Glossary:

Helpful Terms You Should Know

VAULT ADMIN SERVICES

You'll probably encounter some terms as you enroll in and use your benefits, and we want you to be prepared.

Allowed Amount

The maximum payment an insurance plan will cover for a covered service.

Balance Bill

When a provider bills you for the difference between their charge and the allowed amount your plan covers. Some plans include protection against this.

Benefits

A service, treatment, or item covered under your health insurance plan.

Claim

A request for payment that your healthcare provider or you submit to your insurance plan for services received.

Coinsurance

The percentage of costs you pay after meeting your deductible. Example: If coinsurance is 20%, you pay 20% and your plan pays 80%.

Copay

A fixed amount you pay for a covered service, like $20 for a doctor's visit.

Deductible

The amount you pay for covered health care services before your insurance plan starts to pay.

Dependent

A spouse, partner, or child who is covered under your health insurance plan.

Explanation of Benefits

A statement from your health plan showing what was billed, what the plan paid, and what you may owe.

Formulary

A list of prescription drugs covered by your health insurance plan.

In-Network

In-network doctors, labs, clinics and facilities work with your health plan and maintain a contract for their services to provide you care at a negotiated rate.

Out-of-Network

A provider not contracted with your plan. Costs are usually higher, and some services may not be covered.

Out-of-Pocket Maximum

An out-of-pocket maximum is a cap, or limit, on the amount of money you must pay for covered health care services in a plan year.

Preauthorization

Approval from your insurance company before you receive certain services or prescriptions.

Premiums

The amount you pay (often monthly) to maintain health insurance coverage. Your employer may take care of this for you, or up to a certain percentage.

Preventative Care

Preventive care includes routine wellness exams, screenings, and immunizations to prevent or avoid illness and other health problems.

Primary Care Provider (PCP)

A doctor who provides general care, preventive services, and referrals to some specialists.

Qualifying Life Event

A change in your situation (getting married, having a baby, losing health coverage, etc.) that can make you eligible for a Special Enrollment Period.

Reference Based Pricing

A reimbursement method where the plan pays providers based on a "fair and reasonable" reference price, rather than billed charges.

Specialist

A doctor who focuses on a specific area of medicine, such as cardiology or orthopedics.

Third-Party Administrator

A company that processes claims and manages benefits for a self-funded plan.