

## Annual Coverage Limits Changed

In

## Senate Health Care Reform Bill

Congratulations!!! Your Action Alert voices made a difference in changing the “Annual Limits” provisions in the Senate health care reform bill. Last week it appeared that rather than the outright elimination of insurance policies with annual coverage limits, the language being proposed allowed the Secretary of the Treasury to set annual coverage limits **forever**.

After a deluge of criticism from many national patient organizations, including IDF, the final bill eliminates such coverage limits beginning in 2014, when most of the new law takes effect. Over the next three years an insurance plan may only establish restricted annual limits, as defined by the Secretary of Health and Human Services (HHS). In restricting annual limits during this 3 year period, the provision requires the Secretary to ensure access to needed services with minimal impact on premiums. In other words, the Secretary’s decision will be a “floor”, above which all health insurance policies must abide.

The Senate is expected to approve the bill. The bill will then be the subject of negotiations between the House of Representatives and the Senate to produce a final bill that both chambers must approve before sending it to the President for signing into law. Efforts by IDF and other national patient organizations will continue to push for the elimination of limits on annual coverage for the next 3 years too.