

Open Enrollment Glossary of Terms

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 (typically after you have met your deductible) up to the maximum out-of-pocket limit. For example, if the health insurance 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, \$30) you pay for a covered health care service, usually when you receive the service (such as for office visits, prescription drugs, etc.)

Deductible: The amount you pay each plan year before your health insurance or plan begins to pay. For example, if your deductible is \$1000, your plan won't pay anything until you've met your \$1000 deductible for covered health care services subject to the deductible. The deductible may not apply to all services.

Dependent Care Reimbursement Account: Allows employees to use pre-tax wages to pay for eligible expenses related to care for your child, disabled spouse, elderly parent, or other dependent who is physically or mentally incapable of self-care.

Flexible Spending Account (FSA): An FSA allows a fixed amount of pre-tax wages to be set aside for qualified expenses including copayments, deductibles, and prescriptions. Qualified expenses may include child care (see DCRA). The amount set aside must be determined in advance, up to \$500 may be rolled-over to the next calendar year.

Health Maintenance Organization (HMO): An HMO gives you access to certain doctors and hospitals within its network. A network is made up of providers that have agreed to lower their rates for plan members. HMO plans require you to select a primary care physician (PCP), who will determine what treatment you need. You may need a PCP referral to be covered when you see a specialist or have a special test done.

Health Reimbursement Account (HRA): An employer-funded plan that reimburses employees for incurred medical expenses that are not covered by the insurance plan. HRAs are used in conjunction with HSAs for individuals enrolled in the high-deductible plan. Because the employer funds the plan the employee does not need to enroll.

Health Savings Account (HSA): A tax-advantaged medical savings account available to taxpayers in the United States who are enrolled in a high-deductible health plan (HDHP). The funds contributed to an account are not subject to federal income tax at the time of deposit or the time of withdrawal.

High Deductible Healthcare Plan (HDHP): A HDHP is a health insurance plan with lower premiums and higher deductibles than a traditional health plan. A HDHP requires a health savings account.

Maximum Out-Of-Pocket: The most you pay during a policy period (calendar year) before your health insurance plan begins to pay 100% of the allowed amount (typically includes, deductible, coinsurance and most copayments). This limit never includes your premium, balance-billed charges or health care your health insurance plan doesn't cover.

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

Preferred Provider Organization (PPO): PPO plans provide more flexibility when picking a doctor or hospital. They also feature a network of providers, but there are fewer restrictions on seeing non-network providers. In addition, your PPO insurance will pay if you see a non-network provider, although it may be at a lower rate. A key feature is that you can see the doctor or specialist you'd like without having a PCP referral.

Premium: The amount that must be paid for your health insurance plan.

Primary Care Provider (PCP): A physician (M.D. – Medical Doctor or D.O. – Doctor of Osteopathic Medicine), nurse practitioner, clinical nurse specialist or physician assistant, as allowed under state law, who provides, coordinates or helps a patient access a range of health care services.

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.