

Group Health Insurance - Key



Provided by the Insurance Education Institute

Name: _____

Reasons for choosing Group Health Insurance:

1 many people under 1 contract	3 don't have to worry about individual health problem as entire group is looked at not individuals.
2 cheaper—employer pays part, and employee pays part.	4 experience rating used; if group is large actual loss average loss is what determines premium charged each employee.

Employee Eligibility Requirements in Group Insurance.

1 be a full time worker 30 + hours week	3 eligibility period to sign up- employee request coverage within 31 days w/o having to furnish evidence of insurability.
2 6 month Probation period – weeds out those who may not stay with company.	4 Employee must be actively at work on day insurance becomes effective.

Vocabulary List

Group Coverage insurance protection offered to larger number of people which allows for better premiums that employees have to pay.

Employee's workers in a company

Coverage amount of insurance protection an employee takes out from company, whether it be single or family coverage.

Premiums the amount of weekly or monthly payment due for employee's part of group insurance coverage.

Co-payment portion the insured pays to doctor, hospital, etc. usually \$5-25 per visit.

Full-time Worker people employed in a company who work 30 + hours per week.

Probationary Period certain period of time usually 6 months before group insurance is available to workers.

Eligibility period brief period of time during which an employee can sign up for group insurance without furnishing evidence of insurability.