

SB0705/123521/1

BY: Senator Folden

AMENDMENTS TO SENATE BILL 705
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “**Insurance**” insert “**and Prescription Drug Benefits**”; in the same line, after “**Program**” insert “**and State Employee and Retiree Health and Welfare Benefits Program**”; in line 9, after “amendment;” insert “requiring the State to provide a certain subsidy to certain Medicare–eligible retirees and their spouses to cover certain costs; authorizing certain retirees who began State service before a certain date to be eligible for prescription drug benefits in the State Employee and Retiree Health and Welfare Benefits Program; specifying that prescription drug benefits shall be discontinued for certain Medicare–eligible retirees who began State service on or after a certain date and their Medicare–eligible spouses and dependent children;”; in line 10, after “Program” insert “**and the State Employee and Retiree Health and Welfare Benefits Program**”;

and after line 25, insert:

“BY repealing and reenacting, with amendments,
Article - State Personnel and Pensions
Section 2–509.1(a) and (b)
Annotated Code of Maryland
(2015 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, without amendments,
Article - State Personnel and Pensions
Section 2–509.1(c)
Annotated Code of Maryland
(2015 Replacement Volume and 2023 Supplement)”.

AMENDMENT NO. 2

On page 7, after line 22, insert:

“Article – State Personnel and Pensions

2–509.1.

(a) (1) Except as provided in subsection (b) of this section, the State shall continue to include a prescription drug benefit plan in the health insurance benefit options established under the Program and available to retirees under §§ 2–508 and 2–509 of this subtitle notwithstanding the enactment of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003 or any other federal law permitting states to discontinue prescription drug benefit plans to retirees of a state.

(2) Except as provided in subsection (b) of this section:

(i) a retiree may elect to cover the retiree’s spouse or dependent child under the State prescription drug benefit plan under §§ 2–508 and 2–509 of this subtitle; and

(ii) if a surviving spouse or surviving dependent child of a retiree is eligible to enroll in the State prescription drug benefit plan under § 2–508 or § 2–509 of this subtitle, the surviving spouse or surviving dependent child may elect to enroll in the State prescription drug benefit plan.

(3) (I) THIS PARAGRAPH APPLIES ONLY TO A RETIREE WHO BEGAN STATE SERVICE BEFORE APRIL 1986 AND DID NOT HAVE PAYMENTS FOR SOCIAL SECURITY DEDUCTED FROM THE INDIVIDUAL’S PAY WHILE EMPLOYED BY THE STATE.

(II) THE STATE SHALL PROVIDE A SUBSIDY THAT COVERS THE COSTS OF MEDICARE PART A FOR A RETIREE DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH AND THE RETIREE’S SPOUSE.

(b) (1) THIS SUBSECTION APPLIES ONLY TO A RETIREE WHO BEGAN STATE SERVICE ON OR AFTER JULY 1, 2011.

(2) Except as provided in subsection (c) of this section, on January 1, 2019, the State shall discontinue prescription drug benefits for:

[(1)] (I) a Medicare-eligible retiree;

[(2)] (II) the Medicare-eligible spouse or surviving spouse of a retiree;
and

[(3)] (III) a Medicare-eligible dependent child or surviving dependent child of a retiree.

(c) (1) If a retiree is eligible to participate in the prescription drug benefit plan under Medicare, but the retiree's spouse or dependent child is not eligible to participate in a Medicare prescription drug benefit plan, the retiree may elect to cover the retiree's spouse or dependent child under the State prescription drug benefit plan.

(2) If the surviving spouse or surviving dependent child of a retiree is eligible to enroll in the State prescription drug benefit plan under § 2-508 or § 2-509 of this subtitle, but is not eligible to participate in the prescription drug benefit plan under Medicare, the surviving spouse or surviving dependent child may elect to enroll in the State prescription drug benefit plan."