



- **ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)**

A form of health insurance that provides payment in the event of death or loss of one or more bodily members (such as hands or feet) or the sight of one or both eyes as a result of an accident.

- **APPLICATION**

A statement of information made by a person applying for insurance. It identifies the plan and the amount applied for, the life insured and the beneficiary, and provides other data useful in evaluating the risk.

- **BENEFICIARY**

The person who is to receive the insurance proceeds at the death of the insured.

- **CLAIM**

A demand to the insurer by the insured person for the payment of benefits under a policy.

- **COINSURANCE**

A provision in a health insurance contract by which the insurer and insured share, in a specific ratio, the covered expenses under a policy. For example, the insurer may reimburse the insured for 80 per cent of covered expenses, the insured paying the remaining 20 per cent of such expenses.

- **COVERED EXPENSES (ALSO CALLED ELIGIBLE EXPENSES)**

Specified hospital, medical and miscellaneous health care expenses that will be considered in the calculation of benefits due under a health insurance policy.

- **DEDUCTIBLE**

The amount of covered expenses that must be incurred and paid by the insured before benefits become payable by the insurer.

- **DEPENDENT LIFE INSURANCE**

Life insurance for an employee's spouse or children.

- **DISABILITY BENEFIT**

A benefit added to some life insurance policies providing for waiver of premium and sometimes payment of a monthly income, if the insured becomes totally and permanently disabled.

- **DISABILITY INCOME INSURANCE**

A form of health insurance that provides periodic payments when the insured is unable to work as a result of illness or injury.

- **EARNINGS**

The definition of earnings is the average annual income as an individual that would be lost if disabled.

- **EVIDENCE OF INSURABILITY, OR EVIDENCE OF GOOD HEALTH**

A medical questionnaire an employee must complete to disclose medical history.

- **EXTENDED HEALTH CARE INSURANCE (EHC)**

A form of health insurance that provides, in one policy, protection for hospital and medical expenses not covered by government programs and usually other health care expenses, such as prescribed drugs, medical appliances, ambulance, private duty nursing, etc.. The policy may contain a deductible amount, coinsurance and high maximum benefits. Also called extended health benefits (EHB).

- **GROUP BENEFITS, GROUP INSURANCE**

A benefit plan developed for an employer that could include coverage for life, disability, extended medical and prescription drugs, dental, and critical illness.

- **LIFE INSURANCE**

Insurance providing for the payment of benefits upon the death, whether by accident or otherwise, of the life insured.

- **LONG TERM DISABILITY (LTD)**

A benefit plan that provides income replacement to an employee who has become totally disabled due to illness or injury.

- **MEDICAL SERVICES PLAN (MSP)**

The provincial health plan for British Columbia.

- **PLAN ADMINISTRATION**

The daily management and implementation of a benefits plan. This might include handling claims, adjusting coverage, adding and removing employees, or any number of other procedures.

- **PLAN SPONSOR**

The employer, association, or union which holds the group insurance contract.

- **POLICY (OR CONTRACT)**

The legal document issued by the insurer to the policyholder that outlines the conditions and terms of the insurance.

- **PREMIUM**

The payment, or one of the periodic payments, a policyholder is required to make for an insurance policy.

- **SHORT TERM DISABILITY (STD)**

A benefit plan that pays an employee an income while he or she is unable to work due to non-work-related illness or injury.

- **STATUS – SINGLE OR FAMILY**

- Single coverage is for an individual only insuring themselves and have no eligible dependents.
- Family coverage is for individuals that have eligible dependents, defined as:
 - Spouse – Married or common-law (after 12 months of co-habitation)
 - Former spouse – a spouse formerly covered under the employee's plan
 - Dependent children – an unmarried child of individual or spouse under age 21
 - An unmarried child in full time school until age 25

- **THIRD PARTY ADMINISTRATOR (TPA)**

A company other than an insurance company who manages businesses' benefit plans. ICBA Benefit Services Ltd. is a TPA.

- **TRAVEL INSURANCE**

Insurance designed to pay for certain unexpected costs that may arise when you are travelling, such as emergency hospital/medical costs, trip cancellation, lost baggage and accidental death insurance.