

Chapter 35 Life and Health Insurance

Section 35.2 Health Insurance

Section Summary with Key Terms and Academic Vocabulary

Health Insurance Health-care costs for a serious illness or accident can be financially devastating to a family. Insurance companies provide various types of health insurance. Major medical insurance, sometimes called catastrophic insurance, is the most important coverage for a serious illness or accident. Hospital expense insurance, surgical expense insurance, medical expense insurance, and group health insurance are also available. Most policies offer a combination of protection. A policy may combine major medical, hospital expense, and surgical expense insurance. Federal and state governments also offer healthcare insurance through Medicare and Medicaid.

Key Terms _____

coinsurance Percentage of medical expenses that a policyholder must pay beyond the deductible

copayment Fee paid each time a service is used

pre-existing condition Serious health condition diagnosed before a person obtained health insurance

health maintenance organization (HMO)

Organization that provides health care at its own health centers for a fixed fee

preferred provider organization (PPO) Group of doctors and hospitals that agree to provide specified medical services to members at prearranged fees

Medicare U.S. government's major health insurance program for the elderly

Medicaid Federally and state-funded health-care plan for people who are unable to pay for insurance or health care

Academic Vocabulary _____

medical Of, relating to or concerned with physicians or the practice of medicine

mental Of or relating to the mind

percentage The result obtained by multiplying a number by a percent

stress To emphasize