

## Benefits Dictionary

Below are definitions of some of the terms that are used to describe our benefit plans.

**Co-insurance:** when you pay a percentage of medical charges instead of a fixed amount.

**Copay:** when you pay a fixed dollar amount for a medical service.

**Deductible:** the amount you pay each year toward certain covered expenses before your plan pays anything for your medical or dental care. Your plan will usually pay a percentage and you pay a percentage of any medical charges after you have paid enough to meet the deductible.

**Formulary:** a preferred list of commonly prescribed medications that are selected based on their clinical effectiveness and opportunity to help contain costs within a prescription drug program. Non-formulary drugs are any drugs not found on this list.

**Maintenance Medications:** medications that a provider has prescribed for regular (e.g., daily) use. These include (but are not limited to) heart/ulcer/blood pressure medication, hormone therapy, and birth control pills.

**Network:** a group of doctors, hospitals, and other providers that have contracted with an HMO or PPO and have agreed to accept a lower percentage of usual, customary, and reasonable (UCR) rates.

**Out-of-Pocket Expense:** the amount you pay toward a medical, dental or vision services that aren't reimbursed by your insurance plan.

**Preferred Provider Organization (PPO):** a type of health plan that consists of a network of doctors, hospitals, and other health care providers. You may visit doctors outside of this network for most services. If you use an in-network provider, you will be responsible for a lower portion of the bill than you would if you used an out-of-network provider.

Our Carilion Clinic Medical Plan is a PPO plan.

**Primary Care Physician (PCP):** a health care provider who belongs to a network and who provides primary medical care in internal medicine, pediatrics, family practice, and/or general practice.

**Usual and Customary:** This refers to the standard or most common charge for a specific medical, dental or vision services when rendered in a particular geographic area.