



Judge Blocks City's Bid to Slap Monthly Penalty on Retirees Opting Out of Medicare Advantage; UFT Backs Off on Supporting Switch

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New York, NY – Municipal retirees who've often spent huge chunks of their lives working for the City of New York are urging Mayor Eric Adams not to challenge a Manhattan Judge's new ruling effectively saving their traditional Medicare coverage from privatization.

Municipal retirees opposing the shift to privatized Medicare Advantage held a "die-in" outside City Hall in September. This week, they scored a big win in court. "We may be retired, but we're not dead, and we will fight back," Neal Frumkin, Associate VP of Inter-Union Relations for DC37 retirees, told LaborPress outside City Hall on Thursday, March 3.

Jubilant New York City retirees took to the corner of Broadway and Murray St. to celebrate Judge Lyle E. Frank's ruling blocking the city from slapping what amounts to a nearly \$200 fee on anyone choosing to opt out of its highly controversial switch to a privatized Medicare Advantage program. "We are ecstatic," UFT retiree Gloria Brandman told LaborPress. "Good quality healthcare is the human right not just for us, but for everyone."

The decision by the United Federation of Teachers, along with the rest of the Municipal Labor Committee, to back the switch to Medicare Advantage first hatched during the Bill de Blasio administration, sparked furious [backlash](#) from many rank & file members. "This is a great day for thousands of retirees who wanted to retain our Traditional Medicare and Part C coverage at no additional cost, Council of Municipal Retiree Organizations [COMRO] President Stuart Eber told LaborPress. "The City may appeal, but in the meantime, the healing process among retirees and between retirees and their former unions should begin. The divisions caused by the MLC's disregard for retirees

can be forgiven if all sides can remember we are all current or retired City employees who need to be respected and heard.”

UFT President Michael Mulgrew also released a statement on Thursday saying because of Judge Franks decision, the union is now withdrawing its support for implementing the switch to Medicare Advantage scheduled for April.

“We believe in the NYC Medicare Advantage Plus plan and the excellent range of benefits it would have provided our retirees,” he said. “However, the judge’s recent decision will effectively eliminate the savings the plan would have produced and that would have been re-invested in health benefits for our members. While the NYC Medicare Advantage Plus plan is sound, the program has suffered from serious implementation problems and poor legal arguments, particularly on the part of the city. Our retirees deserve better. Given the judge’s order, the UFT is withdrawing its support for starting the NYC Medicare Advantage Plus plan on April 1, 2022, and will urge the Municipal Labor Committee to suspend its efforts to begin the program until all the implementation and legal issues are resolved.”

According to opponents of the switch, nearly 50,000 New York City retirees and dependents have already opted out of Medicare Advantage despite the \$191 monthly fee they were facing before Justice Frank’s decision.

Then candidate Eric Adams [initially jeered the Medicare Advantage plan as a “bait and switch”](#) before ultimately calling it the “best” thing for city retirees after he became mayor.

“These Medicare advantage programs are for profit...whatever they don’t spend on healthcare for you or for me is profit,” Edward S. Hysyk, head of Retirees Association DC37, told LaborPress.

In his ruling, Judge Franks said, “Based on this Court’s reading of New York City Administrative Code Section 12-126, so long as the respondent is giving retirees the option of staying in their current program, they may not do so by charging them the \$191 the respondent intends to charge.”

The ruling does not prevent the city from launching the Medicare Advantage switch on April 1 — April Fool’s Day. Now, however, those who have not opted out of the privatized plan, have three months after that date to get out of the privatized plan without being hit with a \$191 monthly penalty.

*The Mayor’s Office referred a request for comment to the city’s Law Department. We will update this story to reflect their input when it becomes available.
Steve Wishina provided on-the-spot reporting.*