

Maryland State Lodge FRATERNAL ORDER OF POLICE

8302 COVE ROAD, BALTIMORE, MD 21222

KENNY SCHUBERT SECRETARY EARL KRATSCH TREASURER

March 3, 2025

HB 0356 - State Prescription Drug Benefits - Retirees

Dear Chairman Barnes and Distinguished Members of the Appropriations Committee,

The Maryland State Fraternal Order of Police SUPPORTS House Bill 0356 - State Prescription Drug Benefits - Retirees.

Effective December 31, 2024, the State discontinued the prescription drug benefits for Medicare—eligible retirees, Medicare—eligible spouses or surviving spouses of a retiree, and a Medicare—eligible dependent child or surviving dependent child of a retiree. **HB 0356** will make it so that this new policy will only apply to a retiree who began State service on or after July 1, 2011.

The 2011 Pension Reform bill initially sought this change to retirees who qualified for Medicare Part D coverage to take effect in 2019. Delays, due to legal action, brought us to last year when the State did not pass HB 0670, which therefore, put this new policy in place as all Court Case actions involving this policy had come to their final conclusions. This action now negatively affects many of our retirees. At issue though, to the FOP, is that the pension reform bill and now this policy did not consider when the retiree was hired or what the terms of their benefits package that they agreed to were when they were hired. Prior to the 2011 Pension reform bill, employees were hired with the promise of specific pension and health benefits for life. This included the Prescription plan. To remove the benefit that was promised we feel is a breach of that contract and a disservice to those that have faithfully served the State and fulfilled their obligations to qualify for those lifetime benefits. For those hired after the Pension Reform of 2011, while we don't agree with this change, understand that these employees would have known or been told to expect the changes that they now face.

All this has occurred at a time when the State is facing historic financial hardships that are negatively affecting the retirees of this State. Retirees are now faced with attempting to navigate life while living on fixed incomes where actions such as this will cause increases to their mandatory expenses which will have detrimental effects on them. For many retirees, if **HB 0356** is not enacted, the change will continue to bring higher costs for their prescriptions and compound the other financial burdens that will continue to plague our Retirees into the future.

On behalf of the more than 20,000 Courageous Men and Women of the Maryland Fraternal Order of Police we thank you for your support and ask for your FAVORABLE vote on House Bill 0356 - State Prescription Drug Benefits – Retirees.

Angelo L. Consoli Jr,

2nd Vice President, FOP, Maryland State Lodge President, FOP Lodge 89, Prince George's County