

## **Chapter 27**

**(Senate Bill 121)**

AN ACT concerning

### **Senior Prescription Drug Assistance Program – Sunset Extension**

FOR the purpose of extending the termination date of the Senior Prescription Drug Assistance Program; altering the period of time during which the subsidy required under the Senior Prescription Drug Assistance Program may not exceed a certain amount; and generally relating to the Senior Prescription Drug Assistance Program.

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 14–106(e)  
Annotated Code of Maryland  
(2011 Replacement Volume)

BY repealing and reenacting, with amendments,  
Chapter 153 of the Acts of the General Assembly of 2002, as amended by  
Chapter 282 of the Acts of the General Assembly of 2005, Chapter 345 of  
the Acts of the General Assembly of 2006, Chapter 509 of the Acts of the  
General Assembly of 2007, Chapter 558 of the Acts of the General  
Assembly of 2008, and Chapter 119 of the Acts of the General Assembly  
of 2010  
Section 13

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

#### **Article – Insurance**

14–106.

(e) The subsidy that a nonprofit health service plan is required to provide to the Senior Prescription Drug Assistance Program under subsection (d)(1)(iii) of this section may not exceed:

- (1) for the period of January 1, 2006 through June 30, 2006, \$8,000,000;
- (2) for fiscal years 2008 through [2013] **2015**, \$14,000,000; and

(3) for any year, the value of the nonprofit health service plan's premium tax exemption under § 6-101(b) of this article.

**Chapter 153 of the Acts of 2002, as amended by Chapter 282 of the Acts of 2005, Chapter 345 of the Acts of 2006, Chapter 509 of the Acts of 2007, Chapter 558 of the Acts of 2008, and Chapter 119 of the Acts of 2010**

SECTION 13. AND BE IT FURTHER ENACTED, That:

(1) No later than June 1, 2003, the Secretary of Health and Mental Hygiene and the carrier that is required to offer the Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article shall transfer all Plan records, data, and other information necessary to operate and administer the Senior Prescription Drug Program established under this Act to the Board of the Maryland Health Insurance Plan.

(2) Each individual enrolled in the Short-Term Prescription Drug Subsidy Plan, established under Title 15, Subtitle 6 of the Health – General Article, on June 30, 2003 shall, at the option of the enrollee and subject to the payment of all necessary premiums and copayments, be automatically enrolled in the Senior Prescription Drug Program established under this Act.

(3) It is the intent of the General Assembly that the transition of enrollees from the Short-Term Prescription Drug Subsidy Plan to the Senior Prescription Drug Program be accomplished without interruption of benefits for enrollees.

(4) Subsidies shall be offered to enrollees through the Senior Prescription Drug Assistance Program established under Title 14, Subtitle 5, Part II of the Insurance Article beginning January 1, 2006. At the end of December 31, [2012] **2014**, the Senior Prescription Drug Assistance Program established under Title 14, Subtitle 5, Part II, as amended, shall be abrogated and of no further force and effect.

(5) Beginning April 1, 2003, the carrier required to offer the Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article and the Senior Prescription Drug Assistance Program under Title 14, Subtitle 5 of the Insurance Article shall subsidize the Plan and beginning January 1, 2006, the Program, using the value of the carrier's premium tax exemption.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2012.

**Approved by the Governor, April 10, 2012.**