

## 35 Patient Organizations Celebrate Rule to Protect Patients from Short-Term Health Plans

## Washington, D.C., Mar. 28, 2024

On behalf of patients with serious and chronic health concerns, our 35 groups welcome and celebrate the Biden Administration's new rule that will better protect patients from short-term, limited-duration health plans, a risky form of low-quality health coverage.

In 2018, a <u>federal rule change</u>— strongly <u>opposed by</u> our organizations—allowed for the proliferation of short-term health plans. Since that time, our organizations have repeatedly <u>warned</u> lawmakers about the risks these plans bring both to individual patients and the larger health coverage market.

The new rule will ensure that short-term health plans are used as they were originally intended: as short-term, stop-gap coverage while consumers are between other plans.

Marketed as an alternative to traditional health insurance, short-term plans are exempt from many important consumer protections. They often do not cover essential care, like prescription drugs or mental health services, and allow insurers to penalize consumers with pre-existing conditions and charge women more for their coverage. Further, these plans can utilize annual and lifetime coverage limits— leaving patients responsible for extraordinary costs. Due to deceptive marketing practices, consumers

often do not even know they've purchased a short-term plan until they attempt to use their coverage – only to discover its limitations. By then, it's too late; they already face insurmountable medical bills.

As we celebrate 14 years of Affordable Care Act protections, it's clear that patients now have access to far better and more affordable coverage and premiums. We expect the new rule to improve clarity for consumers and provide greater assurance about the quality of the health coverage they purchase.

We applaud the Biden Administration's efforts and look forward to seeing the rule's positive impact on patients.

## ALS Association

American Cancer Society Cancer Action Network American Diabetes Association American Heart Association American Kidney Fund American Lung Association Arthritis Foundation Asthma and Allergy Foundation of America **Cancer Support Community** Cancer*Care* **Child Neurology Foundation Chronic Disease Coalition** Crohn's & Colitis Foundation **Cystic Fibrosis Foundation Epilepsy Foundation** Foundation for Sarcoidosis Research Hemophilia Federation of America **Immune Deficiency Foundation** 

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Lupus Foundation of America March of Dimes Muscular Dystrophy Association National Bleeding Disorders Foundation National Coalition for Cancer Survivorship National Eczema Association National Health Council National Kidney Foundation National Multiple Sclerosis Society National Organization for Rare Disorders National Patient Advocate Foundation National Psoriasis Foundation NMDP (formerly National Marrow Donor Program) **Pulmonary Hypertension Association** Susan G. Komen The AIDS Institute The Leukemia & Lymphoma Society