

Increase Private Health Insurance Lifetime Caps!

One of the several challenges facing our patient community is adequate health insurance coverage. Of particular concern are maximum payout caps that some companies place on their health policies. Once they are met, the policy no longer provides coverage, essentially placing the individual or family under that policy into the “uninsured Americans” category.

Plasma protein therapies are highly specialized and therefore, expensive. Having a cap on their insurance forces some patients to make a decision to receive a diminished dosage of immunoglobulin or to extend periods between infusions, which can be very dangerous. Others follow their doctor’s orders, but subsequently accumulate massive debt. These are decisions no person or family should have to make.

The concept of a lifetime cap was first established by the insurance industry in the early 1970s. A \$1 million lifetime cap in the early 1970’s would be \$10.1 million today if indexed for medical inflation. However, the insurance companies, while regularly increasing their rates, have done very little regarding increasing their lifetime caps. According to the Kaiser Family Foundation, more than half of Americans who receive employer-sponsored health insurance face a cumulative lifetime limit – 40% of them have a cap of \$2 million or less.

Legislation has been introduced on Capitol Hill that increases lifetime caps on private health insurance plans to a minimum of \$10 million and provides an annual update for inflation thereafter. This legislation, S. 422 was introduced by Senator Byron Dorgan (D-ND), Senator Olympia Snowe (R-ME). Representative Anna Eshoo (D-CA), introduced H.R. 1085 in the House. Increasing a minimum lifetime cap will likely result in savings for federal and state governments by allowing individuals with high medical costs to maintain private insurance rather than be forced onto Medicare and Medicaid. This legislation represents an important step in healthcare reform.

Contact your Senators and urge them to vote for S. 422. In addition, please contact your Representative as well, asking them to support H.R. 1085.