

Business Glossary Quick Reference Guide

1. What is a Business Glossary?

A business glossary¹ governs an organization's business concepts along with the associated definitions and relationships between those terms.

Business glossaries provide clear definitions, accessible across an enterprise to technical and non-technical stakeholders alike, in order to keep terms consistent and help all stakeholders stay on the same page.

2. What's the Difference Between a Business Glossary and a Data Dictionary?

A data dictionary² is a collection of descriptions of data objects or items in a data asset. Data dictionaries provide structural and semantic information about data. It is a collection of terms, definitions, and attributes about data elements being used or captured in a specific information system or database.

A business glossary defines terms and their relationships. Unlike a dictionary, the scope of a glossary can be specific to a domain or organization. Each term only occurs once in a business glossary.

3. Why Do I Want a Business Glossary?

It's common for different teams to define the same data in terms that are meaningful to their own activities but not outside of their silo. When this data is shared, these different understandings increase the chances of inconsistencies in the use of or misinterpretations of the data.

A business glossary with unique definitions for each term relevant to a business brings a common understanding of each term, underlying concepts, and the relationships between terms and concepts, preventing misinterpretations and creating opportunities for synergies.

In addition to improving the ability to leverage data, a business glossary adds value by improving data consumers' knowledge of what data is available, the source of data, and the relevant data stewards.

4. How Do I Create a Business Glossary?

At a high level, a data steward creates a business glossary by:

- identifying the concepts or terms that will constitute the business glossary,
- defining each term consistently, applying best practices for semantic clarity and simplicity to ensure that Consumers who are and are not familiar with the concept derive the same understanding of the concept,
- organizing terms by grouping them into categories, and
- link related terms by establishing the relationships between them (above and beyond those implied by their organization into categories).

¹ Refer to the [CMS Data Description Guidelines](#) webpage to download the [Business Glossary Template](#).

² Refer to the [CMS Data Description Guidelines](#) webpage to download the [Data Dictionary Template](#).

5. What Does a Business Glossary Entry Look Like?

The following is an example of a business glossary entry for the term ‘Advance Premium Tax Credit’.

| | |
|---------------------|--|
| Business Term | Advance Premium Tax Credit (APTC) |
| Business Definition | A tax credit a Marketplace customer with a household income between 100 percent and 400 percent of the Federal Poverty Line for his or her household size can use, before filing his or her tax return, to lower his or her monthly health insurance payment (or premium). |
| Business Category | Marketplace |
| Related Terms | Premium, Modified Adjusted Gross Income, Silver Plan, Subsidy, IRS Form 8962, Cost-sharing Reduction |
| Source of the Term | Healthcare.gov |
| Data Domain | Financial |
| Linkage to Data | Marketplace Open Enrollment Period Public Use Files, Average Advanced Premium Tax (APTC) Credit by State, Total Effectuated Enrollment and Financial Assistance by State |
| Term Stewardship | Division of Marketplace Eligibility Policy and Operations |