

HB356-State Prescription Drug Benefits – Retirees
Appropriations Committee
March 12, 2025
Favorable

My name is Ron Bailey. I served as a Correctional Officer at several state prisons for over 20 years before I retired as a Captain in 1996. As a member of AFSCME Maryland Retiree Chapter, I urge you to support HB 356 which will restore access to the State's prescription plan for state retirees that were hired before 2011.

Thousands of current and former state employees depend on your actions. Please try to put yourself in the shoes of an average state retiree in the pension system. These 66,000 retirees bring home an average of \$1541 per month. Even with Social Security, their income is barely enough to meet the basic needs of food and housing. The state's prescription plan has been a lifeline for us.

With Medicare Part D, retirees will, for the first time, face deductibles since there are none in the State's plan. Deductibles mean paying the full cost of a medicine until the deductible is met. Even plans with little or no deductibles may have higher co-pays and premiums than the state's plan. Under the state plan, once my wife and I have spent \$1500 on medicine, we have reached an out-of-pocket maximum. However, with Medicare Part D, each one of us would need to spend \$2000 for

medicine before we would reach an out-of-pocket maximum. That difference of \$2500 is huge!

The other big problem is the copays of the Medicare Part D plans. Especially for specific illnesses that have newer medicines, the co-pays can be very high. This is especially true for heart and cancer medicines since newer ones are being developed all the time. Some of these medicines are not on the formulary and a person is required to pay the full cost.

The development of prescription drugs has greatly reduced other medical costs including hospitalization. But if we can't afford to buy them, you can be sure that more people will be sick, more people will be in the hospital, and more people will die.

The State's budget reflects our state's priorities. The fact that the legislature is refusing to pay for our medicine once we retire means that we are not a priority. I urge you to make us a priority and restore our prescription coverage.

Thank you for your time and we urge a favorable report on HB 356