

Glossary of Terms

The glossary includes terms commonly used in long term care insurance policies.

Accelerated Death Benefits

Some life insurance companies offer life insurance policies with a special feature that allows payment of the death benefit when the insured person is still alive. Such payment usually is limited to situations in which the individual is terminally ill. The benefits are available to cover the costs of long term care services.

Activities of Daily Living (ADL)

Physical functions that an independent person performs each day, including bathing, dressing, eating, toileting, walking or wheeling, and transferring into and out of bed.

Acute

A sudden and severe condition.

Adaptive/Assistive Equipment

An appliance or gadget which assists user in the operation of self-care, work or leisure activities.

Administration on Aging

An agency of the U.S. Department of Health and Human Services. AOA is an advocate agency for older persons and their concerns at the federal level. AOA works closely with its nationwide network of State and Area Agencies on Aging (AAA).

Adult Day Care Center

A community based program offering structured activities and meals. Some health services may be offered for an additional fee. Transportation may be provided. Most programs operate during the week and can be attended full or part-time.

Adult Day Health Care

Provision of care and services in a residential health care facility or approved extension site, on an outpatient basis, under the medical direction of a physician. Services are in accord with a comprehensive assessment of care needs and individualized health care plan.

Advanced Directives

A written statement of an individual's preferences and directions regarding health care. Advanced Directives protect a person's rights even if he or she becomes mentally or physically unable to choose or communicate his or her wishes.

Age-Associated Memory Impairment

Mild memory loss that increases with age. Mild memory loss is normal and should not be confused with forms of dementia, which are progressive and affect every day living.

Alzheimer's Disease

A progressive and irreversible organic disease, typically occurring in the elderly and characterized by degeneration of the brain cells, leading to dementia, of which Alzheimer's is the single most common cause. Progresses from forgetfulness to

severe memory loss and disorientation, lack of concentration, loss of ability to calculate numbers and finally to increased severity of all symptoms and significant personality changes.

Ambulate

To walk.

Aphasia

The loss of ability to express oneself and/or understand language.

Apraxia

Inability to carry out a complex or skilled movement due to deficiencies in cognition.

Area Agencies on Aging (AAA)

Local government agencies which provide or contract for services for older persons within their area.

Assessment

Determination of a resident's care needs, based on a formal, structured evaluation of the resident's physical and psychological condition and ability to perform activities of daily living.

Assisted Living

Senior housing that provides individual apartments, which may or may not have a kitchenette. Facilities offer 24 hour on site staff, congregate dining, and activity programs. Limited nursing services may be provided for an additional fee.

Audiologist/Audiology

Health care professionals specializing in the measurement of hearing and the correction of hearing impairment or hearing loss.

Bed Sores

See Pressure Ulcers

Bedfast

To be bed ridden.

Board and Care Homes

These are group living arrangements that are designed to meet the needs of people who cannot live independently, but do not require nursing facility services. These facilities offer a wider range of services than independent living options. Most provide help with some of the activities of daily living. In some cases, private long-term care insurance and medical assistance programs will help pay for this type of living.

Caregiver

Any individual who takes care of an elderly person or someone with physical or mental limitations.

Case Management

A system in which one individual helps the insured person and his or her family

determine and coordinate necessary health care services and the best setting for those services.

Case Mix

A formulative method used in some states to determine patients' needs for health care resources within a nursing facility. The assessment is based in part on functional ability to perform activities of daily living (ADLs), medical and psychiatric diagnosis.

Center for Medicare and Medicaid (CMS)

Formerly the U.S. Health Care Financing Administration, CMS is an element of the Department of Health and Human Services, which finances and administers the Medicare and Medicaid programs. Among other responsibilities, CMS establishes standards for the operation of nursing facilities that receive funds under the Medicare or Medicaid programs.

Certificate of Medical Necessity

A document completed and signed by a physician to certify a patient's need for certain types of durable medical equipment (i.e. wheelchairs, walkers, etc.).

Certified Home Health Care

An entity that provides, as a minimum, the following services which are of a preventative, therapeutic, health guidance and/or supportive nature to persons at home: nursing services; home health aide services; medical supplies, equipment and appliances suitable for use in the home; and at least one additional service such as, the provision of physical therapy, occupational therapy, speech/language pathology, respiratory therapy, nutritional services and social work services.

Certified Nursing Assistant (CNA)

The CNA provides personal care to residents or patients, such as bathing, dressing, changing linens, transporting and other essential activities. CNAs are trained, tested, certified and work under the supervision of an RN or LPN.

Chronic

A lasting, lingering or prolonged illness or symptom.

Chronic Disease

A disease which is permanent, or leaves residual disability, or is caused by nonreversible pathological alteration.

Chronic Obstructive Pulmonary Disease (COPD)

A group of chronic respiratory disorders characterized by the restricted flow of air into and out of the lungs. The most common example is emphysema.

Cognition

The process of knowing; of being aware of thoughts. The ability to reason and understand.

Cognitive Impairment

A diminished mental capacity, such as difficulty with short-term memory.

Co-morbidities

Multiple disease processes.

Companion Care

Nonmedical services that are provided in the patient's home. Examples include, but are not limited to: helping the senior with everyday activities, making meals, grooming, ensuring safety, etc. No medical care is provided.

Congestive Heart Failure (CHF)

A common type of heart disease characterized by inadequate pumping action of the heart.

Conservator

Person appointed by the court to act as the legal representative of a person who is mentally or physically incapable of managing his or her affairs.

Continuing Care Retirement Communities (CCRCs)

Housing communities that provide different levels of care based on the needs of their residents -- from independent living apartments to skilled nursing in an affiliated nursing facility. Residents move from one setting to another based on their needs, but continue to remain a part of their CCRC's community. Typically CCRCs require a significant payment (called an endowment) prior to admission, then charge monthly fees above that.

Custodial Care

Board, room and other personal assistance services (including assistance with activities of daily living, taking medicine and similar personal needs) that may not include a skilled nursing care component.

CVA

Refers to a cerebrovascular accident or stroke in which an area of the brain is damaged due to a sudden interruption of blood supply.

Decubitis

See Pressure Ulcers

Dementia

Progressive mental disorder that affects memory, judgement and cognitive powers. One type of dementia is Alzheimer's disease.

Developmental Disability (DD)

Refers to a serious and chronic disability, which is attributable to a mental or physical impairment or combination of mental and physical impairments. Those affected have limitations in three or more of the following areas: self-care, receptive and expressive language, learning, mobility, self-direction, capacity of independent living, economic self-sufficiency. Those who have a developmental disability often require long-term treatment and care-planning.

Diagnostic Related Groups (DRGs)

DRGs are used to determine the amount that Medicare reimburses hospitals for in-

patient services. The hospital is reimbursed a fixed amount based on the DRG code for the patient.

Discharge Planner

A social worker or nurse who assists patients and their families with health care arrangements following a hospital stay.

Distinct Parts

Separate units in a nursing facility where beds are available only for people whose care is paid for by a specific payment source, such as Medicare.

Durable Medical Equipment (DME)

Durable medical equipment, as defined by Medicare, is equipment which can 1) withstand repeated use, 2) is primarily and customarily used to serve a medical purpose, 3) generally not useful to a person in the absence of an illness or injury, and 4) is appropriate for use in the home (e.g. wheelchairs, hospital beds, walkers).

Durable Power of Attorney for Health Care (DPAHC)

A legal document in which a competent person gives another person (called an attorney-in-fact) the power to make health care decisions for him or her if unable to make those decisions. A DPA can include guidelines for the attorney-in-fact to follow in making decisions on behalf of the incompetent person.

Dual Eligibles

Someone who is qualified for both Medicaid and Medicare.

Dysphagia

A swallowing disorder often depicted by difficulty in oral preparation for swallowing. The person has difficulty moving material from the mouth to stomach.

Edema

A collection of fluid in the tissues which causes swelling.

Eden Alternative

Concept for skilled nursing facilities that embraces children, nature and animals to be part of facility life.

Emergency Response Systems

Electronic monitors on a person or in a home that provide automatic response to medical or other emergencies.

End Stage Renal Disease (ESRD)

Medical condition in which a person's kidneys no longer function, requiring the individual to receive dialysis or a kidney transplant to sustain his or her life.

Enriched Housing

A licensed adult care facility established and operated for the purpose of providing long-term residential care to five or more adults, primarily persons 65 years of age or older, in community-integrated settings resembling independent housing units. Such programs must provide or arrange for the provision of room, board, housekeeping, personal care and supervision.

Exclusion

Any condition or expense for which a policy will not pay.

Fee for Service

Method of charging whereby a physician or other practitioner bills for each encounter or service rendered. This is the usual method of billing by the majority of physicians.

Fee Schedule

A listing of accepted charges or established allowances for specified medical, dental, or other procedures or services. It usually represents either a physician's or third party's standard or maximum charges for the listed procedures.

Fiscal Intermediary (FI)

Private health insurance company under contract with the Health Care Financing Administration (HCFA) to handle claims processing for Medicare Part A.

Foley Catheter

A tube which is inserted into the urinary bladder in order to drain urine. The urine drains through a tube and is collected in a plastic pouch.

Free-Look Period

After purchasing a policy, you usually have 30 days to review it. You may cancel the policy for a full refund during this time.

Geriatrics

The branch of medicine that focuses on providing health care for the elderly and the treatment of diseases associated with the aging process.

GI Tube

A tube inserted surgically through an opening in the stomach. GI tubes offer another means of nutritional sustenance for those individuals unable to take these substances by mouth.

Grace Period

Thirty days after the premium is due before the policy lapses.

Grandfather

A legal term that means all existing conditions that were present at the time of a law, legal agreement, or ordinance do not have to be changed since they were there when the conditions were legal.

Guardianship

An extreme measure that severely restricts the legal rights of an elder based on a court's finding of legal incompetence. Another individual is assigned the responsibility of handling the elder person's legal affairs.

Health Care Directive

A written legal document which allows a person to appoint another person (agent) to make health care decisions should he or she be unable to make or communicate decisions.

Health Care Power of Attorney

The appointment of a health care agent to make decisions when the principal becomes unable to make or communicate decisions.

Health and Human Services, Department of

An executive department of the federal government that is responsible for the oversight of the Medicare and Medicaid programs.

Health Maintenance Organization (HMO)

An organization that, for a prepaid fee, provides a comprehensive range of health maintenance and treatment services (including hospitalization, preventive care, diagnosis, and nursing).

Home Health Agency (HHA)

An agency that provides medical services in a home setting. Services may be provided by a nurse, occupational, speech or physical therapist, social worker, or home health aide.

Home Health Aide

A person who provides personal care such as bathing, dressing and grooming. May include light housekeeping services.

Hospice

Hospice/palliative care is provided to enhance the life of the dying person. Often provided in the home by health professionals, today there are many nursing facilities and acute care settings that also offer hospice services. Hospice care, typically offered in the last six months of life, emphasizes comfort measures and counseling to provide social, spiritual and physical support to the dying patient and his or her family.

Hospice Care

The provision of short-term inpatient services for pain control and management of symptoms related to terminal illness.

Indemnity Benefit

A flat payment made directly to the policyholder, rather than to the provider for services rendered.

Inflation Protection

One of several mechanisms that can be built into insurance policies to provide for some increase over time of the daily benefit to account for inflation. Addition of this feature to a policy can be important depending on your situation, but it also raises the price of the policy.

Intermediate Care Facility/Mentally Retarded (ICF/MR)

A licensed facility with the primary purpose of providing health or rehabilitative services for people with mental retardation or people with developmental disabilities.

Incompetence

Determined by a legal proceeding. Requires that the individual is incapable of handling assets and exercising certain legal rights.

Incontinent

Partially or totally unable to control bladder and/or bowel functions.

Inpatient

A patient who has been admitted at least overnight to a hospital or other health facility (which is, therefore, responsible for the patient's room and board) for the purpose of receiving a diagnosis, treatment, or other health services.

Instrumental Activities of Daily Living (IADL)

An index which measures a client's ability and degree of independence in cognitive and social functioning, such as shopping, cooking, doing housework, managing money, and using the telephone.

IV/Infusion Therapies

The way that liquid solutions or liquid medications are administered directly into the blood stream through an intravenous catheter inserted in a vein in the body. Infusion therapies can include total parenteral nutrition, antibiotics or other drugs, blood, and chemotherapy.

Lapse

Allowing insurance coverage to expire by not paying premiums.

Length of Stay

The time a patient stays in a hospital or other health facility.

Level Premiums

The uniform raising of premium rates for an entire class of insurance with permission from the state Insurance Commissioner.

Living Will

A legal document in which a competent person directs in advance that artificial life-prolonging treatment not be used if he or she has or develops a terminal and irreversible condition and becomes incompetent to make health care decisions.

Long Term Care (LTC)

The broad spectrum of medical and support services provided to persons who have lost some or all capacity to function on their own due to a chronic illness or condition, and who are expected to need such services over a prolonged period of time. Long term care can consist of care in the home by family members who are assisted with voluntary or employed help, adult day health care, or care in assisted living or skilled nursing facilities.

Long-Term Care Facilities

A range of institutions that provide health care to people who are unable to manage independently in the community. Facilities may provide short-term rehabilitative services as well as chronic care management.

Long Term Care Insurance

A policy designed to help alleviate some of the costs associated with long term care. Benefits are often paid in the form of a fixed dollar amount (per day or per visit) for covered expenses and may exclude or limit certain conditions from coverage.

Long Term Home Health Care Program

A coordinated plan of care and services provided at home to invalid, infirm, or disabled persons who are medically eligible for placement in a hospital or residential health care facility for an extended period of time, but such a program was unavailable. Such a program is provided in the person's home or in the home of a responsible relative or other adult, but not in a private proprietary home for adults, private proprietary nursing home, residence for adults, or public home.

Managed Care

A method of financing and delivering health care for a set fee using a network of physicians and other providers who have agreed to the set fees.

MDS (Minimum Data Set)

A core set of screening and assessment elements, including common definitions and coding categories, that form the foundation of the comprehensive assessment for all patients of long term care facilities certified to participate in Medicare and Medicaid. The items standardize communication about patient problems and conditions within facilities, between facilities and outside agencies.

Medicaid

The federally supported, state operated public assistance program that pays for health care services to people with a low income, including elderly or disabled persons who qualify. Medicaid pays for long term nursing facility care, some limited home health services, and may pay for some assisted living services, depending on the state.

Medicaid-Certified Bed

A nursing facility bed in a building or part of a building which has been determined to meet federal standards for serving Medicaid recipients.

Medical Records Director/Coordinator

Plans and directs the activities and personnel of the department. Coordinates the management of resident medical records and the clerical needs of the nursing department.

Medically Necessary

Medical necessity must be established (via diagnostic and/or other information presented on the claim under consideration) before the carrier or insurer will make payment.

Medicare

The federal program providing primarily skilled medical care and medical insurance for people aged 65 and older, some disabled persons and those with end-stage renal disease.

Medicare Part A

Hospital insurance that helps pay for inpatient hospital care, limited skilled nursing care, hospice care, and some home health care. Most people get Medicare Part A automatically when they turn 65.

Medicare Part B

Medical insurance that helps pay for doctors' services, outpatient hospital care, and some other medical services that Part A does not cover (like some home health care). Part B helps pay for these covered services and supplies when they are medically necessary. A monthly premium must be paid to receive Part B.

Medicare-Certified Bed

A nursing facility bed in a building or part of a building, which has been determined to meet federal standards for serving Medicare patients requiring skilled nursing care.

Medicare Supplemental Insurance

This is private insurance (often called Medigap) that pays Medicare's deductibles and co-insurances, and may cover services not covered by Medicare. Most Medigap plans will help pay for skilled nursing care, but only when that care is covered by Medicare.

Medigap Insurance

A term commonly used to describe Medicare supplemental insurance policies available from various companies. Medigap is private insurance that may be purchased by Medicare-eligible individuals to help pay the deductibles and co-payments required under Medicare. Medigap policies generally do not pay for services not covered by Medicare.

Nasogastric Tube (NG Tube)

A tube that passes through a patient's nose and throat and ends in the stomach. This tube allows for direct "tube feeding" to maintain the nutritional status of the patient or removal of stomach acids.

Nonforfeiture Benefit

All tax qualified policies offer a nonforfeiture benefit which provides a return of some premiums paid or a reduced benefit if the policyholder stops paying the premiums after some period of time.

Nursing Facility (NF)

Nursing facilities are licensed to provide custodial care, rehabilitative care, such as physical, occupational or speech therapy or specialized care for Alzheimer's patients. Additionally, nursing facilities offer residents planned social, recreational and spiritual activities.

Nursing Home

A facility licensed with an organized professional staff and inpatient beds and that provides continuous nursing and other health-related, psychosocial, and personal services to patients who are not in an acute phase of illness, but who primarily require continued care on an inpatient basis.

Nurse, Licensed Practical (LPN)

A graduate of a state-approved practical nursing education program, who has passed a state examination and been licensed to provide nursing and personal care under the supervision of a registered nurse or physician. An LPN administers medications and treatments and acts as a charge nurse in nursing facilities.

Nurse, Registered (RN)

Nurses who have graduated from a formal program of nursing education (two-year associate degree, three-year hospital diploma, or four-year baccalaureate) and passed a state-administered exam. RNs have completed more formal training than licensed practical nurses and have a wide scope of responsibility including all aspects of nursing care.

Occupational Therapist

Occupational therapists evaluate, treat, and consult with individuals whose abilities to cope with the tasks of everyday living are threatened or impaired by physical illness or injury, psychosocial disability, or developmental deficits. Occupational therapists work in hospitals, rehabilitation agencies, long-term-care facilities, and other health-care organizations.

Ombudsman

The Ombudsman Program is a public/government/community-supported program that advocates for the rights of all residents in 24-hour long-term care facilities. Volunteers visit local facilities weekly, monitor conditions of care and try to resolve problems involving meals, finances, medication, therapy, placements and communication with the staff.

Outline of Coverage

A description of policy benefits, exclusions and provisions that makes it easier to understand a particular policy and compare it with others.

Outpatient

A patient who receives care at a hospital or other health facility without being admitted to the facility. Outpatient care also refers to care given in organized programs, such as outpatient clinics.

Patient Assessment

Also called resident assessment. A standardized tool that enables nursing homes to determine a patient's abilities, what assistance the patient needs and ways to help the patient improve or regain abilities. Patient assessment forms are completed using information gathered from medical records, discussions with the patient and family members, and direct observation.

Period of Confinement

The time during which an individual receives care for a covered illness. The period ends when the individual has been discharged from care for a specified period of time, usually six months.

Private Pay Patients

Patients who pay for their own care or whose care is paid for by their family or another private third party, such as an insurance company. The term is used to distinguish patients from those whose care is paid for by governmental programs (Medicaid, Medicare, and Veterans Administration).

Program of All-Inclusive Care for the Elderly (PACE)

PACE programs serve individuals with long term care needs by providing access to the entire continuum of health care services, including preventive, primary, acute and long term care. A basic tenet of the PACE philosophy is that it is better for both

the senior with long term care needs and the health care system to focus on keeping the individual living as independently as possible in the community for as long as possible.

Personal Care

Involves services rendered by a nurse's aide, dietician or other health professional. These services include assistance in walking, getting out of bed, bathing, toileting, dressing, eating and preparing special diets.

Physical Therapy

Services provided by specially trained and licensed physical therapists in order to relieve pain, restore maximum function, and prevent disability or injury.

Post Claims Underwriting

A practice whereby a claim is denied on the basis of the individual's health status at the time the policy was purchased. Most reputable companies do medical underwriting at the time a policy is sold, rather than at the time a claim is submitted.

Power of Attorney

A legal document allowing one person to act in a legal matter on another's behalf pursuant to financial or real-estate transactions.

Pre-Admission Screening

An assessment of a person's functional, social, medical, and nursing needs, to determine if the person should be admitted to nursing facility or other community-based care services available to eligible Medicaid recipients. Screenings are conducted by trained preadmission screening teams.

Preexisting Conditions

Medical conditions that existed, were diagnosed or were under treatment before an insurance policy was taken out. Long term care insurance policies may limit the benefits payable for such conditions.

Pressure Ulcers

A breakdown of the skin, to which older, bed-ridden persons are especially susceptible. Also referred to as pressure sores or decubitus ulcers. For bed-ridden persons, prevention includes turning every two hours.

Prospective Payment System (PPS)

Method by which skilled nursing facilities are paid by Medicare.

Provider

Someone who provides medical services or supplies, such as a physician, hospital, x-ray company, home health agency, or pharmacy.

Psychotropic Drugs

Antidepressants, anti-anxiety drugs, and anti-psychotic drugs used for delusions, extreme agitation, hallucinations, or paranoia. They are often referred to as mind or behavior altering drugs.

Qualified Medicare Beneficiaries (QMB)

A federally required program where states must pay the Medicare deductibles, co-payments as well as Part B premiums for Medicare beneficiaries who qualify based on income and resources.

Quality Assurance Director

Coordinates quality assurance programs and policies for the facility. This person is responsible for quality assurance only and must be a licensed nurse.

Range of Motion (ROM)

The movement of a joint to the extent possible without causing pain.

Reasonable and Necessary Care

The amount and type of health services generally accepted by the health community as being required for the treatment of a specific disease or illness.

Resident

A person living in a long-term care facility. Since nursing facilities are licensed health care facilities, residents are often also referred to as patients.

Resident Assistant (RA)

RAs generally work in assisted living residences and provide direct personal care services to residents, but they are not certified CNAs. Depending on the state, this position is also available in some nursing facilities.

Resident Care Plan

A written plan of care for nursing facility residents, developed by an interdisciplinary team which specifies measurable objectives and timetables for services to be provided to meet a resident's medical, nursing, mental and psychosocial needs.

Residential Care Facility

Group living arrangements that are designed to meet the needs of people who cannot live independently, but do not require nursing facility services. These homes offer a wider range of services than independent living options. Most provide help with some of the activities of daily living. In some cases, private long-term care insurance and medical assistance programs will help pay for this type of service.

Respiratory Therapy

Assists patients with breathing difficulties to reduce fatigue and increase tolerance in performing daily activities.

Respite Care

Scheduled short-term nursing facility care provided on a temporary basis to an individual who needs this level of care but who is normally cared for in the community. The goal of scheduled short-term care is to provide relief for the caregivers while providing nursing facility care for the individual. Short-term stay beds used for respite care must be distinct from general nursing facility beds.

Senior Housing

Independent living units, generally apartments. Any supportive services, if needed, are through contract arrangement between tenant and service provider.

Senile Dementia

Dated term for organic dementia associated with old age. Now referred to as dementia and/or Alzheimer's.

Side Rail

Rails on a hospital-type bed that are meant to protect a patient.

Skilled Nursing Care

Nursing and rehabilitative care that can be performed only by, or under the supervision of, licensed and skilled medical personnel.

Skilled Nursing Facility (SNF)

Provides 24-hour nursing care for chronically-ill or short-term rehabilitative residents of all ages.

Speech Therapy

This type of service helps individuals overcome communication conditions such as aphasia, swallowing difficulties and voice disorders. Medicare may cover some of the costs of speech therapy after client meets certain requirements.

Sub-Acute Care

A level of care designed for the individual who has had an acute event as a result of an illness, and is in need of skilled nursing or rehabilitation but does not need the intensive diagnostic or invasive procedures of a hospital.

Sub-Acute Care Facilities

Specialized units often in a distinct part of a nursing facility. Provide intensive rehabilitation, complex wound care, and post-surgical recovery for persons of all ages who no longer need the level of care found in a hospital.

Subsidized Senior Housing

A program that accepts Federal and State money to subsidize housing for older people with low to moderate incomes.

Supplemental Security Income (SSI)

A federal program that pays monthly checks to people in need who are 65 years or older or who are blind or otherwise disabled. The purpose of the program is to provide sufficient resources so that any one who is 65 or older, blind, or otherwise disabled, can have a basic monthly income. Eligibility is based on income and assets.

Tax Qualified

The tax deductibility of long term care insurance premiums depending upon meeting the federal government's threshold of personal adjusted gross income.

Total Parenteral Nutrition (TPN)

TPN is typically administered through a large vein in the body because of its high concentration of ingredients. Individuals who are unable to eat or who do not receive enough calories, essential vitamins, and minerals from eating can receive enough nutrients from TPN to maintain their weight. This type of nutrition requires a doctor's order.

Ventilator

A ventilator, also known as a respirator, is a machine that pushes air into the lungs through a tube placed in the trachea (breathing tube). Ventilators are used when a person cannot breathe on his or her own or cannot breathe effectively enough to provide adequate oxygen to the cells of the body or rid the body of carbon dioxide.