

1, 2003, each SAAC policy shall be renewed as a policy under the Maryland Health Insurance Plan established under this Act.

SECTION 12. AND BE IT FURTHER ENACTED, That if the State loses its Medicare Waiver under § 1814(b) of the federal Social Security Act:

(1) the hospital rate funding mechanism for the Maryland Health Insurance Plan specified under § 19-219 of the Health – General Article shall terminate at the end of the Plan year during which the State loses the waiver; and

(2) the Board for the Maryland Health Insurance Plan shall make recommendations to the General Assembly as soon as practicable regarding the adoption of a new funding mechanism for the Plan.

SECTION 9-13. AND BE IT FURTHER ENACTED, That:

(1) No later than June 1, 2003, the Secretary of Health and Mental Hygiene and the carrier that is required to offer the Short-Term Prescription Drug Subsidy Plan under Title 15, Subtitle 6 of the Health – General Article shall transfer all Plan records, data, and other information necessary to operate and administer the Senior Prescription Drug Program established under this Act to the Board of the Maryland Health Insurance Plan ~~and, if directed by the Board, to an administrator that has contracted to administer the Program.~~

(2) Each individual enrolled in the Short-Term Prescription Drug Subsidy Plan, established under Title 15, Subtitle 6 of the Health – General Article, on June 30, 2003 shall, at the option of the enrollee and subject to the payment of all necessary premiums and copayments, be automatically enrolled in the Senior Prescription Drug Program established under this Act.

(3) It is the intent of the General Assembly that the transition of enrollees from the Short-Term Prescription Drug Subsidy Plan to the Senior Prescription Drug Program be accomplished without interruption of benefits for enrollees.

(4) Benefits shall be offered to enrollees through the Senior Prescription Drug Program established under Title 14, Subtitle 5, Part II of the Insurance Article beginning July 1, 2003. On the earlier of the end of June 30, 2005, or the availability of comparable prescription drug benefits provided by Medicare under Title XVIII of the Social Security Act, as amended, with no further action required by the General Assembly, the Senior Prescription Drug Program established under Title 14, Subtitle 5, Part II, as amended, shall be abrogated and of no further force and effect. If comparable prescription drug benefits are provided by Medicare under Title XVIII of the Social Security Act, the Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 no later than 90 days before the prescription drug benefits are to be provided.

(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.