SUBJECT: Hearing screening for newborn children

COMMITTEE: Public Health — committee substitute recommended

VOTE: 7 ayes — Gray, Coleman, Capelo, Delisi, Glaze, McClendon, Uresti

0 nays

2 absent — Hilderbran, Maxey

WITNESSES: For — Teresa Finitzo, Hearing Health Institute; Dessie James, Ed.D; Vernon James, M.D., Texas Medical Association and Texas Pediatric Society; Kate McLachlan, Association of Texas Midwives; David E. Patlan; K.D. Pool, M.D.; Tim Rarus, Texas Association of the Deaf; Maria Scranton, M.D.; Brad Shields, Audiology Practices Inc.; Benna Timperlake; Elizabeth Sjoberg, Texas Hospital Association

Against — None

BACKGROUND: Under state law and Texas Department of Health (TDH) rules, physicians are responsible for ensuring that newborn children are screened twice for specified genetic and metabolic abnormalities within 14 days after birth.

Health and Safety Code, chapter 36 requires the TDH board to require by rule screening of children who attend public or private preschools or schools to detect vision and hearing disorders. The law defines schools as educational institutions that admit children who are five to 20 years old.

DIGEST: CSHB 714 would require a birthing facility to offer parents hearing screening for their newborn children and would give TDH responsibilities regarding newborn hearing program certification, data collection, and intervention services. A birthing facility would have to distribute to parents of each newborn screened educational materials that were standardized by the department regarding screening results and follow-up care. The bill would amend insurance and Medicaid laws to require coverage for newborn hearing screening and for any necessary diagnostic follow-up care.

The bill would define a birthing facility as a licensed hospital that offers obstetrical services or a licensed birthing center, either of which is located in a county with a population of more than 50,000.

CSHB 714 would take effect September 1, 1999. Health benefit changes would apply only to plans delivered, issued, or renewed on or after January 1, 2000. The bill also would set the following deadlines:

- TDH would have to adopt rules by December 1, 1999;
- the Health and Human Services Commission and related agencies would have to adopt rules for newborn hearing screening under the Medicaid program by January 1, 2000;
- each birthing facility with at least 1,000 births would have to offer newborn hearing screening by May 1, 2000; and
- all birthing facilities would have to offer newborn hearing screening by April 1, 2001.

Intervention services. TDH would have to ensure that intervention was available to families of newborns identified as having a hearing loss. Intervention would have to managed by state programs operating under the federal Individuals with Disabilities Education Act and would have to be available through the child's infancy (up to 24 months).

Certification. TDH would have to establish certification criteria for implementing a newborn hearing screening program. To be certified, a program would have to include recommended equipment, appropriate staff, data reporting, family and physician educational materials, and information on follow-up services. TDH would have to consult and provide technical assistance and information management software to birthing facilities in implementing a certified program.

Data collection. TDH would have to maintain data on each newborn who received screening services. A qualified hearing screening provider, hospital, audiologist, or intervention specialist could use the system to provide information to TDH on newborns in each birthing facility, including whether they were screened, received followed-up care or interventions, or were identified with hearing loss or as being at risk for progressive hearing loss. The information management system would be confidential. A birthing

facility, clinical laboratory, audiologist, physician, nurse, or other officer or employee would not be criminally or civilly liable for furnishing information.

Health benefit coverage. Health benefit plans that provide benefits for family members would have to provide coverage for newborn hearing screening and coverage for necessary diagnostic follow-up care related to the screening test from birth through 24 months. The benefits could be subject to a copayment or coinsurance requirements but could not be subject to deductible requirements or dollar limits.

SUPPORTERS SAY:

CSHB 714 would require a newborn screen that would save many children from unnecessary delays and other problems in cognitive, emotional, educational, and social development. Currently, few babies are screened, even though the incidence of hearing loss is estimated to be nearly four times greater than the combined incidence of all the other genetic, metabolic, and other conditions for which babies are screened.

Hearing loss in children often goes undetected until an accident occurs because the baby could not hear a warning or until the lack of appropriate language development becomes noticeable, sometimes as late as when the child is five years old. However, modern technology can test for and correct hearing problems even in the smallest of infants.

Children with hearing problems can grow up not only developmentally delayed but also frustrated and with low self-esteem because they cannot catch on to things as other children can. Testing children when they enroll in school is too late to counter these problems.

Early detection of hearing problems and the use of appropriate intervention methods can save the state money in the long run by limiting the need for special education classes and support services later in the child's life. TDH estimates that for every dollar spent in screening and intervention, the state saves $16 in special education costs. Failure to screen the more than 1,000 babies a year who would benefit from early detection and intervention would increase the state's annual special education costs by nearly $8 million.

The hearing screens are not expensive, costing about $30 per baby, and therefore would not increase significantly the cost of privately obtained health benefits. When the potential cost savings are considered, the required hearing

screens would meet more than adequately any state review and criteria for cost-effectiveness in mandatory health benefits.

Rep. Naishtat plans to offer a floor amendment that would reduce the bill's projected fiscal note of $4.3 million to an amount that would fall within funding levels already placed in the fiscal 2000-01 budget for TDH. The proposed budget contains provisions for a state contribution of $2.8 million to be matched by federal Medicaid funds, providing a total $7.4 million for screening for Medicaid newborns.

OPPONENTS SAY:

CSHB 714 would increase state expenditures by about $4.3 million in general revenue-related funds for fiscal 2000-01 and by about $600,000 per year thereafter. The proposed screening also would cost local hospital districts an estimated $660,000 per year for testing indigent newborns.

Most insurers and health-maintenance organizations already pay for hearing screens when warranted by enrollee symptoms or for diagnostic purposes. Mandatory benefits for hearing screening for all newborns would increase not only state expenditures but also the cost of private health benefits. As health benefit costs increase, the availability of financially affordable plans decreases. Coverage for newborn hearing screening is not a high enough priority for employers and employees to warrant these costs.

The bill also would open the door for other benefit mandates at a time when most health benefit plans and businesses advocate reducing state mandates so they can offer more affordable coverage. Any mandated benefits should be submitted first to a state review so that the combined impact of all proposed and existing mandates could be projected and evaluated.

NOTES:

Major changes made by the committee substitute to the original bill include:

- requiring birthing facilities, instead of physicians, to ensure that newborns were offered screening;
- removing provisions that would have prohibited screening if the newborn's parents objected on the basis of religious beliefs;
- requiring health benefit plans to provide screening for a child up to 30 days old, instead of 180 days old, and removing provisions that would have allowed deductibles;
- newly requiring health benefit plans to cover necessary diagnostic care;

- adding provisions that would require the Medicaid program to provide follow-up diagnostic care;
- adding provisions related to information management, reporting, and tracking; and
- adding TDH program certification responsibilities.

HB 908 by Coleman and Naishtat, which would require vision and hearing tests for children in child-care facilities, passed the House on April 28 and has been referred to the Senate Human Services Committee.

HB 1919 by Gallego, Isett, Clark, Farabee, et al., which would require the lieutenant governor and the House speaker to appoint a joint interim committee to study mandated health-care benefits, passed the House on May 5.