



December 16, 2022

### **UPDATED Retiree Statement on the Scheinman “Decision”**

Martin Scheinman’s “Opinion and Award” is nothing more than his personal opinion; he doesn’t have the legal authority to “award” a victory to the City and MLC by overruling the courts’ decisions. And he certainly doesn’t have the power to end Senior Care. Killing retirees’ access to traditional Medicare and imposing a one-size-fits-all Medicare Advantage plan may be his recommendation, but the representation to the press that this is a “win” or a “ruling” is a desperate example of fake news.

Mr. Scheinman’s report is nothing more than bad theater: a combination of farce and tragedy – with lots of horror thrown in to keep people glued to their seats, waiting to see who will be gored next. Mr. Scheinman’s role as Arbitrator is limited to resolving disputes between the City and the MLC. Except here, there is no dispute: the City and the MLC have been trying for 18 months to force retirees into Medicare Advantage and charge them a penalty if they choose to remain in their current plan – which the courts have prohibited. So, instead of sitting down with retirees and together figuring out how to save on healthcare costs, the City and MLC are resorting to this Kabuki theater: Mr. Scheinman is making us do it!

Retirees have repeatedly offered to sit with the Mayor’s staff and go through the more than \$300 million in actual savings that they have already identified. And three times the Mayor’s staff has agreed to meet, and then cancelled the meeting. The meeting this week was

cancelled 15 minutes before it was to begin by OMB and then when we were finally able to convene, it was only a brief meeting to begin the conversation where we identified savings and waste in Labor Relation's management of plan eligibility and hoped these conversations would continue. The proposed path by the City is NOT the only way to savings. Retirees have a proposed a Blue Ribbon Panel to identify additional healthcare savings, but the MLC has adamantly opposed an independent fact-finding investigation, probably because they don't want anyone turning over rocks that would expose years of collusion and mismanagement, And retirees have identified a way for the City to tap federal funds – from the CMMI Innovation Fund – and yet silence from the City and MLC. What are they afraid of?

Mr. Scheinman's report is so replete with misrepresentations, lawyerly weasel-words that shade the truth, and outright fantasy that we won't rebut it here. But his conclusion: that the City Council must gut Administrative Law 12-126 in order to preserve health insurance choices would be laughable if it weren't so serious. It is akin to the Army's rationale during the Vietnam War that, "We had to destroy this village in order to save it."

We understand the lure of a purported \$600 million in annual Federal funds. And no one is against finding legitimate healthcare savings. But doing it on the backs of senior citizens and disabled first responders is not just unfair, it is illegal. There are 50 years of promises, collective bargaining agreements, legislation, and past-practice that set a powerful precedent. If the City tries to kill Senior Care, we will see them in Court.

But first, we urge the Mayor to do the right thing: sit with the retirees; understand where \$300 million in annual savings can be found now; and how to tap Medicare's Innovation Fund.

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