

SENATE BILL 568

K4, P4

8lr2965
CF HB 629

By: **Senators McFadden, Benson, DeGrange, Feldman, Guzzone, Kasemeyer, Manno, Oaks, Peters, and Rosapepe**

Introduced and read first time: January 31, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Employee and Retiree Health and Welfare Benefits Program – Retiree**
3 **Dependent Participation in the Maryland Rx Program**

4 FOR the purpose of altering a certain date by which the State is required to discontinue a
5 certain prescription drug benefit for certain retirees; authorizing certain retirees
6 who participate in a certain prescription drug benefit plan with a certain dependent
7 to elect to have the dependent covered under a certain State prescription drug benefit
8 plan; requiring the Secretary of Budget and Management to provide a certain notice
9 to certain retirees of certain changes no later than a certain date; requiring that a
10 certain notice include information concerning certain coverage options in certain
11 prescription drug plans and the potential for certain penalties under certain
12 circumstances; and generally relating to retirees from State government
13 employment and participation in the State prescription drug benefit plan.

14 BY repealing and reenacting, with amendments,
15 Article – State Personnel and Pensions
16 Section 2–509.1
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2017 Supplement)

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

21 **Article – State Personnel and Pensions**

22 **2–509.1.**

23 (a) Except as provided in subsection (b) of this section, the State shall continue to
24 include a prescription drug benefit plan in the health insurance benefit options established
25 under the Program and available to retirees under §§ 2–508 and 2–509 of this subtitle

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 notwithstanding the enactment of the federal Medicare Prescription Drug, Improvement,
2 and Modernization Act of 2003 or any other federal law permitting states to discontinue
3 prescription drug benefit plans to retirees of a state.

4 (b) The State shall discontinue prescription drug benefits for Medicare-eligible
5 retirees [in fiscal year 2020] ON JANUARY 1, 2020.

6 (c) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, IF A RETIREE IS
7 ELIGIBLE TO PARTICIPATE IN THE PRESCRIPTION DRUG BENEFIT PLAN UNDER
8 MEDICARE AND HAS A DEPENDENT WHO IS NOT ELIGIBLE TO PARTICIPATE IN A
9 MEDICARE PRESCRIPTION DRUG BENEFIT PLAN, THE RETIREE MAY ELECT TO HAVE
10 THE DEPENDENT COVERED UNDER THE STATE PRESCRIPTION DRUG BENEFIT PLAN.

11 (d) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, NOT LATER
12 THAN JULY 1, 2019, THE SECRETARY SHALL PROVIDE WRITTEN CERTIFIED NOTICE
13 TO ALL RETIREES OF THE CHANGE IN THE STATE PRESCRIPTION DRUG BENEFIT
14 PLAN UNDER THIS SECTION.

15 (2) THE NOTICE SHALL INCLUDE:

16 (i) INFORMATION REGARDING COVERAGE OPTIONS AVAILABLE
17 IN THE MEDICARE PRESCRIPTION DRUG BENEFIT PLAN; AND

18 (ii) THE POTENTIAL OF SIGNIFICANT PENALTIES IF A RETIREE
19 DOES NOT PROMPTLY CHOOSE A MEDICARE PRESCRIPTION DRUG BENEFIT PLAN
20 IMMEDIATELY ON TERMINATION OF THE RETIREE'S PARTICIPATION IN THE STATE
21 PRESCRIPTION DRUG BENEFIT PLAN.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2018.