

**Key Differences between  
Traditional Major Medical (ACA or Obamacare) Health Plans  
and Short-term Limited-duration Plans**

<b>Provision/Attribute</b>	<b>ACA Plans</b>	<b>Short-term Plans</b>
<b>Guaranteed Issue</b>	Must accept any individual who applies for coverage; issued only during open enrollment or special enrollment periods	Carriers can deny coverage or exclude certain health conditions based on an applicant's application; issued year-round
<b>Guaranteed Renewable</b>	Coverage is guaranteed renewable regardless of changes in health	Policies issued in-state with an initial term that exceeds 6 months or that is underwritten must be renewable up to 36 months; Policies issued in-state with a term of no more than 6 months and that is not underwritten may be either nonrenewable or renewable up to 36 months. Coverage issued to Virginians through an out-of-state association may be renewable up to a maximum of 36 months.
<b>Preexisting Conditions</b>	Cannot exclude coverage for a service related to a preexisting condition	Carriers can issue coverage with a health condition exclusion based on the applicant's application
<b>Dollar Value Limits</b>	Cannot impose daily, annual or lifetime dollar limits on essential health benefits	Carriers can limit the amount they pay on a daily, annual or lifetime basis
<b>Essential Health Benefits</b>	Must cover essential health benefits defined in the ACA	Policies issued in-state must provide a minimum amount of benefits; however, coverage may be issued to Virginians through an out-of-state association without a minimum benefit requirement
<b>Restrictions relating to premium rates</b>	Premiums may only vary based on geography, age, and tobacco use	Premiums may vary based on health status of applicant among other factors, but must meet loss ratio requirements
<b>Discrimination based on health status</b>	Premiums may not be increased due to health conditions	Premiums may vary and coverage may not be issued or may be non-renewed based on health status

**Disclaimer:** This chart only displays some of the key differences between Major Medical and Short-term Limited-duration Plans and is not intended to fully present all differences. When shopping for insurance coverage, it's important to be informed and to make sure you understand what you are purchasing. You may use the Comparison Tool offered at: [http://www.scc.virginia.gov/boi/pubs/hlthplan\\_compare.pdf](http://www.scc.virginia.gov/boi/pubs/hlthplan_compare.pdf)