

Term	Definition
<b>Accidental death and dismemberment insurance (AD&amp;D)</b>	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
<b>Anniversary Year</b>	The 12 consecutive months following the Effective Date of the Policy and each 12-month period thereafter
<b>Beneficiary</b>	The party who is to receive the insurance proceeds at the death of the insured. Beneficiaries could be your estate, friends, relatives, charities etc.
<b>Benefit Amount</b>	The amount payable by the insurance company to a claimant, assignee, or beneficiary when the insured suffers a loss covered by the policy
<b>Benefit Year</b>	The 12-month period following the date a claim for a specific benefit is first incurred, and each 12-month period thereafter
<b>Calendar Year</b>	The 12-consecutive-month period that begins on January 1 and ends on December 31
<b>Claim</b>	A demand to the insurer by the insured person for the payment of benefits under a policy
<b>Claimant</b>	The person(s) making a request for payment of benefits under the terms of an insurance policy
<b>Coinsurance</b>	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
<b>Co-ordination of Benefits</b>	Co-ordination of Benefits is a process designed to eliminate duplicate payments and determine the order for payment of benefits when there is coverage provided under another plan

<b>Conversion Privilege</b>	Employees with terminating group life coverage can convert their coverage within 31 days to an individual policy, without medical evidence. The rate on the new individual policy is not at the group rate. The rate will be based on gender, age, smoking status , amount, etc.
<b>Coverage</b>	Coverage is used interchangeably with the terms insurance or protection. Another term for the protection offered under an insurance policy
<b>Covered expenses</b>	Specified hospital, medical and miscellaneous health care expenses that will be considered in the calculation of benefits due under a health insurance policy
<b>Critical illness insurance</b>	A living benefit product that provides a tax free lump-sum cash payment on the first diagnosis of one of several contractually specified critical illnesses. The insured must survive for a minimum period of time after the diagnosis to receive the benefit.
<b>Declaration</b>	A statement, signed by the insured, warranting that the information given by him/her is true
<b>Deductible</b>	The amount of covered expenses that must be incurred and paid by the insured before benefits become payable by the insurer
<b>Disability</b>	A physical or mental condition that makes an insured person incapable of performing one or more duties of his or her occupation
<b>Disability income insurance</b>	A form of health insurance that provides periodic payments when the insured is unable to work as a result of illness or injury
<b>Dispensing Fee</b>	The dispensing fee represents the charge for the professional services provided by a pharmacist when dispensing a prescription
<b>Effective Date</b>	The date when insurance coverage begins

<b>Eligible Expenses</b>	Expenses that are eligible for payment of benefits, under the terms of an insurance policy
<b>Emergency</b>	An acute, unexpected or unforeseen illness or accidental injury which results in a sickness or accidental bodily injury of the insured
<b>Evidence of Insurability (EOI)</b>	Some benefits in a group insurance plan will require proof of insurability before being issued. Proof of insurability means completing a medical questionnaire and possibly other medical tests.
<b>Exclusions</b>	Specific causes of death, circumstances and health-related conditions or any other losses for which an insurance policy does not provide benefits
<b>Extended health care insurance (EHC)</b>	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
<b>Generic</b>	A medication sold under its generic name, usually legal only after the patent has expired, or if no patent was issued for the substance. Generic drugs are usually less expensive than proprietary medications
<b>Group insurance</b>	Insurance issued, usually without medical examination, on a group of people under a master contract. The individual members of the group hold certificates as evidence of their insurance. It is usually issued to an employer for the benefit of employees
<b>Group Registered Retirement Savings Plan (GRRSP)</b>	An arrangement established for employees or members of a professional or trade association.. Employer contributions are treated as employees' earned income for income tax purposes. Individual RRSP contracts must be registered for each

	participant and separate accounts kept for each
<b>Health Care Spending Account (HSA)</b>	An HSA is a special account that employers can contribute to on behalf of their employees. The money can be used to pay for medical, dental and other health services claims on a non-taxable basis.
<b>Health insurance</b>	Insurance providing for the payment of benefits as a result of sickness or injury. Often includes government hospital-medical plans. Includes various types of insurance, such as accident insurance, disability income replacement insurance, medical expense insurance, and accidental death and dismemberment insurance
<b>Hospital expense insurance</b>	Insurance that provides specific benefits for hospital room and board and prescribed hospital services during hospital confinement that are not covered by government hospital plans
<b>Insured</b>	The person (or persons) whose risk of financial loss from an insured peril is protected by the policy. Sometimes called the "policyholder"
<b>Insurer</b>	Also, any corporation licensed to furnish insurance to the public
<b>Integration</b>	Coordination of the disability income insurance benefit with other disability income benefits, such as Canada and Quebec Pension Plans
<b>Life insurance</b>	Insurance providing for the payment of benefits upon the death, whether by accident or otherwise, of the life insured
<b>Life insured</b>	The person on whose death or disability the insurance proceeds will become payable
<b>Lifetime Maximum</b>	The maximum amount of benefits that will be paid for all covered services during the entire time you are insured
<b>Lock-in provisions</b>	Where multiple options are available in a benefit a lock-in provision is sometimes used to reduce the financial risk to that benefit. Lock-in periods usually range from 2 to 3 years. They are commonly found coverage for orthodontia and

<b>Long term care insurance</b>	Insurance that provides financial protection for persons who become unable to care for themselves because of a chronic illness, disability, or cognitive impairment, such as Alzheimer's disease
<b>Long Term Disability Insurance (LTD)</b>	Long term disability insurance is an insurance policy that protects an employee from loss of income in the event that he or she is unable to work due to illness, injury, or accident for a long period of time.
<b>Name Brand or Brand-Name</b>	A medication sold by a pharmaceutical company under a trademark-protected name. Typically more expensive than generic drugs
<b>Non-evidence maximum (NEM)</b>	Highest amount of insurance that will be provided without medical evidence
<b>Non-Smoker</b>	An insured person who has not used any form of tobacco, including tobacco cessation products, in the twelve (12) consecutive months preceding the date of application for insurance.
<b>Overall Maximum</b>	The combined maximum amount of a particular benefit coverage type that is applicable to an employee, with or without medical evidence. Commonly used with Life Insurance (basic and optional combined)
<b>Partial disability benefit</b>	A benefit sometimes found in disability income policies providing for the payment of reduced monthly income in the event the insured cannot work full-time or is prevented from performing one or more important daily duties pertaining to his or her occupation
<b>Policy</b>	The legal document issued by the insurer to the policyholder that outlines the conditions and terms of the insurance. Also called the contract
<b>Policy Owner or Policyholder</b>	The person who owns the insurance policy
<b>Pre-existing Health Condition</b>	An injury, a sickness, or a condition that existed before the date that an insurance policy takes effect

<b>Premium</b>	The cost of insurance coverage
<b>Provincial Health Insurance Plan</b>	Canada's health care program is made up of provincial and territorial health insurance plans, all of which share certain common features and standards, designed to make sure that all residents of Canada have reasonable access to health care from doctors and hospitals
<b>Reasonable and Customary</b>	The maximum amount a plan or insurance contract will consider eligible for reimbursement, based upon prevailing fees in a geographic area
<b>Settlement options</b>	The several ways, other than immediate payment in cash, that the policyholder or beneficiary may choose to have life insurance policy benefits paid
<b>Step-up or step-down limitations</b>	Allows employees to change their coverage by only one level. For example, if an employer offered 3 options for a dental plan 1) basic, 2) basic and major and 3) basic, major and orthodontics – an employee with only basic coverage(1) could only move to option (2) basic and major. The employee could not move to the third option during the next allocation period.
<b>Taxable Benefits</b>	A taxable benefit means that the employer is adding a certain amount of income to an employee's T4. Taxable benefits are legislated and include the premium paid by the employer for life insurance and for critical illness insurance.
<b>Taxable &amp; Non-taxable LTD</b>	If an employer pays any portion of the employee's disability insurance premium it means that any benefit paid out for being disabled will be taxable as income. Conversely, if the employee pays the entire premium the benefit paid out during disability will be tax free.
<b>Term life insurance</b>	Temporary life insurance payable on the death of the life insured, provided that death occurs within a specified period of time
<b>Underwriting</b>	The process by which an insurer determines whether or not, and on what basis, it will accept

	an application for insurance
<b>Waiver of benefit</b>	Health or dental benefits can be waived (not taken) by the employee because their spouse has coverage under another plan. The waiving of the benefit allows the employee to reenroll in that benefit at a later date without having to provide medical evidence
<b>Waiver of premium</b>	If an employee qualifies as being disabled (usually for at least 6 months) the cost of their disability and life insurance premiums will be waived by the carrier.