

Glossary

5 C's of enrollment include cost, coverage information, changes to plans, comparisons to last year's plans and options, and current options.

Absenteeism: Missing days from work.

Absenteeism can be caused by any type of health problem and can be counted as general sick leave, workers' compensation, short-term disability, long-term disability, family medical leave, paid time off (PTO), or unpaid leave. Premature mortality also results in absenteeism.

Actuarial analysis: A forecast developed by specialized actuarial methods, giving the probability of future events for a given population, such as healthcare costs.

Allowed Charges: The amount of the bill either the insurance company or the patient will be responsible for based on whether the health care provider is a participating or non-participating physician.

Annual/lifetime caps: A cap on the benefits paid during the duration of a health insurance/coverage policy.

Antenatal: A synonym for prenatal; occurring during pregnancy.

Anticipatory guidance: Information and counseling to help families understand key developmental goals for children and adolescents, such as success in school and safety.

At-work productivity decline (also see presenteeism): Reduced normal activity and job output due to a health problem.

Audience-centered perspective: Communication that reflects the lives and values of the targeted group.

Balanced Scorecard Methodology: A concept for organizing and measuring a company's key activities in relation to its vision and strategies, to give managers a comprehensive view of leading and lagging performance indicators associated with a business.

Benchmarking: Baseline comparison exercises

employers engage in order to assess their relative position in the marketplace.

Birth cohort: A group of people born during a particular period or year.

Carried to term/ full term birth: A gestation period equal to, or more than, 38 weeks.

Case management is the arrangement, coordination, and monitoring of healthcare services to meet the needs of a particular patient and his/her family.

Cesarean section (c-section): A major abdominal surgery in which a surgeon cuts through a woman's abdomen and uterus allowing a baby to be delivered.

Childbearing age: A woman aged 18 to 44 years.

Childcare breakdowns occur when parents must provide care for their child unexpectedly. This can result from child illness or injury, school closures, daycare closures, or other causes.

Children with special healthcare needs are those who have or are at increased risk for a chronic physical, developmental, behavioral, or emotional condition and who also require health and related services of a type or amount beyond that usually required by children of the same age. Children who are victims of abuse or trauma and children in foster care also qualify as "children with special needs" due to their demonstrated risk for physical, emotional, and behavioral problems.

Chronic illness (specific to childhood): A health condition that is expected to last 3 months or longer and involves one or more of the following: limitation of age-appropriate functions, disfigurement, dependency on medical technology, medication, special diet, more medical care than is usual for the child's age, or special ongoing treatments.¹ Managing a child's chronic illness typically requires a routine medical treatment regimen (e.g., maintenance drugs) and crisis care (e.g., periodic hospitalization) .

Coinsurance: A form of medical cost-sharing in a

health plan that requires a covered person to pay a stated percentage (e.g., 10%) of medical expenses.

Congenital: A problem that existed at the time of birth or developed *in utero* (before birth).

Copayments: A form of medical cost-sharing in a health plan that requires a covered person to pay a fixed dollar amount when a medical service is received.

Cost, total: The sum of all direct and indirect costs.

Cost, direct: Fixed and variable costs directly associated with a medical condition or healthcare intervention.

Cost, indirect are costs separate from medical care that result from a medical problem. Indirect costs include costs related to absenteeism, lost productivity, and long-term disability.

Cost-benefit analysis: An analysis tool that measures the results or benefits of a decision compared with the required costs.

Cost-effective: A determination that the net cost per unit of health generated by an intervention is favorable in comparison with other health services.

Cost-offset: A cost-offset occurs when the use of one type of healthcare service (e.g., a preventive service) either averts or reduces the cost that would occur from use of another healthcare service (e.g., treatment service). For example, investing in preventive dental services has been proven to reduce the need and costs of restorative care.

Cost-saving: The reduction in healthcare expenses resulting from an intervention or program after accounting for the cost required to develop, implement, and maintain the given intervention or program.

Cost-sharing: Allocation of some of the health plan benefit costs to plan participants. Cost-sharing strategies commonly include premiums, deductibles, coinsurance or copayment, and annual or lifetime benefit maximums. *The National Business Group on Health's Plan Benefit Model does not recommend the use of deductibles or lifetime limits/caps.*

Critical success factors represent primary descriptive references about the organization's goals. Each critical success factor can be quantified into a subjective or objective metric known as a key performance indicator.

Cultural competence is a set of policies, attitudes, beliefs, and behaviors that enable healthcare purchasers, health plans, and providers to work effectively with other races, ethnic groups, and cultures.

Deductible: A fixed dollar amount during the benefit period - usually a year - that a covered person pays before the insurer/employer starts to make payments for covered medical services. Plans may have both per individual and per family deductibles. *The National Business Group on Health's Plan Benefit Model does not recommend the use of deductibles.*

Dependent: A person that is covered under an insurance plan because they meet the necessary requirements of relation to the employee such as being a spouse or child.

Dietary supplements are products taken orally that contain one or more ingredients that are intended to supplement one's diet and are not considered food.

Direct medical expense: The economic value directly attributable to a particular clinical action, purchase, program or initiative; the amount spent for diagnosis, treatment or prevention of medical problems. Direct medical expenses include visits to physician's offices and treatment expenditures.

Disincentive: A negative motivational influence.

Domains represent descriptive terms used in the Balanced Scorecard for categorizing similar critical success factors and support a specific Perspective.

Doula: A woman experienced in childbirth who provides advice, information, emotional support, and physical comfort to a pregnant woman before, during, and immediately after childbirth.

Early exit from the workforce refers to the situation when a working parent is forced to quit

his/her job in order to provide full-time care to a sick, injured, or disabled child.

Elective cesarean section: The surgical delivery of a baby in response to patient or provider choice, not medical necessity.

Emergency room/ department: A hospital room or area staffed and equipped for the reception and treatment of persons with conditions (as illness or trauma) requiring immediate medical care.

Employee assistance program: An employer-sponsored service designed to assist employees, spouses, and dependent children in finding help for emotional, drug/alcohol, family, and other personal or job-related problems.

Epidural: Anesthesia produced by injection of a local anesthetic into the peridural space of the spinal cord beneath the ligamentum flavum — called also *peridural anesthesia*.

Evidence-based medicine: The conscientious, explicit, and judicious use of current best evidence in making decisions about the care of individual patients. The practice of evidence-based medicine integrates individual clinical expertise with the best available external clinical evidence from systematic research.² An intervention is considered “evidence-based” when:

- Peer-reviewed, documented evidence shows that the intervention is medically effective in reducing morbidity or mortality;
- Reported medical benefits of the intervention outweigh its risks;
- The estimated cost of the intervention is reasonable when compared to its expected benefit; and
- The recommended action is practical and feasible.

Evidence-based benefit design is an approach for developing healthcare benefits. Evidence-based plans promote health care with demonstrated effectiveness by providing more generous coverage for services supported by strong evidence, and less generous coverage for services that are unproven or evidence indicates may be ineffective or unsafe.³

Environmental factor: Those determinants of disease that are not transmitted genetically. Diet, tobacco smoking, exposure to toxins, sunlight, pathogens or radiation are common environmental factors that determine a large segment of non-hereditary diseases.

Engagement (beneficiary engagement) refers to the process of turning passive healthcare users into active healthcare consumers. Engagement requires education and motivation.

Evidence-informed: Based on evidence-based recommendations or recommended guidance.

Experimental treatment: A treatment is considered “experimental” if any of the following criteria apply: 1) No reliable evidence demonstrates that the treatment is effective in clinical diagnosis, evaluation, or management of the patient’s illness, injury, disease, or its symptoms, or; evaluation of reliable evidence indicates that additional research is necessary before the treatment can be classified as equally or more effective than conventional therapies, 2) the treatment is not of proven benefit or not generally recognized by the medical community as effective or appropriate for the patient’s specific diagnosis, 3) there is not sufficient outcome data available to substantiate the treatment’s safety, 4) the treatment has not been granted required FDA approval for marketing, or 5) the treatment is provided or performed only in special settings for research purposes.

Family-friendly work-life benefits: Benefits that are perceived to assist parents in their ability to work *and* care for a child or adolescent. Examples include prenatal programs, worksite lactation programs, on-site day care, emergency sick childcare, and flexible working arrangements.

Family Leave and Medical Leave Act (FMLA) requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to “eligible” employees for certain family and medical reasons.

Fetal abnormalities: Fetal malformation or abnormal development.

Financial: The financial perspective is a common endpoint for assessing performance against a pre-determined budget. Financial metrics identify where and how revenue was generated, identify the direct operating costs, and support efforts to identify and reduce business risk.

First-dollar coverage: Medical expense insurance under which no deductible or coinsurance is applicable to covered expenses.

Flex benefit programs allow health plan participants to “flex” their health benefits to best meet their unique needs. Some examples of flex benefits include:

- o Extending a single benefit for multiple providers (e.g., home health visits).
- o Providing additional benefits for high-risk populations (e.g., increasing preventive dental care visits from the recommended two visits per year to three visits per year for certain children).
- o Reducing or eliminating copayment or coinsurance amounts on essential services or products.

Flexible spending accounts (FSAs) are tax-free savings accounts that cover things health plans often do not such as nonprescription drugs, eyeglasses, childcare, dental care, and other qualifying medical expenses.

Group care allows for multiple plan participants to be seen at the same time by an individual provider or a health care team. Group care is a cost-effective form of care that can improve quality and timeliness in specific situations. Group care is most relevant for education-based services such as nutrition counseling or anticipatory guidance.

Health communication encompasses the study and use of communication strategies to inform and influence individual and community decisions that enhance health.

Health literacy: The capability to read, understand, and act on health information.

Health maintenance organization (HMO): A type of managed healthcare system. HMOs

aim to reduce healthcare costs by focusing on preventative care and implementing utilization management controls. HMOs provide medical treatment on a prepaid basis in a fixed monthly fee. In return for this fee, most HMOs provide a wide variety of medical services from providers within the HMO network.

Health Plan Employer Data and Information Set (HEDIS®): HEDIS® is a program from the National Committee for Quality Assurance (NCQA) that consists of multiple, diverse measures of clinical and administrative outcomes by which the performance of a health plan can be compared to other plans, national or regional benchmarks, or the plan's performance from previous years.

Health promotion program (also see **wellness program**): Any prevention initiative aimed at changing lifestyle behaviors associated with greater risk of disease. These initiatives actively encourage healthy activities such as substance abuse control, weight management, smoking cessation, stress management, physical activity, or the like.

Health reimbursement accounts (HRAs) are medical care reimbursement plans established by employers that can be used by employees to pay for health care.

Health risk appraisal / health risk assessment (HRA): A standardized assessment tool administered to employees (or other groups of individuals) that measures an individual's wellness and disease risk factors, interest in participating in specific programs, and readiness to change unhealthy lifestyle habits; a survey and/or physical examination that assesses an individual's health status, health risk behaviors, family history of disease, and medical history.

Health savings accounts (HSAs): An account that allows individuals to pay for current health expenses and save for future qualified medical and retiree health expenses on a tax free basis.

Healthcare expenditure: The amount of money spent on health care for services such as hospital care, physicians, or medication.

Healthcare expenditures, National are estimates

of spending for health care in the United States for services such as hospital care, physicians, and medication.

Healthcare team: A group of healthcare professionals ranging from physicians, psychologists, or specialists who work together to recommend diagnoses or treatments.

Immunization (also see vaccination): The administration of a substance, usually by injection, oral, or nasal administration, that produces protective immunity to one or more specific diseases.

Incentive: A benefit or consideration, financial or otherwise, given to induce specific action.

Incidence: The number of *new* cases of a particular illness or condition reported in a given time period (e.g., day, week, year).

Indirect medical expense: Monetary expenditures associated with an illness, condition, or disorder, but not immediately related to treatment of that disorder.

Induction: The process of causing or initiating labor by use of medication or artificial rupture of membranes.

Internal Business Process: This perspective examines processes required to meet customer expectations and business objectives, and helps managers define the total value chain. A typical value chain begins with the process of innovation, ends with services offered to customers *after* a sale, and includes all the activities required to meet the customer's needs.

Key Performance Indicators represent a set of mission critical performance metrics and typically address high-priority issues for an organization. They have a desirable direction and are discriminating (small changes are meaningful), they are based on valid and available data, and they are actionable.

Lactation counseling: Education regarding feeding patterns, proper latch-on, basic positioning, infant arousal techniques, breast care, and breast conditions that a woman should report

to her healthcare provider.

Learning and Growth: This perspective examines an organization's investment in its people and their capabilities in order to ensure the long-term success of an organization. It also looks at the culture, leadership, and methods for engaging employees.

Life-years gained: A measure of value gained from a healthcare intervention: the average number of extra years of life resulting from treatment when compared with non-treatment. It does not include measures of quality of life or disability status (e.g., QALY, DALY).

Linguistic competence is the ability of people who speak the dominate language of a region to communicate with individuals who speak another language. Linguistic competence also involves written communication.

Lost productivity: Total limitation in work experienced by an individual. It is a sum of lost workdays and productivity decline.

Lost productivity costs: Employer-borne costs related to reduced employee productivity. Examples include lowered output, reduced customer satisfaction, redundancies in staffing, overtime cost related to no-show employees, etc.

Lost workdays: Days for which an individual reports being unable to complete normal activities due to a health condition.

Lost work time: Time that an employee loses from their regular working hours due to personal illness, or the illness of a child or other family member. Lost work time can also result from medical appointments, care coordination activities, and other health or healthcare-related activities.

Low birthweight: A diagnosis requires a baby to be born weighing 5 lbs. 8 oz or less (2500 g) at birth. Low-birthweight infants are of two different types: those who are born too small because they are born too soon, and those who are born on time, but are too small for their gestational age.

Maximum out-of-pocket expense: The maximum dollar amount a beneficiary is required

to pay out-of-pocket during a year. Until this maximum is met, the employer and beneficiary share in the cost of covered expenses. After the maximum is reached, the employer pays all covered expenses.

Maternal and child health benefits: Healthcare benefits (medical, vision, dental, behavioral health) that are specifically tailored to the needs of women of childbearing-age, children, and adolescents, including those with special health care needs.

Maternal and child health scorecard represents a customized version of the Kaplan and Norton Balanced Scorecard. The maternal and child health scorecard is customized to support the delivery of services by the Human Resources organization and Benefits department, and includes performance metrics for the identified target population.

Medical errors: The failure of a planned action to be completed as intended (error of execution) or the use of a wrong plan to achieve an aim (error of planning).

Medical home: Primary care that is accessible, continuous, comprehensive, family centered, coordinated, compassionate, and culturally effective.

Medically necessary care is prescribed by a physician or other qualified healthcare provider; required to prevent, diagnose, or treat an illness, injury, or disease or its symptoms; help maintain or restore the individual's health or functional capacity; prevent deterioration of the individual's condition; or remedy developmental delays or disabilities; generally agreed to be of clinical value; clinically consistent with the patient's diagnosis and/or symptoms; and appropriate in terms of type, scope, frequency, intensity, duration, and setting.

Metrics: Specific indicators that are measured in order to assess a company's impact on the physical or social environment.

Morbidity: The relative frequency and severity of a disease in a defined population; the result of experiencing illness from a disease or condition

(excluding death). For example, untreated type II diabetes may result in morbidities such as blindness, infections, neuropathies, and other problems.

Mortality: The number of deaths in a defined population or more specifically, the number of deaths attributable to a particular type of illness or disease.

Multifetal: A pregnancy in which there are two or more fetuses.

Network: A collection of providers and facilities, usually within a geographical area, designated by the employer or the health plan.

Neonatal: The period of time from birth to 4 weeks of age.

Neonatal intensive care unit (NICU): A specialized intensive care unit in a hospital that provides care only to infants.

Obesity: A condition that is characterized by excessive accumulation and storage of fat in the body and that in an adult is typically indicated by a body mass index of 30 or greater.

Open enrollment is a period of time each year when employers: (a) permit new employees to enroll in a health care plan, and (b) allow employees to make changes to their current medical coverage. During open enrollment, employees may decide to change plans, add or drop a dependent, or add an optional program such as a dental plan.

Out-of-pocket (OOP): All covered healthcare costs that are paid for by the beneficiary (may or may not include premium and deductible amounts). An out-of-pocket maximum is a cap on the amount beneficiaries must pay in coinsurance or copayments.

Perinatal: Occurring in, concerned with, or being in the period around the time of birth.

Perspective: The descriptive label given to the four major measurement categories used to quantify organizational performance within the Balanced Scorecard methodology.

Plan coordination: Coordination of the delivery

of health care when multiple plans administrators/vendors (e.g., medical, dental, vision) are involved.

Postnatal: Occurring or being after birth.

Preconception: Occurring prior to conception.

Preconception period: The 1-year period before a woman becomes pregnant.

Preeclampsia is a serious condition developing in late pregnancy that is characterized by a sudden rise in blood pressure, excessive weight gain, generalized edema, protein in the urine, severe headache, and visual disturbances and that may result in severe complications or death if untreated.

Preferred provider organizations (PPO): A managed healthcare system that consists of a group of doctors and/or hospitals that provides medical services only to a specific group or association that sponsors the PPO. Rather than prepaying for medical care, PPO members pay for services as they are rendered and are reimbursed by the insurance company/plan administrator, less any coinsurance percentage.

Pregnancy discrimination occurs when expectant women are not hired, fired, or otherwise discriminated against due to their pregnancy or intention to become pregnant.

Premature mortality: Deaths that occur among people aged 0 to 74 years. Premature mortality is an important indicator of the general health of a population as a high premature mortality rate indicates poor population health status.

Pregnancy-related costs: Costs of any type that are the direct result of a woman being pregnant. Costs can include medical care, lost productivity, disability, turnover and replacement costs, etc.

Premature (also see preterm birth): Born at less than 37 weeks gestation.

Premium: Agreed upon fees paid for coverage of medical benefits for a defined benefit period. Premiums can be paid by employers, unions, employees, or shared by both the covered individual and the plan sponsor.

Prenatal: Occurring, existing, performed, or used before birth.

Presenteeism: Describes an employee who is at work but not fully functioning while there. In this context, presenteeism refers to those situations whereby an employee's job performance or productivity is impaired by a health problem.

Preterm birth: Birth before 37-weeks is considered "preterm": birth between 34- and 36-weeks is considered "late preterm" and "very preterm" births occur before 32-weeks gestation.

Prevalence: The proportion of the general population affected by a specific illness or condition at a specific point in time or during a defined period of time.

Primary care provider: Clinical care provided by family physicians, pediatricians, internal medicine doctors, or obstetrician/gynecologists who treat general illnesses, provide clinical preventive services, and triage patients for specialized medical care.

Productivity: The amount of output produced by a worker in a given period of time (hour or day, etc.).

Racial and cultural language barriers make it difficult to explain healthcare benefits, programs, and policies to employees and other beneficiaries.

Recommended guidance: A recommendation or guideline that is based on the best-available information for a condition, disease, or health service, but that does not yet have the scientific research support to be considered evidence-based.

Retention: The ability of an employer to keep a given employee or a group of employees for a set period of time (e.g., more than 2 years); a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs.

Return on investment (ROI): A comparison of the money earned (or lost) on an investment to the amount of money invested. For example, every \$1 an employer spends on immunization produces a return of \$3 in avoided healthcare costs. It is

important to note that ROI is not a proxy for cost-effectiveness or vice versa. Interventions that are cost-effective or even cost-saving at the societal level do not necessarily yield a positive ROI from the business perspective, although they may provide a better value than other services.

Risk, at-: Possessing a chance of succumbing to a disease or condition due to specific genetic markers, personal history, behaviors, or other factors.

Risk, high: Possessing a greater chance of succumbing to a disease or condition than the general population due to specific genetic markers, personal history, behaviors, a lack of immunity, or other factors.

Risk, low: Possessing a lesser chance of succumbing to a disease or condition than the general population due to specific genetic markers, personal history, behaviors, or other factors.

Screening: A test or examination designed to identify an individual's risk of developing an illness or condition (i.e., blood pressure measurement or cholesterol reading).

Short-term disability (STD) provides employees with income protection against disabilities resulting from a covered physical disease, injury, pregnancy, or mental disorder.

Stages of development: Infancy: birth to 11 months, Early childhood: 1 to 4 years, Middle childhood: 5 to 10 years; Adolescence: Early: 11 to 14 years; Middle: 15 to 17 years; Late: 18 to 21 years.

Side effects: A secondary and usually adverse effect of a treatment.

Strategic performance indicators provide relevant information that enables managers to obtain feedback on performance relative to strategic goals, identify where attention is needed and what action to take.

Strategy map is the resulting document that links an organization's mission and vision with the four perspectives contained in the Balanced Scorecard, and can be used to describe the relationship

between the development and execution of a business strategy.

Summary plan description (SPD): A document describing the features of an employer-sponsored plan. The primary purpose of the SPD is to disclose the features of the plan to current and potential plan participants. ERISA requires that certain information be contained in the SPD, including participant rights under ERISA, claims procedures, and funding arrangements.

Unintended pregnancy: A pregnancy that is either mistimed or unwanted at the time of conception.

Unintentional injuries: Injuries and deaths that are considered "accidental" meaning that they were not intended or self-inflicted.

Urgent care: Health care provided in situations of medical duress that have not reached the level of emergency. Claim costs for urgent care services are typically much less than for services delivered in emergency rooms.

Vaccination (also see **immunization**): The administration of a substance, usually by injection, oral, or nasal administration, that protects an individual from developing a specific disease(s).

Value-based purchasing is a benefit design strategy employers can use to align financial incentives for beneficiaries *and* providers to encourage the use of high-value care while discouraging the use of low-value or unproven services. Value-based purchasing brings together information on the quality of health care, including health outcomes and health status, with data on the dollar outlays going towards health.

VBAC (vaginal birth after cesarean): When a woman with a history of cesarean delivery delivers a subsequent child vaginally, it is termed a VBAC birth.

Well-child care is preventive health care for healthy babies, children, and adolescents (birth through age 21); it includes developmental screening, anticipatory guidance, routine tests,

growth monitoring, and other essential services.

Wellness program (also see **health promotion program**): Any prevention initiative aimed at changing lifestyle behaviors associated with greater risk of disease. These initiatives actively encourage healthy activities such as substance abuse control, weight management, smoking cessation, stress management, physical activity, or the like.

Work cutback: Occurs when an employee is required to cutback their regular working hours to accommodate a personal or familial health problem.

Work loss: Time away from a job or an inability to perform normal work activities because of a health problem.

Workplace burden: Any type of economic burden (in this case related to health or healthcare) which affects a company, not including direct healthcare costs. Examples include costs associated with employee turnover, lost productivity, and work cutback.

References

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