

**Written Testimony from American Federation of Teachers-Maryland
HB 892 – State Prescription Drug Benefits – Retirees
Before the House Appropriations Committee
March 15, 2022
SUPPORT**

Good afternoon Chair McIntosh and members of the House Appropriations Committee. My name is Kenya Campbell, and I am the President of AFT-Maryland, the state federation for a number of public employee unions throughout the state, including the Maryland Professional Employees Council, AFT Healthcare Maryland, and the Maryland Classified Employees Association. On behalf of these unions and the thousands of Maryland state workers that constitute our membership, AFT-Maryland calls for a favorable report to HB 892.

As this committee is well aware, staffing vacancies at nearly every state agency has reached emergency levels. Morale has deteriorated to the point where numerous experienced, high quality state employees are leaving for positions where they may receive more respect and compensation. The staffing crisis is not something that just occurred overnight but is something that has been growing over time. State employees have seen their salaries stagnate and their fringe benefits diminish as the state looks to workers to balance its budgets.

We realize the state legislature has attempted to solve this issue in the past, most recently in 2019. Recognizing that for many state retirees, the costs for their vital prescriptions could dramatically increase, the state attempted to create a program to help defray the increased costs for a population on a fixed income. However, the pending law requires retirees to pay for their prescriptions up front and submit claims for reimbursement. And the law may never go into effect, as it is contingent upon the state winning the Fitch v. Maryland lawsuit, an uncertain outcome at best.

For many employees who have worked for the state for more than 10 years, changing what had been promised to them in the form of deferred compensation is incredibly unfair. Many state employees who have already retired just cannot go back to work in order to earn enough to pay for the increased prescription drug costs.

With a significant level of uncertainty regarding their prescription drug coverage, Maryland workers who have spent decades in the service of the state are having to make life-changing decisions regarding the right time to retire. As a state, in order to stem the tide of state workers leaving the ranks due to inadequate compensation in the form of low pay and diminished benefits, we should think of ways to show our state workers we appreciate their years of dedication in the service of the residents of Maryland. Again, AFT-Maryland calls for a favorable report to HB 892. Thank you.