

# Washington Healthplanfinder Glossary of Terms

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### A

**ACP Number:** This is the mailbox number given to you by the Address Confidentiality Program (ACP) offered by the Secretary of State's office.

**Affordable Care Act:** The federal health care law signed into law in March 2010. The law requires all states to have health insurance exchanges. Washington State's health insurance exchange is called Washington Healthplanfinder.

**American Indians/Alaskan Natives:** American Indians and Alaska Natives may be eligible for specialized benefits and financial assistance. This applies to any individual who is a member of a federally recognized tribe, band, Pueblo, or Rancherio, or shareholder in an Alaska Native regional or village corporation; a descendent of a federally recognized tribal member or Alaska Native Corporation shareholder or an individual who is eligible for Indian Health Services, including a California Indian, Eskimo, Aleut or other Alaska native. Once self-identified, you will be asked to provide documentation in order for Washington Healthplanfinder to alert the correct entities and help coordinate benefits if applicable.

**Annual Deductible:** The amount you and/or your family pay each policy period before your health plan starts to pay for covered services. In most plans, the deductible does not apply for standard office visits or check ups. The annual deductible does not apply towards the annual out-of-pocket maximum.

Example of how an annual deductible may work:

John falls off his roof and is taken to the hospital by ambulance. He has an annual deductible of \$500. The ambulance service costs \$600. Because the ambulance service is subject to his annual deductible, and because John has not yet paid anything toward his deductible, he is responsible for the first \$500 of the \$600 cost. Also, because his plan has a 30 percent coinsurance, John is also responsible for paying \$30 of the remaining bill of \$100.

**Annual Out-of-Pocket Maximum:** This is the most you pay during a policy period before your health insurance plan begins to pay 100 percent of the allowed amount. This is a separate annual out of pocket maximum for any out-of-network services. Any amount you pay toward this out of pocket maximum is separate from your in-network out of pocket maximum. When you or another covered family member reaches the out-of-pocket maximum, you are not responsible for any further coinsurance costs for covered services during that policy period. You will still be required to pay applicable co-pays. This limit never includes your premium, balance-billed charges or health care your health insurance or plan doesn't cover. Some plans don't count all of your co-payments, deductibles, coinsurance payments, out-of-network payments or other expenses toward this limit.

**Authorized Representative:** An authorized representative is an adult you designate who is sufficiently aware of your household's circumstances that they can act on your behalf.

**Authorization Required:** A decision by a health plan that a health care service, medical equipment or prescription drug is medically necessary, before they cover it. Most health plans ask you to get preauthorization before receiving certain services, except in an emergency. If you do not get authorization for these services, the plan will not cover them.

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**Brand Prescription Drugs:** Prescription drugs marketed with a specific brand name by the company that patents it. When patents run out, generic versions of many popular drugs are marketed at lower cost by other companies.

**Broker:** A Broker is a licensed professional that can help you find health insurance through Washington Healthplanfinder.

**Bronze Plans:** Bronze plans cover 60 percent of the cost of essential benefits, while the patient pays 40 percent.

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**Catastrophic Plans:** A type of health care plan only available through Washington Healthplanfinder for individuals under age 30. This type of plan generally offers the least coverage with the lowest monthly premiums.

**Chiropractic Care:** Chiropractic care is the diagnosis and manipulative treatment of misalignments of the joints.

**COBRA:** The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events.

**Co-Insurance:** The percentage you pay when your health plan pays less than 100 percent for covered services. Your health plan will not pay toward services with a coinsurance until you have paid your annual deductible. You will be responsible for paying a percentage of the cost of services that have a coinsurance. Your health plan will pay the remaining amount.

Example of how coinsurance may work:

Sally is hospitalized for an injury. The hospital stay costs \$1,000. The hospital stay is subject to her annual deductible. Sally has already paid her annual deductible, so she pays 30 percent coinsurance

for the hospital stay and her health plan pays the remaining 70 percent. Sally will pay \$300 and her health plan will pay \$700.

**Consumer Rating:** Washington Healthplanfinder's consumer rating is based on a health plan's quality improvement strategy to prevent hospital readmissions; improve patient safety and reduce medical errors; improve wellness and health promotion; and reduce health and health care disparities.

**Co-Pay:** A fixed dollar amount you pay for health care. Co-pays do not apply to your deductible, coinsurance, or out-of-pocket maximum and not all services require a co-pay.

**Cost Sharing Reductions:** If you are eligible, cost sharing reductions lower your costs of Washington Healthplanfinder qualified health plan copays, coinsurance and/or deductibles.

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## E

**Eligibility Status:** This is your eligibility for free or low-cost health insurance through Washington Healthplanfinder based on the information you provided in our application.

**Enrollment Status:** This is your health insurance coverage through Washington Healthplanfinder based on the information you provided in our application.

**Estimated Household Income:** The combined annual income of all household members. This information is used to determine your eligibility for free or low-cost health insurance.

**Estimated Monthly Premium:** This is the amount of money that you will pay monthly for your health insurance coverage. This does not include any out-of-pocket health care expenses.

**Exemption:** The Affordable Care Act exempts several groups from the individual mandate, meaning that they are not required to get health coverage. Exemptions can be filed for religious, financial, and other reasons.

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**Generic Prescription Drugs:** Typically lower priced, generic prescription drugs contain the same active ingredients in similar amounts and concentrations to their brand name competitors, however, do not hold a patent as the brand name drugs do.

**Gold Plans:** Covers 80 percent of the cost of essential benefits, while the patient pays 20 percent.

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**Health Care Provider:** A person or place that provides medical services, such as a doctor, nurse or hospital.

**Health Insurance Premium Tax Credits:** Also known as an advanced premium tax credit, this tax credit can be used to lower your health insurance premium costs. Your eligibility for this reduction, and the amount you could receive, are based on your income. You can use your health insurance premium tax credit in one of the following ways:

Monthly - You can use some or all of your tax credit in advance to lower the cost of your monthly premium.

Pros: Your health plan costs will be less each month.

Cons: You may owe money at tax filing time if your current household income increases.

Annually - You can claim your tax credit on your annual tax return, which will reduce what you owe or increase your refund.

Pros: You have no risk of having to repay at tax filing time.

Cons: Your health plan costs will be more each month.

**Health Savings Account:** A health savings account (HSA) is a tax-exempt account that you, your employer, or anyone can deposit funds into on your behalf. Any amount you contribute can be deducted from your taxable income, giving you a tax savings. You can use the funds in your HSA to pay for IRS qualified out-of-pocket medical expenses (such as deductibles, co-pays, and coinsurance), including some expenses and services that may not be covered by your health plan. You can spend HSA funds on medical expenses for your spouse or other tax dependents, even if they are not covered under your plan.

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**In Network Provider:** This health care provider is in the selected health plan's approved list of health care providers. The health plan will cover approved services provided by this health care provider.

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## M

**Monthly Premium:** This is the amount of money that you will pay monthly for your health insurance coverage. This does not include any out-of-pocket health care expenses.

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## N

**Navigator:** A Navigator is a certified person or organization that can help you find health insurance through Washington Healthplanfinder.

**Non-Formulary Prescription Drugs:** A formulary is a list of preferred medications that a committee of pharmacists and doctors deems to be the safest, most effective and most economical. Drugs that are non-formulary are not on the health plan's list.

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## O

**Out of Country Coverage:** This refers to health care coverage outside of the United States.

**Out of Network Provider:** This health care provider is not in the selected health plan's approved list of health care providers. The health plan may not cover services provided by this health care provider and you may be required to pay for services out of pocket at a higher charge than in network services.

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**Plan Metal Level:** Washington Healthplanfinder's health plans are categorized into four metal levels - bronze, silver, gold, platinum, and catastrophic. The metal levels indicate the level of cost sharing between you and your health plan. For example, platinum plans with an actuarial value of 90 percent have the highest monthly premium, but the lowest out-of-pocket expenses while a bronze plan has lower premiums but much higher cost-sharing with an actuarial value of 60 percent. That means that your health plan will pay approximately 60 percent for covered services and you will be responsible for the remaining 40 percent if you choose a bronze plan.

**Plan Network Types:** Types of health plans offered on Washington Healthplanfinder include Preferred Provider Organizations (PPOs) and Health Maintenance Organizations (HMOs). A PPO is a plan that contracts with a network of selected health care providers (such as hospitals and physicians) from which you can choose. You may go outside the network, but might have higher deductibles, higher coinsurance rates, or non-discounted charges from the providers. You do not need to select a primary care provider and you do not need referrals to see other providers in the network. An HMO is a health care organization and plan that provides medical services and also contracts with a network of selected health care providers (such as hospitals and additional physicians). You will need to select a primary care provider who will help you manage and coordinate your health care. Similar to a PPO, if you go outside the contracted network you might have higher deductibles, higher coinsurance rates, non-discounted charges from the providers, or that care may not be covered at all.

**Platinum Plans:** Covers 90 percent of the cost of essential benefits, while the patient pays 10 percent.

**Pre-Existing Health Condition:** A medical condition that existed prior to securing health coverage. Starting January 1, 2014, you can no longer be denied health coverage because of a pre-existing condition.

**Prescription:** A drug that can only be obtained with an order from certain health care professionals.

**Prescription Drug Deductible:** The amount you pay each calendar year for prescription drugs before your health plan starts to pay for part of covered services with coinsurance. The prescription drug deductible does not apply towards the annual out-of-pocket maximum.

**Primary Co-Pay:** A set dollar amount you pay if you go to your primary care doctor. Co-pays do not apply to your deductible, coinsurance, or out-of-pocket maximum.

Example of how a co-pay may work:

Sally goes to her doctor for a bad cough. Sally's health plan has a set primary care co-pay. Sally pays the doctor's office a set dollar amount for the primary care visit.

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## Q

**Qualified Health Plan:** A health insurance plan that has been certified by Washington Healthplanfinder to offer quality coverage. All qualified health plans provide essential health benefits and follow cost-sharing limits.

**Quality Rating System:** Washington Healthplanfinder's quality rating is based on a health plan's quality improvement strategy to improve health outcomes; prevent hospital readmissions; improve patient safety and reduce medical errors.

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## R

**Resident of Washington State:** Washington Healthplanfinder is only available to residents of the state of Washington. A Washington resident is someone who currently lives in Washington, intends to live in Washington including someone without a fixed address, or entered the state looking for a job, or entered the state with a job commitment.

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**Silver Plan:** Covers 70 percent of the cost of essential benefits, while the patient pays 30 percent.

**Specialist Referrals Required:** Some health plans ask you to get a referral from your primary care doctor before receiving certain specialist services in order for the plan to consider them qualified medical expenses. If you do not get a referral for these services, the plan will not cover them under the deductible, co-pay and/or coinsurance.

**Summary of Benefits and Coverage:** A document developed by the health plan listing details about the services and coverage the plan provides.

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**Vision Care:** Vision care includes eye exams, prescription lenses, eyeglass frames, contact lenses, and other treatments related to vision.

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**Washington Apple Health:** Washington State health care programs such as Medicaid and the Children's Health Insurance Program (CHIP).

**Washington Connection:** Washington Connection is a website you can use to apply for other social services. Your information will be shared electronically in a safe and secure manner.

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