KNOW YOUR BENEFITS.

From Edina School District ISD 273

Answers to the Most Frequently Asked Benefit Questions

What is a Deductible?
A deductible is the amount of money you or your dependents must pay toward a health claim before your organization's health plan makes any payments for health care services rendered. For example, a plan participant with a $100 deductible would be required to pay the first $100, in total, of any claims during a plan year.

What is Coinsurance?
Coinsurance is a provision in your health plan that describes the percentage of a medical bill that you must pay and that which the health plan must pay.

What is Out-Of-Pocket Maximum?
The maximum amount (deductible and coinsurance) that you will have to pay for covered expenses under a plan. Once the out-of-pocket maximum is reached the plan will cover eligible expenses at 100 percent.

What is an Explanation of Benefits (EOB)?
An EOB is a description your insurance carrier sends to you explaining the health care benefits that you received and the services for which your health care provider has requested payment.

What is a Pre-Existing Condition?
A pre-existing condition is a physical or mental condition that existed prior to being covered on a health benefit plan. Some insurance policies and health plans exclude coverage for pre-existing conditions. For example, your health plan may not pay for treatment related to a pre-existing condition for one year. You should check with your insurance carrier to learn how your organization's health plan treats pre-existing conditions

What is a Preferred Provider Organization (PPO)?
A PPO is a group of hospitals and physicians that contract on a fee-for-service basis with insurance companies to provide comprehensive medical service. If you have a PPO, your out-of-pocket costs may be lower than in a non-PPO plan.

Confused about common health insurance benefits terms? These FAQs cover the basics to take the mystery out of coverage terms!

What is Utilization Management?
Utilization Management (UM) is the process of reviewing the appropriateness and the quality of care provided to patients. UM may occur before (pre-certification), during (concurrent) or after (retrospective) medical services are rendered.

For example, your health plan may require you to seek prior authorization from your utilization management company before admitting you to a hospital for non-emergency care. This would be an example of pre-certification. Your medical care provider and a medical professional at the UM company will discuss what is the best course of treatment for you before care is delivered. UM can reduce unnecessary hospitalizations, treatment and costs.

CHS
CORPORATE HEALTH SYSTEMS, INC.