

## Glossary of Terms

**Benefit period:**

This is the way Medicare measures your use of hospital and skilled nursing facility (SNF) services. A benefit period begins the day you're admitted as an inpatient in a hospital or SNF. It ends when you haven't received any inpatient hospital care or skilled care in a SNF for 60 days in a row. A new benefit period begins if a person goes into a hospital or SNF after one benefit period has ended. You must pay the inpatient hospital deductible for each benefit period. There's no limit to the number of benefit periods.

**Coinsurance:**

A kind of cost sharing where costs are split on a percentage basis. For example, Medicare Part B pays about 80% and you pick up the rest.

**Copayment:**

A kind of cost sharing where you pay a pre-set, fixed amount for each service. Sometimes called "copay."

**Cost sharing:**

Your share for a medical service or supply, including co-payments, co-insurance or deductibles.

**Deductible:**

A kind of cost sharing where you have to pay a pre-set, fixed amount before Medicare begins to pay for Medicare approved expenses.

**End-Stage Renal Disease (ESRD):**

Permanent kidney failure requiring dialysis or a kidney transplant.

**Guaranteed Issue:**

During your Initial Enrollment Period, you have the right to buy any Medicare supplement policy available in your state. An insurance company cannot deny you coverage or charge you more based on pre-existing conditions or because of a past or current health condition.

**Guaranteed Renewable:**

Medicare supplement plans cannot be terminated by the insurance company unless you make false statements (material misrepresentation) to the insurance company, or don't pay your premiums on time. Rates are subject to change. Any change will apply to all members of the same class insured under your plan who reside in your state.

**Medicaid:**

This is a joint Federal and state program that helps with medical costs for some people with limited income. Medicaid programs vary from state to state, but most health care costs are covered if you qualify for both Medicare and Medicaid.

**Medical Underwriting:**

The process that an insurance company uses to decide, based on your medical history: whether or not to accept your application for insurance; whether or not to add a waiting period for pre-existing conditions (if your state allows it); and how much to charge you for that insurance.

**Medicare:**

A health insurance program for people age 65 and over, people under 65 with certain disabilities, and people of any age with End-Stage Renal Disease (ESRD) or Lou Gehrig's disease.

**Medicare Advantage:**

See Part C.

**Medicare Advantage Disenrollment Period:**

This period allows you to leave a Medicare Advantage plan and return to Medicare Parts A and B. You may not join or switch Medicare Advantage plans at this time. The disenrollment period runs from January 1 – February 14 each year.

**Medicare Annual Enrollment Period (AEP):**

Each year between October 15th and December 7th there is an Open Enrollment Period, or OEP, during which you can add, drop, or change Medicare insurance plans, including Medicare Advantage and prescription drug plans. While there are some exceptions, this is generally the only time during the calendar year in which you may opt for different coverage.

**Medicare General Enrollment Period (GEP):**

If you didn't enroll in Medicare during an Initial or Special Enrollment Period, the General Enrollment period is another chance to enroll in Medicare Parts A and B. The GEP runs every year from January 1st through March 31st. When you enroll in coverage during this time, it takes effect on the following July 1st.

**Medicare Initial Enrollment Period:**

This is the seven-month period during which you become eligible for Medicare. It begins three months before the month of your 65th birthday and ends three months after that month.

**Medicare Special Enrollment Period:**

In certain situations, you will be eligible to enroll in Medicare, or make changes to your Medicare coverage, without penalty. One Special Enrollment Period applies if you did not enroll in Medicare during your Initial Enrollment Period because you (or your spouse) was still employed or covered under a group health insurance plan. In this instance, you will have eight months following the time you (or your employed spouse) stop working or your health coverage ends, whichever comes first. However, you may enroll in Medicare Part B sooner than this to avoid a break in coverage.

**Medicare supplement insurance plans:**

Insurance that you buy from a private insurance company that pays for some of the cost sharing in Medicare Parts A and B coverage. Medicare supplement insurance is available in up to 10 standardized insurance plans. Each plan is named with a letter of the alphabet. In Massachusetts, Minnesota and Wisconsin there are different standardized plan options available.

**Medicare Supplement Open Enrollment Period:**

This is the six-month period starting the first month that you're covered under Medicare Part B and you're 65 or older. During this time, you have the guaranteed right to buy any Medicare supplement plan that's sold in your state, despite any pre-existing health conditions. Some states may have additional open enrollment rights under state law.\*\*

**Modified adjusted gross income:**

This is your adjusted gross income plus any tax-exempt Social Security, interest, or foreign income you have.

**Part A:**

The part of Medicare that provides help with the cost of inpatient hospital stays, skilled nursing services following a hospital stay, hospice, respite care and some home health services.

**Part B:**

The part of Medicare that provides help with the cost of medically necessary services like doctor services, outpatient care and other medical services Part A doesn't cover.

**Part C:**

Medicare approved private insurance companies offer plans that provide Medicare Part A and Part B services. Part C plans are also called "Medicare Advantage" plans.

**Part D:**

Plans from Medicare approved private insurance companies that offer help with the cost of prescription drugs.

**Pre-existing Condition:**

A health problem you had before the date that a new insurance policy starts. No Medicare supplement insurance may exclude pre-existing condition coverage for more than six months.

**Premium:**

A fixed amount you have to pay for an insurance plan; usually as a monthly payment.

**Premium penalty:**

These may apply to Medicare Parts A and B if you don't enroll when you're first eligible, unless you qualify for a Special Enrollment Period.

**Provider:**

A person or organization that provides medical services and products, such as a doctor, hospital, pharmacy, laboratory or outpatient clinic.

**Standardized:**

The basic benefits provided under each Medicare supplement plan are the same from insurer to insurer. For instance, in terms of coverage, one company's Plan A is the same as another company's Plan A.