



# How a customized hearing solution can lead to cost savings.

Member satisfaction is the top priority for one state retirement system with over 200,000 lives. A deep dive analysis of claims data and payor needs showed the opportunity to improve a benefit while cutting costs—leading to an annualized savings of \$9.5 million.

**TruHearing®**



## The Challenge

Hearing aid costs can often go unmanaged, or worse, unnoticed—leaving high costs and uncertainty for both payors and their members.

For one state retirement system with over 200,000 lives, the absence of a managed hearing care partner was costing both the payor and its retirees far too much. Previously, retirees received their hearing health coverage

through a universal coverage policy, which offered coverage of up to approximately \$2,500 once the deductible had been met and co-insurance applied.

However, because there were no guideposts or certainty surrounding pricing for hearing aids or exams, the average provider billing often exceeded \$5,000. This meant the payor usually had to pay

the entire \$2,500 coverage amount and retirees frequently had a large out-of-pocket expense after the maximum coverage was met.

Wanting to find an efficient solution to reduce costs while ensuring retirees received a high-quality benefit, the retirement system began exploring managed care hearing benefits with the help of its health benefit consultant.

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## The Solution

TruHearing<sup>®</sup> showcased that a customized solution would provide transparent, affordable pricing—saving both payor and retirees significant costs. Additionally, implementing TruHearing as a strategic partner would help the payor provide a higher value benefit, enhance member satisfaction, and lead to long-term positive health outcomes. With industry-leading experience and robust account management support, TruHearing would also contribute to less administrative burden.

Ensuring retirees would gain an improved benefit was critical. With TruHearing, retirees gain greater certainty around their benefit, receive personalized help from a dedicated Hearing Consultant, and get access to the latest hearing aid technology at affordable prices. They can call their Hearing Consultant's direct line for assistance with finding a provider, setting up an appointment, post-exam education and support, and more.

### Hearing's impact on health

*Treating hearing loss can have a dramatic impact on an individual's well-being—including decreasing loneliness, social isolation, and one's risk for developing dementia.<sup>1,2</sup>*

# The Outcomes

A deep analysis of five years of claims data showed \$9.5 million in annualized savings by adopting TruHearing's solution—customized to the payor's needs. This meant the retirement system could reduce costs for retirees or redirect those savings to add value to other benefits.

Additionally, a higher value benefit solution at a low per member per month (PMPM) cost meant the retirement system no longer faced the financial risk associated with unknown utilization. This allowed the payor the freedom to appropriately promote hearing healthcare and encourage retirees to utilize the service when needed.

On top of the payor savings, nearly all participants would pay less than they did with the previous coverage, after vetting the consequences of the benefit change to retirees.

The customized TruHearing solution, validated by the health benefit consultant, has helped the payor implement a strategic initiative that has led to significant annualized savings while improving benefit offerings. By focusing on providing value to retirees, the state retirement system has been able to give its retirees cost savings while dissolving uncertainty—leading to a better experience and improved health outcomes.

**\$9.5 M**  
in annualized savings

**\$22,500**

*Untreated hearing loss has been associated with nearly \$22,500—or 46%—higher total healthcare costs over a ten-year period.<sup>3</sup>*

## Payor Outcomes

By implementing a unique managed hearing care solution from TruHearing, the payor was able to achieve the following outcomes:

- **\$9.5 million** in annualized savings
- **Transparency and certainty** surrounding annualized costs
- **Risk mitigation**, allowing more comfort in actively promoting the benefit
- A robust network of **7,000 locations**, vetted through **TruHearing's proprietary quality program**

## Retiree Outcomes

Additionally, retirees gained the following value:

- **Out-of-pocket savings**
- **Certainty and transparency around costs** and what to expect
- **Dedicated Hearing Consultant** reachable via their direct line
- **Education and support** before, during, and after care



# About TruHearing

TruHearing is the authority in hearing health and wellness. Our flexible, easy-to-implement programs take hearing health coverage beyond the hearing aid with online hearing screenings, Teleaudiology offerings, the highest quality provider network, and dedicated Hearing Consultants. For more information about TruHearing, visit [TruHearing.com](https://www.truhearing.com).



# TruHearing®

## Sources

<sup>1</sup> Shukla A, Harper M, Pedersen E, et al. Hearing Loss, Loneliness, and Social Isolation: A Systematic Review. *JAMA Otolaryngology—Head and Neck Surgery*. 2020. doi:10.1177/0194599820910377

<sup>2</sup> Livingston G, Huntley J, Sommerlad A, et al. Dementia prevention, intervention, and care: 2020 report of the Lancet Commission. *Lancet*. 2020. doi:10.1016/S0140-6736(20)30367-6

<sup>3</sup> Reed N, Atlan A, Deal J, et al. Trends in Health Care Costs and Utilization Associated with Untreated Hearing Loss Over 10 Years. *JAMA Otolaryngology—Head and Neck Surgery*. 2019. doi:10.1001/jamaoto.2018.2875

TruHearing is not an insurance company. The PMPM benefit solution may not be available to all payors.

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