

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

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) The Board of Directors of the Maryland Health Insurance Plan may transfer automatically each individual enrolled in the Senior Prescription Drug Program on December 31, 2005, into the Senior Prescription Drug Assistance Program on the effective date of Section 1 of this Act.

(b) The Board of Directors of the Maryland Health Insurance Plan may assign automatically and at random a Senior Prescription Drug Assistance Program enrollee to a Medicare Part D plan if, on the effective date of Section 1 of this Act, the enrollee has not selected a Medicare Part D plan or Medicare Advantage Plan.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding the effective date of the changes to the Senior Prescription Drug Program, as enacted by Sections 1 and 3 of this Act, the Board of Directors of the Maryland Health Insurance Plan, subject to the limitation on Program funding enacted by Section 1 of this Act, may extend, for up to 60 days after the availability of prescription drug benefits provided by Medicare Part D under Title XVIII of the Social Security Act, as amended, until February 1, 2006, the full benefits of the Program, as the benefits existed prior to the availability of prescription drug benefits provided by Medicare Part D, to Program enrollees.

SECTION 6. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that the Medicare Option Prescription Drug Program established under Section 3 of this Act be the payor of last resort and only cover costs for enrollees that are not covered under Part D of the federal Medicare program.

SECTION 7. AND BE IT FURTHER ENACTED, That Sections 1 and 2 of this Act shall take effect on the later of January 1, 2006 or the availability of prescription drug benefits provided by Medicare Part D under Title XVIII of the Social Security Act, as amended. The Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 no later than 15 days after the date prescription drug benefits provided by Medicare Part D become available December 15, 2005, regarding the availability on January 1, 2006, of prescription drug benefits provided by Medicare Part D, and, if prescription drug benefits provided by Medicare Part D are not available on January 1, 2006, the Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services no later than 15 days before the prescription drug benefits are to become available.

SECTION 2-8. AND BE IT FURTHER ENACTED, That, except as provided in Section 7 of this Act, this Act shall take effect July 1, 2005.

Approved May 10, 2005.