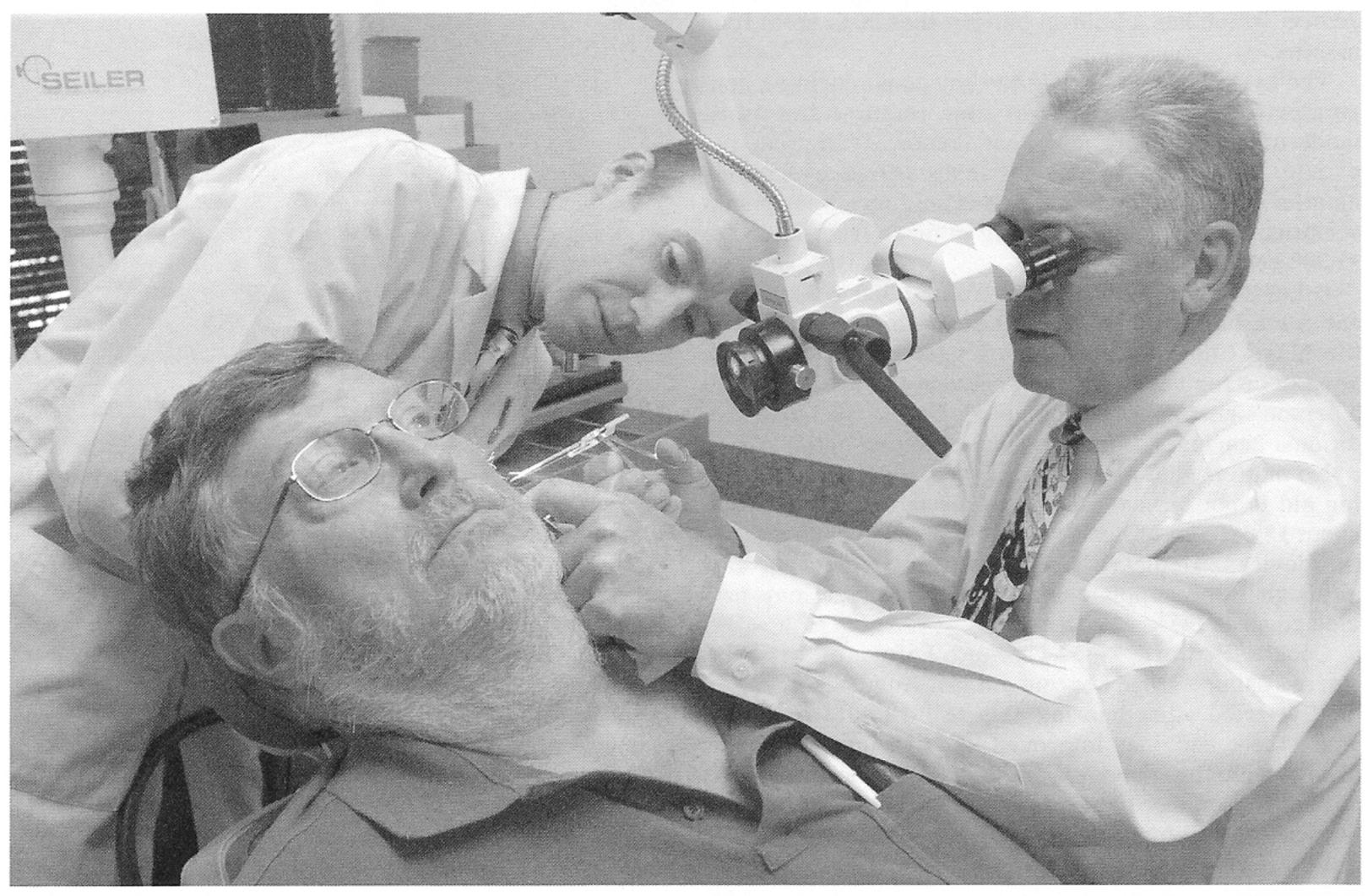
CONTRA COSTA TIMES

ContraCostaTimes.com

April 29, 2008



BOB LARSON/STAFF

AUDIOLOGIST MARK SANFORD, left, and Dr. John Carrigg insert a new hearing aid into Oakland resident Bill Kepner's left ear at CSG Better Hearing Center in Walnut Creek. A Newark company has developed a hearing device, called the Lyric, that is proving to be very popular despite its high price tag.

New hearing aid making a splash

Eve Mitchell

STAFF WRITER

WALNUT CREEK — Linda Larson sat in the audiologist's chair, getting fitted for a Lyric hearing aid, a tiny device made by a Newark company that is getting big reviews from people with hearing losses.

When the device — the size of an earplug — was placed inside her ear, Larson was asked the obvious question. Did it improve her hearing? The answer came when her eyes lit up, followed by a big smile.

"There's no doubt about this," the 64-year-old San Ramon resident told audiologist Mark Sanford at his CSG Better Hearing Center in Walnut Creek. Sanford helped place the hearing aid, called the Lyric, with the assistance of John Carrigg, an Orinda-based ear-nose-and-throat specialist.

"I'll want to hear the rain coming down my window, the birds chirping in the morning," said Larson. While hearing loss is usually treatable, many people do nothing about it. Three out of four people with a hearing loss who could benefit from a hearing aid don't use one, according to hearing aid industry statistics.

InSound Medical Inc. a privately-held, venture-backed company, is aiming to change those numbers with its Lyric hearing aid.

Nationwide, more than 22 million American adults with some kind of hearing impairment who could benefit from a hearing aid don't wear one, according to an April 2007 study published in the Hearing Journal. Reasons include perceptions that hearing aids pick up background noise, are not worth the expense, don't fit well and stigmas attached to wearing a visible hearing aid. Other reasons include previous negative experiences using a hearing aid.

Unlike many other traditional hearing devices, the Lyric is positioned completely inside the ear canal. Its sound-processing system is designed to work with the ear's anatomy to produce a more natural sound while eliminating feedback. The Lyric is invisible and does not have to be removed when showering, sleeping or exercising. However, not everyone is a good candidate for a Lyric. A person's ear canal has to be the right fit for the device, which has a built-in battery that lasts up to four months.

The Lyric is placed inside the ear canal during a nonsurgical procedure. The first time requires the assistance of an ear-nose-and-throat doctor. After that, the patient returns to the audiologist's office every few months for a new device, which is sold on a yearly subscription basis typically ranging in price from \$1,450 to \$1,800 per ear.

Other devices generally cost from \$1,300 to \$3,000 per ear for a high-quality digital hearing aid, according to the Mayo Clinic Web site. Such hearing aids typically have to be replaced after several years to accommodate a person's changing hearing needs. Unlike the Lyric, traditional hearing aids also require changing batteries.

No matter what kind is purchased, the cost of a hearing aid is not typically not covered by insurance. Only about 15 percent of health insurers provide coverage for the devices. Medicare also doesn't cover hearing aids although some supplemental Medicare plans may provide coverage.

Cookie Bedford, a 54-year-old Lafayette resident, started using a Lyric hearing aid last August.

"I've tried other hearing aids," said Bedford, adding while the other ones improved her hearing "there was always something about them that was not right. This is as though you were not wearing a hearing aid. There is no screeching, buzzing of fuzziness. It's a total crisp, almost perfect sound."

Lyric was founded in 1999 by a group of hearing specialists, ear-nose-and-throat doctors and engineers from Silicon Valley and the University of California at San Francisco.

"It's our first product to the marketplace. It's a very revolutionary development. There is nothing like it in hearing aid marketplace," said David Thrower, chief executive officer of InSound.

The company, which develops and manufactures next-generation hearing solutions, first launched the Lyric in January 2007. Since then, 500 people have purchased the product in Florida and California, including 225 in the Bay Area. The product is sold through audiology clinics, including nine in the Bay Area. Company plans call for expanding the Lyric's availability to other parts of the country.

The Lyric represents yet another advancement in the hearing aid industry, said Carole Rogin, executive director of the Hearing Industries Association, a trade group whose members include Lyric and most other hearing aid manufacturers.

In 2007, association members sold more than 2.4 million hearing aids nationwide. (A dollar figure for what that represents in market value was not available).



BOB LARSON/STAFF

A DETAIL of the hearing aid device called the Lyric.

The way the Lyric is placed in the ear and it's extended wear capability does make it unique from other products on the market, Rogin said.

That said, other improvements in hearing aids have occurred over the years.

"When behind-the-ear hearing aids came into development in the 1960s, they were more comfortable (and effective) than that body-worn hearing aid that your grandpa put in his shirt pocket," she said. "The sound was delivered closer to the ear drum."

A more recent advance is digital hearing aids, which are smaller and allow for more flexibility and fine-tuning in different hearing environments than the analog models they are rapidly replacing.

"If you have to have a hearing loss, this is a wonderful time to have it. The options and the technologies and the styles are so much more advanced and the styles are so much more effective than they have ever been," Rogin said.

(For more information about the Lyric hearing aid, visit www.lyrichearing.com or call 1-800-941-6072. For information about hearing loss in general go to www.mayoclinic.com and type in hearing loss.)

Eve Mitchell covers personal finance. Reach her at 925-952-2690 or emitchell@bayareanewsgroup.com

ABOUT THE COMPANY

- Name: InSound Medical Inc.
- Year founded: 1999
- Number of employees: 50
- Venture capital backers: Johnson & Johnson, De Novo Ventures
- Revenues: Decline to state
- Web sites: www.insoundmedical.com and www.lyrichearing.com
- Phone number: 1-800-941-6072.