Frequently Asked Questions on ***Enhanced*** Short-term plans;

1) **Are these skinny plans?**
   a) No.
      i) Current *traditional* short-term plans allow for skinny plans, with pre-existing condition clauses. They are not subject to chapter 52 and are not renewable. The traditional short-term plans can be purchased for up to 12 months.
      ii) The proposed ***enhanced*** short-term plans would be more comprehensive coverage and applicable to chapter 52 but would be renewable.
2) **Will these plans have all of the essential health benefits?**
   a) Although discussions, meetings or hearing have not been held so no determination has been made. I would suspect they would have all of the essential health benefits. Perhaps excluding pediatric dental and vision.
3) **Can Enhanced short-term plans have a pre-existing condition clause?**
   a) Possibly but probably similar to the ACA plans. Again no determination has been made.
      i) Current traditional short-term plans allow for pre-existing clauses, Idaho law is vacant on the issue.
      ii) Chapter 52 allows for a pre-existing clause if there is a break in coverage longer than 63 days.
      iii) Current ACA plans cause a person to wait until the first of the year after the next open enrollment period. This is commonly referred to as a waiting period.
      iv) I would guess we would likely recommend a rule with a combination of ii) and iii). Leaning more to iii).
4) **Why would someone want a short-term plan that renews?**
   a) Two reasons,
      i) Typically people buy short-term coverage in-between jobs or in-between benefits (benefits don't kick in for a period of time). Sometimes those circumstances change. Maybe the job start date changes or the person decides to change jobs again. Sometimes the health of the insured changes as they are between jobs.
         (1) Under traditional short-term plans they would be forced to hop to a new carrier, starting all over with a new pre-existing condition.
         (2) Under the enhanced plans they would just renew for a period of time.
      ii) Affordability, people who are forced out of traditional coverage.
5) **If a plan is renewed do they start all over with a new pre-existing condition clause?**
   a) No.
      i) Current *traditional* short-term plans are not allowed to be renewable by state law therefore it forces a consumer to hop from one plan to another. Starting a new pre-existing condition clause again.
      ii) The proposed ***enhanced*** short-term plans, under chapter 52, would not allow a new pre-existing clause, assuming one was even allowed to begin with.

6) **<u>If a person purchases an *Enhanced* short-term plan can they convert it to a traditional ACA plan?</u>**
   a) Yes, the provisions of H275 and chapter 52 would require the ability to convert to an ACA plan.
7) **<u>Will the issuance of enhanced short-term plans hurt, diminish or detract from the ACA plans?</u>**
   a) No, you must offer ACA plans to offer enhanced short-term plans. They will tied together from a rating perspective and will be part of the same risk pool as per chapter 52.
8) **<u>Can the *enhanced* short-term plans be sold on the exchange?</u>**
   a) Probably. Once the makeup of the plans is complete and rules are promulgated we believe it is possible to market them on the exchange and off the exchange.
9) **<u>Can subsidy or premium tax credit (APTC) be applied to the enhanced short-term plans?</u>**
   a) We believe not.
10) **<u>How are the *enhanced* short-term plans more affordable?</u>**
   a) There a couple of ways these plans could be more affordable.
      i) The most likely is the ability to reduce rates or provide savings to those who are healthy, which would attract the health back into the pool.
11) **<u>What are the consumer protections in Chapter 52?</u>**
   a) 5203 –Dependents defined to age 25, index rate defined.
   b) 5206 Rate restrictions, rates would be no less than 50% off of the index rate, rate adjustments no more that 15% plus trend, case characteristics of gender, age and smoking status
   c) 5207 Renewability, including carrier withdrawal,
   d) 5208 Portability of coverage, Pre-existing conditions 12 months, 6 months look back, lapse of coverage greater than 63 days.
   e) 5212 Standards assuring fair marketing