

# DAILY NEWS

## OPINION

### Hey, NYC, what's the price of a promise?

By Marianne Pizzitola  
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Should tens of thousands of senior citizens and disabled first responders be subjected to insurance companies determining their fate as opposed to medical professionals who know them — all so that union leaders can replenish a fund they raided for illegitimate, albeit legal purposes? That might sound like a far-fetched hypothetical from an ethics exam or public-policy seminar. It's not: That is exactly what will happen if union bosses get their way.

Earlier this month, the city's Municipal Labor Committee (MLC) — an advisory group comprised of leaders of the city's 100-plus municipal unions — voted to change a law designed to protect city workers, retirees and their dependents. The law, known as “12-126”, was passed in 1967 and guaranteed the city would pay for a choice of health insurance plans — up to a defined dollar cap. For 55 years, every teacher, firefighter, police officer, nurse, and others who served the city knew they would have access to a health insurance plan that met their families' needs. We knew we would never get rich, but would always have job security and benefits.

That may all now change if the unions get their way. Some 250,000 elderly and disabled retirees will be forced out of traditional Medicare and into a one-size-fits-all plan run by a private insurance company. Last year, the city tried to force a “customized” Medicare Advantage plan on retirees and said it would no longer pay for the traditional Medicare-plus-supplemental coverage it had paid for — and retirees had relied on — for 55 years. When a Manhattan state Supreme Court justice ruled the city's ham-handed approach illegal because it violated 12-126, the city and MLC decided to try an even more drastic approach: “Amend” — but essentially scrap — the law.

The impact of the proposed change to the statute would force every retiree into a plan where many would lose their doctors. Even the insurance company [admitted](#) 10% of doctors who currently treat retirees were not participating in the new plan. That means up to 25,000 retirees would have their continuity of care threatened. And all 250,000 retirees would suddenly be [subjected](#) to the insurer's “prior authorization” protocols and hurdles — often dangerously delaying and [denying](#) care — something they never had to worry about in traditional Medicare.

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NYC Mayor Eric Adams (Shawn Inglima/for New York Daily News)

If people chose to opt out of Medicare Advantage and wanted to keep their traditional plan, the city required a \$191 monthly penalty premium. For [many](#) retirees who are on small fixed pensions, that is a serious financial burden.

If the city and MLC convince the City Council to change the law, current workers will be guaranteed absolutely nothing, neither while on the job or in retirement. The legislation is so vaguely drafted, the city and MLC could decide to impose \$10,000 deductibles or \$100 copays.



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“Of course we won’t,” say union leaders. But that promise is worth little, especially after what we’ve just seen transpire.

Why are the unions agreeing to sell out their current members? Because in 2014, [the de Blasio administration and MLC agreed to fund some \\$1 billion in teacher raises by raiding the Health Insurance Stabilization Fund](#). The union agreed to replenish the fund by finding health-care savings, but [never really did](#), as that would have required some political discipline or unpopular [choices](#).

So instead, last year they took a route they thought would encounter no resistance: impose a change on retirees. After all, retirees are no longer represented by their former unions. What the city and MLC didn't count on was thousands of retirees banding together in a grass roots group and challenging the action in court — and then winning.

Although it is hard to believe, not one of the 104 collective bargaining agreements the city has with its many unions says a word about employee or retiree health benefits. And that's because those benefits have been protected by statute: 12-126. Strip that law, and workers and retirees have absolutely no guarantee of health care. And it will be far tougher to attract people into government service.

Everyone knows health care is expensive, and few will argue against trying to find fair savings or tapping federal funds. The city should start inviting bids from other insurance companies for a contract they have awarded for years without competitive bidding. When two large insurance companies that sell Medicare Supplemental plans were unofficially approached and asked how much a plan like GHI Senior Care should cost, their not-for-attribution responses suggested annual savings between \$50 and \$100 million a year.

The option of traditional Medicare and supplemental with no penalty needs to be preserved. To date, the city has refused to meet with — much less listen to — retirees. Instead, it simply tried to put lipstick on a pig and call the proposed Medicare Advantage Plan a better plan. Stop insulting our intelligence.

*Pizzitola is president of the NYC Organization of Public Service Retirees.*

