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Act No. 131 (H.892). Health; health insurance; association plans; short-term, limited-duration health insurance coverage

An act relating to regulation of short-term, limited-duration health insurance coverage and association health plans

This act defines association health insurance plans and directs the Commissioner of Financial Regulation to adopt rules regulating association health plans to protect Vermont consumers and promote the stability of Vermont's health insurance markets. It defines short-term, limited-duration health insurance as health insurance with an expiration date that is three months or less after the original effective date of the policy or contract. It specifies that a short-term, limited duration health insurance policy or contract is nonrenewable and that an insurer cannot issue a short-term, limited duration health insurance policy or contract to any person if it would result in the person being covered by short-term, limited-duration health insurance for more than three months in any 12-month period. The act requires prominent disclosures in short-term, limited duration health insurance policies, contracts, and application materials about the scope of the coverage, including the types of benefits and consumer protections that are and are not included. It also directs the Commissioner of Financial Regulation to adopt rules regarding short-term, limited duration health insurance, including requirements to file rates, forms, and advertising materials with the Department for the Commissioner's approval.

Effective Date: May 16, 2018.