

HOUSE BILL 1370

C3

71r2591

By: **Delegate Mizeur**

Introduced and read first time: March 2, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Insurance Plan – Senior Prescription Drug Assistance**
3 **Program – Modifications**

4 FOR the purpose of requiring an individual to be enrolled in a certain prescription
5 drug plan or Medicare Advantage Plan as a condition of eligibility for the Senior
6 Prescription Drug Assistance Program; altering a certain definition; extending
7 the termination date of the Program; making certain clarifying changes; and
8 generally relating to the Senior Prescription Drug Assistance Program.

9 BY repealing and reenacting, with amendments,
10 Article – Insurance
11 Section 14–510
12 Annotated Code of Maryland
13 (2006 Replacement Volume and 2006 Supplement)

14 BY repealing and reenacting, with amendments,
15 Chapter 153 of the Acts of the General Assembly of 2002, as amended by
16 Chapter 282 of the Acts of the General Assembly of 2005 and Chapter
17 345 of the Acts of the General Assembly of 2006
18 Section 13

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – Insurance**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14–510.

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

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

5 (1) is a resident of Maryland;

6 (2) (I) is a Medicare beneficiary enrolled in the Medicare Part D
7 Voluntary Prescription Drug Benefit Program or a Medicare Advantage Plan that
8 provides Part D coverage; AND

9 (II) IS ENROLLED IN A PART D PRESCRIPTION DRUG PLAN
10 OR MEDICARE ADVANTAGE PLAN THAT PARTICIPATES IN THE SENIOR
11 PRESCRIPTION DRUG ASSISTANCE PROGRAM IN ACCORDANCE WITH FEDERAL
12 REQUIREMENTS;

13 (3) is not enrolled in a health benefit plan, other than a Medicare Part
14 D prescription drug plan or a Medicare Advantage Plan, that provides prescription
15 drug benefits at the time that the individual applies for enrollment in the Program;

16 (4) has an annual household income at or below 300% of the federal
17 poverty guidelines;

18 (5) is not eligible for a full federal low–income subsidy under 42 C.F.R.
19 § 423.772; and

20 (6) pays the premium, and copayments or coinsurance, for the
21 Program.

22 (c) “Enrollee” means an individual enrolled in the Program.

23 (d) “Program” means the Senior Prescription Drug Assistance Program
24 established under Part II of this subtitle.

25 **Chapter 153 of the Acts of 2002, as amended by Chapter 282 of the Acts of**
26 **2005 and Chapter 345 of the Acts of 2006**

27 SECTION 13. AND BE IT FURTHER ENACTED, That:

1 (1) No later than June 1, 2003, the Secretary of Health and Mental
2 Hygiene and the carrier that is required to offer the Short-Term Prescription Drug
3 Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article shall transfer
4 all Plan records, data, and other information necessary to operate and administer the
5 Senior Prescription Drug Program established under this Act to the Board of the
6 Maryland Health Insurance Plan.

7 (2) Each individual enrolled in the Short-Term Prescription Drug
8 Subsidy Plan, established under Title 15, Subtitle 6 of the Health – General Article, on
9 June 30, 2003 shall, at the option of the enrollee and subject to the payment of all
10 necessary premiums and copayments, be automatically enrolled in the Senior
11 Prescription Drug Program established under this Act.

12 (3) It is the intent of the General Assembly that the transition of
13 enrollees from the Short-Term Prescription Drug Subsidy Plan to the Senior
14 Prescription Drug Program be accomplished without interruption of benefits for
15 enrollees.

16 (4) [Benefits] **SUBSIDIES** shall be offered to enrollees through the
17 Senior Prescription Drug **ASSISTANCE** Program established under Title 14, Subtitle
18 5, Part II of the Insurance Article beginning [July 1, 2003] **JANUARY 1, 2006**. At the
19 end of December 31, [2007] **2009**, the Senior Prescription Drug **ASSISTANCE**
20 Program established under Title 14, Subtitle 5, Part II, as amended, shall be
21 abrogated and of no further force and effect.

22 (5) Beginning April 1, 2003, the carrier required to offer the
23 Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health –
24 General Article and the Senior Prescription Drug Program under Title 14, Subtitle 5 of
25 the Insurance Article shall subsidize the Plan and beginning July 1, 2003, the
26 Program, using the value of the carrier's premium tax exemption.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 June 1, 2007.