# Glossary of Healthcare Terms

## BRAND-NAME DRUG:

Drugs developed and produced exclusively by a single pharmaceutical company. The formula for these drugs is protected by patent for a period of several years before a generic can be developed.

## COINSURANCE:

The percentage of the allowable amount or billed charges that the member must pay for covered services after meeting any applicable plan deductible.

## COPAYMENT:

The fixed dollar amount the member must pay covered services after meeting any applicable plan deductible.

## DEDUCTIBLE:

The amount you must pay out-of-pocket before benefits are paid. The amount is usually an annual amount.

## DEPENDENT:

A person who is depending on you for financial support and therefore eligible to enroll in a group sponsored benefit plan that you are eligible for. Dependents are usually: spouse, domestic partners, and children.

## EXPLANATION OF BENEFITS (EOB):

The statement sent to you by your health plan explaining the benefit calculation and payment of medical services that details the services rendered and the benefits paid or denied for each service. An EOB lists the charges submitted, the amount allowed, the amount paid and any balance owed as the patient's responsibility.

## FORMULARY DRUG:

List of prescription drugs approved for a health plan's prescription drug benefit. Formulary lists are available at Anthem's website or you can call Anthem's Customer Service number and request a copy.

## GENERIC DRUG:

A prescription drug that is chemically equivalent to a brand name drug dispensed under its generic chemical name. Generic drugs are cheaper versions of expensive brand name drugs with the same active ingredients, strength and dosage form.

## IN-NETWORK PROVIDER:

A doctor, dentist, hospital or other practitioner who has a contract with a health plan to provide services.

## NON-FORMULARY DRUG:

Any brand-name prescription drug that is not included in a particular health plan's list of approved formulary drugs.

## OUT-OF-NETWORK PROVIDER:

A doctor, dentist, hospital or other practitioner who does not have a contract with a health plan.

## OUT-OF-POCKET MAXIMUM:

A dollar limit on the total amount that a member has to pay for many covered services in a calendar year, including the copayments, co-insurance and deductible.

## PATIENT PROTECTION AND AFFORDABLE CARE ACT (ACA):

ACA was signed into law on March 23, 2010. The ACA impacts only U.S. Citizens and Resident Aliens (“Green Card Holders”). This new law requires that all U.S. Citizens and Resident Aliens obtain health insurance coverage. In addition, the new law required changes to the level of coverage offered by each insurance carrier. Some of the changes include: coverage for pre-existing conditions and free preventive care.

## PHYSICIAN:

Generally, a doctor that is categorized as a general practitioner, family practitioner, pediatrician, internist or OB/GYN.

## PREFERRED PROVIDER ORGANIZATION (PPO):

A PPO is a network of doctors and hospitals that contracted with a health plan and have agreed to provide their medical services at rates lower than their standard fees. A PPO offers both in-network and out-of-network benefits.

## SPECIALIST:

Generally, a doctor that is NOT categorized as a general practitioner, family practitioner, pediatrician, internist or OB/GYN. Examples of a specialist would include a dermatologist or cardiologist.