



WES MOORE
Governor

ARUNA MILLER
Lieutenant Governor

HELENE GRADY
Secretary

MARC L. NICOLE
Deputy Secretary

April 10, 2025

The Honorable Wes Moore
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

Senator Michael Jackson
Chair
Joint Committee on Pensions
3 West Miller Senate Office Building
11 Bladen Street
Annapolis MD 21401

Delegate Ben Barnes
Chair
House Appropriations Committee
121 Taylor House Office Building
6 Bladen Street
Annapolis MD 21401

Delegate Catherine Forbes
Chair
Joint Committee on Pensions
304 Lowe House Office Building
6 Bladen Street
Annapolis MD 21401

Dear Governor Moore, Senator Guzzone, Senator Jackson, Delegate Barnes, and Delegate Forbes:

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 (the three programs set forth in Chapter 767 relating to the State's termination of prescription drug benefits for Medicare-eligible retirees), 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;

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<http://dbm.maryland.gov>

3. details of the health reimbursement accounts (HRA) or other programs to help 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 convenient and efficient manner, and

4. in total and by category for the previous quarter, the number of issues and concerns reported to the hotline.

The initial transition of Medicare-eligible retirees off the State prescription drug plan concluded on December 31, 2024. The Department of Budget and Management (DBM) worked hard with our vendor to provide a smooth transition for our retirees in compliance with Chapter 767 of 2019. As of December 31, 2024, there were over 50,000 of our ~60,000 retirees/dependents enrolled in a Medicare prescription drug plan through Via Benefits.

Please see the report attached for a substantive update and do not hesitate to reach out to me or DBM's Director of Legislative Affairs Dana Phillips (410-260-6068) with questions or any additional information that would be helpful.

Sincerely,



Helene Grady
Secretary

cc: Victoria Gruber, Department of Legislative Services

**Quarterly Report on the Transition of Retirees to Medicare Part D
For Prescription Drug Coverage Per Chapter 767 of 2019
Department of Budget & Management
April 15, 2025**

Benefits Transition Update

The Department continued to work with Via Benefits, the State's Medicare Part D partner. Via Benefits operates one of the country's largest private Medicare marketplaces and has helped more than two million retirees plan, shop for, enroll in, and maintain individual coverage that fits their needs. Via Benefits' licensed benefits advisors helped our impacted retirees explore and enroll in a new Medicare Part D plan by offering one on one counseling and unbiased guidance to ensure retirees understand their options and make an informed decision.

Please see highlights of Via Benefits' and the State's communication and engagement with retirees below:

1. On December 31, 2024, the Medicare Part D open enrollment period for retirees losing their group prescription drug coverage concluded. There were approximately 50,000 retirees and eligible dependents that were enrolled in a Medicare Part D plan through Via Benefits.
2. The State of Maryland's Special Enrollment Period (SEP) for retirees losing their State-provided prescription drug coverage began on January 1, 2025, and concluded on February 28, 2025. This SEP allowed retirees and eligible dependents that did not take action during the Open Enrollment period to elect a Medicare Part D plan. There were an additional 1,500 enrollments during the SEP.
3. The week of January 13, 2025, Via Benefits began sending an Age-In Mailer to retirees and eligible dependents approximately 7 months before their 65th birthday. This document introduces them to Via Benefits, including information on how to contact them and to make sure they start thinking about the actions they need to take in the coming months as they prepare for Medicare eligibility. To date there have been over 500 Age-In Mailers delivered to retirees and dependents who will become eligible for Medicare.
4. Via Benefits continues to be a resource for retirees throughout the year to answer questions. The Department is in regular communication with our Via Benefits account management team.
5. On March 27, 2025, members of the Department's Employee Benefits Division (EBD) and the Contract Management Division (CMD) met with the Via Benefits account management and implementation teams to debrief on the successful transition of Medicare-eligible retirees and their dependents. The debrief meeting was extremely detailed and reviewed each component of the project's implementation with a "Win, Learn, and Change" discussion.

Via Benefits helped over 92% of the eligible population enroll in a Medicare Part D plan. Below is a breakdown of how enrollments were completed through December 31, 2024:

- a. 63% of enrollments were handled telephonically;
 - b. 33% of the enrollments were a hybrid; and
 - c. 4% were self-service online enrollments.
6. Next steps with Via Benefits include creating new target communications for retirees and eligible dependents and preparing for the 2026 Medicare Open Enrollment period.

Health Reimbursement Account (HRA) Update

Eligible retirees and their dependents who enrolled in a Medicare Part D plan by December 2, 2024, received their HRA debit card by January 1, 2025. Individual retirees will receive one debit card, and a retiree and spouse will receive two debit cards. As of March 19, 2025, there were over 70,000 claim transactions submitted for more than \$7.3M applied to HRA funds. 98.5% of those claims were made by using the HRA debit card and 1.5% of those claims were submitted for reimbursement.

Life-Sustaining Prescription Drug Assistance Program Update

A detailed letter about the Life-Sustaining Prescription Drug Assistance Program was mailed to eligible retirees and their eligible dependents in December 2024. The detailed letter, the 2025 Drug List, and a “What Retirees Need to Know” video about the Program is posted on the DBM Retirees website. An official Summary Plan Description is under review by our attorneys and is expected to be available in the second quarter of 2025.

Retiree Transition Challenges

As part of this transition, the Department and Via Benefits have continually monitored ongoing questions and challenges the Retirees may be facing. What seem to be potential pain points and how can we close that gap? Frequent topics include: 1) What is an eligible expense; 2) What are the available reimbursement methods; 3) How to use the debit card; and 4) How to use online tools and mobile apps.

Together, we are developing website updates, printed postcards and mailers, and “Ask me Anything” webinar sessions for further education opportunities. A launch date has not been announced.

Frequently Asked Questions

The Department continued to update Frequently Asked Questions (FAQs) in tandem with Via Benefits to assure the retirees are receiving regular updates. Updates will continue to be posted to our Retiree website as they become available, but the latest FAQs are as of November 9, 2024.