



Dennis Van Vliet

## In praise of unbundling

By Dennis Van Vliet

For years, we thought we were doing things the right way, following the USDA guidelines and eating foods according to the time-honored food pyramid that we first saw somewhere in elementary school. Now, researchers at Harvard have taken a second look at the old “truths” and turned the traditional food pyramid on its ear,<sup>1</sup> offering new truths that are based on solid scientific evidence. Some of the old ideas that we have accepted for years have turned out to be flat wrong.

We tend to like things as they are, and often hang on to traditions that have worked for us over the years. For example, in 1893, Milwaukee’s Pabst beer won a blue ribbon at the Chicago Fair and is still sold as Pabst Blue Ribbon beer.

### IS OUR DELIVERY SYSTEM SOUNDLY BASED?

Do we see parallels in the hearing aid industry as we recommend procedures and products that, while popular and time-honored, may lack a sound scientific or business model base? Our heritage is steeped in careful identification of hearing loss and rehabilitation processes with sound scientific bases. Yet we have inherited a system of hearing aid delivery based on a retail approach to distribution. Somewhere in the blending of the retail and scientific we have ended up with a bundled pricing structure that, in many cases, lumps assessment, hardware, rehabilitation, and follow-up into a single price tag.

There are variations on this theme. Many of us frown on the “free test” concept on grounds that it devalues the professional component, creates inequities between diagnostic and hearing aid patients, and confuses consumers.

A very few practitioners, like Robert Sweetow, PhD, at the University of California, San Francisco, have set up programs that separate the necessary and important rehabilitation component from the diagnostics and hardware, and charge separate, itemized fees for the different components.

Most of us, however, continue to bundle rehabilitation and follow-up services into the price of the hearing aid. I submit that this practice does a disservice to the industry, and makes it very difficult for the consumer to make fair and accurate comparisons among providers and products. I further submit that this model emphasizes the product over the service and rehabilitative components, and thus devalues these very critical elements.

We may argue that we are “stuck” with the model, and it will be difficult to change because of competitive pressures, and because

consumers will be further confused with a variety of service models to choose from. That is the argument that keeps many of us in the free-test mode. Yet, an honest look at the process will reveal that the free-test practice is little different from the free-service practice, and is equally misleading in de-emphasizing the professional components of hearing aid delivery.

### THE IMPORTANCE OF REHABILITATION

There is good evidence that rehabilitation is an important part of the process of successfully fitting patients with hearing aids.<sup>2</sup> Our practice and business model should follow the science and provide consumers with the proper balance of products and service with a clear accounting for what we do. Bundled pricing does not offer a clear accounting of the full scope of our services.

We could debate the merits of service-delivery models for some time, but the reality is that technology is moving in the direction of partially and fully implantable hearing aid systems that will have an entirely different delivery system.<sup>3-5</sup> Hearing aids as we know them today will likely occupy a very different place in the market in the future.

It will no longer be possible for us to depend on the dispensing of hearing aids as a primary source of reimbursement for our services. The final answer will be for us to itemize our services in the accounting for reimbursement. The sooner we begin this process, the sooner we will start to change the system that we feel that we are “stuck” with.

The final word? Questioning time-honored and traditional practices and relying more on scientific, data-based information can serve us and our patients very well today, and will prepare us for a future when things may be very, very different. (H)

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