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City's Municipal Labor Committee votes to approve Medicare Advantage health insurance plan for retirees

BY JACQUELINE NEBER

The city's Municipal Labor Committee has voted to approve Aetna's proposed Medicare Advantage plan for municipal retirees.

According to an MLC source, 79% of the committee voted in favor of the plan. There are more than 100 unions represented by the MLC, and the vote is weighted based on how many members each union has.

This vote is the latest installment in a conflict involving the city, unions and retirees about privatizing health insurance for more than 200,000 retirees—a conflict that began in 2018. The city has said that switching retirees from supplemental, city-sponsored health insurance to Medicare Advantage could save the city up to \$600 million per year in premiums, because the federal government would then cover those costs.

Aetna's plan, proposed recently, appears to include zero-dollar copays and wider coverage than the SeniorCare supplemental plan that many retirees are on, which is administered by EmblemHealth. But

under the terms of the agreement between Aetna and the city, approving the plan would eliminate the SeniorCare option for retirees.

The New York City Organization of Public Service Retirees, which has more than 17,000 members and has disapproved of the switch from the jump, has decried Aetna's proposal and encouraged the City Council to amend the administrative codes related to the plans so seniors could still access the SeniorCare plan. The organization has argued that Medicare Advantage could offer worse coverage than the supplemental plans, and that retirees should be entitled to the same benefits they were offered upon deciding to work for the city.

The City Council has not yet voted on whether to change the codes.

Meanwhile, the MLC and the city have said the proposed plan will allow the city to save money while it offers retirees more coverage options and an out-of-pocket cost maximum, which the SeniorCare plan does not have.

Michael Mulgrew, president of the United Federation of Teachers union, which is part of the MLC,



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said that the unions will monitor how the plan is implemented to ensure it delivers on its objectives.

From the city's perspective, the Medicare Advantage plan represents an opportunity to continue providing retirees with quality, free coverage.

"The plan approved by the MLC

today improves upon retirees' current plans, including a lower deductible, a cap on out-of-pocket expenses and new benefits, like transportation, fitness programs and wellness incentives. We also heard the concerns of retirees and worked to significantly limit the number of procedures subject to

prior authorization under this plan," Mayor Eric Adams said in a statement to *Crain's*. "In the coming days, we will communicate with all city retirees to provide details and next steps for the plan, and Aetna will be providing additional resources to answer any questions about the plan." ■