

NYC EMPLOYEES PPO PLAN

The proposed health care plan for in-service and pre-Medicare retirees

August 2025

Several thin, parallel white lines of varying lengths and slopes are positioned in the lower right quadrant of the slide, extending from the right edge towards the center.

WHY NOW?

- Members have reported concerns about the city's GHI-CBP plan
 - Hard to find in-network doctors (especially out of state)
 - Difficulty finding behavioral/mental health providers
- We have fought constantly to prevent copay increases
- Health care costs have nearly doubled since 2015 (from \$16,000 to \$31,000 for a family plan), putting our premium-free coverage at risk

The intent of the Negotiated Acquisition (NA) was to preserve premium-free health care while addressing these issues with current plan.

WHAT IS A **NEGOTIATED ACQUISITION**?

- Every year, our premium-free health care is negotiated through the Municipal Labor Committee (MLC), but for the past 40 years those negotiations have taken place with the same providers (EmblemHealth and Anthem).
- Three years ago, the city and the MLC jointly decided to explore alternative options for the GHI CBP plan. This was done through a process called a **negotiated acquisition**, which tells all interested companies:
“We are looking for something better than what we have, and we want these improvements — so give us your best offer”

WHAT WE SET OUT TO ACCOMPLISH

This negotiated acquisition process presented an opportunity to;

- ❖ Keeping our current network of doctors and adding more
- ❖ Maintaining and expanding our benefits
- ❖ Expanding access to mental health care
- ❖ Protecting us from rising copays
- ❖ Locking in premium-free coverage for five years — a significant shift from our typical year-to-year contracts

TIMELINE OF HEALTH CARE NEGOTIATIONS

- **Mid-2022:** The MLC started the NA process
- **January 2023:** MLC identified qualified applicants
- **October 2023:** Two finalists were chosen: EmblemHealth/UHC and Aetna
- **June 2025:** EmblemHealth/UHC were selected to engage in final contract negotiations
- **Summer 2025:** Negotiations took place throughout the entire summer
- **August 2025:** The proposed plan is announced to members

SO, WHAT HAPPENS NEXT?

1. MLC member unions will have the opportunity to review the proposed plan in advance
 - A. Union representatives who wish to examine the proposed agreement will be able to do so in person at DC 37's offices
 - B. Member unions will also receive a briefing from Segal and have time to review and consider matters before any vote
2. The MLC Steering committee will then consider the proposed agreement, and at the next General Membership meeting, the MLC will vote on the proposed plan; a ratification vote is anticipated for the end of September 2025.

| The Proposed Plan

NYC Employees PPO Plan (NYCE PPO Plan)

WHY EMBLEMHEALTH/UNITEDHEALTHCARE (UHC)?

- Keeping our current doctors: there would be virtually no disruption in care as our members would be able to keep the same in-network doctors.
- Expanded network/greater access: EmblemHealth/UHC would significantly expand our network of doctors, hospitals and other services, which is especially beneficial for pre-Medicare retirees outside the downstate New York area.
- Premium-free health care for five years: there was a clear roadmap that enabled us to keep our premium-free health care.

WHY EMBLEMHEALTH/UNITEDHEALTHCARE?

(CONT.)

- Vastly improved access to behavioral/mental health providers.
- Willingness to negotiate and reduce the number of prior authorizations.
- Commitment to maintaining copay-free care for at ACPNY, MSK and HSS.

OVERVIEW OF THE PROPOSED PLAN BENEFITS

- If approved, the NYCE PPO would replace the current GHI CBP plan for in-service NYC workers and pre-Medicare retirees, starting on Jan. 1, 2026.
- All the benefits and services that we have in our current plan would be offered in the NYCE PPO, plus additional features and enhancements.
- **NY's Downstate 13 Counties: EmblemHealth** would provide coverage for **doctors and hospitals in NYC and the rest of the Downstate 13 counties** (DS13), which include Long Island and Hudson Valley, Dutchess, Orange, Putnam, Rockland, Ulster, and Westchester counties.
- **Outside the DS13: UHC** would provide national coverage for **doctors and hospitals** outside EmblemHealth's covered area.
- UHC would provide the behavioral/mental health care in **NY state and nationally.**

ONE NETWORK

EmblemHealth/UHC will now provide both medical and hospital coverage, as a result:

- Members would receive a single ID card — replacing the current system of two separate ID cards (medical and hospital).
- There would be one website and one member portal.
- One in-network out-of-pocket maximum which will remain a total of \$7,150 for individuals and \$14,300 for families.

IMPROVED BENEFITS IN THE PROPOSED PLAN

An Expanded Network: More Doctors Locally and Nationwide

- **78,000 providers** in the DS13, up from 64,000 in the current GHI CBP Plan, not to drop below 74,000
 - 97% of which have availability to see new patients

This expanded national network is especially beneficial for pre-Medicare retirees who live outside the DS13 and travelling in-service members.

- **1.6 million providers** outside the DS13, up from 29,000 in the current GHI CBP Plan
- In the **top 16 states** where city retirees / members reside there would now be more than 500,000 in-network doctors

IMPROVED BENEFITS IN THE PROPOSED PLAN (CONT.)

NYCE PPO must maintain a robust network of providers:

- At least 90% of all services in the DS13 would have to be in-network.
- At least 95% of all services outside the DS13 would have to be in-network.
- EmblemHealth/UHC would commit to bring highly-utilized out-of-network providers into the network.

IMPROVED BENEFITS IN THE PROPOSED PLAN (CONT.)

Better access to behavioral/mental health care:

- Behavioral/mental health services would now be provided by UnitedHealthcare.
- New York State: increase from 12,000 providers to 39,000 **(325%)**
 - Not to drop below 39,000
- Nationally: increase from 61,000 providers to 418,000 **(685%)**
- At least 86% of behavioral/mental health services must be in-network.

IMPROVED BENEFITS IN THE PROPOSED PLAN (CONT.)

- The NYCE PPO will offer 22 specialty virtual behavioral/mental health carriers, up from the 7 offered today under the GHI CBP plan.
- These can be accessed through your EmblemHealth concierge services under the NYCE PPO. Examples include:
 - **Charlie Health** for teens and adults who need mental health, substance use disorder, or eating disorder specific care
 - **Hazelden Betty Ford** for virtual/digital therapy for substance use disorders
 - **InStride Health** for virtual/digital therapy for pediatric anxiety and Obsessive-Compulsive Disorders (OCD)
 - **Talkspace** for virtual/digital therapy via texting, video, or chat with licensed therapists

IMPROVED BENEFITS IN THE PROPOSED PLAN (CONT.)

Prior Authorizations (PA) would decrease by 50%

- If this change had been in place in the GHI CBP plan last year,
 - 461,911 claims would not have required PA.
 - 223,036 patients would not have been subject to PA for certain services.
- PAs in the current plan that were removed include some of the most frequently used services like:
 - **MRIs, CT scans, orthopedic surgeries, office-based dermatology, pain injections, home health visits, etc.**
- To ensure procedures and services are medically necessary and safe, some PAs were added for:
 - Emerging technology in the medical industry for highly complex surgeries and implants (heart transplants, brain surgery).
 - High-cost equipment (advanced wheelchairs).

IMPROVED BENEFITS (CONT.)

Review Committee

- A review committee, made of members from EmblemHealth/UHC, the city and the MLC, would meet monthly to review reports on plan implementation and data trends on issues including costs, prior authorization and claim denials.
- **Expedited process** for any issues that arise.
 - Mediation
 - Binding arbitration

IMPROVED BENEFITS (CONT.)

Care Management Support

- Expanded diabetes management
- Hypertension
- Home health visits
- Oncology
- Cardiac rehab
- Chronic pain management
- High-risk Asthma
- Women's health (i.e., maternity and menopause)

Wellness Support

- Personalized health assessments
- Health coaching (individual and group)
- Health education

IMPROVED BENEFITS (CONT.)

More \$0 Copays

- Expanded preferred provider network: NYC Health + Hospitals (NYC H+H) joins Advantage Care Physicians NY (ACPNY) as preferred providers with copays of \$0 for services including:
 - Primary care visits
 - Specialty visits
 - Physical therapy
 - X-rays/labs
 - Inpatient facility stays
 - Chiropractor

PRESCRIPTIONS

- The NYC PICA prescription drug benefit program, administered by Express Scripts, is not changing at this time.
- **In-service:**
 - Many in-service members receive most of their prescription benefits through their union welfare fund. These programs would not be affected. In-service members who receive their prescription benefit by purchasing an optional rider would be covered under the new NYCE PPO through the city's pharmacy benefits manager, Prime Therapeutics. There will continue to be a mail order service available.
 - In-service members who receive other prescription drugs through their city health plan, including Affordable Care Act and New York State-mandated drugs such as diabetes medication and birth control, would still receive those drugs under NYCE PPO.
- **Pre-Medicare retirees:**
 - The same applies to Pre-Medicare retirees who receive their prescription benefit through a union welfare fund or by purchasing an optional rider.

PRESCRIPTIONS FOR ACA/NYS LAW MANDATED DRUGS AND FOR PRE-MEDICARE RETIREES

Expansion of drugs covered by NYCE PPO

- **+20,000 (40%) more medications in the “formulary”** (list of approved medications) as Prime Therapeutics would replace Express Scripts as the Pharmacy Benefit Manager (PBM).
- **98%** of prescriptions currently filled by pre-Medicare retirees in the GHI CBP plan would still be covered, with only 2% having to change to an alternative medication.
- **99%** of prescriptions currently mandated by the Affordable Care Act and NYS law (e.g., diabetic drugs) would still be covered, with only 1% having to change to an alternative medication.
- Prime Therapeutics would allow for a customized formulary and a way to tweak it as needed, which can't be done under the current plan without impacting the cost.
- Prime Therapeutics does not own retail or mail order pharmacies, meaning it can shop around for the best prices, rather than directing business to its own inventory.