

# SHORT-TERM HEALTH INSURANCE: IS IT RIGHT FOR ME?

As you look at your options for health insurance for 2020, you may come across a limited coverage option that is often called “term health insurance,” “short-term medical insurance,” or a “limited duration plan.”

## Short-term plans are different from Affordable Care Act health insurance

	AFFORDABLE CARE ACT HEALTH INSURANCE	SHORT-TERM PLANS
Plans must cover pre-existing conditions	✓	✗
Plans can't charge more because you are sicker	✓	✗
Plans must cover important medical care like prescription drugs	✓	✗
Plans can't impose annual or lifetime coverage limits	✓	✗
Plans must provide free preventive services	✓	✗
Plans must give an option to renew coverage	✓	✗
Financial assistance may be available	✓	✗

Short-term plans in your area may be cheaper than Affordable Care Act health insurance, but short-term plans are not required to meet many important federal standards for health insurance. Insurance that does not meet your health care needs is not a good investment!

To be sure your health insurance is an Affordable Care Act health plan, shop at [www.Healthcare.gov](http://www.Healthcare.gov).

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**Here are some things to think about if you are considering whether short-term insurance is right for you.**  
**An enrollment counselor or navigator can help you figure out if a plan meets your needs.**

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### **Will a short-term plan pay for my health care?**

Short-term plans don't have to pay for as many of your health care needs as Affordable Care Act health insurance. For example, a short-term plan might not pay for:

- vaccinations, check-ups, and other care to prevent illness
- medical care related to an illness or condition that you had before you bought the plan (whether you knew about it or not)
- prescription drugs
- care relating to mental health, drug use, or pregnancy

If you want to learn more about what a specific short-term plan will pay for, you can ask about "covered benefits" (paid for by the plan) and "excluded benefits" or "excepted benefits" (not paid for by the plan).

### **How much will I pay for insurance?**

A short-term plan may offer you a cheap monthly cost or "premium." But the premium is only one type of cost that we face because of health care needs. Other costs to think about when choosing health insurance include:

- How much do I have to pay to health care providers before the health insurance kicks in (called a "deductible")?
- Does the health insurance set a dollar limit on how much the insurance will pay for my medical care?
- Do I need medical care that is not included in the health insurance?
- Am I eligible to receive financial assistance that will make it cheaper for me to buy an Affordable Care Act health insurance?

Short-term plans often have higher deductibles and/or limit how much the insurance will pay for your medical care. In the end, Affordable Care Act health insurance may provide better quality and cheaper health insurance.

### **Is a short-term plan my only option for insurance?**

From Nov. 1 to Dec. 15 is "Open Enrollment" for 2020 for HealthCare.gov, meaning that Affordable Care Act health insurance is for sale. If you live in a state that operates its own health insurance exchange, the deadline may be different. A person may also qualify for a special enrollment period and be able to buy Affordable Care Act health insurance when Open Enrollment is over.

### **How can I tell if the insurance I am considering is a short-term plan?**

Short-term plans must clearly state that they are not required to comply with the Affordable Care Act.