

ACCEPTING ASSIGNMENT

WHEN A PHYSICIAN AGREES TO
TREAT MEDICAID PATIENTS
ALSO AGREES TO ACCEPT THE
ESTABLISHED MEDICAID
PAYMENT FOR COVERED
SERVICES.

**ADVANCE BENEFICIARY
NOTICE - ABN**

**FORM GIVEN TO PATIENTS BY
PROVIDER WHEN A
PROCEDURE/FEE FOR SERVICE
WILL NOT BE COVERED BY
MEDICARE**

ALLOWED CHARGE

THE AMOUNT THAT IS THE MOST THE PAYER WILL PAY ANY PROVIDER FOR EACH PROCEDURE OR SERVICE. THE PAYER'S PAYMENT IS BASED ON THIS ALLOWED CHARGE

ASSIGNMENT OF BENEFITS

**A FORM THE PATIENT SIGNS
"ASSIGNING" OR ALLOWING
THEIR HEALTH INSURANCE
BENEFITS TO BE PAID
DIRECTLY TO THE PROVIDER**

BENEFITS

HEALTH CARE SERVICES YOU ARE ENTITLED TO

BIRTHDAY RULE

**A RULE THAT STATES THE
INSURANCE POLICY OF A POLICY
HOLDER WHOSE BIRTHDAY
COMES FIRST IN THE YEAR IS TO
BE THE PRIMARY PAYER FOR
ALL DEPENDENTS**

BLUE CROSS/BLUE SHIELD - BCBS

BLUE CROSS BLUE SHIELD IS A NATION WIDE FERERATION OF NONPROFIT AND FOR PROFIT SERVICE ORGANIZATIONS THAT PROVIDE PREPAID HEALTH CARE SERVICES TO SUBSCRIBERS; BLUE CROSS COVERS MEDICAL BILLS (DOCTOR;S VISITS) AND BLUE SHIELD COVERS HOSPITALIZATION

CAPITATION

A PAYMENT STRUCTURE IN
WHICH A HEALTH
MAINTENENCE ORGANIZATION
PREPAYS AN ANNUAL SET FEE
PER PATIENT TO A PHYSICIAN

CAPITATION (REIMBURSEMENT)

THIS IS FIXED PREPAYMENT FOR EACH PLAN MEMBER IN CAPITATION CONTRACTS THAT IS DETERMINED BY THE MANAGED CARE PLAN THAT INITIATES CONTRACTS WITH PROVIDERS. THE PROVIDER LISTS THE SERVICES AND PROCEDURES THAT ARE COVERED BY THE CAP RATE.

CHAMPUS

**CIVILIAN HEALTH AND
MEDICAL PROGRAM FOR
UNIFORMED SERVICES.**

CHAMPVA

WHAT IS THE CIVILIAN HEALTH AND MEDICAL PROGRAM OF THE VETERANS ADMINISTRATION. A TYPE OF INSURANCE THAT COVERS THE HEALTH CARE EXPENSES OF DEPENDENTS OF VETERANS WITH SERVICE CONNECTED PERMANENT DISABILITIES. ALSO COVERS THE SURVIVING DEPENDENTS OF VETERANS WHO DIE IN THE LINE OF DUTY OR AS A RESULT OF A SERVICE CONNECTED DISABILITY

CHARGE SLIP

**ORIGINAL RECORD OF
SERVICES PERFORMED FOR A
PATIENT AND THE CHARGES
FOR THOSE SERVICES**

CLEARINGHOUSE

A GROUP THAT TAKES
NONSTANDARD MEDICAL
BILLING SOFTWARE FORMATS
AND TRANSLATES THEM INTO
THE STANDARD EDI
(ELECTRONIC DATA
INTERCHANGE) FORMAT

CMMS

CENTERS FOR MEDICARE AND
MEDICAID SERVICES IS A
CONGRESSIONAL AGENCY DESIGNED
TO HANDLE MEDICARE AND
MEDICAID INSURANCE CLAIMS. IT
WAS FORMERLY KNOWN AS THE
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

CMS 1500

**UNIVERSAL CLAIM FORM THAT
IS SUBMITTED TO INSURANCE
CARRIERS FOR PAYMENT OF
THE INSURED'S MEDICAL FEES**

CO-PAYMENT

**AMOUNT A PATIENT HAS TO
PAY AT TIME OF SERVICE
DICTATED BY THE MANAGED
CARE CONTRACT (HMO, PPO,
OR POS)**

COINSURANCE

**A FIXED PERCENTAGE OF
COVERED CHARGES PAID BY
THE INSURED PERSON AFTER A
DEDUCTABLE HAS BEEN MET**

CONTRACTED FEE SCHEDULE

THIS IS WHEN PAYERS HAVE AN ESTABLISHED FIXED FEE SCHEDULE WITH PARTICIPATING PHYSICIANS THE TERMS FOR THE PLAN DETERMINE WHAT PERCENTAGE OF THE CHARGES IF ANY THE PATIENT OWES AND WHAT PERCENT THE PAYER COVERS.

CONVERSION FACTOR - CF

A NATIONALLY UNIFORM
CONVERSION FACTOR IS A DOLLAR
AMOUNT USED TO MULTIPLY THE
RELATIVE VALUES TO PRODUCE A
PAYMENT AMOUNT. IT IS USED BY
MEDICARE TO MAKE ADJUSTMENTS
ACCORDING TO CHANGES IN THE
COST OF LIVING.

CPT CODES

COMMON PROCEDURAL
TERMINOLOGY CODES - A SET OF
NUMBERS/LETTERS THAT
CORRESPOND TO COMMON
PROCEDURE - THIS CODE IS ON THE
ENCOUNTER FORM AND IS
TRANSPOSED TO THE INSURANCE
CLAIM FORM

DEDUCTABLE

**A FIXED DOLLAR AMOUNT
THAT MUST BE PAID (YEARLY)
BY THE INSURED BEFORE
EXPENSES ARE COVERED BY
THE INSURANCE**

DEFINE MEDI/MEDI

WHAT OLDER OR DISABLED PATIENTS WHO HAVE MEDICARE AND WHO CAN NOT PAY THE DIFFERENCE BETWEEN THE BILL AND WHAT MEDICARE PAYS MAY QUALIFY FOR MEDICARE MEDICAID. IN SUCH CASES MEDICARE IS THE PRIMARY PAYER.; MEDICAID PAYS THE REMAINDER OF THE BILL. THE PATIENT IS NEVER BILLED FOR A BALANCE UNLESS THE SERVICE IS A NON-COVERED SERVICE.

DISABILITY INSURANCE

THE INSURANCE THAT
PROVIDES A MONTHLY,
PREARRANGED PAYMENT TO
AN INDIVIDUAL WHO CAN NOT
WORK AS A RESULT OF AN
INJURY ILLNESS OR DISABILITY

ELECTIVE PROCEDURE

A MEDICAL PROCEDURE THAT IS NOT REQUIRED TO SUSTAIN LIFE, BUT IS REQUESTED FOR PAYMENT TO THE THIRD PARTY PAYER BY THE PATIENT OR PHYSICIAN. SOME PROCEDURES ARE PAID FOR BY THIRD PARTY PAYERS WHEREAS OTHERS ARE NOT - USUALLY NEED PREAUTHORIZATION

ELECTRONIC DATA INTERCHANGE - EDI

WHAT IS ELECTRONIC DATA
INTERCHANGE - THE
TRANSMITTING OF ELECTRONIC
MEDICAL INSURANCE CLAIMS
FROM PROVIDERS TO PAYERS
USING THE NECESSARY
INFORMATION

ENCOUNTER FORM OR SUPER- BILL

A FORM THAT CAN BE USED AS THE ORIGINAL MEDICAL RECORD OF SERVICES PERFORMED FOR A PATIENT DURING AN ENCOUNTER OR OFFICE VISIT, AND CHARGES FOR THOSE SERVICES. THE FORM CAN ALSO BE USED AS A CHARGE SLIP, AS WELL AS AN INVOICE. IT CAN ALSO BE SUBMITTED WITH INSURANCE CLAIMS.

EXCLUSION

**AN EXPENSE THAT IS NOT
COVERED BY A PARTICULAR
INSURANCE POLICY, SUCH AS
EYE EXAMS OR DENTAL CARE**

EXPLANATION OF BENEFITS - EOB

A FORM THAT EXPLAINS THE AMOUNT BILLED, AMOUNT ALLOWED BY INSURANCE CONTRACT, AMOUNT PAID BY INSURANCE CARRIER/COMPANY, AMOUNT OF SUSCRIBER'S/PATIENT'S LIABILITY, AND NOTATIONS OF ANY NON COVERED SERVICES WITH EXPLANATIONS.

FEE FOR SERVICE

FORMERLY INDEMNITY INSURANCE -
A MAJOR TYPE OF HEALTH
INSURANCE PLAN THAT REPAYS
POLICY HOLDERS FOR THE COSTS OR
A PERCENTAGE OF THE HEALTHCARE
COSTS RESULTING FROM AN ILLNESS
OR INJURY

FEE SCHEDULE

**A LIST OF COMMON SERVICES
AND PROCEDURES
PERFORMED BY A PHYSICIAN
AND THE CHARGES OF EACH**

FICA

**FEDERAL INSURANCE
CONTRIBUTIONS ACT -
MANAGED MEDICARE**

GEOGRAPHIC ADJUSTMENT FACTOR - GAF

A GEOGRAPHIC ADJUSTMENT FACTOR IS USED TO ADJUST EACH RELATIVE VALUE TO REFLECT A GEOGRAPHICAL AREA'S RELATIVE COSTS SUCH AS OFFICE RENTS.

HEALTH MAINTENANCE ORGANIZATION (HMO)

HEALTH CARE ORGANIZATION THAT ESTABLISHES A NETWORK OF PROVIDERS WHO PROVIDE SPECIFIC SERVICES TO INDIVIDUALS AND THEIR DEPENDENTS WHO ARE ENROLLED IN THE PLAN. PHYSICIANS WHO ENROLL WITH AN HMO AGREE TO PROVIDE CERTAIN SERVICES IN EXCHANGE FOR A PREPAID FEE OR CAPITATION PAYMENT. REFERRALS ARE NECESSARY TO SEE A SPECIALIST AND PREAUTHORIZATION IS REQUIRED FOR NON-EMERGENCY PROCEDURES

ICD-9 OR ICD-10 CODES

**INTERNATIONAL CLASSIFICATION OF
DISORDERS/DISEASES - A CODE OR
SET OF NUMBERS/LETTERS THAT
CORRESPOND TO PATIENT DIAGNOSIS
- THEY ARE ON THE ENCOUNTER
FORM AND USED FOR INSURANCE
CLAIMS**

LIABILITY INSURANCE

WHAT IS A TYPE OF INSURANCE
THAT COVERS INJURIES
CAUSED BY THE PROVIDER OR
INJURIES THAT OCCURED ON
THE PROVIDER'S PROPERTY

LIFETIME MAXIMUM BENEFIT

**THE TOTAL SUM THAT A
HEALTH PLAN WILL PAY OUT
OVER THE PATIENT'S LIFE TIME**

MEDICAID

WHAT IS A FEDERALLY FUNDED
HEALTH COST ASSISTANCE PROGRAM
FOR THE LOW INCOME, BLIND, AND
DISABLED PATIENTS, FAMILIES
RECEIVING AID TO DEPENDENT
CHILDREN, FOSTER CHILDREN, AND
CHILDREN WITH BIRTH DEFECTS.

MEDICARE

NATIONAL HEALTH INS
PROGRAM FOR AMERICANS
OVER AGE 65 OR WHO ARE
DISABLED OR CHRONIC
KIDNEY PATIENTS RECEIVING
DIALYSIS

MEDICARE ADVANTAGE PLANS

PPO'S, HMO'S, PRIVATE FEE FOR SERVICE PLANS, AND MEDICARE MEDICAL SAVINGS ACCOUNTS THAT PROVIDE MEDICARE BENEFICIARIES WITH PLAN COVERAGE CHOICES IN ADDITION TO THE TRADITIONAL MEDICARE PLAN FOR A FEE

MEDIGAP

PRIVATE INSURANCE THAT
MEDICARE BENEFICIARIES CAN
PURCHASE TO REDUCE THE GAPS IN
MEDICARE COVERAGE OR THE
AMOUNT THEY WOULD HAVE TO PAY
FROM THEIR OWN POCKETS AFTER
RECEIVING MEDICARE BENEFITS

PART A AND PART B MEDICARE

PART A = HOSPITAL BENEFIT FINANCED THROUGH FICA -PAYS FOR UP TO A 90 DAY HOSPITALIZATION OR UP TO 60 DAYS SKILLED NURSING FACILITY

PART B = COVERS A PORTION FOR OUTPATIENT PROCEDURES AND SUPPLIES. THIS PART IS VOLUNTARY. PREMIUM IS BASED ON INCOME AND INCREASES ANNUALLY.

PART D MEDICARE

**PART OF MEDICARE THAT
COVERS PRESCRIPTIONS
(OPTIONAL FOR A FEE)**

PARTICIPATING PROVIDERS

PROVIDERS (DOCTORS,
SURGEONS, ETC) WHO ENROLL IN
MANAGED CARE PLANS. THEY
HAVE CONTRACTS WITH
MANAGED CARE COMPANIES
THAT STIPULATE THEIR FEES

PCP

**PRIMARY CARE PROVIDER -
THE PATIENT'S MEDICAL
DOCTOR**

POINT OF SERVICE - POS PLANS

INSURANCE PLAN THAT
COMBINES FEATURES OF HMO
AND PPO - REFERRALS MAY BE
GIVEN IN AND OUT OF NETWORK
WHICH MAY REQUIRE A
GREATER COPAYMENT BY THE
PATIENT

PRECERTIFICATION / PREAUTHORIZATION

THE PROCESS OF THE
PROVIDER CONTACTING THE
INSURANCE PLAN TO SEE IF
THE PROPOSED PROCEDURE IS
COVERED UNDER THE
PATIENTS INSURANCE PLAN

PREFERRED PROVIDER ORGANIZATION (PPO)

A MANAGED CARE PLAN THAT
ESTABLISHES A NETWORK OF
PROVIDERS TO PERFORM
SERVICES FOR PLAN MEMBERS;
REFERRALS NOT NEEDED TO
SEE A SPECIALIST

PREMIUM

THE BASIC ANNUAL COST OF HEALTH CARE INSURANCE

RAC PROGRAM

**WHAT IS THE RECOVERY AUDIT
CONTRACTOR PROGRAM -
THEY FIND WASTE FRAUD AND
ABUSE IN MEDICARE.**

REFERRAL

AN AUTHORIZATION FROM A
MEDICAL PRACTICE FOR A
PATIENT TO HAVE SPECIALIZED
SERVICES PERFORMED BY
ANOTHER PRACTICE (APPROVAL
IS OFTEN REQUIRED FOR
INSURANCE PURPOSES)

REMITTANCE ADVICE - RA

**FORM USED BY MEDICARE
THAT EXPLAINS THE BENEFITS
(SIMILAR TO EOB FOR PRIVATE
INSURANCE)**

RESOURCE BASED RELATIVE VALUE SCALE - RBRVS

THE PAYMENT SYSTEM USED
BY MEDICARE. IT ESTABLISHES
THE RELATIVE VALUE UNITS
FOR SERVICES, REPLACING THE
PROVIDER CONSENSUS ON
USUAL FEES

RVU - RELATIVE VALUE UNIT

THE NATIONALLY UNIFORM
RELATIVE VALUE UNIT IS BASED
ON THREE COST ELEMENTS. THE
PHYSICIANS WORK, THE
PRACTICE COST (OVERHEAD) AND
THE COST OF MALPRACTICE
INSURANCE.

SCHIP

THE STATE CHILDREN'S HEALTH INSURANCE PLAN. THIS PLAN ALLOWS STATES TO PROVIDE HEALTH COVERAGE TO UNINSURED CHILDREN AND FAMILIES WHOSE INCOMES ARE TOO HIGH TO QUALIFY FOR MEDICAID BUT ARE ALSO TOO LOW TO AFFORD PRIVATE INSURANCE.

SNF

SKILLED NURSING FACILITY

TRICARE

A GOVERNMENT PROGRAM THAT PROVIDES HEALTH CARE BENEFITS FOR DEPENDENTS OF MILITARY PERSONNEL AND MILITARY RETIREES. THIS IS NOT AN INSURANCE PLAN BUT RATHER A HEALTH CARE BENEFIT FOR FAMILIES OF UNIFORMED PERSONNEL AND RETIREES FROM UNIFORMED SERVICES.

**UCR - USUAL, CUSTOMARY,
AND REASONABLE**

INSURANCE COMPANIES BASE THEIR PAYMENTS ON A USUAL, CUSTOMARY, AND REASONABLE FEE FOR A PARTICULAR SERVICE. USUAL - PHYSICIAN'S USUAL FEE FOR A GIVEN SERVICE; THE FEE MOST FREQUENTLY CHARGED FOR THE SERVICE. CUSTOMARY -RANGE OF USUAL FEES FOR A SERVICE CHARGED BY PHYSICIANS WITH SIMILAR TRAINING AND EXPERIENCE WHO PRACTICE IN THE SAME GEOGRAPHIC AREA. REASONABLE - FEE FOR EXCEPTIONALLY DIFFICULT OR COMPLICATED SERVICE OR A PROCEDURE THAT REQUIRES EXTRAORDINARY TIME OR EFFORT BY A PHYSICIAN

WHAT ARE THE TYPES OF
REIMBURSEMENT THIRD
PARTY PAYERS USE.

**ALLOWED CHARGES
CONTRACTED FEE SCHEDULE
CAPITATION**

WHAT IS TRICARE FORMERLY
KNOWN AS

CHAMPUS

WHO RUNS THE TRICARE

THE DEFENCE DEPARTMENT

WORKERS COMPENSATION INSURANCE

THIS INSURANCE COVERS
EMPLOYMENT RELATED
ACCIDENTS OR DISEASES.
FEDERAL LAW REQUIRES
EMPLOYERS TO PURCHASE AND
MAINTAIN A CERTAIN MINIMUM
AMOUNT OF WORKERS COMP INS.