

DEFINITIONS OF HEALTH INSURANCE TERMS

COINSURANCE – A form of medical cost sharing in a health insurance plan that requires an insured person to pay a stated percentage of medical expenses after the deductible amount was paid. **(Plans 1, 2, and 3 have a coinsurance. Plan 4 does not, you are covered 100% on this plan once the deductible is met other than copays.)**

COINSURANCE MAXIMUM – This is the maximum dollar amount you will pay at the percentage stated on the plan once the deductible has been met. Once this maximum is met the insured is covered at 100% other than copays.

COPAYMENT – A form of medical cost sharing in a health insurance plan that requires an insured person to pay a fixed dollar amount when a medical service is received. The health carrier is responsible for the remainder of the cost for the service. Copayments are found for office visits, urgent care visits, chiropractic visits, emergency room visits, prescriptions, etc.

DEDUCTIBLE – A fixed dollar amount during the calendar year that an insured person pays before the health insurance starts to make payments for covered medical services.

DEDUCTIBLE YEAR – January thru December.

PLAN YEAR – September thru August (this is for the cost of the coverage only).

OUT OF POCKET MAXIMUM – This is the maximum an insured will pay out of pocket for the calendar year. This maximum consists of all copayments, deductible payments and coinsurance payments.