



NYC Organization of Public Service Retirees

Fight for  
Your Rights

Defend  
Your Benefits

Protect Yourself From  
Your Former Union

## NYC Medicare Advantage Plus Plan **Update**

News and information for NYCOoPSR retirees

March 18, 2022

### Union Rhetoric from a UFT/RTC

***Here is the link to the newsletter they distributed.***

We see it quite often, the United Federation of Teachers (UFT) or an Retired Teacher Chapter (RTC) sends out a newsletter or makes a Facebook post that spreads misinformation in an attempt to convince you their actions were justified and "the opposition" (that's us by the way), are wrong. The newsletter even cites a release by the NYS Alliance for Retired Americans as supporting the Advantage plan. But, one look at their website, and you learn it is an extension of the AFT and UFT. Below, we will go through what was written, fact check it and cite it to support we are not distributing "social media noise" as described, but true facts. That is, if you still think the truth is important.

We will have all the cited documents on our website for reference and we do not twist their meaning. You can see the plain language for yourself.

There is a newsletter being circulated by Mrs. Winderbaum, UFT/RTC from the West Coast of Florida that is seriously misleading. But coming from the UFT, we are NOT surprised.

UFT tactics have been like fighting Coronavirus. No matter what defense you put up in its path, it keeps coming back and mutates. Now, they are trying to get people to think they fixed what we fixed, and of course, they broke. These are the same people on the UFT and RTC Facebook pages that remove posts by those that dissent, and or remove the dissenters.

So what does the newsletter say and what is the truth?

Here is the link to the newsletter they distributed:

[https://mailchi.mp/771177ac455e/special-edition-on-our-retiree-health-insurance?fbclid=IwAR2v\\_L6PM2Qu-OmGxCgw0nxJ-HiRr5IAMwOxYBR52qlMG5zRJcOf34lY\\_W0](https://mailchi.mp/771177ac455e/special-edition-on-our-retiree-health-insurance?fbclid=IwAR2v_L6PM2Qu-OmGxCgw0nxJ-HiRr5IAMwOxYBR52qlMG5zRJcOf34lY_W0)

While the newsletter is a misrepresentation of the facts, the first sentence is true; retirees have had angst over the health care plan changes, but that angst was caused by the UFT and MLC amongst others. We are sure the unions didn't intend to 'hurt' the retirees, they just did not know what they were doing. The misuse of the Retiree Health Benefit Trust (RHBT) and the Health Insurance Stabilization Fund (HISF) by the unions put us here. That money DID IN FACT go to the unions and, in 2014, \$1 billion went to the UFT to pay teacher raises<sup>1</sup> when there was a shortage in the budget. In the 2014 UFT MOU that you are directed to read in the newsletter, Mr. Mulgrew was given these raises but he had to convince the MLC to agree to \$3.4 billion in health cost savings. How were those savings realized the last time? Your unions imposed higher co-pays, prior authorizations on more medical testing and procedures, hospital co-pays to prevent you from going to the E.R., etc. (Active and non medicare retirees). A give back. And since 2014 the funds were

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<sup>1</sup> In the 2014 MOU it states in H. viii. "Stabilization Fund: (1) Effective July 1, 2014, the Stabilization Fund shall convey \$1 billion to the City of New York to be used in support of the pro rata funding of this agreement. (2) Commencing on July 1, 2014, \$200 million from the Stabilization Fund shall be made available per year to pay for ongoing programs (such as \$65 welfare fund contribution, PICA payments, budget relief)"

seeing money. Newspapers reported the money was coming in.<sup>2</sup> Then the unions used it, with the City, and didn't replenish it. And since then, the funds were drained down.<sup>3</sup> Remember, as a Medicare eligible retiree, we have the least expensive insurance, as our plans only cover the 20% of the bills Medicare doesn't. And yet, rather than going after the other savings options, or their own give backs, they chose a path that impacts the infirm and disabled. Retirees didn't know they did this, do not have a union to inform them, and couldn't vote on the process. Given that many are retired for decades and reside out of state, retirees never knew until OLR began sending out letters in the summer of 2021, during a pandemic, when mail service was unreliable.

More of a stretch is Ms. Winderbaum's statement that you should have known about this plan from the 2014 agreement. The 2014 agreement does, in fact, detail the origins of the effort to save the City healthcare costs. But retirees were not informed because most retirees that were impacted, retired well before 2014, are not teachers and don't make a habit of reading the 2014 UFT MOU or the 2014 MLC agreement. Or ANY MOU. We know we don't! And yes, this was done quietly, and still is, as the Tripartite Committee is a secret committee that has not publicly shared its work. In the 2014 MOU, look at SECTION H, and specifically H vii, and viii.<sup>4</sup> These provisions state that if Mr. Mulgrew couldn't get the MLC to get in line with the savings the City wanted, the UFT would have to pay back their share towards the raises. Oh, and \$1 billion would go to the City to fund the

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<sup>2</sup> The Chief Leader, Part of Contract Deal With Unions City Well on Way to \$3.4B Health Savings, Labor Commissioner Says, By DAN ROSENBLUM, Apr 6, 2015

<sup>3</sup> Independent Budget Officer, (IBO), Testimony of Jonathan Rosenberg Director of Budget Review, New York City Independent Budget Office To the New York City Council Committee on Civil Service and Labor Regarding Changes to Municipal Retirees' Healthcare Plan October 28, 2021

<sup>4</sup> 2014 UFT MOU Section H. (vii.) In the event the MLC does not agree to the above citywide targets, the arbitrator shall determine the UFT's proportional share of the savings target and, absent an agreement by these parties, shall implement the process for the satisfaction of these savings targets. (viii.) Stabilization Fund: (1) Effective July 1, 2014, the Stabilization Fund shall convey \$1 billion to the City of New York to be used in support of the pro rata funding of this agreement. (2) Commencing on July 1, 2014, \$200 million from the Stabilization Fund shall be made available per year to pay for ongoing programs (such as \$65 welfare fund contribution, PICA payments, budget relief). In the event the MLC does not agree to provide the funds specified in this paragraph, the arbitrator shall determine the UFT's proportional share of the Stabilization Fund monies required to be paid under this paragraph

raises in this UFT contract, \$200 million a year to the union welfare funds and budget shortfalls. If the MLC didn't convey the money, the UFT would have to pay the City back.

Yes, the 2014 MLC agreement shows an effort to save money and EIGHT different ideas<sup>5</sup> were suggested, but they were not limited to using them solely, to find savings. Never once does it suggest the actives do with less, does it? The UFT/MLC chose to utilize the one plan the unions struck down previously under another mayor causing discord among the unions then,<sup>6</sup> and would impose a hardship on people that couldn't challenge the unions other than in a court of law.

Yes, the UFT and RTC think this movement is social media noise, because it points out the facts they are trying to hide. Medicare Advantage has been in the City offering of plans since about 2003. It just was never forced down our throats as retirees always had a CHOICE of plans. Many unions, including the UFT, passed resolutions to never privatize healthcare. We guess the UFT and RTC forgot that. A quick search on the UFT site reveals nine such resolutions over the last decade.<sup>7</sup> Check it out..

Yes, Mr. Mulgrew walked back his support of the plan, temporarily, but he only did it to save embarrassment. He took credit for the retirees' accomplishments in this case, he did not heed our warning that this plan would hurt people. The UFT stated retirees should just pay this ancillary premium if they wanted to remain in Senior Care, but to a DC37 retiree, the premium is anything but ancillary. Mr. Mulgrew's pay in one month is more than a DC37 retiree's annual pension. We are here today because of HIS agreement with OLR for teacher raises in 2014 (FACT),<sup>8</sup> and the usage of the HISF and RHBT agreed upon by the MLC and City. (FACT)<sup>9</sup> Maybe if he wasn't

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<sup>5</sup> 2018 MLC Agreement #5 a-f topics to discuss for healthcare savings

<sup>6</sup> Unions Balk At Terms Of Health Fund's Use To Plug Budget Hole Price Called Too Steep For Postponing Layoffs And Fire Company Closings, By DAVID SIMS and RICHARD STEIER Jun 24, 2011

<sup>7</sup> UFT Anti Privatization of Medicare

<sup>8</sup> See Footnote #1

<sup>9</sup> See May 2020 Safety Net: Background on the City's Budget Reserves and How the Mayor Plans to Use Them

earning over \$350,000 he would remember what it's like to live like us.

Healthcare costs rose but the savings in the HISF were not there to cover them because the UFT, MLC and the City improperly used the funds. Our attorney, Steve Cohen, in his op-ed in the NY Daily News,<sup>10</sup> is correct: the cost of healthcare is expensive. But the cost for Medicare eligible retirees is low, since our plans are a medigap plan. The UFT/MLC wanted a fast savings on someone else's back. We remember when the budget didn't have money, the unions took a two year wage freeze under Mayor Giuliani in 1995 to 1997.<sup>11</sup> "ZERO ZEROES." We remember the union slogan "Zeroes for Heroes." We survived that, and didn't take health benefits away from the elderly, infirm, disabled or the line of duty widows. And we surely didn't raid a fund meant to stabilize healthcare premiums. We took it like upstanding union brothers and sisters.

Probably the most ignorant of all the statements in the newsletter, and causing the retirees to lash back was the threat "*Emblem Health is not in the business of offering policies at a loss. If they cannot charge a premium to offset the increase in the cost of claims, there is no guarantee that they even will offer Senior Care beyond next year.*" First, Emblem Health has been around for decades and is the most popular plan in the City.

According to the Actuary report, between 72-90% of all actives and retirees choose GHI in ALL SIX PENSION SYSTEMS. Second, GHI CAN charge a premium, just according to the law, if it is under the HIP HMO cap of \$859.93, the City must pay for it, not the retiree.....because that was our agreement!

So you would kill the one plan almost everyone uses for YOUR selfishness.

A message to Mrs. Winderbaum: being a teacher, you're aware of the importance of history. In July 1966, Medicare was offered and the City implemented the plans for Medicare eligible retirees. The entire city came together to support payment in full of that care as was done in employment. And, thus, in 1967, to reduce redundancy in benefits

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<sup>10</sup> Steve Cohen NY Daily News Op Ed

<sup>11</sup> NY Times Zeroes for Heroes Panel Upholds Giuliani Offer On Police Pay, By Clifford J. Levy, Sept. 5, 1997

offered in Medicare, the City created the wrap plan at a lower cost than employees. Over the decades, union leaders, politicians and retirees came together to make sure retirees' Medicare B reimbursement was increased with the rise in cost to keep the promise they made then, that the City would cover the cost of a retirees' insurance. In 2022, you seem okay with stealing from grandma and kicking her to the curb, after she served this city, built her union, and negotiated the benefits we have today, while you were in grade school. And then you have no guilt in making more threats to strip hard earned benefits from retirees, many disabled, or line of duty widows. You knock us for celebrating a win against a union we no longer recognize. You scream, "No Free Lunch" in your newsletter, but do you know where that phrase comes from? It means you don't get something for nothing. The retirees, we gave. We earned those benefits. They were in our agreements. In our SPDs. And for the years we accepted "zero zeroes," or reduced wages, to protect benefits, you should respect that, not strip them from us in retirement because we are now low hanging fruit with no representation. You, yourself, urged people to protect the ATR, "as an assault against one of us was an assault against all of us." The issue is you want to believe the implementation plan as you desired was wonderful, when in reality it would have hurt a lot of people, and the UFT does a disservice if they refuse to listen to that message before continuing to support this plan as is. Educate yourself. Hear us. Then fix it. Stop discounting or denying the TRUTH. The judge held you to the law. If you keep breaking the law, you are no better than thugs. And that would give new meaning to the UFT.

The real truth can be read here. You may keep your health plan at your current rates but you MUST opt-out of the MAP and be sure to secure a confirmation. Our Website has the how to: <https://www.nycretirees.org/opt-out> The Judge found for the Retirees! Don't ever let anyone tell you, you can't fight City Hall! You just did! And won! Sadly, our former unions were behind it. But we showed them too. Now the real test of honor, is will they retaliate and harm us again? Just a few weeks ago Michael Mulgrew and Tom Murphy were sending out newsletters that look much like this one ridiculing us and stating WE were harming the retirees. Harry Nespoli even called us Rumps.

Well kiss our Rumps Harry, Michael, Tom and Henry! Our Unions used to protect it's retirees. Maybe you need to be reminded where you came from, and how these same unions fought to protect retirees and negotiated benefits for them. Never in our history, have they been taken away. Until now.



NYC Organization of Public Service  
Retirees

*An Organization of Retired Professionals  
that won't sell you out*

