

BENEFITS OF THE NEW STANDARDIZED MEDIGAP PLANS¹

	Plan K	Plan L
Medicare Part A		
Hospital Co-payments	Full coverage of hospital co-payments for days 61-150	Full coverage of hospital co-payments for days 61-150
Hospital Deductible	Covers 50% of hospital deductible per "spell of illness"	Cover 75% of hospital deductible per "spell of illness"
Extra Lifetime Days of Hospital Care (365)	Full coverage for 365 extra lifetime days of care that meet Medicare hospital coverage criteria	Full coverage for 365 extra lifetime days of care that meet Medicare hospital coverage criteria
Skilled Nursing Facility Care (SNF)	Covers 50% of the SNF co-insurance amount that beneficiaries are required to pay for 21-100 days per "spell of illness"	Covers 75% of the SNF co-insurance amount that beneficiaries are required to pay for 21-100 days per "spell of illness"
Medicare Part B²		
Co-insurance Amounts	Covers half of the 20% co-insurance amount that beneficiaries are required to pay for Part B services	Covers three-quarters of the 20% co-insurance amount that beneficiaries are required to pay for Part B services
Preventive Services	Full coverage of the deductible and co-insurance amounts required of beneficiaries for Medicare-covered preventive services ³	Full coverage of the deductible and co-insurance amounts required of beneficiaries for Medicare-covered preventive services ³

	Plan K	Plan L
Annual Cap on Out-of-Pocket Expenditures		
Annual Cap on Out-of-Pocket Expenditures for Medicare Parts A and B	Full coverage of <i>all</i> Medicare Parts A and B deductibles, co-payments and co-insurance amounts <i>after</i> the beneficiary has paid \$4,440 (2008) out-of-pocket in Medicare Parts A and B deductible, co-payments and co-insurance amounts ⁴	Full coverage of <i>all</i> Medicare Parts A and B deductibles, co-payments and co-insurance amounts <i>after</i> the beneficiary has paid \$2,220 (2008) out-of-pocket in Medicare Parts A and B deductible, co-payments and co-insurance amounts ⁴

Source: Section 104(b)(1) of the Medicare Modernization Act, creating Section 1882(w)(2) of the Social Security Act.

Note: This chart does not apply to beneficiaries in Massachusetts.

¹ The Medicare Modernization Act of 2003 created two new standardized Medigap plans. These plans, K and L, are also known as high-deductible plans. These plans were first available in January 2006.

² Plans K and L do not provide *any* coverage for the Medicare Part B annual deductible.

³ As of January 1, 2005, Medicare covers new preventive screening tests for diabetes and cardiovascular disease, as well as a “Welcome to Medicare Physical.” More information on Medicare’s preventive benefits can be found at:

<http://www.medicare.gov/Publications/Pubs/pdf/10110.pdf>

⁴ The limit on out-of-pocket expenditures is adjusted upwards each year to account for inflation.