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Patient and Consumer Groups Urge Federal Court to Issue Preliminary Injunction Against Short-Term Insurance Rule

Rule Will Likely Result in Comprehensive Coverage Becoming Unaffordable for Patients; Leave Many Uncovered

Washington, D.C., October 26, 2018— U.S. District Court Judge Richard J. Leon is expected to hear oral arguments today in Washington, D.C., from groups challenging a rule implementing changes to short-term, limited-duration (STLD) insurance plans. The hearing in the case *Association for Community Affiliated Plans v. United States Department of Treasury* will allow the plaintiffs to explain the devastating impact patients could face under the rule if bare-bones plans that do not comply with patient protections required by the Affordable Care Act are permitted to be sold on the individual insurance market for up to 36 months.

These short-term plans can deny or charge people more for coverage based on their health status, and are exempt from covering essential health services. The plans can also charge older people more than three times what they charge a younger person for the same coverage.

Patient groups representing millions of Americans with serious health conditions filed an *amicus curiae* (or friend-of-the-court) brief on October 8 in the case. Those groups include the American Cancer Society, American Cancer Society Cancer Action Network, American Heart Association, American Lung Association, Cystic Fibrosis Foundation, Epilepsy Foundation, Global Healthy Living Foundation, Hemophilia Federation of America, The Leukemia & Lymphoma Society, March of Dimes, National Coalition for Cancer Survivorship and National Multiple Sclerosis Society.

A joint statement from the groups follows:

“The rule effectively allows short-term limited-duration (STLD) plans to serve as replacements for comprehensive coverage in violation of current law. Allowing these plans to exist in contradiction to their intended use as stated in their name – ‘short-term’ – could siphon off younger and healthier consumers and destabilize the insurance market. Those who need comprehensive coverage will be forced to pay drastically higher premiums or go without insurance.

“Splitting the market will drive costs up for those with serious illnesses including cancer, heart disease and lung disease who need coverage that includes recommended prevention, treatment and follow-up care. The very population the law is designed to protect could again face barriers to quality health coverage at a cost they can afford - a common occurrence before the law was passed that kept many patients from getting critical care.

“The evidence is clear that individuals who are uninsured and underinsured are diagnosed later and face poorer outcomes. Many individuals with short-term, limited-duration insurance who become sick will again be unable to afford the care needed to respond to a life-threatening or life-changing diagnosis, and will be forced to delay treatment for the months it may take to secure adequate coverage.

“Because of the overwhelming risks to patients and the proven flaws with these plans, we urge the court to issue an injunction immediately stopping the rule and preserving current limits on STLD plans.”

To read the full amicus brief filed by the public health groups, visit: <https://bit.ly/2OPxz9k>.

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