

SB938 Testimony.pdf

Uploaded by: Adelaide Eckardt

Position: FAV

ADDIE C. ECKARDT
Legislative District 37
Caroline, Dorchester, Talbot
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Budget and Taxation Committee

Health and Human Services
Subcommittee

Joint Committees
Administrative, Executive,
and Legislative Review

Audit

Children, Youth, and Families

Fair Practices and
State Personnel Oversight

Pensions

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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Testimony for Senate Bill 938
Employees' Pension System – Purchase of Service
March 24, 2022

Chairman Guzzone and Honorable Members of the Committee:

Thank you for the opportunity to present **Senate Bill 938 – Employee's Pension System – Purchase of Service**.

In current law, a member (but not a former member) may purchase credit for eligibility service of up to 10 years for periods of employment for which the member is otherwise not entitled to service credit. To purchase service credit, the member must pay to the Board of Trustees of the State Retirement and Pension System an amount equal to the annuity reserve (employee share) and pension reserve (employer share) required to fund the additional allowance. Membership in EPS terminates if a member, among other reasons, is separated from employment for more than four years.

SB 938 allows a former member of the Employees' Pension System (EPS) who meets specified criteria to purchase eligibility service credit for past employment with the State for which the former member is otherwise not entitled to service credit. To purchase the service credit, the member must pay 50% of the member and employer cost of the service credit (instead of the full cost). The bill takes effect July 1, 2022, and terminates June 30, 2023. The bill applies only to a former member who (1) is subject to the Alternate Contributory Pension Selection and (2) is a former employee of the Maryland Department of Transportation (MDOT) who began membership in EPS in December 1991 and terminated employment in March 2009. In the year of retirement, the former member may purchase service credit only for contractual employment with MDOT beginning in April 1984 and ending in December 1991.

The State Retirement Agency is aware of only one individual who qualifies under the bill. The cost of 50% of up to eight years of additional service credit for one individual has only a negligible effect on State pension liabilities and no discernible effect on State pension contribution rates. Thank you for your consideration and I respectfully ask for a favorable report of Senate Bill 938.

Best regards,

A handwritten signature in black ink that reads "Addie C. Eckardt".

Senator Addie C. Eckardt

HB_247_Maria_Robinson_Support.pdf

Uploaded by: Elizabeth Lively

Position: FAV

March 23, 2022

The Honorable Delores G. Kelley, Chair
The Honorable Brian J. Feldman, Vice-Chair
Members of the Committee
Senate Finance Committee
Maryland General Assembly

RE: Support of HB 247

Dear Chair Kelley, Vice-Chair Feldman, and Members of the Committee:

My name is Maria Robinson, and I am a dialysis patient residing in Odenton, Maryland. I also have the honor of serving on the Board of Directors of Dialysis Patient Citizens (DPC), a national nonprofit patient advocacy organization. DPC works to improve the lives of dialysis patients through education and advocacy. We are a patient-led organization with membership open only to dialysis and kidney disease patients and their families. Our mission and policy positions are guided solely by our members and Board of Directors, which is comprised entirely of End Stage Renal Disease (ESRD) patients like me. For the past 24 years I have been receiving three-times weekly hemodialysis treatments in a dialysis center.

On behalf of the more than 17,000 ESRD patients living in Maryland, thank you for the opportunity to write in support of HB 247. If enacted, this legislation will require insurers to permit individuals enrolled in a Medicare Supplemental (or Medigap) plan to switch to an equal or lesser plan during a special guaranteed-issue open enrollment period following the individual's birthday.

Dialysis patients comprise an extremely vulnerable population, nearly half of whom are on Medicaid or dual eligible. Once an individual loses their kidney function, they need either multiple weekly dialysis treatments or a kidney transplant to stay alive. There are no other treatment options. I also want to point out that kidney disease and dialysis disproportionately impacts communities of color. According to the latest data from the U.S. Renal Data Systemⁱ, African Americans are 3.5 times more likely to have kidney failure; while Hispanics, Asians and Native Americans are 1.5 times more likely. Health disparities for this group are further exacerbated when it comes to lifesaving kidney transplant.

HB 247 Letter of Support – 2 of 3
Maria Robinson/Dialysis Patient Citizens
March 23, 2022

The American Journal of Nephrology cites poor health insurance as a key contributor to lower transplant rates for African Americans.ⁱⁱ As you think about this legislation, remember that this will be a positive step towards addressing health disparities in our state, especially since many of us on dialysis are from communities of color.

People gain access to Medicare in one of two ways: upon turning age 65, or prior to age 65 when defined as disabled or diagnosed with ESRD. You may not be aware that Original Medicare does not limit the annual out-of-pocket costs for medical treatment. For dialysis patients like me, these costs can be as high as \$20,000 a year.ⁱⁱⁱ Medigap plans cover most, if not all of these annual out-of-pocket costs. The “birthday rule” included in HB 247 of an additional guaranteed-issue open enrollment window to switch to an equal or lesser benefit plan will help many dialysis patients who want to be able to change their Medigap plan to one that better fits their financial situation.

This important legislation will provide some help to my situation. It is important for you to know my story as many dialysis patients experience the same problem between income levels and no access to Medigap year-around open enrollment. I continue to work to supplement my income, and the circumstances of my employment and changes to my income present unique challenges. I am employed at a senior center through an age 55+ program available through the Maryland Department of Aging. While working under this MDoA program, my coverage through Medicaid works well. Medicaid coverage is critical as it helps pay the 20% deductibles and co-insurance that Medicare Part B does not cover. However, I was hired away from the MDoA program to serve as Assistant Manager of the senior center. This bump in hours worked increased my income enough to be disqualified for Medicaid and the critical need to re-apply for Medigap to cover most if not all of my out-of-pocket expenses that Medicaid now covers. But here is the catch. Once the state re-opens the senior centers that are now closed due to COVID, I will lose my Medicaid coverage when I return to work. I will be applying for Medigap without the protection of guaranteed issue, so my application will undergo medical underwriting. It is possible the insurance company will either turn down my application, or I will not be able to afford the premium. That means returning to reduced hours, a reduced income and back on the state’s Medicaid program.

Many dialysis patients want to work but know they will run into a similar situation. I challenge the committee to not only approve HB 247, but to go further and pass legislation providing year-round open enrollment that will provide a very meaningful step towards equity and help

HB 247 Letter of Support – 3 of 3
Maria Robinson/Dialysis Patient Citizens
March 23, 2022

reduce the state's Medicaid population. Doesn't the state want its workforce to grow and reduce Medicaid costs? This is one way to make that happen.

Thank you for the opportunity to write in strong support of HB 247, a positive step in the right direction.

Sincerely,

Maria Robinson
Resident of Odenton, Maryland
Member, Board of Directors
Dialysis Patient Citizens

cc: Hrant Jamgochian, CEO, Dialysis Patient Citizens
Elizabeth Lively, Eastern Region Advocacy Director, Dialysis Patient Citizens

ⁱ US Renal Data System 2020 Annual Report, <https://adr.usrds.org/2020/>

ⁱⁱ Health Disparities in Kidney Transplantation for African Americans; Am J Nephrol 2017; 46:165-175

ⁱⁱⁱ US Renal Data System 2020 Annual Report, <https://adr.usrds.org/2020/>

RDG Testimony Support re SB938.pdf

Uploaded by: Ravindra Ganvir

Position: FAV

RAVINDRA D. GANVIR
5435 East Nithsdale Drive
Salisbury, Maryland
21801

Senate Budget and Taxation Committee
Testimony in Support - Senate Bill 938
Thursday, March 24, 2022
Virtual Bill Hearing

Dear Chairman Guzzone, Vice Chair Rosapepe and Honorable Committee Members:

I am writing in support of Senate Bill (SB) 938, which will allow for the purchase of certain retirement benefits by former contractual employees of the State of Maryland. I live in District 37 and am represented by the Honorable Adelaide C. (Addie) Eckardt, the sponsor of SB 938. I was a contractual employee with the Maryland Department of Transportation from April 1984 to December 1991 and has worked as a Maryland State Employee with the Maryland Department of Transportation from December 1991 to March 2009, and I was unable to purchase pension benefits before I left my job. During the eighteen (18) years of service with the Maryland Department of Transportation I won many awards and was honored with several Governor's citations.

The purpose of SB 938 is to provide a window of opportunity to former employees to allow them to purchase pension benefits to add to their years of service. Current employees can purchase these pension benefits to increase their years of service, but under the current law former employees cannot. Because I am no longer an employee of the State of Maryland, I cannot purchase pension benefits to increase my years of service. This legislation is important because it provides the limited opportunity to former employees to purchase certain pension benefits, and gives former employees the same rights current employees enjoy to plan for their retirement. Allowing former employees, like me, the opportunity to invest in our pension benefits provides the opportunity for financial stability my family will need during my retirement years. My family depends on me, I have been the principal wage-earner and it is essential if I am ever to retire that I have a living wage to rely on in my retirement years.

This legislation is critical for my fast approaching retirement date of May 2023.

I am grateful to Senator Adelaide C (Addie) Eckardt for sponsoring this legislation, and I respectfully request the Committee's support of SB 938.

Kind regards,

Ravindra D. Ganvir

Ravindra Ganvir

SB 938 Fav

Uploaded by: Ravindra Ganvir

Position: FAV

RAVINDRA D. GANVIR
5435 East Nithsdale Drive
Salisbury, Maryland
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Ravindra D. Ganvir

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