

Little Blue Book

A health glossary

provided by the

Georgia Health Policy Center

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Terms in italics are defined in this glossary

Advance Directive – A legal document detailing individuals' health care wishes, including the person to whom they give the legal authority to act on their behalf and what types of treatment they do and do not want to receive in the event they are unable to speak or communicate.

Aged, Blind, Disabled (ABD) – A *Medicaid* designation that assists with medical expenses for poor Georgians who are aged 65 years or older, blind or disabled (disability as classified by the Social Security Administration for an adult or child).

Capitation – A method of payment for health services in which an individual or institutional provider is paid a fixed amount for each person served without regard to the actual number or nature of services provided to each person in a set period of time.

Case Management – A process where a health plan identifies covered individuals with specific health care needs (usually for individuals who need high-cost or extensive services or who have a specific diagnosis) and devises and carries out a coordinated treatment plan.

Categorically Needy – *Medicaid's* eligibility pathway for individuals who can be covered. There are more than 25 eligibility categories organized into five broad groups: children, pregnant women, adults with dependent children, individuals with disabilities and the elderly. Persons not falling into one of these groups (notably childless adults) cannot qualify for *Medicaid* no matter how low their income.

Centers for Medicare and Medicaid Services (CMS) – The federal agency within the *Department of Health and Human Services* that directs the *Medicare* and *Medicaid* programs (Titles XVIII and XIX of the Social Security Act). Formerly the Health Care Financing Administration (HCFA). www.cms.gov

Certificate of Need (CON) – A certificate issued by a governmental body to an individual or organization proposing to construct or modify a health facility, acquire major new medical equipment, modify a health facility or offer a new or different health service. CON is intended to control expansion of facilities, services and costs by preventing excessive or duplicative development of facilities and services.

Community Care Services Program (CCSP) – CCSP provides eligible *Medicaid* consumers with a range of community-based services that support the consumer's choice to remain at home or in the community. Consumers must meet the same medical, functional and financial criteria as for placement in a nursing facility under *Medicaid*.

Consolidated Omnibus Budget Reconciliation Act (COBRA) – A 1986 act containing certain health benefit provisions that amend *ERISA*, the IRS code and the Public Health Service Act to enable qualified individuals who lose their job to maintain the group coverage in which they were enrolled for an additional 18 months after leaving employment. Individuals are required to pay the standard premium of their previously provided plan. Applies to firms with more than 20 employees.

Consumer-Driven Health Care – This term applies to a broad range of health plan designs such as *Health Savings Accounts* (HSAs), but is most commonly used to describe the combination of a high-deductible health insurance plan with a tax-preferred savings account used to pay for routine health care expenses.

Cost-Shifting – Recouping the cost of providing uncompensated care by increasing revenues from some payers to offset losses and lower net payments from other payers. For example, hospitals may increase charges for some payers to offset losses due to uncompensated or indigent care or lower payments (e.g., *Medicaid* or *Medicare*) from other payers.

Crowd-Out – A phenomenon whereby new public programs or expansions of existing public programs designed to extend coverage to the uninsured prompt some privately insured persons to drop their private coverage and take advantage of the expanded public subsidy.

Care Management Organization (CMO) – Georgia has three CMOs providing managed care services to *Medicaid* and *PeachCare* members statewide. The plans are Amerigroup Community Care (Atlanta North), PeachState Health Plan (Central and South) and WellCare (statewide).

Deductible – A set amount of medical expenses a patient must pay before being eligible for benefits under an insurance program.

Department of Community Health (DCH) – State agency that provides health care benefits to more than two million

citizens under the *Medicaid* and *PeachCare for Kids* programs and the State Health Benefit Plan employees. www.dch.georgia.gov

Department of Health and Human Services (HHS) – HHS is the U.S. government’s principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. Many HHS-funded services, including *Medicare*, are provided at the local level by state or county agencies or through private sector grantees. The department’s programs are administered by 11 operating divisions, including eight agencies in the U.S. Public Health Service and three human services agencies.

Department of Human Resources (DHR) – The department’s four divisions are Aging Services, Public Health, Mental Health, Developmental Disabilities and Addictive Diseases and Family and Children Services. The department also includes the Office of Regulatory Services, the Office of Adoptions and the Office of Child Support Services. www.dhr.georgia.gov

Disease Management – A process of identifying and delivering within selected patient populations (e.g., patients with asthma or diabetes) the most efficient, effective combination of resources, interventions or pharmaceuticals for the treatment or prevention of a disease.

Disproportionate Share Hospital Program (DSH) – A federal program that works to increase health care access for the poor. Hospitals that treat a “disproportionate” number of *Medicaid* and other indigent patients qualify for

higher Medicaid payments based on the hospital's estimated uncompensated cost of services to the uninsured (see *ICTF*).

Division of Public Health (DPH) – DPH is responsible for disease control and prevention, the reduction of avoidable injury-related deaths and disabilities and the promotion of healthy lifestyles. www.health.state.ga.us

Dual Eligible – A person who is eligible for two health insurance plans, often referring to a *Medicare* beneficiary who also qualifies for *Medicaid* benefits.

Electronic Medical Record (EMR) – An individual medical record that has been digitized and stored electronically.

Emergency Medical Service (EMS) – Services utilized in responding to the perceived individual need for immediate treatment for medical, physiological, or psychological illness or injury.

Emergency Medical Treatment and Active Labor Act (EMTALA) – A United States Act of Congress passed in 1986 as part of the *Consolidated Omnibus Budget Reconciliation Act (COBRA)* requiring hospitals and ambulance services to provide care to anyone needing emergency treatment regardless of citizenship, legal status or ability to pay.

Employee Retirement Income Security Act (ERISA) – A federal act passed in 1974 that established new standards and reporting/disclosure requirements for employer-funded pension and health benefit programs. To date, self-funded health benefit plans operating under ERISA are exempt from state insurance laws.

Federal Poverty Level (FPL) – Annually updated guidelines established by the *U.S. Department of Health and Human Services* to determine eligibility for various federal and state programs. In 2008, the FPL for a family of four is \$21,200.

Federally-Qualified Health Center (FQHC) – A health center in a medically under-served area or population that is eligible to receive cost-based *Medicare* and *Medicaid* reimbursement and provides direct reimbursement to nurse practitioners, physician assistants and certified nurse midwives. FQHCs are sometimes referred to as CHCs (Community Health Centers). A CHC is an ambulatory health care program usually serving a catchment area that has scarce or non-existent health services or a population with special needs.

Georgia Families – Georgia's managed care program for members in *Medicaid* and *PeachCare for Kids*. *Medicaid* and *PeachCare for Kids* members must enroll in Georgia Families to choose a health plan and a *Primary Care Provider (PCP)*. If they do not enroll, a health plan and PCP are chosen for them. www.georgia-families.com

Health Insurance Portability & Accountability Act (HIPAA) – Passed by Congress in 1996, HIPAA includes various health insurance coverage and patient privacy protections. The privacy rules were established to protect patients' privacy through the strict enforcement of confidentiality of medical records and other health information provided to health plans, doctors, hospitals and other health care providers.

Health Maintenance Organization (HMO) – A health insurance plan that provides a coordinated array of

preventive and treatment services for a fixed payment per month. HMOs provide services through a panel of health care providers. Enrollees receive medically necessary services regardless of whether the cost of those services exceeds the premium paid on the enrollees' behalf.

Health Professional Shortage Area (HPSA) – HPSAs may be designated as having a shortage of primary medical care, dental or mental health providers. They may be urban or rural areas, population groups or medical or other public facilities.

Health Resources and Services Administration (HRSA) – An agency of the *U.S. Department of Health and Human Services* (HHS), HRSA is the primary federal agency for improving access to health care services for people who are uninsured, isolated or medically vulnerable.

Health Savings Account (HSA) – An HSA is a tax exempt savings account for medical expenses. Funds can be withdrawn from an HSA to meet the deductible of the *HDHP* (see below) and pay for other medical services and supplies. In order to qualify to open an HSA, the HDHP minimum deductible must be at least \$1,150 (individual coverage) or \$2,300 (family coverage). The annual out-of-pocket (including deductibles and co-pays) cannot exceed \$5,800 (individual coverage) or \$11,600 (family coverage).

High Deductible Health Plan (HDHP) – An HDHP is an inexpensive health insurance plan that generally does not pay for the first several thousand dollars of health care expenses (i.e., the “deductible”) but will generally cover

medical care after the deductible is met. HDHPs may have first dollar coverage (no deductible) for preventive care and apply higher out-of-pocket limits (and co-pays and coinsurance) for non-network services.

High-Risk Pool – A subsidized health insurance pool organized by some states as an alternative for individuals who have been denied health insurance because of a medical condition, or whose premiums are rated significantly higher than the average due to health status or claims experience. Commonly operated through an association comprised of all health insurers in a state.

Home and Community-Based Services (HCBS) – Any care or services provided in a patient's place of residence or in a non-institutional setting located in the immediate community.

Hospice – A facility or program designed to care for patients in the terminal phase of an illness.

Indigent Care Trust Fund (ICTF) – A program within Georgia's *Department of Community Health*, the ICTF supports health providers that care for medically indigent Georgians. ICTF represents the largest component of *Disproportionate Share Hospital Program (DSH)* payments distributed through *Georgia Medicaid*. To participate in ICTF, a hospital must also be a DSH provider.

Katie Beckett Children – Disabled children who qualify for home care coverage under a special provision of *Medicaid*, named after a girl who remained institutionalized solely to continue *Medicaid* coverage before the provision's enactment. Also known as a "Deeming Waiver."

Long-Term Care (LTC) – A set of health care, personal care and social services provided to persons who have lost, or never acquired, some degree of functional capacity (e.g., the chronically ill, aged, disabled, or retarded) in an institution or at home, on a long-term basis.

Low-Income Medicaid (LIM) – *Medicaid* category for those with the lowest individual and family incomes. In 2008, qualified individuals must have an income of less than \$235 per month, and a family of four may qualify with an income of less than \$500 per month.

Medicaid – A federally-aided, state-administered and jointly-funded health insurance program that provides medical benefits to qualified indigent or low-income persons in need of health and medical care. The program is subject to broad federal guidelines and states determine the benefits covered and methods of administration.

Medicare – A federally funded health insurance plan that provides hospital, surgical and medical benefits to elderly persons over 65 and certain disabled persons. Medicare Part A provides basic hospital insurance, and Medicare Part B provides benefits for physicians' professional services. Medicare Part C (Medicare Advantage Plan) allows those covered to combine their coverage under Parts A and B but is provided by private insurance companies. Medicare Part D helps pay for medications doctors prescribe for treatment.

Patient Self Determination Act (PSDA) – PSDA, a federal law passed by the U.S. Congress in 1990, mandates that most hospitals provide patients with information on state

laws regarding their right to refuse medical treatment and document their preferences through an *advance directive*.

PeachCare for Kids – A comprehensive free or low-cost health care program for uninsured children living in Georgia. The health benefits include primary, preventive, specialist, dental care and vision care. The program targets children in families with incomes up to 235 percent of the federal poverty level (see *SCHIP*). www.peachcare.org

Pharmaceutical Assistance Program – A program to provide pharmaceutical coverage to those who cannot afford or have difficulty obtaining prescription drugs. Several states operate state-funded pharmaceutical assistance programs which primarily provide benefits to low-income elderly or persons with disabilities who do not qualify for *Medicaid*.

Pharmacy Benefit Manager (PBM) – Companies that manage drug benefit coverage for employees and health plan members.

Preferred Drug List (PDL) – A list of prescription drugs which are covered by a health plan or other payer (e.g., *Medicaid*).

Preferred Provider Organization (PPO) – A health insurance plan in which health care providers agree to provide services to members at a negotiated price. Covered individuals (members) receive all medically necessary services regardless of whether the cost of the services exceeds the premium paid, although members do have cost sharing obligations.

Primary Care Provider (PCP) – In insurance terms, a physician selected by or assigned to a patient who provides general care and supervises the patient's access to other medical services.

Right from the Start Medicaid (RSM) – *Medicaid* category for pregnant women and children under age 1 whose family income is at or below 185 percent of the federal poverty level.

Rural Health Clinic – A public or private hospital, clinic, or physician practice designated by the federal government as in compliance with the Rural Health Clinics Act (Public Law 95-210). The practice must be located in a medically underserved area or a *Health Professional Shortage Area (HPSA)* and use physician assistants and/or nurse practitioners to deliver services.

Rural Health Network – Refers to any variety of organizational arrangements to link rural health care providers in a common purpose.

Safety Net – The safety net is made up of providers and institutions that provide low cost or free medical care to medically needy, low income or uninsured populations.

State Children's Health Insurance Program (SCHIP) – A program enacted by Congress as part of the Balanced Budget Act in 1997 that provides up to \$24 billion in federal matching funds for states to spend on health coverage for uninsured children. Georgia's SCHIP program is called *PeachCare for Kids*.

State Health Benefit Plan (SHBP) – Provides health insurance coverage to state employees, school system employees, retirees and their dependents. The *Department of Community Health's* Public Employee Health Benefits Division is responsible for day-to-day operations. The State Health Benefit Plan covered 690,440 people as of June 1, 2008.

Service Options Using Resources in a Community Environment (SOURCE) – A state case management program that serves frail elderly and disabled beneficiaries to improve the health outcomes of persons with chronic health conditions by linking primary medical care with home and community-based services.

Supplemental Security Income (SSI) – A federally funded cash assistance program designed to help low-income elderly, blind and disabled individuals who have little or no income with basic needs, such as food, clothing and shelter. Once eligible for SSI, these low-income individuals are also eligible for *Medicaid* coverage.

Trauma System – A trauma system is an organized, coordinated effort in a defined geographic area that delivers the full range of emergency care to all injured patients and is integrated with the local public health system.

Uncompensated Care – Service provided by physicians and hospitals for which no payment is received from the patient or from third-party payers.

Underinsured – People with public or private insurance policies that do not cover all necessary health care services, resulting in out-of-pocket expenses that exceed their ability to pay.

Uninsurables – High-risk persons who do not have health care coverage through private insurance and who fall outside the parameters of risks of standard health underwriting practices.

Uninsured – People who lack public or private health insurance.

Unlock the Waiting Lists – A grassroots campaign by a coalition of Georgia disability organizations to educate the public and change public policy. The mission is to reduce and/or eliminate waiting lists for thousands of people with disabilities, the frail elderly and their families who need home and community-based services.

www.unlockthewaitinglists.com

Utilization – Commonly examined in terms of patterns or rates of use of a single service or type of service (e.g., hospital care, physician visits, and prescription drugs). Use is also expressed in rate per unit of population at risk for a given period of time.

Acronym Appendix

ACS: Affiliated Computer Services

BCW: Babies Can't Wait

BOR: Board of Regents

BRFSS: Behavioral Risk Factor Surveillance System

CCSP: Community Care Services Program

CMO: Care Management Organization

CMS: Centers for Medicare and Medicaid Services

CON: Certificate of Need

DCH: Department of Community Health

DFCS: Division of Family and Children Services

DHR: Department of Human Resources

DJJ: Department of Juvenile Justice

DMA: Division of Medical Assistance

DME: Durable Medical Equipment

DMO: Disease Management Organization

DPH: Division of Public Health

EMA: Emergency Medical Assistance

FEMA: Federal Emergency Management Agency

GAO: Government Accountability Office

GBPW: Georgia Board for Physician Workforce

GEMA: Georgia Emergency Management Agency

GF: Georgia Families

GHA: Georgia Hospital Association

GHPC: Georgia Health Policy Center

GMCF: Georgia Medical Care Foundation

HIPAA: Health Insurance Portability & Accountability Act

HIT: Health Information Technology

HPSA: Health Professional Shortage Area

ICTF: Indigent Care Trust Fund

ICWP: Independent Care Waiver Program

IDEA: Individuals with Disabilities Education Improvement Act

MAG: Medical Association of Georgia

MCH: Maternal and Child Health

MEMS: Member Enrollment Management System

PA: Prior Authorization

PBM: Pharmacy Benefit Manager

SCHIP: State Children's Health Insurance Program

SHBP: State Health Benefit Plan

SN: Special Needs

SNF: Skilled Nursing Facility

TANF: Temporary Assistance for Needy Families

YRBSS: Youth Risk Behavior Surveillance System

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in Georgia, please contact*

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Georgia Health Policy Center, established in 1995, provides evidence-based research, program development and policy guidance on local, state and national levels to improve health status at the community level.

Located within Georgia State University's Andrew Young School of Policy Studies, the center distills qualitative and quantitative research findings to connect decision makers with the evidence-based research and guidance needed to make informed decisions about health policy and programming.

Today, the center is at work nationwide focusing on some of the most complex policy issues facing healthcare today including community and public health, public and private health insurance coverage, long-term care, end-of-life care, children's health, rural health and community health system development.





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