

Health care loophole would allow coverage limits

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Senate Majority Leader Harry Reid of Nev. meets with doctors at during health care news conference on Capitol Hill in Washington, Thursday, Dec. 10, 2009. (AP Photo/Harry Hamburg)

(AP) -- A loophole in the Senate health care bill would let insurers place annual dollar limits on medical care for people struggling with costly illnesses such as cancer, prompting a rebuke from patient advocates. perplexing

The legislation that originally passed the Senate health committee last summer would have banned such limits, but a tweak to that provision weakened it in the bill now moving toward a Senate vote.

As currently written, the Senate Democratic [health care bill](#) would

permit insurance companies to place annual limits on the dollar value of medical care, as long as those limits are not "unreasonable." The bill does not define what level of limits would be allowable, delegating that task to administration officials.

Adding to the puzzle, the new language was quietly tucked away in a clause in the bill still captioned "No lifetime or annual limits."

The 2,074-page bill would carry out President Barack Obama's plan to revamp the health care system, expanding coverage to millions now uninsured and trying to slow budget-busting cost increases. A tentative deal among Senate Democrats to back away from creating a new government program to compete with private insurers appears to have overcome a major obstacle to the bill's passage.

Officials of the American Cancer Society Cancer Action Network said they were taken by surprise when the earlier ban on annual coverage limits was undercut, adding that they have not been able to get a satisfactory explanation.

"We don't know who put it in, or why it was put in," said Stephen Finan, a policy expert with the cancer society's advocacy affiliate.

Democratic officials of the Senate Health, Education, Labor and Pensions Committee would not comment publicly but said the bill contains numerous provisions that will benefit patients with cancer and other life-threatening illnesses, not to mention improvements in preventive care.

Advocates for patients say they're concerned the language will stay in the bill all the way to Obama's desk.

"The primary purpose of insurance is to protect people against

catastrophic loss," Finan said. "If you put a limit on benefits, by definition it's going to affect people who are dealing with catastrophic loss." The cost of cancer treatment can exceed \$100,000 a year.

Under the [health care](#) bills in Congress, the major expansion of health insurance coverage won't take place until three to four years after enactment. Democrats have touted a series of consumer protections as immediate benefits Americans will secure through the legislation. Both the Senate and House bills, for example, ban lifetime limits on the dollar value of coverage.

But Finan said the change in the Senate bill essentially invalidates the legislation's ban on lifetime limits.

"If you can have annual limits, saying there's no lifetime limits becomes meaningless," he said. A patient battling aggressive disease in its later stages could conceivably exhaust insurance benefits in the course of a year.

It's unclear how widespread such coverage limits are in the current insurance marketplace. Large employers have moved away from coverage limits, but insurers have wide discretion in designing plans for small businesses and individual customers.

In the House bill, neither annual nor lifetime limits would be allowable under an essential benefits package intended to provide comprehensive coverage.

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