



FACT CHECKS



October 31, 2022

HIGHLIGHTS INDICATE MISREPRESENTATION

Dear DC 37 Family,

As I shared with you last month, we're doing everything we can to protect the benefits you have earned and deserve for serving our city. We've reached a critical point in the fight for your healthcare, and now we need your help.

THE TRUTH: You have MANUFACTURED this crisis by allowing the [UFT to convey \\$1 BILLION](#) from the Health Insurance Stabilization Fund in 2014 to the City, for raises, mostly the teachers. The City and Municipal Labor Committee (MLC) have used this Fund like a slush fund as has been stated by the Comptroller and the Independent Budget Office.

Here's the bottom line: The money that pays for city employee, retiree and dependent healthcare has run out. The bills continue to pile up at a rate of \$50 million per month and we have to take drastic measures to pay for it. We have vetted and implemented every available option to realize savings and stop the healthcare fund from bleeding dry. Now, we need the City Council to amend the language in Administrative Code 12-126, which is essential to preserving premium-free healthcare benefits for you, New York City's hardworking public servants. Because the shortfall in the healthcare fund continues to grow, [the City is considering imposing premiums on active employees and retirees if the City Council doesn't act immediately.](#)

THE TRUTH: The Health Insurance Stabilization Fund DOES NOT PAY FOR MEDICARE ELIGIBLE RETIREES. THE MOST VULNERABLE POPULATION! Its funds the equalization rate between GHI and HIP, PICA (also not a Medicare eligible benefit) and the WELFARE FUNDS, in addition to benefits not available to those on Medicare like Teledoc, etc. The "bills of \$50 Million a month" is another false narrative because the \$50 million comes from a deal YOU, HENRY, agreed to in 2014/2018 MLC agreements to save money on the backs of Medicare eligible retirees that did not come to fruition because a judge found it illegal. We had to

sue the City for justice, and won. The law is on OUR side. The Code, in its current form protects every employee and retiree for over 55 years, but you wanted to sell it off to pay a bad debt. Administrative Code 12-126 has given us choice of plans and protected us from escalating health costs/premiums for decades. It should be preserved as is.

Here's how you can help:

1) Call your City Council Member. Enter your address here to find your Council Member's District Office phone number. Call and tell them: Protect premium-free healthcare for City employees and amend Administrative Code 12-126!

2) Write a letter to your Council Member. Click this link to send a pre-populated email to their office.

3) Share this message with your union sisters and brothers. Encourage them to join us in taking action to protect your benefits. Need more information? Check out the [Frequently Asked Questions](#) on our website.

There are those who want to scare you into rejecting any changes we propose. These individuals are not telling you the truth. Unfortunately, the volume and frequency of misinformation they are spreading will risk the very premium-free health benefits we have worked so hard to secure for you for the last four decades.

The status quo is not financially sustainable. The consequences of not taking action now are:

- Healthcare premiums for actives, retirees and dependents
- The removal of choice in your healthcare plans

THE TRUTH: "Those" who want to scare you, is really the Henry Garrido and Michael Mulgrew. The Retirees, organized, hired two law firms, and sued the City to protect benefits they earned and paid for. The unions do not want you to hear that they misused the fund that pays for EMPLOYEE healthcare (non-Medicare eligible). You are correct, that misinformation will risk, premium free benefits. But it is coming from the UFT and DC37. The plan you are trying to force retirees into is a privatized managed care plan. The lawsuit we brought affirmed the City has to pay up to the HIP HMO rate for ALL of us, active and retired. You are diminishing our benefit.

This is why we need your help—now.

By telling the New York City Council to amend the administration code, you can help us defend premium-free healthcare and availability of plan choices for you and your families for generations to come.

THE TRUTH: The Code needs to remain in its original form. It has given us premium free health plans and choices of plans, for over 55 years. Nothing has changed.

We will get through this together. We are DC 37 strong.

In solidarity,

Henry Garrido
Executive Director
District Council 37