

My name is Kathleen Hart. I began working at the University of Maryland in January 2001 and retired in 2017. I received my PhD from the University of Maryland in 1982 (focusing on gerontology) and was happy to return to work for my alma mater.

I realize that many of you were not legislators in 2011. Please look at the history of the 2011 legislation in regards to improving the State's bond rating. There are other suggestions being proposed to this Committee which will likely achieve the same end without removing the retiree prescription drug program. The HR staff members who testified before the Senate committee on this issue clearly indicated that they told countless individuals during their retirement planning seminars that they would continue benefits when they retired. They were following State policy.

I have three points to raise regarding the plan to eliminate the prescription drug program for retirees. I strongly support HB 670.

1. According to the original 2011 bill, the donut hole had closed and therefore retirees would not suffer financial issues if the benefit was eliminated. The donut hole is still an issue for many seniors in 2024. The possibility of seniors not being able to afford medications under Medicare Part D should be a concern for every legislator regardless of party affiliation.

I am including a link from the Medicare website describing this gap: <https://www.medicare.gov/drug-coverage-part-d/costs-for-medicare-drug-coverage/costs-in-the-coverage-gap>

This is a real issue. I am not sure where the information which was used to justify the change in the original bill which stated that Part D is comparable came from but it is not correct! Medicare addresses this issue **on their webpage in 2024.**

2. How can legislators state that the costs will be comparable when there is no comparison data for the State plan vs. the Medicare Part D plan? The State is not sharing information about the Health Reimbursement Arrangement and counseling program which is now out for bid. Selection for 2025 benefits will begin early this fall. This short amount of time will not give retirees very much time to understand the differences between the options. Choosing the correct plan with the formulary that includes your specific medications is critically important. I live in Howard County. There are numbers of older people who do not have a computer or access to the internet. How will they reasonably select the best plan? I realize that the State will have counselors to help retirees but how will they handle potentially 53,000 clients in a couple of months. The debacle with unemployment insurance during Covid, the prepaid college plan and the delay in tax refunds with the change in computer systems this year come to mind.

If the information on the donut hole was not correct in the original bill, why would legislators use data that is being provided to them which indicates costs will remain the same? Where is the data coming from? **I implore you to read and listen to the testimony of actual users of these systems, your fellow Marylanders.**

3. I am suggesting that the State take a step back. Allow retirees to stay on the State plan one more year if they are not grandfathered into the plan they were promised as a benefit. This year will give policy makers a chance to develop a well thought out plan for

2026. I feel that this is being rushed through and the data being used may not be valid. Another option would be to allow the retiree to pay for the State's portion of the plan in addition to their own, but my guess is that this would be cost prohibitive for most retirees.

I support grandfathering those who had been told in writing that they would receive prescription drug benefits when they retired. If you cannot support that, please consider moving implementation of this plan until 2026 so that data can be developed and shared with your constituents who have actual experience with the Medicare program. I am worried that some retirees will not be able to afford medications with potentially catastrophic results for some of these individuals. The reason behind the 2011 legislation was stated that Medicare Part D plans were comparable to the State's prescription drug plan. This is not true. The link above clearly shows the ongoing issue with the donut hole.

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