

# Glossary of Health Insurance and Medical Terms

- This glossary has many commonly used terms, but it isn't a full list. Other terms and more information are in your insurance policy or certificate. You can get a copy of the policy at [[www.insurancecompany.com](http://www.insurancecompany.com)] or you may call [[1-800-xxx-xxxx](tel:1-800-xxx-xxxx).]
- **Bold** text indicates a term defined in this Glossary.

## Allowed Amount

Maximum amount on which payment is based for covered services. This may be called "eligible expense," "payment allowance" or "negotiated rate." If your **provider** charges more than the allowed amount, you may have to pay the difference. (See **Balance Billing**.)

## Appeal

A request for your health insurer or **plan** to review a decision or a **grievance** again.

## Balance Billing

When a **non-preferred provider** bills you for the difference between the provider's charge and the **allowed amount**. A **preferred provider** may *not* balance bill you.

## Co-insurance

The percentage you pay (for example, 20%) of the **allowed amount** for covered health care.

## Complications of Pregnancy

Conditions due to pregnancy, labor and delivery that require medical care to prevent serious harm to the health of the mother or the fetus.

## Co-payment

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

## Deductible

The amount you owe for health care covered by your **health insurance** or **plan** before your health insurance or plan begins to pay.

## 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.

## Emergency Medical Condition

An illness, injury or condition so serious that a reasonable person would seek care right away.

## Emergency Medical Transportation

Ambulance services for a medical condition that must be treated right away.

## Emergency Room Care

**Emergency services** received in an emergency room.

## Emergency Services

Evaluation of an **emergency medical condition** and treatment to keep the condition from getting worse.

## Excluded Services

Health care services that your **health insurance** or **plan** doesn't pay for or cover.

## Grievance

A complaint that you communicate to your health insurer or **plan**.

## Habilitation Services

Health care services that help a person keep, learn or improve skills and functioning for daily living. Examples include therapy for a child who isn't walking or talking at the expected age.

## Health Insurance

A contract that requires your health insurer to pay some or all of your health care costs in exchange for a **premium**.

## Home Health Care

Health care services a person receives at home.

## Hospice Services

Services to provide comfort and support for persons in the last stages of a terminal illness and their families.

## Hospitalization

Care in a hospital that requires an overnight stay. An overnight stay for observation may be outpatient care.

## Hospital Outpatient Care

Care in a hospital that doesn't require an overnight stay.

## In-network Co-insurance

The percentage you pay (for example, 20%) of the **allowed amount** for covered health care to providers who contract with your **health insurance** or **plan**. In-network co-insurance usually costs you less than **out-of-network co-insurance**.

## In-network Co-payment

A fixed amount (for example, \$15) you pay for covered health care to providers who contract with your health insurer. In-network co-payments usually are less than **out-of-network co-payments**.

## Medically Necessary

Health care services or supplies needed to diagnose, prevent or treat your condition and that meet accepted standards of medical practice.

## Network

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

### Non-Preferred Provider

A **provider** who doesn't have a contract with your health insurer or **plan** to provide services to you. You'll pay more to see a non-preferred provider. Check your policy to see if you can go to all providers who have contracted with your **health insurance** or plan, or if your health insurance or plan has a "tiered" **network** and you must pay extra to see some providers.

### Out-of-network Co-insurance

The percentage you pay (for example, 40%) of the **allowed amount** for covered health care to providers who do **not** contract with your **health insurance** or **plan**. Out-of-network co-insurance usually costs you more than **in-network co-insurance**.

### Out-of-network Co-payment

A fixed amount (for example, \$30) you pay for covered health care to providers who do **not** contract with your **health insurance** or **plan**. Out-of-network co-payments usually are more than **in-network co-payments**.

### Out-of-Pocket Limit

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

### Physician Services

Health care services a licensed medical physician (M.D.—Medical Doctor or D.O.—Doctor of Osteopathic Medicine) provides or coordinates.

### Plan

A benefit your employer, union or other group sponsor provides to you to pay for your health care services.

### Preauthorization

A decision by your health insurer or **plan** that a health care service, treatment plan, **prescription drugs** or **durable medical equipment** is **medically necessary**. Sometimes this is called prior authorization, prior approval or precertification. Your **health insurance** or plan may require preauthorization for certain services before you receive them, except in an emergency. Preauthorization isn't a promise that your health insurance or 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 go to all preferred providers or if your **health insurance** or 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 or plan, but the discount may not be as great, and you may have to pay more.

### Premium

The amount of money that must be paid for your **health insurance** or **plan**. It is usually paid monthly, quarterly or yearly by you and/or your employer.

### Prescription Drug Coverage

**Health insurance** or **plan** that helps pay for **prescription drugs** and medications.

### Prescription Drugs

Drugs and medications that by law require a prescription.

### Provider

A physician (M.D.—Medical Doctor or D.O.—Doctor of Osteopathic Medicine), health care professional or health care facility licensed, certified or accredited as required by state law.

### Reconstructive Surgery

Surgery and follow-up treatment needed to correct or improve a part of the body because of birth defects, accidents or medical conditions.

### Rehabilitation Services

Health care services that help a person keep, get back or improve skills and functioning for daily living that have been lost or impaired because a person was sick, hurt or disabled. These services may include physical and occupational therapy, speech-language pathology and psychiatric rehabilitation services in a variety of inpatient and/or outpatient settings.

### Skilled Nursing Care

Services from licensed nurses in your own home or in a nursing home. Skilled care are services 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 additional training in a specific area of health care.

### UCR (Usual, Customary and Reasonable)

The amount paid for an identical or similar medical service in a geographic area or that providers in your area usually charge for a particular health care service. UCR is sometimes used to determine the **allowed amount**.

### Urgent Care

Care for an illness, injury or condition serious enough to require prompt care but not so severe as to require **emergency room care**.