



MARYLAND PROFESSIONAL EMPLOYEES COUNCIL

AFT, AFL-CIO Local 6197

A union of professionals
in service to the people
of Maryland

**Written Testimony Submitted for the Record to the Maryland State Senate
Before the House Appropriations Committee
Testimony of Jerry Smith, President, Maryland Professional Employees Council
AFT Local 6197
March 10, 2020
HB 1042 – State Prescription Drug Benefits – Retiree Benefits - Revisions**

SUPPORT

As an employee of the state of Maryland, for over 33 years with the State Highway Administration and President of Maryland Professional Employees Council - AFT Local 6197, representing over 5000 professional state employees, we seek a favorable report for HB 1042. This bill would offer state employees clarity as to who will be eligible for the new state employee retiree prescription drug benefit.

Mr. Chair and members of the committee: no one who decides to spend their careers in the service of our state does so with the idea that they will become rich. We love our state and we do feel a sense of community when we are able to bring important services to the residents of Maryland in order to make our state the best it can be. We do hope that we as state employees we will be compensated fairly, and at an appropriate level based on our expertise, experience, and level of training. When the time comes for us to retire, we expect that our employer, who has benefitted so greatly by the many years of service we have given Maryland, will in turn follow-through on its commitment to do right by its retirees in the form of a stable, steady, defined income, coupled with helping us handle the costs of our health care and prescription drugs.

Unfortunately, the law you passed the last session created great confusion regarding eligibility for the new retiree prescription drug benefit. The Department of Budget and Management has issued unclear guidelines to current state employees about when retirees need to be off active payroll. As a result, many state employees were forced to make life-altering decisions based on confusing and possibly incorrect data.

HB 1042 will grant state employees clarity in deciding the best time to retire. This bill spells out the program will be implemented on the second open-enrollment period following the resolution of the Fitch v. State of Maryland court case if the state prevails. DBM will have more time to plan and clarify the eligibility requirements for this benefit, and state employees thinking about retirement will have more time to consider their expected costs once they have left their position in service for the state. It is for these reasons, MPEC calls for a favorable report to HB 1042

Thank you.

