



## BRIEF GUIDE ON SHORT-TERM PLANS AS APPLICABLE TO CKF NAVIGATORS

### Issue Overview:

Short-term plans (STPs) are private market insurance contracts, originally designed to fill temporary gaps in health coverage. These plans are not government subsidized or regulated under the Affordable Care Act, and do not offer its consumer safeguards and coverage protections. Recent administrative changes will allow these plans to be offered for longer durations than previously. In Indiana, STPs may now be offered for a duration of up six months. Increased attention on these plans may result in Navigators fielding questions from consumers; this guide is a tool for those instances. Please check with your Regional Director if you have additional questions or concerns.

### Cons of Short-term Plans:

### Pros of Short-Term Plans:

<p><b>STPs do NOT guarantee issuance</b> Coverage may be denied for many different health and demographic reasons, including pre-existing conditions (PECs). All insurers have a pre-screening questionnaire.</p>	<p><b>STPs might have lower premiums</b> High deductible and poor coinsurance STPs can have lower premiums than ACA-compliant plans, but in exchange for much higher out-of-pocket costs and far less comprehensive coverage.</p>
<p><b>Pre-existing conditions are NOT generally covered</b> Even if someone with a PEC is issued coverage with an STP, treatment for the PEC may not be covered.</p>	<p><b>STPs can be applied for at any time</b> Consumers with a coverage gap do not have to wait for an open enrollment period to apply for a STP.</p>
<p><b>Essential health benefits coverage is NOT required</b> This includes prescriptions, mental health services, maternity care, and children’s vision &amp; dental services. If offered, services may be of limited frequency or duration.</p>	<p><b>STP coverage can start quickly</b> If a consumer qualifies for a STP and pays all up-front costs, their coverage could commence as soon as the next day.</p>
<p><b>Preventative care benefits are NOT free</b> Unlike ACA-compliant plans, this benefit (if offered) will likely count against deductibles and be subject to co-pays and result in out-of-pocket costs.</p>	<p><b>Consumers with barriers may qualify for STPs</b> Consumers whose status disqualifies them from the Marketplace or other types of health coverage may qualify for an STP.</p>
<p><b>STPs are NOT prohibited from lifetime/annual caps</b> If a consumer has a highly expensive health need, they will need to pay all expenses if costs surpass a cap.</p>	
<p><b>STPs can lead to large out-of-pocket costs</b> The cheapest plans may have very high deductibles (over 12,000/yr.) and poor coinsurance ratios (60%/40%).</p>	

### CKF Role with Short-Term Plans:

The work of CKF Navigators is limited to Indiana Health Coverage Programs and the Marketplace. As short-term plans are private market insurance contracts, they fall outside of our scope. Additionally, Indiana Navigators are prohibited from recommending specific plans and thus cannot help consumers compare and choose among short-term plans. CKF Navigators may educate on the general characteristics of these plans but should refer consumers to licensed agents if they want further information. Navigators should always give multiple referrals to maintain their commitment to providing unbiased information.

Agents may be searched for here: <https://www.sircon.com/ComplianceExpress/Inquiry/consumerInquiry.do?nonSscrb=Y>  
(select “Indiana” then search by agency or individual, city, and “life, accident and health” as the qualification type)