

MD State Retirees' Prescription Plan Changes in 2025

A Panel Discussion

Panelists:

- Jane E. Clark, Ph.D., Professor Emerita, U. of Maryland, Chair, U. of Md Emeritus Emerita Association (UMEEA),
- Kathlyn Miller, Board Member, UMBC's Association for Retirees (Wisdom Institute)
- James C. Roberts, Ph.D., Professor Emeritus, Towson U., Pres-Elect, Towson U Retired Faculty Assoc (TURFA)
- **Peta N. Richkus**, former Secretary, Dept of General Services, former Port Commissioner, MD Port Administration, Member, Intergovermental Policy Advisory Comm on Trade for Pres Obama's US Trade Representative's Office

So why this webinar and why now...?

If you are a Medicare-eligible MD State retiree

Your MD Prescription Plan will end at the end of 2024 and

You will need to sign up for a Medicare Part D prescription plan



History

- 2004 OPEB (Other Postemployment Benefits) rules changes (from annual to amortized liability). At the same time, the General Assembly passed the 2004 Budget Reconciliation Act (Chapter 296) stating the intention that State retirees would be entitled to keep their State prescription drug benefits.
- 2004-09: State set up an OPEB trust fund but continued to fund prescription benefits on a pay-as-you-go basis (no pre-funding)
- 2010-11: State set up a Sustainability Commission that recommended that by 2020 the State prescription plan be terminated for all Medicare-eligible retirees. The State passed the Budget Reconciliation and Financing Act of 2011 (Chapter 397) that terminated the prescription benefits as of 2020.

- 2012-18: Plan was accelerated to end retirees' prescription drug benefits in 2018. Retiree notification required.
- 2018 The first notice was sent to retirees that their benefits would terminate leading to a lawsuit, *Fitch v. State of Maryland*. The court issued a temporary injunction enjoining the State from terminating the plan until the lawsuit was resolved.
- 2019 There was a huge retiree backlash. In response, the State provided 3 reimbursement programs to supplement Medicare Part D that would go into effect after the resolution of *Fitch v. State* of Maryland. Owing to lawsuit these were not implemented.
- 2023 The injunction was dissolved in July and the lawsuit was dismissed in September, leaving the State free to act to remove the prescription benefits. The September decision has been appealed.





2024



WHERE ARE WE TODAY?

Comparison of the Nineteen 2024 Medicare Part D Plans Available in Montgomery County Maryland

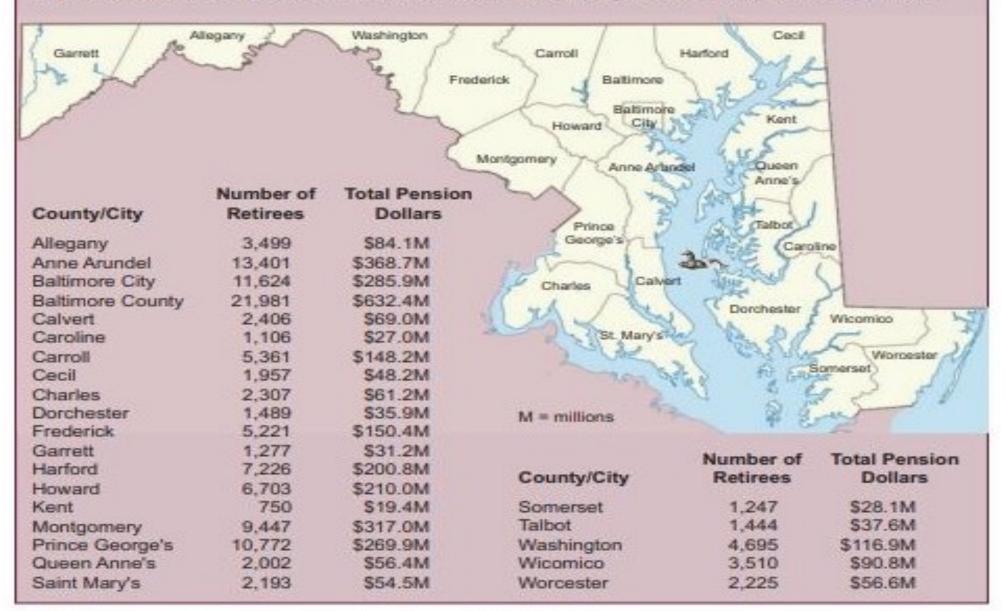
The following comparisons of Medicare Part D plans were made using the Medicare.gov comparison tool. The comparisons are based on the actual information of a 70 year old man with Type II Diabetes and Psoriatic Arthritis. The costs are based on the drugs actually taken by the test subject. The estimates for the Maryland SilverScript Employer plan were derived from actual costs of drugs and benefits from the plan as stated in the Evidence of Coverage.

				Covered Drugs												
Medicare Part D Plans	Monthly Premium	Annual Cost Drugs + Premium	Deductible	Carvedilol	Farxiga	Fenofibric Acid	Folic Acid	Valsartan	Tresiba	Metformin	Methotrexate	Mounjaro	Novolog	Crestor	Spironolactone	# Drugs Covered
AARP Medicare Rx Preferred From UHC	\$103.00	\$6,429	\$0		Х	Х		Х	Х	Х	X	Х	Х	X	Х	10
Humana Walmart Value Rx	\$43.50	\$8,154	\$545		X			X	X	Х	X	X	X	Х	X	9
Humana Basic Rx Plan	\$44.40	\$8,235	\$545		X			X	X	X	X	X	X	Х	X	9
Humana Premier Rx Plan	\$104.60	\$8,467	\$0		X			X	X	Х	X	X	X	Х	X	9
Mutual of Omaha Rx Essential	\$26.30	\$14,784	\$545		X	X		X		X	X	X	X	Х	X	9
SilverScript SmartSaver	\$12.40	\$16,802	\$280	х	Х	Х		Х	Х	Х	Х		Х	Х	Х	10
SilverScript Plus	\$113.40	\$17,823	\$200	х	Х	Х	Х	Х	Х	Х	Х		Х	Х	Х	11
Wellcare Value Script	\$0.40	\$18,293	\$545	X	X	X		X	X	Х	X	Х		Х	X	10
Wellcare Medicare Rx Value Plus	\$78.90	\$18,885	\$0	X	X	Х		Х	X	Х	X	Х		Х	X	10
Clear Spring Health Value Rx	\$25.80	\$22,013	\$545		Х	Х		Х	Х	Х	Х	Х		Х	Х	9
AARP Medicare Rx Walgreens from UHC	\$54.20	\$22,448	\$410		Х			Х	Х	Х	Х		Х	Х	Х	8
Wellcare Classic	\$37.40	\$24,122	\$545		Х			Х	Х	Х	Х	Х		Х	Х	8
Cigna Extra Rx	\$69.10	\$27,688	\$145	х		Х		Х	Х	Х	Х	Х		Х	Х	9
Cigna Saver Rx	\$20.00	\$29,914	\$545			Х		Х	Х	Х	Х	Х		Х	Х	8
Cigna Secure Rx	\$41.40	\$30,097	\$545			Х		Х	Х	Х	Х	Х		Х	Х	8
Mutual of Omaha Rx Premier	\$84.60	\$31,314	\$349		Х			Х		Х	Х		Х	Х	Х	7
AAUP Medicare Rx Saver from UHC	\$62.40	\$31,530	\$545		Х			Х	Х	Х	Х		Х	Х	X	8
SilverScript Choice	\$42.50	\$33,799	\$545	Х	Х	Х		Х	Х	Х	Х			Х	Х	9
Mutual of Omaha Rx Plus	\$89.10	\$52,306	\$545			X		X		X	X			X	X	6
Maryland SilverScript Employer Plan	\$53.28	\$2,709	\$0	X	x	x		x	x	x	X	x	x	x	X	11

Plan Name	Annual Premium	Annual costs for copays or coinsurance for <i>Covered</i> Drugs	Annual Deductible	Annual Premium, Covere d Drugs, plus Deductible	Annual cost of Drugs not on formulary (not covered)	Annual Premium, Covered Drugs, Deductible, plus Non-Covered Drugs
	COSTS FO	DR TWO 2024 MEDIC	ARE PART D PLA	ANS (USING 2023 ACT	UAL PRESCRIPTIO	NS)
Humana Premier Rx Plan	\$1,255.2 0	\$987.91	\$0	\$2,243.11	\$2,767.96	\$5,011.07
Wellcare Value Script	\$4.80	\$2,241.39	\$545	\$2,791.19	\$2,767.96	\$5,554.34
COMPARI	NG ANTICIP	ATED EXPENSES OF 2	2025 PLAN WIT	H LOWEST ANNUAL F	PREMIUM AND Sen	ate Bill 946 CAP
Wellcare with the \$1,500 SB946 State cap	\$4.80	\$1,500.00			\$2,767.96	\$4,272.76
State of Maryland SilverScript Employer Plan Using 2023 Actual Costs	\$639.36	\$824.65	\$0	\$1,464.01	\$0	\$1,464.01

Local economic impact of Maryland pensions

More than \$3.40 billion in annual pension payments stay in Maryland.





Put your questions in the CHAT BOX

Resources and Contacts: https://blo

https://blog.umd.edu/umeea/

Medicare Part D Website

Use this site to enter your prescriptions and compare the costs of the Part D plans available in your area.

https://www.medicare.gov/plan-compare/#/?year=2024&lang=en

Maryland Department of Budget & Management Retiree Prescription Plan

Use this website to see what the State of Maryland is saying about the transition to Medicare Part D.

https://dbm.maryland.gov/benefits/Pages/Retirees.aspx

Maryland General Assembly

Use this website to follow the current legislation (SB 349 & HB 670) and to find your representatives.

https://mgaleg.maryland.gov/mgawebsite