

House Appropriations Testimony

I am writing to you today to ask your support to allow HB 670 a committee vote and a vote on the House floor before Crossover Day on March 19.

The current plan proposed by DBM is a Logan's Run for retired state employees. It will decrease life expectancy for retired state employees.

So much of Maryland's success is founded on the hard work, dedication, and outstanding service of our state employees, many taking less money like my wife to work in state government due to the benefits package. Maryland must provide appropriate health coverage to our State retirees and their families the benefits they were promised should not be taken away. Throwing retirees over the side to balance the budget makes no sense. **Fiscal stability for Maryland is important but the Fitch agency has said the AAA bond rating is based on a state's ability to repay debt and Maryland has always done that.** The economy under President Biden is growing with less economic uncertainty than is 2023. Unemployment and inflation are down, and the stock market is at an all-time high.

This legislation will not be prohibitively expensive. As more retirees die the cost will decrease but it will be prohibitively expensive for senior citizens. The failure of the management of the pension system is not the fault of seniors. That is the fault of the people who invest and manage the system.

The Maryland State Retiree Prescription Drug Coverage Program will only reimburse State retirees on Medicare Part D a small amount of money and does not cover all drugs. Seniors will have to decide between RX and eating.

While the Inflation Reduction Act which has enhanced Medicare Part D coverage and capped out of pocket prescription costs at \$2,000 per year, it all depends on picking the right plan and not needing new drugs if you get a sudden illness.

The U.S. Fourth Circuit Court of Appeals is now reviewing an appeal of the Fitch case. If the state loses that case chaos happens.

Finally, my fear about this plan by DBM to hire people to enroll in a Medicare RX plan is another Obamacare or O'Malley 2013 rollout failure. Think about this: A subcontractor is going to try to contact 60,000 retirees over 6 weeks to try to get them into a Medicare plan. Here is a fun math problem: If on each call an hour is spent with each person to help them and 100 people are working 8 hours a day 5 days a week to sign up 60,000 people it will take over 3 months to do this. An hour might seem like a long time, but elderly people get confused, many are not computer literate, many have hearing issues, and some may be in Alzheimer's or dementia world. And some when they get this call may be receiving the news about the loss of RX coverage for the first time.

Please have a heart and support HB 670.