



## New Regulations Regarding Health Coverage

Since July 2023, Allstate Health Solutions has been following the ongoing proposed ruling that included changes to products filed as Short Term Medical Limited Duration Insurance (STLDI), Hospital Indemnity (HI) and Other Fixed Indemnity (OFI) Supplemental Health Plans.

As we continue to navigate this ever-changing environment, we're building on our legacy of innovation and remain strongly committed to providing short term medical and supplemental solutions that meet the needs of your customers. We'll keep you informed as we move forward, but it's important to remember that until September 1, it's business as usual for you. Focus on serving your customers with the products we offer today.

Below is a summary of the new regulations, which were released March 28, 2024:

### **Short Term Medical Limited Duration Insurance Changes to coverage duration & renewal:**

- Initial STLDI contract terms are limited to no more than three months, and the maximum coverage period to no more than four months, including renewals or extensions.
- STLDI policies cannot be sold or renewed by the same issuer, or any issuer that is a member of the same controlled group, to the same policyholder within a rolling 12-month period.
  - - Applicability date: The maximum duration will apply for policies sold, or issued, on or after September 1, 2024. Policies sold or issued before September 1, 2024 (including any subsequent renewals or extensions) may continue to have an initial contract term of fewer than 12 months and a maximum duration of up to 36 months.

### **Change to disclosure requirements:**

- The new rule requires a change in the Consumer Notices. As of September 1, 2024, all applicable material must have the new information prominently displayed on all communications.
  - - Applicability date: STLDI notice provisions, including renewals and extensions, apply beginning on or after September 1, 2024.

### **Hospital Indemnity and Other Fixed Indemnity insurance**

#### **Change to disclosure requirements:**

- The new rule requires a change in the Consumer Notices. As of January 1, 2025, all applicable material must have the new information prominently displayed on all communications.

-- Applicability date: HI/OFI notice provisions are effective for plan years and coverage periods that begin on or after January 1, 2025.

Looking ahead, Allstate Health Solutions is dedicated to ensuring our STLDI, HI and OFI offerings adhere to the new requirements and continue to meet the needs of your customers. Stay tuned for future updates as we continue to navigate these changes together.

If you have any questions or would like more information about Allstate, please visit us online at [www.stephens-matthews.com](http://www.stephens-matthews.com) or contact Tessa at

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