When planning for college few people plan to be sick. Unfortunately, injuries & illness do occur and although generally a healthy group, most college students at some point will need a strep or mono test, x-ray for a twisted ankle, etc. Planning ahead can make the process of getting the right care a little easier.

**INSURANCE GLOSSARY OF TERMS**

**HEALTH INSURANCE:**
a type of insurance coverage that pays for medical & surgical expenses incurred by the insured

**PREMIUM:**
the amount you pay to purchase your coverage, sometimes the cost is shared by the employer

**DEDUCTIBLE:**
the amount that you pay for health care services before insurance begins to pay (out-of-pocket expense)

**CO-PAY:**
a small fixed amount paid for services to providers by the insurance company

**CO-INSURANCE:**
a percentage of the fee that the policy holder must pay after the deductible has been met (example: 30% coinsurance = insurance company pays 70% of the bill & the policy holder is responsible for the other 30%)

**CLAIM:**
a bill for services from a hospital, doctor’s office, laboratory, etc. sent to the insurance company requesting payment to the provider

**EOB (Explanation of Benefits):**
this is not a bill the EOB explains the provider’s fee for a service, how much the insurance company will pay & the potential remainder the patient may be responsible for paying

**OUT-OF-POCKET MAXIMUM:**
the most the policy holder will have to pay each year for covered services before insurance pays 100% of covered benefits

**PRE-AUTHORIZATION:**
the insurance company must give permission for certain tests/procedures in order for it to be covered by the insurance company
Types of insurance plans:

- **HMO** - Health Maintenance Organization
  - Delivers services via a network of providers
  - less freedom to choose providers
  - usually more preventative care benefits
  - services obtained outside the network not covered
  - patients choose a primary care provider (PCP) to coordinate care
  - typically lower or no deductibles
  - pay a copay for services

- **PPO** - Preferred Provider Organization
  - Delivers services via a network but also allows patients to go out of the network at a higher cost
  - more freedom to choose providers
  - usually higher out of pocket expenses compared to HMO
  - use of in-network/out-of-network options

- **POS** - Point of Service
  - Blend of PPO/HMO
  - more freedom to choose provider
  - out of pocket expenses controlled by the patient
  - PCC coordinates in-network care

- **High Deductible Health Plan with Health Savings Account (HSA)**
  - higher out of pocket costs but when the max is reached the plan pays 100%
  - HSA - money put into a separate account before taxes that is used only for health care
  - preventative care is free even if the deductible hasn’t been met

- **Indemnity Plan/ Fee for services or reimbursement plan**
  - Patients may see any doctor at any time.
  - Patients pay the provider directly then submit a claim to the insurance company who will reimburse the patient part or all of the cost
  - usually does not cover preventative care
  - premiums are usually higher

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**Parent/Student Checklist:**

- Ensure your son/daughter has a current copy of his/her insurance card
- Ensure both you and your student know the type of insurance you have and how it works:
  - what kind of plan do you have? (HMO, PPO, POS)
  - do you have a deductible? how much?
  - do you have a copay? how much for DR/ER visit?
  - does your plan have a co-insurance? how much?
  - does your plan utilize networks?

Will your student be in-network or out-of-network while away at school? Some plans offer an out-of-network rider or exemption for students out-of-network while away at school but this must be arranged ahead of time with your insurance company, so call early!

- Establish how your son/daughter can find answers about his/her insurance such as networks and services covered (call home to parents, insurance company phone number, insurance company website)
- Create a budget - set aside funds your son/daughter know are available for health care needs such as copays and medications, as well as money needed toward any deductible you may have.
- Establish communication guidelines - do you want called before your son/daughter heads to the ER or has a strep test done to ensure it will be covered by your insurance or have you set aside sufficient funds if you are left with any outstanding bills?

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“The time to repair the roof is when the sun is shining.”

- John F. Kennedy