

I am writing to ask you to support efforts to restore and maintain the Maryland State employee retiree prescription benefit. (HB0356). Maryland state legislature followed through with legislation which took away prescription benefits from retired state of Maryland employees.

This is unfair.

Each retiree has different reasons for fighting the change but one that we have in common is that, when we were hired and throughout our employment, we were told and understood that the benefits we had as employees would continue into our retirement, in effect, as deferred compensation. This was a promise made to us which should be honored on both moral and legal grounds.

No other state has stripped retirees of benefit commitments retroactively.

On top of all that, U.S. Congress is considering reductions in Medicare funding and cutting Social Security benefits. Maryland is abandoning its commitment to retirees in favor of an uncertain program which is continually attacked by the Federal government. As it stands today, prescription costs under Medicare are well above those of the State's existing plan.

Both governments are working against retirees.

"To quote the Governmental Accounting Standards Board (GASB)" ... "the GASB believes that the government has an obligation to pay Other Post-Employment Benefits (OPEB) based on the level of retirement benefits promised to an employee in exchange for his/her services." Now is the time for the General Assembly to do likewise. The cost of maintaining retiree prescription benefit only represents 0.02 percent of State expenditures. Continuing this benefit will have a negligible and decreasing impact on State budget priorities. The state has disproved its own bond rating claim since it had covered the State Plan benefit up until 2025 and has not had its bond rating downgraded. In the most recent Standard & Poor's rating summary, there is no mention of OPEB costs. The rating agencies have never downgraded a state's bonds based solely on an unfunded OPEB liability. States with greater OPEB liabilities than Maryland have continued to maintain their triple-A bond ratings.

I retired from Maryland Transit Administration in May 2017 with 34 years of service. Upon retirement, I was informed of my rights and obligations when turning 65. One of which was the requirement to apply for Medicare. I was also informed I would have the right to maintain state health and prescription benefits as secondary. The Maryland Department of Budget and Management Notice of Creditable coverage also states that I have the right to maintain state health and prescription benefit. In keeping state health and prescription benefits in conjunction with Medicare I would have coverage like the coverage I have prior to becoming 65.

The legislature's actions to take away these rights causes harm and jeopardizes my financial wellbeing by increasing my costs related to my diabetes care. (I am type 1 currently managing with an insulin pump).

Part of the enjoyment of service for Maryland Transit Administration was experiencing the good health and prescription benefits offered.

Don't take that away.