Bulletin 25-05

To: All Consumers, Agents, Health Insurers who Buy or Sell Short-Term Limited Duration Plans in Iowa
From: Doug Ommen, Iowa Insurance Commissioner
RE: Federal Changes to the Enforcement of Short-Term Limited Duration Plans Allow the Sale of Plans for up to Three Years in Duration, Consistent with Iowa Regulations
Date: August 27, 2025

On September 1, 2024, the federal government changed the allowable duration of short-term limited duration ("STLD") plans from up to three years to a maximum of four months. On August 7, 2025, the federal government announced it will not "prioritize enforcement actions" against states that apply the "state law definition of STLD insurance." * The Iowa Insurance Division ("Division") has confirmed with the Centers for Medicare and Medicaid Services ("CMS") that this means authorized carriers may sell STLD insurance for the duration allowed under Iowa's regulations as follows:

> *IAC 191-36.4(17) "Short-term limited-duration insurance" means health coverage provided pursuant to a contract with an issuer that has an expiration date specified in the contract that is less than 12 months after the original effective date of the contract and, taking into account renewals or extensions, has a duration of no longer than 36 months in total.*

Iowa's regulations for STLD plans have been in place since 2019 and were developed in collaboration with carriers and consumer groups. Iowa's regulations not only allow STLD plans to have a duration of up to three years, but they also include important consumer protections that require carriers to provide certain mandatory benefits and guaranteed renewability (without additional underwriting) for plans that are offered for longer than 12 months.

Effective immediately, the Division will allow *authorized* carriers to sell STLD plans in a manner consistent with Iowa law that allows STLD plans to be offered for an initial term of up to 12 months with renewals permitted to extend the total coverage period up to 36 months. Carriers that have not already received the Division's approval to sell these plans through the SERFF filing process must seek prior approval through this process.

Iowans who are considering purchasing or renewing STLD plans should speak with a licensed insurance agent or contact the IID's Consumer Advocate to ensure they understand their health insurance coverage options.

> To find a licensed agent, visit: https://iid.iowa.gov/consumers/insurance/find-licensed-insurance-agent.
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> The Consumer Advocate may be reached at 515-654-6538.

*Federal guidance on non-enforcement of STLD plans: https://www.cms.gov/files/document/statement-regarding-short-term-limited-duration-insurance.pdf and https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/short-term-limited-duration-insurance/stldi-statement-08-07-2025

Iowa regulations with definitions, benefit standards, and notice requirements for STLD plans: https://www.legis.iowa.gov/docs/iac/chapter/191.36.pdf