



MARYLAND
DEPARTMENT OF
BUDGET & MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

July 15, 2019

The Honorable Larry Hogan
Governor of Maryland
State House
100 State Circle
Annapolis MD 21401

Senator Nancy J. King
Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
11 Bladen Street
Annapolis MD 21401

Senator Melony Griffith
Chair
Joint Committee on Pensions
220 James Senate Office Building
11 Bladen Street
Annapolis MD 21401

Delegate Maggie McIntosh
Chair
House Appropriations Committee
121 House Office Building
6 Bladen Street
Annapolis MD 21401

Delegate Ben Barnes
Chair
Joint Committee on Pensions
151 House Office Building
6 Bladen Street
Annapolis MD 21401

Dear Governor Hogan, Senator King, Delegate McIntosh, Senator Griffith, and Delegate Barnes:

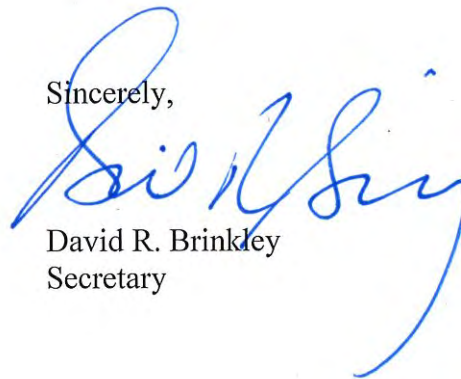
Chapter 767 of 2019 (State Prescription Drug Benefits – Retiree Benefits – Revisions) requires the Department to submit quarterly reports to the Governor, House Appropriations Committee, Senate Budget and Taxation Committee, and the Joint Committee on Pensions on the:

1. status of establishing the Maryland State Retiree Prescription Drug Coverage Program, Maryland State Retiree Catastrophic Prescription Drug Assistance Program, and Maryland State Retiree Life-Sustaining Prescription Drug Assistance Program, including
 - a. the status of procuring any contracts necessary to operate the programs, and
 - b. the prescription drugs determined to qualify for reimbursement under the Maryland State Retiree Life-Sustaining Prescription Drug Assistance Program;

2. availability of one-on-one counseling services for Medicare-eligible retirees to assist retirees in selecting a Medicare prescription drug benefit plan;
3. details of the health reimbursement accounts (HRA) or other programs to provide assistance with prescription drug costs in the three prescription drug assistance programs, including
 - a. the specific out-of-pocket costs eligible for reimbursement,
 - b. the required process for receiving reimbursement,
 - c. the method of reimbursement,
 - d. the timing of reimbursement, and
 - e. a plan to use debit cards to process reimbursements in a convenience and efficient manner, and
4. in total and by category for the previous quarter, the number of issues and concerns reported to the hotline.

As you know, the Department is enjoined from terminating the State prescription drug benefits for Medicare-eligible retirees and, by extension, implementing the provisions of Chapter 767 of 2019 until further order of the U.S. District Court in *Fitch v. State of Maryland, et al.* At this time, there is nothing for the Department to report pertaining to the status of implementation. The Department will submit quarterly reports in the future on October 15th, January 15th and April 15th. We do not anticipate final resolution of this lawsuit before the end of 2019 and, therefore, would not expect to have any substantive implementation updates in the next several quarterly reports.

Sincerely,



David R. Brinkley
Secretary

cc: Victoria Gruber, Department of Legislative Services