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September 11, 2023

VIA ELECTRONIC SUBMISSION

Hon. Chiquita Brooks-LaSure
Administrator, Centers for Medicare & Medicaid Services
Attention: CMS–9904–P
P.O. Box 8010, Baltimore, MD 21244–8010

Re: RIN 0938-AU67: Short-Term, Limited-Duration Insurance; Independent, Noncoordinated Excepted Benefits Coverage; Level-Funded Plan Arrangements; and Tax Treatment of Certain Accident and Health Insurance [CMS–9904–P]

The Medicare Rights Center (Medicare Rights) appreciates this opportunity to comment on the **Short-Term, Limited-Duration Insurance** proposed rule. Medicare Rights is a national, nonprofit organization that works to ensure access to affordable and equitable health care for older adults and people with disabilities through counseling and advocacy, educational programs, and public policy initiatives. Each year, Medicare Rights provides services and resources to over three million people with Medicare, family caregivers, and professionals.

Our comments are informed by our work assisting older adults and people with disabilities navigate the transition to Medicare from other types of health coverage—including employer-based insurance, the Affordable Care Act’s (ACA) individual marketplaces, and Medicaid—as well as from no coverage at all. Through this experience, we understand the importance of ensuring that people have continuous, comprehensive health insurance coverage before gaining Medicare.

Short-term, limited duration insurance (STLDI) plans are exempt from the definition of individual health insurance coverage under the ACA and, therefore, do not have to comply with the law’s core consumer protections or insurance regulations. The ACA’s consumer protections are especially important as people approach Medicare eligibility, as an estimated 40 percent of adults ages 50-64 have a pre-existing condition for which a STLDI plan could deny coverage.¹ When the previous administration

¹ Claire Noel-Miller & Jane Sung, “In Health Reform, Stakes are High for Older Americans with Preexisting Health Conditions,” AARP (March 2017), <https://www.aarp.org/ppi/info-2017/affordable-care-act-protects-millions-of-older-adults-with-pre-existing-conditions.html>.

proposed expanding the availability of junk plans, we highlighted our concerns² that doing so would allow the plans to proliferate and expose a growing number of enrollees to unlimited costs, significant debt, and functional uninsured status.³

For these reasons, we strongly support the proposed rule that would move short-term limited-duration plans back into their appropriate role of temporary insurance by limiting them to a three-month term and a maximum coverage period of four months, including any extensions or renewals. The rule would also close loopholes that allow insurers to evade these duration limits and make other definitional changes to reduce the financial risk associated with relying on a junk plan as an alternative to long-term, comprehensive coverage.

Conclusion

Thank you again for the opportunity to provide comment. For additional information, please contact Lindsey Copeland, Federal Policy Director at LCopeland@medicarerights.org or 202-637-0961 and Julie Carter, Counsel for Federal Policy at JCarter@medicarerights.org or 202-637-0962.

Sincerely,



Fred Riccardi
President
Medicare Rights Center

² Medicare Rights Center, “RE: Short-Term, Limited-Duration Insurance [CMS-9924-P]” (April 23, 2018), <https://www.medicarerights.org/pdf/042318-comments-cms-9924-p.pdf>.

³ Dane Hansen & Gabriela Dieguez, “The impact of short-term limited-duration policy expansion on patients and the ACA individual market: An analysis of the STLD policy expansion and other regulatory actions on patient spending, premiums, and enrollment in the ACA individual market” (February 2020), <https://www.ils.org/sites/default/files/National/USA/Pdf/STLD-Impact-Report-Final-Public.pdf>.