

# Healthcare Reform Glossary of Terms

TERM	SPELLED OUT	WHAT IT MEANS
<b>ACA</b>	Affordable Care Act	PPACA, signed into law on March 23, 2010, was amended by the Health Care and Education Reconciliation Act on March 30, 2010. The name "Affordable Care Act" is used to refer to the final, amended version of the law. Often times, however PPACA is used to refer to the law more generally.
<b>ACO</b>	accountable care organization	A network of health care providers that band together to provide the full continuum of health care services for patients.
<b>ADA</b>	American with Disabilities Act	A federal law that generally prohibits a covered employer from discriminating against a qualified individual with a disability, on the basis of the disability, with respect to (among other things) employee benefits such as health coverage.
<b>AGI</b>	adjusted gross income	Gross income minus any adjustments.
<b>ALE</b>	applicable large employer	Large employer subject to the Employer Shared Responsibility mandate of PPACA.
<b>ASO</b>	administrative services only	An arrangement in which an organization funds (i.e., maintains the financial risk) its own employee benefit plan but the administrative services are performed by an outside company.
<b>AV</b>	actuarial value	A measure of the average value of benefits in a health insurance plan, calculated as the percentage of benefit costs a health insurance plan expects to pay.
<b>CHIP</b>	Children's Health Insurance Program	Insurance program jointly funded by state and Federal government that provides health insurance to uninsured low-income children who are not eligible for Medicaid.
<b>CLA</b>	culturally and linguistically appropriate	A language-related requirement applicable to certain healthcare reform provisions.
<b>COBRA</b>	Consolidated Omnibus Reconciliation Act of 1985	A federal law that lets some people keep their employer group health plan coverage for a period of time after the death of a spouse, job termination, reduction in working hours, voluntary leave of absence from work, or divorce.
<b>Code</b>	The Internal Revenue Code of 1986, as amended	
<b>DCAP</b>	Dependent Care Assistance Program	An employer-sponsored program that provides employees tax-preferred dependent care assistance.
<b>DOL</b>	The United States Department of Labor	The DOL administers and enforces more than 180 federal laws and implementing regulations that cover many workplace activities.



HILL, CHESSON & WOODY

*Experience the benefit.*

<b>TERM</b>	<b>SPELLED OUT</b>	<b>WHAT IT MEANS</b>
<b>EAP</b>	Employee Assistance Program	Generally, a program staffed by trained counselors who provide some form of counseling to eligible employees and their family members. EAPs can offer a variety of services, including family, health, legal and financial counseling.
<b>EOB</b>	Explanation of Benefits	A statement from a benefit plan explaining what portion of a claim was paid or unpaid.
<b>ERISA</b>	Employee Retirement Income Security Act of 1974	A federal law governing the administration, supervision, and management of pension plans and welfare plans.
<b>FAQ</b>	Frequently Asked Questions	
<b>FLSA</b>	Fair Labor Standards Act	The FLSA establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.
<b>FMLA</b>	Family and Medical Leave Act of 1993	The FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave.
<b>FPL</b>	Federal Poverty Level	The federal poverty level, also called the federal poverty line, represents the level at which poverty or subsistence begins.
<b>FSA</b>	Flexible Spending Arrangement	A reimbursement plan (including a health FSA or DCAP) that gives employees coverage under which eligible expenses may be reimbursed, subject to certain conditions such as a maximum limit.
<b>GHP</b>	Group Health Plan	A plan maintained by an employer or an employee organization that provides medical care to employees or their dependents, directly or through insurance, reimbursement, or otherwise.
<b>GINA</b>	Genetic Information Nondiscrimination Act of 2008	A federal law that prevents discrimination in health insurance by imposing restrictions on group health plans and group health insurance issuers with respect to the use and collection of genetic information.
<b>HCR</b>	Healthcare Reform	
<b>Health FSA</b>	Health Flexible Spending Arrangement	An employer-sponsored arrangement under which employee participants can get reimbursed, on a tax-free basis, for qualified medical expenses that are not reimbursed by the health plan.
<b>HHS</b>	Department of Health and Human Services	HHS (sometimes DHHS) administers many of the social programs at the Federal level dealing with the health and welfare of the citizens of the United States.



<b>TERM</b>	<b>SPELLED OUT</b>	<b>WHAT IT MEANS</b>
<b>HIPAA</b>	Health Insurance Portability and Accountability Act of 1996	Federal law that allows individuals who lose group health coverage after a loss of employment to have access to coverage through high-risk pools, with no pre-existing condition exclusion periods. HIPAA also sets standards for the security and privacy of personal health information.
<b>HIT</b>	Health Insurance Tax	The Health Insurance Tax, (sometimes referred to as the Health Insurance Sector Fee or Health Industry Tax) imposes fees on various sectors of the health industry (including health insurance companies) in order to recapture some of the benefits they receive as more Americans purchase health insurance. Revenues are also generated under this provision of PPACA by the imposition of fees on certain pharmaceutical companies, medical devices and indoor tanning services.
<b>HITECH</b>	Health Information Technology for Clinical & Economic Health Act	Part of the American Recovery & Reinvestment Act of 2009 that establishes further security and privacy standards for personal health information, among other things.
<b>HMO</b>	Health Maintenance Organization	A type of health plan under which an organization assumes the responsibility for providing health care in a particular geographic area to covered persons and also assumes the financial risks associated with providing such care, usually in return for a set fee. Financial risk may be shared with the providers participating in the HMO.
<b>HRA</b>	Health Reimbursement Account	A benefit plan established and funded by employer contributions, used to reimburse employees for current or future qualified health expenses on a tax-exempt basis.
<b>HSA</b>	Health Savings Account	A tax-exempt savings account that an individual with a qualified high deductible health plan can establish and use to pay for current or future qualified medical expenses.
<b>IRC</b>	Internal Revenue Code	
<b>MEC</b>	Minimum Essential Coverage	The minimum health insurance coverage required for an individual to be considered insured.
<b>MEWA</b>	Multiple Employer Welfare Arrangements	A special funding arrangement providing health benefits to employees of two or more unrelated employers.
<b>OTC</b>	over the counter	A drug or medicine that is sold without a prescription.
<b>PCE</b>	preexisting condition exclusion	A health plan provision that excludes benefits related to a preexisting condition.
<b>PCOR</b>	Patient-Centered Outcomes Research	A non-profit organization established by PPACA to assist patients, clinicians, purchasers, and policy-makers in making informed health decisions by producing and promoting high integrity, evidence-based information that comes from research guided by patients, caregivers and the broader health care community.



<b>TERM</b>	<b>SPELLED OUT</b>	<b>WHAT IT MEANS</b>
<b>PEO</b>	Professional Employer Organization	An organization that contracts with client organizations to provide workers, payroll, and other services.
<b>PHI</b>	protected health information	Personally identifiable health information protected by HIPAA.
<b>PHSA</b>	Public Health Services Act	Contains the provisions of COBRA that govern continuation coverage under government-sponsored group health plans, as well as certain provisions of HIPAA and other federal group health plan mandates.
<b>PMP</b>	per member per month	
<b>PPACA</b>	Patient Protection and Affordable Care Act	Signed into law by President Obama on March 23, 2010.
<b>PT</b>	part-time	An employee that works less than 30 hours per week.
<b>PTO</b>	paid time off	
<b>SBC</b>	Summary of Benefits and Coverage	Disclosure obligation requiring a summary of benefits and coverage under a health plan to be distributed to participants and beneficiaries.
<b>SHOP</b>	Small Business Health Options Program	Health insurance exchanges that will be open to small businesses.
<b>TPO</b>	Third Party Administrator	An organization required to make or responsible for making payment on behalf of a group health plan.
<b>VHE</b>	variable-hour employee	An employee whose hours fluctuate from under 30 hours per week to over 30 hours per week.

Hill, Chesson & Woody does not engage in the practice of law, accounting, or medicine. The contents of this communication should not be regarded as legal, tax or medical advice, and should not be regarded as a substitute for such.

© 2013 Hill, Chesson & Woody



**HILL, CHESSON & WOODY**

*Experience the benefit.*