

# SENATE BILL 193

K4, P4

9lr0861  
CF HB 98

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By: **Senators Klausmeier, Augustine, Bailey, Beidle, Benson, Carozza, Carter, Cassilly, Eckardt, Edwards, Elfreth, Ellis, Feldman, Ferguson, Gallion, Griffith, Guzzone, Hayes, Hershey, Hester, Hough, Jennings, Kagan, Kelley, King, Kramer, Lam, Lee, McCray, Miller, Nathan–Pulliam, Patterson, Peters, Pinsky, Ready, Reilly, Rosapepe, Salling, Serafini, Simonaire, Smith, Waldstreicher, Washington, West, Young, Zirkin, and Zucker**

Introduced and read first time: January 23, 2019

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Employee and Retiree Health and Welfare Benefits Program – Retiree**  
3 **Participation in the State Prescription Drug Benefit Plan**

4 FOR the purpose of requiring the State to continue providing a certain prescription drug  
5 benefit plan to certain retirees by repealing the termination of a certain State  
6 prescription drug benefit plan on a certain date for certain retirees, spouses, and  
7 dependent children under certain circumstances; authorizing certain retirees who  
8 participate in a certain prescription drug benefit plan with a spouse or dependent  
9 child to elect to have the spouse or dependent child covered under a certain State  
10 prescription drug benefit plan; authorizing certain surviving spouses and surviving  
11 dependent children to elect to enroll in a certain State prescription drug benefit plan;  
12 and generally relating to retirees from State employment and participation in the  
13 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 2018 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.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) [Except as provided in subsection (b) of this section, the] **THE** State shall  
2 continue to include a prescription drug benefit plan in the health insurance benefit options  
3 established under the Program and available to retirees under §§ 2–508 and 2–509 of this  
4 subtitle notwithstanding the enactment of the federal Medicare Prescription Drug,  
5 Improvement, and Modernization Act of 2003 or any other federal law permitting states to  
6 discontinue prescription drug benefit plans to retirees of a state.

7 [(b) Except as provided in subsection (c) of this section, on January 1, 2019, the  
8 State shall discontinue prescription drug benefits for:

9 (1) a Medicare–eligible retiree;

10 (2) the Medicare–eligible spouse or surviving spouse of a retiree; and

11 (3) a Medicare–eligible dependent child or surviving dependent child of a  
12 retiree.

13 (c) (1) If a retiree is eligible to participate in the prescription drug benefit plan  
14 under Medicare, but the retiree’s spouse or dependent child is not eligible to participate in  
15 a Medicare prescription drug benefit plan, the retiree may elect to cover the retiree’s spouse  
16 or dependent child under the State prescription drug benefit plan.

17 (2) If the surviving spouse or surviving dependent child of a retiree is  
18 eligible to enroll in the State prescription drug benefit plan under § 2–509 of this subtitle,  
19 but is not eligible to participate in the prescription drug benefit plan under Medicare, the  
20 surviving spouse or surviving dependent child may elect to enroll in the State prescription  
21 drug benefit plan.

22 (d) (1) Subject to paragraph (2) of this subsection, not later than July 1, 2018,  
23 the Secretary shall provide written certified notice to the individuals listed in subsection  
24 (b) of this section of the change in the State prescription drug benefit plan under this  
25 section.

26 (2) The notice shall include information regarding:

27 (i) coverage options available in the Medicare prescription drug  
28 benefit plan; and

29 (ii) the potential for significant penalties if an individual does not  
30 promptly choose a Medicare prescription drug benefit plan immediately on termination of  
31 the individual’s participation in the State prescription drug benefit plan.]

32 **(B) (1) A RETIREE MAY ELECT TO COVER THE RETIREE’S SPOUSE OR**  
33 **DEPENDENT CHILD UNDER THE STATE PRESCRIPTION DRUG BENEFIT PLAN.**

1           **(2) IF A SURVIVING SPOUSE OR SURVIVING DEPENDENT CHILD OF A**  
2 **RETIREE IS ELIGIBLE TO ENROLL IN THE STATE PRESCRIPTION DRUG BENEFIT**  
3 **PLAN UNDER § 2-509 OF THIS SUBTITLE, THE SURVIVING SPOUSE OR SURVIVING**  
4 **DEPENDENT CHILD MAY ELECT TO ENROLL IN THE STATE PRESCRIPTION DRUG**  
5 **BENEFIT PLAN.**

6           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
7 1, 2019.