

# SENATE BILL 824

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By: **Senator Middleton**

Introduced and read first time: February 16, 2007

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Senior Prescription Drug Assistance Program – Sunset Extension**

3 FOR the purpose of extending the termination date of a certain program until a  
4 certain date; and generally relating to the Senior Prescription Drug Assistance  
5 Program.

6 BY repealing and reenacting, without amendments,  
7 Article – Insurance  
8 Section 14–511  
9 Annotated Code of Maryland  
10 (2006 Replacement Volume and 2006 Supplement)

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

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

18 **Article – Insurance**

19 14–511.

20 (a) There is a Senior Prescription Drug Assistance Program.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) The purpose of the Program is to provide Medicare Part D beneficiaries,  
2 who meet Program eligibility requirements, with a State subsidy.

3 (c) The Board shall contract with a third party to administer the Program.

4 (d) The Administrator of the Program shall:

5 (1) submit a detailed financial accounting of the Program to the Board  
6 as often as the Board requires;

7 (2) collect and submit to the Board data regarding the utilization  
8 patterns and costs for Program enrollees; and

9 (3) develop and implement a marketing plan targeted at eligible  
10 individuals throughout the State.

11 **Chapter 153 of the Acts of 2002, as amended by Chapter 282 of the Acts of**  
12 **2005 and Chapter 345 of the Acts of 2006**

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

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

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

25 (3) It is the intent of the General Assembly that the transition of  
26 enrollees from the Short-Term Prescription Drug Subsidy Plan to the Senior  
27 Prescription Drug Program be accomplished without interruption of benefits for  
28 enrollees.

29 (4) Benefits shall be offered to enrollees through the Senior  
30 Prescription Drug Program established under Title 14, Subtitle 5, Part II of the  
31 Insurance Article beginning July 1, 2003. At the end of December 31, [2007] **2009**,

1 the Senior Prescription Drug Program established under Title 14, Subtitle 5, Part II,  
2 as amended, shall be abrogated and of no further force and effect.

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

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