

Want Boomers To Listen? Make Sure They Can Hear You

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BY ALLISON BELL

Financial professionals may have a hard time telling boomer clients how it is if the clients have lost their ability to hear.

Decades of occupational exposure, airplane rides and loud stereos are starting to take their toll on boomers' ears. The Census Bureau found in 2000 that more than 13% of all adults say they are hard of hearing.

When Clarity, a unit of Plantronics Inc., Santa Cruz, Calif., that makes telephone conversation amplifiers and other equipment for people with hearing problems, commissioned a boomer survey in 2006, 53% of the participating boomers said they believe they suffer from some degree of hearing loss. Among Clarity survey participants with annual household incomes over \$100,000, the rate of moderate hearing loss was about 12%.

For advisors who are helping individual boomer clients with matters such as retirement or estate planning, one challenge may be making sure that voicemail system messages, website audio recordings and other audio communications are as clear as they can be and, when possible, supplemented with written versions of the same information, experts say.

Advisors also may want to take steps to verify and document that boomers have heard any important advice given through oral conversation.

Advisors helping individual boomers with health insurance or helping employers develop boomer-friendly benefit plans may discover another challenge: Limits on coverage. "Most medical plans don't cover hearing aids," says Erich Sternberg, president of AlwaysCare Benefits Inc., Baton Rouge, La.

Patients who decide they need hearing aids may face substantial out-of-pocket costs because modern, high-quality hearing aids can cost thousands of dollars per ear, Sternberg says.

AlwaysCare, a dental and vision benefits company, has responded to the gap by working with Ear Professionals International Corp., City of Industry, Calif., to add what it believes to be the first insured ancillary benefits rider that covers hearing-related products and services.

For a price of about \$18 per year for an adult, the plan includes coverage for yearly hearing screening, hearing aid evaluation services every 5 years, and many other features, such as a hearing aid purchase allowance and discounts on hearing aids.

Plan members get access to a carefully screened network of hearing experts with low or no co-payments, Sternberg says.

Although the rider provides some insurance coverage for plan members who buy hearing aids, Sternberg says he expects the typical employer to choose a relatively low benefit level.

AlwaysCare believes it has to keep the hearing aid purchase allowance low to keep the overall price of coverage affordable, he says. AlwaysCare has received approval to sell the hearing rider in 15 states and is in the process of seeking national approval.

In the past, other companies have offered discounts on hearing aids, but none seems to have sold insured hearing services coverage, Sternberg says. Even AlwaysCare has not tried to sell the product as a stand-alone insurance policy, because "the only people who would buy it would be the people who need to use it," Sternberg

says.

In the future, AlwaysCare would like to combine the hearing rider with individual dental coverage.

At this point, Sternberg says, interest in the group benefits version of the rider is extremely strong, and the company has sold 3 group plan hearing riders in 2 weeks.

One feature of the group plan is built-in coverage for plan members' dependent children, to encourage parents to take children in for hearing tests.

"Detection of these issues at an early age is critically important," Sternberg says.