

# Medicare Terms

## Prior authorization:



Approval from health insurance plan that is required before receiving a service

Example: They needed **prior authorization** before having knee replacement surgery

## Referral:



Written order from primary doctor that will allow health plan to cover visit with specialist

Example: The doctor submitted a **referral** so that the patient could visit a cardiologist

## Service Area:



Area an individual must live in for a health plan to accept them as a member. Emergency care does not have this restriction as long as you are in U.S.

Example: They learned that their Medicare Advantage plan could only be used in certain **service areas** of New York

## Initial Enrollment Period (IEP):



A 7-month period (usually 3 months before, a month during, and 3 months after turning 65) when you can sign up for Medicare

Example: The individual turns 65 next month, so they are in their **initial enrollment period**

## Formulary:

Prescription drugs that a certain health insurance plan will cover



Example: Fortunately, the individual could continue to use the medication because it was on the **formulary** of the new plan

## Network:

Doctors, health care providers, or hospitals that a certain health insurance plan will cover



Example: They chose their health plan based on the doctors and hospitals that were in the **network**

## Pre-existing condition:

Health condition that has been diagnosed before health coverage begins



Example: The cancer that was diagnosed before enrolling in Medigap is considered a **pre-existing condition**

## Medicare Resources

Contact for assistance:  
Illinois SHIP office: (800) 252-8966  
[AGING.SHIP@illinois.gov](mailto:AGING.SHIP@illinois.gov)

Medicare: 1-800-MEDICARE  
<https://www.medicare.gov/>

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