



Not Bronze, or Silver, or Gold, or Platinum—Just Affordable

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By: Geneva Lee

Paying crippling premiums for health insurance? There may be a solution. On [August 1](#), the departments of Health and Human Services, Labor, and Treasury implemented [new rules](#) expanding short-term, limited-duration health insurance (STLDI) options by increasing the plans from a maximum of three months to twelve and permitting renewability for up to three years—thus making short-term plans, in essence, [a long-term option](#).

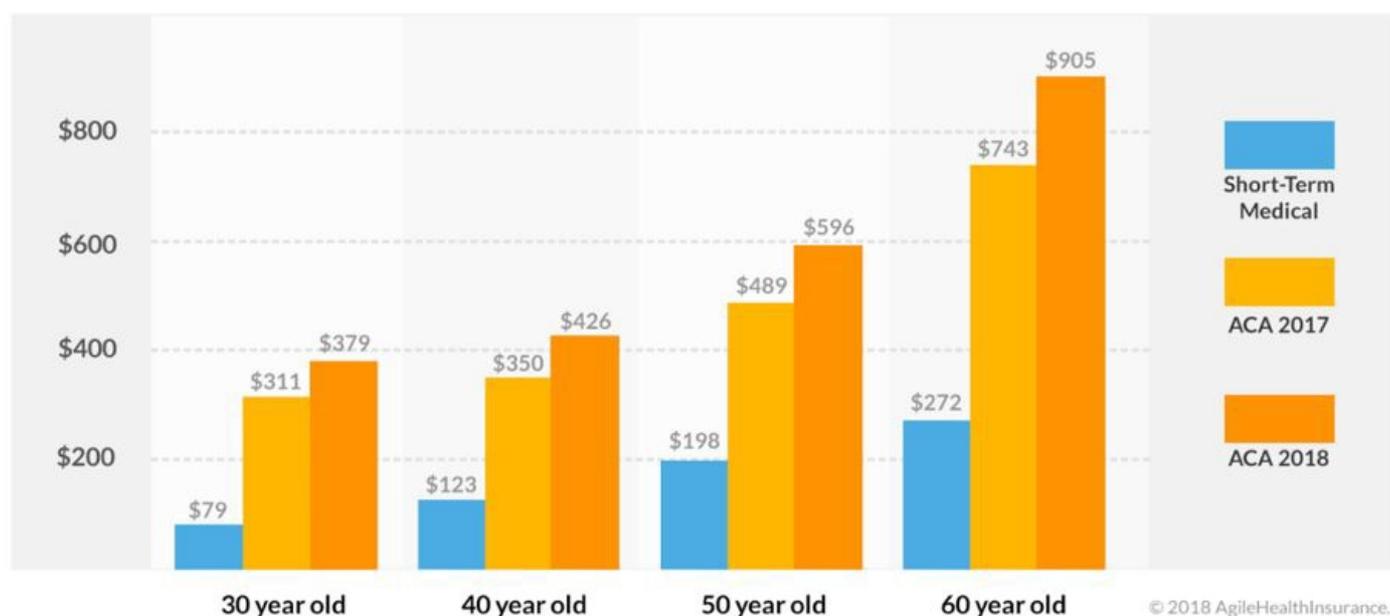
How do STLDI plans save their members money? For starters, short-term plans are not ACA-compliant. They do not offer all ACA required benefits, cover preexisting conditions, prohibit dollar limits on benefits, or insure dependents to the age of 26—some of the very provisions that drive up the cost of insurance. But because coverage is less comprehensive, individual monthly premiums for STLDI plans cost substantially less than unsubsidized ACA plans (see chart below). For many Missourians, these affordable plans are a welcomed option.

The rise of these STLDI plans will likely affect the ACA insurance markets. The departure of low-cost, younger and healthier customers could increase the volatility of ACA risk pools and stoke spiraling premiums further. And for those who choose an STLDI plan? Those customers may have made a bad bet if they get really sick, given STLDI's comparatively skinnier benefits relative to the more expensive ACA plans. But considering that [almost half](#) of Missouri's population is under the age of 34 and that [many are being crushed](#) by exorbitant premiums, a number of Missourians could benefit from an STLDI expansion.

Missouri currently limits its STLDI plans to [six months](#) , requires plans to cover some [state-mandated benefits](#), and necessitates that customers have a 63-day gap in coverage before purchasing short-term plans. These regulations impede customers' access to these plans, creating significant barriers to affordable insurance.

In the 2018 legislative session, Missouri considered [House Bill 1685](#) , which would have extended the six-month limit on plans to a full year. Though the measure did not pass before the session ended, it received support in both chambers, and a similar bill could appear in 2019. In light of the change in federal rules, isn't it time for policymakers to consider expanding short-term plans for the sake of Missourians' health—both physical and financial?

Average Premium: Short-Term Medical vs. ACA Bronze Plan



About the Author



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Geneva Lee is from the St. Louis area and is currently a junior at Cornell University pursuing a B.S. in policy analysis & management.

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[2] <https://www.npr.org/sections/health-shots/2018/08/01/634539877/under-new-rules-cheaper-short-ter>

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[3] <https://www.regulations.gov/docket?D=CMS-2018-0015>

[4] <https://showmeinstitute.org/blog/health-care/short-term-medical-policies-offer-opportunity-get-people-care>

[5] <https://census.missouri.edu/population-by-age/report.php?s=29&y=2017&d=&a=5y>

[6] <https://www.nytimes.com/2017/11/16/us/politics/obamacare-premiums-middle-class.html>

[7] <https://house.mo.gov/billtracking/bills181/sumpdf/HB1685P.pdf>

[8] <https://nashp.org/states-face-short-deadlines-to-address-the-risks-of-short-term-health-insurance-plans/>

[9] <https://legiscan.com/MO/text/HB1685/id/1730227/Missouri-2018-HB1685-Engrossed.pdf>

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