Understanding Health Insurance Terms

Exclusive Provider Organization (EPO)

A type of health plan where you receive healthcare services only from doctors, hospitals and specialists in your plan's network. There is no out-of-network coverage except for emergency services. Non-emergency services received out-of-network are not covered.

High Deductible Health Plan (HDHP)

A plan with a higher deductible than a traditional insurance plan. The monthly premium is usually lower, but you pay more healthcare costs yourself (your deductible) before the insurance company starts to pay its share. Certain plans that meet IRS guidelines are called Qualified High Deductible Health Plans (QHDHP). QHDHPs can be combined with a Health Savings Account (HSA), allowing you to pay for certain medical expenses with money free from federal taxes.

Health Savings Account (HSA)

An HSA allows you to pay for qualified medical expenses with tax-free money. To qualify for an HSA, you must have a qualified high deductible health plan (QHDHP). In general, you can use the money in your HSA to pay for deductibles, copayments and other expenses not covered by your health plan, like dental or vision expenses. If you don't use all the money in your account by the end of the year, don't worry. The money rolls over from year to year.

Open Enrollment

Open Enrollment, also known as Annual Enrollment, is when you can make additions, changes or deletions to your elected benefit options. In most cases, changes in benefits elections can only be made during Open Enrollment or when you experience a specific qualifying event like the birth of a child or marriage. Open Enrollment is your opportunity to review your health insurance and spending accounts benefits coverage and make choices for the upcoming calendar year. You should actively enroll during Open Enrollment to ensure your benefits meet your needs.

Coinsurance

The percentage of costs of a covered healthcare service you pay (for example, 25%) after you've paid your deductible.

Copayment

The fixed amount (for example, $25) you pay for a covered healthcare service, usually when you receive the service. The amount can vary, depending on the provider and the type of healthcare service.

Deductible

The amount you pay for services received before your health plan begins to pay. For example, if your deductible is $1,500, your health plan will not pay for covered services until you've paid $1,500 toward your covered healthcare expenses. Once your deductible is met, your health plan will begin to pay a portion of your covered healthcare.

Premium

The amount you pay for your health plan, typically on a monthly basis.

Explanation of Benefits (EOB)

It looks like a bill, feels like a bill, but an EOB is not a bill. If you have a health plan, it's the statement you get from your insurance company after you receive services from a healthcare provider. The EOB lists several things including the services you received, the cost your plan covers and the total amount billed to you.

In/Out-of-network

An out-of-network provider is any provider that does not have a contract with your healthcare plan. Generally, your insurance company will pay less money or not pay anything at all for services you receive from out-of-network providers.

To save money, it's important to understand who is an in-network provider in your healthcare plan. To learn more, access the Find Care tool on **BlueKC.com** to help you find the most up-to-date and accurate information when you're looking to find or get basic information about an in-network doctor, hospital or other healthcare provider.

Want to learn more?

Review the Blue KC glossary online at **BlueKC.com/Consumer/Glossary** to find general definitions and examples of health insurance terms.

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