

SHORT-TERM PLANS

The Basics

What are short-term plans?

Short-term plans are health insurance plans that limit the benefits covered. They were originally designed to help people who need temporary insurance while they are between jobs or waiting for other insurance coverage to begin

Why are short-term plans cheaper than other health insurance plans?

Short-term plans may cost less because they cover less. Be sure to consider your health needs before buying a short-term plan because a plan with cheaper premiums could leave you with big medical bills. You may also be eligible for financial assistance for comprehensive coverage through the Marketplace that cannot be used to purchase a short-term plan

Do short-term plans have full benefits?

No. Although plans on the Marketplace are required to cover Essential Health Benefits such as doctor visits, hospital stays, and medications, short-term plans do not have the same requirements. Most do not cover prescription drugs or maternity. Many do not cover mental healthcare or preventative care, such as annual check-ups. Many limit coverage for hospital stays, ambulance rides, and surgeries, which can leave people with big medical bills.

What do short-term plans cover?

It depends. Many won't cover pre-existing conditions like asthma, diabetes, high blood pressure, or chronic illnesses. Many don't cover emergency care or offer prescription drug coverage.

The Risks: Short-Term Plans

- May deny or exclude coverage for pre-existing conditions
- Can charge more based on your health, age and gender
- Exclude essential health services like mental health care, hospital care, and prescription drugs
- May leave you with higher out-of-pocket costs because they offer less coverage with more limitations
- May cost more than Marketplace plans, depending on the financial assistance you are eligible for

Questions to ask yourself before buying a short term plan:

- Do I need health care for a pre-existing condition?
- Do I need coverage for prescriptions, maternity, mental healthcare, preventative care or annual check-ups?
- Can I qualify for financial assistance through the Marketplace?
- Will I save money by paying less per month for a short-term health plan or could I end up paying more out of pocket costs, due to high costs of medical care for health care that a short-term plan may not cover?