



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

March 28, 2024

The Honorable Joseline Peña-Melnyk
Chair, Health and Government Operations Committee
Room 241, House Office Building
Annapolis, MD 21401-1991

RE: Senate Bill 219 – Senior Prescription Drug Assistance Program – Sunset Extension – Letter of Support

Dear Chair Peña-Melnyk and Committee Members:

The Maryland Department of Health (MDH) respectfully submits this letter of support for Senate Bill (SB) 219 – Senior Prescription Drug Assistance Program – Sunset Extension. The bill would extend the sunset date for the program from December 31, 2024 to December 31, 2030. This would allow SPDAP to continue to assist low- and moderate-income Medicare beneficiaries with their Medicare Part D costs.

The Senior Prescription Drug Assistance Program (SPDAP) provides subsidies to help Medicare beneficiaries with low and moderate income pay their Medicare Part D prescription drug premium costs. CareFirst is required to fund the program according to Insurance Article §14-106(e) in order for CareFirst to earn its premium tax exemption as a non-profit health service plan.

SPDAP provides a premium subsidy of up to \$75 per month towards members' Medicare Part D premiums. For an estimated 87% of SPDAP enrollees, the benefit provided by SPDAP will cover 100% of their total monthly Medicare Part D premium cost during calendar year (CY) 2024. With the passage of the Affordable Care Act, the federal government considers the Medicare Part D coverage gap, or "doughnut hole," to be eliminated as of CY2020.

SPDAP enrollment was 25,200 members as of December 31, 2022. Membership distribution was spread across 16 Medicare Part D organizations offering 55 Medicare Part D prescription drug plans. The highest concentration of members was enrolled in Aetna Medicare plans (4,430). Baltimore County had the highest concentration of enrolled members (5,237), with Baltimore City coming second with 2,401 enrolled members.

SPDAP continues to coordinate with the Department of Aging to provide State Health Insurance Program (SHIP) coordinators and volunteer counselors with information regarding the program. SPDAP maintains a call center and website to answer member and prospective member

questions throughout the year. During CY2022, the Program's call center received 11,863 calls and the website had 11,944 visitors.

If you would like to discuss this further, please do not hesitate to contact Sarah Case-Herron at sarah.case-herron@maryland.gov or (410) 260-3190.

Sincerely,

A handwritten signature in blue ink, appearing to read "LH Scott", is positioned above the typed name.

Laura Herrera Scott, M.D., M.P.H.
Secretary