Health Insurance Terms & Definitions

Your Costs for Health Care

Deductible
How much you'll spend for certain covered health services and prescription drugs before your plan pays anything, except free preventive services.

For example, your plan may charge for an office visit, but you won't pay extra for the preventive service that's part of that visit.

Copayment (Copay)
A fixed amount you pay for a specific healthcare service or prescription, usually at the time of service.

For example: You pay $25 every doctors visit or $15 every prescription you fill. The copayment amount is paid regardless of whether your deductible has been fully paid.

Coinsurance
The percentage of costs you share with your insurance after you've met your deductible.

For example, if you have 20% coinsurance, you pay 20% of the cost of covered services while your insurance provider pays 80%. So if you've met your deductible and you receive a $2500 hospital bill, you would pay $500.

Out-of-Pocket Maximum
The most you will pay for covered healthcare services in a plan year. After reaching this limit, your insurance will cover 100% of the costs for covered services.

Types of Health Plans

Depending on how many plans are offered in your area, you may find plans of all or any of these types at each metal level (Bronze, Silver, Gold, and Platinum).

Some examples of plan types you'll find in the Marketplace:

Exclusive Provider Organization (EPO)
A managed care plan where services are covered only if you use doctors, specialists, or hospitals in the plan's network (except in an emergency).

Health Maintenance Organization (HMO)
A type of health insurance plan that usually limits coverage to care from doctors who work for or contract with the HMO. It generally won't cover out-of-network care except in an emergency. An HMO may require you to live or work in its service area to be eligible for coverage. HMOs often provide integrated care and focus on prevention and wellness.

Point of Service (POS)
A type of plan where you pay less if you use doctors, hospitals, and other health care providers that belong to the plan's network. POS plans require you to get a referral from your primary care doctor in order to see a specialist.

Preferred Provider Organization (PPO)
A type of health plan where you pay less if you use providers in the plan's network. You can use doctors, hospitals, and providers outside of the network without a referral for an additional cost.

Plan Tiers

ICHRA medical plans are identified as Bronze, Silver, Gold, and Platinum Metal Tiers. These tiers differentiate each plan and determine how you and your insurance carrier will share the medical costs for your health care. Metal Tiers have nothing to do with the quality of care or services provided.

Plan Category	Plan pays	You pay	Deductible is generally
Bronze	60%	40%	High
Silver	70%	30%	Moderate
Silver with extra savings	73–96%	6–27%	Low
Gold	80%	20%	Low
Platinum	90%	10%	Low

The percentages listed are estimates of the plan's share and your share of costs when you get covered services. The actual costs you pay vary by plan.

We're here to help, so don't hesitate to reach out to us at support@benefitbay.com

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