

Glossary of Insurance Terms

- **Coinsurance:** The percentage of costs of a covered healthcare service you pay after you've paid your deductible.¹
- **Copayment:** A fixed amount you pay for a covered healthcare service after you've paid your deductible.¹
- **Coverage Gap:** Most Medicare drug plans have a coverage gap (also called the "donut hole"). This means there's a temporary limit on what the drug plan will cover for drugs. The coverage gap begins after you and your drug plan have spent a certain amount for covered drugs.²
- **Deductible:** The amount you pay for covered healthcare services before your insurance plan starts to pay. After you pay your deductible, you usually pay only a copayment or coinsurance for covered services. Your insurance company pays the rest.¹
- **In-Network Coinsurance:** The percent you pay of the allowed amount for covered healthcare services to providers who contract with your health insurance or plan. In-network coinsurance usually costs you less than out-of-network coinsurance.¹
- **In-Network Copayment:** A fixed amount you pay for covered healthcare services to providers who contract with your health insurance or plan. In-network copayments usually are less than out-of-network copayments.¹
- **Medicare:** A federal health insurance program for people 65 and older and certain younger people with disabilities.¹
- **Medicare Part B:** A program that helps pay for covered medical services, like doctors' services and outpatient care, when they are medically necessary.³
- **Medicare Part D:** A program that helps pay for prescription drugs for people with Medicare who join a plan that includes Medicare prescription drug coverage.¹
- **Network:** The facilities, providers, and suppliers your health insurer or plan has contracted with to provide healthcare services.¹
- **Out-of-Network Coinsurance:** The percentage you pay of the allowed amount for covered healthcare services to providers who don't contract with your health insurance or plan. Out-of-network coinsurance usually costs you more than in-network coinsurance.¹
- **Out-of-Network Copayment:** A fixed amount you pay for covered healthcare services from providers who don't contract with your health insurance or plan. Out-of-network copayments usually are more than in-network copayments.¹
- **Out-of-Pocket Costs:** Your expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, and copayments for covered services plus all costs for services that aren't covered.¹
- **Out-of-Pocket Estimate:** An estimate of the amount that you may have to pay on your own for healthcare or prescription drug costs. The estimate is made before your health plan has processed a claim for that service.¹
- **Out-of-Pocket Maximum/Limit:** The most you have to pay for covered services in a plan year. After you spend this amount on deductibles, copayments, and coinsurance, your health plan pays 100% of the costs of covered benefits. The out-of-pocket limit doesn't include your monthly premiums. It also doesn't include anything you spend for services your plan doesn't cover.¹
- **Prior Authorization:** Approval from a health plan that may be required before you get a service or fill a prescription in order for the service or prescription to be covered by your plan.¹
- **Secondary Payer:** The insurance policy, plan, or program that pays second on a claim for medical care. This could be Medicare, Medicaid, or other insurance depending on the situation.⁴

If you have questions about your insurance benefits, please contact your insurance provider or INSUPPORT® at 844-INSPPRT (844-467-7778), Monday – Friday 8:00 AM - 8:00 PM ET.

References:

1. Healthcare.gov. Glossary of insurance terms. Accessed October 10, 2023. <https://www.healthcare.gov/glossary/>
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3. HHS.gov. What is Medicare Part B? Accessed December 8, 2023. <https://www.hhs.gov/answers/medicare-and-medicaid/what-is-medicare-part-b/index.html>
4. Medicare.gov. How Medicare works with other insurance. Accessed October 10, 2023. <https://www.medicare.gov/supplements-other-insurance/how-medicare-works-with-other-insurance>