

Daily Point

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Retiree health woes will be Adams' problem

Now that a Manhattan judge has kept Mayor Bill de Blasio's administration from carrying out changes in the health-plan options of tens of thousands of municipal retirees, the issue officially falls to incoming Mayor Eric Adams, whose comments on the matter so far have been minimal.

Last week, NYC's Office of Labor Relations acknowledged that Jan. 1 is no longer the target date for those affected to either accept automatic enrollment in a new city-sponsored Medicare Advantage Plan or sign up to keep their current Medicare, but for a \$191 per month premium. Advocates for the retirees who sued the city say the new, premium-free plan would mark a downgrade in coverage from what they currently have and violate promises long made by contract and statute.

"We need to look at it and make sure it's not a bait and switch," Adams, a retired NYPD captain who's covered by municipal health insurance, said, as quoted by the Daily News. "I'm a retiree, I get retiree benefits. Their plan is my plan. We want to make sure that it is a fair plan. Nothing is more frightening for a retiree than health care."

That was in October. Now, the incoming Adams administration faces a gnarly decision over how to pursue the city's fiscal interests.

By moving the city's current Medicare retiree obligations into a Medicare Advantage Plan, the federal government picks up an estimated \$500 million in yearly insurance expenses that the city currently pays.

That's a big number in any municipal budget. For example \$500 million was the impressive total de Blasio once pledged to build affordable housing on city-owned property.

But as the city's Independent Budget Office has pointed out, reducing or shifting that cost wouldn't even mean a simple, straight-up savings for taxpayers.

Rather, it would replenish an account called the Health Stabilization Fund, which is largely controlled by the Municipal Labor Committee, whose biggest players include the United Federation of Teachers and District Council 37.

Opponents of the Medicare Advantage deal, who are represented by the NYC Organization of Public Service Retirees, emphasize that this fund was tapped to give teachers major across-the-board raises when de Blasio took office in 2014. The labor organizations essentially vowed to come up with "health savings" to pay for raises.

As the organization and its president Marianne Pizzitola see it, raises for current employees were thus funded on the backs of the retirees' health care deal — which now threatens burdensome co-pays for those who must frequently visit doctors, and imposes provider-network restrictions and pre-authorization for certain treatments and services.

Is it fair to compromise the coverage after retirement? Is it legal? With a restraining order still keeping the city from implementing this change of insurance, the complicated dispute is scheduled to go back before Manhattan Supreme Court Justice Lyle Frank on Wednesday.