

Open Enrollment Glossary

As open enrollment season quickly approaches, we want to help you brush up on essential terms so you enter your company's enrollment process confidently.



Benefit Provider

The company providing the insurance coverage.

COBRA

A law that requires continuation health coverage to be offered to workers and their families when it could otherwise be lost due to a change in employment status. COBRA generally applies to employers with at least 20 employees that offer group health coverage.

Copayment

A fixed amount that an individual pays on the spot each time you visit a doctor or fill a prescription. Your copayment amount is printed on your Health Insurance ID card. Copays are used to cover a portion of the cost of a doctor's visit or medication.

Coinsurance

A portion of the medical cost you pay after your deductible has been met. Coinsurance is a way of saying that you and your insurance carrier each pay a share of eligible costs that add up to 100%.

Deductible

The amount you pay each year for most eligible medical services or medications before your health insurance begins to contribute to the cost of covered services.

Dependent

An individual, typically a child under age 26, for whom a parent, relative, or other person provides healthcare.

Effective date

The date an insurance policy goes into effect and coverage under that plan begins.

EOI (Evidence of Insurability)

Also known as a statement of good health. Benefits are available to all employees with proof of health status. EOI will only apply to some benefits, such as disability, and life plans.

FSA (Flexible Spending Account)

An employer-owned account that helps you pay for medical expenses. Although there is a maximum on the amount you may contribute annually, both the employer and employee may make deposits into this type of account.

Guaranteed Issue

Coverage that is available to all employees without evidence of insurability (proof of good health).

HMO (Health Maintenance Organization)

An HMO is a comprehensive one-stop-shop for all of your healthcare needs. It has the most structure and regulation of any other plan, so you'll have to stay within your HMO network for all of your services. You will have one Primary Care Physician (PCP) for all of your appointments.

HSA (Health Savings Account)

A personal bank account that helps you pay for medical expenses. You do need a healthcare plan for this type of account, and there's a limit to the maximum amount you can contribute to your HSA annually. Both the employer and employee may contribute to this type of account.

HRA (Health Reimbursement Arrangement)

An account owned by your employer to help you pay for medical expenses. There are no limits on the contributions that employers may make on this type of account.

Monthly Premium

A fixed monthly payment to an insurance company. An employer can pay some, most, or all of the monthly premium depending on the plan chosen.

Network

The facilities, providers, and suppliers one's health insurer or plan has contracted with to provide health care services.

Open Enrollment

The time an employer's benefits renew and employees are able to change their coverages. Most employers hold 'open enrollment' 2-4 weeks before the effective date.

Out of Pocket Maximum

This is the most you could pay for covered medical expenses each year. The amount includes money you spend on deductibles, copays, and coinsurance. Once you reach your annual out-of-pocket maximum, your health insurance will pay your covered medical and prescription costs for the rest of the year.

PPO (Preferred Provider Organization)

A PPO allows for the maximum amount of freedom and an extensive plan network. With this option, you are responsible for managing your health and need no referral to see a specialist.

Qualifying Event

A life event that allows a person to make changes to their benefits mid-year including marriage, divorce, adopting or having a child, and losing other coverage.

Waiting Period

How long an employee must work for a company before their benefits become effective. Waiting periods are set by the employer.

BerniePortal Online Benefits

Benefits can be complicated, but enrollment doesn't have to be. Learn how to streamline the open enrollment process with BerniePortal's Online Benefits feature.



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