

Insurance Vocabulary

All insurance plans:

Policy - the insurance contract

Premiums - monthly payments for coverage (gym membership)

Deductible - what you pay before coverage kicks in

Stop Loss/Co-insurance Max. - max. annual total you pay

Lifetime Max. - the total \$ insurance will pay per individual

In-Network vs. Out-of-Network - full vs. partial coverage

Rx - prescriptions

Exclusions - services that are not covered

Indemnity Plans:

Co-insurance - the portion you pay after meeting the deductible; usually 20%

Managed Care Plans:

Co-pay - the portion you pay after meeting the deductible; usually a set amount (\$25 per office visit, etc.)

Medical Home/Preferred provider - a clinic or primary physician to coordinate your care; you can't just see any dermatologist

Gov't Insurance Plans:

Medicare - health insurance for the elderly (65 yrs. +)

Medicaid - health insurance for the poor, regardless of age

Worker's Compensation - replaces a portion of your salary if injured at work and temporarily unable to work

Disability - replaces a portion of your salary if an injury or condition causes you to be permanently unable to work