

Insurance Glossary

Don't speak insurance?
We got you covered.



Individual and Family Plans

Cigna Health and Life Insurance Company,
Cigna HealthCare of Texas, Inc. and
Cigna HealthCare of Arizona, Inc.

A

activate, activation date

Start, start date.

EG: Your health coverage will start on January 1, 2016.

adjudicate

To process your claim for payment.

authorize, authorization

approve, approval.

EG: Your health plan will need to approve the treatment before it begins.

Affordable Care Act (ACA)

The comprehensive health care reform law enacted in March 2010 that requires the majority of U.S. individuals to have health insurance coverage.

annual out-of-pocket maximum

The maximum amount you pay for covered expenses, which may include deductible, copayments, coinsurance and fees, in a year. Once the annual out-of-pocket maximum has been reached, the plan pays 100 percent of covered health expenses for the rest of that plan year. If your plan includes out-of-network benefits, the annual out-of-pocket maximum will be different for participating and non-participating providers.

C

carry over

Last year's unused funds, money left in your health savings account from last year.

EG: Unused funds in your Health Savings Account at the end of the year will rollover to the next calendar year.

claimant

You.

coinsurance

The percentage of covered expenses that you are responsible for paying after the applicable deductible is satisfied; your share of the cost. Coinsurance does not include copayments.

co-pay, copayment

A fixed dollar amount you pay toward a covered health expense, usually at the time of service.

EG: You pay \$30 toward a doctor's visit and your health plan pays the rest.

covered services

The medical or dental services that are eligible for payment under your health plan. Covered expenses are subject to applicable deductibles and other benefit limits.

cost-share reductions

A discount available to qualified individuals that lowers the amount that you pay out-of-pocket for deductibles, coinsurance, and co-pays for specific medical expenses like prescriptions and doctor's visits. Financial assistance is determined by your annual household income and family size and requires purchase of a marketplace silver metal level plan.

D**deductible**

What you pay before your plan begins to pay. Most health plans have an annual deductible.

dependent

A spouse, partner, child or children, who's eligible for coverage under a health plan because of their relationship to the insured adult in the family.

E**effective date**

The date on which coverage begins under your plan. This is commonly referred to as your start date.

emergency care

Emergency medical attention given to an individual who needs it. It includes those medical services required for the immediate diagnosis and treatment of a serious medical condition. Emergency care, as defined in the health plan, must be covered at the in-network level, even if care is received out-of-network.

Exclusive Provider Organization (EPO) Plan

A managed care plan where services are covered only if you visit doctors, specialists, or hospitals in the plan's network (except in an emergency).

exchange (state)

An online resource where states provide individuals and families and small employers an opportunity to shop and buy health insurance. It is commonly referred to as the "Marketplace."

exchange (federal)

An online resource where the federal government provides individuals and families and small employers an opportunity to shop and buy health insurance. It is commonly referred to as the "Marketplace."

explanation of benefits (EOB)

After you visit your doctor, you'll get an explanation of benefits outlining the services you received, how much they cost, and how much your plan paid.

F**federal financial assistance**

Eligibility for federal financial assistance is based on certain household size and income requirements. Subsidies are available from the federal government to help with health care costs for those who qualify. There are two forms of federal financial assistance available: tax credit subsidies, which reduce the monthly premium, and cost-sharing reductions, which reduce out-of-pocket costs.

G**generic drug**

A prescription drug that has the same active-ingredient formula as a brand-name drug but usually costs less.

H**healthcare provider**

A doctor hospital or other health care practitioner that provides health care services within the scope of their license.

Health Maintenance Organization (HMO)

A type of medical plan that limits eligible coverage to a local service area and may not provide out-of-network coverage except for emergencies as defined by the plan. Most HMO plans require primary care physician (PCP) selection and referrals to specialists. HMOs often provide integrated care and focus on prevention and wellness.

Health Savings Account (HSA)

A tax-advantaged savings account used to pay for qualified health care costs. The account may be funded by an individual, an employer or both. A person must be covered by a qualified High Deductible Health Plan (HDHP) to contribute to an HSA. Unused funds in the account at the end of the year roll over to the next year.

High Deductible Health Plan (HDHP)

A plan that features higher deductibles than traditional insurance plans. High deductible health plans (HDHPs) can be combined with a health savings account or a health reimbursement arrangement to allow you to pay for qualified out-of-pocket medical expenses on a pre-tax basis.

I**in-network**

health care professionals and hospitals contracted with your health plan to deliver services at a negotiated rate (discount).

individual plan

A health insurance policy you buy directly from a health insurance company or broker rather than through an employer. An individual plan can cover you and/or any of your eligible family members.

inpatient care

Care given to a patient admitted for an overnight stay at a hospital, extended care facility, nursing home or other similar healthcare institution.

M

Marketplace

An online resource where individuals, families and small businesses can learn about their health coverage options; compare health insurance plans based on costs, benefits and other important features; and, choose a plan and enroll in coverage. The Marketplace also provides information on programs that help people with low to moderate incomes and resources pay for coverage.

managed care

A way of controlling the cost of health care and access to health care professionals.

medical management

The people and services that help you manage your health, coordinate care and navigate the health care system when you are sick or injured.

member

You or a family member covered by your health plan.

minimum essential coverage

The type of coverage an individual needs to have to meet the individual responsibility requirement under the Affordable Care Act. As of January 2014, people that do not have this minimum coverage may have to pay a tax penalty.

N

network

Hospitals, health care professionals and labs that have contracted with your health plan to deliver services at a negotiated rate (discount).

O

out-of-network

Hospitals, health care professionals, and labs that are not contracted with your health plan to deliver services at a negotiated rate (discount). Depending on your plan, you may have to pay a higher percentage of the claim, even up to 100%, for services received from out-of-network providers.

out-of-pocket (OOP)

The total of your payments for covered expenses, which may include deductible, copayments, coinsurance and fees.

out-of-pocket maximum

The most a customer will pay for covered services during a plan year before the health plan begins to pay at 100 percent of covered charges. This limit does not include premiums, balance-billed charges or health care services not covered under the health plan. Some health plans don't include all copays, deductibles, co-insurance payments, out-of-network payments or other expenses towards this limit.

outpatient

A patient who receives treatment at a hospital, clinic or one's home but does not require an overnight hospital stay.

open enrollment

The time period when you can enroll in a health plan or make changes to your existing one. Most health insurance companies offer open enrollment during a set time each year. An individual may qualify for a Special Enrollment Period allowing them to enroll outside of Open Enrollment if they have a qualifying life event.

P

patient liability

Your financial responsibility.

plan features

An overview of what a particular health plan includes, such as deductibles, monthly premiums, co-pays, services, etc.

primary care physician (PCP)

Your primary doctor.

Preferred Provider Organization (PPO)

A health plan made up of health care professionals and hospitals contracted to deliver services at a negotiated rate (discount). You pay less if you visit providers that belong to the plan's network. You can visit providers that are out-of-network, but you may pay more for services.

premium

The periodic amount that must be paid for your health insurance or plan to stay active.

preventive care

A routine visit to your doctor or dentist as opposed to seeking treatment for an ailment, commonly referred to as a check-up. The aim is to keep you healthy by detecting and treating any health problems early. Examples include immunizations, screenings, and routine physical exams.

provider directory

A comprehensive list of health care professionals who have contracted with your health insurance company to provide care.

provider network

A group of health care professionals who have contracted with your health insurance company to provide health care services.

Q

Qualified Health Plan

A health plan that is certified by the Federal or state exchanges. To be certified, a plan must provide essential health benefits and meet other health care reform rules.

qualifying life event

A change in your life that can make you eligible for a Special Enrollment Period to enroll in health coverage.

R

referral

A written order from your primary care physician for you to see a specialist or get certain medical services. In many Health Maintenance Organizations (HMOs), you need to get a referral before you can get medical care from anyone except your primary care doctor. If you don't get a referral first, the plan may not pay for the services.

roll over

Last year's unused health spending account funds, money left in your health savings account from last year.

EG: Your Health Savings Account pays claims using the money left over from last year, before using this year's funds.

S

status change

A life-changing event such as marriage, divorce or the birth of a child that allows you to modify your health coverage.

service area

The geographical area where a patient can receive health care from their network of providers.

Special Enrollment Period

A time outside of the Open Enrollment Period during which you and your family may sign up for health coverage if you have a Qualifying Life Event. In the Marketplace, you qualify for a Special Enrollment Period 60 days following certain life events that involve a change in family status (for example, marriage or birth of a child) or loss of other health coverage.

specialists

Health care professionals, whose practices focus on a single disease, part of the body, age group or procedure. For example, oncologists treat cancer patients. Otolaryngologists or ENTs specialize in ear, nose and throat problems. Pediatricians are doctors who serve children. And a cardiac surgeon performs surgeries involving the heart and great blood vessels.

T

tax credit subsidies

Subsidies available to those who qualify for federal financial assistance based on certain household size and income requirements. They can reduce your monthly premium payments when you enroll in a Marketplace Qualified Health Plan (QHP). You can apply all, or a portion of your Advanced Premium Tax Credit (APTC) to the premium, reducing the monthly bill.

U

urgent care

Care for an illness, injury or condition that requires prompt care, but not serious enough to require emergency care.



Ready to make sense of health insurance?

Call us at 1-877-683-2268 or visit [CignaMakesSense.com](https://www.CignaMakesSense.com)

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