



## New Report: Patients Pay the Price with Proliferation of Substandard Health Plans

WASHINGTON, D.C., March 25, 2021 – A new report published by 30 patient organizations shows the significant risks patients face when they enroll in non-compliant and sub-standard health insurance products, and details ways state and federal lawmakers can help protect these vulnerable consumers.

The report “[Under-Covered: How Insurance-Like Products are Leaving Patients Exposed](#),” issued by a coalition representing millions of people with pre-existing conditions, details eight different types of “non-compliant plans” that do not adhere to Affordable Care Act (ACA) consumer protections like coverage for pre-existing conditions, elimination of annual and lifetime coverage limits, and coverage for essential health benefits.

The plans have proliferated in recent years, and in many cases, are marketed to consumers who don’t fully understand what they’re purchasing. As a result, patients are often vulnerable to exorbitant medical bills. This report serves as a warning to consumers to avoid these plans – and a call to action to lawmakers.

“Allowing these plans to remain on the market effectively turns back the clock to the days when insurers could reject people with pre-existing conditions, exclude coverage for specific diseases and hike premiums based on an individual’s medical history, gender or age without limits,” the coalition of 30 patient groups said.

The new report outlines the details of eight different types of “non-compliant plans,” chronicling the stories of six patients who struggled with their health and finances after their substandard health

coverage refused to pay for their treatment. In addition to leaving patients without adequate coverage, the products also increase costs for individuals and families who rely on ACA-compliant, comprehensive coverage by siphoning younger and healthier people away from the regulated insurance market.

The new report details the specific harms of many types of non-compliant health plans and urges state and federal policymakers to take immediate steps to protect patients by limiting their expansion. The report also provides specific recommendations that policymakers should move quickly to implement to protect consumers.

“We’re calling on Congress, the Biden Administration, and state policy makers to take immediate steps to mitigate the harm of these substandard products,” the patient organizations said. “Patients need and deserve better, and once again, must be ensured access to comprehensive, affordable coverage.”

Read the full report at <https://www.ils.org/undercovered>.

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ALS Association  
American Cancer Society Cancer Action Network  
American Diabetes Association  
American Heart Association  
American Kidney Fund  
American Liver Foundation  
American Lung Association  
Arthritis Foundation  
Asthma and Allergy Foundation of America  
Cancer Support Community  
Chronic Disease Coalition  
Cystic Fibrosis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
JDRF  
Mended Hearts & Mended Little Hearts

Muscular Dystrophy Association  
National Alliance on Mental Illness  
National Hemophilia Foundation  
National Kidney Foundation  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Patient Advocate Foundation  
Pulmonary Hypertension Association  
Susan G. Komen  
The AIDS Institute  
The Alpha-1 Foundation  
The Leukemia & Lymphoma Society  
United Way Worldwide  
WomenHeart: The National Coalition for  
Women with Heart Disease