



Increasing Reimbursement for Hearing Aids: The Case for Itemization of Professional Services

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This article examines the use of bundled billing for hearing aids and professional services and contrasts it with itemized billing, highlighting how itemization improves transparency, supports appropriate reimbursement, and better communicates the value of audiologists' expertise. Additionally, itemized billing may mitigate financial risk associated with payer recoupment and underpayment while reinforcing patient-centered care.

It is generally accepted that audiologists' involvement in the process of hearing aid fitting and ongoing support significantly enhances patient satisfaction. The expertise, along with evidence-based and personalized care provided by audiologists, plays a critical role in ensuring that patients receive the best possible hearing outcomes (Humes et al., 2017; Wu et al., 2025). This patient-centered approach leads to a more positive experience with hearing aids and encourages business growth (Quigley et al., 2021). As such, the professional services provided by the audiologists should not be ignored, in terms of both reimbursement and transparency.

Historically, audiologists billed for hearing devices and professional services using a bundled approach (Picou et al., 2024). This means that all professional services and related costs were combined with the cost of the hearing devices. Though this may have eased administrative burdens, many patients often misunderstood billing and assumed the cost was for the product only. The resulting

perceptions may have undermined the value of the professional services provided by audiologists. This is evident in an unbundled, or itemized, approach where some patients may express surprise that they are asked to pay for an audiologist's professional time and expertise (Windmill et al., 2016).

It is important to understand that the overall reimbursement to a practice, in either an itemized or bundled approach, should be essentially equal. The key difference is that an itemized approach separately lists each professional service involved in providing care. In reality, the cost to patients in an itemized billing structure could be less than in a bundled approach as patients pay only for the services and time they require. Not only does an itemized approach increase transparency of services provided, it conveys the value to patients for audiologists' professional time and expertise (Fabry, 2019; Menon et al., 2023). Another benefit of itemization is that it may better align with



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commercial payer requirements (Fifer, 2020).

The potential implications of not itemizing hearing devices and professional services when billing insurance include the fact that commercial payers do not recognize differences in hearing aid technology. For example, the Healthcare Common Procedure Coding System (HCPCS) code V5261 is used to bill binaural, digital, behind-the-ear hearing devices

regardless of technology level. Additionally, payers differ in their allowed amount for the devices. One payer may have an allowed amount that would cover the cost of premium-level technology, while another payer's allowed amount would only cover entry-level technology. Knowing payer fee schedules and allowed amounts for various device HCPCS codes is imperative for proper reimbursement. Equally

TABLE 1. Examples of Itemizing vs. Bundling Professional Services and Hearing Devices

Itemizing:

HCPCS Codes:

- V5010: Assessment for Hearing Aid
- V5160: Dispensing Fee, binaural
- V5261: Hearing Aid, digital binaural
- V5011: Hearing Aid Check

Each of these services can be billed separately, and depending on the reimbursement rates, they may cumulatively exceed the bundled rate for just V5261.

Bundling:

Charging one fee for V5261 that includes all of the above services may simplify billing, but limits revenue potential. If the bundled fee is capped at a lower reimbursement rate (because it combines all services into one claim), audiologists may receive significantly less than if each service was billed separately.

important for optimizing reimbursement is understanding whether patients may opt to pay out of pocket for technology upgrades. When payer reimbursement is not commensurate with the level of technology recommended or desired by the patient, upgrade fees along with corresponding documentation (e.g., upgrade or cost-sharing waivers) should be used.

Itemizing professional services and hearing devices provides a clear representation of each. When billing patients and commercial payers, itemization allows audiologists to provide a detailed breakdown of specific services provided, which assists insurance companies in understanding exactly what occurred during the appointment. Each service (e.g., V5160 for fitting, V5010 for hearing aid evaluation, and V5011 for follow-up) is distinct and ensures the professional expertise and time spent on each are valued appropriately. By billing separately, audiologists may receive higher reimbursement rates for each service under its respective HCPCS code because

each code is assigned its own value by each payer. When services are bundled (i.e., charging one fee for V5261 that includes the hearing aid evaluation, fitting, and follow-up), the total reimbursement will likely reach a cap that does not reflect the true cost and labor involved. This may result in a misunderstanding by the patient about which services are covered as well as their worth. TABLE 1 provides an example of itemizing vs. bundling professional services and hearing devices.

To further complicate matters, commercial payers are reprocessing claims and “taking back” previous payments, or portions of payments (Ecklund & Cookingham, 2014; Richmond, 2021). If recoupment occurred in a bundled model, reimbursement may be even lower, resulting in underpayment and/or a greater burden on the audiologist. In these cases, having itemized claims makes appeals easier as audiologists can provide specific evidence/documentation for each service charged, thus improving chances of a successful appeal.



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By itemizing professional services, audiologists can maximize their reimbursement potential, mitigate the risk of financial loss from insurance adjustments, and improve communication with patients about the services they receive. In a follow-up article, we will discuss recommended steps to transition from a bundled fee structure to itemization. ^{AT}



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