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NABIP Issues Statement on New STLDI Rule

Washington, DC – The National Association of Benefits and Insurance Professionals (NABIP) CEO Jessica Brooks-Woods issued the following statement today on the new Short-Term, Limited-Duration Insurance (STLDI) rule:

“The final rule closely mirrors the proposals put forward in July 2023, significantly curtailing the permissible coverage span from three years to just three months, with the option of a one-month extension. Additionally, the rule mandates that health plans must clearly notify prospective customers that the coverage offered does not qualify as comprehensive health insurance under the standards set by the Affordable Care Act including fixed indemnity plans.

“NABIP acknowledges that STLDI plans are not a substitute for comprehensive health coverage. Professional agents and brokers, with their deep knowledge and expertise, are crucial in guiding consumers through their health insurance options, including re-enrollment in Medicaid where eligible, or in claiming all entitled subsidies through the exchanges.

“NABIP's members, who currently sell STLDI, report that these consumers typically lack access to group coverage and are ineligible for exchange-based individual market premium tax credit subsidies, seeking lower-cost options. While NABIP understands the intention to curtail the availability of STLDI coverage that mimics traditional individual insurance, we will continue to advocate for a balanced approach that considers the diverse needs of consumers and the critical role of professional agents and brokers in the insurance marketplace.

“The agencies listened to comments provided by NABIP regarding Fixed Indemnity plans, which provide cash payments to policy holders when they are sick or injured. Employers and employees can continue to utilize these plans to offset high out of pocket costs. NABIP will continue to advocate for the best health insurance coverage options for all consumers.

“NABIP is committed to ongoing dialogue with policymakers, members, and stakeholders to ensure a fair and effective regulatory environment for STLDI. We will continue to provide updates and guidance as we further assess the rule's implications. For individuals who are currently using STLDI plans, we encourage them to speak to a local agent about their options for obtaining affordable coverage. Go to NABIP's [agent-finder](#) to find a local agent in your community.”

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[NABIP](#) is the preeminent organization for health insurance and employee benefits professionals, working diligently to ensure all Americans have access to high-quality, affordable healthcare and related benefits. NABIP represents and provides professional development opportunities for more than 100,000 licensed health insurance agents, brokers, general agents, consultants, and benefit professionals.