

Short-Term, Limited Duration Plans

Are they right for you?

Short-term, limited duration health insurance plans may look attractive because of their low monthly premiums. However, consumers need to weigh those low premiums against the limited benefits offered by the plan to determine if short-term plans fit their health and financial needs.

Comparison of Features: ACA-compliant health plans vs. Short-term plans			
Features	ACA- Compliant	Short-term	Considerations
Admitting members with pre-existing conditions	Yes	No	Short-term plans can deny coverage or exclude coverage of pre-existing conditions, such as chronic conditions or pregnancy.
Providing preventative care at no additional cost	Yes	No	Short-term plans are not required to cover preventative care services at no extra cost.
10 essential health benefits, including prescriptions and other routine services	Yes	No	Short-term plans can exclude or charge more for benefits such as maternity coverage and prescription drugs.
Mental health and substance use disorder services	Yes	No	Short-term plans can deny coverage or exclude coverage of mental health and SUD services.
Allow dollar limits on coverage	No	Yes	Short-term plans can set coverage limits for the policy period for things such as hospital stays or surgeries.
Limits on the number of factors used to determine premium	Yes	No	ACA-compliant plans can only use age, geography and tobacco use to determine premium amounts, but short-term plans can vary rates on a number of factors, including pre-existing conditions.

New Hampshire law allows short-term plans to last for up to six months. NH consumers can buy an additional short-term plan when the first one ends, but only twice, up to a total of 18 months of coverage. It is important to understand that the second and third plans will be new plans and not renewals of the first plan. Therefore, medical conditions that were covered by the first plan will be considered pre-existing conditions, as may any other conditions that are developed during that plan’s coverage period.

Are there times when a short-term plan could work for you and your family? Yes, when you need minimal coverage for a short period of time, you have no other insurance options, or you cannot afford an ACA-compliant plan. The Insurance Department strongly urges consumers to consider the out-of-pocket financial risk and the scope of benefits under short-term plans, as outlined in the table above.