

Catastrophic Health Plans: Everything You Need to Know

What Are Catastrophic Plans?

Catastrophic health plans are designed for **worst-case scenarios** like serious illness or injury. They offer:

- **Low monthly premiums**
- **Very high deductibles**

Perfect for those who want major medical coverage while keeping monthly costs low.

Who Qualifies?

- Individuals **under 30 years old**
- People **over 30** who:
 - Don't qualify for savings on a Marketplace plan
 - Have a **hardship or affordability exemption**

Hardship Exemption Requirements

What counts as a hardship?

- You were homeless.
- You were evicted or were facing eviction or foreclosure.
- You got a shut-off notice from a utility company.
- You experienced domestic violence.
- You experienced the death of a family member.
- You experienced a fire, flood, or other natural or human-caused disaster that caused substantial damage to your property.
- You filed for bankruptcy.
- You had medical expenses you couldn't pay that resulted in substantial debt.
- You experienced unexpected increases in necessary expenses due to caring for an ill, disabled, or aging family member.
- You claim a child as a tax dependent who's been denied coverage for Medicaid or the Children's Health Insurance Program (CHIP), and another person is required by court order to give medical support to the child.
- As a result of an eligibility appeals decision, you're eligible for enrollment in a health plan through the Marketplace, lower costs on your monthly premiums, or cost-sharing reductions for a time period when you weren't enrolled in a qualified health plan through the Marketplace.
- You were determined ineligible for Medicaid because your state didn't expand eligibility for Medicaid under the Affordable Care Act.
- You had another hardship obtaining health insurance.

Affordability Exemption

This exemption applies if the **lowest-cost coverage available to you exceeds a set percentage of your household income**.

Key Difference:

- **Hardship exemption** = Based on life circumstances
- **Affordability exemption** = Based on cost of coverage compared to income

Comparison Chart: Catastrophic vs. Bronze vs. Silver

Feature	Catastrophic	Bronze	Silver
Monthly Premium	Lowest	Low	Moderate
Deductible	Very High	High	Moderate
Plan Pays	After deductible	60% of costs	70% of costs
You Pay	Until deductible met	40% of costs	30% of costs
Extra Savings Eligible?	No	Yes (subsidy tax credits)	Yes (subsidy tax credits & CSR)
Primary Care Visits	3 visits before deductible	Varies by plan	Varies by plan
HSA Eligible?	Yes (2026 onward)	Yes (2026 onward)	No

Coverage Highlights

- Same **10 essential health benefits** as other Marketplace plans
- Preventive services at **no cost**
- At least **3 primary care visits per year** before meeting your deductible