



What to Know about Insurance Coverage Cancellation

What's a coverage notice?

Individual health insurance is usually sold as a 12-month contract between you and an insurance company. At the end of the contract period, the insurance company may send you a notice stating that it's choosing either to cancel or continue the coverage, possibly with some changes due to new federal and state requirements. Thousands of people get these notices every year.

Most individual and family health plans must cover a minimum set of essential health benefits and provide certain consumer protections.

What are health insurance companies required to do at the end of the 12-month contract?

Individual plans are generally "guaranteed renewable" at the end of the 12-month contract, although the health insurance company that offers them can make changes, like increased premiums, increased cost sharing (like deductibles and copayments), and fewer covered benefits. Your health insurance company may stop offering the coverage entirely if it takes these actions:

- It sends you a written notice at least 90 days before the coverage will end. In some cases, a 60-day notice is sufficient.
- It gives you the option to buy any other individual plan that it offers to other people.
- It treats you the same as any other person who has that coverage, regardless of your health status.
- It follows any additional state requirements.

The only time a health insurance company can cancel a product it sells in a state's individual market without

offering you the chance to buy a new plan is if it cancels all its health insurance products in a state's individual market.

In some cases, your health insurance company may give you the option to renew the coverage you had before January 1, 2014 (and have renewed each year since then), without the coverage meeting certain federal requirements. If your health insurance company gives you the option to renew your coverage in a plan that doesn't include the minimum set of essential health benefits and certain consumer protections, it must send you a letter notifying you of this option.

If you're concerned your health insurance company isn't following these requirements, contact your [State Insurance Department](#).

What aren't health insurance companies allowed to do?

Health insurance companies can't market in a way that discourages people with significant health needs from enrolling in their plans. A health insurance company might violate this requirement if it provides renewal notices that discourage certain enrollees from buying particular products (like individual plans that cover a minimum set of essential health benefits and provide certain consumer protections, including qualified health plans in the Marketplace).

What are my options if I get a cancellation notice?

You have rights to help you get the health coverage you need. You have the right to buy any other individual plan that you're eligible for, whether it's offered by your health insurance company, or by any other insurance company offering plans through or outside of the Marketplace. Visit [HealthCare.gov](#), or call the Marketplace Call Center at 1-800-318-2596 for more information. TTY users can call 1-855-889-4325.

If you got a cancellation notice from your health insurance company, you can:

- Buy another plan from your health insurance company, if one is available to you. The health insurance company must allow you to buy any of its other plans available to you, either directly from the company, or from an agent or broker. Call your insurance company's customer service department for more information about other plans that may be available in your area.
- Apply for new coverage through the Marketplace, or from any insurance company that sells products in your area through the Marketplace. Visit [HealthCare.gov/lower-costs/qualifying-for-lower-costs](#) to learn more about qualifying for financial assistance on monthly premiums and out-of-pocket costs based on your income. You may also qualify for free or low-cost coverage through Medicaid or the Children's Health Insurance Program (CHIP). All Marketplace plans include rights and protections, and cover the same core set of essential health benefits. You can compare plans based on price, benefits, and other features before you sign up for a plan and use any financial help you may be eligible for. Visit [HealthCare.gov/apply-and-enroll/income-too-high-for-tax-credit](#) to see how you can get covered if you don't qualify for financial help.
- Buy a plan from another company outside the Marketplace. Most plans outside the Marketplace include rights and protections. You can contact any health insurance company and see plans available in your area, or visit online health insurance sellers to compare prices and features of a number of plans, then enroll (they may not offer all plans available in your area). You can also enroll through an insurance agent or broker. Visit [LocalHelp.HealthCare.gov](#) to find an agent or broker near you.
- Sign up for other coverage that may be available to you. Depending on your situation, this may include options like a group health plan through a job, Medicare, VA coverage, TRICARE, or others.

Can I buy a Catastrophic plan if my plan is canceled?

Yes. If you're **under age 30** before the first day of the plan year, Catastrophic plans will be available to you when you apply for a Marketplace plan.

If you're **over age 30** and want to buy a Catastrophic health plan, you must apply for a hardship exemption to qualify. Visit [HealthCare.gov/health-coverage-exemptions](https://www.healthcare.gov/health-coverage-exemptions) to learn more about applying for a hardship exemption.

A Catastrophic plan generally requires you to pay all of your medical costs up to a certain amount. These policies usually have lower premiums than a comprehensive plan, but cover you only if you need extensive medical care to protect you from worst-case scenarios. For more information about Catastrophic plans, visit [HealthCare.gov/choose-a-plan/plans-categories/#catastrophic](https://www.healthcare.gov/choose-a-plan/plans-categories/#catastrophic).

What if my health insurance company enrolled me in a new plan?

If your plan was canceled and your health insurance company already enrolled you in a new plan, you can still switch to a different Marketplace plan during

Open Enrollment. If your plan was canceled outside Marketplace Open Enrollment, you may qualify for a Special Enrollment Period and generally have 60 days before and after the date your coverage ends to enroll in a new Marketplace plan.

Remember, if you buy a plan through the Marketplace, you may qualify for financial assistance with your monthly premiums and out-of-pocket costs based on your household income and family size. If you buy health insurance outside the Marketplace, you won't get these savings.

You can fill out a Marketplace application to find out what you might qualify for through the Marketplace before you decide to enroll in the plan recommended by your health insurance company. If you have an individual insurance plan and want to be sure to get the right help with costs, be sure to provide the following information when you apply for Marketplace coverage:

- When asked about existing coverage, select your name, then identify if the kind of health coverage you have now is Marketplace coverage, coverage through your job (or another person's job like a spouse or parent), or other full benefit coverage.
- Don't check the box for other types of coverage unless that applies to you.

HOW CAN I LEARN MORE?

To learn more about coverage through the Marketplace or your benefits and protections, visit [HealthCare.gov](https://www.healthcare.gov) or call the Marketplace Call Center at 1-800-318-2596. TTY users can call 1-855-889-4325.

You have the right to get Marketplace information in an accessible format, like large print, Braille, or audio.

You also have the right to file a complaint if you feel you've been discriminated against.

Visit [CMS.gov/about-cms/agency-information/aboutwebsite/cmsnondiscriminationnotice.html](https://www.cms.gov/about-cms/agency-information/aboutwebsite/cmsnondiscriminationnotice.html), or call the Marketplace Call Center at 1-800-318-2596 for more information. TTY users can call 1-855-889-4325.

Health Insurance Marketplace

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