

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2024-23-INS

In the matter of:

**Short-Term Limited Duration Policies and
Fixed Indemnity Excepted Benefits**

**Issued and entered
this 11th day of September 2024
by Anita G. Fox
Director**

This bulletin supersedes bulletin 2018-20-INS. This bulletin provides guidance on new federal requirements for short-term limited duration insurance (STLDI) and fixed indemnity excepted benefits coverage.

STLDI is primarily designed to fill temporary gaps in health insurance coverage when an individual is transitioning from one plan or source of coverage to another. In Michigan, these policies have been limited to a duration of 185 days or less out of any 365-day period under MCL 500.2213b(9).

Amendments to the [federal rules](#), issued on March 28, 2024, impose a new duration limit on STLDI of no more than three months, with a maximum coverage period of no more than four months, including any renewal or extension. A renewal or extension of STLDI includes renewals or extensions sold by the same insurer or an insurer in the same controlled group to the same policyholder within 12 months. These requirements apply to STLDI plans issued on or after September 1, 2024.

The amended federal rules also require a new notice requirement on the first page of all plans, applications, and marketing and enrollment materials. The notice must be prominently displayed in at least 14-point font. This requirement applies to STLDI plans issued on or after September 1, 2024. See 45 CFR 144.103. This requirement also applies to group and individual market fixed indemnity excepted benefits coverage, for new and existing coverage, for plan years beginning on or after January 1, 2025. See 45 CFR 146.145; 45 CFR 148.220.

Insurers offering STLDI or fixed indemnity plans are expected to make all necessary changes to comply with the amended federal rules. State law requirements unrelated to the durational limitation for STLDI continue to apply. All rates and forms must be submitted via SERFF for review and approval.

Any questions regarding this bulletin should be directed to:

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/s/

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