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**Heller, Colleagues Urge Trump Administration to Expand Consumer Options for Health Insurance Plans**

**WASHINGTON –**U.S. Senator Dean Heller (R-NV) joined a group of colleagues today in urging the Departments of Treasury, Labor, and Health and Human Services to expand the availability and duration of short-term, limited duration (STLD) insurance plans in order to give hardworking families a more affordable health insurance option.

Joining Heller were Senators Marco Rubio (R-FL), Ron Johnson (R-WI), John Barrasso (R-WY), John Kennedy (R-LA), Mike Rounds (R-SD), Pat Toomey (R-PA), Ted Cruz (R-TX), Johnny Isakson (R-GA), Mike Lee (R-UT), Jim Inhofe (R-OK), Deb Fischer (R-NE), Tom Cotton (R-AR), Lindsey Graham (R-SC), Steve Daines (R-MT), Lamar Alexander (R-TN), Bill Cassidy (R-LA), Dan Sullivan (R-AK), Richard Burr (R-NC), John Thune (R-SD), John Boozman (R-AR), Cindy Hyde-Smith (R-MS), Thom Tillis (R-NC), Mitch McConnell (R-KY), Ben Sasse (R-NE), Roger Wicker (R-MS), Pat Roberts (R-KS), James Lankford (R-OK), Shelley Moore Capito (R-WV), Richard Shelby (R-AL), David Perdue (R-GA), Rand Paul (R-KY), John Hoeven (R-ND), Todd Young (R-IN), and Jerry Moran (R-KS).

**The full text of the letter is available**[**HERE**](https://www.heller.senate.gov/public/_cache/files/3922b208-2a40-4593-8b9b-e2f1754d2487/Letter%20to%20Secretary%20Mnuchin,%20Secretary%20Acosta,%20and%20Secretary%20Azar.pdf)**and below:**

Dear Secretary Mnuchin, Secretary Acosta, and Secretary Azar:

We write to urge the Department of the Treasury, the Department of Labor, and the Department of Health and Human Services to extend contract terms for up to 12 months and expand consumer options for enrollees in short-term, limited duration (STLD) insurance plans.

In a previous letter with Senate colleagues, we encouraged the Administration to restore flexibility for STLD plans in order to return personal freedom and individual choice to health care. Allowing STLD plans to offer terms of up to 12 months along with renewal guarantees, consistent with the October 12, 2017 Executive Order issued by President Trump, would allow options for enrollees who face skyrocketing premiums or have an unexpected gap in coverage.

The agencies have the authority to allow these consumer options in STLD plans, and these changes are consistent with congressional intent.  Indeed, the Departments have no statutory authority to regulate, much less ban, renewal guarantees.

For nearly 20 years prior to 2016, including over 80 months since the ACA became law, administrations and Congresses controlled by both political parties accepted that STLD plans could offer contract terms of up to 12 months. Despite this long-accepted interpretation of federal law, a 2016 rule from the outgoing Obama Administration arbitrarily prohibited STLD plans from offering contract terms longer than three months, and foreclosed the ability of issuers to offer renewal guarantees.  The National Association of Insurance Commissioners complained the rule provided “no data to support the premise that a three-month limit would protect consumers or markets.”  On the contrary, the NAIC concluded that prohibiting contract terms longer than three months would harm many consumers, leaving them with no coverage for up to nine months.

Moreover, the National Association of Insurance Commissioners noted that limiting the availability of STLD plans in such a way could harm the ACA’s risk pools and would do nothing to protect individuals who develop an expensive illness: “If consumers are healthy they can continue buying a new policy every three months.  Only those who become unhealthy will be unable to afford care, and that is not good for the risk pools in the long run.”  Nonetheless, the Departments finalized the rule without changes.

Though the Obama Administration sought to significantly restrict the use of STLD plans, including prohibiting the ability of individuals who become sick from renewing their plans, there is now an opportunity to provide real relief to the forgotten men and women President Trump has championed.  Restoring consumer choice in the STLD market would provide more affordable alternatives and allow for consumer options in the event individuals in that market develop illnesses.  We urge the Departments to provide maximum flexibility for patients and consumers in the final rule by allowing STLD insurance plans to offer terms of up to 12 months in addition to renewal guarantees.

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