS began accepting applications for HACCP on July 1, 2021. DHCS uses an administrative vendor, MAXIMUS, to perform eligibility and ongoing case management activities for HACCP. According to the author, HACCP has provided only 225 of the 7,000 eligible youth with hearing aids through the program. The author also notes few pediatric providers are participating due to historically low reimbursement rates and high administrative burdens, resulting in poor geographic coverage, segmented care, and barriers that are difficult to overcome.

3) **Prior Legislation.** AB 224 (Bonta), Chapter 680, Statutes of 2025, and SB 62 (Menjivar), Chapter 739, Statutes of 2025, require, upon approval by the federal Centers for Medicare & Medicaid Services (CMS), the Essential Health Benefits (EHB) benchmark plan to include coverage for hearing aids, durable medical equipment, and infertility benefits. CMS has not approved the proposed additional EHBs.

   SB 101 (Skinner), Chapter 12, Statutes of 2023, appropriated $10,000,000 to HACCP.

   SB 635 (Menjivar), of the 2023-24 Legislative Session, would have required hearing aid coverage for enrollees under 21 years of age. Governor Newsom vetoed SB 635, stating, in part, that DHCS had developed a comprehensive plan to increase provider participation and program enrollment for HACCP.

   AB 598 (Bloom), of the 2019-20 Legislative Session, AB 1601 (Bloom), of the 2017-18 Legislative Session, and AB 2004 (Bloom), of the 2015-16 Legislative Session, would have required hearing aid coverage for children under 18 years of age. AB 598 was withdrawn from engrossing and enrolling. AB 1601 was held in this committee. AB 2004 was held in Senate Appropriations Committee.

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