Catastrophic Plans Allowed for Some People Over 30

The Change: Lower cost catastrophic plans are now limited to people age 30 years or younger. The Department of Health and Human Services (HHS) has expanded access to Catastrophic plans for individuals over 30 who are "newly ineligible" for APTCs/financial assistance or Cost-Sharing Reductions (CSRs) due to their income. This new hardship exemption is available starting with the 2026 plan year.

Who is Affected: Individuals over the age of 30 whose income now places them below 100% of the FPL or above 400% of the FPL, making them ineligible for subsidies/financial assistance. This includes immigrants who based on their income would qualify for Medicaid but due to immigration status are newly ineligible and everyone regardless of citizenship or immigration status who make more than 400% of the Federal Poverty Level FLP.

Possible Solutions/Options:

- **Apply for a Hardship Exemption:** When completing your application on HealthCare.gov, the system will now automatically evaluate your eligibility for this exemption based on your income.
- **Lower Premiums for Worst-Case Scenarios:** Catastrophic plans have very low premiums but a high deductible. They are designed to protect you from the financial ruin of a serious illness or injury and are not ideal for regular everyday medical use.
- **Combine it with a supplemental or gap plan:** These plans are designed to pay for some or all of your out-of-pocket expenses and can make it possible to purchase a cheaper major medical plan without sacrificing your health coverage.

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