

My name is Bill Friedheim, chairperson of the retiree chapter of the Professional Staff Congress/CUNY.

We are NOT happy campers. Our lives – and those of 250,000 plus municipal retirees – were thrown into turmoil when the NYC Office of Labor Relations and the Municipal Labor Committee entered into an agreement moving retiree health benefits from traditional Medicare, with the city paying supplemental insurance, to a privatized, for-profit Medicare Advantage plan. Negotiations were not transparent. Retirees had zero voice in this matter.

In June 2018, the City and MLC signed an agreement to save “\$600 million in fiscal year 2021” and “every year thereafter.” They agreed to explore eight possible areas of savings, only one of which was retiree benefits. Which did they choose: Self-insurance, with potentially hundreds and hundreds of millions of dollars in savings? Negotiating fairer prices with private hospitals? Neither. Instead, they reached for the low hanging fruit, retiree benefits. In the middle of a pandemic, they targeted retirees, NYC’s most vulnerable healthcare population, who had no agency in this process. Then, In the fall of 2020, NYC put out an RFP to shift retirees to Medicare Advantage.

This grim scenario is right out of the austerity playbook. Management, in this case NYC, pleads austerity and tells labor that negotiations are part of a zero-sum game. If you don’t cut retiree benefits, then actives will have to pay more out of pocket. Or union welfare funds will see per-capita funding from the City diminished. Or the City will slash wages. Or all the above.

My retiree chapter rang alarm bells about this move six months ago. We educated our members. Marched. Signed petitions. Joined – and continue to join -- with other municipal retirees in protest.

We’re angry. Anxious. Traumatized.

ANGRY that Medicare Advantage is the default and that to keep traditional Medicare with supplemental NYC Senior Care, we must jump through hoops; must submit opt out forms for which there is no timely confirmation; must pay a \$191.57 a month penalty to keep a plan that was once free.

ANGRY that NYC promised healthcare and retirement benefits “in place at the time you retire,” but then reneged.

ANGRY because “the method of implementation of this plan at present has been irrational, and thus arbitrary and capricious.” Those are not my words, but those of Justice Lyle E. Frank when last week he issued a temporary restraining order extending indefinitely the opt-in/opt-out enrollment deadline.

ANGRY that retirees cannot confirm that their medical providers will accept the new plan. As Justice Frank noted, “it is undisputed that much of the program terms are still

unsettled and unclear” and, as acknowledged by attorneys for the City and the vendor, “medical providers were still being contacted to see if they will agree to this plan.”

ANGRY that the new plan, unlike traditional Medicare, imposes time-consuming pre-approvals.

ANGRY that members calling the NYC Medicare Plus Advantage Hotline often receive conflicting, inaccurate, and incomplete information.

ANGRY that as the presumptive next Mayor Eric Adams put it, the move to Medicare Advantage amounts to “bait and switch.”

ANGRY that NYC accelerates a precedent by moving retired, public-sector workers from traditional Medicare to privatized, for profit Medicare Advantage plans.

We need City Council oversight. Tell NYC to hit the pause button, to stop implementation of this plan, and to honor its commitments to its retired workforce.

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