



# Health Coverage and Medical Terms

## GLOSSARY

### CO-INSURANCE

Your share of the costs of a covered health care service, calculated as a percent (for example, 20%) of the allowed amount for the service. You pay co-insurance plus any deductibles you owe. For example, if the health insurance or plan's allowed amount for an office visit is \$100 and you've met your deductible, your co-insurance payment of 20% would be \$20. The health insurance or plan pays the rest of the allowed amount.

### CO-PAYMENT

A fixed amount (for example, \$15) you pay for a covered health care service, usually when you receive the service. The amount can vary by the type of covered health care service.

### DEDUCTIBLE

The amount you owe for health care services your health insurance/plan covers before your health insurance/plan begins to pay. For example, if your deductible is \$1,000m your plan won't pay anything until you've met your \$1,000 deductible for covered health care services subject to the deductible. The deductible may not apply to all services.

### DURABLE MEDICAL EQUIPMENT (DME)

Equipment and supplies ordered by a health care provider for everyday or extended use. Coverage for DME may include: oxygen equipment, wheelchairs, crutches or blood testing strips for diabetics.

### MEDICALLY NECESSARY

Health care services or supplies needed to prevent, diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine.

### NETWORK

The facilities, providers and suppliers your health insurer or plan has contracted with to provide health care services.

### OUT-OF-POCKET LIMIT

The most you pay during your policy period (usually a year) before your health insurance/plan begins to pay 100% of the allowed amount. This limit never includes your premium, balance-billed charged or health care your health insurance/plan doesn't cover. Some plans don't count all of your co-payments, deductibles, co-insurance payments, or other expenses toward limit.

### PREAUTHORIZATION

A decision by your health insurer or plan that a health care service, treatment plan, prescription drug or durable medical equipment is medically necessary. Sometimes called prior authorization, prior approval, or percertainment for certain services before you receive them, except in an emergency. Preauthorization isn't a promise your health insurance/plan will cover the cost.

### PREFERRED PROVIDER

A provider who has a contract with your health insurer or plan to provide services to you at a discount. Check your policy to see if you can see all preferred providers or if your health insurance/plan has a tiered network and you must pay extra to see some providers. Your health insurance or plan may have preferred providers who are also "participating" providers. Participating providers also contract with your health insurer/plan, but the discount may not be as great.

### PREMIUM

The amount that must be paid for your insurance/plan. You and/or your employer usually pay in monthly, quarterly or yearly.

## PRIMARY CARE PROVIDER (PCP)

A physician (MD/DO), nurse practitioner, clinical nurse specialist or physician assistant who directly provides or coordinates a range of health care services for a patient..

## SKILLED NURSING CARE

Services from licensed nurses in your own home or in a nursing home. Skilled care services are from technicians and therapists in your own home or in a nursing home.

## SPECIALIST

A physician specialist focuses on a specific area of medicine or a group of patients to diagnose, manage, prevent or treat certain types of symptoms and conditions. A non-physician specialist is a provider who has more training in a specific area of health care.

## URGENT CARE

Care for an illness, injury or condition serious enough that a reasonable person would seek care right away, but not so severe as to require emergency room care.

## How You and Your Insurer Share Costs - Example

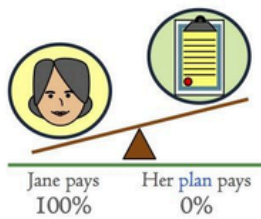
Jane's Plan Deductible: \$1,500

Co-insurance: 20%

Out-of-Pocket Limit: \$5,000

January 1<sup>st</sup>  
Beginning of Coverage  
Period

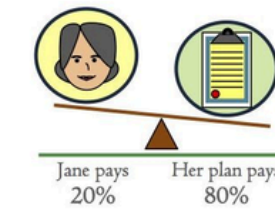
December 31<sup>st</sup>  
End of Coverage Period



### Jane hasn't reached her \$1,500 deductible yet

Her plan doesn't pay any of the costs.  
Office visit costs: \$125  
Jane pays: \$125  
Her plan pays: \$0

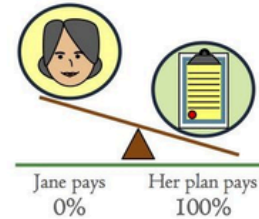
more costs



### Jane reaches her \$1,500 deductible, co-insurance begins

Jane has seen a doctor several times and paid \$1,500 in total. Her plan pays some of the costs for her next visit.  
Office visit costs: \$75  
Jane pays: 20% of \$75 = \$15  
Her plan pays: 80% of \$75 = \$60

more costs



### Jane reaches her \$5,000 out-of-pocket limit

Jane has seen the doctor often and paid \$5,000 in total. Her plan pays the full cost of her covered health care services for the rest of the year.  
Office visit costs: \$200  
Jane pays: \$0  
Her plan pays: \$200