

STATE OF MICHIGAN  
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Bulletin 2018-20-INS

In the matter of:

Short-Term Limited Duration Policies

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Issued and entered  
this 14<sup>th</sup> day of September 2018  
by Patrick M. McPharlin  
Director

This bulletin advises issuers of the form and rate filing requirements applicable to short-term limited duration policies.

Although federal law now allows more flexibility, Michigan law limits the duration of short-term limited duration policies to 185 days or less out of any 365-day period. See MCL 500.2213b(9). Short-term limited duration policies cannot be renewed to exceed that number of days, and must be issued immediately, without underwriting, upon the receipt of a completed application. *Id.* Short-term limited duration policies do not cover preexisting conditions and do not have to comply with the guaranteed renewability requirements set forth in Section 2213b(1)-(8) of the Insurance Code, MCL 500.2213b(1) through 500.2213b(8).

Consumers should be aware that short-term limited duration policies do not have to comply with Affordable Care Act protections, including prohibitions on annual or lifetime limits, benefit mandates, protections against rescissions, and cost-sharing limitations.

The Director reviews policy forms and rates applicable to short-term limited duration policies pursuant to Sections 2236(1), 2242, and 3474 of the Insurance Code, MCL 500.2236(1), MCL 500.2242, and 500.3474.

Any questions regarding this bulletin should be directed to:

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/s/

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Patrick M. McPharlin  
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