

**New in Medicare: Part D (prescription drugs) and Plans K and L**  
**By Woodrow Wilcox**

The beginning of Medicare Part D prescription drug coverage on January 1, 2006 was well publicized. But, the Medicare Modernization Act of 2003 made some other significant, but less publicized, changes in the law of the land.

Two new standard Medicare Supplement insurance plans – K and L – were introduced. But, like the other standard plans under Medicare Part A and Part B, insurance companies are not required to offer these new standard plans.

Remember that the federal government authorized insurance companies to offer standard plans for supplemental insurance with Medicare Part A and Part B. This standardization reduces the confusion about different plans so that senior citizens can choose a plan more easily. Whatever is covered by Standard Plan A with one company will be exactly what is covered by Standard Plan A with another company.

Plans K and L offer senior citizens Medicare supplement insurance with a high deductible option. For those who don't mind high deductibles, higher co-payments, and more out-of-pocket expense, Plans K and L can be purchased for lower premiums. The main difference between Plans K and L is the amount, percentage, and ceiling on out-of-pocket expenses.

For some senior citizens, using Plan K or Plan L to reduce monthly premiums for Medicare supplemental insurance makes sense. They anticipate needing medical services only a few times a year rather than a continuous series of use of medical services. If you are in very good health for your age, you might be able to save money by switching your Medicare supplemental insurance to a Plan K or L. If you want to learn more about Standard Plan K and L, talk with your insurance advisor.

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