

HNA Supports the Hearing Aid Assistance Tax Credit Act

About HNA: The Hearing Network Alliance (HNA) is a membership organization launched in January 2011 with five founding hearing care executives whose networks serve the rapidly growing population of Americans suffering from hearing loss. Operating under the umbrella of the National Association of Specialty Health Organizations (NASHO), the HNA focuses its efforts on promoting the merits of hearing healthcare not only to better serve the tens of millions of Americans currently living with some form of hearing loss, but also on encouraging regular screening and preventative care to the millions more certain to develop hearing degeneration as they age.¹ HNA strives to positively influence the expansion of the hearing care industry in the healthcare marketplace by serving as the primary resource for hearing healthcare professionals and their customers through unified educational and advocacy efforts.

HNA Position on Hearing Aid Tax Credits: HNA unequivocally supports the Hearing Aid Assistance Tax Credit Act to offset the cost of professionally-prescribed hearing aids. LESS THAN 40% of Americans diagnosed with moderate-to-severe hearing loss (and less than 10% of those with milder hearing loss) adopts the use of hearing amplification devices,² largely due to a lack of coverage by health insurance.³ HNA's position is that such a tax benefit would significantly increase the usage rate, thereby improving the safety and quality-of-life not only for these millions of individuals but also for the millions more in their family, social and professional circles and savings BILLIONS of dollars resulting from lost productivity, income and tax revenue.

A Small Deduction Yields Unlimited Returns: In 2009, 15% of adults over the age of 18 or 34.5 million people had hearing trouble⁴, and the rate is growing at the alarming clip of 160% of US population growth⁵ primarily due to the aging of America. Moreover, hearing loss is not limited to a degenerative condition of the elderly:

- 65% of those with hearing loss are under the age of 65
- 1 in 14 Generation Xers (ages 29-40), or 7.4% already have hearing loss
- Hearing loss is among the most prevalent birth defects in America⁶

Hearing aids can treat 95% of all hearing loss. The average cost for a single hearing aid including fitting, evaluation and post-fitting maintenance is \$1800. Nearly 80% of individuals with hearing loss require two devices, raising the average out-of-pocket expenses to \$3,600; yet 33% of hearing loss patients earn less than \$30,000/year. Moreover, people with untreated hearing loss lose as much as \$30,000 in income annually, and the cost to society is estimated to be as high as **\$26 billion** in unrealized federal taxes. Left unaddressed, hearing loss poses significant barriers to productivity, performance, career success, and also to lifelong earnings:

- Those with severe hearing loss had unemployment rates of 15.6% vs. 8.3% of their peers who use hearing aids and 7.8% of the normal hearing population
- Loss in income for people with untreated hearing loss due to underemployment is ~176 billion⁷

This tax credit would benefit the millions of Americans in need of hearing aid treatment, as \$500 per device can tip the scales when patients evaluate affordability.⁸

¹ MarkeTrak 8, Hearing Review October 2009

² Ibid

³ Hearing aid sector report. Life Sciences Medical Technology 29-03-10

⁴ <http://www.cdc.gov/nchs/fastats/disable.htm>

⁵ MarkeTrak 8, Hearing Review October 2009

⁶ Ibid

⁷ http://betterhearing.org/press/news/Hearing_loss_income_and_unemployment_pr021811.cfm

