

# Key Terms

MEDICAL/GENERAL TERMS	
<b>Allowable Charge</b>	The negotiated amount that in-network providers have agreed to accept as full payment.
<b>Balance Billing</b>	A practice where out-of-network providers bill a member for charges that exceed the plan's allowable charge.
<b>Coinsurance</b>	The percentage cost share between the insurance carrier and a member.
<b>Copay</b>	The dollar amount a member must pay directly to a provider at the time of service.
<b>Explanation of Benefits (EOB)</b>	The statement you receive from the insurance carrier that details how much the provider billed, how much the plan paid (if any) and how much you owe (if any). In general, you should not pay your provider until you have received this except for copays. Applies to PPO only.
<b>Family Deductible</b>	The maximum dollar amount any one family will pay out in individual deductibles in a year.
<b>Individual Deductible</b>	The dollar amount a member must pay each year before the plan will pay benefits for certain services.
<b>In-Network</b>	Services received from providers (doctors, hospitals, etc.) who have agreed to limit their fees for health plan members to a negotiated allowable charge.
<b>Out-of-Network</b>	Services received from providers (doctors, hospitals, etc.) who have not agreed to limit their fees to a negotiated allowable charge. Out-of-network benefits are usually lower and additional balance billing charges will apply whenever the provider charges more than the plan's allowable charge.
<b>Out-of-Pocket Maximum</b>	That maximum amount that you will pay each year for covered services.
<b>Preventive Care</b>	A routine exam - usually yearly that may include a physical exam, immunizations and tests for cancer.

PRESCRIPTION DRUG TERMS	
<b>Brand Prescription Drug</b>	A drug which is produced and distributed under patent protection with a trademarked name from a single drug manufacturer. A generic drug may be available if the patent has expired.
<b>Dispense as Written (DAW)</b>	A prescription that does not allow for substitution of an equivalent generic or similar brand drug.
<b>Maintenance Medications</b>	Medications taken on a regular basis for an ongoing condition. Examples of maintenance medications include oral contraceptives, blood pressure medication and asthma medications.
<b>Non-Preferred Brand Drug</b>	A brand drug for which alternatives are available from either the insurance carrier's preferred brand drug or generic drug list. There is generally a higher copayment for a non-preferred brand drug.