

With hearing aids, it's not business as usual

By Stephen O. Frazier, Hearing Loss Support Specialist

...the pair would cost me just \$2,750 but have a reported list price of \$6,000 for a pair.

The email's subject line said, "Your #1 source for better hearing!". "Probably junk", I thought, but I was intrigued so I opened it and was told, "These hearing aids will change your life." That was followed by a scroll telling me "The hearing aid of the future is here." Suspecting, now, that this was an over hyped effort to sell me completely in the canal hearing aids that cannot even begin to meet my needs, I read on. The outcome was not what I had expected it would be.

Within a couple of days I was participating in a 45 day free trial of a pair of Signia Sure C&G 7X behind the ear (BTE) hearing aids from Hear.com (Hear). Should I decide to keep them the pair would cost me just \$2,750 but the Hear folks told me the pair would be priced at \$6,000 at the typical privately owned hearing care office. A little online research found these exact hearing aids were priced anywhere from \$3,700 to \$6,000 in an online sampling of hearing care offices who post their prices, so I felt I would be getting a deal comparable to the savings available at Costco where I'd been buying my hearing aids for the last twenty years,

Hear calling them the hearing aids of the future was somewhat of an exercise in hyperbole, they were really not all that different from the hearing aids from other makers. They offered Bluetooth® and thus smart phone connectivity and six program choices instead of the five but, beyond that, they pretty much duplicated what my five year old Rexton devices did.. They offered a directional microphone feature using their smart phone app that's great but it's available in some other brands so that's not as special as some might be told. As for them changing my life, that might have been true if I'd never had hearing aids before but after wearing a variety of makes and styles of hearing aids over the last 40+ years, my life's not apt to be changed by them.

How Hear got my name is a mystery to me. I got the message on one of my email accounts and then a few days later, on a different account, so I suspect they're buying addresses from some hearing loss related source on the internet. After this test began I received a couple of introductory emails from the company at another of my email accounts so apparently they bought another list and didn't realize I was already testing a pair of their hearing aids. The emails in question were sent by a company owned by a hearing aid manufacture, using what is called "blended distribution." In this case the company is WS Audiology (WSA), They develop, manufacture, sell and distribute hearing aids and services under the following brand names: A&M, amg, audibene, Audio Service, Bloom, Coselgi, Hear.com, HearUSA, Lifestyle Hearing Network, Rexton, Signia, Shoebox, TruHearing, Widex and Widex Hearing Specialists – sort of the General Motors of the hearing aid industry. WSA still sells hearing aids to independent hearing care providers who usually set a retail price of up to four times their cast their cost (or more) and then re-sell them to clients, but now they also sell them directly to consumers over the Internet, through a subsidiary they own, at prices competitive with those offered by Costco, Sam's Club and other off price hearing aid sellers that regular, local hearing care offices cannot match. These online firms then usually refer the buyer to one of their affiliated local audiologists or hearing instrument specialists where a hearing test is administered and the hearing aids programmed and dispensed.

Blended distribution not a new idea

This business model is not something new. Zip hearing introduced online hearing aid sales a decade ago as did Audicus and both, still independently owned, are major players in this growing segment of the industry. Online Hearing and Precise Hearing are two other online hearing aid sales outlets in the expanding field of “mail order” hearing aids and the concept is just one of many changes taking place in the hearing care industry that are not “business as usual.” They were preceded in the business by the very successful entry of Costco and, later and to a lesser degree, Sam's Club. Walmart and chains like CVS dabbled in the business but then got out. The latest iteration of the hearing aid sales business will be the entry later this year of long promised direct over the counter (OTC) sale of hearing aids – expected to be on the shelves at your local Target, Walgreen's and elsewhere by the fall of 2022.

GN Hearing, the manufacturer of hearing aids doing business using the names ReSound, Beltone, Interton, Jabra, BlueParrott and FalCom, is the latest manufacturer to adopt this business model and their recently purchased direct sales subsidiary is named Lively. Lively, like Hear.com, started out as an independent business that was then bought by GN reportedly as a means of selling their products in direct competition with their regular clients. Swiss owned Sonova, maker of Phonak, Unitron and Hansaton hearing aids, is also into blended distribution through Hearing Planet where you can buy the various Sonova brands or those of competitors such as Signia and Resound.

The “blended” business model relies heavily on the Internet to capture customers and it's reported that those customers are around ten years younger than the typical hearing care office's clientele. Patrick Frueler, the founder of Audicus, was reported in Fortune Magazine to say that they underestimated how tech savvy baby boomers have become. Being computer literate and acclimated to the Internet as their first resource in meeting a good many of their needs, these tech savvy consumers go there to explore their options if and when they, or someone close to them, appears to have a hearing loss. They initially rely on a website to learn about hearing loss itself and then about its treatment. Their search no doubt leads them to such resources as the Hearing Loss Association of America and even the consumer section of the American Academy of Audiology. In the process they also find the websites of the “blended” hearing aid providers where they'll find a wealth of well written and presented information on hearing loss and its treatment that offers them little of the “hard sell” rhetoric they may have heard about in relation to some local hearing care offices where the audiologists or dispensers are on commission. In the case of Hear, in addition to the information on their website, once into the program there was a whole series of follow-up emails discussing acclimating to the hearing aids and other useful information that, in my experience, few hearing care professionals offer to clients in their follow up in person visits.

Some of these providers post their prices on their websites and some do not. A comparison of the prices for my test Signia Pure C&G AX7T hearing aids on the Online, Zip and Precise websites found a surprising difference in the prices with Precise only \$246 higher than Hear.com at \$2,996 while Online was at \$3,699 and Zip topped out at \$4,598 so it apparently pays to shop around if you want to go with online providers. Blended care and independent online providers often even offer potential buyers the opportunity on their website to take a hearing test and, if the results indicate a need for auditory amplification, they are then put in touch with a sales rep called, in the case of Hear, a “customer consultant”.

With GN's purchase of the business, the Lively business model may change but, at present it is different from competitors in that it is pretty much an entirely online business from the initial contact to the hearing test, consultation with an audiologist, and the actual dispensing and follow up all occurring online. On their website they quote an opening price of \$1,195 for a pair of Lively branded hearing aids with the option to break that down into monthly payments of \$39 until the hearing aids are paid off. They imply that prices can go higher based on your hearing needs and the model that best meets

those needs and stress that their hearing aids are intended to serve people with a mild to a moderate hearing loss.

My blended experience

So, how did my journey move forward from an unsolicited email to the trial and possible purchase of new hearing aids? My seven year old devices were acting up and in need of some TLC in a repair shop and they needed to be recharged after about 15 hours or so depending on how they were used.

Previously they would make it from 6:00 am to 11 PM on a charge but that was no longer true and buying new batteries made no difference. Newer technology can offer double that or, with some, as much as 61 hours on a charge, so I told the Hear.com rep I would like to take them up on their offer for a forty-five day free trial. As its author, I knew that New Mexico has a mandatory 45 day trial period for hearing aids anyway, but a less experienced client would not have known of that state regulation. Twenty states do not even have such a regulation and many of those that do require only 30 days so the 45 day free trial offer could be meaningful and appealing in many states.

My Hear consultant and I had a discussion regarding the various features available such as rechargeable batteries, the number of programs available and other pretty much standard features. Before making a recommendation the rep asked what other features I would want any new hearing aids to have. I told him I wanted telecoils – a must have feature for me. “What are telecoils?” was his response. He was obviously not as well informed then as he is now! When I answered the question he looked over the features of the two devices he thought would come closest to meeting the criteria I had given him and then said I would have to go with the Signia Sure model instead of the otherwise identical Hear.com private label Horizon devices as the Horizons did not offer telecoils.

Following my request to participate in the promised 45 day free trial, the Hear.com consultant made an appointment for me to meet with a local independent hearing aid dispenser for a hearing test and then delivery of the hearing aids adjusted to match my audiogram. This resulting office visit was no different than when I've purchased hearing aids elsewhere in the past except I was to pay Hear.com directly for the new hearing aids, not the dispenser, and pay the dispenser's \$100 fee for the testing and fitting. I'm then entitled by Hear.com to unlimited additional visits with him during the 45 day trial period and 5 over the next three years. The professional I was sent to is licensed by the state of New Mexico as a Hearing Aid Dispenser, was experienced and, in my opinion, well qualified. He billed himself as an HIS (Hearing Instrument Specialist) as do many other such practitioners in the state even though there is no official designation of and license for a provider with that title in the licensing regulations, their licenses say hearing aid dispenser. This particular dispenser schedules more time for client appointments in his now private practice than he could when he worked with one of the hearing aid chain outlets and was more than happy to answer any and all of my multitude of questions. Mine was his last appointment of the day and it ended up running for two hours.

As a veteran of the state's Audiology and Hearing Aid Dispensing Practices Board, I know that audiologists in New Mexico today are required to have a Doctorate in Audiology to get a license to practice while Hearing Aid Dispensers, as in most states, need only a high school diploma, a period of apprenticeship, and to pass a written and practical test to get a license. Those tests, though, are the same for dispensers and for dispensing audiologists who receive pretty much the same training for the fitting and adjustment of hearing aids and similar requirements for continuing education so, unless I'm experiencing a hearing or ear problem a dispenser is not trained nor allowed to deal with, I have no problem with using a dispenser – even if he calls himself an HIS – or an audiologist to fit me with hearing aids. I've had some dispensers who were much more adept at fitting and adjusting hearing aids than some audiologists I've encountered in my 40 years as a hearing aid user.

Moving on

The new hearing aids worked well and I was seriously considering keeping them but there were some features I did not like. In my old Rexton hearing aids, if I adjusted the volume higher on, say, the telecoils setting, then left that setting for a couple of minutes and then went back to it, the volume setting remained where it was before I left. With the Signias it did not and I had to reset the volume. I switch between programs pretty regularly, especially when watching TV, so this became an issue I raised with the dispenser to be told the Signia software could not be adjusted to act like the Rextons did. I had experienced a similar problem when considering a pair of Phonak hearing aids earlier. With the Phonaks you could not go “backward” with programs. If you were in program 1 and went to program 2, you could not then just click to go back to 1, you had to go forward through 2, 3, 4, and 5 and then back to 1. I didn't buy the Phonaks. The noise suppression program in the Signias also did not seem to be as effective as the one in my old Rextons. For example, riding in the car that program almost completely stopped the sound of rushing air coming from the window nearest my ear. The Signia program did not stop that and to get the same relief with the Signias I had to boot my smart phone and use a directional mic program controlled only in that way.

While still debating whether to keep the Signias or not, I had already downloaded and used the Signia app to make various adjustments in the hearing aids' settings. This included what I was told is a feature unique to Signia – the ability to focus hearing aids in any or all of the various sections of the area surrounding me including just directly in front of me. I gave it a try and it really does work – the mics can focus on a narrow band in front of you or in some other direction. They can focus on sound from just in front of you, either just your left or right or other permutations of a circle. They also focus on distant sounds or just nearby sounds. I tried several different settings when dining out and it reduced background sounds considerably while allowing me to hear my dinner companions. This is something my old devices can't do but through research I discovered new Rextons can, so this great new feature is not exclusive to Signia.

I decided if I kept them that I should explore what optional accouterments might be available and found that a pocket remote control, remote microphone, and TV viewing app were on that list. I was interested in the pocket remote and the wireless mic. Hear.com didn't offer discounted prices on these items – theirs are the same as those I found from various sources on the Internet. The remote mic setup was going to cost over \$600 so I decided I would stick with my old personal FM system and my trusty neckloop. The TV viewing package had no appeal – it would serve only me while the hearing loop in my living room serves anyone in the room with telecoil equipped hearing aids. I decided, if I kept the Signias, I would buy the pocket remote for \$150 to make it simpler and less obvious to change programs, volume settings etc. than it is using my smart phone or the t-switch on the hearing aids, and possibly also allow me to easily turn off the hearing aids when necessary.

While exploring the online hearing aid vendors I found that some offered Rexton hearing aids – the brand I've worn for over a decade. I reviewed Rexton models that appeared to be somewhat competitive with the Signias in price and features and found the pricing on them at Merit came in \$400 to \$500 lower than a comparable pair of Signia devices. Merit was at \$3,720 for the same Signias at Hear.com that sold for \$2,750 and they were at \$3,208 for comparable Rextons, the M-Core RIC 312T80. Rexton is among the brands sold at Costco so I decided to see if the Rexton model they sold was comparable to Merit's top of the line Rexton and made an appointment at Costco. I also asked my Hear consultant about the telecoil equipped Rextons.

My big box experience

It turned out Costco's price was considerably less than Hear on a somewhat comparable Rexton but

they now share software with Signia so they no longer offer the volume setting feature I want. In my Costco visit I noted that now, instead of a single sound proof booth, each of the three Costco stores in Albuquerque has at least two and, instead of a hearing care dispenser, they have two or three. The company is reportedly now the second largest dispenser of hearing aids in the country with the Veterans Administration being number one.

What now?

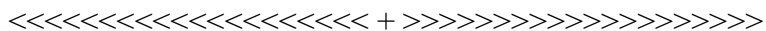
The good folks at Hear really did want to accommodate my objections to the features I balked at with the Signia hearing aids and did yeoman duty researching to find that both Starkey and Phonak make a model that would meet my requirements. My rep to me they could sell either to me but there was a wrench in the gears. Where they could sell me the \$6,000 Signias for \$2,750, they would need to charge me over \$4,500 for a pair for either of those competitive brands that reportedly also regularly retail in the \$6,000 range.

It was decision time and my decision was to punt. My old hearing aids work with either removable, rechargeable batteries or with standard 312 batteries that will last for a number of days. They're Bluetooth capable even though I don't use that feature much. They have no smart phone app but I found it to be a nuisance to boot, unlock my smart phone, and then wait for the app itself to boot to make any basic adjustments to my hearing aids. I only used it to change the volume on one hearing aid without changing the other one, to adjust the tone control, or to use the directional mic program in the Signias so I can live with that for the time being. Maybe there are others like me who want to have more control of the volume settings on their hearing aids and manufacturers will restore that capability next year – or the year after that – so I've decided to stick with my old hearing aids for the time being and, if need be, send them to the repair shop in Dallas I've used in the past for out of warrantee hearing aids.

In conclusion

Overall, my experience with blended distribution was a positive one and I am inclined to suggest to others that they not wait for an email invitation for a “45 day free trial.” Go online yourself and give the process a try – you're under no obligation to keep the hearing aids. You could end up out the \$100 fee for the test and fitting if you don't keep the hearing aids but you could save \$2,000 or \$3,000 if you decide to keep them.

If you're not ready yet, wait and see what's coming next. Frueler reportedly envisions Audicus establishing actual stores in pharmacies further fragmenting the market for what were previously called “prescription” hearing aids and competing directly with the expectedly lower cost OTC devices if the hearing loss is not too severe. CVS, Walmart and others tried this a while back and it bombed but the second time around it might catch on - customers looking at the OTC hearing aid show case (they'll surely be locked up) would no doubt try to get advice from a nearby dispenser who could then sell them on the “real thing”. Then there're the regulations currently found in most states that prescription hearing aids must be dispensed by a licensed provider, but the line between OTC hearing aids and prescription hearing aids will be a blurry one so who knows how it might be crossed - but that's another story about “not business as usual”.



Stephen Frazier, the former and long time HLAA New Mexico Chapter Coordinator, has over twenty

years of experience as an advocate for and advisor to people with hearing loss and in the promotion of hearing loop technology. He was one of the original founding members of the HLAA Get in the Hearing Loop campaign and the founder of the Committee for Communication Access in New Mexico. He also organized the Advisory Committee for Hearing Loss Awareness in New Mexico and the Citizens for a Quiet Environment. His work as Publicity Director of the Community Concerts division of Columbia Artists in New York also back grounded him in writing and public relations so he has put all of that experience and his HLAA training as a Hearing Loss Support Specialist to work as a freelance writer. His focus has mostly been on hearing loss related issues and he has had pieces published by the Hearing Journal, Hearing Review, Sound and Communications and many other online and print magazines and periodicals that are posted at his website: www.sofnabq.com.

