**INSURANCE DEFINITIONS**

**Allowable rate:** The contracted rate with an HMO or PPO or what the insurance company determines is reasonable and customary.

**Annual Visit Limit:** The number of visits an insurance company will allow in a calendar or policy/benefit year for mental health or chemical dependency services.

**Annual Dollar Limit:** The dollar amount an insurance company will allow to be either billed or paid in a calendar or policy/benefit year for a particular type of service or overall.

**Calendar Year:**  An insurance plan that is effective from 1/1/xx-12/31/xx.

**CAQH:** Council for Affordable Quality Heathcare maintains a database (Universal Provider Datasource) which is used by health care payers to more efficiently credential and update providers. A provider must be invited to apply by an insurer. <http://www.caqh.org/access-upd.php>

**CMS:** Abbreviation for Centers for Medicare and Medicaid Services. CMS is a federal agency within the U.S. Department of Health and Human Services. CMS runs the Medicare and Medicaid programs - two national health care programs. With the Health Resources and Services Administration (HRSA), CMS runs the State Children's Health Insurance Program (SCHIP).

*Individual* provider claim form: <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS1188854.html>

*Institutional* provider claim form: <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS1196256.html>

**COM:** Commercial insurance plan (as opposed to a government sponsored or run program like CHIP, MCR and MCD.

**Co-pay:** Refers to an HMO and is a predetermined amount set forth by an insurance company that a client is responsible for per session for in-network services.

**Coinsurance:** Refers to traditional indemnity insurance and is the difference between 100% of billed charges and what an insurance company will pay for billed services based on an amount the insurance company considers reasonable/usual and customary. Example: The client’s coinsurance is 60/40% meaning the insurance company will pay 60% of reasonable and customary billed charges and the client is responsible for the other 40% of the charges to equal 100%.

**Deductible:** Refers to traditional indemnity insurance and is the dollar amount per calendar year for which a client is responsible. This amount must be met before the insurance company will pay any benefits to the provider of service.

**DOS:** Abbreviation for Dates of Service.

**EOB:** Abbreviation for Explanation of Benefits that comes with a check, explanation that the claim was applied to the deductible or an explanation that the claim was disallowed.

**HCFA:**  Pronounced HICFA, stands for Health Care Financing Administration and was renamed CMS effective 7/1/2001. Often used to refer to the Health Insurance Claim Form a client completes and signs authorizing payment and release of medical information necessary to process a claim.

**LOS:** Abbreviation for Length of Stay.

**MCD:** Abbreviation for Medicaid – A joint federal and state program that helps with medical costs for some people with low incomes and limited resources. Medicaid programs vary from state to state, but most health care costs are covered if you qualify for both Medicare and Medicaid. Forms and procedures change often and without notice. Behavioral health provider credentials eligible: LCSW, LPC, LMFT, PhD, MD.

*Individual* Provider application:

<http://www.tmhp.com/provider_forms/provider%20enrollment/texas%20medicaid%20provider%20enrollment%20application.pdf>

*Consumer* enrollment forms:

<http://www.texasmedicaiddental.com/?cpao=820&cpca=Texas_Medicaid&cpag=Texas_Medicaid_Broad&kw=Texas_Medicaid> and <https://www.yourtexasbenefits.com/ssp/SSPHome/ssphome.jsp>

**MCD HMOs:** enter zip code into this website to get current plans in which consumers can enroll <http://www.gohealthinsurance.com/zip/quotes3.jsp?sl=&kw=hmo&gclid=CPyrloCBiLICFcldTAodJywADg&p5=&p4=&p3=1235392151609168200&p2=&p1=&mt=p&lp=1&tg=&adg=HMO&link_id=2499&nw=g&pos=1t1&exp=&pl=&ad=9350023857&cmpn=National+Unbranded&src=G-GHI&ds=S&s_tnt=21047:2:0>

**MCR or MCB:** Abbreviation for Medicare or Medicare Part B – The federal health insurance program for people 65 years of age or older, certain younger people with disabilities, and people with End-Stage Renal Disease (permanent kidney failure with dialysis or a transplant, sometimes called ESRD). Note: substance abuse facilities are not eligible for a facility application. Behavioral health provider credentials eligible: LCSW, PhD, MD.

*Individual* provider online application: <https://pecos.cms.hhs.gov/pecos/login.do>

*Institutional* provider application: <http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/downloads/cms855a.pdf>

**MCR HMOs:** STAR plan for children, STAR+ plan for adults (halfway down page) <http://www.hhsc.state.tx.us/QuickAnswers/index.shtml#Medicaid_Plans>

**NPI:** National Provider Indentifier which is needed for each provider and for the facility. This is your first step in credentialing.

<https://nppes.cms.hhs.gov/NPPES/StaticForward.do?forward=static.npistart> .

**Policy or Benefit Year:** The effective date of an insurance plan that is anything other than calendar year. An example would be a school district employee whose coverage is in effect from 8/1/xx-7/31/xx. The deductible year may be different than the plan year.

**Pre-certification:** Authorization of services to be obtained from insurance company, MCD, MCR, or EAP prior to services being rendered. Sometimes referred to as preauthorization.

**Re-certification:** Authorization for services beyond the initial number of sessions authorized. Usually obtained by submitting a treatment plan. Sometimes referred to as reauthorization.

**Reasonable & Customary:** While the insurance company purports that this is the regional standard rate, it is simply a rate the company has settled on that they will pay. Insurance companies usually pay a percentage (ex: 50%) of reasonable and customary with the remainder being the client’s copay or coinsurance.

**TDI:** Abbreviation for Texas Department of Insurance which regulates the Texas insurance industry. TDI developed the Texas Standardized Credentialing Application which is used to credential health care providers <http://www.tdi.texas.gov/hmo/crform.html> .

**CREDENTIALING PROCESS**

**NPI:** National Provider Identifier which is needed for each provider and for the facility. This is your first step in credentialing.

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**If the provider is Medicare eligible:**

**MCR or MCB:** Abbreviation for Medicare or Medicare Part B – The federal health insurance program for people 65 years of age or older, certain younger people with disabilities, and people with End-Stage Renal Disease (permanent kidney failure with dialysis or a transplant, sometimes called ESRD). Note: substance abuse facilities are not eligible for a facility application. Behavioral health provider credentials eligible: LCSW, PhD, MD.

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**MCD HMOs:** enter zip code into this website to get current plans in which consumers can enroll <http://www.gohealthinsurance.com/zip/quotes3.jsp?sl=&kw=hmo&gclid=CPyrloCBiLICFcldTAodJywADg&p5=&p4=&p3=1235392151609168200&p2=&p1=&mt=p&lp=1&tg=&adg=HMO&link_id=2499&nw=g&pos=1t1&exp=&pl=&ad=9350023857&cmpn=National+Unbranded&src=G-GHI&ds=S&s_tnt=21047:2:0>

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