

Arkansas Insurance Department

NEWS RELEASE

*Allen Kerr
Insurance Commissioner*



FOR IMMEDIATE RELEASE

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CONSUMER ALERT: Short-Term Health Plans

AID offers information to avoid being scammed

LITTLE ROCK – Arkansas Insurance Commissioner Allen Kerr today released the following alert to Arkansas consumers regarding short-term, limited-duration insurance (STLDI) health plans following changes to federal rules:

“I encourage all those purchasing insurance to carefully review their coverage no matter what type of coverage they are looking to purchase. Short-term health plans have been available to consumers for decades, but with recent changes to federal rules consumers should be aware of high-pressure sales pitches claiming short-term plans are ACA-compliant—which they are not.”

They key differences between short-term, limited-duration insurance plans with health plans compliant with the Affordable Care Act (ACA) are:

- Coverage is less than 12 months,
- Not required to offer same level of benefits (maternity, prescription drugs, dependents, etc.),
- Can refuse coverage or charge higher premiums based on health history, and
- Not required to cover pre-existing conditions.

Those selling STLDI plans are required to warn consumers that these plans do not meet the minimum essential coverage requirements of the ACA.

Arkansas consumers who have questions or concerns on any insurance plan, including any high-pressure or confusing sales tactics are urged to call the Arkansas Insurance Department at **1-800-852-5494**.

For more information on the Arkansas Insurance Department, please visit <http://insurance.arkansas.gov>, follow us on Twitter at <http://twitter.com/ARInsuranceDept> and Facebook at <http://www.facebook.com/ArkansasInsuranceDepartment>.