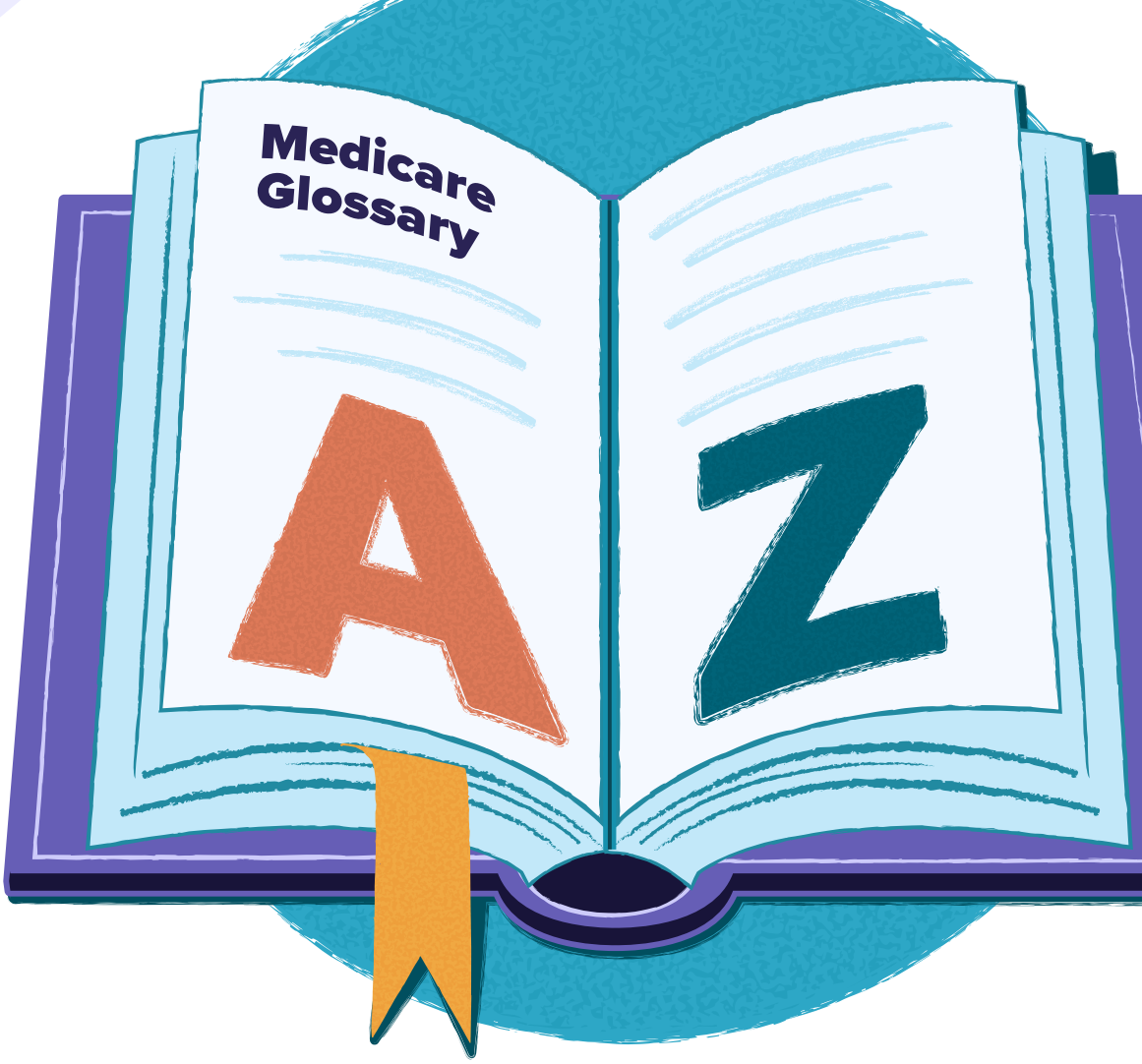


MyALEXHealth™ Medicare Glossary

A-to-Z cheat-sheet for the terms you'll meet most often

(Bookmark, download as a PDF, or print → File > Print > "Save as PDF")

A

Actual Charge – The amount a provider bills for a service before any insurance adjustments.

Advance Beneficiary Notice (ABN) – A notice a provider gives you when they think Medicare may not pay for a service; signing means you might pay the full cost.

Annual Enrollment Period (AEP) – October 15–December 7 each year, the main window to change Medicare Advantage or Part D plans for the following year.

Assignment – When a provider agrees to accept Medicare's approved amount as full payment (you pay only deductibles/coinsurance).

B

Balance Billing – Charging you the difference between a provider's bill and the Medicare-approved amount; not allowed if the provider accepts assignment.

Benefit Period (Part A) – Starts the day you enter a hospital or skilled-nursing facility and ends after 60 days out of those settings; deductibles reset each benefit period.

Broker – A licensed agent who sells Medicare plans, usually paid by carrier commissions.

C

Catastrophic Coverage (Part D) – The phase where your out-of-pocket drug costs drop sharply after you hit a specific threshold.

Coinsurance – A percentage of the cost you pay after deductibles.

Copayment (Copay) – A fixed dollar amount you pay for a covered service or drug.

Creditable Coverage – Insurance (drug or medical) that's at least as good as Medicare; lets you avoid late-enrollment penalties.

Current Procedural Terminology (CPT) Code – Five-digit code describing a medical service; used to price and process claims.

D

Deductible – The amount you pay before Medicare or your plan starts covering costs.

Durable Medical Equipment (DME) – Reusable medical items (wheelchairs, CPAP machines) covered under Part B when medically necessary.

Donut Hole – Old term for the Part D coverage gap; mostly closed, but out-of-pocket costs still change in this phase.

E

Effective Date – When your Medicare coverage begins.

Excess Charge (Part B) – Up to 15% providers may bill above the Medicare-approved amount if they don't accept assignment.

Explanation of Benefits (EOB) – The insurer's statement showing what was billed, what they paid, discounts, and what you may owe (not a bill).

F–G

Formulary – A plan's list of covered prescription drugs, grouped by cost tiers.

Free Look Period (Medigap) – 30 days after buying a Medigap policy when you can cancel for a refund of the premium.

General Enrollment Period (GEP) – January 1–March 31 to enroll in Part A and/or Part B if you missed your initial window (coverage starts July 1 and late penalties may apply).

H–I

Health Maintenance Organization (HMO) – A Medicare Advantage plan model requiring you to use network providers and get referrals for specialists (except emergencies).

Initial Enrollment Period (IEP) – Seven-month window around your 65th birthday to enroll in Parts A & B without penalty.

Income-Related Monthly Adjustment Amount (IRMAA) – Surcharge added to Part B and Part D premiums for higher-income beneficiaries.

L–M

Late-Enrollment Penalty – Extra premium added for life if you enroll late in Part B or Part D without creditable coverage.

Lifetime Reserve Days – 60 extra inpatient hospital days Medicare Part A covers once in your lifetime, with higher coinsurance.

Medicaid – State/federal program for low-income individuals; can coordinate with Medicare ("dual eligibility").

Medicare Advantage (Part C) – Private plans bundling Parts A & B (often D).

Medigap (Medicare Supplement) – Private policies that pay Parts A & B cost-shares; standardized plans lettered A-N.

N–P

Network – The doctors, hospitals, and pharmacies that contract with a Medicare Advantage or Part D plan.

Observation Status – Hospital stay billed as outpatient; affects Part A skilled-nursing eligibility—always ask your status.

Open Enrollment Period (Medicare Advantage OEP) – January 1–March 31; lets MA enrollees switch MA plans or return to Original Medicare once.

Part A – Hospital insurance (inpatient, skilled-nursing, hospice).

Part B – Medical insurance (outpatient care, doctors, DME).

Part C – Medicare Advantage.

Part D – Prescription-drug coverage sold by private insurers.

Prior Authorization – Plan approval needed before certain services/drugs are covered.

Premium – Monthly amount you pay to keep coverage active.

Q–S

Qualified Medicare Beneficiary (QMB) – Medicaid program that pays Part A / B premiums and cost-shares for low-income enrollees.

Referral – Written order from a primary-care doctor to see a specialist (common in HMOs).

Skilled Nursing Facility (SNF) – Facility providing rehab or skilled nursing after hospitalization; Part A covers up to 100 days per benefit period if eligibility rules are met.

Special Enrollment Period (SEP) – A window outside regular enrollment periods triggered by life events (moving, losing employer coverage).

T–Z

Therapy Cap – Previously a dollar limit on outpatient therapy—replaced by thresholds that still require claims review above certain amounts.

Tier – Drug formularies group meds into cost levels (Tier 1 = generic, Tier 5 = specialty).

TrOOP (True Out-of-Pocket) – Running total of what you and certain others pay for Part D drugs; reaching the threshold moves you into Catastrophic Coverage.

Urgent Care – Immediate outpatient care for non-life-threatening issues; usually lower copay than ER.

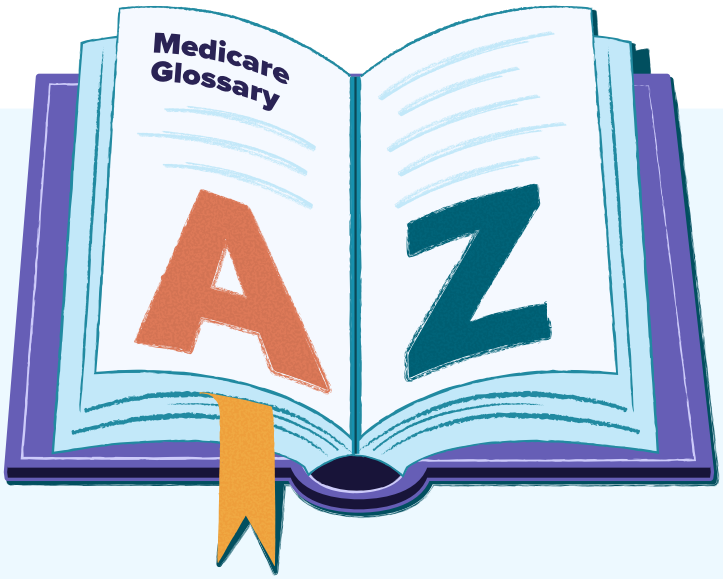
Utilization Management – Plan techniques (prior auth, step therapy, quantity limits) to control costs and ensure appropriate use.

Waiting Period (Medigap) – Time during which a Medigap policy may not cover pre-existing conditions if you apply outside guaranteed-issue windows.

Wellness Visit (Annual) – Part B-covered yearly preventive visit to create/update a personalized prevention plan (different from a “physical”).

Next-Level Clarity—In One Click

Looked up a term but still want the big picture?
If you're turning 65 or new to Medicare, **fire up ALEX® inside MyALEXHealth** and watch every buzzword turn into real-life dollars and deadlines on the same screen as your plan options.



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We work with multiple Medicare plan carriers including:

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Enrollment in a plan may be limited to certain times of the year unless you qualify for a Special Enrollment Period or are in your Medicare Initial Enrollment Period.

Medicare Advantage and Part D plans are insured by a Medicare Advantage HMO, PPO and PFFS organization with a Medicare contract and/or a Medicare-approved Part D sponsor. Enrollment depends on the plan's contract renewal with Medicare.

We do not offer every plan available in your area. Currently we represent 4 organizations which offer 1,056 products in your area. Please contact *Medicare.gov* or 1-800-MEDICARE to get information on all your options.

Not all carriers offer these benefits. Plans vary by region and state. Limitations and exclusions may apply.

Medicare Supplement insurance is generally available to individuals age 65 and older enrolled in Medicare Parts A and B. Availability for beneficiaries under age 65 who qualify for Medicare due to disability or End Stage Renal Disease varies by state. Benefits, eligibility, and premiums may vary by state.

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