**Claim**: A request by the policyholder for the insurance company to cover a loss or provide benefits under the terms of the policy.

**COBRA (Consolidated Omnibus Budget Reconciliation Act)**: continuation of health insurance coverage for a limited period after a qualifying event (e.g., job loss).

**Coinsurance**: Your share of the costs of a covered healthcare service, calculated as a percentage (e.g., 20% of the total cost) that you must pay after meeting the deductible.

**Co-payment (Co-pay)**: A fixed amount you pay for a covered health care service after you've paid your deductible.

**Coverage**: The scope and extent of protection provided by an insurance policy.

**Deductible**: A fixed dollar amount you pay out of pocket for covered health care services before insurance plan starts to pay.

**Dental Insurance**: A form of health insurance that pays a portion of the costs associated with dental care.

**Dependent Coverage**: Insurance coverage extended to family members or dependents of the primary policyholder.

**Disability Insurance**: Coverage that provides income replacement in the event the insured becomes unable to work due to a disability.

- **Short-Term Disability (STD)**: Provides partial income replacement for a short period due to a non-work-related illness or injury.
- **Long-Term Disability (LTD)**: Provides income replacement for an extended period due to a non-work-related illness or injury.

**Employee Assistance Program (EAP)**: Confidential counseling services provided to employees for personal and work-related issues.

**Exclusion**: Specific conditions or circumstances listed in the insurance policy that are not covered.

**Flexible Spending Account (FSA)**: A type of tax-favored spending account that is used to pay for out of pocket qualified health care expenses.

- **FSA Contribution**: The amount set aside from your salary before taxes for qualified medical expenses.
- **FSA Eligible Expenses**: Medical expenses that can be reimbursed with FSA funds.
- **Dependent Care Flexible Spending Account (DCFSA)**: incurred for the care of a dependent child or adult.
Health & Welfare Benefits: Glossary of Terms

Formulary: A list of prescription drugs covered by a specific health insurance plan.

Health Insurance: Coverage that pays for medical expenses incurred by the insured, either in part or in full.

Health Savings Account (HSA): HSAs may be opened by employees who enroll in a qualified High-Deductible Health Plan (HDHP). Employees can put money in an HSA up to an annual limit set by the government using pre-tax dollars. Employers may also contribute funds to these accounts within the prescribed limit. HSA funds may be used to pay for medical expenses whether or not the deductible has been met, and no tax is owed on funds withdrawn from an HSA to pay for medical expenses. HSAs are individually owned and the account remains with an employee after employment ends.

- **HSA Contribution**: The money you, and sometimes your employer, contribute to your HSA.
- **HSA Withdrawal**: Taking money out of your HSA for qualified medical expenses.

High Deductible Health Plan (HDHP): HDHP features higher annual deductibles than traditional health plans, such as a preferred provider organization (PPO) or health maintenance organization (HMO) plan. With the exception of preventive care, covered employees must meet the annual deductible before the plan pays benefits. HDHPs, however, may have significantly lower premiums than a PPO or other traditional plan.

HIPAA (Health Insurance Portability and Accountability Act): Protects individuals’ medical records and other personal health information.

In-network: Doctors, clinics, hospitals and other providers with whom the health plan has an agreement to care for its members. Health plans cover a greater share of the cost for in-network health providers than for providers who are out-of-network.

Life Insurance: A financial protection plan that provides a cash benefit to a beneficiary upon the death of the insured.

- **Accidental Death and Dismemberment (AD&D)**: Provides financial protection in case you are involved in an accident that causes death or dismemberment. AD&D insurance is offered as a supplement to life insurance.
- **Evidence of Insurability (EOI)**: A health questionnaire that helps the insurance carrier determine whether you qualify for coverage.
- **Beneficiary**: Beneficiary: A person or entity designated to receive the benefits of an insurance policy in the event of a claim.
- **Guaranteed Issue Amount (GIA)**: Life insurance that is offered to any eligible applicant, regardless of their health status or age. Applicants may elect the guaranteed amount “pre-approved” without having to satisfy any insurability requirements.
- **Term Life Insurance**: Life insurance that provides coverage for a specified term or period.
• **Voluntary Life Insurance**: A financial protection plan that provides a cash benefit to a beneficiary upon the death of the insured. This policy is paid by the employee and is in addition to the basic life policy.

• **Whole Life Insurance**: Life insurance that provides coverage for the entire lifetime of the insured and includes a savings component.

**Open Enrollment**: The time when employees can sign up for or make changes to their benefit plans.

**Orthodontics**: Dental treatment that deals with the correction of teeth and jaws.

**Out-of-network**: A health plan will cover treatment for doctors, clinics, hospitals and other providers who are out-of-network, but covered employees will pay more out-of-pocket to use out-of-network providers than for in network providers.

**Out-of-pocket maximum/limit**: The maximum amount an employee could pay during a coverage period (usually one year) for his or her share of the costs of covered services, including co-payments and co-insurance.

**Policy**: The written contract between the insured and the insurance company outlining the terms, conditions, and coverage of the insurance.

**PPO Health Plan**: A preferred provider organization (PPO) is a health insurance plan with networks that are made up of contracted medical professionals and health insurance companies. Healthcare facilities and practitioners, known as preferred providers, offer services to the insurer's plan policyholders at reduced rates. Plan participants receive the maximum PPO benefit when they visit in-network healthcare professionals and are also offered coverage when they see out-of-network providers.

**Pre-existing Condition**: A health condition that existed before the insurance coverage began, which may affect the coverage or premium.

**Premium**: The amount that must be paid for a health insurance plan by covered employees, by their employer, or shared by both. A covered employee's share of the annual premium is paid bi-weekly and deducted from their paycheck.

**Prescription Drug Coverage**: A part of health insurance that helps pay for prescription drugs and medications.

**Preventive Care**: helps detect or prevent serious diseases and medical problems before they can become major. Annual check-ups, immunizations, and flu shots, as well as certain tests and screenings

**Qualified Dependent**: A family member who is eligible for health insurance coverage under a policyholder’s plan.
Qualifying Life Event: A change in your situation — like getting married, having a baby, or losing health coverage — that can make you eligible for a Special Enrollment Period, allowing you a 31-day period to enroll in health insurance outside the yearly Open Enrollment Period.

Screenings and Immunizations: Routine health services to prevent or detect potential health issues.

Telemedicine: Remote consultations with healthcare providers via video or phone.

Underwriting: The process by which an insurance company evaluates the risk of insuring a person or entity and sets the premium accordingly.

Vision Insurance: A form of health insurance that pays portion of costs associated with vision care and provides coverage for eye exams, glasses, and contact lenses.

Waiting Period: The time between the start of an insurance policy and when coverage for specific conditions or benefits begins.

Wellness Program: A comprehensive health initiative designed to maintain or improve well-being through proper diet, exercise, stress management, and illness prevention.

- Health Screenings: Tests to assess the risk of certain diseases or conditions.
- Fitness Programs: Initiatives to encourage physical activity and fitness.