

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 282

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike line 2 in its entirety and substitute "Maryland Pharmacy Programs - Modifications and Subsidies for Medicare Drug Benefits"; and strike beginning with "extending" in line 3 down through "Program." in line 4 and substitute "renaming the Senior Prescription Drug Program to be the Senior Prescription Drug Assistance Program; altering the eligibility requirements for and purpose of the Program; requiring the Program to provide a State subsidy for the cost of a portion of Medicare Part D or Medicare Advantage Plan premiums and deductibles; altering the amount of the subsidy a certain nonprofit health service plan is required to provide to the Program; repealing the requirement that a certain nonprofit health service plan administer the Program; requiring the Board of Directors of the Maryland Health Insurance Plan to contract with a third party to administer the Program; specifying the amount of the subsidy provided to enrollees by the Program; requiring an enrollee to pay a certain copayment or coinsurance amount; requiring the Program to establish a certain subsidy limit; altering the method of payment to the Program Administrator; repealing a requirement that certain rebates or other discounts inure to the benefit of the Program and be deposited to the Maryland Health Insurance Plan Fund; altering certain eligibility requirements for the Maryland Pharmacy Assistance Program; establishing the Medicare Option Prescription Drug Program; establishing the purpose, administration, operation, and eligibility requirements of the Medicare Option Prescription Drug Program; authorizing the Secretary of Health and Mental Hygiene to administer the Medicare Option Prescription Drug Program as part of the Maryland Medical Assistance Program; authorizing the Department of Health and Mental Hygiene to take certain actions; requiring the Medicare Option Prescription Drug Program to provide benefits to certain individuals; requiring the Secretary to adopt regulations to implement the Medicare Option Prescription Drug Program; extending the termination date of the Senior Prescription Drug Program until a certain date; authorizing the Board of Directors of the Maryland Health Insurance Plan to automatically transfer certain enrollees of the Senior Prescription Drug Program into the Senior Prescription Drug Assistance Program; authorizing the Board of Directors of the Maryland Health Insurance Plan to automatically assign certain enrollees to a Medicare Part D plan under certain

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circumstances, and to extend certain benefits to certain enrollees until a certain date, subject to certain limitations; providing that it is the intent of the General Assembly that the Medicare Option Prescription Drug Program be the payor of last resort and only cover certain costs; requiring the Secretary of Health and Mental Hygiene to provide certain notice to the Department of Legislative Services; altering certain definitions; defining certain terms; providing for the effective date of certain provisions of this Act; and generally relating to Maryland pharmacy programs.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 14-106(c), (d), and (e), 14-504(b) and (e), and 14-510 through 14-513

Annotated Code of Maryland

(2002 Replacement Volume and 2004 Supplement)

BY repealing and reenacting, without amendments,

Article - Insurance

Section 14-504(a), 14-514, and 14-515

Annotated Code of Maryland

(2002 Replacement Volume and 2004 Supplement)

BY repealing and reenacting, with amendments,

Article - Health - General

Section 15-103(d) and 15-124(a) and (e)

Annotated Code of Maryland

(2000 Replacement Volume and 2004 Supplement)

BY adding to

Article - Health - General

Section 15-124.3

Annotated Code of Maryland

(2000 Replacement Volume and 2004 Supplement)''.

AMENDMENT NO. 2

On page 1, after line 9, insert:

“Article - Insurance

14-106.

(c) A nonprofit health service plan may satisfy the public service requirement of this section by establishing that, to the extent the value of the nonprofit health service plan’s premium tax exemption under § 6-101(b) of this article exceeds the subsidy required under the Senior Prescription Drug ASSISTANCE Program established under Subtitle 5, Part II of this title, the plan has:

(1) increased access to, or the affordability of, one or more health care products or services by offering and selling health care products or services that are not required or provided for by law;

(2) provided financial or in-kind support for public health programs;

(3) employed underwriting standards in a manner that increases the availability of one or more health care services or products;

(4) employed pricing policies that enhance the affordability of health care services or products and result in a higher medical loss ratio than that established by a comparable for-profit health insurer; or

(5) served the public interest by any method or practice approved by the Commissioner.

(d) Notwithstanding subsection (c) of this section, a nonprofit health service plan that is subject to this section and issues comprehensive health care benefits in the State shall:

(1) offer health care products in the individual market;

(2) offer health care products in the small employer group market in accordance with Title 15, Subtitle 12 of this article; and

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(3) [administer and] subsidize the Senior Prescription Drug ASSISTANCE Program established under Title 14, Subtitle 5, Part II of this title.

(e) The subsidy required under the Senior Prescription Drug ASSISTANCE Program may not exceed:

(1) FOR THE PERIOD OF JANUARY 1, 2006, THROUGH JUNE 30, 2006, \$8,000,000;

(2) FOR FISCAL YEAR 2007, \$14,000,000; AND

(3) FOR ANY YEAR, the value of the nonprofit health service plan's premium tax exemption under § 6-101(b) of this article.

14-504.

(a) (1) There is a Maryland Health Insurance Plan Fund.

(2) The Fund is a special nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(3) The Treasurer shall separately hold and the Comptroller shall account for the Fund.

(4) The Fund shall be invested and reinvested at the direction of the Board in a manner that is consistent with the requirements of Title 5, Subtitle 6 of this article.

(5) Any investment earnings shall be retained to the credit of the Fund.

(6) On an annual basis, the Fund shall be subject to an independent actuarial review setting forth an opinion relating to reserves and related actuarial items held in support of policies and contracts.

(7) The Fund shall be used only to provide funding for the purposes authorized

under this subtitle.

(b) The Fund shall consist of:

(1) premiums for coverage that the Plan issues;

(2) except as provided in § 14-513(a) of this subtitle, premiums paid by enrollees of the Senior Prescription Drug ASSISTANCE Program;

(3) money collected in accordance with § 19-219 of the Health - General Article;

(4) money deposited by a carrier in accordance with §14-513 of this subtitle;

(5) income from investments that the Board makes or authorizes on behalf of the Fund;

(6) interest on deposits or investments of money from the Fund;

(7) premium tax revenue collected under §14-107 of this title;

(8) money collected by the Board as a result of legal or other actions taken by the Board on behalf of the Fund;

(9) money donated to the Fund; and

(10) money awarded to the Fund through grants.

(e) (1) In addition to the operation and administration of the Plan, the Fund shall be used for the operation and administration of the Senior Prescription Drug ASSISTANCE Program established under Part II of this subtitle.

(2) The Board shall maintain separate accounts within the Fund for the Senior Prescription Drug ASSISTANCE Program and the Maryland Health Insurance Plan.

(Over)

(3) Accounts within the Fund shall contain those moneys that are intended to support the operation of the Program for which the account is designated.

14-510.

(a) In Part II of this subtitle the following words have the meanings indicated.

(b) “Eligible individual” means an individual who:

(1) is a resident of Maryland;

(2) is a Medicare beneficiary ENROLLED IN THE MEDICARE PART D VOLUNTARY PRESCRIPTION DRUG BENEFIT PROGRAM OR A MEDICARE ADVANTAGE PLAN THAT PROVIDES PART D COVERAGE;

(3) is not enrolled in a [Medicare Plus Choice managed care program or other insurance program] HEALTH BENEFIT PLAN, OTHER THAN A MEDICARE PART D PRESCRIPTION DRUG PLAN OR A MEDICARE ADVANTAGE PLAN, that provides prescription drug benefits at the time that the individual applies for enrollment in the [Plan] PROGRAM;

(4) has an annual household income at or below 300% of the federal poverty guidelines; [and]

(5) IS NOT ELIGIBLE FOR A FULL FEDERAL LOW-INCOME SUBSIDY UNDER 42 C.F.R. § 423.722; AND

[(5)] (6) pays the premium [and copayments], AND COPAYMENTS OR COINSURANCE, for the [Plan] PROGRAM.

(c) “Enrollee” means an individual enrolled in the [Plan] PROGRAM.

(d) “Program” means the Senior Prescription Drug ASSISTANCE Program established

under Part II of this subtitle.

14-511.

(a) There is a Senior Prescription Drug ASSISTANCE Program.

(b) The purpose of the Program is to provide Medicare PART D beneficiaries, who [lack prescription drug coverage, with access to affordable, medically necessary prescription drugs until such time as an outpatient prescription drug benefit is provided through the federal Medicare program] MEET PROGRAM ELIGIBILITY REQUIREMENTS, WITH A STATE SUBSIDY FOR A PORTION OF THEIR:

(1) MEDICARE PART D PRESCRIPTION DRUG PLAN PREMIUM AND DEDUCTIBLE; OR

(2) MEDICARE ADVANTAGE PLAN PREMIUM AND DEDUCTIBLE RELATED TO A PRESCRIPTION DRUG BENEFIT.

(c) [The Program shall be administered by a carrier as provided under § 14-106(d) of this title] THE BOARD SHALL CONTRACT WITH A THIRD PARTY TO ADMINISTER THE PROGRAM.

(d) The [carrier that administers] ADMINISTRATOR OF the Program shall:

(1) submit a detailed financial accounting of the Program to the Board as often as the Board requires;

(2) collect and submit to the Board data regarding the utilization patterns and costs for Program enrollees; and

(3) develop and implement a marketing plan targeted at eligible individuals throughout the State.

14-512.

(Over)

(a) The Program shall:

(1) subject to the moneys available in the segregated account under § 14-504 of this subtitle, provide benefits to the maximum number of individuals eligible for enrollment in the Program; AND

[(2) require a monthly premium charge of \$10 per enrollee;

(3) not require a deductible; and

(4) limit the copay charged an enrollee to:

(i) \$10 for a prescription for a generic drug;

(ii) \$20 for a prescription for a preferred brand name drug; and

(iii) \$35 for a prescription for a nonpreferred brand name drug.]

(2) PROVIDE A STATE SUBSIDY FOR A PORTION OF THE COST OF MEDICARE PART D AND MEDICARE ADVANTAGE PLAN DRUG-RELATED PREMIUMS AND DEDUCTIBLES.

(b) [The Board may limit the total annual benefit to \$1,000 per individual] THE SUBSIDY REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL BE EQUAL TO:

(1) FOR THE MEDICARE PART D PRESCRIPTION DRUG PLAN OR MEDICARE ADVANTAGE PLAN DRUG-RELATED PREMIUM:

(I) FOR INDIVIDUALS WHO DO NOT QUALIFY FOR A FEDERAL LOW-INCOME SUBSIDY, AT LEAST \$25 PER ENROLLEE PER MONTH; AND

(II) FOR INDIVIDUALS WHO QUALIFY FOR A PARTIAL FEDERAL LOW-INCOME SUBSIDY, THE LESSER OF:



1. THE AMOUNT PROVIDED UNDER ITEM (I) OF THIS ITEM; OR

2. THE FULL AMOUNT OF THE ENROLLEE SHARE OF THE PREMIUM; AND

(2) FOR THE MEDICARE PART D PRESCRIPTION DRUG PLAN OR MEDICARE ADVANTAGE PLAN DRUG-RELATED DEDUCTIBLE, THE TOTAL AMOUNT OF THE DEDUCTIBLE, LESS THE COPAYMENT OR COINSURANCE AMOUNT SPECIFIED IN SUBSECTION (C) OF THIS SECTION.

(c) [Subject to approval by the Board, the carrier that administers the Program shall develop a prescription drug formulary to be used in the Program] AN ENROLLEE SHALL PAY A COPAYMENT OR COINSURANCE AMOUNT, INSTEAD OF A DEDUCTIBLE, EQUAL TO THE INITIAL COPAYMENT OR COINSURANCE AMOUNT FOR WHICH THE ENROLLEE RESPONSIBLE UNDER THE ENROLLEE'S MEDICARE PART D PRESCRIPTION DRUG PLAN OR MEDICARE ADVANTAGE PLAN AFTER THE DEDUCTIBLE IS SATISFIED.

(D) THE PROGRAM SHALL ESTABLISH AN ANNUAL SUBSIDY LIMIT FOR AN ENROLLEE.

14-513.

(a) As determined by the Board, premiums collected for the Program shall be deposited:

(1) to a segregated account in the Fund established under § 14-504 of this subtitle;

or

(2) to a separate account for the Program established by the [carrier that administers the] Program ADMINISTRATOR.

(b) In addition to premium income, the segregated account shall include:

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(1) interest and investment income attributable to Program funds; and

(2) money deposited to the account by [the carrier that administers the Program] A NONPROFIT HEALTH SERVICE PLAN, in accordance with subsection (c) of this section.

(c) (1) On or before April 1, 2003 and quarterly thereafter, the [Program Administrator] NONPROFIT HEALTH SERVICE PLAN REQUIRED TO SUBSIDIZE THE PROGRAM UNDER § 14-106(D) OF THIS TITLE shall deposit to the Fund under § 14-504 of this subtitle the amount, in excess of premiums collected, that is necessary to operate and administer the Program for the following quarter.

(2) The amount deposited shall be determined by the Board based on enrollment, expenditures, and revenue for the previous year.

(3) The amount required by the Board under paragraph (2) of this subsection may not exceed [the value of the Program Administrator's annual premium tax exemption under § 6-101(b) of this article for the previous calendar year] THE AMOUNTS SPECIFIED IN § 14-106(E) OF THIS TITLE.

(4) [Beginning July 1 of each year and quarterly thereafter, the Board shall reimburse the Administrator] THE BOARD SHALL PROVIDE FUNDS TO THE ADMINISTRATOR, IN ACCORDANCE WITH THE TERMS OF THE CONTRACT WITH THE ADMINISTRATOR, for [prescription drug claims] THE COST OF THE STATE SUBSIDY and administrative expenses incurred on behalf of the Program.

[(5) Any rebates or other discounts obtained by the Program Administrator as a result of prescription drug purchases on behalf of Program enrollees from a pharmaceutical benefit manager or pharmaceutical manufacturer shall inure to the benefit of the Program and be deposited to the Fund.]

14-514.

(a) On or before June 30 of each year, the Board shall submit a report to the Governor

and, in accordance with § 2-1246 of the State Government Article, to the General Assembly that includes a summary of Program activities for the year and any recommendations for consideration by the General Assembly.

(b) The Board shall adopt regulations to carry out Part II of this subtitle.  
14-515.

(a) For the purpose of maximizing participation in the Program, the Board may develop outreach materials for distribution to eligible individuals.

(b) The Board shall publicize the existence and eligibility requirements of the Program through the following entities:

- (1) the Department of Aging;
- (2) local health departments;
- (3) continuing care retirement communities;
- (4) places of worship;
- (5) civic organizations;
- (6) community pharmacies; and
- (7) any other entity that the Board determines appropriate.

(c) The Department of Aging, through its Senior Health Insurance Program, shall:

- (1) assist eligible individuals in applying for coverage under the Program; and
- (2) provide notice of the Program and its eligibility requirements to potentially eligible individuals who seek health insurance counseling services through the Department of Aging.

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(d) The Board shall develop a mail-in application for the Program.

(e) Any outreach performed by the Board on behalf of the Program shall be funded through the Program's segregated account within the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

15-124.

(a) The Department shall maintain a Maryland Pharmacy Assistance Program for low income individuals NOT ELIGIBLE FOR MEDICARE whose:

(1) Assets are not more than the level established by the Federal Centers for Medicare and Medicaid Services under the Qualified Medicare Beneficiary Program; and

(2) Gross annual income does not exceed 116% of the federal poverty guidelines for an individual, or 100% of the federal poverty guidelines for a family of two or more.

(e) The Secretary shall develop a program, in consultation with appropriate agencies, that will provide information to ineligible Maryland Pharmacy Assistance Program applicants regarding other programs that they may be eligible for including the Maryland Medbank Program established under § 15-124.2 of this subtitle and the Senior Prescription Drug ASSISTANCE Program established under Title 14, Subtitle 5 of the Insurance Article.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

15-103.

(d) As permitted by federal law or waiver, the Secretary [shall] MAY administer the [Maryland Pharmacy Discount] MEDICARE OPTION PRESCRIPTION DRUG Program, established under §15-124.3 of this subtitle, as part of the Maryland Medical Assistance Program.

15-124.3.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “ENROLLEE” MEANS AN INDIVIDUAL WHO IS ENROLLED IN THE PROGRAM.

(3) “MEDICARE MODERNIZATION ACT” MEANS THE FEDERAL MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003.

(4) “MEDICARE PART D PRESCRIPTION DRUG BENEFIT” MEANS THE PRESCRIPTION DRUG BENEFIT ESTABLISHED BY THE MEDICARE MODERNIZATION ACT UNDER PART D OF THE FEDERAL MEDICARE PROGRAM.

(5) “PRESCRIPTION DRUG PLAN” MEANS A PRIVATE HEALTH PLAN THAT PROVIDES A MEDICARE PART D PRESCRIPTION DRUG BENEFIT IN ACCORDANCE WITH THE REQUIREMENTS OF THE MEDICARE MODERNIZATION ACT.

(6) “PROGRAM” MEANS THE MEDICARE OPTION PRESCRIPTION DRUG PROGRAM ESTABLISHED UNDER THIS SECTION.

(B) THERE IS A MEDICARE OPTION PRESCRIPTION DRUG PROGRAM WITHIN THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

(C) THE PURPOSE OF THE PROGRAM IS TO:

(1) ASSIST LOW-INCOME MEDICARE ELIGIBLE INDIVIDUALS TO

(Over)

MAKE A SEAMLESS TRANSITION TO, AND COORDINATE PRESCRIPTION DRUG COVERAGE WITH, THE MEDICARE PART D PRESCRIPTION DRUG BENEFIT; AND

(2) MINIMIZE THE COST-SHARING BURDEN ON THE INDIVIDUALS.

(D) THE PROGRAM SHALL BE ADMINISTERED AND OPERATED BY THE DEPARTMENT AS PERMITTED BY FEDERAL LAW OR WAIVER.

(E) (1) THE PROGRAM SHALL BE OPEN TO ANY INDIVIDUAL WHO:

(I) IS A RESIDENT OF THE STATE;

(II) IS A MEDICARE BENEFICIARY;

(III) IS NOT ENROLLED IN A MEDICARE ADVANTAGE PLAN OR OTHER PUBLIC OR PRIVATE INSURANCE PROGRAM, EXCEPT FOR MEDICAID AND THE MARYLAND PHARMACY ASSISTANCE PROGRAM, THAT PROVIDES PRESCRIPTION DRUG BENEFITS AT THE TIME THAT THE INDIVIDUAL APPLIES FOR ENROLLMENT IN THE PROGRAM;

(IV) HAS AN ANNUAL HOUSEHOLD INCOME BELOW 150 PERCENT OF THE FEDERAL POVERTY LEVEL; AND

(V) MEETS THE ASSET TEST ESTABLISHED BY THE MEDICARE MODERNIZATION ACT UNDER MEDICARE PART D.

(2) INDIVIDUALS WHO ARE DUALY ELIGIBLE FOR MEDICARE AND MEDICAID, OR MEDICARE AND THE MARYLAND PHARMACY ASSISTANCE PROGRAM, MAY BE ENROLLED AUTOMATICALLY IN THE PROGRAM, PROVIDED THAT THEY MAY ELECT TO OPT OUT OF THE PROGRAM.

(3) ENROLLMENT IN THE PROGRAM FOR INDIVIDUALS WHO ARE DUALY ELIGIBLE FOR MEDICARE AND MEDICAID SHALL BEGIN NOT LATER THAN THE DATE ON WHICH THE AUTO-ENROLLMENT PERIOD FOR THE FEDERAL

MEDICARE PART D PROGRAM BEGINS.

(4) THE DEPARTMENT SHALL DETERMINE THE PROCEDURES FOR AUTOMATIC ENROLLMENT IN, AND ELECTION TO OPT OUT OF, THE PROGRAM.

(5) INDIVIDUALS WHO MEET THE ELIGIBILITY REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION BUT WHO ARE NOT DUALY ELIGIBLE FOR MEDICARE AND EITHER MEDICAID OR THE MARYLAND PHARMACY ASSISTANCE PROGRAM MAY APPLY FOR ENROLLMENT IN THE MEDICARE OPTION PRESCRIPTION DRUG PROGRAM BY SUBMITTING AN APPLICATION TO THE DEPARTMENT.

(F) THE DEPARTMENT MAY:

(1) ENTER INTO A CONTRACT WITH ONE OR MORE PRESCRIPTION DRUG PLANS TO COORDINATE THE PRESCRIPTION DRUG BENEFITS PROVIDED UNDER THE PROGRAM AND THE MEDICARE PART D PRESCRIPTION DRUG BENEFIT;

(2) REQUIRE A PHARMACEUTICAL MANUFACTURER TO PROVIDE REBATES IN AN AMOUNT NOT LESS THAN THE REBATES PROVIDED TO THE MEDICAID PROGRAM UNDER § 1927(C) OF TITLE XIX OF THE SOCIAL SECURITY ACT (42 U.S.C. § 1396R-8) AS A CONDITION OF THE PHARMACEUTICAL MANUFACTURER'S PRODUCTS BEING AVAILABLE TO ENROLLEES;

(3) ENROLL ELIGIBLE INDIVIDUALS INTO A PRESCRIPTION DRUG PLAN UNDER CONTRACT WITH THE DEPARTMENT, WITH AN OPT OUT PROVISION AT THE INDIVIDUAL'S DISCRETION;

(4) SPECIFY PROCEDURES FOR INDIVIDUALS TO APPLY FOR ENROLLMENT IN THE PROGRAM;

(5) CONTRACT WITH A PRIVATE ENTITY TO ASSIST IN ADMINISTRATION OF THE PROGRAM OR NEGOTIATIONS WITH PRESCRIPTION DRUG PLANS; AND

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(6) PAY ALL OR PART OF THE PREMIUMS, DEDUCTIBLES, COINSURANCE PAYMENTS, AND COPAYMENTS REQUIRED UNDER THE MEDICARE PART D PROGRAM FOR ENROLLEES.

(G) SUBJECT TO AVAILABLE FUNDS, THE PROGRAM ESTABLISHED UNDER THIS SUBTITLE SHALL PROVIDE BENEFITS TO THE MAXIMUM NUMBER OF INDIVIDUALS ELIGIBLE FOR ENROLLMENT IN THE PROGRAM.

(H) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THE PROGRAM.”.

AMENDMENT NO. 3

On page 1, in line 28, strike “On the earlier of the end of” and substitute “SIXTY DAYS AFTER”; and in the same line, strike “MARCH 31, 2006,”.

On page 2, in line 1, strike “or”; in the same line, strike “comparable”; in the same line, after “Medicare” insert “PART D”; strike beginning with “If” in line 5 down through “provided.” in line 9 and substitute “The Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 no later than 15 days after the date prescription drug benefits provided by Medicare Part D become available.”; after line 14, insert:

“SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) The Board of Directors of the Maryland Health Insurance Plan may transfer automatically each individual enrolled in the Senior Prescription Drug Program on December 31, 2005, into the Senior Prescription Drug Assistance Program on the effective date of Section 1 of this Act.

(b) The Board of Directors of the Maryland Health Insurance Plan may assign automatically and at random a Senior Prescription Drug Assistance Program enrollee to a Medicare Part D plan if, on the effective date of Section 1 of this Act, the enrollee has not selected a Medicare Part D plan or Medicare Advantage Plan.



SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding the effective date of the changes to the Senior Prescription Drug Program, as enacted by Sections 1 and 3 of this Act, the Board of Directors of the Maryland Health Insurance Plan, subject to the limitation on Program funding enacted by Section 1 of this Act, may extend, for up to 60 days after the availability of prescription drug benefits provided by Medicare Part D under Title XVIII of the Social Security Act, as amended, the full benefits of the Program, as the benefits existed prior to the availability of prescription drug benefits provided by Medicare Part D, to Program enrollees.

SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Medicare Option Prescription Drug Program established under Section 3 of this Act be the payor of last resort and only cover costs for enrollees that are not covered under Part D of the federal Medicare program.

SECTION 7. AND BE IT FURTHER ENACTED, That Sections 1 and 2 of this Act shall take effect on the later of January 1, 2006 or the availability of prescription drug benefits provided by Medicare Part D under Title XVIII of the Social Security Act, as amended. The Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 no later than 15 days after the date prescription drug benefits provided by Medicare Part D become available.”;

in line 15, strike “2.” and substitute “8.”; and in the same line, after “That” insert “, except as provided in Section 7 of this Act,”.