

Municipal Labor Committee

55 Water Street, 23rd Floor / New York, NY 10041 / (212) 815-1474

January 10, 2022

CHAIRPERSON

HARRY NESPOLI
Local 831, I.B.T. Uniformed
Sanitationmen's Association, AFL-CIO

CO-CHAIRPERSON

HENRY A. GARRIDO
District Council 37, AFSCME, AFL-CIO

EXECUTIVE VICE-CHAIR

MICHAEL MULGREW
United Federation of Teachers, AFL-CIO

SECRETARY

GREGORY FLOYD
Local 237
City Employees Union, I.B.T., AFL-CIO

TREASURER

MARK CANNIZZARO
Council of School Supervisors &
Administrators

VICE CHAIRPERSONS

ANDREW ANSBRO
Uniformed Firefighters Association

BENNY BOSCIO, JR.
Correction Officers' Benevolent Association

BARBARA BOWEN
Professional Staff Congress
City University of New York

JOSPEH COLANGELO
S.E.I.U. New York City Local 246

ROBERT CROGHAN
Organization of Staff Analysts

JUDITH A. CUTCHIN
New York State Nurses Association

PAUL DIGIACOMO
Detectives' Endowment Association

JAMES LEMONDA
Local 854, Uniformed Fire Officers
Association, AFL-CIO

MARTIN A. LYDON
District Council of Carpenters, AFL-CIO

WILLIAM M. LYNN
International Union of Operating Engineers
Local 30, AFL-CIO

JOSEPH MANNION
Sanitation Officers Association

GLORIA MIDDLETON
Local 1180, NYC Administrative
Employees, CWA, AFL-CIO

FRANK PROSCIA, M.D.
Doctors Council

PETER STEIN
Local 508, NYC Lifeguard Supervisors,
AFSCME, AFL-CIO

LOUIS TURCO
Lieutenants Benevolent Association

MAF MISBAH UDDIN
Local 1407, NYC Accountants, Statisticians
& Actuaries, AFSCME, AFL-CIO

ANTHONY WELLS
Local 371, Social Service Employees,
AFSCME, AFL-CIO

Executive Secretary

ELLEN MEDWID

Mayor Eric Adams
City Hall
New York, New York 10007

Re: NYC Medicare Advantage Plus Plan

Dear Mayor Adams:

I write as Chair of the NYC Municipal Labor Committee (MLC), the statutory umbrella organization of the City's 102 public sector unions, to correct recent ill-founded and misleading allegations made to you by representatives of a so-called retiree group pertaining to the advent of the new healthcare plan for the City's retirees.

First, the assertion made by the retiree group that the MLC does not bargain for retirees is incorrect: the City and the MLC have the legal right and responsibility to negotiate healthcare provisions for the City's active employees *and retirees*, and have been so engaged for more than 40 years.

Second, the new retiree healthcare program is the product of a year-long search carried on jointly by the City and the MLC to arrive at a plan that would serve the dual purpose of providing quality healthcare and in a cost-effective manner. The MLC and the City each benefited from having its own national healthcare advisory firm, Segal for the MLC and Milliman for the City, examine the possibility of a Medicare Advantage (MA) construct. That analysis confirmed that a first-rate customized plan could be constructed that, because of sizeable subsidies available from the Federal Government for a MA plan, would also provide significant annual savings to the City.

Third, the requirements for those bidding for the healthcare plan award were predicated on -- at a minimum mirroring essentially the Senior Care plan utilized by the vast majority of retirees. The winning bid not only met the provisions of Senior Care but added benefits including transportation to doctors, post-hospital discharge meals and the Silver Sneakers exercise program.

Fourth, the winning bidder, a joint venture of Emblem Health and Empire BlueCross (the Alliance), are the healthcare providers that currently provide the medical and hospital program for the City's active employees, and thus well understand the needs of the City's workforce.

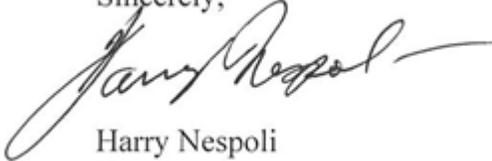
Page 2 – NYC Medicare Advantage Plus Plan

Fifth and most important—and again contrary to what you’ve been told—the overwhelming number of providers and hospitals currently utilized by retirees are part of the Alliance network and other providers are eligible to participate on the same economic terms as part of the Medicare program. This is a customized full PPO plan -- one that makes all doctors/hospitals participating in Medicare available -- not a restricted network.

And, finally, the most misleading claim made by the retiree group is that the Court is poised to invalidate the selected healthcare plan. The Court’s direction has been to improve the implementation of the new program, deferring its start to April 1 to ensure that retirees and providers receive enhanced information so that informed choices could be made by retirees whether to participate in the new program or to opt-out of it to remain in their current plan. To this end, the Court is requiring bi-weekly reports to monitor this progress, the first of which was filed this past Friday, January 7th. In no way has the Court indicated that it is prepared to find the plan illegal.

In sum, the NYC Medicare Advantage Plus Plan is a quality plan, free to retirees, the adoption of which was overwhelmingly approved by the MLC after a comprehensive process, and is slated to provide upwards of \$450 million in savings to the City in calendar year 2022 and then \$600 million in annual savings for the remainder of the five-year contract period. This plan is one that the MLC and the City will be proud of.

Sincerely,



Harry Nespoli
Chair

cc: Hon. Lorraine Grillo, First Deputy Mayor
Hon. Brad Lander, Comptroller
Henry A. Garrido, MLC Co-Chair, District Council 37
Michael Mulgrew, MLC Executive Vice-Chair, United Federation of Teachers
Gregory Floyd, MLC Secretary, Teamsters Local 237
Mark Cannizzaro, MLC Treasurer, Council of School Supervisors & Administrators