



LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lieutenant Governor*

DAVID R. BRINKLEY  
*Secretary*

MARC L. NICOLE  
*Deputy Secretary*

April 15, 2020

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

Senator Guy Guzzone  
Chair  
Senate Budget and Taxation Committee  
3 West Miller 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

Senator Sarah Elfreth  
Chair  
Joint Committee on Pensions  
220 James Senate Office Building  
11 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 Guzzone, Delegate McIntosh, Senator Elfreth, 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 State prescription drug benefits coverage for Medicare-eligible retirees and 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.*

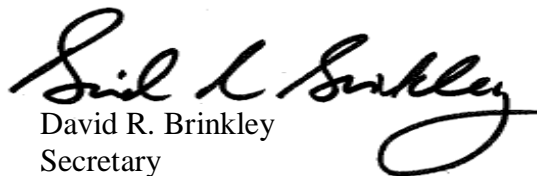
**Litigation Update.** Prior to the COVID-19 pandemic, the next hearing in *Fitch* was not anticipated to occur before May or June 2020. That timeline is expected to be delayed, the extent of which is unknown.

The State Defendants filed responsive pleadings on March 2, 2020. No further hearings are scheduled at this time and discovery has not yet begun.

Chapter 767 recognized the ongoing litigation and, therefore, provides sufficient time for the Department to implement the programs once, and if, the lawsuit is resolved in the State's favor. For these reasons, it is premature to discuss the implementation of other program elements.

To comply with Chapter 767, the Department will submit quarterly reports on July 15, 2020, October 15, 2020, and January 15, 2021.

Sincerely,

  
David R. Brinkley  
Secretary

cc: Victoria Gruber, Department of Legislative Services

MSAR # 12214