U.S. Department of Veterans Affairs

VA Health Care and the Affordable Care Act

Glossary of Terms

Affordable Care Act
The Affordable Care Act, also known as the health care law, was created to expand access to coverage, control health care costs and improve health care quality and care coordination.

Balance Billing
When a provider bills you for the difference between the provider's charge and the allowed amount. For example, if the provider's charge is $100 and the allowed amount is $70, the provider may bill you for the remaining $30. A preferred provider may not balance bill you for covered services.

Children's Health Insurance Program (CHIP)
Government-funded insurance for low-income children and, in some states, pregnant women in families that earn too much to qualify for Medicaid but cannot afford private insurance.

Coinsurance
Your share of the costs of a covered health care service, calculated as a percent (for example, 20%) of the allowed amount for the service. You pay coinsurance plus any deductibles you owe. For example, if the health insurance or plan's allowed amount for an office visit is $100 and you've met your deductible, your coinsurance payment of 20% would be $20. The health insurance or plan pays the rest of the allowed amount.

Copayment
A fixed amount (for example, $15) you pay for a covered health care service, usually when you receive the service. The amount can vary by the type of covered health care service.

For more information about VA and ACA.

Cost Sharing
The share of costs not covered by your insurance that you pay out of your own pocket. This term generally includes deductibles, coinsurance and copayments or similar charges, but it doesn't include premiums, balance billing amounts for non-network providers or the cost of non-covered services. Cost sharing in Medicaid and CHIP (Children's Health Insurance Program) also includes premiums.

Deductible
The amount you owe for the health care services your health insurance or plan covers before your health insurance or plan begins to pay. For example, if your deductible is $1,000, your plan won't pay anything until you've spent $1,000 for health care services subject to the deductible. The deductible may not apply to all services.

Durable Medical Equipment (DME)
Equipment and supplies ordered by a health care provider for everyday or extended use. Examples of DME are: oxygen equipment, wheelchairs, crutches and blood testing strips for diabetics.

Federal Poverty Level (FPL)
A measure of income level issued annually by the Department of Health and Human Services. Federal poverty levels are used to determine your eligibility for certain programs and benefits. The amounts below are based on 2013 numbers and are likely to be slightly higher in 2014.

- $11,490 to $45,960 for individuals
- $15,510 to $62,040 for a family of 2
- $19,530 to $78,120 for a family of 3
- $23,550 to $94,200 for a family of 4

Fee
If someone doesn't have a health plan that qualifies as minimum essential coverage, he or she may have to pay a fee. This payment will either be a flat fee or a percentage of taxable household income, depending on which amount is higher. The fee amounts will be:

- 2014: $95 per adult, $285 for a family or 1% of taxable income
- 2015: $325 per adult, $975 for a family or 2% of taxable income
- 2016: $695 per adult, $2,085 for a family or 2.5% of taxable income

The fee for children is half the adult amount. The fee is paid on the 2014 federal income tax form, which is completed in 2015. People with very low incomes and others may be eligible for waivers.

Health Insurance Marketplace
Individuals and small businesses should use the Health Insurance Marketplace, formerly referred to as the Exchange, to compare and buy health insurance policies from private health care providers. The Marketplace will offer a choice of health plans that meet certain benefits and cost standards. Some individuals with low income may receive a subsidy, or premium tax credit, to help purchase a health plan.

Hospice Services
Services to provide comfort and support for persons in the last stages of a terminal illness and their families.

Long-Term Care
Services that include medical and non-medical care provided to people who are unable to perform basic activities of daily living, such as dressing or bathing. Long-term support and services can be provided at home, in the community and in assisted living or nursing homes. Individuals may need long-term support and services at any age. Medicare and most health insurance plans don't pay for long-term care.

Medicaid
A state-administered health insurance program for low-income families and children, pregnant women, the elderly, people with disabilities and, in some states, other adults. The federal government provides a portion of the funding for Medicaid and sets guidelines for the program. States also have choices in how they design their program, so Medicaid varies by state and may have a different name in your state.

Medicare
A Federal health insurance program for people who are age 65 or older and certain younger people with disabilities. It also covers people with End-Stage Renal Disease (permanent kidney failure requiring dialysis or a transplant, sometimes called ESRD).

Minimum Essential Coverage
The type of coverage an individual needs to have to meet the individual responsibility requirement under the Affordable Care Act. This includes individual market policies, job-based coverage, VA health care, Medicare, Medicaid, CHIP and TRICARE.

Navigator
An individual or organization that's trained and able to help consumers, small businesses and their employees as they look for health coverage options through the Marketplace, including completing eligibility and enrollment forms. These individuals and organizations are required to be unbiased. Their services are free to consumers.

Out-of-Pocket Costs
Your expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance and copayments for covered services, plus all costs for services that aren't covered.

Premium
The amount that must be paid for your health insurance or plan. You and/or your employer usually pay it monthly, quarterly or yearly.

Premium Tax Credit
The health care law provides a new tax credit to help you afford health coverage purchased through the Marketplace. Advance payments of the tax credit can be used right away to lower your monthly premium costs. If you qualify, you may choose how much advance credit payments to apply to your premiums each month, up to a maximum amount. If the amount of advance credit payments you get for the year is less than the tax credit you're due, you'll get the difference as a refundable credit when you file your federal income tax return. If your advance payments for the year are more than the amount of your credit, you must repay the excess advance payments with your tax return.

Primary Care
Health services that cover a range of prevention, wellness and treatment for common illnesses. Primary care providers include doctors, nurses, nurse practitioners and physician assistants. They often maintain long-term relationships with you and advise and treat you on a range of health related issues. They may also coordinate your care with specialists.

Special Enrollment Period
The proposed open enrollment period for coverage starting in 2015 is November 15, 2014, through February 15, 2015. Individuals with a qualifying life event can enroll in health coverage or change their coverage outside of the open enrollment period and have it be effective for that coverage year. Qualifying life events include having a baby or getting married. Visit https://www.healthcare.gov/coverage-outside-open-

enrollment/ to learn more about these qualifying life events and other circumstances for special enrollment.

Spina Bifida Health Care Benefits Program
VA provides cost-free health care benefits to certain children of Vietnam Veterans and Veterans of covered service in Korea who have been determined eligible by the Veterans Benefits Administration for a stipend related to the diagnosed condition of spina bifida.

TRICARE
A health care program for active-duty and retired uniformed services members and their families.

Usual, Customary and Reasonable (UCR)
The amount paid for a medical service in a geographic area based on what providers in the area usually charge for the same or similar medical service. The UCR amount sometimes is used to determine the allowed amount.

VA Civilian Health and Medical Program (CHAMPVA)
Spouses, surviving spouses, children and certain primary caregivers of certain Veterans may be eligible for CHAMPVA health benefits under certain conditions.

Veterans Health Care Program
Veterans may apply for enrollment in the Veterans health care program. There are no enrollment fees, premiums, or cost shares. Some Veterans may have copays for care or medications.