ORAL CHEMOTHERAPY EDUCATION

SPECIALTY PHARMACY INSURANCE TERMS

Appeal

An appeal is a request for your health insurance to go back and review a decision that denies a drug or service. It is often needed if your health insurance denies a prior authorization.

Coinsurance

This is the percent of the cost for a health service or drug that you pay after you've paid your deductible. For example, you may have to pay 20% coinsurance for each drug after you have paid your deductible.

Copayment ("copay")

A copay is a fixed amount you pay for a covered healthcare service after you've paid your deductible. For example, you may have to pay a $20 copay for each prescription after you have paid your deductible.

Deductible

A deductible is the amount you pay for covered healthcare services before your insurance plan starts to pay for these same services. If you have a $1,000 deductible, you would need to pay $1,000 of the covered services before your insurance starts paying.

Formulary

A formulary is a list of preferred drugs covered by a health plan that offers drug benefits. It is also called a drug list.

Grant

Grants are given by nonprofit companies to help with the cost for drug coinsurance, copays, deductibles, health insurance premiums, and other selected out-of-pocket healthcare costs. The availability of these may vary based on the disease or medicine.

Patient assistance program (PAP)

These programs are created to help patients who lack health insurance or drug coverage or are unable to pay for their medicine. They often are offered by drug companies to give low-cost or free medicines to patients who qualify and do not have Medicare or Medicaid.

Prior authorization

A prior authorization is a choice by your health insurance that a healthcare service, treatment plan, or prescription drug is medically needed. It may also be called preauthorization, prior approval, or precertification. Your health insurance may require this for certain services before you get them. It is not a promise that your health insurance will cover the cost.

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