

Standard Plan Benefits Basic Benefits

Eight of the 10 standard plans have the following “Basic Benefits” included in the plan:

Part A Hospitalization (Per Benefit Period):

Days 61–90

Basic Benefits pay the daily coinsurance coverage of \$289 per day (for 2012). After 60 days of hospitalization in a “benefit period” (defined above), the policy pays the coinsurance and Medicare pays the rest. The first 90 days of Medicare coverage are renewable for each new benefit period.

Days 91-150 (Lifetime Reserve Days)

Basic Benefits pay the daily coinsurance of \$578 per day (for 2012). “Lifetime Reserve Days” are 60 nonrenewable days of Medicare benefits that are available when a hospital stay extends beyond the 90 renewable days in a benefit period. The policy pays the coinsurance and Medicare pays the rest.

Beyond 150 days

Basic Benefits pay 100% of eligible Part A charges for an additional 365 days. After Medicare’s benefits are exhausted for one benefit period, the policy provides for 365 additional lifetime days that are nonrenewable.

Blood

Basic Benefits combine with Medicare to cover all blood expenses (except the \$140 Part B deductible) both in and out of the hospital.

PART B: Medical Expenses (Per Calendar Year)

Basic Benefits

20% Coinsurance: Paid after the \$140 annual deductible. Medicare Part B payments are based on the amount approved by Medicare according to a fee schedule. Medicare will pay 80% of the approved costs. The policy covers the remaining 20% coinsurance. (If charges exceed the approved amount, Basic Benefits will not cover them. See “Part B Excess Charges” on page 11.)

Part A Deductible (Per Benefit Period)

Medicare requires you pay the first \$1,156 (for 2012) when you are hospitalized. This is called a deductible, and the amount can change each year. The deductible is charged on the basis of a benefit period rather than a calendar year. Plans B through N include the “Part A Deductible Benefit.”

Skilled Nursing Facility Coinsurance

Medicare only covers approved skilled nursing care in a Medicare- approved facility. These benefits are available when you satisfy the guidelines as defined by Medicare. Standardized Plans C through N include the “Skilled Nursing Coinsurance Benefit.”



Benefit Period:

A benefit period begins the first day of inpatient hospital care. It ends when the beneficiary has been out of the hospital or skilled nursing facility for 60 consecutive days.