



NYC RETIREES DEBUNKING DC37 BULLSHIT

Yellow Highlights are LIES, which are FACT checked in Red.



July 31, 2023

American Federation of State, County & Municipal Employees, AFL-CIO
125 Barclay Street | New York, NY 10007-2179

Dear DC 37 Delegates,

I hope this message finds you well and that you are enjoying your summer break. I want to keep you updated on one of the biggest challenges facing our union today: healthcare.

First, some background. As you have heard me mention before, the Health Benefits Stabilization Fund was created by the City of New York back in the early '80s as a way to keep the cost of healthcare 'stable.' The Fund covers healthcare costs for active City workers, retirees, and their dependents. It also pays for the PICA Program, which provides life-saving prescription drugs, cancer treatment, diabetes management and mental health programs.

Under 65 Retirees

Medicare Retirees dont get these benefits

As healthcare costs and prescription drug prices have soared over the last decade and claims are much higher than the rate of available plans, the Stabilization Fund reached a deficit at the end of Fiscal Year 2022, with additional recurring losses of \$100 million per month. This shortfall prompted the City to reduce its previously negotiated contribution to the Fund by \$165 per member and retiree effective October 2022.

Come On Henry, tell the WHOLE Truth!

The \$165 came from MLC agreements, and only IF \$ was saved by you giving up benefits

The Municipal Labor Committee (MLC) and the City outlined a strategy to reduce the cost of healthcare by eliminating inefficiencies and addressing price gouging by healthcare providers. Our objective is to provide the same health benefits or better for everyone while making long-lasting, sustainable changes and to generate healthcare savings. At the same time, DC 37 continues to fight for a more equitable distribution of resources in the delivery of benefits so our members are treated with the same level of care as any other City employee or retiree. This strategy requires new, negotiated healthcare plans for active and retired workers, and a new way to administer PICA and other healthcare programs currently funded through the Stabilization Fund.

YOUR Medicare Dis-Advantage Plan DIMINISHED our current benefit

By making employees/ under 65 retirees pay copays, narrow networks?

Maybe not giving the UFT \$1B might have helped

To that end, we are now in the midst of selecting a new PPO health plan for active City employees, pre-Medicare retirees and their dependents to begin Jan. 1, 2024. The current plan is administered jointly by Emblem and Empire. As I have stated in prior meetings, the City and the MLC started the process last year to procure a new plan covering approximately 750,000 lives. We received several proposals, and the selection has narrowed down to two finalists. I anticipate the new plan

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will be announced before the end of the summer. We will keep you informed as soon the process is completed.

Funny, you didn't tell anyone any details the process or ask for member input

You ONLY cover Drug, vision & Dental - NOT HEALTH PLAN FOR MEDICARE RETIREES

Additionally, you may have heard about a series of litigations impacting the implementation of a negotiated Medicare Advantage Plan for retired workers. Earlier this month, Judge Lyle Frank issued a preliminary injunction temporarily halting the shift to the new plan. The same day, the Court of Appeals agreed to hear the City's appeal of Judge Frank's March 2022 decision. The Medicare Advantage program for retirees over the age of 65 is scheduled to start on Sept. 1, 2023. It is unclear how the courts will rule, but in the meantime, DC 37 continues to cover our retirees and their dependents as we have done from day one. The City is covering the deficit for the current plan through the Fund's reserves. There is no doubt that this is an unsustainable stopgap, and we need a more permanent solution.

Plan is NOT starting 9/1!! Hello INJUNCTION!

Retiree Injunction was granted on July 7th, the Court of Appeals was June.

You have collective bargaining & should have used that. Stealing from Retirees to enrich YOU is criminal. We earned our benefits.

The risks of not moving forward with new, cost-effective plans are severe, including the possibility of the future imposition of premiums for all active workers and retirees. So where does that leave us?

You should have bargained for more. The \$165 was never permanent & was a Quid Pro Quo for giving the UFT \$ for raises 2014

In our citywide collective bargaining agreement, which DC 37 members overwhelmingly ratified in March, we added another \$50 per member and retiree contribution to cover part of the \$165-per-member-and-retiree loss. This will provide some relief, but it is not enough.

As we wait for legal decisions to be issued, we are making progress on other efforts to reduce sky-rocketing healthcare costs by pushing back on unfair hospital and prescription drug price gouging through legislation and leveraging our purchasing power. Last month, we celebrated a huge victory when the City Council adopted the Healthcare Accountability and Consumer Protection Act and Mayor Adams signed the bill into law, creating the nation's first Office of Healthcare Accountability. DC 37's advocacy and our members' participation directly contributed to this unprecedented legislation. Much gratitude goes to City Council Speaker Adrienne Adams and City Council Member Julie Menin for sponsoring the bill.

You haven't used your Collective Power. What was created CANNOT infuse cash in the stabilization fund or prevent it from further misuse.

Though his term will end in December, City Council Member Charles Barron previously introduced what I believe is the single most irresponsible proposal in the history of New York's City Council. The bill would legally require the City to provide a Medigap plan for Medicare-eligible retirees equal to or better than the one provided prior to Dec. 31, 2021, but does not identify a way to pay for it. This would force active workers to hold the bill for a \$50 million-per-month loss of not

You violating the law to throw retirees into inferior healthcare and stripping them of choice and privatizing a public health benefit is anti Union and inhuman

It is ALREADY FUNDED! Admin Code 12-126 REQUIRES THE CITY PAY THE FULL COST OF INSURANCE UP to HIP HMO! (which you SUPPRESSED in 2016) Our plan is \$200, HiP HMO is \$920! Unions don't pay for Medicare Retirees!





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You're selling off retirees EARNED & paid for benefits. We make SMALL pensions, many under \$26k & even under \$12k A YEAR! OUR plan pays 20% of our bills - YOURS 100%. We are seniors and disabled! WHAT UNFAIR SYSTEM HENRY? YOU STOLE FROM YOUR OWN PEOPLE. THAT IS UNFAIR!!!!!!!!

implementing the Medicare Advantage Program. As an unfunded liability, this bill does the opposite of helping retirees. It perpetuates an unfair system that administers an inequitable distribution of benefits to the vast majority of members and retirees DC 37 represents, including people of color, women, and the lowest-paid City workers. It also takes away the rights of unions and working people to negotiate their health benefits through the collective bargaining process. There are currently 14 City Council members who have signed on to the bill. We will continue to educate our elected officials on the dangerous impacts of this proposed legislation.

You mean strong arm by withholding funding & endorsements. Oh, and we are at 15 now!

We are fighting for these needed changes, not just for the sake of savings, but to put an end to a culture of inequity that exists in our healthcare system today. For too long, DC 37 has faced more pressure to keep costs low while others reap richer benefits as a result of our members' sacrifice. Enough is enough.

Because our Delegates do not meet until September, I share these critical updates with you to provide the facts about what is needed to maintain premium-free benefits for our members. I will keep you apprised of any significant movement. We remain resolute in our push to create a better, more just system for everyone.

We had to protect ourselves as you BROKE THE LAW. It is funded since 1967. This was OUR healthplan and active workers FUTURE!

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- Laura Morand
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In solidarity,

Henry A. Garrido
Executive Director

What the hell does this mean? If you are referring to the UFT or Sanitation, you are correct! You gave UFT \$1B for raises, and they promised you 'Tiered Hospitals' where your members are charged for using NON NYC Hospitals. They have SHIP (supplemental Benefits). When Mulgrew reneged, you were left holding the bag. YOUR members are the LOWEST PAID & PENSIONED! And you wanted us to PAY \$200 per person PER MONTH for a 20% coverage plan! Some Local 372 Retirees make \$800 A MONTH HENRY!

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