



Did you know that not all health insurance plans are subject to the requirements of the Affordable Care Act?

Health Care Providers should be aware that not all health insurance policies are required to have the “minimum essential coverages” under the Affordable Care Act. For example, short-term limited benefit plans do not fall under the jurisdiction of the ACA. Noticeably, short-term limited benefit plans do not have to cover pre-existing conditions, therefore such health plans could deny benefits under pre-existing condition provisions. So, for short-term health benefit policies, the following should be noted:

1. They do not have to meet the standards set forth in the ACA.
2. They are designed to fill temporary coverage gaps for people in transition.
3. They are not sold on state and federal exchanges.
4. They provide less coverage than plans approved under the ACA. For example, they do not have to pay for preventative care.
5. They are not required to renew a policy at the end of the policy period.
6. They are available for one month windows up to a maximum of one year.
7. Individuals may be denied based on their health history.
8. They may cap the dollar amount of benefits a patient receives.
9. They are not intended to be a substitute for permanent coverage.
10. They do not cover pre-existing conditions.

So, if a patient presents with a short term limited benefit policy plan, the provider should initiate contact with the patient to determine if the patient is eligible for Medicaid, because there is a high probability that the short term limited benefit plan may deny altogether or only pay a very small portion of the bill. Typically, for a patient’s hospital care, short term benefit policies pay a daily per diem rate, i.e., perhaps \$250.00 per day or \$500.00 per day with a cap of 30 or 60 days per year. So for inpatient hospital services, many times a short term health plan pays a very small portion of the bill, even for a compensable claim.

If you have any questions or comments regarding short-term health benefit plans, please feel free to contact Attorney Charles J. Hilton at the Hilton Hospital Revenue Cycle Law Firm at (412) 435-0162 or chilton@cjhiltonlaw.com.