Patient Groups Urge Full Appellate Court Review On Short Term Health Insurance Rule

Rule Change Threatens to Leave Many Uninsured or Underinsured

Washington, D.C.—August 31, 2020—Patient groups representing millions of people with serious health conditions submitted an amicus brief today urging the full U.S. Court of Appeals for the D.C. Circuit to hear the case against a federal rule expanding the availability of short-term limited-duration insurance (STLDI) plans. The request for what’s known as an en banc review comes after a three-judge panel issued a divided ruling in favor of upholding the expansion of these inadequate insurance plans.

STLDI plans are exempt from having to cover essential health benefits, like prescription drugs and hospitalization, and can deny coverage for pre-existing conditions.

The groups, which include the American Cancer Society, American Cancer Society Cancer Action Network, American Heart Association, American Lung Association, Cystic Fibrosis Foundation, Epilepsy Foundation, Hemophilia Federation of America, March of Dimes, National Coalition for Cancer Survivorship, National Multiple Sclerosis Society and Leukemia and Lymphoma Society, argue the rule effectively allows STLD plans to serve as replacements for comprehensive coverage in violation of current law.

A statement from the groups follows:

“The aggressive marketing and continued proliferation of STLDI plans to consumers, especially during a pandemic, threatens to erode the availability and affordability of insurance for millions of people at a time when comprehensive coverage is more important than ever.

“Allowing plans that are exempt from covering essential services and can deny people coverage based on their health status risks splitting the individual insurance market. It also risks driving younger and healthier people towards subpar plans putting them at grave physical and financial risk. Meanwhile, those who rely on the high-quality coverage provided through the ACA’s marketplaces are forced to pay increasingly unaffordable premiums for the comprehensive coverage they require or forgo insurance entirely.

“Considering the potential damage this rule could have on Americans during this public health crisis and well beyond, it is essential that the full appellate Court consider the case and take action to strike down this rule and uphold the critical coverage standards under current law.”

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