

# GLOSSARY FOR THE ACA

This glossary is intended to serve as a resource for understanding the concepts included in the Affordable Care Act. It provides simple and straightforward definitions of key terms that are part of the health reform law.

## A

### **Affordable Care Act**

Also known as the ACA, or Obamacare. A law that creates new options for people to obtain private health insurance coverage or Medicaid.

### **AIDS Drug Assistance Program (ADAP)**

A part of the Ryan White HIV/AIDS Program that provides funding to states to purchase HIV and other medications for people with HIV. ADAP may also help people with HIV pay insurance premiums and co-payments.

### **Appeal**

A challenge of a denial by a health plan to pay for a requested service.

## B

### **Benefits**

Services covered by a health plan.

## C

### **Co-payment**

A fixed amount of money for each health care service (such as \$5 for a doctor's visit or for a prescription). The required fee varies by the service provided and by the health plan.

### **Cost-sharing**

A feature of health plans where beneficiaries are required to pay a portion of the costs of their care. Examples of costs include co-payments, coinsurance and annual deductibles.

## D

### **Deductible**

The amount you must pay for covered services before your health plan begins paying.

### **Drug class**

A category of drugs (such as antiretrovirals).

### **Drug coverage gap (sometimes called the donut hole)**

The gap in coverage in which Medicare Part D enrollees are required to pay the full cost of their drugs until they qualify for catastrophic coverage under Obamacare, the coverage gap is being phased out by 2020. In 2014, people in the coverage gap must pay 50% of the cost of brand name drugs.

**E****Essential Health Benefits (EHB)**

The core set of benefits that every health plan in the health insurance marketplaces and expanded Medicaid programs must provide.

**Exchange**

Also called a marketplace. A program in every state where you can compare among multiple health plans and buy coverage for yourself and your family.

**Exempt**

Individuals who not required to have health insurance, and therefore not subject to a penalty for not purchasing health insurance coverage.

**F****Federal Poverty Level**

The government's estimate of the amount of income an individual or family needs to meet food, housing, medical care, and other basic living expenses. The poverty level is used to calculate eligibility for financial help under the Affordable Care Act (ACA, also called Obamacare) and other federal programs. It is adjusted for the number of members in a family. There are different levels set for Alaska and Hawaii.

**G****Grandfathered plans**

Health plans provided by employers, or sold to individuals before the Affordable Care Act (ACA, also called Obamacare) on or before March 23, 2010. Grandfathered plans are exempted from many changes required under the ACA.

**Gross (or total) income**

The amount of income earned before taxes and other deductions.

**H****Health Insurance**

Protection for high and sometimes unexpected costs with coverage for medical care and other health-related service needs.

**Health Insurance Marketplaces**

Also called "exchanges." The marketplace is a program in every state where you can compare among multiple health plans and buy coverage for yourself and your family.

**I****Individual mandate**

A requirement of Obamacare, officially known as the Affordable Care Act or ACA that requires people to have insurance or pay a penalty. If affordable coverage is not an option, there is an affordability exception.

**M****Marketplace**

Also called an exchange. A program in every state where you can compare among multiple health plans and buy coverage for yourself and your family.

**Marketplace network**

The list of hospitals, doctors, and pharmacies where your health plan covers services. Your health plan may decline to cover services or charge you more if you access services from providers who are not in their network.

**Medicaid**

A federal-state health insurance program for low-income individuals and families. Medicaid is the largest single source of health coverage for people with HIV.

**Medicare**

A federal health insurance program for people age 65 and older, and for working age people with disabilities. Medicare is a major source of health coverage for people with HIV.

**Modified Adjusted Gross Income (MAGI)**

A calculation used by the Affordable Care Act (the ACA, also called Obamacare) to determine how much financial assistance you are eligible to receive to help you purchase health insurance and to determine eligibility for Medicaid. To determine your MAGI, start with your adjusted gross income from your tax form and add in any social security benefits you receive that are not subject to federal income tax. Also add in excluded foreign income and tax-exempt interest income.

**N****Navigator**

A person whose job it is to help people learn about new coverage options under the Affordable Care Act (ACA, also called Obamacare).

**O****Out-of-pocket limit**

The maximum amount a person has to pay for health care each year when premiums, deductibles, and cost sharing are taken into account.

**P****Patient Assistor**

A person whose job it is to help people learn about new coverage options under the Affordable Care Act (ACA, also called Obamacare).

**Pre-Existing Health Condition**

An illness or disability a person has been diagnosed with before enrolling in a health plan.

**Premium**

The monthly fee for health insurance. The cost of a premium may be shared between employers or government purchasers and individuals.

**Preventive services**

A set of free services that marketplace health plans and many others are required to cover. These services emphasize the early detection and treatment of diseases. The focus on prevention is intended to keep people healthier for longer, thus reducing health care costs over the long term.

**Q****Qualifying insurance policy**

Insurance coverage that meets the minimum requirements to satisfy the requirement to have insurance (individual mandate) under the Affordable Care Act (ACA, also called Obamacare).

**R****Ryan White HIV/AIDS Program**

A federal program that funds states, cities, and medical clinics across the country to provide various health and supportive services to people with HIV.

**S****Spending cap**

A maximum amount of money a health plan will pay for covered benefits, sometime set on a yearly basis over a lifetime. Under the Affordable Care Act (ACA, also called Obamacare), spending caps are prohibited.

**Subsidies**

Under Obamacare tax credits are available for low-income people to help them afford health insurance. The tax credit acts as financial help to lower the premium and deductible paid for health insurance by a person or family. In some cases this also applies to cost sharing and co-payments.

**T****Tax credit**

Under Obamacare tax credits are available for low-income people to help them afford health insurance. The tax credit acts as financial help to lower the premium and deductible paid for health insurance by a person or family. In some cases this also applies to cost sharing and co-payments.