

Section 1882 (42 U.S.C. 1395ss)

Certification of Medicare supplemental health insurance policies

- (w) Development of new standards for Medicare supplemental policies
- (1) In general
- The Secretary shall request the National Association of Insurance Commissioners to review and revise the standards for benefit packages under subsection (p)(1) of this section, taking into account the changes in benefits resulting from enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and to otherwise update standards to reflect other changes in law included in such Act. Such revision shall incorporate the inclusion of the 2 benefit packages described in paragraph (2). Such revisions shall be made consistent with the rules applicable under subsection (p)(1)(E) of this section with the reference to the "1991 NAIC Model Regulation" deemed a reference to the NAIC Model Regulation as published in the Federal Register on December 4, 1998, and as subsequently updated by the National Association of Insurance Commissioners to reflect previous changes in law (and subsection (v) of this section) and the reference to "date of enactment of this subsection" deemed a reference to December 8, 2003. To the extent practicable, such revision shall provide for the implementation of revised standards for benefit packages as of January 1, 2006.
- (2) New benefit packages
- The benefit packages described in this paragraph are the following (notwithstanding any other provision of this section relating to a core benefit package):
- (A) First new benefit package
- A benefit package consisting of the following:
- (i) Subject to clause (ii), coverage of 50 percent of the cost-sharing otherwise applicable under parts A and B of this subchapter, except there shall be no coverage of the part B deductible and coverage of 100 percent of any cost-sharing otherwise applicable for preventive benefits.
 - (ii) Coverage for all hospital inpatient coinsurance and 365 extra lifetime days of coverage of inpatient hospital services (as in the current core benefit package).
 - (iii) A limitation on annual out-of-pocket expenditures under parts A and B of this subchapter to \$4,000 in 2006 (or, in a subsequent year, to such limitation for the previous year increased by an appropriate inflation adjustment specified by the Secretary).
- (B) Second new benefit package
- A benefit package consisting of the benefit package described in subparagraph (A), except as follows:
- (i) Substitute "75 percent" for "50 percent" in clause (i) of such subparagraph.
 - (ii) Substitute "\$2,000" for "\$4,000" in clause (iii) of such subparagraph.