

# Consumer Counselor

## Insurance Information for Michigan Consumers

### Short-Term Limited Duration Policy

You may find it necessary to purchase a short-term limited duration policy (STLD) under the following circumstances:

- If you are between jobs and without group health coverage
- While waiting for a health plan to start at a new employer
- Mid-year while waiting for the annual open enrollment to purchase an individual health plan

Michigan law allows an individual to purchase a STLD policy for 185 days or less out of any 365-day period with the same insurer.

A STLD policy is a health insurance policy that provides benefits for a limited period of time. Differences between STLD policies and comprehensive health plans are:

- They are not required to cover pre-existing conditions.
- The policy is issued immediately upon receipt of application.
- They are not guaranteed renewable; an insurer can modify or discontinue the plan without notice.
- They do not satisfy the individual coverage mandate under the Affordable Care Act (ACA).
- Important ACA protections are not included, such as:

- Essential health benefits (EHB): A standard set of health benefits that must be covered for plans both on and off the Marketplace. For a complete list of EHBs visit: [www.michigan.gov/hicap](http://www.michigan.gov/hicap)
- Prohibition on annual or lifetime benefits
- Protections against rescission
- Cost-sharing limitations

If you have questions about STLD policies, the Department of Insurance and Financial Services (DIFS) is here to help. Call us toll free at 877-999-6442.

#### About DIFS

The mission of the Michigan Department of Insurance and Financial Services is to ensure that the insurance and financial services industries are safe, sound, and entitled to public confidence, while providing a business climate that promotes economic growth. In addition, the Department provides consumer protection, outreach, and financial literacy and education services to Michigan citizens. For more information please contact DIFS at 877-999-6442 or visit [www.michigan.gov/DIFS](http://www.michigan.gov/DIFS).

