

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

CIVIL SERVICE AND LABOR

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January 9, 2023
Start: 9:56 a.m.
Recess: 8:48 p.m.

HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: Carmen N. De La Rosa, Chairperson

COUNCIL MEMBERS:

Adrienne Adams, Speaker
Erik D. Bottcher
Tiffany Caban
Eric Dinowitz
Oswald Feliz
Kamillah Hanks
Rita C. Joseph
Julie Menin
Francisco P. Moya
Sandy Nurse
Gale A. Brewer
David Carr
Lynn Schulman
Joseph Borelli
Linda Lee
Robert Holden

A P P E A R A N C E S

Daniel Pollak, First Deputy Commissioner for the
Office of Labor Relations

Claire Levitt, Deputy Commissioner for the
Office of Labor Relations

Ken Godiner, First Deputy Budget Director

Michael Mulgrew, President of United Federation
of Teachers

Henry Garrido, Executive Director of District
Council 37 American Federation of State, County,
and Municipal Employees

Gloria Middleton, President of Communication
Workers of America Local 1180

Harry Nespoli, Chair of the Municipal Labor
Committee and President of Sanitation Union of
the City of New York

Gregory Floyd, President of Local 237 Teamsters

Marianne Pizzitola, President of New York City
Organization of Public Service Retirees and FDNY
EMS Retirees Association

Wendell Potter, former CIGNA insurance executive

Michelle Robbins, retired FDNY EMS lieutenant and
former New York City resident

A P P E A R A N C E S (CONTINUED)

George Farinacci, Uniformed Fire Officers
Association

James Davis, President of the Professional Staff
Congress

Barbara Caress, Adjunct Associate Professor at
Baruch and Member of Professional Staff Congress

Jen Gaboury, Professor and PSC CUNY Chapter Chair
at Hunter College

Stuart Eber, Chairperson of the Council of
Municipal Retiree Organizations and President
Emeritus of the New York City Managerial
Employees Association

Darrell Sims, President of New York City
Managerial Employees Association

Alice Wong, Executive Director of the New York
City Managerial Employees Association

Ellen Gentilviso, retired New York City public
school teacher

Barbara Waldmann, retired New York City public
school teacher

Carmen Alvarez, retired New York City public
school teacher

John Soldini, retired New York City public school
teacher

A P P E A R A N C E S (CONTINUED)

Nina Tribble, retired New York City public school teacher

Sue Ellen Dodell, attorney

Lisa Young Ruben, retired from New York City Council

Kyle Simmons, President Local 924

Leonard Rodberg, Professor Emeritus of Urban Studies at Queens College and Research Director of the New York Metro Chapter of Physicians for a National Health Program

Frances Ferrara

Alan Odze, retired New York City police officer

Fay Aaronson, retired New York City DOE bilingual school social worker and licensed clinical social worker

James Perlstein, retired professor of history at CUNY and a member of the Professional Staff Congress American Federation of Teachers Local 2334

Patricia Luce

Yolanda Pumarejo

Michelle Keller, President of the New York City's Coalition of Labor Union Women, AFL-CIO

A P P E A R A N C E S (CONTINUED)

Roberta Pikser, retired teacher of English as a Second Language to adults and a member of the United Federation of Teachers. I served as Adult Education Chapter Secretary

Roberta Gonzalez, retiree from Department of Health and Mental Hygiene

Barbara Turkewitz, retired City Council

Thomas Schechter, retired HLA

Theresa Moran, New York City retiree

Suzy Sandor, New York City retiree

Gloria Brandman, United Federation of Teachers member

Sarah Shapiro, retired New York City teacher

Francine Schloss, retiree and former President of DC-37 Local 1757

Marc Kagan, UFT retiree

Jack LaTorre, retired New York Police Department lieutenant

Rosie Vartorella, retired NYC DOE vision teacher

Carmela Dee, DC-37 retiree

Renee Dinnerstein, retired New York City teacher

A P P E A R A N C E S (CONTINUED)

Joseph Finn, retiree from New York City Police Department

Denise Rickles, retired special education teacher

Laura Daigen-Ayala, retired New York City public school teacher

Lynn Bender Max, Human Resources Administration retiree

Merritt Claude, retired supervisor from the Agency for Child Development

Jaqueline Lyle, retired New York City teacher

Vincent Licitra

John Lanzilotto, retired New York City Department of Sanitation supervisor

Richard Gannon, retired Department of Correction

Cindy Mathias, retired high school secretary

Robert Cohen, retired professor from Queens College CUNY

Gene Iannuzzi, retired college professor at the Borough of Manhattan Community College, Director of the Paramedic Program

Stephen Fisher, City of New York retiree

A P P E A R A N C E S (CONTINUED)

Zezzlie Blyden, Brooklyn Public Library retiree

Gail Benjamin, retired New York City employee

Theresa Roth, retired from Teachers Retirement System

Jacqueline Schoenhaus-Barnett, retired bilingual school psychologist for the New York City Department of Education

Robin Wiener

Carol Anshien, New York Public Library retiree

Antonia Manuela, New York City Housing Authority retiree

Bennett Fischer, retired New York City public school teacher

Unidentified retiree

Glory Ann Kerstein, Department of Housing Preservation and Development retiree

Michele Rayvid, retired educator and member of the UFT

Kathleen Cahill, retired New York City Office of the Corporation Counsel attorney

Gerard Longarzo, Department of Education retiree

A P P E A R A N C E S (CONTINUED)

Santos Crespo, former President of Local 372

Judy Arnow, City retiree

Susan Petito, retired Assistant Deputy
Commissioner Legislative Affairs

Neme Alperstein, New York City Department of
Education retiree

William J. Schillinger, retired FDNY lieutenant

Susan Herzog, retired science teacher

Bonnie Nelson, retired librarian at John Jay
College of the City University of New York

Jacqueline Frazier, City retiree

Marilyn Vogt-Downey, retired teacher

Suzanne Knabe, retired teacher

William Russo, retired New York City Housing
Authority employee

Laura Genovese, retired Department of Education
school secretary

Norman Scott, retired elementary school teacher

Ibeth Mejia, teacher and UFT-elected
representative on the UFT high school executive
board

A P P E A R A N C E S (CONTINUED)

Matthew Weber, retiree from New York City Health and Hospitals

Diana Scalera, retiree from New York City DOE

Edward Farrell, Retired Public Employees Association

William Laziza, retired CUNY employee

Fern Skolnick-Cruz, retired DOE

Debra Bigelisen, retired teacher

Adrienne Balay, retired New York Police Department

John T. O'Malley, pre-Medicare retiree of Verizon

Joan Greenbaum, retiree from LaGuardia Community College

Matt Shapiro

Barbara Backer, retired registered professional nurse and Professor Emerita at Lehman College in the Bronx

Marthe Gold, Professor Emerita of Community Health and Social Medicine at the CUNY School of Medicine at City College

Michael Antwerp

A P P E A R A N C E S (CONTINUED)

Jerry Mastriano, as read by Michael Antwerp

Tracy Abon-Ford, as read by Michael Antwerp

Jane Buchannan

Leslie Williams, CUNY retiree

Gary Barnett, retired spouse of retired
Department of Education employee

2 SERGEANT-AT-ARMS: This is a microphone
3 check for the Committee on Civil Service and Labor
4 located in Chambers recorded on January 9, 2023, by
5 Nazli Patuvi (phonetic).

6 SERGEANT-AT-ARMS: Once again, please find
7 a seat. Everyone has to be in a seat or you have to
8 wait out in the rotunda. Thank you.

9 Thank you and welcome to today's hybrid
10 New York City Council hearing for the Committee on
11 Civil Service and Labor.

12 To minimize disruptions, please place all
13 electronic devices to vibrate or silent.

14 If you would like to submit testimony,
15 please send via email to testimony@council.nyc.gov.

16 Thank you for your cooperation.

17 Chair De La Rosa and Speaker Adams, we
18 are ready to begin.

19 CHAIRPERSON DE LA ROSA: [GAVEL] Good
20 morning. I am Council Member Carmen De La Rosa, Chair
21 of the Committee on Civil Service and Labor. Thank
22 you for joining today's hearing on Intro # 874, which
23 I have introduced at the request of the Mayor in
24 relation to health insurance coverage for city
25 employees, city retirees, and their dependents.

2 The City's commitment to offering
3 premium-free healthcare to its employees, retirees,
4 and their dependents has ensured that quality
5 healthcare remains accessible and affordable for the
6 current and former members of the municipal
7 workforce. Following through on its commitment is not
8 without its challenges, particularly as the rising
9 cost of healthcare has forced the City to reconcile
10 shortfalls in savings intended to cover these costs.
11 Although there are challenges, they are not
12 insurmountable. I view it as my responsible as Chair
13 of this Committee to set a table for a clear
14 discussion that will lead to solutions.

15 In 2018, the City's Office of Labor
16 Relations and Members of the Municipal Labor
17 Committee agreed to savings goals associated with the
18 City's Premium-Free Healthcare options and formed the
19 Healthcare Savings Tripartite Committee to implement
20 their agreement and explore innovative ways that
21 could yield savings and sustain premium-free
22 offerings. A major result of this initiative is the
23 City's plan to switch to Medicare Advantage for the
24 Medicare-eligible persons. That switch has been
25 delayed due to a number of issues including

2 disagreements between the City and the MLC on how to
3 reach savings goals with Medicare Advantage in light
4 of court rulings that Local Law prohibits the City
5 from passing off the cost of GHI Senior Care to
6 insured. On December 15, 2022, Martin Scheinman, the
7 Chair of the Tripartite Committee, issued an opinion
8 and award directing the City and Municipal Labor
9 Committee, the MLC, to work with Aetna to implement
10 Medicare Advantage plan for municipal retirees to
11 help alleviate the savings shortfalls promised in
12 2018. He also made clear that a failure of the MLC
13 and the City to ratify the agreement on Medicare
14 Advantage plan would require him to find another
15 revenue source which he wrote would inevitably lead
16 to premium contributions from members of 1,250
17 dollars to 1,750 dollars annually resulting in the
18 elimination of some premium-free healthcare options
19 for municipal employees and retirees. Furthermore, he
20 determined that GHI Senior Care must be eliminated
21 from the City's health insurance plan offerings if
22 the City Council does not act to amend the
23 administrative code to authorize the City to charge
24 retirees for GHI Senior Care and thus preserve some
25 degree of choice between GHI Senior Care and Aetna

2 Medicare Advantage. We recognize that this presents
3 an unbearable choice for retirees on fixed incomes
4 and creates a disparate impact on low-income
5 retirees. Given that the administration and the
6 Municipal Labor Committee are moving forward to
7 implement.

8 FROM THE GALLERY: (Yelling)

9 CHAIRPERSON DE LA ROSA: Please remove him
10 from the floor. Thank you.

11 All right. So let me set some ground
12 rules here. We are in the Chamber of the City
13 Council, which is led by the Speaker to my left,
14 which is a Body that is duly elected by the City, and
15 we will respect this Chamber and the opinions put
16 forth today. We are laying a table for a
17 conversation, and, if you have no respect for this
18 Chamber, I will ask you to be removed. Everyone,
19 every single person here, will have an opportunity to
20 testify, and we are listening so please wait for your
21 turn to testify. There is no need to stand up. There
22 is no need to be removed from this Chamber. We don't
23 want to remove you from this Chamber. We want to hear
24 everyone's voices, but please be respectful of one
25 another. Thank you.

2 Further, he determined that GHI Senior
3 Care must be eliminated from the City's health
4 insurance plan offerings if the City Council does not
5 act to amend the administrative code to authorize the
6 City to charge retirees for GHI Senior Care and thus
7 preserve some degree of choice between GHI Senior
8 Care and Aetna Medicare Advantage. We recognize that
9 this presents an unbearable choice for retirees on
10 fixed incomes and creates a disparate impact on low-
11 income retirees. Given that the administration and
12 the Municipal Labor Committee are moving forward to
13 implement Medicare Advantage in alignment with the
14 courts and the arbitrator's decisions, today the City
15 Council is hearing legislation at the request of the
16 Mayor. This legislation would authorize the City and
17 the MLC to adjust the cost threshold in Local Law
18 that currently requires the City to pay the full cost
19 of any health insurance plan offered to employees and
20 retirees if the cost is the same or less than the
21 rate of HIP HMO. This legislation seeks to preserves
22 retiree's abilities to choose healthcare plans that
23 best meets their needs by authorizing the City and
24 the MLC to set a lower cost threshold for Medicare-
25 eligible retirees with Aetna Medicare Advantage and

2 to charge retirees for GHI Senior Care thus
3 mitigating the risk that it would be eliminated from
4 offerings altogether.

5 Given the importance of this issue, it is
6 critical that this bill gets a public hearing. Today,
7 we will hear testimony from all stakeholders, examine
8 the details of the newly negotiated Medicare
9 Advantage plan, and evaluate the paths forward for
10 this City and the Municipal retirees. We applaud the
11 efforts of the Municipal unions, the retirees,
12 advocates, the current workforce, and this Council
13 for their commitment to organizing their voice to
14 uplift the concerns we will discuss today as well as
15 for their years of service to the City. I firmly
16 believe that healthcare is a human right, and I take
17 the responsibility of finding solutions to this
18 problem seriously.

19 I'd like to first thank Speaker Adams for
20 her leadership and allowing us to bring this hearing
21 forward, and I'd like to thank the Committee Staff
22 and all of the Staff here at the Council for their
23 hard work in preparing for this hearing, most
24 especially to Assistant Deputy Director Nick Connell,
25 Policy Analyst Elizabeth Arzt as well as my own

2 Staff, Chief-of-Staff James Burke, Legislative
3 Director Kiana Diaz, and Communications Director Fray
4 Familia.

5 Now, I would like to turn it over to our
6 Speaker for her opening remarks.

7 SPEAKER ADAMS: Thank you very much, Madam
8 Chair. Good morning. I am New York City Council
9 Speaker Adrienne Adams, and I want to give a special
10 thanks to Council Member Carmen De La Rosa, Chair of
11 the Civil Service and Labor Committee, for providing
12 this opportunity for everyone here today to present
13 their positions on Introduction 874.

14 Before I begin my remarks, I want to make
15 it clear that had it not been for this hearing today,
16 I would be standing with the nurses in front of Mt.
17 Sinai. No applause necessary, and the way that we
18 cheer each other on in the People's House is this
19 (ASL for applause). I wanted to make it clear that I
20 would be standing with our nurses had it not been for
21 the important item on our agenda today. I encourage
22 all management at the outstanding hospitals to take
23 into consideration our first responders and respect
24 their right to fair pay and fair staffing.

2 Introduction 874 would change the
3 Administrative Code at the request of the Municipal
4 Labor Committee and the City to continue offering
5 retirees access to supplement GHI Senior Care at a
6 cost. In my tenure as Speaker, I have made expanding
7 civil service opportunities one of my priorities
8 because a civil service career is one of the best
9 pathways to economic stability for all New Yorkers.
10 The benefits it provides, which include the ability
11 to retire with dignity, are unmatched in other
12 careers. I know this from my own family's experience.
13 I especially want to, again, thank our Chair, Carmen
14 De La Rosa, for convening this public hearing to
15 examine the administration and MLC's Medicare
16 Advantage plan for retirees and proposal to change
17 the Administrative Code as part of their health-
18 savings agreement. These issues are not simple or
19 easy to confront, and I must say it is unfortunate
20 that Chair De La Rosa has been unfairly attacked and
21 has had her intentions mischaracterized with untruths
22 simply for scheduling a public hearing on this issue
23 and the requested legislation. Her introduction of
24 the legislation upon the request of the City's
25 collective bargaining parties is routine as Chair of

2 the Committee on Civil Service and Labor. It is the
3 role of the Chair to be responsive to labor
4 agreements that impact city workers and retirees, and
5 it is responsible to give them a fair hearing that
6 facilitates transparent, public conversation. Chair
7 De La Rosa has demonstrated tremendous leadership for
8 the City by prioritizing the public interest through
9 this Committee's work at a critical juncture despite
10 being the subject of unfair attacks. At no point did
11 she or this Council say we are forcing passage of
12 this Administrative Code change and denying fair
13 opportunity for those impacted to be heard. Yet, that
14 is largely how she and this Committee have been
15 attacked and characterized at times including attacks
16 against me, even for deciding to hold today's hearing
17 and consider the legislation. It is counterproductive
18 for our public dialogues to proceed in this way which
19 stifle conversations that we need to have. These are
20 important issues for us all to better understand, and
21 public examination is critical to sort through the
22 complexities that carry serious consequences.

23 The purpose of this hearing is for the
24 Council and the public to hear from all stakeholders
25 regarding these issues about the potential outcomes

2 and impacts on retirees and our current city
3 workforce, and, today, I look forward to hearing from
4 all sides, the City's Office of Labor Relations, the
5 Municipal Labor Committee, the Organization of Public
6 Service Retirees, and everyone providing testimony.

7 I know that many of us have very strong
8 opinions and perspectives on this issue, but I do ask
9 that we all treat each other as the Chair said with
10 respect and maintain decorum during this hearing in
11 this People's House. It is essential that serious
12 public consideration and examination of these
13 complicated issues be achieved with all voices
14 respected and valued.

15 Again, I extend my thanks to the
16 Council's Staff who have organized this important
17 hearing and, again, to our Chair, Carmen De La Rosa,
18 who I now turn it back over to. Madam Chair.

19 CHAIRPERSON DE LA ROSA: Thank you, Madam
20 Speaker. Before we turn to testimony, I want to
21 recognize all of my Colleagues who have joined us
22 today. Let me start with Council Member Erik
23 Bottcher, Councilwoman Julie Menin, Council Member
24 Hanks, Council Member Chris Marte, Council Member
25 Gennaro, Council Member Feliz, Council Member

2 Vernikov, Council Member Ariola, Council Member
3 Kagan, Council Member Paladino, Council Member Hanif,
4 Council Member Dinowitz, Council Member Carr, Council
5 Member Schulman. I think that's everybody. Oh, I'm
6 sorry. Behind me. Council Member Barron. How could I
7 ever forget? Council Member Nurse. Council Member
8 Brannan. I think I saw Majority Leader Powers in the
9 House as well. Virtually, we've been joined by
10 Council Member Sanchez, Council Member Moya, and
11 Council Member Lee. Thank you to all of our
12 Colleagues for saying present here today.

13 Before we turn to our testimony, please
14 be aware of the following administrative matters.
15 Today, we expect to hear from witnesses testifying
16 in-person and virtually. If you are registered to
17 testify, please listen for your name to be called. At
18 times, witnesses' names will be called up in groups
19 to facilitate Council Member questioning.

20 Additionally, if you are testifying
21 virtually via Zoom, Council Staff will unmute you
22 when it is your turn to speak. This may take a moment
23 as we expect a large number of virtual participants.
24 Please be patient if you are not immediately unmuted,

2 and please accept the request to be unmuted when you
3 receive it.

4 In order to accommodate the large number
5 of witnesses who have registered for today's hearing,
6 each witness will be limited to two minutes. Please
7 stop your testimony when the Sergeant calls time.
8 Your understanding of these procedures is appreciated
9 to ensure that everyone has an opportunity to be
10 heard today.

11 As a reminder, you can submit written
12 testimony at testimony@council.nyc.gov. up to 72
13 hours after the conclusion of today's hearing.

14 We will begin to hear testimony from the
15 following members of the administration. Daniel
16 Pollak, First Deputy Commissioner for the Office of
17 Labor Relations, Claire Levitt, Deputy Commissioner
18 for the Office of Labor Relations, and Ken Godiner,
19 First Deputy Budget Director.

20 The Committee Counsel will now administer
21 the oath.

22 COMMITTEE COUNSEL: Do you affirm to tell
23 the truth, the whole truth, and nothing but the truth
24 in your testimony before these Committees and to
25

2 respond honestly to Council Member questions? First
3 Deputy Commissioner Pollak.

4 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

5 COMMITTEE COUNSEL: Deputy Commissioner
6 Levitt.

7 DEPUTY COMMISSIONER LEVITT: Yes.

8 COMMITTEE COUNSEL: First Deputy Budget
9 Director Godiner.

10 FIRST DEPUTY BUDGET DIRECTOR GODINER: I
11 do.

12 COMMITTEE COUNSEL: Thank you. You may
13 begin your testimony when the Sergeant calls time.
14 I'm sorry. They won't be calling time. Please begin
15 your testimony when ready.

16 FIRST DEPUTY COMMISSIONER POLLAK: Thank
17 you. Good morning, Speaker Adams, Chair De La Rosa,
18 and Members of the Civil Service and Labor Committee.
19 I'm Daniel Pollak, First Deputy Commissioner of the
20 Office of Labor Relations. I am joined at the table
21 by Claire Levitt, Deputy Commissioner for Healthcare
22 Strategy at OLR, and Ken Godiner, First Deputy Budget
23 Director. Thank you for the opportunity to testify
24 here today in support of the proposed amendment to
25 the Administrative Code 12-126.

2 The amendment before you is a
3 continuation of the unprecedented labor management
4 collaboration on employee and retiree health benefits
5 that we at OLR and OMB have been engaged in with our
6 partners at the Municipal Labor Committee for the
7 last eight-plus years. The MLC and the City jointly
8 drafted this bill and are mutually supporting it as
9 it is essential to our joint goal of maintaining
10 high-quality premium-free health insurance for city
11 employees and retirees while providing options for
12 retirees. The City will proceeding with
13 implementation of a Medicare Advantage plan. This
14 amendment to the Code will ensure that retirees
15 continue to have the option to keep their current
16 Senior Care plan by paying a monthly premium.

17 As a result of the federal government
18 subsidy of Medicare Advantage programs, the City is
19 able to save 600 million dollars a year by
20 implementing a Medicare Advantage plan or 3 billion
21 dollars over the next five years given the five-year
22 guarantee we have received from the insurer. Those
23 subsidies combined with the City's market power due
24 to our large population of retirees and dependents
25 allows us to offer a Medicare Advantage plan that

2 provides superior benefits to Senior Care. We believe
3 it is the best choice for our retirees. However, we
4 prefer to offer our retirees the ability to stay on
5 the Senior Care program if they choose, and this
6 amendment will permit them to have that choice.

7 I mentioned that this is a continuation
8 of an effort we've been engaged in since 2014, and
9 it's important to understand the scope of that effort
10 to understand why we are now implementing a Medicare
11 Advantage plan and requesting this amendment.

12 First, I want to go over some basic facts
13 about the City's health benefits. The City provides
14 premium-free coverage to its 1.2 million employees,
15 retirees, and their dependents. Premium-free coverage
16 is rare in this country, even for public employees.
17 For example, New York State requires employees to pay
18 premiums of over 6,000 dollars per year for a family
19 plan. The City also provides premium-free coverage
20 for any retiree that worked for the City for 10 years
21 and their dependents and, in addition, reimburses
22 Medicare-eligible retirees and dependents for
23 Medicare Part B costs. These are increasingly unusual
24 and increasingly expensive benefits. Today, the cost
25 of healthcare for the City's employees and retirees

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2 is over 11 billion dollars a year, about 10 percent
3 of the entire City budget. To address the escalating
4 cost of healthcare while preserving premium-free
5 high-quality coverage, in 2014 the City and the
6 Municipal Labor Committee reached a landmark
7 agreement to save a total of 3.4 billion dollars in
8 healthcare costs over four years including 1.3
9 billion on a recurring basis. In 2018, the City
10 agreed with the MLC to target another round of
11 savings from 2018 to 2021 of 1.1 billion, 600 million
12 of which was to be recurring. These health savings
13 were an essential part of reaching labor agreements
14 to provide fair wage increases to all employees. The
15 City and the MLC have been working together on a
16 regular basis...

17 CHAIRPERSON DE LA ROSA: Sorry. Deputy
18 Commissioner, may you speak a little louder? It's a
19 little hard to hear.

20 FIRST DEPUTY COMMISSIONER POLLAK: Sure.
21 My apologies. The City and the MLC have been working
22 together on a regular basis since 2014 to reach and
23 maintain these savings. In doing so, the City has
24 made extensive changes to reduce costs in the
25 employee and pre-Medicare retiree plan while leaving

2 the plans for Medicare-eligible retirees untouched
3 through 2021. A lifting of many of the changes made
4 to the employee and retiree plans is included as
5 Appendix A to our testimony. The City and the MLC
6 have also now put out a procurement for a brand new
7 plan for employees and pre-Medicare retirees seeking
8 to save over a billion dollars through that effort,
9 but we cannot achieve the necessary savings based on
10 active employees alone. Since 2000, the cost to the
11 City for Medicare retiree healthcare coverage has
12 nearly tripled. In 2021, we spent 600 million dollars
13 on retiree health premiums compared to 200 million in
14 2000. In addition, the reimbursement of Medicare Part
15 B coverage has increased over 700 percent from 54
16 million dollars in 2000 to nearly 440 million dollars
17 in 2021. In Fiscal Year 2022, the City spent over 1
18 billion dollars on retiree health costs. As part of
19 the 2018 Health Savings Agreement, a Tripartite
20 Committee was established consisting of leadership of
21 the MLC, the City, and Martin Scheinman as mediator
22 and Chair to work on identifying additional cost
23 management strategies. With the Tripartite Committee,
24 the City and the MLC began exploring changes to the
25 Medicare-eligible retiree coverage.

2 Knowing the escalating costs of these
3 benefits needed to be addressed, in 2020 the City and
4 the MLC agreed to add 15 dollar co-pays to certain
5 benefits in the Senior Care plan for doctor visits,
6 radiology and lab services, and other services.
7 Rather than implementing these co-pays as had been
8 agreed in July 2020, the City and the MLC decided to
9 refrain from changing these benefits due to the
10 COVID-19 pandemic. Instead, those new co-pays were
11 implemented in 2022 for the Senior Care plan. The
12 City and the MLC agree that a Medicare Advantage plan
13 was an important cost-saving strategy that could
14 protect the benefits of both employees and retirees.
15 Approximately half of the nation's retirees are
16 covered by a Medicare Advantage plan today rather
17 than traditional Medicare. This includes numerous
18 public employers and union-administered health plans
19 including the States of New Jersey, Connecticut,
20 Pennsylvania, Maine, and Ohio, and 1199 SEIU's
21 retiree health plan, all of which are provided by
22 Aetna, the insurer with which the City is currently
23 negotiating. A Medicare Advantage plan allows the
24 City to benefit from the federal government's subsidy
25 of these plans nationwide and save a remarkable 600

2 million dollars a year while still protecting our
3 retirees' access to high-quality premium-free
4 coverage.

5 We understand that there's always fear of
6 change when it comes to health insurance and changes
7 in health insurance, and that's why in developing
8 this program we were committed along with the
9 Municipal Labor Committee to offering similar
10 benefits to the existing program while optimizing the
11 federal funding available through Medicare Advantage.
12 The City worked hard in collaboration with the MLC to
13 offer this new plan that was not only premium-free
14 with benefits equal to Senior Care but also provided
15 important new benefits designed to support the health
16 of our retirees. This new program is a win-win for
17 everyone.

18 In an agreement with the MLC, the City
19 arranged for the expected 600 million dollars a year
20 in savings to be redirected to support the benefits
21 provided by the Health Insurance Stabilization Fund.
22 This Fund is jointly administered by the City and the
23 MLC and was originally established in the 1980s to
24 ensure there was sufficient funding to equalize the
25 cost of the PPO plan and the HMO plan so that

2 employees could have a choice between two plans. Over
3 time, it has also covered other important expenses
4 including specialty drugs, a portion of welfare fund
5 contributions that help unions maintain their drug
6 coverage and other benefits, care management, and
7 other costs. The ability to continue covering these
8 important benefits is one of the many reason we
9 support the adoption of the Medicare Advantage
10 program.

11 The City and the MLC's intention had been
12 to offer current retirees the ability to opt out of
13 the program and remain in the Senior Care plan in
14 which they were currently enrolled. However, the
15 existing programs would require an additional
16 premium. For Senior Care, that premium would be
17 approximately 200 per month. Retirees who did not opt
18 out would be automatically enrolled in the new
19 Medicare Advantage plan. Unfortunately, a lawsuit
20 prevented this program from moving forward with a
21 court holding that the Administrative Code prohibited
22 the City from requiring retirees to pay for the cost
23 of Senior Care to remain in that program. While we
24 disagree with the court's interpretation of the
25 Administrative Code, we must find a way to move ahead

2 to achieve these vital savings. The court
3 specifically provided that direction by determining
4 that the City could offer only a Medicare Advantage
5 plan and no buyout plans and remain in compliance
6 with Administrative Code 12-126. Without the expected
7 600 million dollar a year in savings from Medicare
8 Advantage, the Stabilization Fund is depleted and
9 cannot continue to support the benefits it provides.
10 As a result, the City and the MLC have agreed to even
11 more changes to active employee coverage including
12 preferred radiology and urgent care providers, a
13 mandate for all new hires to join the HIP HMO Plan,
14 suspension of 155 dollar per employee and retiree per
15 year contributions to union welfare funds, and the
16 suspension of certain payments owed to the City, but
17 that does not begin to cover the fiscal hole. At this
18 time, the Stabilization Fund owes approximately 2
19 billion dollars in reimbursements for costs the City
20 incurred in prior years. The City continues to incur
21 costs that we will not be reimbursed for including an
22 estimated 536 million dollars for the cost in Fiscal
23 Year 2023 of providing the Emblem GHI plan premium-
24 free in which 70 percent of city employees are
25 enrolled. Every dollar lost by not implementing this

2 program is a dollar the City must cover amid the time
3 of numerous other fiscal challenges. The delay thus
4 far has already cost the City close to a billion
5 dollars.

6 Recently, Martin Scheinman in his role as
7 arbitrator for disputes arising from the Health
8 Savings Agreements ordered the City to move forward
9 with the Medicare Advantage plan to achieve these
10 savings. Pursuant to the court's decision as I
11 mentioned, the City is not required to offer Senior
12 Care or other plans and therefore can achieve the
13 full savings by implementing Medicare Advantage and
14 eliminating Senior Care and any other plan that
15 charges the City a cost. That is exactly what Mr.
16 Scheinman ordered the City to do if this amendment is
17 not enacted, and he further indicated that a failure
18 to implement a Medicare Advantage plan and obtain
19 those savings would inevitably result in co-premiums
20 for active employees. That is not the outcome that
21 the City or the MLC want.

22 We are here today to ask the City Council
23 to amend and clarify the language in the
24 Administrative Code to permit us the latitude to
25 provide this important program to retirees while

2 maintaining options for those retirees who want to
3 pay to remain in Senior Care. The legislation would
4 allow the MLC and the City to jointly agree upon a
5 plan for health insurance for any class of
6 individuals. That would be a benchmark plan for such
7 class. This would ensure that the City and the MLC
8 have the flexibility to obtain quality and affordable
9 health insurance by allowing the parties to designate
10 different plans as the cost benchmark for the two
11 different classes, one for employees and pre-
12 Medicare-eligible retirees and another for Medicare-
13 eligible retirees. As is currently the case, any
14 agreed upon benchmark plan would not require any
15 employee premium and the obligation of the City to
16 provide premium-free healthcare coverage would
17 remain. This would allow the City and the MLC to
18 designate the new Medicare Advantage plan as the cost
19 benchmark to allow those who wish to keep Senior Care
20 to do so and to continue what we have been doing for
21 almost a decade, making necessary changes to deliver
22 healthcare more efficiently to provide extraordinary
23 premium-free benefits to employees and retirees.

24

25

2 At this point, I'd like to turn it over
3 to Deputy Commissioner Claire Levitt to talk a little
4 bit about the details of the Medicare Advantage plan.

5 DEPUTY COMMISSIONER LEVITT: Thank you,
6 Dan, and thank you to everyone for listening with an
7 open mind so I can try to explain why we're so
8 committed to this plan.

9 To understand how Medicare Advantage
10 plans generate savings, it's important to understand
11 how traditional Medicare and Medicare Advantage work
12 differently. In traditional Medicare, the Centers for
13 Medicare and Medicare Services, CMS, directly pays
14 hospitals under Medicare Part A and also directly
15 pays medical expenses to doctors and other healthcare
16 providers under Medicare Part B, and Medicare Part B
17 generally pays 80 percent of the Medicare allowable
18 rate. A Medicare supplemental plan like what Senior
19 Care is pays after Medicare pays and generally
20 covers...

21 CHAIRPERSON DE LA ROSA: Apologies. We're
22 getting requests if you could please lift your voice
23 a little, speak a little louder.

24 DEPUTY COMMISSIONER LEVITT: A Medicare
25 supplemental plan like Senior Care generally pays

2 after Medicare pays and covers the 20 percent that
3 Medicare Part B doesn't pay subject to any co-pays in
4 the plan. Medicare Advantage plans, sometimes called
5 Part C plans, are offered by Medicare-approved
6 private insurance companies. In a Medicare Advantage
7 plan, both the Part A and Part B reimbursements come
8 from the Medicare Advantage plan, not from original
9 Medicare, along with any supplemental benefits from
10 the same company. A Medicare Advantage plan can
11 include benefits not covered by Medicare. Medicare
12 pays a fixed amount for coverage each month to the
13 company offering the Medicare Advantage plan. Under
14 the Medicare Advantage plan, the private company must
15 follow all of Medicare's rules, and retirees has all
16 of the same rights and protections that retirees have
17 under original Medicare. Right now, about half of
18 Medicare recipients in the country receive their
19 Medicare coverage through a Medicare Advantage plan.
20 Medicare Advantage plans can provide better and more
21 efficient programs, address care gaps, and support
22 the health of the program's members in ways that a
23 supplemental program can't using the amount of money
24 provided by Medicare while charging an employer
25 little or no additional premium. In our case, as a

2 result of the City's size and our leverage, we were
3 able to negotiate a program at a zero-premium cost to
4 the City with benefits that exceed the benefits of
5 Senior Care.

6 Now the plan we expect to offer is a
7 customized plan developed exclusively for New York
8 City retirees. Some people confuse the Medicare
9 Advantage program with some of the individually
10 marketed Medicare Advantage plans you may have seen
11 marketed on late night television, but this is an
12 exclusive group plan only available to New York City
13 retirees and dependents and has special benefits and
14 provisions just for our group. This expected Medicare
15 Advantage plan would replace both the traditional
16 Medicare and the Medicare supplemental plan with a
17 single integrated cost at no premium cost to the City
18 and no premium cost to retirees. The plan would
19 provide all of the healthcare services previously
20 covered by original Medicare as well as those
21 supplemented by the Senior Care program and also adds
22 important new benefits not covered by the current
23 Senior plan. Retirees lose nothing that they had
24 previously in this plan.

2 Now in the testimony, there is major plan
3 design comparison chart of Senior Care and the
4 proposed new Medicare Advantage plan. I don't want to
5 take the Council's time going through this line by
6 line, I just want to point out a few of the important
7 changes here.

8 In our current Senior Care plan, there's
9 an annual deductible of 276 dollars. That's the
10 Medicare deductible plus an additional 50 dollars. In
11 the proposed new Medicare Advantage plan, the
12 deductible is 150 dollars, not 276 dollars, which is
13 immediate savings every year for our retirees. That
14 150 deductible is also a fixed deductible. It's in
15 our contract, it will be in our contract with Aetna,
16 and it doesn't go up every year the way the Medicare
17 deductible goes up every year so we think this is a
18 great benefit for our retirees. There's an annual
19 out-of-pocket maximum in the proposed new Medicare
20 Advantage plan of 1,500 dollars. After 1,500 dollars
21 is spent, everything is covered at 100 percent, and
22 there's no additional cost to the retiree. There's no
23 such protection like that in the Senior Care plan. In
24 our new Medicare Advantage plan, a primary care visit
25 has 0 co-pay while the Senior Care has a 15-dollar

2 co-pay. Likely, for ambulance services and durable
3 medical equipment, there's 0 co-pay, and there's no
4 annual maximum unlike the Senior Care plan that has
5 2,500 a year maximum on ambulance and durable medical
6 equipment and, with the expenses of those types of
7 services today, it's easy to go through 2,500
8 dollars.

9 We've also added new benefits that
10 Medicare does not cover, and I'll mention a couple of
11 the important benefits. One is for transportation to
12 go to and from the doctor. The plan will cover 24
13 trips annually to a doctor going up to 60 miles, and
14 that is a great benefit for our seniors. It covers
15 hearing aids which are not covered right now under
16 Senior Care. It provides a 200-dollar gift card for
17 completing certain wellness activities. It provides
18 an over-the-counter drug benefit of 120 dollars
19 annually to purchase over-the-counter drugs. It also
20 provides a medical alert system, one of those systems
21 that helps you identify if you are having an
22 emergency or you fall so you get immediate
23 assistance. These are things that our retirees just
24 don't have right now that are important new benefits.

2 In addition, the other benefits that are
3 listed in our chart remain exactly the same. There is
4 nothing in this plan where the benefit is less than
5 the benefit in the current Senior Care plan.

6 We've been negotiating this with Aetna to
7 be the Medicare Advantage insurer replacing the
8 original provider, the Alliance, which was a joint
9 venture of Empire and EmblemHealth. Aetna has over 25
10 years of experience providing Medicare Advantage
11 plans. One of the major concerns we've been hearing
12 from retirees is that they won't be able to see their
13 current doctor, and in almost instances this is not
14 the case. Aetna has been offering Medicare Advantage
15 plans for over 25 years and has an extensive national
16 network of providers that understand and appreciate
17 the program. They have over 1.3 million in-network
18 providers nationwide, and, in addition, they have
19 approximately 5,000 hospitals nationally in-network,
20 and all of the hospitals in our area either
21 participate in the Aetna Medicare Advantage network
22 or there is one that does not participate but accepts
23 Medicare Advantage patients from Aetna.

24 The plan we're offering is not a limited
25 network HMO-type of plan. Some of the plans that

2 you'll see on late night television have limited
3 networks. This plan is a PPO plan, or it's called an
4 Extended Service Area Plan. This means that retirees
5 can go to any doctor or provider nationally and in
6 the U.S. Territories including those that are not in
7 the Aetna network. Out-of-network providers have to
8 be accepting Medicare, which 99 percent of the
9 doctors in the country accept Medicare, and they have
10 to accept the plan by billing out-of-network. Aetna
11 reimburses out-of-network providers at the same
12 Medicare-allowable rate just as with original
13 Medicare. This is so important to understand. There
14 is no reason that doctors would not want to accept
15 our patients because they're getting the same
16 allowable amount that they get from Medicare.

17 Now, Aetna is planning an extensive
18 outreach campaign to encourage the balance of
19 providers that our retirees see to join the network
20 and to educate out-of-network providers about the
21 program. They give Medicare Advantage participants
22 what they call a provider Passport to help
23 familiarize providers with how it works. They have a
24 hotline for retirees and providers to call if they
25 have any questions about how to receive Medicare

2 payments through Aetna. Although providers always
3 have the right to decide whether or not to accept a
4 particular plan or a particular patient, there's no
5 reason for a provider not to accept this plan.
6 They're getting the same payment that they would get
7 if they were in the network or out of the network.

8 Aetna's network providers actually match
9 up directly with 85 percent of the doctors that our
10 retirees currently see in Senior Care and another 10
11 percent of the Aetna providers have indicated that
12 they accept the Aetna Medicare Advantage plan even
13 though they are not in-network. That's a 95 percent
14 match, and, through Aetna's outreach efforts, we
15 expect that percentage to increase. It also includes
16 agreements with both Memorial Sloan Kettering and the
17 Hospital for Special Surgery and every hospital in
18 the Downstate region is in-network or accepts the
19 Aetna plan. The Aetna plan will not require a
20 referral to go to a specialist. Retirees can self-
21 refer to any Medicare-participating specialist.

22 Now, we know that retirees have expressed
23 serious concerns about the preauthorization
24 requirements in the new Medicare Advantage plan
25 including whether it causes delay, creates paperwork

2 for them, and results in denials of care. We
3 understand the concerns about prior authorization,
4 and we want to assure retirees that this is not an
5 issue that they need to be concerned about.

6 CHAMBERS: (laughter)

7 SERGEANT-AT-ARMS: Quiet please. Quiet.

8 CHAIRPERSON DE LA ROSA: All right. So I'm
9 going to repeat the rules again. Please be respectful
10 of the folks who are talking. You wouldn't want
11 anyone bursting out laughing when you're speaking.
12 Please be respectful. Let's be grownups. Thank you.

13 DEPUTY COMMISSIONER LEVITT: I hope you're
14 going to listen with an open mind to this because all
15 of the City's insurance programs for employees have
16 prior authorization requirements so all of you were
17 part of such a program when you were employees and
18 pre-Medicare retirees.

19 To help with this, I'm also very happy to
20 announce that the City and the MLC have been able to
21 secure commitment from Aetna that they will not
22 conduct preauthorization for a number of services
23 that usually require it including high-tech radiology
24 like MRIs and CAT scans. That would remove
25 approximately 75 percent of the procedures that

2 generally prior authorization including under the
3 pre-Medicare plans that the City offers. After
4 removing these categories, only about 1 percent of
5 all claims will require prior authorization.

6 For the remaining claims that do require
7 prior authorization, there are extensive processes in
8 place to ensure they are processed quickly and
9 fairly. Preauthorization reviews are conducted
10 between the provider and Aetna, and there is no
11 paperwork for the retiree. Standard reviews are
12 normally completed within three to five days. In an
13 emergency, the requirements are completely waived,
14 and in urgent but not emergency situations the
15 timeframe is 24 to 72 hours. If there is a denial,
16 there is an appeal to the insurer, and, if that
17 authorization is still denied, there is an appeal to
18 an independent entity appointed by CMS as well as an
19 additional level of appeal to CMS itself. The final
20 decision as to approval or denial will be made by
21 CMS. To facilitate transition in care, Aetna has
22 committed at minimum 150 dedicated clinicians who
23 will support the City of New York retirees during the
24 onboarding process. These clinicians will continue to
25 be dedicated throughout the life of the contract to

2 ensure they continue to support our retirees and to
3 help manage their chronic conditions. Aetna will also
4 be engaging in an extensive outreach effort to
5 providers and retirees including over 200 in-person
6 forums and over 50 virtual and teleconference calls
7 with retirees to educate them about the program.
8 Additionally, Aetna will be maintaining a custom
9 website for our retirees which contains information
10 pertaining to the plan design, explanations on how to
11 access benefits, and the ability to conduct online
12 provider searches and find your doctor in-network or
13 find another doctor in-network.

14 Many of our retirees get their
15 prescription drugs from their union welfare funds,
16 and that remains unchanged under the Medicare
17 Advantage program. For those retirees who do not have
18 prescription drug coverage from their union welfare
19 fund, a prescription drug rider will be made
20 available to those retirees. The Aetna Medicare Part
21 D Prescription Drug Cost Share remains the same as
22 that of the Senior Care Prescription Drug plan in all
23 the Part D phases of the plan. Further, all Medicare-
24 covered Part D drugs that members are taking are
25 covered. There is no change in the formulary from the

2 Senior Care rider to the Aetna rider. The only change
3 is a positive one. The premium is actually being
4 reduced in Calendar Year 2023 from 125 dollars to 103
5 dollars per person per month.

6 The City and the MLC will also carefully
7 monitor the Medicare Advantage program to ensure that
8 the program meets all of its commitments to us and
9 delivers the quality of service we expect for our
10 retirees. We're designing a reporting package for
11 Aetna to report back to us on important aspects of
12 the program including customer service response
13 times, payment turnaround time, complaints,
14 preauthorization information, and more. We will
15 report publicly on the status of the program on an
16 ongoing basis. We have confidence that the Medicare
17 Advantage program can provide quality benefits and
18 strong access for our retirees while permitting City
19 employees and retirees to maintain premium-free
20 coverage.

21 We strongly urge the City Council Members
22 to amend the Administrative Code language to permit
23 the City and the MLC to establish this plan as the
24 new cost benchmark plan for retirees. The new plan
25 will significantly reduce the City's costs with the

2 help of federal funding while providing better
3 benefits in comparison to the Senior Care plan on a
4 continuing premium-free basis. Its customized
5 features include many new and exciting programs to
6 support retirees. The cost savings from this plan in
7 combination with the other joint efforts of the City
8 and the MLC will enable us to continue to provide a
9 high-quality and premium-free healthcare program to
10 employees and retirees. Above all, providing high-
11 quality, premium-free health insurance to retired
12 City employees and their families has been our number
13 one priority throughout this process. We urge the
14 City Council to adopt the language that will permit
15 us to do while allowing retirees to pay a monthly
16 premium to keep their current plan if they so choose.

17 Thank you, again, for inviting us to this
18 important hearing. We'd be happy to take any
19 questions now from the Committee.

20 CHAIRPERSON DE LA ROSA: Thank you so
21 much. I also want to recognize we've been joined by
22 Council Members Restler, Caban, Aviles, Joseph,
23 Farias, Won, and Krishnan.

24 Madam Speaker.

2 SPEAKER ADAMS: Thank you, Madam Chair.
3 Thank you for your testimony thus far. I know that my
4 Colleagues have a lot of questions so I will be
5 asking just a couple. It's going to be a long day for
6 all of us, which we're not complaining about
7 actually. We're very happy to see this day.

8 The Office of Labor Relations and
9 Municipal Labor Committee have decided to make the
10 Medicare Advantage plan they negotiated with Aetna
11 the free plan offered to retirees. What is the
12 authority for these parties to execute this change
13 absent the requested change to the text of the
14 Administrative Code?

15 FIRST DEPUTY COMMISSIONER POLLAK: Thank
16 you for the question, Speaker Adams. The court case
17 that prohibited the City from requiring retirees to
18 pay a premium to remain in Senior Care also
19 explicitly said that the City doesn't have to offer
20 Senior Care or any specific plan so the parties could
21 decide to choose to offer only one plan or to offer
22 numerous plans but not Senior Care so we have the
23 ability under that ruling and Arbitrator Scheinman in
24 fact ordered us to eliminate Senior Care or any plan
25 that would charge the City a cost so pursuant to that

2 we would be offering only Medicare Advantage and
3 possibly other plans that don't actually charge the
4 City a cost.

5 SPEAKER ADAMS: Thank you. The switch to
6 Medicare Advantage is expected to help achieve the
7 agreement's required commitment to annual savings of
8 600 million dollars a year. Can you explain how the
9 switch to Medicare Advantage would generate these
10 savings?

11 FIRST DEPUTY COMMISSIONER POLLAK: Sure.
12 I'm going to ask Deputy Commissioner Levitt to answer
13 in more detail, but it's really based on the federal
14 funding provided to Medicare Advantage plans.

15 DEPUTY COMMISSIONER LEVITT: As I
16 mentioned before, the premium cost to the City for
17 the plan will be 0, and right now we're paying 600
18 million dollars for the Senior Care and other plans
19 that retirees select so that full amount of 600
20 million dollars is guaranteed savings to us for the
21 next five years. In the five years following that,
22 there are caps in the amount that Aetna could charge
23 us. So the full amount of what we're paying just for
24 the Senior Care plan and for similar plans is saved.
25 Now, the City would continue to pay retirees to

2 reimburse them for the Medicare Part B premiums.
3 That's another 440 million dollars a year that the
4 City will continue to cover so that it is free to
5 retirees and their dependents.

6 SPEAKER ADAMS: Thank you. We have heard
7 from our retirees loud and clear. Thank you for over
8 10,000 emails. Our retirees have voiced concerns that
9 Medicare Advantage plans have restricted provider
10 networks that could result in the disruption of care.
11 How would the Medicare Advantage plan with Aetna
12 allow enrollees to retain coverage for their current
13 medical providers and specialists? I think you
14 touched on it, but if you could just go into that a
15 little bit more, expound on that for us, please?

16 DEPUTY COMMISSIONER LEVITT: The Medicare
17 Advantage plan that we're looking at is a PPO, a
18 Preferred Provider Organization type of plan, not an
19 HMO plan. An HMO plan may have a limited network, but
20 this plan does not. You can go to any Aetna provider,
21 and there are 1.3 million of them in the country, and
22 all the hospitals in our local area, but you can also
23 go to an out-of-network provider and be covered so
24 that we don't have the kind of limitations that you
25 would have in an HMO plan. 95 percent of the

2 providers that our retirees already see are already
3 accepting the Medicare Advantage plan so there's only
4 a gap of 5 percent, and Aetna has committed to reach
5 out to all of those doctors to educate them about the
6 plan and try to get them to accept the plan, and they
7 provide information to retirees, what they call a
8 Provider Passport, to take with them to the doctor
9 and provide the number of a hotline that they can
10 call so they will negotiate with a doctor on the spot
11 when the retiree is in the doctor's office so we
12 think there will be very, very little disruption with
13 this plan, if any.

14 SPEAKER ADAMS: There is a lot of distrust
15 with the presentation of the plan. You just mentioned
16 once again the Provider Passport. Is that the only
17 safeguard that would exist to protect our retirees
18 against the denial of care?

19 DEPUTY COMMISSIONER LEVITT: Denials of
20 care are something that could potentially could
21 happen through the prior authorization process, and
22 that can happen through Medicare as well although
23 traditional Medicare reviews claims on a
24 retrospective basis after they're incurred, not
25 before they're incurred so you could actually go for

2 a procedure and not know if it's covered or not until
3 after the fact. This actually helps people know
4 what's covered before they go. We think there will be
5 very, very few denials of care, and, as I laid out,
6 there's a very extensive appeals process for that,
7 and that happens very quickly. We've gotten Aetna to
8 agree to eliminate 75 percent of the types of reviews
9 that they're doing in all of their Medicare Advantage
10 plans because of this concern that we've heard so
11 strongly from our retirees so only about 1 percent of
12 claims are going to be subject to prior
13 authorization, and we expect that most of those will
14 be approved, and there are significant processes in
15 place to help them through an appeal process if
16 that's necessary.

17 The City and the MLC have also committed
18 to a process where we're going to oversee everything
19 that Aetna is doing, particularly on prior
20 authorization. We're going to be looking at reports
21 on a monthly basis to see that anything that is
22 denied is denied appropriately. There are procedures
23 that are not medically necessary to be done in a
24 hospital and arrangements may be made for those to be
25 done on an outpatient basis instead of in the

2 hospital. That's what happens today with our active's
3 plan. You may be told by an insurer that you
4 shouldn't be having your colonoscopy in the hospital,
5 that it's a traditional outpatient procedure, and
6 that's the type of review that will be done for prior
7 authorization.

8 SPEAKER ADAMS: Thank you. I just have one
9 more question, and then I'm going to turn it back
10 into the hands of our Chair and our Colleagues.

11 It has not been lost on any of us the
12 December 15, 2022, opinion of Martin Scheinman which
13 was referenced by the First Deputy Commissioner a
14 while ago, and there has been a lot of speculation
15 about that opinion, whether it is binding, whether it
16 is not binding. Can any of you articulate to all of
17 us what will occur if this Council does not amend the
18 Code?

19 FIRST DEPUTY COMMISSIONER POLLAK: Sure.
20 I'd be happy to. Thank you for the question, Speaker
21 Adams. I'll just say the Arbitrator has authority
22 under prior agreements we've made with the Municipal
23 Labor Committee regarding health savings if there's a
24 dispute to order the way forward to achieve those
25 savings, and that's exactly what he did. He

2 determined that the 600 million dollars in savings
3 must be achieved and that, if there is no amendment
4 to the Administrative Code that allows retirees to
5 buy up to stay in Senior Care, that the City must
6 move forward by doing what the court indicated to do
7 which is eliminate Senior Care or any other programs
8 having a cost to the City. I'll say that he also
9 further indicated that if we're not able to achieve
10 these savings through the Medicare Advantage plan
11 that co-premiums for active employees and pre-
12 Medicare retirees are inevitable.

13 SPEAKER ADAMS: I'll just piggyback off of
14 this, and then I'll stop for now. What is your honest
15 opinion? We just heard you lay out...

16 CHAMBERS: (Laughter)

17 SPEAKER ADAMS: Excuse us, please.

18 CHAIRPERSON DE LA ROSA: [GAVEL]

19 SPEAKER ADAMS: We're still in a hearing.
20 Thank you for your respect. We just heard you laid
21 what the Arbitrator's opinion is. What are your
22 honest thoughts about what will actually happen? Do
23 you believe that this opinion will go forth? Do you
24 believe that something else will happen, and then I
25 will stop and let my Colleagues continue.

2 FIRST DEPUTY COMMISSIONER POLLAK: Thank
3 you, Speaker Adams. Yes, I believe this opinion will
4 go forward. If we're not able to pass this amendment,
5 we will move forward with eliminating Senior Care as
6 an option. If for some reason that path doesn't work
7 out, we will need to look at alternative ways to
8 achieve those savings, and co-premiums are certainly
9 one of those possibilities.

10 SPEAKER ADAMS: Thank you for your
11 testimony. I will probably come back in another round
12 or so. Thank you.

13 FIRST DEPUTY COMMISSIONER POLLAK: Thank
14 you.

15 CHAIRPERSON DE LA ROSA: Thank you so
16 much. I also want to recognize we've been joined by
17 Council Members Krishnan and Hudson.

18 Okay, so I have a question about the
19 Council's role. If the Council were to adopt this
20 proposal, would the City and the MLC commit to
21 continuing to offer GHI Senior Care?

22 FIRST DEPUTY COMMISSIONER POLLAK: Thank
23 you, Chair De La Rosa, for the Queens. Yes, the
24 intention of the parties, of the City and the MLC,
25 has always been to offer Senior Care as a buyup plan.

2 If this amendment is passed, that will allow us to do
3 so, so that's our intention in asking for the
4 amendment and it's our intention of what we'll do if
5 the amendment passes.

6 CHAIRPERSON DE LA ROSA: Why is it
7 important for the City and the Municipal Labor
8 Committee to preserve GHI Senior Care as a health
9 insurance option in your opinion for retirees given
10 that there is that commitment?

11 FIRST DEPUTY COMMISSIONER POLLAK: We
12 believe that retirees should have a choice of plans.
13 We do believe the Medicare Advantage plan that we've
14 designed is an excellent plan. It's going to provide
15 very high-quality care. As Deputy Commissioner Levitt
16 laid out, it provides some important new benefits,
17 but if retirees are willing to pay a premium to keep
18 their Senior Care and, there's no loss of cost
19 savings to the City, we see no reason why they
20 shouldn't be allowed to do so. We understand people
21 have a fear of change in their health plans,
22 completely understandable, which is why that if we're
23 able to, we'd like to offer them the choice to keep
24 their plan by paying a premium.

2 CHAIRPERSON DE LA ROSA: What are the
3 existing options for paying for City employees and
4 retiree healthcare at this point?

5 FIRST DEPUTY COMMISSIONER POLLAK: I'm
6 sorry. Can you clarify the question? You mean for
7 employees and retirees to pay?

8 CHAIRPERSON DE LA ROSA: Yeah, what are
9 the existing options you see on the table as of this
10 moment?

11 FIRST DEPUTY COMMISSIONER POLLAK: The
12 City and the MLC are constantly exploring ways to
13 deliver healthcare more efficiently and save money.
14 As I mentioned, we are pursuing a procurement for a
15 new active health plan, and our goal there is to save
16 over a billion dollars. Unfortunately, even a billion
17 dollars doesn't cover the costs that we need to cover
18 the savings. We need to achieve 1.6 billion dollars
19 in savings, and the 600 million dollars in Medicare
20 Advantage savings is really an essential part of that
21 effort. If we don't, as I mentioned, we'll have to
22 look at some very difficult choices of how to achieve
23 those savings.

24

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1 CIVIL SERVICE AND LABOR 57

2 CHAIRPERSON DE LA ROSA: How much does the
3 City expect to pay monthly per person under the new
4 Medicare Advantage plan?

5 FIRST DEPUTY COMMISSIONER POLLAK: The
6 cost of Medicare Advantage to the City is 0 dollars,
7 and that's guaranteed for five years.

8 CHAIRPERSON DE LA ROSA: I guess this
9 question might be for OMB but whoever can answer, in
10 Fiscal Year 2023, how much did the City pay monthly
11 per person for GHI Senior Care including the medigap
12 coverage for Part B premium reimbursement? How much
13 did the City pay monthly per person for the HIP HMO
14 plan for that same year?

15 FIRST DEPUTY BUDGET DIRECTOR GODINER: The
16 cost of the Senior Care plan is approximately 200
17 dollars a month. I think it's 191. In addition to
18 that, the City paid the Medicare Part B premium which
19 totaled about 465 million in 2022.

20 CHAIRPERSON DE LA ROSA: 400...?

21 FIRST DEPUTY BUDGET DIRECTOR GODINER: And
22 65 million in 2022.

23 CHAIRPERSON DE LA ROSA: Okay.

24 FIRST DEPUTY BUDGET DIRECTOR GODINER:
25 With regard to the HIP plan, the plan for the

2 Medicare-eligible retirees, the HIP VIP plan, has a
3 premium I believe of \$7.50 per month.

4 CHAIRPERSON DE LA ROSA: Okay. We've
5 gotten a few questions about the Stabilization Fund.
6 Information provided to the Council by OMB shows that
7 the Health Insurance Stabilization Fund owed
8 approximately 1.8 billion dollars to the City as of
9 Fiscal Year '22. Can you break down that figure
10 further and identify how much of it is a result of
11 paying the cost of GHI in excess to the HIP HMO rate?

12 FIRST DEPUTY COMMISSIONER POLLAK: I can
13 start out by answering that and then turn it over to
14 Mr. Godiner. We can provide a full breakdown of all
15 the component costs, but the excess cost of the GHI
16 plan over the HIP HMO plan was 152 million dollars in
17 Fiscal Year '21, 414 million dollars in Fiscal Year
18 '22, and Fiscal Year '23 it's 536 million dollars.

19 CHAIRPERSON DE LA ROSA: Okay. Do you have
20 information about where the Healthcare Stabilization
21 Fund stands today?

22 FIRST DEPUTY BUDGET DIRECTOR GODINER: The
23 fund owes the City approximately 1.8 billion dollars
24 for prior year charges for which we are due
25 reimbursement.

2 CHAIRPERSON DE LA ROSA: Any more
3 information?

4 FIRST DEPUTY BUDGET DIRECTOR GODINER:
5 Sure. There are about 900 million dollars owed for
6 welfare fund reimbursements for payments that were
7 made to the union-administered welfare funds for
8 actives and retirees. There is approximately 900
9 million dollars of funds owed for the FY-22 Health
10 Settlement relating to the difference between the HIP
11 and the CBP plan. Those are the major areas. In
12 addition, there are prior year settlements and prior
13 year welfare fund reimbursements for which the City
14 is owed money.

15 CHAIRPERSON DE LA ROSA: What are the
16 risks to the City's budget if we can't realize the
17 annual savings of 600 million?

18 FIRST DEPUTY BUDGET DIRECTOR GODINER: The
19 savings that are expected to be achieved through the
20 Medicare Advantage will be paid to the Health
21 Stabilization Fund because that fund owes the City
22 substantial amounts of money. This would open a 600
23 million dollar a year hole in the City's budget.

24 CHAIRPERSON DE LA ROSA: Can you walk us
25 through the implementation of this plan and what that

2 looks like if and when Medicare Advantage is put in
3 place?

4 DEPUTY COMMISSIONER LEVITT: We anticipate
5 that we would implement this plan sometime in the
6 summer of 2023. We want to have about six months to
7 really educate and inform retirees about the program.
8 Aetna has planned over 200 in-person forums where
9 they will speak about the plan and also bring
10 counselors that can meet individually with retirees
11 to talk to them about any transition-of-care issues
12 and any of their concerns about the program. We'll
13 also have online meetings with retirees as well as
14 well as, of course, mailings and providing
15 communication materials to all the retirees. We
16 expect to have a very robust implementation, and
17 that's why we're not rushing to do it right away
18 despite the fact that the City is losing 50 million
19 dollars a month for every month that we delay.

20 CHAIRPERSON DE LA ROSA: Is there a plan
21 for retirees who live outside of the State?

22 DEPUTY COMMISSIONER LEVITT: We are
23 working out plans with Aetna for retirees that live
24 internationally. There's only a very small group of
25 retirees, something under 200 retirees that live

2 outside the country, and there will be a plan for
3 those retirees.

4 CHAIRPERSON DE LA ROSA: And outside-of-
5 the-State retirees, the same?

6 DEPUTY COMMISSIONER LEVITT: Outside of
7 the State, this is a national plan. It will be the
8 same throughout the country, and they have an
9 extensive network outside the State. In fact, one of
10 the complaints we often hear about the Senior Care
11 plan is that there's not a network outside of New
12 York.

13 CHAIRPERSON DE LA ROSA: So even in
14 situations where a retiree would need a particular
15 specialty or special type of care, you all are
16 expecting that Aetna's coverage is sufficient to fill
17 those needs?

18 DEPUTY COMMISSIONER LEVITT: Absolutely.
19 They have nationally, I think the number of
20 specialists I think the number is something over
21 400,000 specialists around the country.

22 CHAIRPERSON DE LA ROSA: Okay. At this
23 time, I'm going to pass over questions to our
24 Colleagues because there's an extensive list of

2 Colleagues who have questions. Reminding Colleagues
3 that we have three minutes for questions.

4 I'm going to call Council Member Lee
5 followed by Council Member Schulman.

6 COUNCIL MEMBER LEE: Hi everyone. Sorry I
7 can't be there in person. Can you hear me?

8 CHAIRPERSON DE LA ROSA: Yes, we can hear
9 you.

10 COUNCIL MEMBER LEE: Okay, great. Thank
11 you so much, Chair De La Rosa and Speaker Adams, for
12 hosting this hearing. This is definitely something
13 we've been following for a while and, just as a bit
14 of background myself, I was in the non-profit sector
15 and I'm a social worker and have worked extensively
16 with a lot of seniors in the City and so this is an
17 issue we've been seeing coming down the pike for a
18 while so I know that you're saying that there are an
19 extensive list of current providers that the retirees
20 will be able to access through this plan, but I guess
21 I'm just wondering do you have any more detailed
22 data? For example, have you guys taken a look at who
23 the current retirees are using in terms of providers
24 and how many and which percentage of them would also
25 be accepting the new plans? Also, in terms of a

2 larger question, sorry, I'll just go through my
3 questions for sake of time, also in terms of the
4 bigger picture, let's just say hypothetically we were
5 to change the Code, my fear with this is that what
6 are we doing about the general overall hospital,
7 healthcare costs because what about the Northwells,
8 right? I live on the border of Long Island and Queens
9 and have the conversations been had with (INAUDIBLE)
10 cost savings there and the Code changes don't change
11 the issues that these healthcare costs are going to
12 be increasing, right, so even if let's just say we
13 were to change the Code now, I don't think in a few
14 years we would be necessarily in a better state cost-
15 wise and so what are some of the additional things
16 that the MLC and OLR are looking into in terms of
17 cost-savings because I do think that this is going to
18 be an ongoing issue, and my fear to be quite honest
19 is that the people who will lose out the most are the
20 retirees that are the poorest, who cannot afford the
21 additional cost if they have to switch over so just
22 wanted to know if you could delve a little bit into
23 that. My final question is how are you addressing
24 this in terms of utilization because my understanding
25 is the way that the insurances work is that in order

2 to all settle on the costs of people who utilize the
3 healthcare system more you need to have a lot of
4 healthy people who are buying into the plan as well,
5 right, to balance that out so just wanting to know
6 what does that look like in terms of the members who
7 are active and how that would play into this whole
8 equation of balancing the healthcare costs?

9 FIRST DEPUTY COMMISSIONER POLLAK: Thank
10 you for the question, Miss Council Member. To start
11 with the first one, the percentage of providers. The
12 number from our testimony, the 95 percent, that is
13 based on the current providers that retirees see.
14 Again, that's 85 percent are in the Aetna network.
15 Another 10 percent already have in the past accepted
16 an Aetna Medicare Advantage plan so that's kind of
17 the baseline. Beyond that, we expect that number to
18 climb substantially because as Deputy Commissioner
19 Levitt testified to, there's no reason for a doctor
20 not to accept...

21 SERGEANT-AT-ARMS: Time expired.

22 FIRST DEPUTY COMMISSIONER POLLAK: This
23 plan. They're paid the same rate as original Medicare
24 so through our outreach efforts and Aetna's outreach
25 and education efforts, we expect that number to rise.

2 Regarding overall health costs, we agree
3 that we need to be constantly looking for savings to
4 address overall health costs. That's why we've put a
5 procurement for a new active and pre-Medicare retiree
6 plan, which we hope to efficiencies to provide
7 additional cost-savings, seeking savings of over 1
8 billion dollars.

9 In terms of this particular plan, it's
10 important to know that the cost of 0 dollars is
11 guaranteed for five years so no matter how much
12 general healthcare costs rise, the 0 dollar cost to
13 the City here is guaranteed for five years.

14 I'll turn it over to Deputy Commissioner
15 Levitt to address the questions about utilization.

16 Just one more note. I know you mentioned
17 the concern for lower-income retirees, which we
18 completely agree with and understand. I'll note that
19 the Medicare Advantage plan is a particularly good
20 plan for lower-income retirees. It has a lower
21 deductible, it has lower co-pays, it has additional
22 benefits including transportation, and we think these
23 benefits will really help our lower-income retirees.

24 DEPUTY COMMISSIONER LEVITT: I think you
25 raised a very important point about the fact that

2 hospital costs and healthcare costs are rising
3 constantly. This has been going on for decades now,
4 and it's very, very pronounced in New York City. We
5 are concerned about that, and we are committed to
6 maintaining premium-free coverage for both our
7 actives and for our retirees. What we're doing right
8 now on the actives plan is we have a procurement
9 right for bid to try to save up to a billion dollars
10 in healthcare costs through a new plan, and we don't
11 know yet what that plan would look like, but we are
12 looking at multiple different ways that we can save
13 money going forward. The opportunity with Medicare
14 Advantage is so pronounced because in a sense we're
15 getting the federal government to cover the costs of
16 our retirees so it gives us the ability to provide
17 the same and better coverage without it costing the
18 City the 600 million dollars we pay right now.

19 CHAIRPERSON DE LA ROSA: Thank you. I'm
20 going to call on Council Member Schulman followed by
21 Council Member Ariola.

22 COUNCIL MEMBER SCHULMAN: Thank you. I
23 want to thank the Speaker and Chair De La Rosa for
24 having this hearing today.

2 Here's my question. You talked about
3 Senior Care being sort of guaranteed for five years.
4 What happens after that five years?

5 FIRST DEPUTY COMMISSIONER POLLAK: Just to
6 clarify, Council Member, the 0-dollar cost for Aetna
7 Medicare Advantage is guaranteed for five years.

8 COUNCIL MEMBER SCHULMAN: So what happens
9 after the five years then?

10 FIRST DEPUTY COMMISSIONER POLLAK: There's
11 a cap on the increases that Aetna can make to the
12 rates. Claire, can you...

13 DEPUTY COMMISSIONER LEVITT: There are
14 caps that will be part of the contract after that,
15 but, under our agreement with the Municipal Labor
16 Committee, whatever those costs are, if they are
17 above 0 at that point, they will not be passed on to
18 our retirees. Our commitment remains to provide a
19 premium-free coverage for our retirees.

20 COUNCIL MEMBER SCHULMAN: I'm sitting
21 here, I'm listening to the testimony, and I'm trying
22 to wonder if Medicare Advantage is so great then what
23 do you need the Council to do here if you're going to
24 do that anyway? That's an issue for me. The other
25 thing too is that my understanding, and I don't know

2 if OLR is the right ones to ask, but if we vote to
3 amend the Administrative Code, we're taking away the
4 right of the seniors to continue to litigate this
5 matter in court. Is that correct?

6 FIRST DEPUTY COMMISSIONER POLLAK: Council
7 Member, thank you for the questions. In terms of why
8 it's important to pass this amendment, we believe
9 choice of plans is very important, and the Municipal
10 Labor Committee, I'm sure you'll hear from, I believe
11 thinks the same thing. Many employers provide a
12 single plan and that's it, and they say this is the
13 plan we provide, you're stuck with it whatever it is,
14 and that includes many employers who have
15 transitioned to a Medicare Advantage plan. We, with
16 our active plan and retiree plans, have historically
17 provided the choice to employees, and it's important
18 to us to continue to do so, so that's why we really
19 want this amendment to be able to provide this
20 choice.

21 In terms of this amendment affecting the
22 opportunity to litigate this further, I think the
23 Administrative Code in its current form as the court
24 held pretty clearly allows the City to pursue the
25 alternative it would pursue if this amendment weren't

2 passed, which is to eliminate Senior Care. The
3 decision explicitly said we could do that so I think
4 failure to pass this amendment would have the same
5 impact on the litigation because the City would
6 proceed along that path.

7 COUNCIL MEMBER SCHULMAN: That's a long
8 answer to the question, but I appreciate it very
9 much.

10 I also want to ask have any other
11 resolutions or ideas been considered because I can't
12 believe that at this late stage the only option we
13 have is to put this on the back of the retirees or
14 put this on somebody else's lap so that's what I want
15 to know. Also, as part of that, were the retirees
16 consulted on any of this?

17 FIRST DEPUTY COMMISSIONER POLLAK: I would
18 say we don't believe this is on the backs of
19 retirees. As we said, we believe this is a very
20 strong plan, but I will say that we are constantly
21 exploring every possible avenue for health savings.
22 We have not left any stone unturned. We've been
23 working together for over eight years on this. We
24 have experts that we both consult with, the City and
25 the MLC, and we have been constantly engaging and

2 trying to find every opportunity to achieve savings.
3 As part of this process, we obviously worked with our
4 partners at the Municipal Labor Committee who
5 represent the interests of their active members and
6 the retirees, and we worked closely with them, and I
7 think the collaboration we've had with them
8 throughout this process is really remarkable in the
9 labor relations world, and we want to continue to do
10 so.

11 COUNCIL MEMBER SCHULMAN: I just want to
12 say one quick thing, Chair, if that's okay. I just
13 want to say I looked through the testimony that you
14 gave including the charts about Senior Care and so in
15 addition to the 191 dollars a month, there's co-pays
16 and other costs here so that's really, to me, not an
17 option to folks that have made very little money and
18 are trying to get by on their Social Security and
19 their pensions. Thank you very much, Chair.
20 Appreciate it.

21 CHAIRPERSON DE LA ROSA: Thank you.
22 Council Member Ariola followed by Brooks-Powers.

23 COUNCIL MEMBER ARIOLA: Thank you, Chair.
24 Throughout your testimony, you refer to the Martin
25 Scheinman document as an order when it is actually an

2 opinion because in order for it to be an order than
3 there would had to have been a dispute, and there was
4 no dispute so I'd like to know why do you keep
5 referring to an order when it is an opinion?

6 FIRST DEPUTY COMMISSIONER POLLAK: Thank
7 you, Council Member. Respectfully, I would say there
8 was a dispute. The dispute was that the City and the
9 MLC had agreed to certain health savings in prior
10 agreements, and those savings, largely as a result of
11 the delay in implementation of Medicare Advantage,
12 had not been realized, and the City requested a
13 resolution to that failure to achieve those savings
14 so it was on the basis of that that the Arbitrator
15 had the authority to resolve that dispute and tell us
16 what the path forward was.

17 COUNCIL MEMBER ARIOLA: But on Martin
18 Scheinman's actual order or recommendation, it says
19 it is my recommendation, doesn't say order, it says
20 recommendation.

21 I just also want to go to, because I
22 don't think it was clearly stated by you, I know that
23 you intend to do outreach if your measure passes, but
24 what specific outreach did you have with the members
25 and the retirees because to our knowledge there was

2 no outreach, and this came as much of a surprise to
3 them as it did to this Council?

4 FIRST DEPUTY COMMISSIONER POLLAK:
5 Referring to the Scheinman decision, I'd just say
6 that the City did ask the Arbitrator to resolve the
7 dispute, and that's what we believe happened.

8 COUNCIL MEMBER ARIOLA: I'm not talking
9 about that anymore. What outreach did you do?

10 FIRST DEPUTY COMMISSIONER POLLAK: I'll
11 turn it over to Deputy Commissioner Levitt to talk
12 about the outreach under the prior insurer...

13 COUNCIL MEMBER ARIOLA: Prior.

14 FIRST DEPUTY COMMISSIONER POLLAK: As we
15 know, initially the provider was going to be the
16 Alliance.

17 COUNCIL MEMBER ARIOLA: No. I'm sorry.
18 Just a minute. That's not, there was no previous
19 outreach. That's obvious in your roundabout answers,
20 but I just want a yes or no to my Colleague, Lynn
21 Schulman's question, if the Administrative Code is
22 changed, does that negate the chance for our retirees
23 to go to litigation? Yes or no?

24

25

2 FIRST DEPUTY COMMISSIONER POLLAK: No,
3 they always have a right to litigate whatever they
4 choose.

5 COUNCIL MEMBER ARIOLA: That is not true.

6 CHAIRPERSON DE LA ROSA: Thank you for
7 your questions. Majority Whip Brooks-Powers and
8 Council Member Kagan.

9 MAJORITY WHIP BROOKS-POWERS: Thank you.
10 Thank you, Speaker Adams. Thank you, Chair De La
11 Rosa, for your leadership on this very tough issue.

12 We've all heard from thousands of
13 retirees over the course of the last few months, and,
14 for me and I'm sure many of my Colleagues share this
15 perspective, it's important for us to make sure that
16 we are not leaving our retirees vulnerable and in a
17 challenging state so I just have a couple of
18 questions in terms of looking for clarification
19 because obviously we've been getting a lot of
20 incoming so I'm just trying to know what's fact and
21 what's not.

22 A couple of questions. Can you detail
23 what happens if the Council fails to pass this
24 legislation because we've heard a couple of different
25 things? I just want to understand what legal options

2 will remain available to the retirees if we pass the
3 legislation versus if we do not? I know it was asked
4 before, but I was not really clear on that response.

5 What sorts of choices might the Council
6 have to make after litigation is pursued in order of
7 like plugging whatever financial gap there is?

8 FIRST DEPUTY COMMISSIONER POLLAK: Thank
9 you, Council Member. In terms of how this would
10 proceed if the amendment is not passed, if the
11 amendment is not passed, this City will move forward
12 with implementing the Medicare Advantage plan this
13 summer and, as part of that, when that plan is
14 implemented, Senior Care and any other plan that has
15 a cost to the City will be eliminated.

16 MAJORITY WHIP BROOKS-POWERS: Does that
17 mean that their choice will be removed essentially?

18 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

19 MAJORITY WHIP BROOKS-POWERS: There's been
20 requests for a Blue Ribbon Commission. Can you talk
21 about the feasibility of establishing Blue Ribbon
22 Commission to identify ways that the City can save on
23 healthcare savings and also why hasn't that been
24 something used from the toolbox up until now?

2 FIRST DEPUTY COMMISSIONER POLLAK: As we
3 have said, we've been working with Municipal Labor
4 Committee including the Tripartite Committee, many
5 other Committees including experts from renowned
6 healthcare consultants to look at health savings over
7 the last almost 10 years. We've been engaged on that
8 effort on a constant basis. We certainly welcome
9 input from anyone else, but this is not something we
10 have not looked at or ignored. We've been looking at
11 this practically every day.

12 MAJORITY WHIP BROOKS-POWERS: And you
13 haven't see the need for the Blue Commission, like
14 why hasn't one been put together?

15 FIRST DEPUTY COMMISSIONER POLLAK: I am
16 not familiar with the proposal so I can't speak to
17 it, but we'd certainly look at any proposal.

18 MAJORITY WHIP BROOKS-POWERS: Thank you.

19 CHAIRPERSON DE LA ROSA: Thank you. I also
20 want to recognize we've been joined by Council Member
21 Velazquez. Now going to Council Member Kagan followed
22 by Paladino followed by Barron.

23 COUNCIL MEMBER KAGAN: Thank you very
24 much. I have questions about pharmaceutical coverage.
25 If a Medicare-eligible retiree has their own stand-

2 alone private pharmacy or their own supplemental
3 private pharmacy plan, would they have to give up
4 this plan to join the Medicare Advantage program?

5 DEPUTY COMMISSIONER LEVITT: If they have
6 a private pharmacy plan that's an individual Part D
7 plan that they have purchased from Medicare, they
8 would not be able to keep that. They would have to
9 purchase the Aetna plan. If they have coverage
10 through a spouse or some other coverage that's not
11 through a Medicare Advantage plan, they could keep
12 that. There are also people who have limited welfare
13 fund coverage and want to be able to purchase the
14 rider on top of that limited welfare fund coverage,
15 and we've made arrangements for that as well, but
16 it's a Medicare rule that you can't have a Medicare
17 Advantage plan and then an individual Part D drug
18 program.

19 COUNCIL MEMBER KAGAN: Another question,
20 did you consider other savings besides what you're
21 suggesting like to lower exorbitant cost of private
22 hospital charge, also like (INAUDIBLE) fraud of
23 insurance companies to other measures that will find
24 more than 600 million dollars a year I guarantee you.

2 DEPUTY COMMISSIONER LEVITT: We have been
3 implementing changes to the plan since I came on
4 board in 2014. We've identified in the first round of
5 healthcare savings we negotiated with the MLC 3.4
6 billion dollars in savings and then in Fiscal '19
7 through '21 another 1.1 billion dollars in savings.
8 We have looked every possible way. We have done
9 audits of our insurance carriers. We have done audits
10 to make sure that dependents that are on the plan are
11 eligible dependents. We used behavioral economic
12 techniques to encourage people not to go to the
13 emergency room by putting 150-dollar co-pay on the
14 emergency room unless you're admitted to the hospital
15 and 50 dollars on urgent care to encourage people to
16 go to primary care doctors instead of urgent care or
17 the hospital, and we were successful in reducing the
18 number of emergency room admissions and urgent care
19 admissions. We have looked at everything. What's such
20 a great opportunity for the City with this Medicare
21 Advantage plan is that because the federal government
22 is paying for it, we're able to not cut any benefits.
23 We're able to give our retirees even better coverage
24 than they have right now without the City paying for
25 it. It's a unique opportunity, and it's an

2 opportunity that's been pursued by most of the states
3 around us, the State of New Jersey, the State of
4 Connecticut, Pennsylvania, Ohio, they've all
5 implemented, and when they implemented they
6 implemented Medicare Advantage only with no choice.

7 COUNCIL MEMBER KAGAN: I represent
8 Southern Brooklyn. I do not represent Pennsylvania.
9 I'm sorry.

10 CHAIRPERSON DE LA ROSA: Thank you,
11 Council Member Kagan. Council Member Paladino
12 followed by Council Member Barron.

13 COUNCIL MEMBER PALADINO: Good morning,
14 everybody. I can't tell you when I look around the
15 gallery and the Chambers how it warms my heart to see
16 all of you here today. You, indeed, brought your
17 voices to City Hall, and that's why we represent you,
18 the people, so it gives me great pride as a senior
19 citizen myself to say welcome to City Hall. Your
20 voices will be heard here today.

21 I want to start first with saying Martin
22 Scheinman's document is a transparent and futile
23 attempt to make it seem like the City is being
24 ordered to take away traditional Medicare from
25 retirees. The document does not and cannot require

2 the City or anyone else to do anything, and the City
3 Council should not be assisting him in this charade
4 amending Section 12-126. Give the retirees the chance
5 to fight and win in court with the current version of
6 Section 12-126, which has existed for over half a
7 century. If they lose, the City Council can always
8 amend the statute later.

9 Now, here's a question. I'd like to know
10 where the 600-million-dollar figure came from? Isn't
11 the UFT and the MLC responsible for repaying the 1
12 billion that was used for the schoolteachers' wages...

13 CHAIRPERSON DE LA ROSA: [GAVEL] All
14 right. Please, remember this. Thank you so that we
15 don't interrupt Council Member Paladino's time. Thank
16 you.

17 COUNCIL MEMBER PALADINO: Raise your hands
18 (ASL for applause), don't (mimes clapping). Okay. And
19 why are we putting this on the retirees? If you take
20 away 12-126 cap, how does this protect the Senior
21 Care? If you take away the 12-126 cap, how does that
22 protect actives? Why would you impose premiums on
23 retirees on fixed-income pensions of 191 dollars a
24 month for Senior Care which pays for less than 20
25 percent of the retiree's healthcare costs and not

2 impose costs on the active employees whose insurance
3 pays for all costs? Thank you.

4 FIRST DEPUTY COMMISSIONER POLLAK: Just to
5 start with the first question about the 600 million
6 dollars. The parties had agreed to pursue this plan
7 and any savings achieved from that plan would be
8 redirected to the Stabilization Fund. The 600 million
9 dollars is based on the fact that the bids we got
10 that the insurers are willing to provide this program
11 are zero cost so 600 million dollars is what we
12 currently pay for Senior Care and other plans that
13 have a cost so that's where that comes from. It's
14 simply unrelated to the 1 billion dollars you
15 referenced from the 2014 health savings agreement.

16 I want to go on to your question about
17 why we're doing this with retirees.

18 COUNCIL MEMBER PALADINO: I'd like to know
19 why isn't the UFT responsible for repaying the
20 billion dollars that (INAUDIBLE)

21 CHAIRPERSON DE LA ROSA: Thank you,
22 Council Member Paladino. You asked your questions.
23 Please let's allow them to respond. Thank you so
24 much.

2 FIRST DEPUTY COMMISSIONER POLLAK: I'm not
3 going to answer for a union on something about what
4 they did, but the billion dollars you referenced,
5 that was pursuant to an agreement with the Municipal
6 Labor Committee in 2014 to withdraw that money to
7 support the labor agreements in that round of
8 bargaining. I'll also note that that 1 billion
9 dollars is a one-time 1 billion dollars. What we're
10 talking about here is 600 million dollars per year
11 every year for at least the next five years and if
12 it's not 600 million beyond that it'll still be a
13 substantial amount because of the caps on rate
14 increases that we mentioned.

15 CHAIRPERSON DE LA ROSA: Thank you. You
16 said another thing, yes. Can you go on the next round
17 because we have about 14 other Colleagues. It's okay.
18 Second round, Paladino, we got you. Council Member
19 Barron followed by Council Member Nurse.

20 COUNCIL MEMBER BARRON: Thank you very
21 much. It's interesting how facts can be so
22 conflicting. It's interesting how when facts are
23 presented that the facts on one side, the facts on
24 another side, what is the facts? It's very confusing,
25 and there was no objective presentation to this

2 Council where they said we will present the facts,
3 but when we look at the facts there's some refutable
4 evidence of these facts.

5 I want to start off with asking a
6 question about Aetna and then I'll ask other
7 questions and since I only have three minutes I'll
8 ask the questions, say what I have to say, and then
9 you can respond to the question. Is Aetna under
10 investigation and it's parent company CVS, are they
11 under investigation, number one, and, number two, I
12 would never, ever, and no black person in this
13 audience, no person of goodwill in this audience
14 should ever support Aetna getting a contract from the
15 government because this is the same company that
16 provided insurance to slaveholders during the
17 enslavement period and when we took them to court
18 they admitted and said yeah, we did it, sorry, and
19 that was it, so we should not be doing any business
20 with a corporation, a company like Aetna that was
21 engaged in the slave trade in the slave era.

22 Having said that, I think that we're
23 going to have problems with the prior authorization
24 part, that's going to be a problem. I think that the
25 healthcare system that the retirees have now, I think

2 that we should honor and respect that. I think also
3 we're talking 600 million dollars out of a 104
4 billion dollar City budget, and there's a 220 billion
5 dollar State budget so I think 600 million dollars
6 out of a 104 billion and we have a reserve fund of
7 8.3 billion already and you already gave the police
8 11 billion and cut the education by 400, now we want
9 our seniors, our retirees to pay and some of them
10 were making 30, 40...

11 CHAIRPERSON DE LA ROSA: Thank you,
12 Council Member Barron.

13 COUNCIL MEMBER BARRON: I'll finish in a
14 second. 30 and 40,000 dollars, 50,000 dollars, and
15 now they have to take that, pay 191 a month, and if
16 there's two or three in the house, that's two, three,
17 four, I want to unequivocally say we should vote no
18 on this, and I unequivocally support our retirees.

19 CHAIRPERSON DE LA ROSA: Thank you. All
20 right, no clapping, please. Every time we clap, it
21 takes time away from answering the question or asking
22 the question. There are over 100 people registered to
23 testify today and so please let's be patient.

24 SPEAKER ADAMS: There's another reason why
25 we refrain from applause in the gallery. It is so

2 that the hearing impaired may participate, right.

3 They cannot hear us when we do this (clapping). When
4 we do this (ASL for applause), it's participation for
5 our hearing impaired as well. Thank you, Madam Chair.

6 FIRST DEPUTY COMMISSIONER POLLAK: The
7 question I believe was about investigation. I'm not
8 sure when that investigation would be, but we can
9 look into it further.

10 CHAIRPERSON DE LA ROSA: Thank you.
11 Council Member Nurse followed by Council Member
12 Bottcher.

13 COUNCIL MEMBER NURSE: Thank you, Chair.
14 Thank you to everyone who's here today. I just have a
15 few questions for more context information.

16 One of the things that was testified is
17 that there has been the threat that co-premiums for
18 active employees would increase. Can you give a
19 concrete estimate of what that would be?

20 FIRST DEPUTY COMMISSIONER POLLAK: I think
21 we would have to get back to you with details on
22 that. I believe in the award the Arbitrator
23 referenced approximately 1,200 dollars per year, but
24 I would have to get back to you more concrete
25 numbers.

2 COUNCIL MEMBER NURSE: Okay. I would love
3 to get that followup. Council Member Schulman had
4 asked about the cap after five years. Can you give
5 more details about this? Is there a percentage? Is
6 there a number you can share with us that's in your
7 conversations?

8 DEPUTY COMMISSIONER LEVITT: I'll have to
9 get back to you with the details on that. I don't
10 have the contract draft with me, but there are
11 specific caps in it, and it's pretty low. The premium
12 would be.

13 COUNCIL MEMBER NURSE: It's low, but you
14 don't have a number or percentage to offer?

15 DEPUTY COMMISSIONER LEVITT: I think it
16 was actually a dollar amount.

17 FIRST DEPUTY COMMISSIONER POLLAK: We can
18 get back to you with details, Council Member, on what
19 the caps are beyond the five years. I believe it was
20 dollar amounts, and there may have been also certain
21 restrictions based on what happens what happens with
22 Medicare reimbursement.

23 COUNCIL MEMBER NURSE: But you'll follow
24 up with a more concrete miracle?

2 FIRST DEPUTY COMMISSIONER POLLAK: Yes,
3 absolutely.

4 COUNCIL MEMBER NURSE: Great. Two more
5 quick questions. The 15 dollar co-pay to certain
6 benefits in the Senior Care plan that you would have
7 implemented that was agreed upon between the MLC and
8 the City, what savings would that have produced?

9 DEPUTY COMMISSIONER LEVITT: We did
10 implement that.

11 FIRST DEPUTY COMMISSIONER POLLAK: Yeah,
12 just to clarify. That was implemented in 2022, but
13 you're looking for how much savings that produced?

14 COUNCIL MEMBER NURSE: Yes.

15 FIRST DEPUTY COMMISSIONER POLLAK: Just
16 give us a moment to see if we have that.

17 COUNCIL MEMBER NURSE: No problem.

18 CHAIRPERSON DE LA ROSA: As we prepare for
19 that answer, it will be Council Member Bottcher
20 followed by Council Member Brewer.

21 FIRST DEPUTY COMMISSIONER POLLAK: I think
22 we'll have to get back to you with that as well.

23 COUNCIL MEMBER NURSE: Okay, no problem.
24 It seems we need a lot of followup. My last question,
25 and it is the last one, Chair De La Rosa or somebody

2 had asked about some of the preauthorized things. In
3 the testimony, you said only 1 percent of all claims
4 would require preauthorization. Could you give a
5 little more specificity on what types of claims those
6 would be?

7 DEPUTY COMMISSIONER LEVITT: I can. We
8 have a listing from Aetna of the types of procedures
9 that would be subject to prior authorization...

10 CHAIRPERSON DE LA ROSA: Can you go a
11 little closer to the mic and speak up a little bit
12 louder? Thank you.

13 DEPUTY COMMISSIONER LEVITT: Sorry. We do
14 have a list of things that would require prior
15 authorization, and, as I said, it eliminated a lot of
16 the prior authorization for items like MRIs and PET
17 scans and CAT scans. Inpatient stays would still
18 require prior authorization. Certain types of
19 surgeries would require prior authorization. Certain
20 types of durable medical equipment would require
21 prior authorization. Spinal procedures,
22 reconstructive procedures, and certain medications.

23 COUNCIL MEMBER NURSE: Do you think you
24 could follow up with just a list more comprehensively
25 so we could have that?

2 DEPUTY COMMISSIONER LEVITT: Yes, I will
3 send you the entire list of services that require
4 preauthorization.

5 COUNCIL MEMBER NURSE: Thank you. Thank
6 you, Chair.

7 CHAIRPERSON DE LA ROSA: Thank you. If you
8 could submit to that to the Committee, we'd like to
9 look at that. Council Member Bottcher followed by
10 Council Member Brewer.

11 COUNCIL MEMBER BOTTCHER: Hi. What I'm not
12 hearing a lot about today is what has gotten us into
13 this situation which is the private hospital systems
14 that have been engaging in price gouging and
15 overcharging for years and years and who are
16 continuing to do it. We all know about the 1,000-
17 dollar COVID tests that City workers have been
18 charged for, and what I'd like to know is what the
19 Adams' administration is doing to address price
20 gouging. Council Member Menin has a bill that many of
21 us are cosponsoring that would require hospitals to
22 be transparent about their pricing. What are you
23 doing about price gouging in hospitals?

24 DEPUTY COMMISSIONER LEVITT: To begin
25 with, that affects our active plan very

2 significantly. It does not affect the retirees plan
3 because in both Medicare and Medicare Advantage the
4 hospitals are paid at the Medicare-allowable rates
5 which are much lower than the commercial rates that
6 we pay for our actives. We have been very, very
7 concerned about hospital pricing, and I'm sure you've
8 seen some of the information about the difference
9 between pricing at different hospitals. We have tried
10 over the years to negotiate with some of the higher-
11 priced hospitals to see if we could get better
12 discounts for the City, and we have been basically
13 met with deaf ears by the hospitals. What we're
14 looking at now is in our procurement, we're looking
15 for different strategies to address the hospital
16 pricing, whether it be changing our hospital network
17 or setting fixed fees. We've gone out to all the
18 local insurers and asked them for all of their
19 concepts for us to consider on how to address
20 pricing, and the largest part of that pricing is
21 hospital and running a close second in terms of high
22 pricing is prescription drugs. In both of those
23 areas, we're looking for new strategies to address
24 them, but it really isn't relevant to the retirees'
25 coverage.

2 COUNCIL MEMBER BOTTCHEER: I understand
3 that what we're talking about today is an effort to
4 pass those costs along to the feds, but what we're
5 not hearing about, what I'm not seeing is any anger
6 or passion about what's happening in our private
7 hospitals, and I'd like to see a lot more effort put
8 into stopping this overcharging and this price
9 gouging.

10 CHAIRPERSON DE LA ROSA: Thank you,
11 Council Member.

12 DEPUTY COMMISSIONER LEVITT: I just want
13 to comment that I don't know you and you don't know
14 me, but this is one of my passions. I've been
15 exceptionally angry and exceptionally focused about
16 the price gouging, especially by particular hospitals
17 that I think have been outrageous in their pricing
18 and have expressed no willingness to work with the
19 City or anybody else to reduce those prices, and it
20 is actually one of the passions that brought me to
21 City government. I was fighting it on a much smaller
22 scale with a smaller fund, a smaller trust fund,
23 where I was executive director of a trust fund, and
24 it actually is one of my passions, and I would be
25 glad to talk to you further about it.

2 COUNCIL MEMBER BOTTCHEER: Thank you.

3 CHAIRPERSON DE LA ROSA: Thank you.

4 Council Member Brewer followed by Council Member
5 Krishnan.

6 COUNCIL MEMBER BREWER: Thank you very
7 much and thank you to the Chair and the Speaker.

8 I'm sure there are people who will
9 testify today because they have told me that they
10 have cancer and they have a particular prescription
11 that they need maybe for blood thinner or something
12 else and they're able to get it now. The doctors have
13 told them that they would not be able to get it under
14 managed care so how do you handle that question. Now,
15 maybe the doctors don't know what they're talking
16 about, maybe you have a different plan than what the
17 doctors know, but that is the universal discussion
18 that is going on today so how do we answer that?

19 DEPUTY COMMISSIONER LEVITT: I can
20 completely appreciate that fear that retirees would
21 have that their drugs would be discontinued, but what
22 we know from Aetna and from the plan that we've
23 negotiated is that the drug formulary that we have is
24 the same as the drug formulary that they have under

2 Senior Care and that they will be able to get the
3 same treatments that they were getting before.

4 COUNCIL MEMBER BREWER: Okay. I know you
5 say that. I'm just letting you know nobody believes
6 it.

7 DEPUTY COMMISSIONER LEVITT: I hear the
8 distrust in the room, and I think it's up to us in
9 the administration and up to Aetna to address that
10 distrust and address those fears. That's one of the
11 reasons that Aetna plans to bring people to the in-
12 person meetings to meet individually with retirees
13 and talk to them about their specific situations.

14 COUNCIL MEMBER BREWER: Okay. This is a
15 money issue because we're all trying to find money,
16 how much did the City spend on GHI Senior Care and
17 the retiree Medicare plans in FY '19, '20, and '21
18 compared to the projected 600 million dollars per
19 year?

20 DEPUTY COMMISSIONER LEVITT: The 600
21 million dollars is what we spent.

22 COUNCIL MEMBER BREWER: Each one of those
23 years?

24 DEPUTY COMMISSIONER LEVITT: It was
25 probably a little bit lower prior years.

2 FIRST DEPUTY BUDGET DIRECTOR GODINER:

3 It's been trending up, and we mentioned that in the
4 testimony, that back in 2000 we were spending about
5 200 million so you can see where the trend has been.

6 COUNCIL MEMBER BREWER: Those were the
7 numbers that you listed earlier?

8 FIRST DEPUTY BUDGET DIRECTOR GODINER:

9 Yeah, that was in the testimony.

10 COUNCIL MEMBER BREWER: Okay.

11 FIRST DEPUTY BUDGET DIRECTOR GODINER: I
12 don't have those particular Fiscal Years.

13 COUNCIL MEMBER BREWER: Okay.

14 FIRST DEPUTY COMMISSIONER POLLAK: Yeah.
15 We can provide those specific Fiscal Years.

16 COUNCIL MEMBER BREWER: Okay, I would
17 appreciate that. Thank you. Second is how much has
18 the City saved, again on the money issue, trying to
19 find money, on providing new hires with HIP as the
20 only option, what percentage of those new employees
21 changed coverage to another plan after the one-year
22 waiting period, and what are the additional savings
23 accruing based on this factor?

24 DEPUTY COMMISSIONER LEVITT: I think we'll
25 have to get back to you with the exact number on the

2 savings. What I can tell you is that people do seem
3 to be satisfied with the HIP HMO coverage when
4 they've gone into it, and over 95 percent of the
5 first-year City employees that have gone into HIP
6 have stayed in the HIP program.

7 COUNCIL MEMBER BREWER: Did you say 95
8 percent have stayed in the HIP program? That's what
9 you're saying?

10 DEPUTY COMMISSIONER LEVITT: Yes.

11 COUNCIL MEMBER BREWER: Okay. Finally, why
12 not continue to offer Senior Care premium-free while
13 marketing these supposed advantages of Aetna's plan
14 and encouraging retirees to join? That would generate
15 some savings. 600 million dollars isn't enough to
16 solve the Stabilization Fund savings issues.

17 FIRST DEPUTY BUDGET DIRECTOR GODINER: Any
18 subsidy will reduce the amount we save, and we also
19 fear that it would endanger the procurement which was
20 not set up to have a subsidized Senior Care option.

21 COUNCIL MEMBER BREWER: Okay. I think
22 we're all trying to say is there is hopefully another
23 way to get to what we're all trying to do. We
24 understand on both sides of the coin we have a 600
25 million dollar gap that could be increasing, but we

2 have, whether it's distrust, whether it is reality of
3 not having the correct amount of senior support in
4 terms of their medical, and I have to say it was a
5 promise, it may not have been a promise but it was a
6 promise, and that's why I am so concerned about this
7 particular plan, but I appreciate that you're doing.
8 I know you are caring about the same population as we
9 do, but there is a lack of trust that whatever Aetna
10 is going to offer is going to be what takes care of
11 the people who are perhaps our most treasured former
12 employees. Thank you.

13 CHAIRPERSON DE LA ROSA: Thank you,
14 Council Member. Council Member Krishnan followed by
15 Council Member Hudson.

16 COUNCIL MEMBER KRISHNAN: Good morning and
17 thank you so much for your testimony today. I just
18 have a few questions. First, I want to say thank you
19 to Speaker Adams and Chair De La Rosa for hosting
20 today's hearing.

21 My first question is health insurance,
22 healthcare is a very complex field. There's a lot of
23 statistics and terminology being used, but I want to
24 keep it very simple and reduce it to just a couple of
25 basic issues. First is as you're probably aware there

2 have been a number of reports and investigations
3 about Medicare Advantage and the problems associated
4 with it. There was a full New York Times expose.
5 There was a report by the federal government, by the
6 Department of Health and Human Services that I read
7 about all the issues with Medicare Advantage and so,
8 knowing that, how do you respond to the problems and
9 concerns raised by our own federal government and
10 others about concerns from denial of care, having to
11 seek numerous approvals that were denied about it,
12 how would you respond to those charges and findings?

13 DEPUTY COMMISSIONER LEVITT: We read the
14 same New York Times articles, and I think it's true
15 that practices of some Medicare Advantage plans have
16 been appropriately by the New York Times and by
17 others, but we feel confident that the plan that
18 we've developed with Aetna is not going to be subject
19 to those issues. First of all, it's a PPO plan and
20 not an HMO plan so a retiree can see any Medicare
21 provider. We also negotiated with Aetna to remove
22 more than 70 percent of the prior authorization
23 requirements that were a discussion of most of these
24 articles. We also intend to oversee this program with
25 a great deal of attention. The individual market

2 Medicare Advantage plans, which really were the ones
3 that were the subject of the New York Times' article,
4 don't have that kind of oversight, and we intend to
5 be looking at reports, and we intend to be addressing
6 any kinds of issues that come up. Our retirees will
7 have not just the people at Aetna but the people at
8 OLR and the people at the Municipal Labor Committee
9 to go to with any kinds of issues that come up. We
10 have performance guarantees in our contracts with
11 significant financial penalties if they don't meet
12 certain requirements so we're not unaware of the
13 issues that you raised, but we've taken steps to
14 address those issues in our agreement.

15 COUNCIL MEMBER KRISHNAN: All right, and I
16 just have two more questions too on these points. My
17 second question is this matter it seems to me has not
18 been fully litigated in the courts yet or at least to
19 the extent that it has it was a judicial ruling that
20 went the other way from the proposed change being
21 sought. Can you specifically explain what the
22 proposed amendment that you all are seeking the
23 impact on the litigation that the retirees who want
24 their day in court are seeking and not in terms of
25 file a lawsuit but specifically what claims because I

2 imagine if we take legislative action it will have an
3 effect so what claims will be precluded from that
4 lawsuit and what claims will survive it?

5 FIRST DEPUTY COMMISSIONER POLLAK: Thank
6 you, Council Member. I'll try to answer that. I think
7 there are two paths forward. One with this amendment
8 and we charge retirees a premium to remain in Senior
9 Care, they would not have the opportunity to say the
10 Administrative Code prevents it because we've just
11 amended it to allow that. If the Code is not amended
12 and we move forward with eliminating Senior Care, I
13 think similarly there's no route for them to litigate
14 successfully based on the Administrative Code because
15 the court said that we could do that, the court
16 already said that we could eliminate Senior Care,
17 that we don't have to offer a specific plan, and we
18 could move forward on that basis. As to other claims
19 that retirees may have or retiree groups, if they're
20 based on other statutes, they could continue to
21 litigate those.

22 COUNCIL MEMBER KRISHNAN: Thank you.

23 Before I ask my question, That's...

24

25

2 CHAIRPERSON DE LA ROSA: (INAUDIBLE)

3 Please wrap because we have about 10 more members on
4 this list and then second round.

5 COUNCIL MEMBER KRISHNAN: Thank you,
6 Chair. Last question is just that's my concern is
7 that the hard litigation would be removed if this
8 goes forward, but, given all of that, the
9 investigations, the effect on the litigation, can you
10 explain, as I said before, health insurance is very
11 complicated, can you explain in 10 seconds because
12 clearly I'm over time too how this would be good for
13 a senior on fixed income that can't afford to pay the
14 200 dollars a month if the Code is changed, has a
15 number of health ailments, can you explain in 10
16 seconds how this would be a good benefit for seniors?

17 DEPUTY COMMISSIONER LEVITT: I think
18 actually this is a great benefit for seniors on a
19 fixed income, that it has a lower deductible, it has
20 lower co-pays, it provides additional benefits like
21 the transportation benefits and the Healthy Meals
22 benefit that they don't have right now. I actually
23 think that this is a much better plan for retirees in
24 general but specifically for low-income retirees.

2 FIRST DEPUTY COMMISSIONER POLLAK: I
3 apologize. I know this is more than 10 seconds, but
4 I'd also add the out-of-pocket maximum, the fact that
5 there's no out-of-pocket maximum under the current
6 Senior Care plan, the Medicare Advantage plan we're
7 proposing would have a 1,500 dollar out-of-pocket
8 maximum. That's a degree of protection that would be
9 very important for low-income retirees.

10 CHAIRPERSON DE LA ROSA: Thank you. I want
11 to recognize that we've been joined by Deputy Speaker
12 Ayala, Majority Leader Powers, and Council Member
13 Gutierrez. Up next is Council Member Hudson followed
14 by Council Member Restler.

15 COUNCIL MEMBER HUDSON: Thank you so much,
16 Chair. Simply put, what can the City do right now to
17 ensure that every retiree continues to receive Senior
18 Care at no cost to them?

19 FIRST DEPUTY COMMISSIONER POLLAK: I would
20 say that the only way to have Senior Care at no cost
21 to retirees is for the City to pay that cost and, if
22 we're not able to achieve the 600 million dollars in
23 savings through this effort, than we're going to have
24 to look at other hard choices including as the
25 Arbitrator mentioned co-premiums on active employees.

2 COUNCIL MEMBER HUDSON: Okay, thank you.

3 Then what was the opt-in rate for GHI Senior Care
4 when the City offered retirees with the choice to
5 maintain their current care for a 191-dollar monthly
6 fee?

7 FIRST DEPUTY COMMISSIONER POLLAK: In July
8 at the time that the previous provider withdrew, I
9 believe there were around 63,000 opt-outs out of
10 250,000 covered (INAUDIBLE).

11 COUNCIL MEMBER HUDSON: Okay, thank you.

12 FIRST DEPUTY COMMISSIONER POLLAK: I would
13 note that for a new plan those opt-outs would need to
14 be redone.

15 COUNCIL MEMBER HUDSON: Do you have an
16 understanding of how many current retirees can
17 reasonably afford a 191-dollar monthly charge? Do you
18 have the breakdown of current City retirees
19 disaggregated by annual income, rent burden status,
20 and other indicators of economic health?

21 FIRST DEPUTY COMMISSIONER POLLAK: That's
22 not information I believe we have.

23 COUNCIL MEMBER HUDSON: Is it information
24 that you could get?

2 FIRST DEPUTY BUDGET DIRECTOR GODINER: We
3 would be able to provide a breakdown of retirees by
4 what their pension amount is, but that doesn't
5 certainly answer your question, if they have another
6 income, another pension, someone else in their
7 family, and certainly we don't have information about
8 what our retirees pay in rent.

9 COUNCIL MEMBER HUDSON: Okay, so just for
10 the record you don't have a sense of how many
11 retirees would actually be able to afford the 191-
12 dollar monthly charge?

13 FIRST DEPUTY BUDGET DIRECTOR GODINER: I
14 think it would be difficult given what data we have
15 to answer that question.

16 COUNCIL MEMBER HUDSON: What was that?

17 FIRST DEPUTY BUDGET DIRECTOR GODINER: I
18 said no matter what data we have I don't know exactly
19 how we would be able to answer that question.

20 COUNCIL MEMBER HUDSON: Okay. Just lastly,
21 can you walk through the various federal subsidies
22 the City would receive by transitioning retirees to a
23 Medicare Advantage plan including how much the total
24 would be, the length of the subsidy, and the amount
25 of each?

2 FIRST DEPUTY BUDGET DIRECTOR GODINER:

3 Under the Medicare Advantage plan, the federal
4 subsidy is supporting the entire 600-million-dollar
5 current cost. That's why we're saving 600 million
6 dollars. As far as I know, Congress has no plans to
7 stop offering Medicare Advantage plans. Obviously,
8 we're all subject to whatever laws get passed. In
9 terms of our arrangement with Aetna, we have this
10 rate lock-in irrespective of those factors for the
11 next five years and, afterwards, there are capped
12 increases after the five years.

13 COUNCIL MEMBER HUDSON: Thank you.

14 CHAIRPERSON DE LA ROSA: Thank you,
15 Council Member Hudson.

16 I have actually a followup question. At
17 this point, do you all have data on opt-out options
18 for Medicare Advantage, like has anyone opted out? Do
19 you track...

20 FIRST DEPUTY BUDGET DIRECTOR GODINER: We
21 have not yet offered the new plan so we won't have
22 statistics on how many people opt out until we offer
23 it.

24

25

2 CHAIRPERSON DE LA ROSA: Okay, so there's
3 no information right now of any retiree previously
4 opting out?

5 FIRST DEPUTY COMMISSIONER POLLAK: There
6 were 63,000 retirees who opted out in 2022 when the
7 plan was initially going to be offered, but with a
8 new plan being offered in 2023 we would have to redo
9 that.

10 CHAIRPERSON DE LA ROSA: Okay, that was
11 the number, 63. Thank you. Council Member Restler
12 followed by Council Member Menin.

13 COUNCIL MEMBER RESTLER: Thank you so
14 much. I especially want to thank Chair De La Rosa and
15 Speaker Adams for creating the space to have this
16 conversation and to provide some significant
17 oversight on this issue and thank you members of the
18 administration for appearing before us today.

19 I will just express plainly that I am
20 concerned that people spend their careers working for
21 the City with an understanding of what their
22 retirement benefits would be and we're being asked to
23 change that midstream, but I do want to ask you about
24 what I think is the nightmare scenario of the
25 administration unilaterally forcing all retirees onto

2 Medicare Advantage, the retirees going to court and
3 losing, what would happen next? Does the
4 administration commit that there would be an
5 opportunity for optionality for retirees at that
6 time, creating an opportunity for the Council to
7 reengage for the Aetna agreement to include
8 optionality based on the scale of the number of the
9 retirees that would be a part of that plan? Is that a
10 commitment that you can make to us today?

11 FIRST DEPUTY COMMISSIONER POLLAK: I don't
12 believe it's a commitment we can make today. I think
13 that if this amendment doesn't pass and we move
14 forward with eliminating Senior Care and implementing
15 Medicare Advantage and whether or not there's
16 litigation, if that moves forward and we've ceased
17 our contract with Senior Care I'm not sure about the
18 ability to even reinstate that. That's something we'd
19 have to get back to you on.

20 COUNCIL MEMBER RESTLER: Why?

21 FIRST DEPUTY COMMISSIONER POLLAK: There
22 are certainly procurement rules for the City. I'm not
23 sure once the contract gets terminated if it can
24 simply be revived.

2 COUNCIL MEMBER RESTLER: Isn't that the
3 contact that's available to current actives as well
4 so it's not terminated altogether?

5 FIRST DEPUTY BUDGET DIRECTOR GODINER:
6 It's different, Council Member.

7 COUNCIL MEMBER RESTLER: So this would be
8 terminated, but when would it be terminated in that
9 scenario? Conceivably, there would be an injunction
10 by the judge that would hold off on the termination
11 from occurring and at that time, if the judge were to
12 rule in the administration's favor, you would have a
13 choice, and I do think it's an important choice for
14 us to consider together would you callously,
15 heartlessly, vindictively force every retiree onto
16 Medicare Advantage or ensure that there's an
17 opportunity for optionality at that juncture?

18 FIRST DEPUTY COMMISSIONER POLLAK: First
19 of all, I'd just like to say that we think this is an
20 excellent plan. We don't think it's callous to put
21 retirees on this plan, but I think it's honestly
22 unpredictable how the future would go if we went down
23 that path. We would have to proceed with eliminating
24 Senior Care and, while we implement the Medicare
25 Advantage plan, I don't believe you could just

2 suddenly just out of nowhere on a short timeframe
3 have an opt-in process. I'm not sure we'd have the
4 ability to cancel the contracts so...

5 COUNCIL MEMBER RESTLER: I want to be
6 sensitive to the Chair's management of the timing,
7 but I do just want to say plainly I think it's
8 critically important that as you negotiate the Aetna
9 plan you protect that optionality, that you
10 anticipate a reality of the Council not acting and
11 you all deciding to force every senior onto Medicare
12 Advantage or a world in which there's optionality so
13 that's baked in to the agreement that you have with
14 Aetna and however this plays out in the courts if the
15 Council chooses not to act that there will be an
16 opportunity to ensure that seniors have a choice. I
17 haven't read the Aetna plan. We haven't seen it so I
18 can't tell you with any confidence what's in there.
19 When will we be able to see the Aetna plan?

20 FIRST DEPUTY COMMISSIONER POLLAK: We
21 provided some details of the plan...

22 COUNCIL MEMBER RESTLER: But when will we
23 be able to review it in writing?

24 FIRST DEPUTY COMMISSIONER POLLAK: We can
25 provide in writing additional details of the plan.

2 We're also working hard to finalize the contract,
3 and, at that point, we can provide further details.

4 COUNCIL MEMBER RESTLER: This week? Today?
5 Tomorrow? When are we going to be able to review the
6 plan comprehensively? We can't vote on something if
7 we don't know what the choice is so it's impossible
8 to ask us to take that action if we don't know what
9 we're looking, and I appreciate your testimony but...
10 all right, I have to stop.

11 FIRST DEPUTY COMMISSIONER POLLAK: We can
12 provide details of the plan. In our testimony, we've
13 provided a table showing many of the details. We can
14 provide more details this week as well, and we will
15 provide as soon as possible but I do want to say as
16 we've discussed this amendment isn't about the plan
17 moving forward or not. It's about whether we can
18 provide choice to retirees when this plan moves
19 forward.

20 CHAIRPERSON DE LA ROSA: Thank you,
21 Council Member.

22 COUNCIL MEMBER RESTLER: Thank you.

23 CHAIRPERSON DE LA ROSA: We've been joined
24 by Council Member Louis. We have up next Council
25 Member Menin followed by Council Member Velazquez.

2 COUNCIL MEMBER MENIN: Thank you so much.
3 I first of all want to thank the Chair and the
4 Speaker for holding this hearing.

5 Currently we are spending 10 percent of
6 the City budget or 11 billion dollars on healthcare
7 costs. As my Colleague, Council Member Bottcher,
8 mentioned, I have a bill as you know to create a
9 Healthcare Accountability Office which could
10 potentially save up to 2 billion dollars. First of
11 all, I know that's not the subject of this hearing,
12 but I hope the administration is strongly going to
13 testify in favor when we do have that hearing because
14 that bill is supported by 41 of my Council
15 Colleagues.

16 My question is currently now as Council
17 Member Bottcher mentioned, we have enormous price
18 gouging at hospitals. For a woman who's giving birth
19 at Montefiore, they're being charged 55,000 dollars
20 for childbirth. At another New York City hospital,
21 it's 12,000 dollars. A routine colonoscopy is 10,000
22 dollars at one hospital, 2,000 dollars at another. My
23 question is why hasn't the City issued an RFP in the
24 past decade to renegotiate with insurance carriers to
25 drive down costs?

2 FIRST DEPUTY COMMISSIONER POLLAK: Thank
3 you for the question. I'll say that that's exactly
4 what we're doing right now. We have issued a
5 procurement and negotiated acquisition for a new
6 health plan for active employees and pre-Medicare
7 retirees, and part of our goal in that is to achieve
8 savings including through hospital costs so that is
9 exactly an effort we're engaged in right now, and our
10 goal is to save over 1 billion dollars through that
11 effort.

12 COUNCIL MEMBER MENIN: Why right now does
13 New York State have the highest per capita average of
14 healthcare costs? What else can we be doing as a City
15 to drive down these costs?

16 DEPUTY COMMISSIONER LEVITT: We think that
17 hospital costs are one of the most significant
18 contributors to that, and we've specifically asked
19 the insurers for their strategies for addressing
20 hospital costs as part of this procurement. I think
21 that we have to make some hard choices about how
22 we're going to address the hospitals that are really
23 intransigent about negotiating with us and are
24 charging in some cases really exorbitant fees. The
25 differences you're talking about are really

2 significant hospital to hospital, and I think that we
3 want to find ways to direct our employees to centers
4 of excellence that provide top-quality care but don't
5 charge the top prices. One of the things that we've
6 learned in looking at this is that quality and costs
7 are not necessarily related. People believe wrongly
8 that the hospitals that charge the most are the best
9 hospitals, and that's not borne out in the data.

10 CHAIRPERSON DE LA ROSA: Thank you.

11 Council Member Velazquez followed by Council Member
12 Aviles.

13 COUNCIL MEMBER VELAZQUEZ: Thank you,
14 Chair De La Rosa, thank you, Speaker, for holding
15 today's hearing. It is very important the retirees in
16 my District to know that we are present today and
17 we're listening, we're hearing. This is not an easy
18 topic. It's very nuanced, and we are here to get to
19 the bottom of it.

20 I have a lot of retirees that are on
21 fixed income so 191 dollars is a lot. If we go back
22 to what we are really looking at, I just want to go
23 back to basics, right. One, what does this
24 Stabilization Fund actually cover?
25

2 FIRST DEPUTY COMMISSIONER POLLAK: Sure. I
3 can cover that. The answer is a lot. It was
4 originally established to cover the difference in
5 cost between the HIP HMO plan for active employees
6 and the GHI plan so our employees have an option,
7 there are two premium-free options. There is HIP HMO,
8 and there is GHI, which is provided currently by
9 EmblemHealth, previously by a predecessor company,
10 and both of those are premium-free, so the purpose of
11 the Stabilization Fund was when the cost of GHI gets
12 higher than the cost of HIP than the Stabilization
13 Fund would bear that cost, and the City's obligation
14 is only to pay the cost of HIP HMO. In addition, over
15 the years the MLC and the City have used the
16 Stabilization Fund to cover a number of other
17 incredibly important programs, one for specialty
18 drugs, injectable and chemotherapy drugs are paid for
19 by the Stabilization Fund. There's also numerous
20 other benefits. I'll let my Colleague, Claire Levitt,
21 kind of go into detail of some of the other benefits
22 that it pays for. It also pays for 165 dollars per
23 employee and retiree per year contributions to the
24 union welfare funds which go to drug benefits,
25 dental, vision benefits, and those are payments we've

2 had to suspend because of the fiscal situation of the
3 Stabilization Fund. Claire, if you can expand on
4 that.

5 DEPUTY COMMISSIONER LEVITT: I actually
6 think Dan covered most of it. It includes the
7 specialty drugs. Did you mention that? I think you
8 pretty much covered it.

9 COUNCIL MEMBER VELAZQUEZ: I know we've
10 talked about this a couple of times, but I just want
11 to get more clarity, but does voting on this
12 amendment allow retirees to preserve their choice for
13 healthcare?

14 CHAIRPERSON DE LA ROSA: Thank you,
15 Council Member.

16 FIRST DEPUTY COMMISSIONER POLLAK: Thank
17 you answer is yes, and that's why we are supporting
18 this amendment. We believe it's important to allow
19 retirees to continue to have that choice. That's
20 always been our intention negotiating with the MLC,
21 and we would like to be able to offer that option.

22 CHAIRPERSON DE LA ROSA: Thank you.
23 Council Member Aviles followed by Council Member
24 Farias.

2 COUNCIL MEMBER AVILES: Good afternoon.

3 Thank you, Chair, and thank you, Speaker, for this
4 hearing.

5 As Chair of the Public Housing Committee,
6 I know that privatization of a public good might lead
7 to cost savings and certainly is the argument for
8 privatization often but often results in confusion
9 and diminishment of rights for our residents, and let
10 me be clear, healthcare is a human right. Time and
11 time again, we see workers and residents in our city
12 promised one thing but given another. In this hearing
13 today, we have been told that we would see a draft of
14 the Aetna contract. I just want to underscore we want
15 to see the full draft of the contracts because we
16 have not been given any full documentation either on
17 the Stabilization Fund and how it was used or on any
18 of these draft plans and we're expected to just trust
19 tables of extraction so we'd like to see the full
20 draft contracts, we'd like to see the full books for
21 which this Council is being asked to vote to change a
22 50-year-old law that protects our retirees without
23 being given the full explanation and the full
24 accounting of what has transpired in the
25 Stabilization Fund. Can you tell us what the

2 sustainable solution is here other than kicking the
3 can down the road for five years and putting our
4 retirees at great risk and breaking a fundamental
5 promise that was made to them?

6 FIRST DEPUTY COMMISSIONER POLLAK: I just
7 want to start by saying we will provide additional
8 details of what we expect the plan to be, but I'm not
9 sure we are able to provide a draft to the contract
10 that's not been finalized. We'll certainly get back
11 to you on whether or not we're able to.

12 COUNCIL MEMBER AVILES: Why is that, sir?

13 FIRST DEPUTY COMMISSIONER POLLAK: I'm not
14 sure of the legal restrictions on whether or not
15 we're able to do that. I would need to get back to
16 you.

17 COUNCIL MEMBER AVILES: So you expect this
18 Council to vote on matters without having given them
19 the full explanation and data?

20 FIRST DEPUTY COMMISSIONER POLLAK: We
21 intend to give you all the data and details we're
22 able to give you at this point and we'll continue to
23 provide more as we're able.

24 COUNCIL MEMBER AVILES: What is the
25 sustainable solution that you've proposed here, sir?

2 FIRST DEPUTY COMMISSIONER POLLAK: I would
3 say, Council Member, this is part of the sustainable
4 solution. What we're looking to do is to make changes
5 to both our active and pre-Medicare plan and our
6 retiree plan that provides substantial savings to put
7 us on the course of sustainable premium-free health
8 coverage. As we mentioned, other employers across the
9 country, other municipalities, the State have simply
10 passed on the premiums to their employees and
11 retirees and providing no premium-free options. By
12 utilizing the federal funding provided to a Medicare
13 Advantage plan, we have this opportunity to create a
14 plan that creates excellent benefits while not having
15 cost to the City and with caps beyond the five years
16 so we don't think this is kicking down the road. We
17 think this is part of a sustainable solution, and the
18 other part is the changes we're exploring to our
19 active and pre-Medicare plan with our procurement.

20 COUNCIL MEMBER AVILES: Who's making the
21 decision that it's either A or B? It's either this or
22 no coverage?

23 FIRST DEPUTY COMMISSIONER POLLAK: I don't
24 believe no coverage is an option. We are committed to
25 providing premium-free coverage..

2 COUNCIL MEMBER AVILES: Or the lack of
3 choice rather.

4 FIRST DEPUTY COMMISSIONER POLLAK: We need
5 to achieve the savings that have been set out. The
6 court ruled that essentially the only way to do that
7 absent an amendment to the Administrative Code was to
8 eliminate choice.

9 CHAIRPERSON DE LA ROSA: Thank you,
10 Council Member.

11 COUNCIL MEMBER AVILES: The court did not
12 rule that, sir, for the record.

13 CHAIRPERSON DE LA ROSA: Thank you,
14 Council Member. We have Council Member Farias
15 followed by Council Member Marte.

16 COUNCIL MEMBER FARIAS: Hi, folks. I just
17 want to get to questions. In terms of the cost
18 savings, I received a packet about a list of around
19 nine different cost savings from retirees that they
20 have presented. How many of those have you folks
21 entertained or looked into?

22 FIRST DEPUTY COMMISSIONER POLLAK: I'll
23 turn this over to my Colleague.

24 DEPUTY COMMISSIONER LEVITT: We've seen
25 lists from the retirees about different approaches to

2 health cost savings. We've looked into all of them.
3 We've been at this for the past eight years, turning
4 over rock we can. One of the things I saw that they
5 suggested were audits, and we have done audits. We've
6 audited both our major carriers, and we recovered
7 some money through those audits. We've done dependent
8 eligibility audits where we've saved a great deal of
9 money because it was never done before in the City
10 before 2014. We are working at turning over every
11 rock, and we appreciate input on that, but we really
12 have been assiduous at looking at every possible
13 alternative. We've worked with the Municipal Labor
14 Committee, and we've worked with consultants that are
15 experts in the field that report to both the City and
16 the Municipal Labor Committee so we are very
17 dedicated to finding different approaches.

18 COUNCIL MEMBER FARIAS: Then in terms of
19 choosing an option where retirees pay more versus
20 current members take on (INAUDIBLE) of the cost, have
21 we evaluated choosing to increase deductibles or
22 increased fees for current membership versus retirees
23 lifting the costs?

24 DEPUTY COMMISSIONER LEVITT: We're not
25 increasing the cost to current retirees. We're

2 meeting our obligation to provide a premium-free for
3 retirees permanently, and we don't intend in any way
4 to reduce that commitment. The plan is a different
5 plan. It's a Medicare Advantage plan, and it's funded
6 by the federal government, but it is as rich a plan
7 with additional benefits and some improvements in the
8 benefits...

9 COUNCIL MEMBER FARIAS: So are you saying
10 the 191 dollars is not existent for retirees? That's
11 what I'm asking.

12 DEPUTY COMMISSIONER LEVITT: The 191
13 dollars was the 2022 rate for buying up to the Senior
14 Care plan. We believe the Senior Care is not as good
15 a plan as the Medicare Advantage plan. The benefits
16 in the Medicare Advantage plan...

17 CHAMBERS: (Noise)

18 CHAIRPERSON DE LA ROSA: Please, please
19 limit your comments.

20 SERGEANT-AT-ARMS: Quiet, please. Keep it
21 down.

22 DEPUTY COMMISSIONER LEVITT: The benefits
23 in the Medicare Advantage plan are better benefits,
24 and people can have that with no premium.

2 COUNCIL MEMBER FARIAS: I don't want to
3 beat a dead horse. I just have one last thing. In
4 terms of the Aetna deductible being guaranteed for
5 five years, do we have any guarantee that their will
6 not be a percentage increase post five years, like
7 are we dependent on a private corporation to say they
8 will only increase by 1 percent or are we trying to
9 guarantee that in this draft contract that we cannot
10 see?

11 DEPUTY COMMISSIONER LEVITT: If there were
12 an increase, the increase would be borne by the City,
13 not by the retirees.

14 CHAIRPERSON DE LA ROSA: Thank you. Go
15 ahead. You can go ahead. Is that it?

16 COUNCIL MEMBER FARIAS: Well, what I'm
17 asking is are we guaranteed that the healthcare
18 coverage itself, that the corporation itself, Aetna,
19 will not increase by 10 percent versus 0.5 percent?

20 DEPUTY COMMISSIONER LEVITT: In other
21 words changing the benefits plan? I'm sorry, I'm not
22 understanding the question you're asking.

23 COUNCIL MEMBER FARIAS: You're saying
24 we're guaranteeing the deductible of 150 dollars for
25 the next five years will not change over a year.

2 DEPUTY COMMISSIONER LEVITT: Yes, it will
3 not change.

4 COUNCIL MEMBER FARIAS: Then after the
5 five years, how are we guaranteed the percentage of
6 increase itself won't be 0.2 percent versus 25
7 percent? Is it written in a contract somewhere so we
8 know?

9 DEPUTY COMMISSIONER LEVITT: It's written
10 in a contract the amount, and I will get you the
11 exact numbers, but they were relatively low
12 increases. Those increases would be borne by the
13 City, not by the retirees, and it would be for the
14 same benefit plan.

15 COUNCIL MEMBER FARIAS: Thank you.

16 CHAIRPERSON DE LA ROSA: Thank you so
17 much. We've been joined by Council Member Brannan,
18 and I want to call on Council Member Marte followed
19 by Council Member Won.

20 COUNCIL MEMBER MARTE: First of all, I
21 want to thank Speaker Adams and Chair De La Rosa for
22 hosting this Committee hearing and also for my
23 Colleagues for asking amazing questions so far and
24 most importantly I want to thank the retirees for
25 being here and for fighting for your right to have

2 healthcare and for fighting for other retirees who
3 are bed-ridden, who live outside of the State, and
4 who can't be here today so thank you so much for
5 doing that.

6 My question is you mentioned earlier that
7 95 percent of the retirees will be covered under
8 Aetna. What about that 5 percent? That's thousands of
9 people who have uncertainty of what's going to
10 happen. Many of those people are extremely ill, and,
11 if they lose their coverage, it becomes a life and
12 death decision so can you talk about those 5 percent,
13 thousands of constituents who have emailed our office
14 and are scared about their future or their
15 livelihood.

16 DEPUTY COMMISSIONER LEVITT: The 95
17 percent refers to the number of doctors that are in
18 the network. 100 percent of people will be covered by
19 the Medicare Advantage plan. Nobody is losing
20 coverage. If their doctor is not in the network,
21 Aetna will be reaching out to that doctor to see if
22 they can get them in the network or make other
23 arrangements so that they can be covered. Because
24 it's not a limited network plan, they can go to out-
25 of-network doctors and still have no-balance bill.

2 Aetna has assured us that they will be reaching out
3 to people. They will work with everybody who is on a
4 medication or currently being treated and work out
5 transition-of-care issues so it's certainly not like
6 5 percent of people are going to be left uncovered.

7 COUNCIL MEMBER MARTE: If it's 5 percent
8 of the doctors, that's still possibly thousands of
9 people with uncertainty, and how can we trust a
10 private corporation who cares more about profit than
11 people to do the outreach and make sure that people
12 aren't paying much more than they're currently paying
13 now or even working to make sure that everyone is
14 covered with the coverage that they have currently?

15 DEPUTY COMMISSIONER LEVITT: We understand
16 the sense of distrust, and it's why we've built into
17 the contract performance guarantees with financial
18 penalties that I know that Aetna is not going to want
19 to have to pay and why we've built in oversight that
20 the City and the Municipal Labor Committee will
21 jointly monitor what Aetna is doing. I really think
22 that we have a number of procedures in place to make
23 sure that people are not left hanging.

24 COUNCIL MEMBER MARTE: My last statement
25 is that oversight of a corporation happens after the

2 decisions are made. What confidence do we have that
3 the procedures are going to be in place so when
4 people need the care they get it and they don't wait
5 until an oversight hearing that happens months after
6 or years after?

7 CHAIRPERSON DE LA ROSA: Thank you,
8 Council Member.

9 CHAIRPERSON DE LA ROSA: Go ahead.

10 FIRST DEPUTY COMMISSIONER POLLAK: Again,
11 as part of this program, we are working into the
12 agreement that Aetna will be doing outreach to
13 providers to make sure that 95 percent number goes up
14 and providing retirees with the opportunity to speak
15 with Aetna to connect their providers so that we can
16 make sure that as many doctors as possible accept the
17 plan. They receive the same payment through this plan
18 as they through do Medicare. There's no reason for
19 them not to accept this plan, and we will do
20 everything in our power along with the Municipal
21 Labor Committee to make sure that education happens.

22 CHAIRPERSON DE LA ROSA: Thank you.

23 Council Member Vernikov followed by Council Member
24 Louis. I'm sorry. I'm already losing track. Council

2 Member Won followed by Vernikov followed by Council
3 Member Louis.

4 COUNCIL MEMBER WON: Thank you so much,
5 Chair De La Rosa, and thank you so much, Speaker
6 Adams, for hosting this important hearing and thank
7 you so much to all the retirees who are here this
8 morning in our Chambers. Every single seat is filled,
9 the Committee Room for overflow, and I know that
10 there are many still outside waiting to enter. We see
11 you and we hear you. Thank you for all of your
12 outreach. I know that all of our Colleagues have
13 received thousands of emails.

14 As a City, we have an obligation to pay
15 for health insurance, and you continue to compare,
16 I've heard you multiple times now comparing our city
17 in comparison to other municipalities who have moved
18 on to Medicare Advantage. I want to make it clear
19 that we are a city that is held to a higher standard.
20 We are New York City and many of us Council Members
21 have come here to fight in favor of universal
22 healthcare to make sure that no one who is ill feels
23 that their city will put profit over people. For the
24 600 million dollars in savings, where we are looking
25 to find on the backs of the retirees who we have made

2 promises to, can you help me understand because this
3 should be really the last, last, last option that we
4 provide? You continue to talk about alternatives and
5 options. Can you help understand what alternatives
6 you have fully explored before coming to this option?

7 FIRST DEPUTY COMMISSIONER POLLAK: I'll
8 start by saying the number of changes we've made to
9 the health plan for active and pre-Medicare retirees
10 over the last eight years, we'll provide a full
11 listing, but there are many, many changes. We've
12 changed co-pays to incentivize behavior to go to
13 lower-cost places like not to the ER but to a doctor
14 instead. We've mandated employees into the HIP HMO
15 plan. We've really taken countless number of actions,
16 and, honestly, we believe this is a unique
17 opportunity. There are not many places where you can
18 provide savings without doing things like increasing
19 co-pays or seriously affecting coverages, and, even
20 when you do, those savings aren't as large as this.
21 This presents an opportunity to use federal funding
22 to provide a plan that has the same benefits in many
23 cases, better benefits in many cases in terms of co-
24 pays, deductibles, out-of-pocket maximums, and even
25 new benefits like transportation. That's just not an

2 opportunity that really exists anywhere else in the
3 healthcare world so we have explored many other
4 options. We have made changes to the active and pre-
5 Medicare plan for eight years now. We think this is
6 the best forward to achieve these savings while
7 continuing to deliver high-quality premium-free care,
8 and we want to emphasize premium-free because
9 something we do not want to do is pass premiums on to
10 employees. You said we're New York City and one thing
11 we've always done is provide premium-free care unlike
12 many other municipalities, unlike the State, and we'd
13 like to continue to do that.

14 COUNCIL MEMBER WON: I just want to put on
15 the record that many of us do not agree that savings
16 should come at the cost of retirees who have no
17 active incomes for the majority of them. I do not
18 agree with what you just said. Thank you.

19 CHAIRPERSON DE LA ROSA: Thank you.
20 Council Member Vernikov followed by Council Member
21 Louis.

22 COUNCIL MEMBER VERNIKOV: Thank you, Madam
23 Speaker, and thank you, Chair De La Rosa, and, of
24 course, thank you to all the retirees who are here
25 today. I've definitely received hundreds of emails,

2 and we are definitely listening, and we hear you. Mr.
3 Pollak, I just want to follow up to a question asked
4 by my Colleague, Council Member Ariola, that I don't
5 believe she received an honest answer to. You
6 testified that there is in fact a dispute. I think
7 the question here regarding whether or not there has
8 been an order issued by the Arbitrator, whether it's
9 a recommendation, what is this actual document, and
10 you testified that there is a dispute, because we
11 know that in order for the document to be an actual
12 order there has to be a dispute, and so I just want
13 to clarify for the public what actually happened
14 here. There was an agreement between the MLC and the
15 administration. They tried to move forward with this
16 agreement. They were sued by the retirees, and they
17 lost. Subsequently, they asked for a recommendation
18 from the Arbitrator. Therefore, there is no dispute.
19 Do you disagree with, Mr. Pollak?

20 FIRST DEPUTY COMMISSIONER POLLAK:

21 Respectfully, Council Member, I do. The City asked
22 the Arbitrator to resolve the lost savings that were
23 lost by this delay in implementation and to find a
24 way forward for us to achieve those savings and
25 that's what he did.

2 COUNCIL MEMBER VERNIKOV: Right, so the
3 City asked for a recommendation from the Arbitrator.
4 Therefore, it is a recommendation as it also states
5 in the document "it's my recommendation," not an
6 order, and I think it's important.

7 FIRST DEPUTY COMMISSIONER POLLAK: Council
8 Member, we petitioned the Arbitrator to resolve the
9 dispute. Under the 2018 Health Savings Agreement, he
10 has the ability to order relief, and we believe that
11 was what he intended to do with his decision.

12 COUNCIL MEMBER VERNIKOV: So you're saying
13 he has the authority?

14 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

15 COUNCIL MEMBER VERNIKOV: Don't you agree
16 that this authority, the power, comes from a 2018
17 agreement that allowed him to make this
18 recommendation? Is that correct?

19 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

20 COUNCIL MEMBER VERNIKOV: Okay, but the
21 agreement said that he has to make these
22 recommendations by June 30, 2020. This document is
23 dated December 15, 2022.

24 FIRST DEPUTY COMMISSIONER POLLAK: I'm not
25 aware of that time limitation..

2 CHAMBERS: (Cheers)

3 CHAIRPERSON DE LA ROSA: [GAVEL] Please.

4 Let them answer so we can have the answer on the
5 record. Can you repeat that?

6 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

7 I'm not aware of any time limitation on the
8 Arbitrator's authority to enforce the terms of our
9 agreement.

10 CHAIRPERSON DE LA ROSA: Thank you,
11 Council Member.

12 COUNCIL MEMBER VERNIKOV: One more
13 question?

14 CHAIRPERSON DE LA ROSA: Sure. Go ahead.

15 COUNCIL MEMBER VERNIKOV: Thank you. Is
16 Aetna the awardee of your proposed Medicare Advantage
17 plan or are you still bidding?

18 FIRST DEPUTY COMMISSIONER POLLAK: The
19 bidding is closed. Bidding closed in I believe 2021,
20 and we are currently negotiating with Aetna to
21 finalize the contract.

22 COUNCIL MEMBER VERNIKOV: Thank you.

23 CHAIRPERSON DE LA ROSA: Thank you,
24 Council Member. Council Member Louis followed by
25 Majority Leader Powers.

2 COUNCIL MEMBER LOUIS: Thank you, Speaker
3 Adams and Chair De La Rosa, for today's hearing. I
4 also want to thank the retirees for being here
5 physically and those that are virtual that could not
6 be here. Thank you for using your voices in many
7 different ways.

8 I have three quick questions because a
9 lot of my questions were already answered so I'll ask
10 them and you could respond after, and I'm sure one
11 Council Member will highlight what you didn't answer.

12 The first one is, is it correct that
13 retirees alone were able to find 300 million
14 healthcare potential savings that OMB did not
15 provide, and, if that is true, would you be willing
16 to fast track an audit in order to provide more cost
17 savings towards this issue?

18 The second is if you could further break
19 down the appeals process because it was spoke about
20 earlier in the hearing. I heard the appeal process
21 would be appointed to CMS and then a final decision
22 would be made by CMS, but what happens if a retiree
23 needs a particular service and they're denied by the
24 final final process, what accountability would be on

2 your end if the retiree succumbs to that particular
3 procedure that they needed that they did not get?

4 The third question is physicians that
5 don't agree to participate in Aetna's plan and have
6 particular patients that need a particular service,
7 what is the process moving forward to make sure that
8 those patients are not in limbo and that we actually
9 lose them during this transition? Thank you.

10 FIRST DEPUTY COMMISSIONER POLLAK: I
11 apologize. Can you repeat the first question?

12 COUNCIL MEMBER LOUIS: No problem.

13 FIRST DEPUTY COMMISSIONER POLLAK: Oh, the
14 retiree savings. I apologize.

15 COUNCIL MEMBER LOUIS: There you go.

16 FIRST DEPUTY COMMISSIONER POLLAK: I
17 believe Deputy Commissioner Levitt mentioned earlier
18 that we have looked at all the savings suggestions
19 that we've seen. We have pursued many, if not all, of
20 those already. We have left no stone unturned in
21 trying to seek savings so we have seen that. Many of
22 those are things we've already done so we have
23 pursued those, and we'll continue to pursue anything
24 we can.

2 COUNCIL MEMBER LOUIS: Let's say you fast
3 track that today or tomorrow. How soon would you be
4 able to get back to us on that?

5 FIRST DEPUTY COMMISSIONER POLLAK: To
6 clarify, what do you mean? Which of those
7 initiatives? Many of them we've already done.

8 COUNCIL MEMBER LOUIS: Auditing.

9 FIRST DEPUTY COMMISSIONER POLLAK: The
10 auditing. We have audited our carriers. In 2014, we
11 conducted a full audit of dependent eligibility to
12 ensure that only eligible dependents are on our
13 health insurance and, since 2014, we've been
14 regularly auditing to ensure that dependents are on
15 our health plan.

16 COUNCIL MEMBER LOUIS: But with all due
17 respect, that's what led us to this today. The
18 auditing process wasn't favorable so if another audit
19 process can happen and can be fast tracked, retirees
20 alone were able to identify 300 million in savings.
21 You should be able to do the same thing.

22 The next question is please provide the
23 breakdown of the appeal process, the final, final
24 process if there's a particular service that a
25 retiree needs and the final decision is nay, they

2 cannot provide the authorization for it, what happens
3 to that patient, who is accountable moving forward?

4 CHAIRPERSON DE LA ROSA: Thank you,
5 Council Member.

6 DEPUTY COMMISSIONER LEVITT: I'll take
7 that question. There are many levels to the appeals
8 process, and typically as we said before only about 1
9 percent of the claims are subject to prior
10 authorization. In most cases, the prior
11 authorizations are approved, and only a small subset
12 of that 1 percent would get an initial denial. That
13 initial denial is issued by a physician in the same
14 specialty as the physician who ordered the original
15 procedure or hospitalization or whatever it is. If
16 that happens and the retiree appeals, there's another
17 review. That review is also subject an expedited
18 process and can be done very quickly. If it is not
19 approved at that point, it goes to an independent
20 review organization that is hired not by the City or
21 the MLC or Aetna but by Medicare and represents
22 Medicare in that process. At that point, very few of
23 those claims would go to Medicare, Medicare can
24 approve them or overturn them. There's even another
25 level of appeal at Medicare beyond that. In the end,

2 very few situations are actually denied. More of
3 these situations are situations where a
4 recommendation is made to the provider that a
5 particular procedure could be done on an outpatient
6 basis, not an inpatient basis, or an alternative
7 procedure could be used for a patient. I'm sure it's
8 true that ultimately there are some procedures,
9 particularly if there are experimental procedures or
10 cosmetic procedures that are ultimately denied, but
11 that is a handful of claims.

12 CHAIRPERSON DE LA ROSA: Thank you.
13 Majority Leader Powers followed by Council Member
14 Gutierrez to close out round one.

15 MAJORITY LEADER POWERS: Thank you. I'm
16 going to try to be quick just because I know we have
17 a lot of folks here who want to testify here today.

18 I just had a couple of questions. I know
19 you said 53,000 people had opted out of Medicare
20 Advantage. What's the denominator on that, out of?

21 FIRST DEPUTY COMMISSIONER POLLAK: It was
22 63,000, and that's out of 250,000.

23 MAJORITY LEADER POWERS: Okay, and what's
24 the cost savings on that if you take those 63,000 out
25 who opted out and the rest stayed in?

2 FIRST DEPUTY COMMISSIONER POLLAK: That
3 didn't affect the cost savings because at the time
4 that happened that was under our initial plan to
5 offer Medicare Advantage premium-free with anyone who
6 opted out paying the cost of that plan they opt into
7 so the savings would have been the same. You would've
8 had 190,000 people on Medicare Advantage at zero cost
9 to the City and then you would've had maybe 50,000
10 people on Senior Care paying the monthly premium so
11 there would be no cost to the City there either and
12 the full savings would be achieved.

13 MAJORITY LEADER POWERS: Obviously this is
14 a conversation about choice, about choice of
15 healthcare plans, and the folks that are here today
16 in the audience are concerned about a unilateral
17 change to their healthcare plan that they have yet to
18 review, and I think it's fair, and I think many of
19 them have concerns about not knowing what that plan
20 is and why we're asking them to accept that plan, and
21 also we have a (INAUDIBLE) to provide an option for
22 those who can afford to keep their plan. What I'm
23 concerned about is the folks who can't pay for that
24 plan, the Senior Care, and bifurcating the folks who
25 can and can't pay so I guess my first question is how

2 do we address the folks or has their been any
3 discussion of addressing folks who just simply can't
4 afford to pay for that plan as you move them over
5 because there are different pensions and different
6 compensation structures.

7 FIRST DEPUTY COMMISSIONER POLLAK: Thank
8 you, Council Member. They would be in the Medicare
9 Advantage plan which if you can't afford to buy up
10 the Senior Care plan you can be in the Medicare
11 Advantage plan which we think provides outstanding
12 benefits. Like with our active plans where we have
13 two premium-free choices and then we have a number of
14 plans that you can pay more for which some people
15 choose to, some people don't, but we want to provide
16 a comprehensive premium-free option and the provide
17 the choice for people to buy up if they can do so.

18 MAJORITY LEADER POWERS: I guess what I'm
19 saying is I think we may look at the Aetna plan and
20 the Aetna plan may look much better than expected
21 when it comes to what it offers, and I expect that it
22 may provide a decent amount of coverage to folks who
23 are going on that plan, but I think there is a
24 bifurcation between some folks who can pay for the
25 plan to stay in the Senior Care, and I think the

2 whole question here is people have trepidation about
3 moving over to a plan they've yet to see and that may
4 impact their service, and I think that the difference
5 between those who may be able to afford it should be
6 addressed if we are ever going to talk about
7 optionality because I think some people may lose that
8 optionality just based on the ability to afford it,
9 and I think that's an important part of the
10 conversation that we should be discussing.

11 The second part, and I'll just end
12 because I know we have a lot of questions, but
13 Council Member Restler touched on this and I think
14 it's an important part which is if this moves forward
15 and the City's successful in court and everybody
16 moved to Medicare Advantage and then we are talking
17 about the loss of optionality which is the
18 centerpiece of today's conversation, why can't we
19 come back and have that conversation at that point in
20 time with Aetna and company for the folks who still
21 want to keep their plan to be able to then at that
22 point go back into the Senior Healthcare again for
23 those who can afford it?

24 FIRST DEPUTY COMMISSIONER POLLAK: I think
25 it's an unpredictable path if we go down that road in

2 that a court could do any number of things. It could
3 have a preliminary injunction, it could not issue an
4 injunction, and if we have gone down that road and
5 eliminated the Senior Care plan, terminated that
6 contract and no longer are offering it, I'm not sure
7 that we're able to just immediately restore it. I'm
8 not sure that's something that legally can be done.
9 I'm not sure that consistent with City procurement
10 and contracting rules so I think there's a lot of
11 uncertainty down that path, and I'm not sure that we
12 can commit that that option would be available.

13 MAJORITY LEADER POWERS: Okay. I think it
14 would be helpful if we had some more definition to
15 that answer..

16 FIRST DEPUTY COMMISSIONER POLLAK: Okay,
17 (INAUDIBLE) provide that.

18 MAJORITY LEADER POWERS: Because I think
19 that's an important question. I'll cede my time from
20 there because I know we have a lot of folks that want
21 to testify.

22 CHAIRPERSON DE LA ROSA: Thank you.
23 Council Member Gutierrez followed by Council Member
24 Dinowitz to close off round one.

2 COUNCIL MEMBER GUTIERREZ: Thank you,
3 Chair De La Rosa, and thank you, Speaker, for
4 bringing us to the table today.

5 I'm a little late so I apologize if you
6 brought this up, but can you tell me how you all got
7 to the determination of about 191 a month for those
8 who opt out?

9 FIRST DEPUTY COMMISSIONER POLLAK: Sure.
10 That was the premium cost in 2022 of the Senior Care
11 plan. That's how much the insurer would charge for
12 that plan. Aetna charge is 0 dollars so the
13 difference is 191 dollars a month. The Medicare
14 Advantage plan would charge 0 dollars; the Senior
15 Care plan 191 dollars.

16 COUNCIL MEMBER GUTIERREZ: Right, and is
17 that premium expected to change?

18 FIRST DEPUTY COMMISSIONER POLLAK: Yes, I
19 believe that premium will increase for 2023, and, as
20 all premiums do, would increase in the future unlike
21 the Aetna Medicare Advantage premium which is locked
22 in at 0 dollars for five years.

23 COUNCIL MEMBER GUTIERREZ: For five years?
24 So even that's subject to change? So the 191 premium
25 subject to change after five years, theoretically

2 does it go up with more retirees opting out so if
3 more retirees choose Medicare Advantage, does that
4 premium go up exponentially even within those five
5 years?

6 FIRST DEPUTY COMMISSIONER POLLAK: The
7 premium would be based on what Emblem charges for
8 Senior Care, and that is not locked in. That can
9 change on an annual basis and does and has increased
10 and will continue to increase.

11 COUNCIL MEMBER GUTIERREZ: Even for those
12 retirees on Medicare Advantage after five years, what
13 are they looking at?

14 FIRST DEPUTY COMMISSIONER POLLAK: The
15 retirees on Medicare Advantage would still be looking
16 at zero dollars. What we're doing here, what we're
17 seeking to do here is establish it as a benchmark
18 plan which means if there's any cost the City will
19 pay it so if the rate increases let's say to 10
20 dollars a month per person the City would pay that
21 because that's then the premium-free benchmark. Under
22 the Administrative Code even after this amendment,
23 there will be the obligation to provide a premium-
24 free plan to retirees, and we're saying that's what
25 the Medicare Advantage plan will be.

2 COUNCIL MEMBER GUTIERREZ: So the City is
3 obligated to find that increase whatever it is to
4 ensure that seniors do not pay a premium..

5 FIRST DEPUTY COMMISSIONER POLLAK: Yes.

6 COUNCIL MEMBER GUTIERREZ: But what we're
7 saying here today is that we can't do that right now
8 which is why we're here which is why you're asking to
9 amend this Code?

10 FIRST DEPUTY COMMISSIONER POLLAK: We're
11 saying is we can guarantee that there will be a
12 premium-free option which will be Medicare Advantage,
13 but, without this Code change, we're not allowed to
14 have retirees choose to remain in a different plan
15 that costs more and we would have to eliminate that
16 plan if want to achieve the savings we need to
17 achieve.

18 COUNCIL MEMBER GUTIERREZ: Okay, can I
19 just have 30 more seconds? A lot of the coverage I
20 think has pointed to the obvious that we're in the
21 midst of a healthcare crisis. Do you all agree that
22 we are in fact in the midst of a healthcare crisis?

23 FIRST DEPUTY COMMISSIONER POLLAK: I'll
24 turn it over to my healthcare expert. I don't know
25 what type of crisis..

2 COUNCIL MEMBER GUTIERREZ: We're still in
3 a pandemic. You do not think that we're in a
4 healthcare crisis?

5 FIRST DEPUTY COMMISSIONER POLLAK: I
6 wasn't sure if you were affordability, cost. Yes...

7 COUNCIL MEMBER GUTIERREZ: I mean I am,
8 but I was hoping that your response was yes,
9 absolutely. As someone who is her mother's caretaker,
10 she is 72 years old, I stand with all my constituents
11 in the belief that healthcare, especially at a
12 specific age, is about prevention and it is about
13 maintenance, and the role that we should be playing
14 is preventing barriers to healthcare, and what we are
15 proposing is creating barriers by saying your option
16 is 191 dollars if you don't rock with us, and that is
17 where our failure is, and I implore you to continue
18 to look at options. I implore you to also stick
19 around and hear from some of these folks. I think
20 that there is probably a lot of good ideas in the
21 crowd today so that we can discuss that in an earnest
22 way. Thank you, Chair. Thank you.

23 CHAIRPERSON DE LA ROSA: Thank you.

24 Council Member Dinowitz to close this first round.

2 COUNCIL MEMBER DINOWITZ: Chair, thank
3 you. That's also a lot of pressure, closing out the
4 round, but thank you.

5 CHAIRPERSON DE LA ROSA: Don't worry.
6 There's another round.

7 COUNCIL MEMBER DINOWITZ: Of all the
8 things to be worried about, it's not closing us out.
9 I do want to take a moment to thank the Chair. This
10 is obviously a very personal and difficult thing to
11 talk about, but we're talking about, and so I want to
12 thank you for that.

13 I first want to very quickly talk about
14 Medicare Advantage and just a few questions about
15 Medicare Advantage. You said 1 percent of the claims
16 are denied. How many claims would that be?

17 FIRST DEPUTY COMMISSIONER POLLAK: Just to
18 clarify, it's not 1 percent are denied. 1 percent are
19 subject to prior authorization.

20 COUNCIL MEMBER DINOWITZ: Okay, cool. What
21 percent is subject to prior authorization?

22 FIRST DEPUTY COMMISSIONER POLLAK: 1
23 percent of all claims.

24 COUNCIL MEMBER DINOWITZ: Sorry. How many
25 is that?

2 FIRST DEPUTY COMMISSIONER POLLAK: I can't
3 give that right now. I could you provide the number
4 of claims from retirees we received. We could provide
5 that after the hearing.

6 DEPUTY COMMISSIONER LEVITT: We don't have
7 the number of claims because we're not in that plan
8 right now. That number was based on Aetna's Book of
9 Business, and I think they told us that they had 8.5
10 million claims, something like that, so it's based on
11 a lot of claims.

12 COUNCIL MEMBER DINOWITZ: Well, 1 percent
13 of 8 million.

14 DEPUTY COMMISSIONER LEVITT: Well, that
15 wouldn't be for our group. That's their entire Book
16 of Business.

17 COUNCIL MEMBER DINOWITZ: That's like
18 80,000 claims.

19 FIRST DEPUTY BUDGET DIRECTOR GODINER:
20 That's their national business, not (INAUDIBLE) New
21 York City.

22 COUNCIL MEMBER DINOWITZ: Okay.

23 DEPUTY COMMISSIONER LEVITT: 1 percent is
24 subject to prior authorization.

2 COUNCIL MEMBER DINOWITZ: Okay, but you
3 don't have for us how many claims total there would
4 be? They just gave you a percentage, is that correct?

5 FIRST DEPUTY BUDGET DIRECTOR GODINER:
6 What they did was they're a very big player in this
7 business and they don't currently provide this in New
8 York City, so they looked at their current Book of
9 Business and said what percentage of our total claims
10 are subject to preauthorization under this set of
11 rules, and it works out to about 1 percent.

12 COUNCIL MEMBER DINOWITZ: (INAUDIBLE)
13 Time's limited. Tons of people want to testify. I
14 want to be respectful of everyone. They have the
15 number of claims made in New York City, but you
16 don't?

17 FIRST DEPUTY BUDGET DIRECTOR GODINER: No.
18 They have the number of claims made by all the people
19 who currently have their Medicare Advantage plan all
20 over the country, and, based on that, they say that
21 about 1 percent of all those claims are subject to
22 preauthorization.

23 COUNCIL MEMBER DINOWITZ: Okay, so the
24 answer is we don't really know how many claims would
25

2 be subject to preauthorization. I understand the
3 percent but we don't know how many, right?

4 DEPUTY COMMISSIONER LEVITT: It's a
5 projection I think is the answer.

6 COUNCIL MEMBER DINOWITZ: I understand.
7 The second part of that is the physicians that
8 determine the appeals, if I have to get prior
9 authorization, the physicians that determine that are
10 in the same specialty and they are employees of...

11 DEPUTY COMMISSIONER LEVITT: (INAUDIBLE)
12 The first level of appeal is made by physicians who
13 are employees of Aetna, that's correct.

14 COUNCIL MEMBER DINOWITZ: Okay.

15 CHAIRPERSON DE LA ROSA: Thank you,
16 Council Member.

17 COUNCIL MEMBER DINOWITZ: Thank you.

18 CHAIRPERSON DE LA ROSA: Thank you. If you
19 want a second round, we can do that. I have some
20 followup questions myself.

21 Each year the Center for Medicare and
22 Medicaid Services rates on a Five-Year Star Scale the
23 Medicare Advantage plans provided by insurance
24 companies. The rating measures quality of healthcare
25 and drug services provided to enrollees. To encourage

2 competition based on quality, plans are rewarded with
3 a bonus if they receive a minimum rating of four
4 stars. For the Calendar Year 2022 and 2023, Aetna
5 received a rating of 3.5 stars. Has the
6 administration looked into why Aetna received the
7 rating that is below 4 stars, and, given that rating,
8 should we be concerned about the quality of care
9 under Aetna?

10 FIRST DEPUTY COMMISSIONER POLLAK: Thank
11 you for the question, Chair De La Rosa. We've had
12 extensive discussions with Aetna about the star
13 ratings. The plan that New York City retirees are
14 expected to be placed in is actually a 4+ star plan,
15 and they have numerous plans and the plan that we're
16 expected to be placed in a 4+ star plan, and they
17 have many plans to maintain that rating and to
18 increase the rating of their plan that dropped to 3.5
19 stars. We're going to be monitoring their efforts on
20 this. Our contract will have performance guarantees
21 about quality, about satisfaction, and if they don't
22 meet those levels of quality and customer service
23 that drive the star ratings we have financial
24 penalties for them so we expect them to put every
25 effort to maintain and improve their star ratings and

2 all of the factors that drive them. It is an issue
3 with huge financial implications for the insurer.
4 They lose money if they drop their star rating. In
5 addition, they would have financial penalties under
6 our contract if they don't meet certain measures of
7 quality.

8 CHAIRPERSON DE LA ROSA: Are you able to
9 share on the record with us today what those
10 financial penalties look like?

11 FIRST DEPUTY COMMISSIONER POLLAK: Since
12 the contract is currently under negotiation, I'm not
13 sure that we're able to share that. I'd have to get
14 back to you.

15 CHAIRPERSON DE LA ROSA: Okay, if you're
16 able to at any point, it would be great to share that
17 with the Committee as we go forward.

18 I'm going to call on Council Member
19 Paladino. I don't think she's here. She signed up for
20 a second round. Council Member Bottcher followed by
21 Council Member Velazquez for a second round.

22 COUNCIL MEMBER BOTTCHEER: Would the
23 addition of half a billion dollars into the
24 Stabilization Fund, would that assist with the
25 funding issue for the next five years?

2 FIRST DEPUTY BUDGET DIRECTOR GODINER: A
3 half a billion dollars would represent about a sixth
4 of about what we would expect to save over the next
5 five years.

6 COUNCIL MEMBER BOTTCHEER: Another
7 question. Are there any implications for active
8 employees in modifying the Code. Beyond giving this
9 option for retirees, what would other possible
10 implications be, if any?

11 FIRST DEPUTY COMMISSIONER POLLAK: I think
12 the Code change, what it does is it empowers
13 collective bargaining and it allows us to negotiate
14 with the MLC to determine the benchmark plan so that
15 is all we're seeking and it would allow us to
16 negotiate as needed with the MLC.

17 COUNCIL MEMBER BOTTCHEER: Thank you.

18 CHAIRPERSON DE LA ROSA: Thank you.

19 Council Member Velazquez followed by Council Member
20 Schulman.

21 COUNCIL MEMBER VELAZQUEZ: Hey again. For
22 the record, retirees have real concerns over Medicare
23 Advantage. We have doctors on the record saying that
24 they don't want to participate in the Medicare
25 Advantage plan because of the additional layers that

2 will be required out of them. We also have that these
3 plans meet shareholder profit goals by denial of
4 services. Lastly, we have these plans that the
5 decisions regarding care comes with a financial with
6 a financial lens. How are we going back to what you
7 said, you had mentioned oversight, how do you
8 envision the admin providing the additional layer of
9 oversight to make sure that we give our retirees the
10 proper authorization that they deserve for the
11 services that they already get?

12 FIRST DEPUTY COMMISSIONER POLLAK: We plan
13 on working with our MLC Colleagues to monitor their
14 performance to make sure they're meeting every
15 promise they've made, the insurer. This is something
16 that we do on a regular basis with our active plan as
17 well. We monitor to make sure that our employees and
18 our retirees are getting the best care they can, and
19 it's as much in the interest of our unions as anyone
20 else to make sure that their members, active and
21 retired, are getting high-quality care, and it's also
22 in the City's interest so we have robust reporting
23 requirements in the contract. We are going to be
24 reviewing those. We are going to be speaking with the
25 insurer on a very frequent basis to make sure this

2 plan is going smoothly, and we plan to do everything
3 in our power to make sure that it does and that it
4 delivers the care our retirees do deserve.

5 COUNCIL MEMBER VELAZQUEZ: I hear you, but
6 as someone who has gone through serious medical
7 conditions, I have had denial upon denial upon
8 denial, and I'm active. Retirees don't have time for
9 litigation. We need to make sure before we implement
10 anything that they are protected and they don't have
11 to go through endless authorizations, that they are
12 granted what they deserve so how can we protect them
13 and how could we assure them that they are going to
14 protected? That's what we need to know.

15 CHAIRPERSON DE LA ROSA: Thank you,
16 Council Member.

17 FIRST DEPUTY COMMISSIONER POLLAK: I will
18 say that as we said today we have managed to remove,
19 negotiating with Aetna, about 75 percent of the
20 procedures that would have been subject to prior
21 authorization so we think that's a significant change
22 that should address many of the concerns. You're not
23 going to have prior authorization for an MRI or a CAT
24 scan under this plan.

2 CHAIRPERSON DE LA ROSA: Thank you,
3 Council Member. Council Member Schulman and then
4 Council Member Powers to close.

5 COUNCIL MEMBER SCHULMAN: Thank you. I
6 just want to say that I agree with the Chair
7 previously when she said that healthcare is a human
8 right, but it's not a human right if you cannot
9 afford it and you don't get the care that you
10 require.

11 I want to ask a question of you. We as a
12 Body, I believe I'm sharing this as part of the Body,
13 want to resolve this issue and make sure our retirees
14 are protected. How do you expect us to do that if you
15 won't share the draft contract with us? You're
16 essentially asking us to consider this bill in the
17 dark?

18 FIRST DEPUTY COMMISSIONER POLLAK: We will
19 provide details of what the plan is going to look
20 like. We will get back to you on when we may be able
21 to share more details, but we'll provide you with as
22 much information as we can, but I want to be clear
23 that this amendment isn't about whether or not the
24 Medicare Advantage plan proceeds. We are planning on
25 moving forward with that plan, and we think that this

2 amendment is necessary to allow us to provide the
3 choice for retirees.

4 CHAIRPERSON DE LA ROSA: Please, no
5 comments from the gallery. You will have your
6 opportunity when it's your turn to testify. We have
7 over 200 people testifying tonight so we will be
8 having dinner here together. Please.

9 COUNCIL MEMBER SCHULMAN: I just want to
10 say that I hear what you're saying, but you're asking
11 us to vote on this sooner than we'll be able to see
12 any information on it. With that, I'm going to
13 conclude my questioning. Thank you.

14 CHAIRPERSON DE LA ROSA: Thank you,
15 Council Member Schulman. Council Member Powers.

16 MAJORITY LEADER POWERS: I think I'm
17 closing out. I just want to, before you guys leave,
18 just to help us lay out where we go from here the
19 options based on whether the City wins the lawsuit or
20 whether the retirees win the lawsuit and what are the
21 options on the table. I know we've done this, but I
22 just want to kind of get this sort of out here now to
23 where we're going because we've heard things about
24 the actives, we've heard things about Aetna so just
25 can you just lay out based on where we are today

2 where we might be headed or where we are headed when
3 it comes to respect to this?

4 FIRST DEPUTY COMMISSIONER POLLAK: Sure.

5 If this amendment is passed, we will proceed with
6 implementing Medicare Advantage while allowing
7 retirees to remain in the Senior Care plan for a
8 monthly premium.

9 If it's not passed, we will proceed with
10 implementing Medicare Advantage and eliminating
11 Senior Care and the other plan that has a cost to the
12 City. There may be litigation about on either of
13 those paths, and that litigation, there's always the
14 possibility of court orders that direct us to do
15 certain things, but we will, as long as we're able
16 to, be proceeding with implementing this plan in the
17 summer.

18 MAJORITY LEADER POWERS: Okay. One last
19 question is just on the timing here again. We've
20 heard a lot about January being the date. There's a
21 little bit of questions I've heard from folks about
22 whether that date is a real deadline or something
23 that has sort of manifested itself so can you talk
24 about the timeline right now?

2 FIRST DEPUTY COMMISSIONER POLLAK: Sure.

3 We talked about earlier the six-month implementation
4 timeline we have for this plan, and we need to
5 provide people notice. Whether there's going to be an
6 option to keep Senior Care or not, we need to provide
7 people with a notice, they need to know what their
8 options are. There's a process for opt-out that I
9 believe is governed by CMS regulations so there's a
10 long lead-up time so we need to be able to have this
11 finality to know what plan we're going to be offering
12 is, is there going to be this offering or not, and if
13 we don't have it then that would delay the timeline
14 and every month we delay we lose 50 million dollars.

15 MAJORITY LEADER POWERS: Okay, thank you.

16 CHAIRPERSON DE LA ROSA: Council Member
17 Dinowitz.

18 COUNCIL MEMBER DINOWITZ: Thank you.

19 First, it's disappointing that you don't have an
20 answer to things like the 1 percent and a lot of
21 numbers that have been asked. I imagine that 1
22 percent of claims that require preauthorization to
23 use the proper terminology are the highest need
24 cases, the most vulnerable people, that would be my
25 guess because those would be the most expensive

2 procedures, and if you could possibly share with us
3 what those claims would be because I see you shaking
4 your head, but it also seems like there are a lot of
5 questions to which we don't have answers.

6 I do have a question about the healthcare
7 costs. I understand and appreciate, I think we all
8 do, that healthcare costs are rising astronomically.
9 How much of those increase of costs are due to
10 specifically the early days and months of the
11 pandemic where people were hospitalized, the beds
12 were filled, people had to be tested in order to go
13 to work, those tests were and are very expensive, and
14 how much do you attribute to more long-term cost
15 increases?

16 DEPUTY COMMISSIONER LEVITT: Actually, the
17 pandemic period resulted in a short-term decrease in
18 our healthcare costs because people postponed going
19 for elective care so despite the high costs of COVID
20 and the cost of COVID testing we actually a temporary
21 decrease and then an increase in costs for people
22 going back to get all of the elective care that they
23 didn't get during the COVID period.

24 COUNCIL MEMBER DINOWITZ: Okay. I'm glad
25 you all have been sworn in because I've heard

2 different information from other officials who have
3 said the cost of requiring people to get tested to go
4 to work, not that that was a bad policy, but that
5 that significantly increased the cost of healthcare
6 which I think speaks to the lack of information or
7 the misinformation that we've been receiving.

8 The last thing is, and this will be my
9 last question, is I've heard today and throughout
10 this process a lot of trust us, we don't have the
11 contract, we can't see the contract, sort of trust us
12 that this is better, this is what I'm hearing, right,
13 it may not be what you're saying but it's what I'm
14 hearing. There are things that are guaranteed, but
15 the healthcare, I'm including myself in this because
16 I was a teacher and I was guaranteed the same
17 healthcare that so many retirees here were
18 guaranteed, I trusted the City to give me that
19 healthcare in retirement, now you're saying trust us
20 on what's going on with what you'll be provided but
21 also that it's only a five-year guarantee and so I
22 guess a two-part question is how can we in the City
23 Council and NYC residents one trust you about
24 guarantees that we thought were (INAUDIBLE) and also
25 we have a staffing shortage, like why the hell should

2 someone work for the City if we're not sure those
3 things that we were told we would get despite what
4 you say the law is, we were told that we were going
5 to get in retirement and now are being changed and
6 essentially taken away from us?

7 CHAIRPERSON DE LA ROSA: Thank you,
8 Council Member. Please wrap up.

9 COUNCIL MEMBER DINOWITZ: Thank you. No,
10 that's it. That was my question.

11 FIRST DEPUTY COMMISSIONER POLLAK: I would
12 say that what the City has committed to its retirees
13 and employees is high-quality, premium-free coverage,
14 and every effort we've made is to meet that goal.
15 Like I said, many other municipalities and many other
16 private employers, public employers all over the
17 country have started charging their employees
18 premiums so the reason we're doing this is to meet
19 our commitment to provide high-quality, premium-free
20 coverage. If we just don't make any changes to our
21 health plans ever, we are going to be (INAUDIBLE)
22 healthcare costs. We need to be able to make
23 modifications to seek efficiency and when there are
24 opportunities to provide a plan with the kind of
25 benefits we're talking about now we need to take

2 those opportunities, and that is why we are going
3 along this path.

4 CHAIRPERSON DE LA ROSA: Thank you. We
5 have Council Woman Gutierrez and then Council Member
6 Restler.

7 COUNCIL MEMBER GUTIERREZ: Thank you,
8 Chair. I'm asking these questions on behalf of my
9 Colleague, Council Member Linda Lee, who is on
10 virtually, but we have lost a quorum so direct these
11 answers to her.

12 Do you all have a sense based on this
13 legislation that we're hearing today what is the
14 likelihood that we would partially reject this
15 amendment, do you all have a sense, I know this is
16 step one, but have you all been having conversations,
17 doing your due diligence with other members, where do
18 you think we are at before the end of the month
19 deadline?

20 FIRST DEPUTY COMMISSIONER POLLAK: I'm
21 sorry. You're asking about what conversations we've
22 had with the Council Members?

23 COUNCIL MEMBER GUTIERREZ: Yes.

24

25

2 FIRST DEPUTY COMMISSIONER POLLAK: I
3 haven't directly had conversations. I know that
4 certainly the City's Legislative Affairs team has.

5 COUNCIL MEMBER GUTIERREZ: Okay. Is there
6 a way for Council and retirees to weigh in on a plan
7 if it changes from what is being proposed today?

8 FIRST DEPUTY COMMISSIONER POLLAK: Change
9 in what way? I apologize. I'm not sure I understand.

10 COUNCIL MEMBER GUTIERREZ: Is there a
11 space or is there an opportunity for, so you said
12 before in your responses that you all are prepared to
13 move forward with Medicare Advantage. Is there
14 another opportunity, would there be another
15 opportunity for retirees and Council Members to weigh
16 in on Medicare Advantage I guess once it gets
17 instituted if we're not able to successfully pass
18 this amendment?

19 FIRST DEPUTY COMMISSIONER POLLAK:
20 Certainly, the Council has the authority to hold
21 hearings and request information from the
22 administration, and retirees have many forums to
23 provide their input as well including to their unions
24 as well as to the administration directly.

2 COUNCIL MEMBER GUTIERREZ: I'm sorry. I
3 couldn't really hear. Could you repeat that.

4 FIRST DEPUTY COMMISSIONER POLLAK: Sure. I
5 would say that the Council has the authority to have
6 hearings, request information from the
7 administration. We do plan to report on the progress
8 of this plan. In addition, I would say retirees have
9 the opportunity to voice concerns publicly to the
10 administration and to their unions.

11 COUNCIL MEMBER GUTIERREZ: The last thing,
12 it's not really a question, she just wanted me to
13 emphasize, and she's right that we're being asked to
14 move ahead with a lot of unknowns with a lot of
15 information we're being asked to move in this
16 relationship with a lot of trust that we don't have.
17 Thank you.

18 CHAIRPERSON DE LA ROSA: Thank you.
19 Council Member Restler.

20 COUNCIL MEMBER RESTLER: Thank you, again,
21 Chair De La Rosa, for your leadership and for
22 creating the space for us to have this conversation
23 today, and I want to thank all the retirees for being
24 here and our union leaders and members for being here
25 as well.

2 I had just a couple questions. First a
3 comment. I just want to beseech you again to maintain
4 optionality through this process. As you're looking
5 at the steps, this is obviously very fluid. The goals
6 that you're articulating today are for Medicare
7 Advantage to be one choice and for holding onto
8 current options to be another choice and, as things
9 unfold, I really hope that you think ahead to the
10 various litigation options as Majority Leader Powers
11 laid out and both he and I, I think underscored this
12 in our questioning, we have to continue to maintain
13 optionality so in the deal that you strike with Aetna
14 and however things unfold with current Senior Care,
15 that is critically important.

16 Secondly, I wanted to ask in that spirit,
17 many of our retirees have pensions of 30, 40, 50,000
18 dollars a year, very moderate income. Do you think
19 they have an option of not going to Medicare
20 Advantage in the proposals you've laid out to pay the
21 191 dollars a month?

22 FIRST DEPUTY COMMISSIONER POLLAK: I
23 certainly can't speak to the circumstances or choices
24 of individual retirees. Right now, there are retiree
25

2 plans that require a buy-up. Some take them, some
3 don't.

4 COUNCIL MEMBER RESTLER: I hear you. I
5 know you're not going to say more than that, but,
6 look, if somebody's got a 35,000-dollar-a-year
7 pension, they can't pay 191 dollars a month, they
8 can't afford it, it's impossible, and so the thing
9 that I wonder have you thought about tiering or
10 subsidies for low-income or moderate-income retirees
11 based on household income, based on the size of their
12 pension to think about could we offer greater
13 subsidies to maintain optionality for low-income
14 retirees?

15 FIRST DEPUTY COMMISSIONER POLLAK: The
16 issue with subsidizing the cost of Senior Care beyond
17 just the lost savings is also it could jeopardize the
18 procurement which was based on the fact that retirees
19 would be paying the difference in price between the
20 Senior Care plan and the Medicare Advantage plan.

21 COUNCIL MEMBER RESTLER: My understanding
22 is CSCA has done some interesting things here at the
23 State level. I'd hope that we could explore different
24 solutions along those lines as well. Lastly, and then
25 I promise, Chair De La Rosa, to shut up, when was the

2 last time that the City audited Senior Care and the
3 appropriateness of the rate Emblem charges and can
4 that audit be shared with the Council?

5 DEPUTY COMMISSIONER LEVITT: I don't know
6 when Senior Care was audited, but the rate is based
7 on the claims that are paid. This is not an insured.
8 It's based on the actual claims that are paid. We
9 review the claims that are paid. We could certainly
10 go back and audit, but I don't think we're going to
11 see any significant balance from anything that we
12 would audit on Senior Care.

13 COUNCIL MEMBER RESTLER: Okay. That's
14 helpful.

15 DEPUTY COMMISSIONER LEVITT: Medicare pays
16 the claim first. We just pay the balances so there's
17 not really anything there to audit.

18 COUNCIL MEMBER RESTLER: Okay. That is
19 helpful. Thank you. Thank you, Claire.

20 CHAIRPERSON DE LA ROSA: Thank you so
21 much. We are officially done with this round of
22 questioning.

23 We thank the administration for coming in
24 and answering our questions, and we hope to hear from

2 you on the followup questions that the Committee has
3 asked today.

4 I'm going to go over some of our
5 administrative rules if I can find them in this pile
6 of papers while we call on the next panel who will be
7 Michael Mulgrew, Henry Garrido, Gloria Middleton, and
8 Harry Nespoli. If you all can start transitioning.

9 Before we turn to their testimony, I want
10 to remind folks about the rules of this Chamber.
11 First, we lead with respect.

12 Second, if you're expected to testify in-
13 person and virtually, please register to testify.
14 Please listen for your name to be called. At times,
15 witnesses' names will be called in groups to
16 facilitate Council Members' questions.

17 Additionally, if you are testifying
18 virtually via Zoom, Council Staff will unmute you
19 when it is your turn to speak. This may take a moment
20 as we expect large virtual participation. Please be
21 patient if not immediately unmuted, and please accept
22 the request to be unmuted when you receive it.

23 Every witness that is registered to
24 testify today will be limited to two minutes. Please
25

2 stop your testimony when the Sergeant-at-Arms calls
3 time.

4 We want to thank this panel for being
5 here today. We will begin with Mr. Mulgrew virtually
6 when there is a moment if he is on.

7 MICHAEL MULGREW: Thank you very much.

8 SERGEANT-AT-ARMS: Time starts now.

9 CHAIRPERSON DE LA ROSA: Thank you. Time
10 starts now. Go ahead.

11 MICHAEL MULGREW: Okay. I want to first
12 thank the Speaker and the Chair for holding these
13 hearings. I heard most all of the questioning that
14 has just gone on, and I am here to say that first and
15 foremost this hearing is really about preserving some
16 sort of choice for our retirees. The Medicare
17 Advantage plan that we are trying to negotiate at
18 this moment is not done yet, and we will never agree
19 to a plan unless we have all the guarantees that we
20 need to assure our retirees that they are getting all
21 the service that they have worked for and earned so
22 that question is a separate question, but, for us,
23 the issue is that the court case took away our
24 collective bargaining authority where for years we
25 were allowed to negotiate additional plans that were

2 known as payer plans. We no longer have that. I know
3 right now Aetna does not want this amendment to pass
4 because they'd rather everyone just go into Medicare
5 Advantage. That is what we are asking for the Council
6 to do is preserve our rights to give choice to our
7 members, and, as we move forward, the questioning was
8 pretty clear, if you don't take up this amendment,
9 we're going to, one day or another, maybe with Aetna,
10 maybe with another company, but we will design a
11 Medicare Advantage plan and implement it and it will
12 be the only one like it in the entire country and it
13 will be the best one in the country, but we're going
14 to do that because this is really about the fight for
15 healthcare costs which we have been doing for years
16 now. We had to fight with a Mayor for 12 years who
17 tried to put premiums on us as workers and we stopped
18 that, but now what we're dealing with is hospitals,
19 insurance companies, medical groups, everyone now in
20 the healthcare industry is just making more and more
21 money and New York City is battling to make sure that
22 we keep all of our workers premium-free. There are no
23 guarantees. That's what we're trying to do here, and
24 I appreciate you taking this time to have this
25 hearing.

2 CHAIRPERSON DE LA ROSA: Thank you Mr.
3 Mulgrew. The in-person panel may begin when ready.
4 Introduce yourselves for the record. Thank you.

5 HARRY NESPOLI: I'd like to thank the
6 Speaker and the Chair and everybody else that's still
7 here just to hear both sides of the story, and that's
8 the most important thing.

9 I'm Harry Nespoli, Chair of the MLC. I
10 represent 500,000 active and retiree City employees,
11 and I'm also the President of the Sanitation Union
12 City of New York.

13 We're today seeking passage of
14 legislation that will help maintain for our retirees
15 two longstanding goals at the MLC. That's the
16 provision of high-quality healthcare and the ability
17 to choose a plan that most meets their healthcare
18 needs. Let me be perfectly clear. This is not
19 legislation to mandate Medicare Advantage. This bill
20 will provide retirees with the ability to choose what
21 they want to use, Senior Care and Medicare Advantage
22 plan. This is the common goal of the City of New York
23 and the unions.

24 I would like to make an observation
25 before the other labor trade leaders join the

2 discussion. There has been an enormous amount of
3 false and misleading information provided by others
4 on this issue. The leader of one organization wrote
5 in a letter to you don't mess with a retiree. We have
6 time on our hands. This is not a game. This isn't
7 something to joke. This is something to get together
8 and try to resolve it. The policy of the MLC has
9 always been turn around and having choice. That's our
10 way. Choose which you would want to go rather than be
11 mandated. The passage of this bill will help us
12 meeting that goal. That's all I can say. All I can
13 say is thank you for listening to everyone here and
14 turn around, and we'll try to get the City to make
15 sure that you get more information pertaining to
16 Aetna on some of the questions here.

17 CHAIRPERSON DE LA ROSA: Thank you. I
18 failed to recognize Mr. Floyd. Thank you for joining
19 the panel. Also, Council Member Brannan. Thank you
20 for being here.

21 HENRY GARRIDO: Good afternoon. I am Henry
22 Garrido. I am Henry Garrido. I am the Executive
23 Director of District Council 37 AFSCME. I am here to
24 testify before you on behalf of the City's largest
25 municipal union, which represents 150,000 members and

2 89,000 retirees across the City of New York. Thank
3 you, Chairwoman De La Rosa and the Members of the
4 Civil Service Committee. I also want to thank the
5 Speaker for her leadership and her courage to make
6 sure that we have this hearing and that we ask all
7 the right questions.

8 I'm here to speak in favor of amending
9 Administrative Code 12-126, which would allow us to
10 protect and preserve healthcare for more than 300,000
11 New Yorkers. In the past few months, there has been a
12 lot of misinformation about the motives behind the
13 proposal to amend the Administrative Code. We have
14 allowed fear of the unknown to truly become the
15 perfect enemy of the good. To be clear, my priority
16 is to provide active and retiree New York City
17 municipal workers the best healthcare coverage
18 possible while making sure we have the funds to
19 sustain it long-term. Amending the Administrative
20 Code has always been and will always remain about
21 choice. Updating the code will update our union's
22 ability to negotiate healthcare options as we have
23 done for over 40 years. Without this amendment, the
24 security of life-saving programs like the PICA
25 Programs are at stake. Through the MLC, we have

2 negotiated self-injectables and chemotherapy
3 medication for all active and pre-Medicare retirees.
4 When I tell you this is very personal to me, it is
5 because both my grandparents died of cancer, and they
6 did not have the power of a union to fight for the
7 programs like PICA to help with the cancer treatment
8 at the end of their lives, and our Stabilization Fund
9 has exhausted all this resources and continues to go
10 under every month. We now have to take responsible
11 actions that may not be popular, but they're
12 responsible actions, and unless this City Council is
13 willing to fund 1.8 billion dollars for the next
14 three years and 600 billion dollars annually going
15 forward to keep the status quo in place, my members
16 in DC 37 retirees and their dependents will have to
17 face the prospect of paying premiums our retirees
18 will no longer have an option for their healthcare
19 plan. Hundreds of people who have been relying on you
20 to do the right thing, not the popular thing, so do
21 what needs to be done, do what is necessary, and if
22 we don't amend this Code, it will not prevent the
23 City from implementing Medicare Advantage. A judge
24 may, but Judge Franks' decision, the appeals of the
25 court's decision, the Arbitrator's rule have all

2 indicated that the City is not legally required to
3 provide our retirees with an array of healthcare or
4 pay for that choice. Read that court decision again
5 because what is being touted...

6 CHAMBERS: (Noise)

7 SERGEANT-AT-ARMS: Quiet.

8 CHAIRPERSON DE LA ROSA: [GAVEL]

9 HARRY NESPOLI: What is being touted as a
10 victory for retirees also has the poison pill of very
11 specific language that says the City doesn't have to
12 provide a choice nor does it have to pay for it. We
13 know that retirees deserve and want choice, and
14 that's what we're here to fight for today. We're
15 fighting to preserve choice, and we're asking the
16 Council to protect the choice by voting to amend the
17 amendment.

18 I would conclude with this quote from Dr.
19 King who said "In the end we will remember...

20 CHAMBERS: (Noise)

21 CHAIRPERSON DE LA ROSA: Order. Please let
22 him finish testifying. You will have your moment to
23 testify. If you do not comply, you will be removed
24 from this Chamber. Thank you.

2 HARRY NESPOLI: If you can boo Dr. King,
3 that's something else, but "In the end, we will be
4 remembered not for the words of our enemies but for
5 the silence of our friends." We can do this, and you
6 can vote this down. That's within your power
7 certainly, but there has to be an explanation for
8 those, if that vote goes down, who are relying on you
9 for leadership (INAUDIBLE) medication, (INAUDIBLE)
10 retirees who are not here who have been bamboozled
11 into believing that this is the only way. Thank you.

12 CHAIRPERSON DE LA ROSA: Thank you.

13 GLORIA MIDDLETON: Good afternoon,
14 Committee Chair De La Rosa, Council Member Ayala, and
15 Madam Speaker, Committee Members, and all City
16 Council Members. My name is Gloria Middleton. I am
17 President of Communication Workers of America Local
18 1180. We represent almost 9,000 active City
19 administrative workers and close to 7,000 retirees,
20 which is why I'm here today speaking out in favor of
21 legislation that allows Administrative Code 12-126 to
22 be amended.

23 As you know, the Municipal Labor
24 Committee has a long history of bargaining on behalf
25 of all unions regarding healthcare issues for active

2 and retired City workers in order to fulfill our duty
3 to ensure the City's healthcare plans meet the needs
4 of both our members and our retirees. The MLC has
5 been working with the City nonstop since 2014 to
6 reach savings that keep the Stabilization Fund
7 afloat. To generate savings, the MLC negotiated the
8 Medicare Advantage Plus plan for retirees that
9 provides for equal or better benefits and qualifies
10 for federal subsidies needed to reduce the current
11 600 million dollars healthcare deficit that is rising
12 daily. The proposed Medicare Advantage plan will
13 replace both traditional Medicare and the Medicare
14 Supplement plan with one unified program at no
15 premium cost to retirees or to the City. This plan
16 would provide all the healthcare services previously
17 covered by original Medicare and those supplemented
18 by the Senior Care program while also adding
19 important new benefits not covered by the current
20 Senior Care plan. The proposed Medicare Advantage
21 plan is not a limited network or HMO-type plan but
22 rather an extended service area plan. This means our
23 retirees can utilize any doctor nationally that
24 accepts payment from Aetna at the Medicare-allowable
25 rate, even if they are not in Aetna's network. The

2 Arbitrator dealing with disputes regarding the
3 health-savings agreement has ruled that the City must
4 move forward with a Medicare Advantage plan to
5 achieve savings. In its decision, the court ruled
6 that the City is not required to offer Senior Care or
7 any other similar plan. That means the Medicare
8 Advantage plan will be the only plan available for
9 retirees and eliminates all options. This is not what
10 we want. We want to make sure our retirees have
11 options, but we cannot do that without your support.
12 Unless this City Council acts now to pass the
13 legislation that will allow for amending
14 Administrative Code 12-126 and supports the MLC in
15 negotiating healthcare benefits for retirees, they
16 will lose their freedom of choice in selecting a
17 health plan. Let me repeat, all options will be
18 eliminated. It is imperative for this City Council to
19 act responsibly and allow labor leaders to engage in
20 negotiations that ensure our retirees have the
21 freedom to choose a plan that best works for them.
22 Local 1180 and CWA District 1 wholeheartedly support
23 Intro 0874 2023 to amend the Administrative Code, and
24 we are asking for you to do the same.

2 GREGORY FLOYD: Good afternoon. My name is
3 Gregory Floyd. I'm President of Local 237 Teamsters.
4 First, I'd like to thank Chairwoman Carmen De La Rosa
5 and Speaker Adams for holding this hearing.

6 I agree with my Colleagues. I didn't
7 write a speech because I knew they would cover
8 everything and by this point everything would've been
9 said, but I wanted to come here and give my support
10 because the easiest thing would've been not to show
11 up, not to speak out, and not to fight for the
12 choice. That's the easiest thing. I could've sat back
13 and just let it happen, but we believe seniors should
14 have a choice, and that's why we're here. Had we done
15 nothing, Medicare Advantage would've been implemented
16 with no choice, and we wouldn't be fighting over the
17 191 dollars a month. We understand that there should
18 be choice, and that's why we're here, for choice.

19 CHAIRPERSON DE LA ROSA: Thank you so
20 much. Now, we'll go to Member questions for this
21 panel. I'm going to start by asking if the Council
22 were to adopt the proposed legislation, would the MLC
23 commit to continuing to offer GHI Senior Care?

24 MULTIPLE SPEAKERS: Yes.

2 CHAIRPERSON DE LA ROSA: Okay. Thank you.

3 Why is it important to the City and the MLC to
4 preserve GHI Senior Care as a healthcare insurance
5 option? These are some repeated questions. We're just
6 trying to get everyone's position clear on the
7 record.

8 HARRY NESPOLI: Look, it's another choice.
9 It's like Gregory said, that's the way it's been.
10 It's been choice. You just don't jam it down your
11 throat.

12 MICHAEL MULGREW: When we were negotiating
13 the initial, this choice was not there. Retirees did
14 reach out to us. They said we understand what you're
15 trying to do, but we'd rather have the ability to say
16 let's wait and see that the Medicare Advantage that
17 you're putting together is actually doing everything
18 that you say it's going to do, and we were very
19 comfortable with that. We said we know you'll be
20 extremely happy that it will do everything it's
21 supposed to because we won't agree to it unless that
22 is the case so the original choice was for people to
23 have the ability to stay in Senior Care with the pay-
24 up, but when the Code was changed, when the judge
25 said we couldn't do what we've been doing for almost

2 50 years, which is why we have six other pay-up plans
3 that are all going to be eliminated. That took away
4 our collective bargaining rights so it's a
5 combination of two things here. One, I'm saying this
6 on the record to you all, the Medicare Advantage plan
7 that we go forward with, it may be Aetna, it may not
8 because we're not done with negotiations and there
9 are things that are really difficult because we are
10 looking for stuff that no Medicare Advantage plan in
11 the country has so we don't know if they will do
12 that. We know everybody thinks it, but we're not sure
13 yet, but whether or not we want to collect the
14 bargaining rights to go back because we don't know
15 what's coming in the future and if we let it stand
16 that there's only one plan and one plan only unless
17 we or the City comes up with a payment for it. That
18 could really lead to less creative ways to deal with
19 the healthcare crisis that we're currently in.

20 CHAIRPERSON DE LA ROSA: Thank you. Prior
21 to the City and the Municipal Labor Committee's
22 agreement to implement Medicare Advantage plan in
23 2021, what steps did the City and the MLC take to
24 mitigate escalating healthcare costs?

2 HENRY GARRIDO: I'll take that. Madam
3 Chair, there have been two rounds of collective
4 savings. There was the first one in 2014 that you
5 heard the City testified about that collectively
6 saved 3.4 billion dollars. There was a second round
7 in 2018 that had 2.2 billion, and the reference to
8 Council Woman Julie Menin previously, there were
9 targets with those. Unfortunately, the
10 hospitalization costs and the rise of prescription
11 drugs, and I maintain, Council Member Bottcher, that
12 still the rising cost of COVID and having to be
13 tested was a significant factor. In fact, our
14 information is that it increased the bills associated
15 with healthcare. DC 37, for instance, also opted to
16 take half of the raise that otherwise would've been
17 given to your constituency so people in your
18 districts, school aides, crossing guards, the lowest-
19 paid City workers, took half of the last raise that
20 was a 3 percent in order to cover the retirees and
21 their dependents. I want to be very clear because
22 something hasn't been said about how we haven't
23 sacrificed enough. That was not an easy call. We, as
24 a union, made that choice, and we convinced those who
25 are active in-service employees to give up half of

2 the last raise of a collectively bargained contract
3 in order to cover that cost that we mentioned before,
4 and what's being asked here in a sense is we have to
5 keep covering the retiree healthcare through some
6 sort of collective bargaining if we don't have the
7 alternative of the choice that I mentioned before.
8 The savings that were done include co-pay increases
9 for actives and pre-Medicare retirees includes
10 tiering laboratory work, includes tiering people,
11 increasing co-pays in some areas, decreasing co-pays
12 in order to change behavior to discourage people to
13 using emergency rooms about what should be ambulatory
14 care. There were changes into best practices for
15 Sloan Kettering Cancer Center, for Hospitals for
16 Special Surgeries. There have been a myriad of
17 changes that were done and yet the cost of healthcare
18 continues to outpace the cost of revenue, and our
19 revenue is set by the language that we're talking
20 about here because the fortunate situation is that
21 this has become somehow a referendum on healthcare
22 for the retirees when, in fact, that language that is
23 in that section simply says the City has to pay up to
24 the HIP HMO rate. There are 200,000 lives in the HIP
25 HMO rate projecting that coverage for 1.2 million

2 people. There's absolutely no justification for a
3 language that sets the HIP rate. A lot of those lives
4 are not even City workers, to protect and set the
5 standard for 1.3 million people. There is absolutely
6 no logic to it. Those who want to defend and say this
7 is a standard, this has been the standard for 40
8 years, I ask the question, why are 200,000 lives,
9 many of which are not even City workers, setting a
10 standard rate for 1.3 million people including
11 retirees. Lastly, I will say this. DC 37 chooses to
12 cover the retirees and the benefit until they die.
13 That is the choice that we make as a union. A large
14 portion of that money that comes from the
15 Stabilization Fund is no longer available, and it was
16 stopped. That 165 dollars that comes per member, per
17 retiree, goes to cover programs like Silver Script
18 which is a retiree healthcare prescription drug that
19 Council Member Gale Brewer mentioned before. That is
20 the choice that we continue to make so in answer to
21 your questions about how many things that we've done
22 in the last eight to not to get to this point, the
23 answer is a lot, and we can go in detail in some of
24 it, but the cost continues to outpace the revenue and
25 even with the savings that's why we're in a deficit.

2 CHAIRPERSON DE LA ROSA: One of the things
3 that has, oh, go ahead, Michael.

4 MICHAEL MULGREW: I want to follow up with
5 Henry. The amount of changes that we've made, we're
6 constantly looking at different things we need to do
7 or opportunities to save money. We've been very
8 aggressive. We did not do what the rest of the
9 country did, which is basically just pass those costs
10 on. That's why we need supporters as we continue this
11 fight. This hearing and whether this bill passes or
12 not doesn't stop that we're in this fight. That's why
13 we need supporters on board. Council Member Menin,
14 her bill on transparency and all the cosponsors of
15 it, because the State would not take up that bill
16 because of the lobbyist in Albany, and now at least
17 in the City we can say we're going to do this.
18 Hopefully, we all get behind that, but we have
19 constantly made changes. Just imagine that we've
20 saved 3.4 billion dollars, and we still ended up
21 losing ground, and New York State is the highest
22 inflation on healthcare, and something needs to be
23 done about it. Henry is correct about behavior. Just
24 recently, we did a round of co-pays on our in-
25 service, but we based them on things that we're

2 seeing that are problematic. Urgent care centers are
3 now the number one healthcare provider for the people
4 of New York City, the workers of New York City. Some
5 of them are not so nice. They might look nice
6 outside, very shiny and everything else, some of them
7 are not so nice, so they were all told very simply,
8 you are gouging us, and we're going to put massive
9 co-pay for someone to walk into your facility because
10 we don't want them walking into your facility because
11 you're ripping us off. That's the type of really
12 smart, aggressive policies we've been pursuing at all
13 times. Henry is correct about the HIP rate. This is
14 an archaic system that we all inherited from 1982,
15 and something needs to change on all of that, but I'm
16 very proud of what we've done and the savings we've
17 been able to continue to produce, but let's be clear
18 we are all in a healthcare crisis, and that's why it
19 is important that we keep on that ball. In terms of
20 Medicare Advantage, Medicare Advantage is a
21 government program, it's a government program..

22 CHAMBERS: (Noise)

23 MICHAEL MULGREW: We said we're going to
24 take a program and design it in a way that has not
25 happened anywhere else with greater protections,

2 better benefits, and all the things that we want for
3 our retirees in it, and that's what we're endeavoring
4 to do right now, and that will also help in savings,
5 and that's part of what we're doing right now until
6 we can get a real federal intervention in terms of
7 healthcare.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 HENRY GARRIDO: By the way, there are two
10 pieces that I forgot to mention which are two rounds
11 of legislative proposals by the MLC at the State
12 level. The most recent one, the HEAL Act, the
13 Hospital Equity and Accountability Law, that was
14 modified and passed, signed by the Governor, but it
15 was so watered down that we couldn't go and set the
16 rates straight and a rebating of the PICA program
17 which completely changed the formulary for those who
18 are receiving the chemotherapy and injectable drugs
19 that saved 200 million dollars. We have done
20 everything in our power everything that we had to try
21 to save money throughout with prescription drugs, in
22 hospitals, in changing behavior, in urgent care as
23 Michael said. We still have hospitals that the
24 Councilman mentioned charging us over 1,000 dollars
25 for a COVID test just because they can. That's not

2 just for actives. That's for retirees. That's the
3 system we're in. That's the system that is outlined
4 in this HIP rate, that the hospitals and the
5 providers know very well and have saw it as an open-
6 ended credit card to charge so when you're answering
7 the questions about it for the sake of the retirees
8 who are concerned and fearful, we understand the
9 fear, we also have to ask the questions for the
10 actives and the pre-Medicare retirees who are also
11 beholding to a system that has absolutely no checks
12 and balances, and we tried as we might to try to
13 create some of those checks and balances only to be
14 thwarted one way or another. We try to change one
15 behavior and then the hospitals readjust and up-bill
16 on the other side so we need to change this.

17 HARRY NESPOLI: Just to go on Henry, if I
18 may, the Council Member over there touched on a very
19 good issue as far as the costing of what these
20 hospitals are actually change. This executive board
21 of the MLC met with executive boards of hospitals. We
22 worked out plans to cut, not just for City workers,
23 not just for retirees, for the public, we met with
24 them because every time we sat with them we moved
25 here, we moved them here, but around the back

2 eventually they charged over here so I could just say
3 this MLC has worked for everybody, and we're always
4 going to keep on working for everybody for the best
5 way we possibly can do. Thank you.

6 CHAIRPERSON DE LA ROSA: Thank you. One of
7 the questions that we've been posed with here in
8 different iterations is if the Council doesn't act or
9 if the Council fails to pass this legislation, in
10 your estimation would there be another bite of the
11 apple down the line? So what happens after January
12 29th, which is the deadline that has been floated
13 around to Council Members? What happens? Tell us what
14 that scenario looks like for the City.

15 HENRY GARRIDO: I'm not an attorney, but I
16 think one of the problems you have is the terms of
17 the contract that has been now negotiated we have an
18 obligation and the Arbitrator has to be set as to how
19 many lives this covers, right, so unless there's opt-
20 out language under the current Aetna contract that
21 allows for a later revision of the Code or some other
22 form of option, that's the number one problem, right.
23 Will the company consider this a breach of contract
24 as they have expressed it (INAUDIBLE) depends on the
25 number of lives covered, right? They issue a cost.

2 It's only a part. They issue a choice is a key part
3 of it so if the Council decides not to do this, and
4 they have within their right, the problem you have is
5 you have a five-year executed contract that will come
6 in front that already has as I said two court
7 decisions and an Arbitrator that the City will
8 execute with no choice. Now, does that mean the
9 contract gets invalidated if the Council changes the
10 law? I don't know. I'm not a lawyer, but I think
11 that's something that you should ask the attorneys
12 here because we don't have an answer for that.

13 CHAIRPERSON DE LA ROSA: Thank you. The
14 other thing that has been brought to us is this idea
15 of alternatives. One of the alternatives that has
16 been presented is a proposal by the PSC-CUNY. What is
17 your position on using the Retiree Reserve as
18 proposed by PSC-CUNY as an alternate solution?

19 HENRY GARRIDO: Let me just say this.
20 We've talked to PSC-CUNY. They are our Colleagues.
21 They sit on the board of the MLC. We've talked about
22 it. The question is what is the endgame? If we're
23 going to take part of the Retiree Reserve to put in
24 and there's a question of whether you can take 600
25 million dollars of what was originally legislated to

2 be benefit only for retirees and transfer that money
3 to the Stabilization Fund which covers everyone, both
4 actives and retirees, there's a legal question of
5 whether that can be done, but let's assume we get
6 past the legal threshold and that can be done, what
7 is the end result three years from now with their
8 proposal? What's going to change? The hospital
9 behavior certainly is not. Prescription drug coverage
10 is not going to change. As you heard by testimony,
11 the premiums are only increasing so what's the
12 difference between what we're doing now versus what
13 we're doing three years from now? My Colleagues in
14 fairness to them said well, we can rebid Senior Care,
15 we can do a number of things. Is there an expectation
16 rebidding Senior Care will save 600 million dollars
17 or 600+, whatever that money would be at the end,
18 there's no answer so in many respects this is only
19 kicking the can down the road to a problem that needs
20 a solution for both actives and retirees. Everybody
21 wants to preserve choice. Everybody wants to preserve
22 the healthcare. How do we pay for it? That's the
23 question here. If we're not going to receive the
24 federal subsidy through Medicare, how do we pay for
25 it? Is the Council in a position right now to say

2 we're going to put up the 600 million dollars to do
3 this? Well, that's part of the question. Is it a
4 matter of the unions and the City coming back and
5 trying to find a way to do it? That's part of the
6 question. We've tried to be responsible in putting
7 forward one of the proposals that was presented to us
8 as part of the negotiations. By the way, Medicare
9 Advantage has been on the table since the 2014 deal.
10 We're in 2022. We've managed to avoid this eight
11 years. There's a difference though in 2014 and 2022,
12 and that is you have a Stabilization Fund at a
13 negative for the first time, and so we feel
14 responsible to have to pay those things that are
15 covered. By that way, that cover for the
16 Stabilization Fund is not just for actives. Retirees
17 are also getting a large amount of money coming to
18 the unions from that fund that is now living out of
19 the reserves. When those reserves run out, what
20 answers do we have to actives and retirees to say we
21 no longer have the fund to cover the things that you
22 so value right now?

23 CHAIRPERSON DE LA ROSA: Madam Speaker has
24 a question, but I just want to follow up on
25 something. The proposal for some type of subsidy has

2 come up several times here, and we know that there is
3 a rejection of creating two classes of workers in our
4 City, but the idea of covering the cost of the
5 premium through a subsidy has been brought up. Do you
6 all have a position on that?

7 HENRY GARRIDO: We're always open to
8 ideas, but one of the concerns is that depending on
9 the contract lives covers, Aetna may actually not do
10 the contract if not enough lives are covered so god
11 is in the details and so is the devil as the saying
12 goes. It depends on the subsidy. We would have to
13 know what the substance of it is before we can say we
14 are for or against. The other thing is clear one of
15 the things that has been said is either Senior Care
16 of Medicare Advantage or both, let's remember we also
17 have 20,000 lives in HIP VIP that will not will not
18 be touched with this change. That remains a plan that
19 is viable, that has no cost to the City that would
20 also remain in place so the question is for those who
21 the 191 dollars is too onerous will the reimbursement
22 be 100 percent, would it be 80 percent, because if
23 everybody gets reimbursed for everything, obviously
24 what incentives would they have to go into a new

2 program and then you lose the subsidy for it, but we
3 are open for ideas, Chairwoman.

4 SPEAKER ADAMS: Thank you. I just have one
5 question. All of you have said in your opening
6 statements pretty much that if this Council does not
7 act then our retirees will not have a change option,
8 there will be no option to change. If that is the
9 case, it seems very basic to me, and I'd just like to
10 hear from all of you the response to this because,
11 Henry, you've done a lot of the answering, but I
12 would like to hear from all of you since the panel
13 pretty much agrees that if we do not amend then our
14 retirees will no longer have a change when it comes
15 to care. If that is the case, why do you think
16 independently, why do you think there is so much
17 resistance to the amendment of this Code?

18 GREGORY FLOYD: I can start because from
19 the very beginning when the questions came up, we
20 wanted to put something forward to tell everyone
21 exactly what was going on, and it was the last
22 administration, the de Blasio administration, who
23 thought that they could just push this through and
24 not talk about it so they didn't agree and they
25 wouldn't allow us to go out and explain what exactly

2 was going on from the beginning so once you lose the
3 narrative and all of the other factors come in and
4 everybody gets their own ideas and people dig in,
5 it's difficult, if not impossible, to refute
6 everything that's gotten into everybody's head and
7 what their understanding of what's going on, and we
8 never caught up, we're not caught up now, and that
9 was the problem before this new Council was elected,
10 and we're still dealing with the ghosts of the past,
11 but we're here because we have this opportunity to
12 try to move forward, and this was before the court
13 case because we didn't even have to get the court
14 case. If everyone understood exactly what this
15 program was, what we were doing, and who was paying
16 for it, it would be far less resistance.

17 CHAIRPERSON DE LA ROSA: Please allow for
18 the Panel to respond without calling out. In your
19 three minutes, you will be able to express yourself.
20 Please allow the Panel to respond.

21 GLORIA MIDDLETON: As our Colleagues have
22 expressed, in these negotiations since 2014 they
23 tried not to do Medicare Advantage. When it did come
24 up in the MLC with the Steering Committee, we talked
25 about it, we discussed it, 85 percent of the MLC

2 approved the Medicare Advantage plan, you should know
3 that, and then we had a plan where we would have
4 options in it, but then the court case came, and the
5 court case, and we can argue about what the judge
6 says, black and white shows what black and white is,
7 the court case came and said that Medicare Advantage
8 Plus could happen and there other nuances that went
9 along with that. There was an appeal. The appeal said
10 that Medicare Advantage could happen, but you could
11 not charge for Senior Care then as we go to the
12 Arbitrator, the Arbitrator says you can have Medicare
13 Advantage but no other program so this is where we
14 are. That's why we need the Code changed so the MLC
15 can continue to negotiate for the retirees so that
16 they have choice. We're not the bad guys here despite
17 what some people think, okay.

18 CHAIRPERSON DE LA ROSA: [GAVEL] Please.

19 GLORIA MIDDLETON: For 40 years, the MLC
20 has negotiated non-premium benefits for actives and
21 retirees. Why all of a sudden would we do something
22 that's different to hurt our retirees that we are
23 going to be future retirees ourselves? I don't
24 understand why we can't communicate that this MLC is
25 trying to work with the City to help negotiate the

2 best plan possible under the circumstances. We went
3 through COVID. Yes, there is a healthcare crisis. I
4 don't know why the City didn't say that. There was a
5 healthcare crisis. People in hospitals on
6 ventilators. The cost of that was phenomenal so we
7 are here today to make sure that our retirees can
8 have choice. That's what we are here for
9 specifically.

10 CHAMBERS: (Inaudible)

11 SERGEANT-AT-ARMS: Quiet, please.

12 CHAIRPERSON DE LA ROSA: Please.

13 HARRY NESPOLI: I think Greg really
14 touched on the answer to that is the fact that it was
15 rolled out wrong. It was wrong, and the fact that of
16 the change, a change. We've always talked about
17 retirees at our meetings, and we always try not to
18 affect the retirees on a regular basis, but right now
19 we've got our backs to the wall and a change has to
20 be made, and the change is this amendment. Nobody
21 likes change, but sometimes you're put in a seat that
22 you have to make that decision to keep the City
23 going, to keep on going. Nobody likes to charge
24 retirees a dime. 124 unions have refused to come here
25 today that's why (INAUDIBLE) I just feel as though it

2 was rolled out the wrong way and it turned around and
3 it just exploded to the fact that we had to come to
4 this Council to make this amendment, this change.

5 MICHAEL MULGREW: When I talk about my
6 union, we spoke about there was an RFP on the retiree
7 healthcare, but we also have to understand that our
8 hands are tied during an RFP process. There's a
9 confidentiality clause that's tied into it. The
10 minute we were through with that, we went out and
11 started speaking about it, but it had already
12 started. What had started was the beginning of the
13 cottage industry of how to stop Medicare Advantage is
14 what I like to call, and that has really been turned
15 into a bucket of misinformation and blatant lies
16 about what has gone on in the past and what we're
17 trying to do right now. That's what you all are
18 seeing in terms of the opposition too. You did say
19 you needed to hear from other folks. Our members were
20 contacting you, and you asked us to please stop that
21 so we did. The fact is that we never looked at
22 Medicare Advantage because we did the same research
23 that was done recently by the folks who are opposing
24 this. We looked at it, we said no, we don't want any
25 of that. What turned it around for us was when a lot

2 of the technical people and consultants we worked
3 with, we started asking them questions like can't we
4 design our own since we don't have to just pick one
5 of the plans, there's nothing in the law. In fact,
6 the law actually says they want people to be
7 designing Medicare Advantage plans and when we
8 realized we could do one that would only be for our
9 folks and it would be different than any other one in
10 the country we moved forward with that, and that is
11 always our intention so yeah, some of us are
12 frustrated our motivations have been questioned at
13 all times, I've heard some really crazy conspiracies,
14 and you chuckle but at the same time we think it's
15 sad because you do understand that if we don't
16 continue to have the ability to engage on this fight
17 on healthcare costs, people are going to get hurt,
18 but we will never allow our retirees to be hurt, and
19 that's the sad part about this chapter in the City's
20 history is that really the amount of misinformation
21 and lies is off the chart but I guess that really
22 tells a lot about where politics is in this day and
23 age.

24 SPEAKER ADAMS: What I will say from a
25 stance when it comes to this Council and I've said it

2 to my Members is that as a Council we should never be
3 in a position that we are in a right now. Win, lose,
4 or draw, this Council is in a lose/lose position,
5 which we should never be placed in to begin with.
6 However, we have to hear everyone. We have to hear
7 both sides because this is such a critical issue, and
8 we respect the fact that everyone has input on this
9 issue. Everybody that appeared here today from every
10 single panel to every single retiree, you have the
11 right to be heard, and that is our obligation to you
12 and to the people of the City of New York, and I
13 thank you for your testimony.

14 CHAIRPERSON DE LA ROSA: Thank you. Now,
15 we'll hear from our Colleagues. Reminding Colleagues
16 to please try to stay at two minutes. Council Members
17 Brannan followed by Restler followed by Dinowitz.

18 COUNCIL MEMBER BRANNAN: Thank you, Chair.
19 Just want to echo what the Speaker said. The hearing
20 today and the Introduction of this bill is the only
21 mechanism that this Council has to hear out this
22 issue so I thank the Chair for giving us this
23 opportunity to have this public hearing on this issue
24 for which we could not have done it without her

2 putting this forward, and that's why we're all here
3 today.

4 I think like everyone in this room I
5 believe very strongly in the sacred covenant between
6 the City and its workers, especially retirees. The
7 promise that the City of New York pays the entire
8 cost of health insurance coverage for City employees
9 and City retirees and their dependents is not a
10 promise that can be broken. I think we all agree on
11 that.

12 I do want to understand though, this has
13 been very enlightening for a lot of us today hearing
14 all the questions, and we look forward to hearing
15 from the retirees as well of course. I just want to
16 understand right now the established subsidy is
17 basically tied to the whim of EmblemHealth, and can
18 you explain why that is and how changing this code
19 would change that reality?

20 HENRY GARRIDO: I'm sorry, Councilman. I
21 don't know what you mean being tied to EmblemHealth.
22 Are you talking about the HIP rate?

23 COUNCIL MEMBER BRANNAN: Yeah. Sorry.

24 HENRY GARRIDO: That's what the
25 Administrative Code says. It says that the City shall

2 pay not to exceed 100 percent of the full cost of the
3 HIP HMO rate on a categorical basis. That's what
4 we're trying to change here. That's what is in the
5 Code right now. Right now, there's an RFP process
6 going through the actives. If there's no HIP rate,
7 guess what? We're going to have amend the
8 Administrative Code for entirely different reasons.
9 Now, this was put in at the time, I can speak about
10 this because my union was at the center of it because
11 HIP was cheaper. There were HIP Centers. You didn't
12 need a referral. When I became a City worker some-odd
13 years ago, I was told if you don't want to pay co-
14 pays you take HIP, you can go in a HIP Center because
15 it was cheaper for the City. somewhere along the way,
16 that has changed. They changed, right. With
17 ObamaCare, that HIP rate went up, and more money was
18 going into the fund. There was more money in the
19 Stabilization Fund than there ever was going back in
20 2010 and 2012, but somehow this Code never change so
21 HIP, the rate which is the original rate which has
22 lives that are not City workers set the rate for
23 everybody else. That is what is in this code. Now, no
24 one has been able to provide for me why there are
25 thousands of lives outside of HIP of City workers

2 that are part of the HIP rate that are still setting
3 the rate for the City. Private sector lives, but
4 that's what's in this Code, and there's nothing other
5 than what's in this Code. That's what I meant when
6 while this has become a referendum on coverage for
7 retirees, the insanity of keeping a language that
8 sets the rate for HIP where thousands of non-City
9 workers or even City residents are setting the rate
10 because the original, the people in Westchester that
11 are not City workers are part of this rate right now,
12 and the fact that this remains the language that
13 we're protecting, that is to me insane.

14 COUNCIL MEMBER BRANNAN: Okay. Thank you.

15 CHAIRPERSON DE LA ROSA: Thank you.

16 Council Member Restler followed by Council Member
17 Dinowitz.

18 COUNCIL MEMBER RESTLER: Thank you, again,
19 Chair De La Rosa, for holding this hearing today and
20 for your leadership. I really do want to thank each
21 of our labor leaders for being here today and for the
22 testimony.

23 I have to say I think the Speaker asked
24 the question of the day that I think we're all
25 struggling with here. I believe everybody is coming

2 from a good place, that you're concerned about
3 everybody who has been through your union in an
4 earnest and heartfelt way, and all of the retirees
5 who are here are truly fearful about what this means
6 for their healthcare, and so our inability to
7 communicate to them on why this is not as devastating
8 as they are all convinced that it is is a crux of the
9 challenge that we're facing and so I really kind of
10 want to echo the Speaker's sentiment and appreciated
11 your responses, but I think the next question is how
12 do we move forward? How do we actually try to forge
13 some compromise between the work that you all have
14 put in in the MLC on this plan with the concerns that
15 the retirees have raised? How do we work together on
16 a path forward, and, Henry in particular, you're as
17 thoughtful about these issues as anyone I know, I
18 know you've put an enormous amount of effort, and
19 each of you put enormous amount of effort, into this,
20 would welcome your thoughts on how do we try to get
21 folks around the table to work constructively to
22 forge the compromises that are necessary for us to
23 move forward?

24 HENRY GARRIDO: I can tell you that was
25 within our control. We've tried very hard to push

2 back enough on the contract to have checks and
3 balances, performance guarantee. We pushed on the
4 preauthorization. As you heard today, 76 percent of
5 the preauthorizations have been removed. We pushed on
6 the Part D drugs being extended. We pushed on the
7 network to allow for PPO to get more doctors to it.
8 To the extent that things were under our control as
9 authorized by the Arbitrator, we've done that.

10 There are things that are not under our
11 control. Judge Franks' decision was not under our
12 control. The City makes the case and failed in doing
13 so. There are things in the decision there that are
14 very positive in saying you can't charge more for the
15 retirees but also don't provide an answer for saying
16 but you don't have to provide a choice so we can keep
17 litigating until whatever, but the funds are not
18 there so at some point the answer is going to have to
19 come to say once the reserves are out, once the
20 15,000 litigations are in, then what? Where do we get
21 to the point where we have an honest conversation
22 about alternatives as the Chairwoman said, right? In
23 this case, we have been presented and have been going
24 through this for at least eight years, and I know
25 Michael will touch on it, Harry will touch on it, and

2 the others here. We've gone through a myriad of
3 different things that we've tried. Some have worked,
4 some have not worked as well, and yet the
5 cost keeps coming out. Ten years, the cost was 4
6 billion. It is now 12.9 billion today. It keeps going
7 up, and the hospitals keep charging and the
8 prescriptions keep going up in spite of our best
9 effort so at what point do you sit down and say well,
10 this doesn't make any sense, we need to change this
11 and you need to change alternatives, and I get the
12 fear that a lot of retirees feel that this is about
13 cutting corners to save money on their backs, and
14 they were promised, even though it's not a
15 constitutional guarantee, healthcare, right, I get
16 that, and I've spoken to many of them who are part of
17 us who have supported me for the years and are asking
18 me Henry, why are you doing this now, and I'm saying
19 to them what I'm saying to you. There are no funds
20 available anymore in this structure that we have,
21 under this construct, so if you're not going to
22 provide a change that an alternative can be
23 negotiated, then where's the funding going to come
24 from other than active workers, right, or the
25 collective bargaining agreement or are you going to

2 ask workers to give up a raise for the next three
3 years to cover for the cost for everybody? That's an
4 unreasonable thing to do because no collective
5 bargaining would ever be ratified under those
6 circumstances. As I mentioned before, we did that in
7 the last round where I took half of a raise, quietly
8 done, right, that was really hard, to cover for the
9 retirees and their spouses, and we did that because
10 it was the responsible thing to do, but I don't know
11 that we can keep doing that so in the absence of this
12 and on the precedence of a rising cost, there has to
13 be a way that we can either control costs and then
14 find a different way to pay for it. Medicare
15 Advantage was one of those ways. If people say no,
16 no, no, then what's the reason, because I heard
17 somebody talked about 300 million in savings. We've
18 looked at some of those ideas. We don't quite think
19 that it raises to that. Even if you were to stipulate
20 the 300 million dollars, we have a 1.8-billion-dollar
21 deficit, so then what happens to the 1.5 and what
22 happens to the 600 and rising every year thereafter?
23 That's the question we still have in front of us in
24 the absence of the amendment to the Administrative
25 Code.

2 MICHAEL MULGREW: The original contract
3 that had the option to pay-up for Senior Care was
4 part of what I was asked to do by my retirees,
5 because as I testified before, we believe that you're
6 really trying to do what you are saying, that you're
7 designing something that doesn't exist that would be
8 the best one in the country, and all the rest of it,
9 but we want to see it for a little while before we
10 may or may not go in. We might go in, but we might
11 want the option to come out if we're not comfortable
12 with or if it's not doing what you say, and I get
13 that feeling. Believe me, I get that feeling. Myself,
14 the eldercare that I'm supplying to my family plus
15 the fact that I could retire right now so I know what
16 we're doing is the right thing, and the plan will do
17 what we say it does or we will get out of it or it
18 will be so costly to whatever company we're dealing
19 with. We're going to the place where we're not saying
20 if there's a breach of contract on the company's side
21 we're going to court. We're taking it out of that
22 because we don't want to spend years in court trying
23 to get something fixed. We need immediate fixes to
24 any sort of issue that we see at any time, and that's
25 how serious we are about our Medicare Advantage plan,

2 but until people are actually inside of it and seeing
3 it work, how do you alleviate the fear is your
4 question, and we knew at this point to keep Senior
5 Care is not something the original insurance
6 companies who did get into a contract wanted to do,
7 they did not want a pay-up option, and we know that
8 the one that we're trying to negotiate with now does
9 not want a pay-up option. Why? Because they get more
10 people inside of their plan so that was what we were
11 trying to do when we originally put the choice piece
12 in. That's why we're here at the Council, to put the
13 choice piece back in because if we don't do that, one
14 day we're moving forward with Medicare Advantage
15 because we have determined, we have made this
16 decision that since we have so much control over the
17 negotiations, over what goes inside of it and how to
18 put checks and balances in it, to have our own
19 independent people looking at it constantly, we know
20 that this is a small way to deal with healthcare
21 because those subsidies are very good and, at the
22 same time, we can deliver the service that we know
23 every one of our retirees need, but how do we get to
24 that point? That's why we're here. We were hoping,
25 once again, to have our collective bargaining rights

2 to do a pay-up plan, and I know 191 is a significant
3 amount for retirees who are on smaller pensions. I
4 understand that, but unless the City wants to take up
5 some of these costs, but then at the same time,
6 remember, these are recurring costs. These are not
7 one-time-onlys, and we've seen a lot of the ideas.
8 We've done most of them probably. We're in the middle
9 of auditing again. We're constantly auditing all of
10 our healthcare because we look at healthcare as
11 everyone. We don't think of healthcare as retiree or
12 in-service. We try to say all City workers, those who
13 are at work and those who are retired and how do we
14 make sure we keep achieving that goal of giving them
15 that high-quality, premium-free, and also giving them
16 choices where if they choose to pay-up they can.
17 Really, it's about that, and that's why we're here
18 today is to get our collective bargaining rights back
19 and to have the ability to offer choice that would
20 give some people the chance to say all right, maybe
21 I'll go in but if I want to get out I can get out.

22 CHAIRPERSON DE LA ROSA: Thank you.

23 Council Member Dinowitz followed by Council Member
24 Brewer. I want to recognize we've been joined by
25 Council Member Mealy.

2 COUNCIL MEMBER DINOWITZ: Thank you,
3 Chair, and thank you, Speaker, for asking your
4 question before me. I first want to thank all of our
5 labor leaders for your work, the people you
6 represent, both in-service workers and retirees, and
7 recognize that despite disagreements and strong
8 feelings about Medicare Advantage that it does appear
9 and seem like you are negotiating the best Medicare
10 Advantage plan within that framework and so, should
11 that go forward, I do want to thank you for that
12 because I think it is important to recognize and also
13 thank Mr. Mulgrew. I have been asking for over a year
14 including in this Committee of the previous
15 administration in October 2021 why if Medicare
16 Advantage is so great why we didn't do it earlier,
17 and I think, Mr. Mulgrew, you're the first person to
18 ever answer that so I want to thank you for that...

19 MICHAEL MULGREW: You're welcome.

20 COUNCIL MEMBER DINOWITZ: And why it's so
21 important that we're having this Committee hearing
22 and thank again, Chair De La Rosa.

23 I have two questions. Some of the
24 outreach I'm getting from constituents is it feels
25 like this is a quick and easy way to save money and

2 that unions haven't really done the work to save
3 money, that's what I'm hearing, and you alluded to
4 things like steering people away from hospitals and
5 urgent care and toward I guess primary care so, I'm
6 going to ask both questions in a row and would love
7 to hear y'all expound upon them, so the first
8 question is can you just more concisely say some of
9 the steps that have been taken to save on healthcare
10 costs before moving to Medicare Advantage, and the
11 second question is about specifically Senior Care and
12 it's clear you're negotiating for what you're saying
13 is the best Medicare Advantage plan, one that's
14 tailored to City workers and (INAUDIBLE) City
15 workers, is there a parallel or a committee assigned
16 to negotiate Senior Care and how does a change or
17 lack thereof change in the Administrative Code impact
18 the ability to currently negotiate or renegotiate the
19 pay-up cost of Senior Care?

20 MICHAEL MULGREW: Okay. Let's just start
21 with the two very large things driving most of your
22 increases. It's hospitalization and drugs. We did an
23 RFP on our entire PICA fund that's saving us over 100
24 million dollars a year, and that's continuing, and
25 that's for all of our workers because the PICA fund

2 to us is something that is sacred at all times
3 because that is for families who are really in
4 medical crisis and distress, and the last thing we
5 want happening to them is having to pay out-of-pocket
6 for some very, very expensive drugs so that's a very
7 large thing that we've done. The other piece is, and
8 this is where the creativity comes in, looking at
9 hospitals, I think the public might be shocked to
10 know that we look at what it costs for every type of
11 different procedure in all the different hospitals
12 and then we look to see who actually has the best
13 outcomes, and the public might be shocked to find out
14 some of the places that are most expensive have some
15 really bad outcomes so then what we tried to do at
16 that point was we said all right, what are two of the
17 biggest issues that we have sadly as a workforce for
18 our retirees, and it was cancer and any sort of
19 orthopedic work. We do quite a bit. Then we went and
20 found the hospitals that do those better than
21 everyone else and actually are nowhere near the most
22 expensive and then we went and negotiated exclusivity
23 basically with them, made them designated hospitals
24 of excellence for all City workers and retirees, and
25 that has saved us quite a bit of money on hospital

2 costs, and that was with Memorial Sloan Kettering and
3 Hospital for Special Surgery, which is why we won't
4 enter into any Medicare Advantage contract unless
5 those two institutions are inside it, but every time
6 we've done that with an insurance company because of
7 our own relationships with those hospitals they have
8 gone inside of it so those are two of the things that
9 deal with major cost problems which are
10 hospitalizations and then inside of that you have the
11 orthopedics and cancer and then on the drugs itself
12 so that's just like the easy stuff we can explain,
13 but we're constantly looking at areas as I've said to
14 drive costs down. Recently, we did just put a major
15 co-pay on one of the urgent care centers, the only
16 one who did not respond and renegotiate their prices
17 with us, the only one who did not now has a massive
18 co-pay on them because we just don't want people
19 going in there period because if you're sick or
20 you're a worker or you're not feeling well, you're a
21 retiree, you go into a place, you have no idea that
22 this place is charging you 100 percent more than the
23 other place down the street, you have no clue that
24 that's happening nor should, that's not what people
25 talk about. It's not like you go into an urgent care

2 center and it's McDonald's with a menu with the
3 prices. That's not reality. The bills come later.

4 In terms of Senior Care, if the
5 Administrative Code change does not happen, there's
6 no reason for us to go Senior Care at this moment. We
7 are having conversations, but, at this moment,
8 there's trying to be a determination whether Senior
9 Care will even exist anymore because if the
10 Administrative Code change does not happen then there
11 probably will never be Senior Care again, and that's
12 why this is so important to us.

13 CHAIRPERSON DE LA ROSA: Thank you,
14 Council Member. Council Member Brewer.

15 COUNCIL MEMBER BREWER: Thank you very
16 much. I do obviously have a lot of respect for the
17 unions. This has been a lot of effort on your part. I
18 think the challenge is we don't really know what this
19 Medicare plan is, it's an unknown, and the funding is
20 unknown so people ask me this. Federal funding for
21 Medicare Advantage people feel will be far less than
22 the 600 million a year or the 191 if the retirees
23 choose to pay that so how much will the feds be
24 paying per year and per patient per month and
25 considering that we understand, again I don't know if

2 this is true, they say, considering that Medicare
3 Advantage administration costs could be 30 percent of
4 the total costs, apparently they far exceed what the
5 government operated, obviously Senior Care Medicare
6 admin costs around 6 percent so then we worry because
7 we figure less money means less healthcare. That's
8 how it comes across to those of us who are concerned
9 about this issue.

10 HENRY GARRIDO: Let me just tell you.
11 You've heard a lot, and people say we're New York
12 City, we're not in (INAUDIBLE) Ohio or somewhere
13 else. We're here in New York City, right, so why are
14 we saying that and then comparing those things in
15 those states and then applying it to a program that
16 basically hasn't even come out yet? This is part of
17 the information. Every contract has its rate. The
18 reimbursement by the federal government is based on
19 patient satisfaction. If your satisfaction goes down,
20 your start rating, as you heard the Chairwoman, goes
21 down, and, therefore, your subsidy goes down so
22 there's an incentive to keep people reasonably happy,
23 right. The biggest concern I've heard from the
24 retirees is we don't want reasonable things that are
25 needed to be denied. We don't want folks cutting

2 corners. We don't want things for the sake of savings
3 to be denied things that we think we ought to have
4 that doctors are telling us that we got to have so
5 that goes to the issue of the prior authorization
6 that we talked about. Lab work, I don't want to be
7 referred to a nutritionist when I need a CAT scan,
8 which in some parts of the country quite frankly has
9 happened so we worked really hard to remove the prior
10 authorization as much as we can, and we've been able
11 to achieve that so you can't compare what has
12 happened in other parts of the country to the program
13 that we are negotiating here because we truly believe
14 we are negotiating a contract so far that has
15 unprecedented things precisely to address the fear,
16 the concerns of the folks. Let's be honest, even if
17 you get everything that you think you would address,
18 there are people who still are going to be fearful
19 and skeptical and say well, no, they're lying,
20 they're lying, okay, so that's where the choice comes
21 on. People need a choice. In the absence of an
22 Administrative Code, I cannot say this enough, the
23 Speaker said it, in the absence of a change, there
24 will be no choice for the very same people that are
25 fearful, the very same people that want an option,

2 the very same people that want an alternative, there
3 will be none because, unfortunately, the way that the
4 judge's decision is written they don't have to pay
5 for it and the City is insisting there will be no
6 money for it, and, given the state of the
7 Stabilization Fund, it's not going to go anywhere so
8 we have to be mindful that we can address those
9 concerns that have happened in places across the
10 country but it won't be an apples-to-apples
11 comparison because this is a unique contract where
12 we've been able to negotiate things that do not exist
13 anywhere else in the country.

14 COUNCIL MEMBER BREWER: I hear you. I
15 think the best as others have said is put you and the
16 City and the retirees in one room and try to work
17 this out. Thank you.

18 HENRY GARRIDO: Which retirees?

19 MICHAEL MULGREW: I just want to throw one
20 thing in there. Remember, this is a five-year
21 contract if we finalize this one, and I don't know
22 why the City was answering the questions the way it
23 did this morning, but we can just bid it out again.
24 If we don't get some sort of federal intervention, we
25 would just be just as aggressive as we've continued

2 to be and when we do show that our plan does
3 everything we say it can do, it's not like the
4 company is not going to make money, they're going to
5 make money just on the managing of it. That's what
6 our goal is here in New York City. Since we're so
7 large, our goal with these companies is look, we
8 don't care about your quarterly profits or anything
9 else, you should make a management fee for processing
10 our plan. That's it, and we don't care about anything
11 else for you because we're so large and there's so
12 many of us inside of the plans that's our buying
13 power, and that has been continually at the heart of
14 all of our negotiations, but this is a five-year
15 contract. I've heard a lot of questions about what
16 were the caps after the fifth year. Who says we're
17 even going to be with them after five years? We're
18 going to continue to maintain high pressure
19 aggressiveness on every entity inside of the
20 healthcare industry.

21 CHAIRPERSON DE LA ROSA: Thank you.

22 Council Member Ariola followed by Council Member
23 Bottcher.

24 COUNCIL MEMBER ARIOLA: Thank you, Chair.

25 I just really have one question because I really want

2 to start to get to the retirees and hear their
3 testimony, but, Henry, earlier you mentioned about
4 for your members there was eliminating the benchmark
5 HIP rate and you were concerned about that so if it
6 was so important why wouldn't this be done in a way
7 that brings everyone to the table without simply
8 eliminating it which would really not be a very good
9 practice?

10 HENRY GARRIDO: Just to be clear, the bill
11 doesn't eliminate the language that exists on the HIP
12 HMO rate as a benchmark. It merely adds language that
13 provides for an alternative to be negotiated. That
14 alternative doesn't wipe the existing language. It
15 simply says that we have the right to negotiate
16 alternatives as you mentioned before just to clarify.
17 There's nothing in the bill that wipes that out. I
18 keep insisting that this system was set back
19 whenever...

20 MICHAEL MULGREW: 1982.

21 HENRY GARRIDO: '82, '83, whatever the
22 language is, and doesn't make any sense anymore quite
23 frankly, and I want to take this point because
24 there's 250,000 lives in contracts in the HIP HMO.
25 Right now, it's regionally based. If you ask how many

2 of them are City workers, it's less than 200,000 so
3 then that means that would imply there's a number of
4 private sector that we are now subsidizing through
5 this program and yet we don't even get to question it
6 because it's been in there since time immemorial, and
7 I think Council Member Brannan talked about this.
8 That makes no sense. Irrespective of the retiree
9 issue, just that in itself doesn't make any sense but
10 we're still beholden to it. Secondly, if we're going
11 to talk about an alternative to the cost that doesn't
12 shift the cost to retirees, that would be a place to
13 start, if we're subsidizing private insurance, but we
14 can't even do that because, unfortunately, we have a
15 decision that basically says they don't have to pay
16 for anything other than whatever has to pay outside.
17 I'm open to ideas and I'm open to discussion, but
18 it's hard to do that when you have language that is
19 so locked into (INAUDIBLE)

20 COUNCIL MEMBER ARIOLA: Thank you.

21 CHAIRPERSON DE LA ROSA: Thank you.

22 Council Member Bottcher.

23 COUNCIL MEMBER BOTTCHEER: Hospitals in New
24 York State are primarily regulated by the State
25 Legislature. Could you give us a snapshot of your

2 efforts at the State level to stop price gouging and
3 overcharging by private hospitals, what have your
4 efforts been with the State Legislature, and what
5 have the outcomes of those efforts been?

6 MICHAEL MULGREW: I'll start with the
7 first one. One of the efforts is, and I want to thank
8 you because I know you're one of the cosponsors on
9 it, is to do the very bill that the City Council has
10 done, which is on complete transparency of hospitals,
11 but we have not been able to get through in Albany.
12 Why? Because we know we have the Hospital Association
13 and their very strong lobbyists who have continued to
14 use the process of the state control of how hospitals
15 can do pricing, how to use that to their advantage
16 greatly over the last couple of years which is why
17 New York State has the highest health cost inflation.
18 We did the Surprise Billing, which came directly out
19 of the MLC. We got that legislation passed so that if
20 someone is, god forbid, in a different of the State
21 of New York and they have an emergency and they're in
22 an emergency room that all the crazy bills that we
23 used to see, crazy costs would be added into it, that
24 now the companies that we work with have a right to
25 audit in terms of surprise billing and now that's

2 nationally is now something people have realized they
3 need to do. Every year, there are constant little
4 changes in regulations and policies that sound very
5 simple, but people don't understand that it equals
6 millions and millions of dollars more that hospitals
7 can charge. Now, I want to be clear here. Hospitals
8 are a very important part of all of our communities,
9 and there are some really good hospital networks who
10 try to do the right things. It's a very complicated
11 world, and it's difficult, but when you tell everyone
12 you're a non-for-profit and I have nurses, I
13 represent a couple of different hospitals where the
14 nurses belong to United Federation of Teachers and
15 their CEOs are getting millions and millions of
16 dollars in bonuses on a yearly basis. Yet, when
17 you're at the negotiating table, they tell you
18 they're broke and everything else. I think they spend
19 more money on billing and coding to make it more
20 complicated just so that they can charge more, but
21 those are some of the things we've done at the State
22 level, but, again, I can't thank you all enough for
23 the bill on the hospital transparency because that is
24 literally a bill we've been trying to get introduced
25 in Albany for a couple of years and then Henry can

2 talk about the HEAL Act and the other things that
3 we've been working on.

4 HENRY GARRIDO: Harry, Michael, and myself
5 went to Long Island some time ago to convince Long
6 Island legislators to pass an amendment to the law
7 that would allow to ask for a simple question about
8 the ability to audit hospital claims. We're in a
9 contract with EmblemHealth, with Empire. The fact
10 that we can't even go to the claims for a particular
11 hospital seems absolutely ridiculous to me. The fact
12 that they can charge us what they want. I mentioned
13 that hospital that's charging us over 1,000 dollars,
14 and I said this makes no sense, everybody else is
15 charging you 60, 100, 150, HAC, even Mount Sinai, you
16 can't even make the case that this is because it's
17 Manhattan and real estate, same hospitals in the area
18 and you say why are you charging 400, so the bill,
19 the HEAL Act, the Hospital Equity and Accountability,
20 was supposed to be transparent and do what the
21 Council Member Menin's bill is trying to do. That's
22 the system that we have now, a system without any
23 checks and balances. When the City and the MLC asked
24 for those hospitals to come down and basically be
25 responsive and say why are you doing this, why are

2 you charging 400 percent, we met with Northwell, we
3 met with NYU, we met with Mount Sinai, we met with
4 HHC. There were two hospitals that said we're not
5 meeting with you. We asked them why. Because we don't
6 have to. Guess who those hospitals were? The two
7 largest hospital systems that are charging us 400
8 percent over the Medicare rate. That's the system
9 that we have now. Now, whether you think that this
10 argument should be about retirees or not, that's the
11 system that we have. There's a complete monopoly, and
12 the bill was supposed to provide transparency, not to
13 change it because we can't, but to at least provide
14 some level of transparency where people know what
15 they're being charged for what services. As Michael
16 said, the hospital lying with some unions went into
17 Albany and watered down this bill to the point that
18 it was like it's there, we're appreciative of the
19 Legislature for passing it, we think it's a path in
20 the right direction, it's progress, but it's
21 certainly not anywhere near what we wanted to do by
22 way of transparency. This is the second round. When
23 we did the DIR bill, it was the same concept, and the
24 MLC officers went and lobbied the Legislature, met
25 with the State folks, met with the Senate Leader and

2 House Majority Leader several times and had to
3 convince a group to do it and yet the hospital
4 industry, the Greater Hospital Association was in the
5 budget process changed and watered down and took away
6 and continues to allow the same things that we're
7 seeing right now in our system.

8 COUNCIL MEMBER BOTTCHEER: Thank you.

9 CHAIRPERSON DE LA ROSA: Thank you. I do
10 have a question. One of the things that was asked of
11 us is how will this plan that you're negotiating with
12 Aetna compare to Senior Care currently? The City went
13 into large detail about what the City's perspective
14 is on the negotiation that's at the table right now.
15 Can you provide us a timeframe of what those
16 negotiations look like and also if there's any
17 details that the City might've left off that you
18 think the Committee should consider, please give us
19 that information.

20 MICHAEL MULGREW: Henry, you want to start
21 that one?

22 HENRY GARRIDO: Yeah. I mean we are on the
23 timeline set by the Arbitrator so we believe January
24 29th is the deadline that we're going to have to. I
25 think there's been significant progress towards

2 getting to addressing some of the concerns that were
3 raised. As Michael said, we're not there, we don't
4 have a contract yet. That contract will determine how
5 many lives cover, what the savings, what the subsidy,
6 what everything will be at that point. I think we
7 provided a cost comparison chart, a side-by-side
8 chart of what it is so far and Senior Care versus the
9 Aetna Medicare Advantage and still, as I said, we can
10 do that and, before this is over, we should finish
11 that process, but I want to be very clear, if you
12 don't amend the Code, for those who still remain
13 skeptical and still don't want to do this, still want
14 to say no, no, no, this isn't right, this is just
15 selling a bill of goods, there will be no choice
16 other than that, and that would be a travesty because
17 so many of our people would want a choice about
18 what's happening and whether we find a way to pay for
19 that choice or not, still the choice needs, and we
20 believe and that's what we're here to do today, needs
21 to be provided, a choice.

22 MICHAEL MULGREW: Our negotiations are
23 moving forward, but we're not there yet. If there was
24 a vote today, I would be voting no, but we are making
25 progress to achieving our goals. The benefits will be

2 more than what we currently have in Senior Care. the
3 City was right in that in what they testified to,
4 but, to us, we have the same fear and skeptical
5 nature as everybody in this room does about insurance
6 companies and healthcare so it's really what we're
7 looking for is really ironclad checks and balances
8 and watching everything, reports. We're not going to
9 go begging. The things we just complained about the
10 hospitals, we deal with that with insurance companies
11 to so now we're just putting this has to be part of
12 our contracts that we get the records of everything,
13 all the procedures, of course we comply with HIPAA
14 and everything else, all the procedures, everything
15 going in, prior loss, any sort of denials,
16 everything, we will be getting those on a monthly
17 basis, and we're going to have our own committees
18 working through this with assistance from technical
19 experts that we hire, but we're not there yet, and
20 one of the things is that if we finalize the
21 contract, right now we can't offer Senior Care as a
22 pay-up because of the judge's order, we can't do it.
23 We cannot put it in the contract so when people talk
24 to me about the Medicare Advantage, and I have no
25 issues with discussing everything people want to do

2 about the Medicare Advantage program when we finally
3 get it done, but this hearing is not about Medicare
4 Advantage. This is about whether we can include in
5 any contracts as we move forward our options for our
6 retirees because that judge's ruling that said what
7 we've been doing for 50 years we no longer can do,
8 that was the most damaging part of the judge's
9 ruling. Remember, the original court case was about
10 the RFP process was done wrong. No, the RFP process
11 was done perfect, no problems. The rollout of the
12 plan, and that I will agree with Greg, the previous
13 administration really mishandled a lot of this, but,
14 if we finalize a contract, we want to be able to
15 offer the option and right now we cannot finalize a
16 contract with an option for Senior Care.

17 CHAIRPERSON DE LA ROSA: Great. Thank you.
18 There's a question about other unions. Do you know of
19 any unions that have done a similar negotiation on
20 behalf of their retirees?

21 HENRY GARRIDO: Part of our due diligence
22 as officers, we've met with other unions who are
23 having similar problems. 1199 had their issue,
24 implemented Medicare Advantage, a lot of resistance,
25 a lot of fight, and then they were able to get

2 (INAUDIBLE) 32-BJ. We met with CWA on the Verizon
3 contract, and I think Gloria can speak to that.

4 GLORIA MIDDLETON: On the CWA, the
5 National, District 1 negotiated a contract for a
6 Medicare Advantage. I don't have the details as to
7 what that contract entailed, and I can certainly ask
8 the District to share it with you guys, but I know
9 the members are very happy with the plan. They do it
10 specific to the Verizon workers. It's not the plan
11 that you see on tv. It's a specific plan, and that's
12 exactly what we're trying to do, do a specific plan
13 for the retirees for the City workers, but it has
14 worked, and CWA members are happy with it.

15 MICHAEL MULGREW: I spoke with different
16 unions, both here in the State of New York and across
17 (INAUDIBLE) and they said always implementation is
18 the roughest part hands-down across the board
19 implementing a new plan is always difficult. Some of
20 them have renegotiated out with different companies
21 because they didn't like their provider, but no one
22 was going into the details that we have gone into
23 here in New York City in terms of our negotiations.
24 You people have to understand that whatever company
25 gets this bid, they can't use their existing

2 infrastructure. They have to set up a whole separate
3 thing because the plan is so different than anything
4 that's currently out on the market so that is one of
5 the big things that we've done is really reached out
6 to other folks. I was shocked to find out the amount
7 of retirees who are in Medicare Advantage plans both
8 here in the State of New York, State workers, my
9 State union has a lot of retirees in Medicare
10 Advantage plans, but I didn't understand the scope of
11 the amount of retirees who were public sector workers
12 that were inside Medicare Advantage plans.

13 CHAIRPERSON DE LA ROSA: Thank you. Before
14 we dismiss this panel, any other questions on the
15 Committee? No?

16 Thank you so much for coming here today
17 and answering our questions.

18 Up next as we transition, we will go to
19 Marianne Pizzitola, Wendell Potter, and Michelle
20 Robbins.

21 CHAMBERS: (Noise)

22 CHAIRPERSON DE LA ROSA: Please, please.
23 The rules still apply so that we can hear everyone.
24 Thank you so much.

2 All right, we're going to ask everyone to
3 settle down so we can begin with this panel.

4 SERGEANT-AT-ARMS: Please, everyone quiet.

5 CHAIRPERSON DE LA ROSA: Panel, you may
6 begin when you're ready.

7 SERGEANT-AT-ARMS: Quiet, please.

8 CHAIRPERSON DE LA ROSA: Identify
9 yourselves for the record. Thank you.

10 MARIANNE PIZZITOLA: Good afternoon. My
11 name is Marianne Pizzitola. I'm going to read my
12 abridged testimony as my full testimony was enclosed
13 for the record for the sake of time, but it will also
14 give you time to ask us questions.

15 Good afternoon, Chair De La Rosa, Speaker
16 Adams, Council Members, and Members of the Civil
17 Service and Labor Committee. I come before you today
18 with a wide range of emotions. My name is Marianne
19 Pizzitola, and I am President of the New York City
20 Organization of Public Service Retirees and the FDNY
21 EMS Retirees Association.

22 As a retiree, I left the job, and I would
23 never have thought I would have had to fight to
24 retain something that I already earned and paid for.
25 I should not have had to form a corporation,

2 organization over 100,000 retirees, fundraise, hire
3 lawyers, government liaisons, and sue the City and
4 fight my own union, DC-37, to protect my health
5 benefits from Labor Relations and OMB.

6 As you listened to today's testimony, it
7 was clear that there were three takeaways. One,
8 Medicare Advantage is not a good healthcare plan,
9 even by the federal reporting by Health and Human
10 Services Office of the Inspector General and the
11 Government Accountability reports have all agreed.
12 This is one of the main core reasons why the retirees
13 do not want this bill and paying for premium coverage
14 is impossible for many of our low-income retirees.

15 Number two, there is no deadline,
16 especially not this month to make this change that
17 you're being asked to make. The threats by the United
18 Federation of Teachers, DC-37, and the City that an
19 Arbitrator gave a deadline are lies to shove this
20 down our throats, and this isn't about change or fear
21 of change. This has nothing to do with that. This has
22 to do that we materially investigated the differences
23 between Medicare Advantage and traditional Medicare
24 with a supplement. We should take our time to get
25 this right because rushing is what got us here in the

2 first place. For example, health insurance companies
3 will profit massively while our people will get hurt
4 if this goes through. Let's all combine our strength
5 and fight and bargain with the insurance companies.

6 Number three, if this passes, the lives
7 of some of the most vulnerable New Yorkers, those
8 people who many of you got elected to protect will be
9 harmed by making it tougher to get proper healthcare.

10 Please understand that the unions are
11 trying to get you to change a law that has been
12 around for over 55 years. Mayor LaGuardia wanted to
13 give people healthcare and dignity in retirement, and
14 that's what this did because it protected us all
15 equally to the same benchmark, not where the City is
16 lying and saying that my plan for me because I'm on
17 Medicare is worth \$7.50 or a zero dollar premium but
18 theirs is worth over 900. According to the actuary
19 reports today, Mr. Godiner was not so truthful. The
20 plan wasn't \$7.50, and that was even in the actuary
21 report that that didn't exist. What they did was they
22 took a plan that had a rate of 880 dollars and change
23 and overnight dropped it to \$7.50 and then because
24 Emblem wanted to keep their HIP VIP plan competitive
25 they dropped their rate to \$7.50 too so you want to

2 talk about market manipulation, that's a pretty good
3 example. The union's contracts are expired, and
4 that's why they want this. There's no emergency, and
5 the City isn't going bankrupt, and, if it was going
6 bankrupt, why would you take healthcare away from
7 retirees while still in the pandemic to fix it? Not
8 even in the fiscal crisis of the '70s did the City
9 take away retiree healthcare, and, when you change
10 the Administrative Code, the City will have the
11 leverage to change the active workers' plans, and
12 this includes you. When this happens, the unions will
13 blame you. When the active workers realize that it
14 was the City Council that allowed the City to screw
15 them, they will not forget that you gave them the
16 ability to do that by changing the Administrative
17 Code. The new benchmark will be lowered for them too,
18 and Mayor Adams and the unions will smile, and you
19 will be blamed.

20 As for the City Council of record, we
21 urge you to just say no to Intro bill 874. You have
22 the power and the voice to protect because you are
23 all we have under the law. Our unions no longer
24 represent us, and over the decades when other mayors
25 tried to take away benefits under Abraham Beame,

2 under Mayor Koch and Giuliani, it was this Body right
3 here in this room that protected us every single
4 time. If what the unions and the City say will
5 happen, you can always intervene, but if you do this
6 now to fix something that hasn't even happened yet,
7 you will never be able to undo it, and we will never
8 get it back.

9 I am happy to answer any questions that
10 you may have and thank you for having us here today
11 to be heard.

12 MICHELLE L. ROBBINS: Good day, Council
13 Members. This is an abridged version. I won't take up
14 my two minutes. I just handed in 20 copies for you
15 guys. Sorry.

16 My name is Michelle L. Robbins and a
17 retired FDNY EMS lieutenant and former New York City
18 resident. I wanted to work for the City and got
19 caught in the hiring freeze of the '90s. I worked as
20 an EMT in the private sector until 1993 when I was
21 called by HHC to work for the greatest city in the
22 world. I jumped on it. I made more money in that
23 private sector, but having a small child, a single
24 parent, I needed a pension, good health benefits
25 during my tenure. I knew after I retired, I would be

2 entitled to good health benefits for life. During my
3 20 years of service, I was a rescue paramedic, a
4 first responder at the worst terror attack to affect
5 the City. I spent nine months in the pit. I still
6 have flashbacks that I don't care to speak about. A
7 few years before retirement, I was injured on the job
8 and forced to retire with a disability pension, went
9 on Medicare, had to move upstate, had mental
10 conditions undiagnosed most likely 9/11 related. I
11 suffer from severe back pain, joint pain. I've had 14
12 surgeries job related. I see doctors at least four
13 times a month, travel four hours one way to get good
14 medical care in this great city. A MAP plan will
15 destroy me. My docs are dropping these MAP plans just
16 as the City of New York is dropping (INAUDIBLE) there
17 are signs all over every day. Retirees are not
18 represented by the unions. We have no rights. We
19 don't get PICA. Why should our retiree benefits be
20 sold off to be paid for misused Stabilization Fund
21 money? This is disgusting. Who does this to people?
22 The MLC and the City are. The MLC and the City are
23 trying to circumvent Judge Franks' decision because
24 they lost. In law, the word dicta means opinion so
25 one plan on the table they claim means just that,

2 just like Scheinman's letter, an opinion. I saved
3 lives in this city. Now, I'm trying to save my life
4 and that of hundreds of thousands of others. Please
5 vote no on Intro 874. I am grateful for your
6 undivided attention and thank you.

7 WENDELL POTTER: Chair De La Rosa and
8 Members of the Committee, thank you for this
9 opportunity. If you don't remember anything else I
10 say today, please remember this. Medicare Advantage
11 is neither Medicare nor is it an advantage for
12 millions of Americans, and I should know. I'm a
13 former healthcare executive who used to come up with
14 the PR and marketing schemes to sell these private
15 plans, and I'm also the son of a woman who'd have
16 died 10 years before she did had I not been able to
17 move her out of a Medicare Advantage plan, and I can
18 explain that if you'd like to know in a Q and A.

19 My name is Wendell Potter, and I'm a
20 former CIGNA Vice President. My name was on all of
21 CIGNA's quarterly earnings reports for 10 years. I
22 had to know how the company made money and what it
23 did with that money. My team and I also wrote talking
24 points for our lobbyist. I walked away from my career
25 because I could not in good conscience keep lending

2 my name to press releases and studies that all too
3 often were biased and to even engage in the practice
4 of twisting the meaning of words like the word
5 choice. Three years ago, the New York Times published
6 an op-ed that I wrote under this headline "How the
7 Health Insurance Industry and I Invented the Choice
8 Talking Point." To this day, the industry churns out
9 studies that omit or obscure facts and data the
10 insurance industry does not want us to know about
11 Medicare Advantage plans and other policies with sky-
12 high deductibles. As a consequence, millions of
13 middle-class families are now buried under a mountain
14 of medical doubt while insurance companies are
15 posting record profits, and they did especially
16 during the pandemic. All of the big for-profit
17 companies reported record profits. Medicare Advantage
18 has become a big reason for those profits. It is an
19 enormous cash cow for insurance companies in large
20 part because they engage in a scheme to make
21 enrollees seem sicker than they really are to get
22 more of their tax dollars. The federal government
23 estimated just a few weeks ago that because of the
24 way insurers have rigged the system it overpaid
25 Medicare Advantage plans by more than 11 billion

2 dollars last year alone. To be blunt, they are
3 stealing our tax dollars to enrich their
4 shareholders. I was astonished a few minutes ago to
5 hear that Aetna was told that they don't care about
6 quarterly profits. Folks, that is absolutely what you
7 have to be paying attention to. In my written
8 testimony, I will provide ample evidence of how
9 Medicare Advantage plans have bamboozled employers,
10 unions, lawmakers, and the public for years for no
11 reason other than to maximize profits to keep Wall
12 Street happy and, in fact, just a handful of Wall
13 Street financial analysts. I hope you will find time
14 to read it before you vote. Medicare Advantage,
15 folks, is a money-making scam, and I should know. I
16 helped sell it so I implore you not to vote in favor
17 of hurting the City's retirees and the Medicare
18 Advantage plans. Doing so will not make retirees
19 healthier, but it will make the bottom line of big
20 insurance companies much healthier with the hard-
21 earned tax dollars of the people of this city. Thank
22 you very much.

23 CHAIRPERSON DE LA ROSA: Thank you so
24 much. I just want to clarify for the record. This
25 Committee has not scheduled a vote on this

2 legislation. This is the first hearing on this
3 legislation so I just want to clarify because we have
4 been getting a lot of emails saying vote no. We are
5 not at that point yet although we appreciate your
6 advice and your opinions. We are not there yet. I
7 want to make sure that we're calming people's
8 expectations on that. I want to thank this panel for
9 coming and testifying.

10 I do have a few questions myself. Some of
11 them are repeats. We just want to get people's
12 opinions for the record.

13 In his December 15, 2022, opinion,
14 Arbitrator Martin Scheinman prohibited the City from
15 continuing to offer GHI Senior Care unless the
16 Council amended the Code within 45 days to authorize
17 the City to charge retirees for the cost of GHI
18 Senior Care. If the Council does not act within that
19 timeframe and Senior Care is eliminated, what options
20 will be available to retirees in your opinion?

21 MARIANNE PIZZITOLA: I think in our
22 opinion and you've heard from our legal team that the
23 City does not have to listen to the Arbitrator's
24 report. It is his opinion. The deadline that's being
25 forced down your throat to say you have to do this by

2 this point. It scared the bejesus out of all of these
3 people because we were looking at it not
4 understanding why you felt that you had to live up to
5 a deadline, rush something through that no one's
6 heard about yet, there's no plan on the table, that
7 he was allowed to mitigate issues between the two
8 parties. We are not a party. They are not a party.
9 The two parties involved in that agreement was the
10 MLC and the City of New York, and there were no
11 issues with them. They were equally aligned to do
12 this to us. The only issue they had was with us and
13 the court, which then they've also throughout this
14 entire morning in their testimony misrepresented the
15 judge's decision and misrepresented the importance of
16 the Scheinman report. Even in the Aetna case when
17 Aetna sued the City right before we did over the
18 negotiated acquisition process, (INAUDIBLE) issue was
19 who was Mr. Scheinman and what was his role. The City
20 argued in that case that he wasn't an arbitrator but
21 he was a consultant. Is he all of a sudden not a
22 consultant? He's time-barred in his agreement.
23 According to the agreement, he is only allowed to
24 mitigate issues between the two parties in paragraphs
25 1 to 4. Medicare Advantage comes up in Article 5,

2 number 5, and he was time-barred from that too
3 according to June 30, 2020, was the last time that he
4 was allowed to be involved in that. If you look at
5 the 2021 OLR letter to Mayor DeBlasio, OLR writes,
6 Miss Levitt wrote that all of the benchmarks to their
7 savings agreements were met in their 2018 MLC
8 agreement. How did Medicare Advantage come in? It
9 wasn't even counted towards the savings tally that
10 they needed. They decided to use Medicare Advantage
11 as a way to subsidize the Stabilization Fund, which
12 doesn't really serve a Medicare-eligible retiree. The
13 Stabilization Fund was meant for two things.
14 Primarily, it was cash of money. It was supposed to
15 be a pot of cash, which the Equalization Agreement
16 was put money into it in order to provide active
17 workers and non-Medicare retirees with an option of
18 free healthcare plans. When the money became
19 plentiful, they started to put other things in there,
20 but according to the Independent Budget Office and
21 the Comptroller, this Fund has been misused and as
22 recent as 2014 under the UFT contract, they allowed 1
23 billion dollars to come out of the health fund to
24 fund that year's collective bargaining because it was
25 in a provision in the teacher's contract. They also

2 had to agree to healthcare savings. We're looking at
3 selling off retiree healthcare to fund a
4 Stabilization Fund that doesn't really even benefit
5 these people. The only benefit that a Medicare-
6 eligible retiree gets out of the Stabilization Fund
7 is a prescription, vision, and dental plan, whatever
8 their welfare fund benefits are and that's if they
9 have a welfare fund if they have a union because we
10 have retirees that are commissioners or managers that
11 don't have unions or welfare funds so why are we
12 selling off their healthcare to subsidize something
13 that they're not going to really benefit from?

14 CHAIRPERSON DE LA ROSA: Thank you for
15 walking us through that. Let me ask a question. There
16 is disagreement across the board on both sides on the
17 Arbitrator and his role here. Regardless of that one
18 point which we are trying to clarify as a Committee,
19 would you agree that the MLC and the City have the
20 unilateral ability to still move people into Medicare
21 Advantage at this time?

22 MARIANNE PIZZILOTA: Healthcare is
23 supposed to be a citywide agreement. It was one of
24 the things that's supposed to be negotiated between
25 the MLC and the City, but in this case it's being

2 used as a weapon to take away from one group. I would
3 say a retiree under the Taylor Law, unions are not
4 supposed to represent us, in Harry Nespoli's
5 testimony in our case he filed an amicus taking the
6 side of the City, which an absolute tragedy that a
7 union came out against their own union members or
8 retired union members to take the position of the
9 City that they could this because he represents us,
10 but then in the same report that you're talking
11 about, Mr. Scheinman, he says we're disassociated so
12 if I'm disassociated and I'm not part of your group
13 then maybe you should just grandfather us in and do
14 your own thing but what gives you the right to
15 negotiate something for me when you've never done
16 that really before? They may have made incidental
17 little changes, add a minor little co-pay here, but
18 what you're basically saying is that the MLC
19 structure is what makes this even more scary, Chair,
20 it really does, because you have 100-something unions
21 in the MLC. I can't even find out who they are
22 because OLR refuses to tell me under FOIA.

23 CHAIRPERSON DE LA ROSA: I understand
24 that, and I share some of the concerns that you're
25 citing here.

2 MARIANNE PIZZILOTA: But then it leaves
3 Michael and Henry to make a decision for you and for
4 me.

5 CHAIRPERSON DE LA ROSA: But what I'm
6 asking, going back to my question is, theoretically
7 if this Council says we're not going to amend the
8 Administrative Code of the City of New York, does the
9 Mayor and the MLC, they can wake up tomorrow and say
10 everyone is moved to Medicare Advantage?

11 MARIANNE PIZZILOTA: Well, if they did
12 then, I'm sure we'd see them in court pretty quickly.

13 CHAIRPERSON DE LA ROSA: I get that, and
14 you have and maintain that right.

15 [GAVEL] We need order so that we can
16 follow the conversation, please.

17 MARIANNE PIZZILOTA: I would only have
18 that right, it would be an easier path for me if you
19 didn't change the Code. If you change the Code, you
20 make my path to litigation and advocating for all of
21 these people that much more difficult because the
22 Code sets the standard.

23 CHAIRPERSON DE LA ROSA: We understand
24 that completely, but what I'm trying to get at here
25 is the Council, the job that the Council has been

2 asked to do up until this point is to change the Code
3 in order to allow for the option of Senior Care.
4 Please explain to us your disagreement with that
5 statement if there is a disagreement.

6 MARIANNE PIZZILOTA: Under the 1992 MLC
7 agreement, the City and the MLC already have the
8 ability to negotiate healthcare. They already do.
9 They've had it the entire time. That shouldn't
10 change. That agreement requires them to do that, and
11 Mr. Nespoli knows this because he sued the Bloomberg
12 administration in 2013 when the City went to initiate
13 an RFP process without negotiating with them first.

14 CHAIRPERSON DE LA ROSA: But it goes back
15 to the same question. If the MLC and the Mayor have
16 the ability to negotiate and they're saying they're
17 unwilling to negotiate for Senior Care to remain the
18 City-offering plan, then what is the choice in your
19 view that this Council then would have as an
20 alternative?

21 MARIANNE PIZZILOTA: To take away our
22 Senior Care? Is that what you're asking?

23 CHAIRPERSON DE LA ROSA: As an alternative
24 to that reality that I just stated that the MLC and

2 the City have the right to do. Anyone on the panel
3 can respond.

4 MARIANNE PIZZILOTA: I'm going to ask if
5 our legal counsel can understand that because I'm not
6 sure I really understand what question you're asking
7 so this is Jake Gardener.

8 CHAIRPERSON DE LA ROSA: Let me repeat the
9 question. If the MLC and the City according to you
10 have the ability to negotiate and renegotiate Senior
11 Care but they are saying that at this time because of
12 the cost of Senior Care they are unwilling, they are
13 taking that option off the table for us to consider
14 as a Council, then what is the viable alternative
15 that we have other than giving them through Local Law
16 the alternative to actually keep that offering?

17 MARIANNE PIZZILOTA: You don't have to do
18 what they're telling you to do, and I think the ruse
19 is that the Senior Care is what's bankrupting the
20 City. Again, our Senior Care doesn't come out of the
21 Stabilization Fund. You're being asked to do
22 something that you don't need to do. Senior Care has
23 went from 88 dollars and change from 1997 to 191 in
24 2022. That's a 5 percent increase a year versus the
25 active worker's plan which has increased over 21

2 percent a year. How are we, our costs, with like 439
3 million dollars in last year's CAPA reports, how is
4 our cost bankrupting the City? It is 6/10 of 1
5 percent of the entire City budget. This makes
6 absolutely no sense that you're even asking this.

7 CHAIRPERSON DE LA ROSA: I retain the
8 right to ask the question.

9 MARIANNE PIZZILOTA: I respect that.

10 CHAIRPERSON DE LA ROSA: As the Committee
11 has put them forth to us as a Council, and I am
12 stating these questions not with a position but with
13 the intent to get answers from you all who have been
14 working on this alternative so I'm asking about the
15 alternatives, but I will move on since there does not
16 seem to be an answer to that question.

17 My question is you stated also in your
18 statement that at this moment there is no crisis. I
19 want you to understand from the point of view of
20 myself as the Chair of this Committee that expired
21 contracts for current City workers for years, no wage
22 increases since before the pandemic hit, and
23 basically the financial health of this City is a
24 crisis, and it is a crisis that this Council has to
25 contend with so my question to you is do you consider

2 that to be a crisis that we as a Council must
3 deliberate and deal with?

4 MARIANNE PIZZILOTA: That is your crisis,
5 correct. I'm not going to say it's a crisis. That is
6 a concern that you have to take up. You're absolutely
7 correct. Labor works very hard in this city. Many of
8 our labor is underappreciated and underpaid. We,
9 Michelle and I, are EMS workers. I think our EMS
10 workers are harshly underpaid, and we have fought for
11 higher wages forever, and we don't ever really seem
12 to move anywhere, but our positions as retirees, we
13 are on fixed incomes. Our incomes don't rise like
14 your wages do or your increases. A retiree after so
15 many years, after like the first five years, will get
16 a cost-of-living adjustment, called a COLA, that's
17 between 1 and 3 percent of the Consumer Price Index.
18 This year was the highest that I've seen in a very
19 long time, was 3 percent of 18,000 dollars. A couple
20 hundred dollars today with an inflation rate of over
21 8 percent doesn't really get us that far. We have
22 retirees that retired in 1979 that were cops and
23 firefighters. Their top pay then was 15,000 dollars.
24 Mr. Stromer (phonetic), one of our retirees, is in
25 his early 90s. His pension today is 26,000 dollars,

2 and that's with his variable supplement. That man
3 cannot afford to pay a starting 200-dollar premium in
4 order to keep choice of Senior Care, but what you
5 have to remember too is when we retired, we retired
6 with a promise of something that we would have, and
7 in our summary plan books, the terminology literally
8 stated something like this that the benefits that you
9 have in employment will continue in your retirement
10 until your death. Now, if you take that away from me
11 today, I don't have the means to be able to pay up to
12 something that Mr. Mulgrew or Mr. Garrido or Miss
13 Middleton or Mr. Floyd think I should be able to pay
14 as an option. I don't make 100-dollar pension, and I
15 shouldn't be asked to do this for the sake of choice
16 because, for me, for most of them, that's not a
17 choice so choice would be for them to have
18 realistically looked at other things. One of the
19 things that we have said, and this would affect
20 Michelle sitting right next to me, is that the City
21 has not done its due diligence. In the course of this
22 situation, this entire mess, we have found that there
23 were retirees that were deceased for over five years.
24 That's a fiduciary failure that your agency had no
25 one tell you that there were no claims going through

2 these people's accounts for over five years. My water
3 company calls me after a week to say I have a slow
4 trickle going through my meter. We have identified as
5 Michelle, for example, has a situation where the City
6 has her spouse on a plan that he should not be on,
7 charging her for it, in taxation, not by premium. We
8 have addressed this with OLR. We get nowhere. They
9 don't even answer back anymore. Because of these
10 fiduciary failures, that should not be a burden to
11 ask for a retiree, we shouldn't have to be here to
12 fight for something that no other retiree at this
13 point has had to fight back to give back. To say
14 we're going to give you one free plan. The other
15 thing that Mr. Potter can show you is that in
16 Medicare Advantage plans, the reason why other
17 municipalities are doing this is because of a rule
18 change in 2000 that allowed any municipality or a
19 union with an EGWP Plan, an Employer Group Waiver
20 Plan, to auto-enroll their persons into this Medicare
21 Advantage. That was not like that before, and it was
22 only because they were taking advantage of a subsidy
23 can they auto-enroll you. We're labor. We never
24 believed in privatization of a Medicare or a
25 healthcare. Yet I'm in a situation where I've got to

2 worry about them arguing, not them, our former unions
3 upset because they want something that has a federal
4 subsidy to it in order to fund their raises today. I
5 shouldn't be in that position because that's treating
6 me like cattle. Never. In our time, we gave up
7 raises. We gave up increases. We took two years of
8 zero/zero under Giuliani and that was a whole other
9 DC-37 debacle. I don't want to be in a situation to
10 say to you well, I'm just going to go into that
11 really horrible Medicare Advantage plan because
12 that's the only choice and it helps the unions
13 because they misused a fund, which that fund has run
14 into difficult times financially in '03, '05, '11,
15 '14. If we keep throwing good money after bad, when
16 does it end? There's no oversight over that
17 Stabilization Fund. We've been begging for someone to
18 look at it. If there was a better way of being able
19 to do this, we've given suggestions. I'm sorry for
20 Miss Levitt. Miss Levitt did not say she turned over
21 every rock because we gave a bunch of rocks to Mr.
22 Godiner at our meeting, and his comment was well, I
23 know of some of them, but I don't know of the others.
24 Well, before you try to take away from people who
25 earned this, maybe you really should turn over all of

2 those rocks because there's other ways to be able to
3 do this rather than take away people's health
4 insurance under the guise of giving them choice.

5 CHAIRPERSON DE LA ROSA: Thank you for
6 answering those questions. I do want to recognize
7 that we've been joined by Council Member Narcisse,
8 and I want to turn it over to Council Member Ariola
9 for questions.

10 COUNCIL MEMBER ARIOLA: Thank you, Chair,
11 and I want to thank you, Marianne, for the outreach
12 and for your dedication and for your vast knowledge
13 and for all the retirees that have been sitting here
14 so patiently because you really are the main event,
15 you're really who we want to speak to and hear from.

16 What I'd like to first ask, and it's
17 piggybacking on what Chair De La Rosa asked, you're
18 fighting very hard to convince this Body not to
19 change the Administrative Code. You're fully aware
20 that that could force you into Medicare Advantage.
21 However, by us not changing the Code, I'm going to
22 flip the question, what do you gain?

23 MARIANNE PIZZITOLA: The ability to still
24 be able to fight that. You heard Mr. Mulgrew on the
25 tv say that you're going into Medicare Advantage

2 whether you like it or not. Medicare Advantage plans
3 have been here since 1996, and they're still offered
4 today. 94 percent of retirees and employees like the
5 PPO plan. For retirees, even though we've had the
6 choice of HIP VIP or the Empire plan or a couple of
7 the other Medicare Advantage plans, we do not choose
8 those plans. You have an option today. Retirees have
9 14 options. Employees have 11. You have choice. There
10 were reasons also for choice. You have regional
11 coverage, and this is another place where Miss Levitt
12 was mistaken. She said people are complaining in the
13 Senior Care because they don't have access or their
14 physicians are dropping out of the plan. That is in
15 the GHI Comprehensive Benefit plan for under 65, and
16 that is only because the City absolutely refuses to
17 pay the regional coverage like in Florida or even in
18 Puerto Rico. However, in the Senior Care plan, 96
19 percent of doctors in America take Medicare and
20 because Medicare is accepted Senior Care has to be
21 accepted. We don't have denials of our physicians
22 taking our healthcare. It's only for those who are on
23 GHI CBP. What do I get? I still get a plan where
24 almost all my doctors take my plan if they take

2 Medicare, which 96 percent of them do. I have my GHI
3 supplement, my GHI Medicare Medigap plan.

4 COUNCIL MEMBER ARIOLA: Okay. We've heard
5 from the administration, from the MLC, and from our
6 union so just to do it quickly, I'd like just quick,
7 succinct, could be true or false, is there a terrible
8 funding problem with the health insurance
9 Stabilization Fund?

10 MARIANNE PIZZITOLA: There is a funding
11 problem because it's been misused, like I said most
12 recently 2014 UFT contract.

13 COUNCIL MEMBER ARIOLA: Okay. Did the
14 judge say that the City has to offer one plan and did
15 the judge take away choice?

16 MARIANNE PIZZITOLA: Absolutely not. The
17 judge said quite a few things. He said that the City
18 had to pay up to the full cost of health insurance,
19 up to the full HIP HMO rate for every employee,
20 retiree, and their dependent on a category basis
21 which is individual and family, and he said this is
22 not to say that you have to have a choice, and that
23 was because he said that because that was not a
24 question before him, but if the City does offer a
25 choice and those prices are under the HIP HMO rate

2 that then the City has to pay the cost of that. This
3 was even a question asked before my attorney in the
4 appellate court, and my correctly said to the justice
5 sorry, you're honor, that's not a question before
6 you.

7 COUNCIL MEMBER ARIOLA: My final question,
8 did the judge take away the union's collective
9 bargaining rights?

10 MARIANNE PIZZITOLA: Absolutely not. When
11 they put that out, I contacted OCB, Office of
12 Collective Bargaining, and I said can you please tell
13 me if any union lost any collective bargaining rights
14 I don't know in any time in the last 12 months or
15 because of my judge's decision, and they said no. I
16 posted that, and they seemed to have quieted down
17 until today.

18 COUNCIL MEMBER ARIOLA: I guess this is
19 really my last question. Would you be willing to go
20 back to the table with the unions and the
21 administration to find different ways to find funding
22 streams to narrow the gap that they're looking to
23 narrow.

24 MARIANNE PIZZITOLA: Well, heck, that's
25 really funny because I'm retired, and they haven't

2 wanted me at a table since I retired almost 20 years
3 ago, but, you know what, if they want to sit in a
4 room and talk to me, I've been asking the Mayor to
5 talk to me, Labor Relations talking to me, OCB to
6 talk to me, we've come up with ideas because, you
7 know what, our retirees are attorneys, retired OLR,
8 retired OCB, I mean we ran this City.

9 CHAIRPERSON DE LA ROSA: Thank you so
10 much, Council Member.

11 COUNCIL MEMBER ARIOLA: Thank you. You
12 deserve the proper healthcare, and we will fight for
13 you.

14 CHAIRPERSON DE LA ROSA: Thank you. I do
15 have a follow up question about the misuse of the
16 Stabilization Fund in your opinion so are you saying
17 that because teacher raises were taken out of the
18 Stabilization Fund, that constitutes a misuse, is
19 that your opinion on the matter?

20 MARIANNE PIZZITOLA: The Health Insurance
21 Stabilization Fund was negotiated for one purpose. It
22 was negotiated to be able to create two plans
23 premium-free, offset the HIP and GHI rate. In the
24 days when there was a lot of money in the fund like
25 in 2000 when they created PICA which is another

2 benefit that these people don't benefit from, it was
3 allowed to be used to initiate new healthcare issues,
4 not for raises, not for collective bargaining.

5 CHAIRPERSON DE LA ROSA: I understand
6 that, but do you understand that when you say a
7 misuse of funds, it sounds like someone went on
8 vacation with the money, like funding raises for
9 teachers...

10 CHAMBERS: (Noise)

11 CHAIRPERSON DE LA ROSA: Excuse me, I'm
12 not asking the room for opinions. I'm talking to
13 Marianne. When money is used to give teachers raises,
14 although that is not the proposed purpose of the
15 fund, it's used for a City purpose.

16 MARIANNE PIZZITOLA: That's not the
17 purpose of this Health Insurance Stabilization Fund.
18 It's called Health Insurance...

19 CHAIRPERSON DE LA ROSA: I get it.

20 MARIANNE PIZZITOLA: Stabilization.

21 CHAIRPERSON DE LA ROSA: Besides the use
22 of teacher raises, are there any other issues that
23 the Committee should know about with the
24 Stabilization Fund?

2 MARIANNE PIZZITOLA: There's a lot in the
3 Stabilization Fund. I think some of that needs to
4 come out. We talked about PICA coming back out,
5 either going back into major medical or going back
6 into the welfare funds. If you have to, maybe
7 consider putting a small little premium on it, you're
8 getting thousands of dollars' worth of drugs for
9 basically nothing. You're putting too much in there.
10 The burden on this fund cannot sustain what it was
11 supposed to sustain. If you were to look at all the
12 things in there, there's a Weight Watcher program in
13 there, there's a Teladoc program in there, I don't
14 understand why we're paying for Teladoc, the major
15 medical should be picking that up as well, that's
16 covered under Medicare. As a Medicare retiree, we can
17 use Teladoc through Medicare. Our doctors can see us
18 virtually. Why are you paying for that? All of these
19 extra benefits, these added benefits, became an
20 issue, so yes, I think we need to look at what is in
21 it, what can we take out if, and how we can refund
22 those things, and we still have to remember the
23 bottom line is the City is supposed to pay the full
24 cost of health insurance up to the HIP HMO rate for
25 every employee, retiree, and their dependent and not

2 try to skirt it by sticking it into other things and
3 trying to get the unions to pay for it. The unions
4 don't make money. It's funded by the City's
5 collective bargaining to put 35 million dollars every
6 year into that fund as well as the offset of the HIP
7 HMO and the GHI rate. However, with EmblemHealth
8 owning both HIP and GHI, how is it possible that
9 that's even an honest entity of a differential of
10 rate? GHI will always know what the HIP rate is
11 because they're owned by Emblem.

12 CHAIRPERSON DE LA ROSA: Got it. Thank you
13 so much. Council Member Bottcher.

14 COUNCIL MEMBER BOTTCHEER: Hi. At the end
15 of your testimony, you say if what the unions and the
16 City say happens, you can always intervene. Could you
17 elaborate on what you meant by that and how that
18 would look in your opinion?

19 MARIANNE PIZZITOLA: They're asking you to
20 do something to fix something that hasn't yet
21 happened. Our position is that the Scheinman report
22 is just a report. You don't have to do something. If
23 you take an action preemptively and they're already
24 telling you you're going to go into Medicare
25 Advantage anyway no matter which way you do it, but

2 what they're requiring you to do is to be able to
3 give them the ability to lower the benchmark of which
4 they pay to me, and, as Mr. Potter can tell you,
5 according to federal subsidies, subsidies change all
6 the time. You allow them to change the benchmark for
7 me if the subsidy ever changes. While I appreciate
8 what Miss Levitt had said earlier that they would
9 pick up the premium, that wasn't in the contract. We
10 were given a copy of the EOC when the Alliance came
11 out, which is the full contract with all the dirty
12 details, so knowing what they did in the EOC with the
13 details that were there, for example, as part of the
14 addendum process they had said for the inpatient
15 hospitalization was a 300-dollar co-pay, maximum 750.
16 What should I do with it for 2021 and what should I
17 do with it for 2022? Well, the City wrote back and
18 said to Aetna (INAUDIBLE) actually, no, that was the
19 Aetna, do this, rescind it for '21 just to facilitate
20 transition into the Medicare Advantage plan and then
21 install it back in 2022 which means you're going to
22 make your plan look better to me initially so I go
23 and then you're going to hit me with the imposition
24 of co-pays and increased costs later on. These plans
25 are also subsidized by the federal government. In

2 2017, that subsidy dropped, and how we know that is
3 that because through the City records, HIP went back
4 to the City and said what's going to happen now that
5 the feds dropped the rate, you have to make up the
6 premium, the City said no, pass it to the retirees,
7 the City said no, so what did HIP VIP do, they cut
8 out the drug program that was in HIP VIP. They added
9 co-pays where they didn't exist and doubled them
10 where they all did. In the Alliance contract, in the
11 EOC, that provision was in there. If the federal
12 subsidy is ever reduced and the City doesn't make up
13 for the difference, they reserve the right to cut the
14 service.

15 CHAIRPERSON DE LA ROSA: Thank you for
16 answering those questions. I'm going to move on to
17 Council Member Restler followed by Council Member
18 Brewer.

19 COUNCIL MEMBER RESTLER: Thank you so
20 much, Chair De La Rosa and Speaker Adams, appreciate,
21 again, you holding this hearing.

22 Thank you for you all's testimony and for
23 really galvanizing seniors, and the organizing has
24 been strong and impressive. I do want to go back to a
25 line of questioning that Chair De La Rosa was asking

2 about a moment ago. The Mayor's Office and the
3 unions, the parties to this arbitration, and the
4 Arbitrator have all said that if we do not modify the
5 Code they're going to force our retirees into
6 Medicare Advantage, which I think is the worst
7 outcome to be clear. The worst outcome is that every
8 retiree in the City of New York has no choice, no
9 optionality, has to go on to Medicare Advantage.
10 You're insistent that you're going to win in court,
11 and I appreciate your optimism. You're not a lawyer,
12 and neither am I, but your lawyers tell you one
13 thing. Lawyers we've talked to have said the
14 opposite. We'll see, right. That's what happens. We
15 can all bet and play the odds, but there are people's
16 lives that are at risk here, and this is really
17 important and so should this happen as the Mayor's
18 team and the MLC and everybody are saying it's going
19 to, they're going to force everyone onto Medicare
20 Advantage, you go to court, you sue, you lose, what
21 next?

22 CHAMBERS: (Noise)

23 COUNCIL MEMBER RESTLER: You lose again.
24 You appeal and you lose. You lose. What happens.

25

2 MARIANNE PIZZITOLA: So I'm going to tell
3 you that the City of New York and the MLC didn't want
4 you to know this, and you heard Mr. Mulgrew say it
5 today. Medicare Advantage is happening to you either
6 way, change the Code, don't change the Code, it's
7 going to happen. The City and the MLC in 2020 when
8 they put that RFP out to do this plan initially with
9 the Alliance, they cut off choice then. We, when we
10 were looking last year when this rollout was
11 happening, we had no choices. They told us that as
12 current retirees we can go towards Medicare Advantage
13 or Senior Care. The only other option you would have
14 is to keep the plan that you had but you could no
15 longer go into another plan. If you were in United
16 Healthcare and I was in GHI, I couldn't go into
17 United Healthcare. Now, for a future retiree, you had
18 no choices. Your choice was Medicare Advantage...

19 COUNCIL MEMBER RESTLER: I appreciate
20 (INAUDIBLE) but you're not answering my question.
21 You're explicitly not answering the question, and so
22 we have to think about this in the real world with
23 two feet on the ground. If you all lose in court and
24 lose on appeal, what happens, and we need to think

2 through, because this is a game of chicken that you
3 all are playing that is dangerous, it is dangerous...

4 MARIANNE PIZZITOLA: They're asking you to
5 play chicken because we have a path to litigation as
6 to our benefits not being diminished. We were
7 promised divested health benefit. We were not told
8 that we were told that we would have to have one
9 health plan, forced into one plan, forced into
10 managed medical care because, if that's the case,
11 there's also another issue. You have the teachers,
12 active teachers and retired teachers, who are covered
13 by the Moratorium Act. You take an active teacher and
14 you don't diminish their health benefit equally as to
15 the way it's diminished for a retiree that becomes
16 another litigation.

17 COUNCIL MEMBER RESTLER: I do not want to
18 see our retirees forced onto Medicare Advantage.

19 MARIANNE PIZZITOLA: Me neither.

20 COUNCIL MEMBER RESTLER: And I appreciate
21 that if we were to act now, we would weaken your hand
22 in court, and that's why you're taking the position
23 you have, but I think we all, should the Council not
24 act at this time, which I'm not expecting that we
25 will, should the Council not act at this time, we

2 need to think through what are the implications of
3 that and how do we protect optionality for retirees
4 permanently, and I think that we need to start to
5 wrestle with that in a much more serious way than it
6 seems like we're at right now because that is a very
7 real possibility, and I want to make sure that every
8 retiree in this room and every retiree across the
9 City and certainly in the 33rd Council District is
10 not forced onto Medicare Advantage so thank you very
11 much, Chair.

12 CHAIRPERSON DE LA ROSA: Thank you.
13 Council Member Brewer.

14 COUNCIL MEMBER BREWER: Thank you. I just
15 want to go the other way, which is if you win in
16 court in the appeal then what exactly are you getting
17 because I do have full confidence as you do in your
18 attorneys but you never know, but what would you be
19 getting at the end of that procedure according to
20 you? At the end of litigation if you win, as opposed
21 to the opposite scenario like Council Member Restler
22 was stating, that you go to court and you win on the
23 appeal or any aspect of the court, what exactly will
24 you be getting at the end of that effort? Obviously,
25 one scenario is, as we heard earlier, everybody has

2 to go managed care because that's how we lose at
3 every scenario, but, if you win at every scenario,
4 exactly what are you getting? Are you getting what
5 you think you're going to get which is the Senior
6 Care and then we understandably would have to find
7 the 600 million or there would have to be some
8 discussion about that? I'm just trying to understand
9 what you win according to you if you're successful in
10 the courts.

11 MARIANNE PIZZITOLA: That we would have
12 the option to keep the Senior Care. You have 94
13 percent of your retirees currently on Senior Care,
14 traditional Medicare, federal Medicare with your
15 Medigap. We would like to keep that as our choice
16 without this pay-up issue, and because we have
17 identified a lot of opportunities for savings or also
18 identified fiduciary failures that we should be
19 addressing those things before taking away a benefit
20 from somebody else and privatizing healthcare.

21 COUNCIL MEMBER BREWER: I understand what
22 you want so what you're stating is if you win in the
23 courts, you feel that you would be able to keep the
24 Senior Care?

2 MARIANNE PIZZITOLA: Absolutely, because
3 it would not be diminishing our benefit. We would
4 have that choice. You have people that live in other
5 areas of the country who regionally would not be
6 covered. You have CIGNA in Arizona, for example,
7 because GHI does not cover under 65s in that area
8 alone either.

9 COUNCIL MEMBER BREWER: All right. Thank
10 you.

11 CHAIRPERSON DE LA ROSA: Thank you.
12 Council Member Narcisse.

13 COUNCIL MEMBER NARCISSE: Good afternoon.
14 Thank you for being here. I'm sorry. I apologize. I
15 was a little late because I was with the nurses,
16 NYSNA. I don't know if this question was asked
17 before. I heard you for the little short period of
18 time I've been here. What are you suggesting for us
19 to do? If you have any suggestion, one line, what
20 would you recommend?

21 MARIANNE PIZZITOLA: I think the line
22 would be is to protect our choices as they currently
23 stand as protected under Administrative Code 12-126
24 because the benchmark is equal across the board for
25

2 each and every one of us. By you protecting the Code,
3 you give me choice.

4 COUNCIL MEMBER NARCISSE: Okay. With all
5 this, has the union reached out to your group because
6 you're a great advocate, have you reached by anyone
7 from the beginning because one of the things that I
8 find most retirees that have flooded my office with
9 emails, mail, and talked to me directly, it seems
10 like there is no discussion between you and the
11 union.

12 MARIANNE PIZZITOLA: We are retired. We
13 don't have any legal connections to our unions. Some
14 retirees in different agencies don't even have a
15 retiree group. We would never have any reason to
16 speak to our unions or to speak to OLR or anything
17 ever. When this happened, we found out by accident
18 because of a newspaper article of a union president
19 that leaked it in the newspaper in spring of '21.
20 When this thing started, of course I reached out to
21 Henry. Henry didn't want to talk to me. I had to go
22 to the International to get Henry to talk to me.
23 Harry doesn't walk to talk to me. At first, he
24 flirted on the phone with me when I called because I
25 guess he thought I had a pretty voice, but then when

2 he realized who I was he didn't want to talk to me at
3 all and told me I had to talk to...

4 CHAIRPERSON DE LA ROSA: [GAVEL] Okay. All
5 right. Excuse me. We need order so that we can move.
6 There are over 200 people signed up to speak today.
7 Please go on.

8 MARIANNE PIZZITOLA: Then I was told to
9 speak to Alan Klinger, the MLC's attorney, because he
10 felt he was a party to the lawsuit. No, you weren't a
11 party to the lawsuit. You took an amicus in the
12 City's case for the side of the City. Now, Harry
13 won't talk to me. The only that left was Mr. Mulgrew.
14 Mr. Mulgrew doesn't return my phone calls, my emails,
15 nothing. I had to corner him in SOMOS in order to get
16 him to talk to me and that was only while he was in
17 his shorts and t-shirt having coffee and had no clue
18 he'd be talking to me at 8 in the morning.

19 CHAIRPERSON DE LA ROSA: Okay, we're not
20 going to assign accusations on the record at the City
21 Council.

22 MARIANNE PIZZITOLA: Understand.

23 CHAIRPERSON DE LA ROSA: Please answer
24 factually.

2 MARIANNE PIZZITOLA: Those are facts,
3 ma'am, and I'm sorry but he would not talk to me, and
4 he still won't talk to me. He made a promise to both
5 myself and Randi Weingarten that he would speak to
6 me, and he hasn't done it.

7 CHAIRPERSON DE LA ROSA: You can say what
8 the conversation was. You don't have to talk about
9 what he was wearing, the same way they won't talk
10 about what you were wearing.

11 MARIANNE PIZZITOLA: I apologize.

12 CHAIRPERSON DE LA ROSA: Just keep it
13 aboard, please.

14 MARIANNE PIZZITOLA: I apologize. Thank
15 you.

16 COUNCIL MEMBER NARCISSE: I hope you
17 understand why because the person is not here to
18 advocate for themselves or anything so we're going to
19 leave it to specifically that you cannot be connected
20 to them or they're not answering.

21 MARIANNE PIZZITOLA: No, ma'am, right.

22 COUNCIL MEMBER NARCISSE: All right. Do
23 you understand our job is not, we all eventually,
24 myself, personally, are getting close to retiree too
25 soon so therefore we have an interest to do the right

2 thing, and it is a difficult time, a very challenging
3 time, but at the same time we have to do the right
4 thing, and there is money involved that we don't
5 have, we don't have to look for it, it's not easy so
6 we know we have to protect you. I heard that, but I'm
7 not answering for that. It's difficult right now. We
8 have to make difficult decisions, and, for me
9 personally and all our team, we understand what's at
10 stake because retirees are very important to us,
11 important to me, so I thank you for the work you're
12 doing, we're going to continue looking, but you have
13 a friend because, as I said, I'm very close so
14 therefore it is our responsibility to understand and
15 do the right thing so thank you for your work.

16 MARIANNE PIZZITOLA: Thank you, Council
17 Member.

18 CHAIRPERSON DE LA ROSA: We have Council
19 Member Dinowitz and then Majority Leader Powers.

20 CHAMBERS: (Noise)

21 CHAIRPERSON DE LA ROSA: Okay, please.

22 We're not booing, we're not sighing, we're not making
23 noise. We're listening to everyone, and so if we're
24 here at 2 o'clock in the morning, we will listen to
25 you and we will not boo you and we will not sigh so

2 we ask for the same respect for our members. Thank
3 you very much.

4 COUNCIL MEMBER DINOWITZ: Thank you.

5 CHAIRPERSON DE LA ROSA: Mr. Dinowitz who,
6 by the way, is a retired teacher or a former teacher.

7 COUNCIL MEMBER DINOWITZ: I hope one day
8 to get to the age of but..

9 CHAIRPERSON DE LA ROSA: Former teacher.

10 COUNCIL MEMBER DINOWITZ: Former teacher,
11 yes. I think the point of the Chair mentioning that
12 is I'm in the same boat as a lot of you. Many of us
13 up here are in the same boat as a lot of you, and
14 we're trying to get clarity. The Chair asked this
15 question, Council Member Restler, Council Member
16 Brewer asked this question, and it has been really
17 hard for me to get an answer, and I guess I'm going
18 to try to ask it in a yes or no way so it's as simple
19 as possible. Intro 874 at the request of the Mayor
20 was introduced. Let's pretend we do nothing or vote
21 it down. If the Administrative Code stays as it is,
22 do you keep Senior Care in your opinion? As you're
23 consulting the attorney, I don't think there's much
24 disagreement on the Medicare Advantage, the quality
25 of it, a lot of this is about the value, profits,

2 things of that nature, I'm simply talking about do
3 you keep Senior Care if the Administrative Code does
4 not change.

5 MARIANNE PIZZITOLA: I think the short
6 answer is if you want to protect retiree choice, then
7 pass a Code that would protect our choices rather
8 than capitulating to something that's going to take
9 away my choice, allow two leading unions and the City
10 to reduce a benchmark for me. That's not giving us
11 choice. I can't tell you what the City's going to do,
12 what the Mayor's going to do, but I think honestly if
13 the Mayor could've done this, he would've done it
14 without you.

15 COUNCIL MEMBER DINOWITZ: Respectfully, I
16 think we do know what they're going to do because
17 they told us very clearly what they want to do. My
18 question is in your opinion the best way to protect
19 our retirees, and what we've been hearing is don't
20 change the Administrative Code, but now I'm hearing
21 yeah, change it but in a different way, and so we're
22 trying really hard, I think everyone up here wants
23 the best for our retirees, we are all future
24 retirees, but it's been very hard to get a clear
25 answer because what we've been hearing from retirees

2 is don't change the Administrative Code and that'll
3 protect Senior Care, that's what we've...

4 MARIANNE PIZZITOLA: Correct.

5 COUNCIL MEMBER DINOWITZ: Been hearing,
6 but now I'm hearing something different from you, and
7 I'm hearing something different...

8 MARIANNE PIZZITOLA: No, it's not
9 different.

10 COUNCIL MEMBER DINOWITZ: From you... It is
11 because, and I'll end with this because I know time,
12 but I just heard from you change it to something
13 different. I just heard that.

14 MARIANNE PIZZITOLA: Well, you're looking
15 for something alternative to what I'm saying to
16 maintain it. Our position has always been the same.
17 This Code has protected every employee, retiree, and
18 their dependent equally across the board for 55
19 years. We all had the same benchmark, but the
20 difference is is your plan today is costing 900
21 dollars and more, mine cost 191. I'm not bankrupting
22 the City. I already told you that my plans have risen
23 from 1997 until today about an average of 5 percent a
24 year where the active workers' plans have risen over
25 21. They're family plans, you're younger, you have

2 kids, you have spouses. Most of us, we're on
3 Medicare, our plans are inherently less expensive so
4 if you don't like the choice my telling you leave the
5 Code the way it is because it's protected us equally
6 across the board for this whole entire time without
7 any issue then I make a proposal is make another bill
8 then. We have a bill that we've drafted that would
9 basically you would not change or diminish a
10 retiree's vested health benefit. Similar to Article 5
11 Section of the State Constitution, this would protect
12 a vested retiree healthcare. Retirees shouldn't have
13 to come and do this and sit here all day and not eat
14 and have to keep going to the bathroom and stand
15 outside for hours in the cold to fight for something
16 we already negotiated to support. I'm just going to
17 say I don't know how you would like me to explain
18 this in any other way. I'm giving you two choices.
19 Protect the Code the way it is, and, if you fear that
20 something bad's going to happen, I've got a legal
21 team behind me that will help me challenge that
22 because I think if the Mayor could have done this
23 without you he would've. That decision came down the
24 appellate court in November. This was just trying to
25 force you to do something that they don't want their

2 hands on. They want to be able to reduce a benchmark
3 which the MLC can sit in a room with the City and say
4 well, for people that live outside the City we're
5 going to live them that plan, the benchmark will be
6 10 bucks, those Medicare retirees their plan's going
7 to be free, but we'll give them these other choices
8 but if they want them they're going to have to pay up
9 for them. For employees that are in the Uniform
10 Coalition, we'll give them this plan. For the
11 civilians, we'll give them that. We moved away from
12 that, and we were in equality. Otherwise, in the
13 start of all of healthcare in the late '40s or early
14 '60s, you had uniformed coalitions with one set of
15 benefits and the civilians with the other. This gave
16 everybody equality. That's what I'm asking you to
17 preserve, the ability for me to have the same thing
18 as you. My plans will never cost what yours do,
19 never, because right now with all the co-pays that
20 they've saddled on me, my plan pays less than 20
21 percent, yours pays a full 100. Protect me because
22 right now they're selling off my value to private
23 my healthcare to put it in the hands of the federal
24 government, which right now things are a disaster
25 there with the star ratings dropping, with the

2 subsidy reduces, then what happens, because in the
3 bill that they've proposed to you, there are no
4 protections. It allows two people within the union
5 and the ORR to choose what my benchmark is and what
6 they plan they want to peg for me. Right now, I have
7 that choice. You change that Code, I lost that. That
8 means the MLC and OLR choose my plan and I don't have
9 the money to be able to pay up, I don't have a
10 choose. This keeps my choice, and then your second
11 alternative is pass a bill that we have drafted that
12 says you don't reduce a vested retiree's health
13 benefit in the likeness of Article 5 Section 7 of the
14 State Constitution. That's what I could offer you.
15 Unless you want me to bring my attorney up here and
16 have him talk to you.

17 COUNCIL MEMBER DINOWITZ: Thank you very
18 much. Thank you, Chair.

19 CHAIRPERSON DE LA ROSA: Thank you.
20 Majority Leader Powers.

21 MAJORITY LEADER POWERS: Thank you. I
22 think I'm last so I'll try to be brief. Thank you for
23 your testimony. I wanted to come back up and get a
24 chance to ask questions.

2 I think that what Council Member Restler
3 sort of reflects what I was going to ask, but I want
4 to ask a followup to it, which is that I think a lot
5 of us have concerns about unilaterally moving anybody
6 to one plan and that's you're here and that's why
7 we're having this hearing today. I think the question
8 is what happens in court. I understand and recognize
9 that not changing the Administrative Code preserves
10 your options to be able to fight this fight another
11 day. I think the question though is that what happens
12 if you guys aren't successful in court, which there's
13 a percentage chance, whatever that percentage is,
14 lawyers will disagree on or agree on, but there is a
15 possibility of that, and at that moment then we run
16 into this question for our constituents about whether
17 then even to change the Administrative Code to offer
18 that option back to them if they do not want Medicare
19 Advantage. I thin that's the crux of what the
20 questions were being asked earlier is so I guess my
21 question is if you are unsuccessful in court, is that
22 a moment where you would support us to change
23 something to give the flexibility back to those who
24 might have lost it because of the unsuccessful
25 lawsuit.

2 MARIANNE PIZZITOLA: Well, why don't we
3 cross that bridge when it actually happens because,
4 in my opinion, we've been successful twice, and I
5 think the only that they're trying to do this is
6 because we've been success twice. The judge affirmed
7 in his decision which I'm just trying to get to the
8 right language of...

9 MAJORITY LEADER POWERS: I just want to
10 because I have limited time, I think it's like the
11 most important question though that we're facing here
12 today whether to amend this and, if so, when is the
13 moment to intervene because I think what a lot of
14 folks here are asking for is don't step in now and
15 take something away from us, let us be able to fight
16 that in court. However, for a lot of us, we are
17 concerned that if Medicare Advantage as folks are
18 saying is not providing everything to people that
19 they might want in terms of a healthcare plan they
20 still have the option, and I'm concerned about the
21 ability for people to pay for that and other things
22 like that, but I do think it is kind of like the
23 central question is if you guys are unsuccessful,
24 this is the question that Colleagues ask often, is
25 that a moment where we would want to then go in post

2 litigation to amend and offer flexibility back versus
3 doing it now, and I think it's important we have a
4 kind of understanding of whether that's something you
5 guys believe is a good idea or bad idea, so that does
6 seem answerable now even before we go to court.

7 MICHELLE ROBBINS: I joke around and I
8 have a magic 8 ball and I wish I could lotto numbers
9 for it, but if we were to lose, and I hate to even
10 say that language, there are plans, and if we have to
11 have you guys step in post we know the City no matter
12 what is going to strip to get their way because they
13 said it, they said it today, you don't do this, we're
14 going to take it away, you do that then we're just
15 going to do that. Okay, we heard it, everybody heard
16 it, we get that, but, again, we have vested benefits,
17 we worked for those benefits, and they're being sold
18 off left and right. I'm just going to put this one
19 piece in. When I got hurt, I got hurt in between
20 contracts. I was a lieutenant. I was three years
21 without a contract. I was under DC-37 under EMS. I
22 lost out of three years' worth of retro pay to pay
23 for raises for the actives. I lost out pay. That's a
24 lot of money.

2 MARIANNE PIZZITOLA: Yeah, traditionally,
3 when you retired under an expired contract, they
4 would give you your retro pay. It was during this
5 period that they didn't. Her class was the first. Her
6 retiring class was the first that that didn't happen.

7 MICHELLE ROBBINS: Okay. Did I picket
8 outside? Did I complain? No, I didn't. I just all
9 right, whatever it is, what it is, that's what the
10 City does to you, have a nice day, all right,
11 whatever, and now my benefits are being..

12 MARIANNE PIZZITOLA: And it sets another
13 precedent too because if you come back and change
14 this now and reduce our benefits today then by
15 changing this code, allowing them to peg a lower
16 benchmark to us, what do they come back for next time
17 you're in some other fiscal crisis because given the
18 pattern of the Stabilization Fund, which doesn't
19 benefit us anyway, but you need to use our benefit to
20 fund something, then Medicare B is on the table, then
21 our spousal healthcare is on the table. That's why
22 you never took a benefit away from a retired person,
23 and they're using the judge's decision to say you
24 have to do this, the judge only said you had to have
25 one free plan. The judge did not, absolutely did not

2 say that. In the top part of the decision of the
3 dicta which is how he got to his decision, he said
4 that this wasn't to say that the City had to offer
5 more than one plan but if they did, if the City did,
6 and the cost was under the benchmark, the City had to
7 pay for it, period. He also disputed the fact of the
8 City's argument that the City only had to offer one
9 plan. The judge said no, that's not the
10 interpretation, and that also wasn't a question
11 before him either. Because of the '92 agreement, they
12 have to offer all of these other options, they have
13 to be able to negotiate.

14 CHAIRPERSON DE LA ROSA: Thank you,
15 Council Member, and thank you for your responses.

16 I just want to say the Administrative
17 Code 12-126 does not explicitly protect Senior Care.
18 It protects the benchmark being at the HIP HMO rate.

19 MARIANNE PIZZITOLA: Correct.

20 CHAIRPERSON DE LA ROSA: So if we don't
21 pass this bill, we don't amend the Code, nothing
22 happens, what we're saying is that we would be
23 subject to not having the option of Senior Care
24 existing on the market for someone to buy or purchase
25 or pay up to or even opt into so I have one

2 additional question about that fact. When is your
3 Senior Care contracts' expiration date?

4 MARIANNE PIZZITOLA: I have no idea. That
5 would be a question for... Actually, due to advice from
6 counsel because we are currently dealing with this
7 issue right now in court, I can't answer that
8 question.

9 CHAIRPERSON DE LA ROSA: Okay. Thank you,
10 but I will say that that is an important question for
11 us as a Committee to know even if you don't want to
12 answer it on the record because that talks to the
13 timeframe as to when a contract that you are
14 currently in and hoping to stay in is expiring or
15 still active and so thank you so much for taking the
16 time, for the organizational efforts here, for taking
17 the time to talk to us individually, calling our
18 offices, we appreciate the opportunity to ask you
19 these questions. As we heard leadership say here
20 today many, many times, we're setting this table for
21 a conversation where we hope to draw solutions, and
22 your voices are certainly part of that solution, and
23 we want you to understand that. Thank you so much for
24 coming.

2 We're going to go into the next panel. I
3 will say for the next 200 people that are going to be
4 speaking today. We are going to adhere to the two-
5 minute clock because, if not, we will be here until
6 next Christmas, and we also want to make sure that
7 everyone has the opportunity to speak. Please come up
8 as we call your names. Remember to identify yourself
9 for the record. If you're virtual, please listen in
10 for us calling your name. Thank you so much, and
11 we'll call the next panel, which is James Davis,
12 Barbara Caress, Xu Yin (phonetic), Jen Gaboury, and
13 George Farinacci.

14 Thank you. We are ready when you are.
15 Please identify yourself for the record so that we
16 can crosscheck our list, and you may begin.

17 GEORGE FARINACCI: Hi. How do you do? My
18 name is George Farinacci. I'm here today on behalf of
19 the UFOA and our President, James McCarthy, and our
20 over 8,000 members. I want to especially thank
21 Speaker Adams and the Chair of Labor Carmen De La
22 Rosa for holding this important meeting.

23 The Administrative Code 12-126 as
24 currently written is not stopping this administration
25 from implementing Medicare Advantage program. This

2 bill is seeking to change the Administrative Code and
3 allow a pay-for option of healthcare. The very same
4 Administrative Code language that prohibits this pay-
5 for option provides essential and vital protection to
6 prevent further erosion of future healthcare
7 benefits. We have serious concerns about language in
8 the Administrative Code that may make the healthcare
9 options different for classes identified in future
10 agreements, and we are against the removal of the
11 benchmark that facilitates the ability to measure the
12 benefits of each healthcare program to ensure that
13 the level of healthcare is maintained. Our members
14 are fully aware of the significance of keeping the
15 Administrative Code language intact as demonstrated
16 by the thousands of communications we have all been
17 receiving. Changing healthcare has been the most
18 critical erosion of benefits our members have
19 experienced. I remind this Council this your
20 healthcare too. There is nothing to be gained by the
21 Council inserting itself in this decision. Do not
22 support a change to Administrative Code 12-126. Thank
23 you.

24 CHAIRPERSON DE LA ROSA: Thank you.

2 JAMES DAVIS: Good afternoon. Thank you,
3 Council Members and Chair De La Rosa, for the
4 opportunity to speak today. I'm James Davis. I'm the
5 President of the Professional Staff Congress, a
6 30,000-member union, and I'm here to ask you to
7 reject the proposed change to the City Administrative
8 Code. There are practical concerns that my Colleagues
9 will raise, but most importantly we urge you to seek
10 alternatives. It's true healthcare costs are
11 skyrocketing, it's true the MLC cannot maintain its
12 commitments under the current Stabilization Fund, but
13 it's not true that Medicare Advantage is the only
14 path to achieving savings for the City or that
15 premiums must be charged to retirees who remain
16 enrolled in Senior Care or for active employee health
17 insurance. The PSC has opposed the change to the
18 Administrative Code because it would open the door to
19 lesser plans being negotiated for classes or
20 subgroups of employees. Retiree access to traditional
21 Medicare and Senior Care should continue and remain
22 premium-free. The City can of course the Medicare
23 Advantage program, but healthcare savings should be
24 found elsewhere. We're told we are in a box, and now
25 you are being placed in the box, but you don't have

2 to accept those terms if you have the political will
3 and the imagination to do otherwise. What kind of
4 choice are we preserving if a retiree is charged 200
5 dollars a month to keep Senior Care. For low-income
6 retirees and their dependents, it's not a real
7 choice. You heard if you fail to change the
8 Administrative Code retirees will be forced into
9 Medicare Advantage, but many will be forced to enroll
10 if the Administrative Code is changed. That's not
11 legislating boldly. That's accepting a tiered system
12 that regulates access by income and race. Another
13 solution is possible. It could be accomplished in
14 three phases.

15 First, the City should provide short-term
16 relief to the Stabilization Fund by allocating 500
17 million dollars less per year to the Retiree Health
18 Benefits Trust contributing the equivalent to the
19 Stabilization Fund. The RHBT has sufficient reserves
20 for at least two if not three years to be able to
21 afford this. In that time, a Stakeholders' Commission
22 should be formed. It should be charged with
23 identifying a path to control healthcare spending and
24 should focus on hospital pricing, the main culprit.

2 Lastly, a sustainable funding method for
3 City health insurance should emerge from this process
4 during that timeframe, restructuring the
5 Stabilization Fund and reaffirming the MLC's right to
6 bargain with the City over public employee health
7 insurance. Nothing is solved by forcing the MLC
8 unions to deliver 600 million dollars unless the
9 Stabilization Fund is restructured. Tying future wage
10 increases to this 600 million dollars in savings is
11 unfair and fiscally unnecessary. We talk about
12 tearing off the band-aid to deal with healthcare
13 savings, but the proposed change just supplies a new
14 band-aid while inflicting fresh wounds so we urge you
15 to take a bolder and more thoughtful approach than a
16 change to the Administrative Code. Thank you.

17 BARBARA CARESS: Hi. I'm Barbara Caress,
18 and I teach healthcare policy at Baruch, and I am a
19 proud member of the PSC. I want to talk about two
20 things in my two minutes. One is to distinguish that
21 traditional Medicare and Medicare Advantage are not
22 the same, number one, and, number two, despite what
23 we've been told repeatedly today there is no subsidy
24 from the feds for Medicare Advantage. I'm going to

2 talk mostly about the second point because everybody
3 has repeated what seems to me to be a basic untruth.

4 Let me quickly deal with the first. The
5 first is very simple. Medicare controls cost by
6 setting prices. Almost every doctor, 97 percent of
7 the doctors and almost all the hospitals accept that
8 price as payment in full, no balance billing, it's a
9 pretty uncomplicated system. Medicare Advantage plans
10 are commercial insurance, and they control costs by
11 limiting access to doctors, hospitals, procedures,
12 tests. They negotiate as they do for non-Medicare
13 beneficiary's prices with networks and so basically
14 the price you pay for being in Medicare Advantage and
15 we'll talk about it in a second is that you have more
16 limited choices. For most of the people most of the
17 time that limitation has no impact, but for a small
18 number of people it can be catastrophic. No access to
19 the doctor or treatment that might save their life.
20 This morning, they dismissed the 5 percent as
21 inconsequential. That is every single retiree's
22 nightmare, that they will be one of those 5 percent
23 who the Medicare Advantage plan doesn't cover.

24

25

2 Now, let me talk to the second point. I
3 have no time. Let me just say there is no secret
4 sauce.

5 CHAIRPERSON DE LA ROSA: Can you get
6 closer to the mic? You can continue but just closer
7 to the mic.

8 BARBARA CARESS: Okay, thank you. Let me
9 just quickly explain how the rates are established
10 for Medicare Advantage. Medicare Advantage is paid by
11 CMS by the federal government at precisely the same
12 amount that it expects to spend for Medicare retirees
13 in that community, no additional. They give that
14 money to the Medicare Advantage companies, the
15 insurance companies, and the insurance companies then
16 decide how to divvy it up, and, by and large, they
17 divvy it up by spending between 60 and 70, 70 is
18 really the top, percent of that money on medical
19 care. They take some of the leftover money, and they
20 include extra services which makes it more attractive
21 to retirees and for retirees like me although I'm not
22 retired, they cover the gaps that Medicare doesn't
23 pay, the 20 percent on doctor bills, the 2,000-dollar
24 deductible for a hospital, that other people buy
25 Medigap insurance for, and Medigap insurance costs at

2 least 300 bucks a month for a decent plan, that
3 Senior Care covers. With Medicare Advantage, the City
4 wouldn't have to pay for Senior Care. That's what the
5 savings are, but the savings are at the cost of 600
6 million dollars that's not being spent on the
7 healthcare of the City's retirees. I'll be happy to
8 answer any questions.

9 CHAIRPERSON DE LA ROSA: Thank you.

10 JEN GABOURY: Hi. My name is Jen Gaboury.
11 I teach politics and gender studies at Hunter
12 College, and the PSC CUNY Chapter Chair there. It is
13 such an honor for me to sit with my Colleagues here
14 and especially with Professor Caress. I feel like all
15 of us have been in a crash course on health policy in
16 the last year with her, and I have learned so much
17 with her and if you feel like you have questions in
18 the next couple of weeks, I urge you to call her up
19 on the phone and she will talk to you.

20 I want to address a couple of the things
21 that I've heard today. I find it very hard to feel
22 like we are in an open and transparent sort of
23 conversation when union contracts are being held
24 hostage, that we can like have a conversation about
25 sort of what is happening when that is one of the

2 dynamics here. I also want to say around the question
3 of sort of playing chicken, and I take this as I
4 agree with Council Member Restler and (INAUDIBLE)
5 that I think this is at the heart of part of what you
6 have to struggle with. My department assistant has
7 worked for CUNY for 42 years. She is a DC-37
8 employee. She makes under 60,000 dollars. Her spouse
9 is in about the same position in another City job.
10 She has health concerns. She probably has long COVID.
11 She is struggling to stay at work right now. She is
12 going to retire soon. She is an African American
13 woman. She cannot afford to 200 dollars a month. I
14 have advanced degrees. I am in the PSC CUNY. I could
15 scrape together the money if I needed to stay in
16 traditional real Medicare. I want you to preserve the
17 option to fight for my coworker. I don't want a
18 racist two-tier system that you have signed off on,
19 and I would rather be put in Medicare Advantage in a
20 privatized system with her and then fight together
21 than have you do this. I want you to preserve the
22 option to keep fighting. I want to focus on costs. I
23 want to drive the costs down. The idea that Council
24 Member Menin's legislation on transparency is only
25 the beginning of where we need to be. I do not take

2 anything seriously from the MLC or from the testimony
3 this morning about real cost measures, and I hope you
4 take that seriously too and I hope we can keep
5 fighting together. Thank you.

6 CHAIRPERSON DE LA ROSA: Thank you. I want
7 to thank both the UFOA and the PSC for not only
8 coming today and being present but for being active
9 participants in this conversation and actually
10 advising us on our questions and concerns.

11 I only have one question, and it's for
12 Miss Caress on the federal subsidy situation. Can you
13 explain that a little further?

14 BARBARA CARESS: Absolutely, and I
15 apologize for being so rushed. Let me start from the
16 top and just explain how much money comes in and how
17 it's spent. On average, Medicare spends about 1,200
18 dollars a month for beneficiaries who live in New
19 York City. Of that, 96 percent goes to pay for
20 medical care and 4 percent is Medicare's
21 administrative cost. It gives the equivalent of 1,200
22 dollars a month, and there's some bells and whistles,
23 but basically that gives the equivalent of about
24 1,200 dollars a month to an insurance company, let's
25 call it Aetna, and it says to Aetna you take this

2 1,200 dollars a month for all these people that
3 you're covering and you give them the equivalent of
4 what Medicare provides. We don't tell you what to pay
5 the providers. We just want you to fulfill the
6 obligation to provide them access to medical care.
7 The insurance companies over the last 40 years have
8 developed techniques for limiting their costs by
9 creating networks, by having prior approval, by
10 having post-claims denial. Those techniques they
11 basically developed in the commercial insurance
12 market and applied it to the Medicare market. The
13 problem with taking the procedures that worked so
14 well or not so well in the commercial insurance
15 market and apply to the Medicare market is that the
16 needs of people 65 and older for medical care are
17 greater, typically greater than the needs of the
18 people under 65 so if you're going to only take 60
19 percent of the premium, and that's pretty typical,
20 and use it to pay for medical care, what you're going
21 to be doing is shorting people, and probably 90
22 percent of the people are going to get what they
23 need. It's the people who need very expensive, unique
24 services that get shorted in that process. So 60
25 percent goes to medical care or let's say 65 percent

2 goes to medical care, another 10 percent is used to
3 pay to cover the gaps, Medicare's gaps, Medicare's
4 coinsurance for doctors, the 2,000-dollar deductible
5 for hospitals so that's the second part of the piece
6 so there's no need for a Medigap plan, and the third
7 piece is buying ancillary services, dental, vision,
8 hearing, which make it very attractive to people with
9 limited income, makes Medicare Advantage very
10 attractive to people with limited income because they
11 don't have any other source of payment, and let's say
12 that's another 5 percent. There are administrative
13 expenses so probably around 10, 12 percent, my guess
14 is, commercial insurance typically is 10 or 12
15 percent, and then there's 3 or 4 percent which is
16 profit. The profit number, not to harangue you, but
17 the reason why the profit number is so gigantic, for
18 example in the case of Humana which is the second
19 largest Medicare Advantage provider, they have about
20 3 billion in annual profits and Medicare Advantage,
21 which accounts for 40 percent of their participants
22 accounts for 2 of that 3 billion dollars, because if
23 the profit is 5 percent, 5 percent of the cost of
24 senior healthcare is much more money than 5 percent
25 of the cost of a working person's healthcare so

2 Medicare Advantage is to quote Dr. Don Berwick, who
3 was the previous Commissioner of CMS, "it's a money
4 machine." It produces enormous sums of money which
5 from my perspective ought to be returned back to the
6 taxpayers and the beneficiaries, not retained by the
7 insurance companies, but that's a whole other set of
8 problems. Just to understand, there is no subsidy.
9 It's they spend it differently.

10 CHAIRPERSON DE LA ROSA: Thank you. Thank
11 you so much. Again, I want to thank this panel. We
12 have one question from Majority Whip Brooks-Powers. I
13 want to recognize Council Member Riley who's joined
14 us.

15 MAJORITY WHIP BROOKS-POWERS: Thank you,
16 Chair. I just wanted to revisit just listening to
17 some of the testimony throughout the day today and
18 still looking to get a little bit more guidance or
19 thoughts around next steps should the Council not
20 move. What I heard I think it was the panel before
21 this one or two before this was that you all have a
22 lawyer, that we'll be able to preserve the option to
23 go back to court. I'm curious in terms of what that
24 means in terms of the actual coverage for the
25 retirees because I just will say I'm not comfortable

2 with retirees not having choice, and that's what
3 we're all I think on the same page for and fighting
4 for and so I'm not clear on how we preserve that
5 because my understanding is that if the Council does
6 not act and the City moves forward with signing this
7 contract, it's a five-year contract that's locking in
8 no choice so I just want to understand the likelihood
9 of one, getting a stay because I know you all got a
10 stay before and then it was lifted, I want to know
11 what are some of the other steps that can take place
12 that are in the toolbox and that we can be helpful in
13 quite honestly too because I represent a District in
14 Southeast Queens made up mostly of civil servants and
15 especially retirees so this is something that I'm
16 really concerned about I'm not looking for obviously
17 the easiest way out of this. I'm looking for a
18 realistic way out of this to make sure that our
19 retirees have choice, and I have not really heard
20 that today.

21 JAMES DAVIS: Council Member, thank you
22 for the question, and I want to respond to it in two
23 parts. One, just to be clear that our union, the PSC
24 at CUNY is not a party to the litigation, and our
25 solution is not primarily based on rolling the dice

2 of what happens on the outcome of litigation. What
3 we're seeking is to try to bring together the
4 smartest, best people to figure out this problem and
5 take the gun away from their heads, and that includes
6 all of you. It would also, hopefully, include a
7 number of other stakeholders, whether it's
8 physicians, whether it's health policy experts, MLC
9 and other union leaders, but in order to clear that
10 space, in order to take the gun off of everybody's
11 head, we do have to find a short-term way out from
12 under the pressure that the MLC Stabilization Fund is
13 under because it's hemorrhaging funds, and it's
14 structurally now situated so that it will never
15 really be stable as the name implies. Our proposal is
16 less to litigate through this but to try to legislate
17 out of it, but to get to that place to be able to
18 legislate forward it does require not accepting the
19 basic premise that the City is broke and is only
20 going to broker, and it's very clear that there might
21 a recession, we've seen the projections both from OMB
22 but also the IBO projections which are not
23 necessarily that the City is about to fall off a
24 fiscal cliff, but we believe that there is enough
25 funding in the Retiree Health Benefits Trust to

2 withhold the replenishment of that trust for at least
3 two, if not three, years, redirect that to the
4 Stabilization Fund. It's not raiding the Retiree
5 Health Benefits Trust because you can't do that, but
6 to withhold 500 million dollars a year, not a small
7 amount, but again we're talking about a very high
8 stakes exercise here to free up some time for the
9 real stakeholders to come together including elected
10 retirees at the table, including hospitals, even
11 insurance companies if you see fit...

12 MAJORITY WHIP BROOKS-POWERS: Can I just...

13 JAMES DAVIS: To hammer out a long-term
14 sustainable solution.

15 MAJORITY WHIP BROOKS-POWERS: Just for a
16 point of clarification. I thank you for even sharing
17 that perspective, right, because it's giving another
18 option, but in those two to three years of moving
19 that fund, what would that do if the City had signed
20 the contract already? If the City signs a contract
21 that says everyone gets Medicare Advantage, are you
22 looking on the Council to legislate to say we need to
23 look and move that? I just want clarity on that.

24 JAMES DAVIS: My Colleagues may want to
25 respond to this and so I'll be brief. My

2 understanding of the judge's ruling is that the City
3 has to offer at least one premium-free benchmark
4 plan, but what I'm still not clear about is why the
5 City couldn't continue to offer both the Medicare
6 Advantage plan premium-free, it sounds pretty amazing
7 from all the descriptions and I believe my Colleagues
8 who have been negotiating this on the MLC have been
9 doing their absolute best as they said and I believe
10 that they're sincere about making sure that Medicare
11 Advantage plan is fantastic and it's not the Joe
12 Namath plan you see on late night tv. Okay, if it's
13 that terrific, people are going to flock to it. Let's
14 continue to offer Senior Care as the supplemental
15 plan, not charge for it, the City will continue to
16 realize savings even though it will have to forego
17 that 191 dollars monthly premium, and I don't
18 believe, and someone will correct me if I'm wrong, I
19 don't believe that anything in Judge Franks' decision
20 prohibits the City from doing that. I think it's a
21 political issue, not a legal or financial issue.

22 CHAIRPERSON DE LA ROSA: Thank you so
23 much. Council Member Hudson.

24

25

2 COUNCIL MEMBER HUDSON: Thank you. I
3 wasn't expecting to go so soon. The line has been so
4 long but thank you, Chair.

5 My first question is who have you had
6 conversations with regarding your specific proposals.
7 Apologies. I just came back after a long absence so
8 if you've already answered this.

9 JAMES DAVIS: Thanks for the question,
10 Council Member Hudson. Many of you on the Council
11 have spoken with us and shared your questions and
12 concerns about the proposal. We've also contacted the
13 Comptroller's Office. We've contacted our Colleagues
14 on the Municipal Labor Committee leadership. I would
15 say the conversations are ongoing. I think that the
16 difficult hurdle to get over is one that's already
17 been expressed here which is we have to find a way to
18 save 600 million dollars, and I guess the challenging
19 thing about our proposal is to say we can find that
20 somewhere else in the City in the reserve while we
21 figure out a long-term sustainable solution.

22 MAJORITY WHIP BROOKS-POWERS: Have those
23 conversations been productive? Would you describe
24 them as such?

25 JAMES DAVIS: Absolutely.

2 MAJORITY WHIP BROOKS-POWERS: Okay.

3 JAMES DAVIS: From our point of view, we
4 began thinking down this road because what we were
5 hearing was you either have to go along with this or
6 you have to say no and see you in court, and we said
7 there has to be another way out. There's a lot of
8 principled and creative smart people in this room and
9 elsewhere. We believe there's another way out.

10 MAJORITY WHIP BROOKS-POWERS: I don't
11 necessarily disagree with you, but I'm also wondering
12 who would have to make the decision to take this
13 approach. Of all these folks, you've talked to the
14 Comptroller, MLC leadership, Council Members, who's
15 the entity that needs to make the decision?

16 BARBARA CARESS: You.

17 MAJORITY WHIP BROOKS-POWERS: Me alone or
18 me and my Colleagues?

19 BARBARA CARESS: Let me say that with more
20 than one word. You guys can convene a Stakeholders'
21 Commission. I believe it is within the power of the
22 Council to do so. You can stipulate categories or
23 actual members. You can hand it its charge. You can
24 advocate for solving the problem temporarily by not
25 replenishing the retiree reserves. You have a lot of

2 power here, and I think the reason why we turn to you
3 for this is that you guys seem to be the most
4 interested in struggling with the problem, in
5 figuring out solutions. I've listened to the
6 testimony this morning, and what I was struck by was
7 that nobody was offering anything other than we need
8 to have this 600 million dollars replenish the
9 Stabilization Fund, and, yes, the problems go on or
10 what I consider the false promise of their RFP for a
11 new vendor for the comprehensive benefit plan they're
12 planning to save 1.8 billion dollars. Let me say, I
13 know a lot about health insurance, it is not possible
14 to save 10 percent without profoundly restructuring
15 the way you have your relationships with providers
16 and that's not in the RFP.

17 MAJORITY WHIP BROOKS-POWERS: Okay. Thank
18 you. Just in the interest of time because I believe
19 my time is up but the Chair has been kind enough to
20 let me ask one very quick followup question which is
21 to your knowledge or in your experience would you say
22 that all retirees have the same information before
23 them? I know there's the retirees, there's the
24 Organization of Retirees, there's PSC CUNY and your
25 retirees, and other factions and so I'm just trying

2 to get a better understanding of are the solutions or
3 the alternatives that you all are proposing, have
4 they been presented to or are other retirees outside
5 of PSC CUNY, do you think are they familiar with
6 those alternatives? That's the end of my questions.
7 Thank you.

8 BARBARA CARESS: By and large not, but we
9 did have an op-ed in the Daily News today where we
10 actually spoke to that issue.

11 MAJORITY WHIP BROOKS-POWERS: Yeah. I saw
12 that. It was good, but I guess I'm just trying to get
13 a better sense of who knows and has access to this
14 information.

15 JAMES DAVIS: Council Member, we've been
16 trying to circulate our proposal as widely as we can.
17 Look, when it comes to being a member union of the
18 MLC, the MLC is a union body, and we don't speak for
19 the MLC and so the MLC will circulate as the MLC sees
20 fit, and we try to work them, and we've been very
21 collaborative in working with the MLC leadership and
22 nothing that I've done or mean to imply today is to
23 challenge their intentions or sincerity. I think
24 they're seeking to solve real problems. We're seeking

2 to solve them in a slightly different way, and we try
3 to maintain that dialogue.

4 MAJORITY WHIP BROOKS-POWERS: Thank you.

5 CHAIRPERSON DE LA ROSA: Thank you,
6 Council Member.

7 I just want to clarify one thing. The
8 reserve trust, are you saying that the City Council
9 has oversight over that Trust? Who has jurisdiction
10 over that Trust, the Comptroller's Office? And would
11 moving money around or repressing money from one side
12 to put in the other, that would be subject to budget
13 negotiations or to some negotiations with the
14 administration, correct?

15 BARBARA CARESS: Correct. Just to say
16 this, lots and lots of precedent for, in fact, this
17 Trust was created by the Bloomberg administration
18 precisely for that purpose, to stash money year to
19 year because they didn't have other reserve funds.
20 During the course of the Bloomberg administration,
21 they created in 2006, they put a billion in in 2006,
22 a billion in 2007, then the crisis of 2008 hit, they
23 started pulling money out. By 2012, there was no
24 money left in the Retiree Reserve, but it was
25 precisely for, Bloomberg used it for the purpose that

2 he intended it for. DeBlasio did it slightly less but
3 also in the same so this precedent.

4 CHAIRPERSON DE LA ROSA: I know the MLC is
5 not here and you can't speak for them, but if that
6 were to occur do you think that the administration
7 would see that as the MLC meeting their obligation or
8 would they still say thank you for the money but you
9 haven't met your obligation to the debt that you owe
10 the City?

11 JAMES DAVIS: I'm not in a position to
12 answer that question. I think that the letter from
13 OLR from last fall I believe it was is in my view
14 kind of ambiguous about whether the MLC met its
15 obligations for the 2019 to 2021 agreement. Others
16 disagree with me and believe it's quite clear that
17 the MLC is still on the hook for 700 million a year.

18 CHAIRPERSON DE LA ROSA: Thank you so much
19 and thank you so much to this panel for answering all
20 our questions. I want to recognize that Council
21 Member Holden has joined us virtually and call up the
22 next panel. Alice Wong, Stuart Eber, and Darrell Sims
23 from the Managerial Employees Association.

24 I want to remind folks who are testifying
25 that you will be limited to two minutes. We're going

2 to try to be a little stricter about that so if you
3 could summarize your statements for the Committee.
4 Thank you.

5 STUART EBER: Thank you, Chair. I also
6 want to greet my City Councilman, Mr. Dinowitz. It's
7 good to see you. My name is Stuart Eber. I am the
8 Chairperson of the Council of Municipal Retiree
9 Organizations, COMRO, and President Emeritus of the
10 New York City Managerial Employees Association.

11 I became a caseworker in HRA in 1970. By
12 the time I retired in 2004, I had been appointed as a
13 Deputy Commissioner for about 10 years. During my
14 career, I worked closely with the Office of Labor
15 Relations and the Office of Management and Budget. I
16 understand the need to protect the taxpayers as well
17 as the employees and residents of our great city. The
18 administration has created a false dichotomy. They
19 are forcing you to choose between preserving Medicare
20 as our primary medical coverage with the City paying
21 for a supplement coverage or imposing premiums on all
22 members of the City health plan. The attempt to rush
23 you to vote on the amendment to Administrative Code
24 12-126 is just one of their tactics to force us into
25 Medicare Advantage. Your Committee has received

2 thousands of emails from concerned retirees
3 documenting the deficiencies in the for-profit
4 private Medicare Advantage plans. In particular, the
5 required authorizations for dozens of procedures and
6 tests have proven to prevent patients from receiving
7 necessary care. The refusal of many doctors and
8 hospitals and to accept Medicare Advantage plans and
9 the billions of dollars the federal government is
10 trying to recoup from fraudulent claims demonstrates
11 why most people do not want to lose Medicare and be
12 forced onto Medicare Advantage. What should be done?
13 I urge that you hit the pause button, table the
14 motion, and form a Blue Ribbon Panel the New York
15 City Organization of Public Services Retirees
16 suggested. The Panel would be chaired by a former
17 city official acceptable to all parties and include
18 representatives of the major retiree organizations,
19 the Independent Budget Office, the MLC, the
20 Comptroller's office, the Public Advocate's office,
21 the administration, and the City Council. Their
22 charge would be to find alternate means of saving 600
23 million or more dollars a year in healthcare costs
24 without imposing premiums or eliminating Medicare.

25 CHAIRPERSON DE LA ROSA: Thank you.

2 STUART EBER: Thank you and stay well.

3 CHAIRPERSON DE LA ROSA: Thank you so
4 much.

5 DARRELL SIMS: Good afternoon, Madam Chair
6 De La Rosa, Committee Members, and attendees. I am
7 Darrell Sims. I'm President of New York City
8 Managerial Employees Association and with me is Alice
9 Wong, the Executive Director of the MEA.

10 We would like to thank the Committee for
11 providing us with the opportunity to testify in
12 behalf of the 16,000 New York City managerial and
13 confidential employees and MEA members. After a 39-
14 year tenure working with New York City Department of
15 Housing Preservation and Development, I'm an
16 architect, I retired January 1, 2020, and elected to
17 MEA January 1, 2022. Based on my knowledge and
18 concerns expressed to me from MEA executive board
19 members, especially our retiree chapter, the
20 following is MEA's position. The New York City
21 Managerial Employees Association objects to the
22 proposed amendment to the Administrative Code
23 enabling the City to impose Medicare Advantage as the
24 only premium-free retiree healthcare plan. The
25 current Medicare/Senior Care plan will then cost at

2 least 191 dollars a month per person or be
3 eliminated. Amending section 12-126 of the
4 Administrative Code will seriously undermine and
5 compromise the healthcare protections for all
6 municipal employees, retirees, and their dependents
7 insurees. It will allow the City to negotiate premium
8 rates for everyone and placing insurees into
9 different economic class based on financial ability
10 to pay. It will allow for coverage and benefit
11 reductions and eliminate protections and equal
12 treatment that currently insurees have at this time.
13 We strongly oppose the administration and the
14 Municipal Labor Committee's planned reduction in
15 health insurance coverage and benefits through the
16 privatization of Medicare for retirees. The City
17 seeks to weaken the protections guaranteed for all
18 municipal employees and retirees and their dependents
19 in the Administrative Code.

20 CHAIRPERSON DE LA ROSA: Thank you.

21 DARRELL SIMS: There are alternatives the
22 administration could use to purchase their power to
23 challenge the hospitals to reduce the exorbitant
24 charges, address the skyrocketing cost of
25

2 prescription drugs, and audit insurance providers on
3 a regular basis. I will now...

4 CHAIRPERSON DE LA ROSA: Thank you,
5 please.

6 DARRELL SIMS: Relinquish to Miss Wong for
7 our closing statement.

8 CHAIRPERSON DE LA ROSA: Thank you so
9 much.

10 ALICE WONG: It is advised that creative,
11 knowledgeable, and competent-thinking individuals
12 representing all concerned parties including
13 municipal retirees form a working committee to
14 develop an appropriate and sustainable long-term
15 solution to address the high cost of healthcare.
16 Proposing the amendment section of 12-126 of the
17 Administrative Code as an expression of a quick-fix,
18 get-stuff-done attitude for resolving the high cost
19 of healthcare at the expense and detriment of
20 municipal workers, municipal retirees, and their
21 dependents. Healthcare is one of the most sacred and
22 indissmissible necessities required to sustain our
23 lives. Therefore, the quality of healthcare insurance
24 and the performance of the insurer are of the utmost
25 importance. Section 12-126 affects the lives all

2 municipal workers, municipal retirees, and their
3 dependents. Municipal workers should not be sold off
4 like livestock for a for-profit profit insurance
5 entity with an inferior Medicare Advantage plan in
6 order for the City to relieve itself from its legal
7 and financial obligations. Based on our many decades
8 of dedicated service to New York City and its
9 residents, we have earned and deserve much better
10 treatment and respect. The healthcare cost burden
11 should not be resolved by diminishing current
12 workers, retirees, and the dependents codified
13 insurance coverage and benefits. Accordingly, the MEA
14 requests of you to please do not vote in favor of
15 amending Section 12-126 of the Administrative Code of
16 the City of New York. Thank you.

17 CHAIRPERSON DE LA ROSA: Thank you so
18 much. Thank you for coming and for testifying before
19 us today. Thank you.

20 The next panel will be Ellen Gentilviso,
21 Barbara Waldmann, Carmen Alvarez, John Soldini, and
22 Nina Tribble.

23 Please, [GAVEL] we need order and respect
24 for everyone as they come up, please. We don't need a
25 gallery of comments.

2 You may begin when you're ready and
3 identify yourself for the record.

4 Miss Gentilviso.

5 ELLEN GENTILVISO: Hi. My name is Ellen
6 Gentilviso. I'm a recently retired elementary school
7 teacher after 28 years of service including having
8 taught during the height of the pandemic. I'm also a
9 recently diagnosed breast cancer patient.

10 I'm speaking today asking you to vote to
11 amend the Code 12-126 so I may continue my treatment
12 with my current Medicare Senior Care insurance that
13 is accepted by my oncology team. Having a cancer
14 diagnosis is devastating, but the threat of losing
15 access to the trusted doctors treating you due to
16 elimination of choice of insurance coverage is even
17 more stressful. I was diagnosed at the end of July
18 and after months of tests, second opinion, biopsies,
19 and finding the just-right doctors that accepted my
20 insurance, I had my surgery at the end of November
21 and now I will undergo radiation. My treatment team
22 at NYU Perlmutter Cancer Center has given me the
23 confidence in overcoming this life-threatening
24 disease, not only the physical disease but uplifting
25 my mental state of mind that's essential for well-

2 being, healing, and overcoming cancer. When someone
3 has an illness, we all say best wishes for a quick
4 recovery, so sorry to hear it. Well, you have the
5 power to do something now to help so I ask you to
6 amend Code 12-126 that's necessary to preserve the
7 past practice of offering a variety of health plan
8 choices for New York City retirees. Thank you.

9 CHAIRPERSON DE LA ROSA: Go ahead.

10 BARBARA WALDMANN: Hello. My name is
11 Barbara Waldmann. I'm 76 years old. I taught
12 mathematics for 35 years in New York City schools
13 including at Erasmus High School in Brooklyn and
14 Tottenville High School on Staten Island. I retired
15 in 2003. My dad was a New York City firefighter, and
16 my mother, after raising eight children, returned to
17 school to get her degree in teaching. My eldest son
18 is also presently a New York City public school
19 teacher so you can see that our family has been
20 committed generationally to educating our kids in New
21 York City.

22 Over the years, I've had a number of
23 medical problems including a ruptured appendix and
24 two collapsed lungs. After three corrective knee
25 surgeries, I had to have two complete knee

2 replacements followed by two hip replacements, and
3 I'm not scheduled to have shoulder replacement
4 surgery this year. It should be no surprise that my
5 grandkids call me the bionic granny. Last year, I was
6 by ambulance to the emergency room three times in 11
7 days. Without a longstanding relationship with my
8 heroic surgeon, I couldn't have been put on an
9 expedited schedule to undergo all of the tests and
10 scans that I needed to go have complete complex
11 revision surgery. I'm walking proof today that long-
12 term relationships with physicians are critical to
13 successful medical care at this stage in our lives.
14 In addition to all that, I have also been treated for
15 three forms of skin cancer, one of which is quite
16 rare and has no treatment protocol except excision of
17 the offending cells. I must have regular PET scans to
18 ensure that the cancer does not rear its ugly head to
19 somewhere else in my body. It's therefore so
20 important that I am able to receive prompt medical
21 care from doctors who have been following my medical
22 history and have successfully treated me for all of
23 these years. I hope you can understand why having
24 choice is so important to me. I need to continue
25 accessing the physicians who have basically saved my

2 life up until this point. Please vote for the change
3 in the Administrative Code so we can maintain to have
4 change in our medical plans.

5 CHAIRPERSON DE LA ROSA: Thank you.

6 BARBARA WALDMANN: I'd like to live long
7 enough to see my grandkids grow up.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 CARMEN ALVAREZ: First, I would like to
10 thank Chair De La Rosa and Speaker Adams and all of
11 your Colleagues and all of the voices that I heard
12 today, all very informative and helpful. My name is
13 Carmen Alvarez. I taught special education for more
14 than a decade in New York City public schools. I
15 later served as vice president for special education
16 for the United Federation of Teachers for 28 years. I
17 retired in 2018.

18 My story is a family story. My husband, a
19 Korean War veteran, was an art teacher at Russell
20 Sage Middle School in Queens. He retired in 2000. He
21 developed an acoustic neuroma, a non-cancerous tumor
22 in the nervous system. He needed several surgeries
23 which were covered by our health plans. He then
24 survived two bouts of cancer. Nearly five years, he
25 was diagnosed with a cancerous tumor on his forearm

2 and underwent eight weeks of radiation therapy at
3 Memorial Sloan Kettering Cancer Center. He has gotten
4 through all of this because he had the same doctors
5 all these years. They know his history. They don't
6 have to ask me the same questions over and over
7 again. We can't go searching for new doctors and ask
8 to create a whole range of new medical files when our
9 doctors, hospitals, caregivers, and our family
10 members know his history. We need a choice of plans.
11 Our union has always, always worked to make sure
12 retirees have choice of plans because as one of my
13 many Colleagues have said one size does not fit all.
14 Right now, we have a choice of quality plans, some
15 free, some requiring a monthly fee. Healthcare may be
16 complicated, but what we're asking for you is to vote
17 yes. It's not complicated.

18 CHAIRPERSON DE LA ROSA: Thank you.

19 CARMEN ALVAREZ: I just need to say two
20 things. Your questions were laser-focused on
21 everybody. What would happen if you voted no? If you
22 voted no, my health plan is gone. What am I going to
23 do? Where am I going to go? If the court cases and
24 the appeals and all that takes time and it's going to
25 rush people to do things in a rushed manner. I would

2 rather you vote yes for the amendment so we can take
3 the time to have all those questions you asked all of
4 us to get answered so we can move, you can make the
5 right decisions after my plan has not been removed.
6 Thank you.

7 CHAIRPERSON DE LA ROSA: Thank you so
8 much. Please go ahead.

9 JOHN SOLDINI: First, I want to thank you
10 and I want to thank the Speaker and I want to thank
11 all of you for making these discussions possible. I
12 think it's very important.

13 My name is John Soldini. I'm a retired
14 teacher as is my wife. I retired in 2002 after
15 teaching social studies for 41 in the New York City
16 public schools, the last 27 years at Tottenville High
17 School in Staten Island. I also served as the
18 District Representative for the UFT on Staten Island
19 for 10 years, and I was the Vice President of High
20 Schools for the UFT for 15 years.

21 My wife and I now live in Florida part of
22 the year. Living there has shown us the importance of
23 having choice of health plans. Five years ago while
24 we were in Florida, one evening my wife suddenly
25 developed abdominal pains. Her City health plan

2 required her to go to the emergency room for
3 treatment because Florida was out of the plan's
4 network. What we thought would be a minor treatment
5 turned out to be a life-threatening emergency. The ER
6 sent her immediately to a local hospital where they
7 removed her appendix and part of her small and large
8 intestines, which were badly infected. She spent over
9 two days in intensive care. In an earlier incident 11
10 years ago, my wife developed macular degeneration in
11 one eye. Gradually the condition spread to both eyes
12 and required more frequent injections. She,
13 therefore, had to find a plan that covered injections
14 in Florida. We also had to find an eye clinic that
15 would accept that plan. She needed a different health
16 plan than I did. One household, two health plans. If
17 we had only one plan, possibly her life, certainly
18 her sight would've been over. Choice is not a luxury.
19 For many retirees, it could be a matter of life or
20 death. We are asking you to vote yes on the
21 Administrative Code change so that we can maintain
22 choice. In shopping for clothes, we know that one
23 size does not fit all..

24 CHAIRPERSON DE LA ROSA: Thank you.

2 JOHN SOLDINI: I'll just finish. In
3 shopping for health plans, we know that as well. One
4 health plan, no matter how good, cannot cover all the
5 needs of retired City employees and their family
6 members. Choice is a necessity. Please vote. This is
7 the best way to guarantee choice.

8 CHAIRPERSON DE LA ROSA: Thank you so
9 much.

10 NINA TRIBBLE: Good afternoon. My name is
11 Nina Tribble. I'm a retired physical education and
12 health teacher. I taught in New York City's public
13 schools for 32 years where most of my time was spent
14 at Junior High School 190, we had 7 through 9, in
15 District 28 Queens. This year, February 1st, I'll be
16 retired nine years.

17 I'm fairly new to Medicare. Last year,
18 2022, was my first full year in my new healthcare
19 program affectionately called Senior Care. I had to
20 learn a lot about how my healthcare works since
21 becoming Medicare-eligible. One thing I wasn't too
22 concerned about was whether or not I liked the plan
23 the MLC was negotiating for us because I knew I can
24 opt and choose for others. Now, I'm very concerned. I
25 want that choice. Currently, with the new ruling it's

2 not there. I will not have it unless the changes are
3 made in the Administrative Code. It shouldn't have
4 come down to this. We've always had choices, and two
5 people have said it, I'm just going to say it for the
6 third time, one-size-fits-all plan regardless of what
7 it's called using buzzwords like Medicare Advantage
8 or something else will be detrimental because there
9 will not be any choices to factor in for me as well
10 as other City employees. I'm single. I do not have a
11 significant other which would make it possible for me
12 to go into their plan providing they're not a New
13 York City employee. I will be stuck in a corner with
14 the most important years of my life ahead of me.
15 Seniors as they age reach new heights in medical
16 care. Rising prices of medications, doctors,
17 hospitals, the cost of other living, and other
18 variants make it more challenging as we're navigating
19 our fixed pensions and Social Security. Please amend
20 the Administrative Code. Don't stack the cards
21 against us seniors at this pivotal time in our lives.
22 Let me choose. Let us choose. Thank you.

23 CHAIRPERSON DE LA ROSA: Thank you so much
24 for testifying today. We thank you for your
25 testimony. We're going to call up the next panel.

2 Thank you for coming. We have Sue Ellen Dodell, Lisa
3 Young Ruben (phonetic), Kyle Simmons, and Mark
4 Levietas (phonetic).

5 If you could please transition as quickly
6 as possible so that we can begin and identify
7 yourself so we can identify who's not on the panel.
8 Thank you. You may begin when you're ready.

9 SUE ELLEN DODELL: My name is Sue Ellen
10 Dodell. I'm a lifelong New York City resident, and I
11 live in Council Member Eric Dinowitz's District. I've
12 been an attorney in City government for more than 43
13 years. I've drafted many bills, and I've appeared
14 before the Council many times in this room. I've
15 devoted my professional life to serving the City.

16 I ask that you defer any action on this
17 bill. I know today's only a hearing, you won't be
18 voting, but if there is a vote, vote no. Let the
19 Mayor try to put retirees into an Aetna disadvantage
20 plan. He can't do that legally, and that's why he's
21 coming to you as the Council to give him cover. If he
22 does it without changing the law, we retirees will
23 sue, and we will win as we've won before as you've
24 heard. If we don't win, the Council can always pass a

2 law to actually protect retirees which this bill does
3 not do.

4 You've heard both the OMB and the MLC say
5 that this amendment is necessary to enable the unions
6 to bargain for choice, but that's not choice. They
7 can bargain right now. They should do that. As you
8 know, Section 12-126 has been around for 50 years. It
9 does protect choice. It protects you, employees. It
10 protects retirees. If you're fooled by the Mayor and
11 the MLC's argument that you have to change the law in
12 order to save our choice, you're just completely
13 mistaken. If you really want to give a choice,
14 legislate protection that actually gives choice but
15 leave the Code alone for now. Charging the premium
16 does not give choice. You've heard a lot of retirees
17 would be hurt by this. I know that you're concerned
18 about pressure from the Mayor, from the unions, but I
19 urge you to do the right thing for yourself, for your
20 staff, for all City employees, and for vulnerable
21 retirees. Thank you.

22 CHAIRPERSON DE LA ROSA: Thank you so
23 much.

24 SUE ELLEN DODELL: And please, I submitted
25 written testimony...

2 CHAIRPERSON DE LA ROSA: We got it.

3 SUE ELLEN DODELL: It's much longer, and
4 it has a lot of detail that I think would be useful
5 for you. Thank you.

6 CHAIRPERSON DE LA ROSA: Thank you. Your
7 testimony has been received.

8 KYLE SIMMONS: Good afternoon, Madam Chair
9 and fellow Council Members. My name is Kyle Simmons.
10 I'm a 21-year President of Local 924, and I am
11 affiliated with District Council 37.

12 You're going to hear a lot of testimony
13 today about this Administrative Code 12-126. Each one
14 of you Council Members are retirees-in-training. One
15 day, you may need this benefit. Will it actually be
16 available when you or your loved ones need it the
17 most? You may know someone or have family members
18 that are currently retired or will retire one day
19 that need a healthcare system they can count on that
20 will not bankrupt them. This Administrative Code was
21 put in place for a very good reason, to keep everyone
22 honest on both sides of the table so that those that
23 made certain wage sacrifices in the past to have
24 future retirement benefits which include real
25 healthcare. If you make changes in this code, you

2 will remove the protection for the retired employees
3 of the City of New York because they don't have a
4 seat at the table. This Code is their seat at the
5 table. By changing the Code, it will end up looking
6 like the New York City Affordable Housing program yet
7 nothing is affordable. That's why we have a large
8 homeless crisis that continues to grow. We are all
9 here today because something that was unprecedented
10 was done before by unions, removing money out of the
11 healthcare fund to pay for salary raises, which Local
12 924 was one of two unions that voted no. These same
13 unions that orchestrated this usage of healthcare
14 funds for items that had nothing to do with
15 healthcare are now vilifying everyone that is opposed
16 to this Code change, including City Council
17 representatives that don't agree with the Code
18 change. This Code change is another quick-fix band-
19 aid attempted so the City can come to the table and
20 negotiate more pay raises. Please don't change the
21 Code because it will not solve the healthcare crisis.
22 It will just put the retirees that already have very
23 little economic resources into healthcare
24 insecurities, and do we really want to hurt our aging
25 population? I want to thank the City Council for

2 allowing me to speak and take my testimony into
3 consideration.

4 CHAIRPERSON DE LA ROSA: Thank you so
5 much.

6 LISA YOUNG RUBEN: Good afternoon, Madam
7 Speaker, Madam Deputy Speaker, Madam Chair,
8 distinguished Members of the Committee including my
9 Council Member Erik Bottcher, and I'd also like to
10 acknowledge my former Manhattan Borough President
11 Gale Brewer where I was a constituent as well. My
12 name is Lisa Young Ruben. I'm a retiree from New York
13 City Council, and I reside in Manhattan. I submit my
14 testimony in opposition to the above-referred
15 legislation. The bill calls for amending of the
16 health insurance that is now available to the above-
17 referenced groups of employees and retirees. However,
18 this bill would harm the members of these groups by
19 impeding their access to necessary healthcare
20 services. It could end up costing the City and State
21 and Federal Governments more money. This is so
22 because consumers facing barriers to using their
23 insurance for their healthcare would be more likely
24 to use costlier emergency room and/or Medicaid-
25 financed care. I would like to note that in addition

2 to these increased and costs, this issue is personal
3 to me. Just this afternoon, I had to go for a
4 presurgical medical appointment after my physician
5 said she will have to conduct various tests and
6 procedures including a biopsy under general
7 anesthesia at the hospital to confirm or rule out a
8 diagnosis, and she explained to me that the sooner
9 these tests and procedures could occur the lesser
10 risk I would be for harm including death. While I'm
11 grateful that I currently have the health insurance
12 needed to see my doctor and follow up on her advice
13 on a timely basis, I fear the risks I would face to
14 my health and my life if this insurance were to be
15 gutted by the City Council acting without any
16 apparently care "at the request of the Mayor." As it
17 emerged during a similar proposal by the current
18 Mayor and his predecessor, managed care including
19 Medicare Advantage programs could result in a
20 healthcare consumer losing access to his/her/their
21 healthcare providers should the providers decline to
22 join the MAP network. Additionally, the consumer
23 could face health risks including risks to the
24 consumer's life due to delays in getting

2 preauthorization for medical visits, tests, and
3 medical procedures. Thank you.

4 CHAIRPERSON DE LA ROSA: Thank you.

5 LISA YOUNG RUBEN: I have more
6 information. Thank you very much.

7 CHAIRPERSON DE LA ROSA: Thank you so
8 much, and I have received your copy.

9 The next panel is a virtual panel. We're
10 going to call the next four names. Just be attentive
11 to when your name is called to unmute. The first
12 person is Leonard Rodberg.

13 LEONARD RODBERG: Thank you very much.
14 I've been watching. It's very interesting. I'm
15 Leonard Rodberg. I'm a Professor Emeritus of Urban
16 Studies at Queens College and Research Director of
17 the New York Metro Chapter of Physicians for a
18 National Health Program. When the City and the MLC
19 introduced their Medicare Advantage plan 18 months
20 ago to move all retirees to a Medicare Advantage
21 plan, they claimed that the federal government would
22 make up for the 600 million dollars that the City was
23 then spending on our healthcare. That statement was
24 repeated today that the federal government subsidy
25 will make up for that 600 million dollars. That

2 statement is false. It is an untruth. The City is
3 currently contributing 20 percent of our healthcare
4 costs. The federal subsidy to Medicare Advantage for
5 the past years has been just 4 percent, and this year
6 it is reported to be down to 2 percent. This is
7 documented in my written testimony with data from the
8 federal government. Further, in Medicare, federal
9 money goes directly to doctors and hospitals. In
10 Medicare Advantage, private insurers receive the
11 money from the federal government and then siphon off
12 an average of 14 percent to pay for everything from
13 the cost of staff to review requests from physicians
14 to authorize tests and treatments for their payments
15 to profits for stockholders to salaries for overpaid
16 CEOs like Mark Bertolini of Aetna, the City's chosen
17 insurer, who made 27 million dollars last year. The
18 result is that Medicare Advantage is an inferior cut-
19 rate medicine with 24 percent less money to care for
20 patients compared to real traditional Medicare.
21 Again, this is documented in data in my written
22 testimony. I want to answer a question...

23 SERGEANT-AT-ARMS: Time has expired.

24 CHAIRPERSON DE LA ROSA: Please wrap up.

25 Thank you. Wrap up, please.

2 LEONARD RODBERG: A question was asked of
3 whether the State can move us to Medicare Advantage.
4 The State cannot. Federal law allows that only if
5 we're already in an Aetna plan. They cannot move us
6 without offering us an option to Medicare Advantage.
7 They can just say we're not going to offer Senior
8 Care. That will cost the average City employee I
9 estimate between 4,000 and 6,000 dollars a year
10 because not only would they lose the supplement but
11 they will, by City law since we will no longer be in
12 the City plan, we will lose the reimbursement for
13 Part B premiums and we will lose our drug benefit...

14 CHAIRPERSON DE LA ROSA: Thank you.

15 LEONARD RODBERG: People can't afford
16 that.

17 CHAIRPERSON DE LA ROSA: Thank you so
18 much. Thank you for your comments today. The next
19 person is Frances Ferrara (phonetic).

20 FRANCES FERRARA: Hello. Please excuse me.
21 It's been a day. I'm sure you've all had that. Can
22 you hear me?

23 CHAIRPERSON DE LA ROSA: Yes, we can.

24 FRANCES FERRARA: Okay. I'm so sorry you
25 caught me at this time. I sat here all day without a

2 bite of food and now I'm eating. I'm actually so
3 appalled how little the City of New York thinks about
4 retired employees. They tried to give away our health
5 insurance so current employees were given raises. The
6 City of New York wants to remove my medical insurance
7 that I worked 41 years to receive. I was promised
8 full medical benefits upon my retirement in 1978 then
9 it was changed to Medicare and my secondary then the
10 City tried to force me into Medicare Advantage plan
11 that was not suitable for me. My other choice was for
12 me to overpay to keep my health insurance, and that
13 was a (INAUDIBLE) promised to me. Now, you're trying
14 to tell me that you're promising me if you vote yes
15 to this that you won't force us into a Medicare
16 Advantage, and I'm going to tell you that I've worked
17 41 years and I believed in the City of New York, I no
18 longer do because of this situation. Please do not
19 vote for this. Thank you.

20 CHAIRPERSON DE LA ROSA: Thank you so
21 much. Up next is Steven Feldheim. Steven Feldheim
22 (phonetic), if you're on. If not, we'll go to Charles
23 Brancato (phonetic). The next four virtual panelists
24 are Cheryl Bluestone, Alan Odze, Kathleen Donlon
25 Spiegel, and Fay Aaronson.

2 Cheryl Bluestone, you're up first. Alan
3 Odze. Sorry if I'm messing up your last name.

4 ALAN ODZE: Oh, it's O D Z E.

5 CHAIRPERSON DE LA ROSA: O D Z E, okay,
6 sorry. Thank you, yes, you're up.

7 ALAN ODZE: Yes, good afternoon. My name
8 is Alan Odze, O D Z E. I'm a retired New York City
9 police officer. I was born and raised in the City of
10 New York. I was a first responder to 9/11. In 2014, I
11 was diagnosed with a very rare ocular melanoma.
12 Myself and one other cop sustained this type of
13 illness from 9/11. I'm under the care of Dr. Paul
14 Finger, and the doctor advised me that he will have
15 to cease and desist treating me if I'm forced into a
16 Medicare Advantage program. He refuses to accept it.
17 I don't know about the other officer that's also
18 under treatment. He's not in my doctor's group, but
19 he's with another doctor, and these are the problems
20 that we're going to encounter with medical
21 professionals specific to specialists that refuse to
22 take a Medicare Advantage program, and it's pretty
23 serious. That's what I have to say. I thank you for
24 your time. Have a good afternoon.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much. We have Kathleen Donlon Spiegel. If not
4 present, we'll move on to Fay Aaronson.

5 FAY AARONSON: I'm here. Can you hear me?

6 CHAIRPERSON DE LA ROSA: Yes, we hear you.

7 FAY AARONSON: Okay, great. Hi, I'm Fay
8 Aaronson. I'm a retired New York City DOE bilingual
9 school social worker, and I'm also a licensed
10 clinical social worker, still actively seeing
11 clients, and I've seen hundreds of families with
12 disabled children and special needs children. My
13 question is I don't think it's been answered, people
14 keep saying we'll be paying 200 a month but for those
15 of us who have disabled dependents, we'll be paying
16 400 a month or even more than that if we have more
17 dependents so my question is very important and it
18 has not been answered. I understand that I as the
19 retiree must opt out from my disabled dependent who
20 is on Social Security Disability and has her own
21 Medicare in order for her to opt out so I cannot pay
22 400 a month and still maintain my home, which by the
23 way Farah Louis has helped me save with her
24 interventions with one of the bureaucratic agencies
25 in this City, so I want to know eventually from the

2 City is that correct, will I have to be paying 400 a
3 month, and that 400 a month is currently, it's been
4 said by two people on the panels or more that we
5 would be paying more than that in 2023 and with the
6 new plan so what am I going to be paying, 1,000
7 dollars a year? I couldn't even maintain my home for
8 that. The other thing I'd like to say that as a
9 practitioner in healthcare for 35 years, I've dealt
10 with many Advantage Care plan and, as has been said
11 before, they are not traditional Medicare. The burden
12 to the doctors and the burnout and the dropout rate
13 for the doctors is entirely different than
14 traditional Medicare. We don't have these huge
15 constant gatekeepers telling us, dictating us what to
16 do on Medicare.

17 SERGEANT-AT-ARMS: Time has expired.

18 FAY AARONSON: Thank you for your time.

19 Thank you for having this.

20 CHAIRPERSON DE LA ROSA: Thank you. Just
21 to clarify, I can't speak to the increases because I
22 don't know the answers to that question, but my
23 understanding is that the 191 would be per member and
24 dependent so you are correct that it would be 400 in
25 your case.

2 Up next, we have James Perlstein,
3 Patricia Luce, Rocco Rinaldi (phonetic), and
4 Christopher Garbarino (phonetic). We'll start first
5 with James Perlstein.

6 JAMES PERLSTEIN: Thank you. My name is
7 James Perlstein. I'm a retired professor of history
8 at CUNY and a member of the Professional Staff
9 Congress American Federation of Teachers Local 2334.
10 I call on the City Council to reject this effort to
11 amend Administrative Code 12-126. I'm 87 years old,
12 and for 43 of those years from my mid-20s to my late
13 60s I worked full-time for the City committed to
14 providing educational opportunity to working-class
15 New Yorkers. I earned a living, I raised a family,
16 and although I saw my income slide over the years
17 from near the top of my profession to near the
18 bottom, I took comfort in the City's promise to cover
19 my healthcare costs into retirement. This proposed
20 Code amendment is a blatant attempt, unworkable and
21 unnecessary, to constrain escalating healthcare costs
22 at the expense of the most vulnerable and least
23 powerful segment of the public sector, municipal
24 retirees like myself. Still worse, the amendment
25 exposes in-service employees to similar (INAUDIBLE)

2 down the road. It does nothing to restructure the
3 inadequate, unsustainable, jerrybuilt system that
4 passes for New York City healthcare, but there is an
5 alternative, and the City Council is positioned to
6 explore and advocate for it.

7 First of all, redirect funds to City Hall
8 and reserve to bridge the Municipal Labor Committee
9 Stabilization Fund for three years.

10 Second, create a Stakeholders Commission
11 charged with finding a path to control healthcare
12 spending with hospital pricing as a priority.

13 Third, develop a sustainable mechanism
14 for funding City health insurance.

15 These proposals put forward in greater
16 detail by my union, PSC CUNY, are preferable to the
17 surrender of earned rights for an unreliable
18 discriminatory fix. Thank you.

19 CHAIRPERSON DE LA ROSA: Thank you so
20 much. Thank you for your comments. Patricia Luce.

21 PATRICIA LUCE: (INAUDIBLE) to be the
22 voice for the most vulnerable retirees in your
23 districts who are unable to research what I have done
24 over the past year. My due diligence has led me to
25 the conclusion that replacing traditional Medicare is

2 an immense disservice to your districts' current and
3 future retirees, especially those on low pensions,
4 minorities, and the very elderly whom research has
5 demonstrated are denied care at the greater
6 percentages by Advantage programs with their
7 troublesome prior approval requirements. My union has
8 historically been vehemently opposed to privatization
9 as evidenced in the Resolution Stop the Privatization
10 of Medicare in the article Preserve Medicare as We
11 Know It which is on the UFT website. They have done a
12 complete about face, possibly due to the deals that
13 were made involving unions in the MLC to usurp
14 billions from the Stabilization Fund for non-
15 healthcare purposes. 1 billion went for raises. The
16 plan is to serve up a quarter of a million retirees
17 to the inferior Medicare Advantage private for-profit
18 insurer to get the federal subsidy that the union
19 decried in its resolution. Incredulously, there has
20 been no oversight or consequences regarding the
21 usurping of billions from the Stabilization Fund,
22 which may continue with the subsidy. Please read
23 Who's to Blame for Our New York City Teacher
24 Healthcare Debacle in the gothamgazette.com November
25 15, 2022. Please, Council Members, protect your own

2 integrity. Vote no to change 12-126 so retirees may
3 litigate if the City and the Mayor proceed with it.
4 92 percent are currently enrolled in Senior Care so
5 they are speaking that they want Senior Care. Thank
6 you so much.

7 CHAIRPERSON DE LA ROSA: Thank you so
8 much. Rocco Rinaldi. Christopher Garbarino.

9 Okay, we're going to go to an in-person
10 panel. Dominick Martino, Michelle Keller, Roberta
11 Pikser, Yolanda Pumarejo. Please come up, identify
12 yourself for the record, and you may begin when
13 you're ready.

14 Roberta Pikser, yes, sorry, I might've
15 messed up your last name. I apologize. Dominick
16 Martino.

17 YOLANDA PUMAREJO: Good day. My name is
18 Yolanda Pumarejo. My City Council person is the
19 Honorable Kamillah Hanks of District 49 of the North
20 Shore of Staten Island.

21 I am here today as a career public
22 servant with 37 years in City government. I began my
23 career with the Administration for Children Services
24 right out of college at the age of 23 as a child
25 protective specialist. My plan was to stay for six

2 months and move on, but, once there, I realized the
3 rewards of having a career in City government
4 including the ability to help the most vulnerable
5 children and families of this city. This is one of
6 the most difficult services provided in New York
7 City. Child welfare workers risk their lives every
8 day to ensure our children are safe with little to no
9 recognition. As my career progressed, I became
10 involved with my union, the Social Service Employees
11 Union Local 371, eventually becoming the Executive
12 Vice President until I retired in December of 2020.
13 You should know that during this time there was
14 little to no mention of any deals being made by the
15 MLC to divert money from the Health Stabilization
16 Fund for salaries in exchange for this draconian
17 health plan. It was reported that if any changes
18 occurred to the health benefits for retirees, they
19 would have the option to enroll in the New York City
20 Managed Care program or to remain in their plans
21 cost-free. Never, ever was this health plan discussed
22 in detail with union members. Who would agree to be
23 forced into a managed care program knowing what we
24 know? The failures and the mismanagement of these
25 plans by for-profit insurance companies have been

2 well-documented and reported in the New York Times
3 and elsewhere. A promise is a promise. There must be
4 a moral obligation to all the women and men who have
5 spent their careers running this City. If the MLC
6 wants to negotiate this moving forward, so be it, but
7 not on the backs of the current retirees. There are
8 other ways to realize these savings. Just ask us.
9 We'll be very happy to share some suggestions and
10 solutions. Also, this Body should be aware that the
11 Arbitrator's ruling is an opinion and not a decision
12 as he clearly states in his report. The City Council
13 has historically protected 12-126, and now it's your
14 turn to do the people's work and vote no. Do not be
15 afraid. New York City public service retirees are the
16 backbone of this City. Support us and we will support
17 you.

18 In closing, I must tell you it is with a
19 heavy heart that I come here challenging my very own
20 union that I love in order to save the health
21 benefits so many of us worked for and were promised.
22 Honor your New York City public service retirees and
23 vote no. Thank you for voting no to amend this
24 Administrative Code.

25 CHAIRPERSON DE LA ROSA: Thank you.

2 MICHELLE KELLER: Good afternoon, my
3 distinguished sisters and brothers of the New York
4 City's City Council, specifically Speaker Adams and
5 also Carmen De La Rosa. Thank you for inviting the
6 retired workers into this space. My name is Michelle
7 Keller, serving my union and my community. I am
8 District Council 37 retiree, 43 years of illustrious
9 public service. I am also the President of the New
10 York City's Coalition of Labor Union Women, AFL-CIO.
11 All field of labor are central workers, active and
12 retired. Also, I sit on the DC-37 PAC Committee.

13 Protect, do not, don't amend
14 Administrative Code 12-126. Everything else will make
15 you sick. We know that all things done in the dark
16 will always come to the light. It has been more than
17 two years now that this very madness remains
18 unresolved even with the positive intervention of our
19 judicial system. No money is being saved here. Why
20 have those who use this service been shuttered out of
21 meeting rooms? The retirees and their families use
22 this service but have been turned away from meeting
23 rooms on several occasions. No vote, no voice.
24 Retirees utilizing the service are documenting their
25 dangerous, diminished care. Those who opted early on

2 to accept this experimentation of the disadvantage
3 care are now trying, pleading to return to Senior
4 Care. We have heard directly from government sources,
5 doctors, hospital professionals, and patients that
6 choice, affordability, and the quality of care will
7 be minimized, and we cannot knowingly be complicit
8 with this dysfunctional resolve at our cost. What
9 happened to all of the monies in our Stabilization
10 Fund set up expressly for the adjustments and
11 financial offsets of healthcare costs to cover
12 actives, retirees, and their families? Has there been
13 a published audit for transparency to offer a
14 security and a reassurance to all members and the
15 public at large that the drainage of our funds will
16 not happen again?

17 CHAIRPERSON DE LA ROSA: Thank you. Please
18 wrap up.

19 MICHELLE KELLER: Okay. Let me just.

20 CHAIRPERSON DE LA ROSA: We have your
21 testimony.

22 MICHELLE KELLER: Okay, no problem. This I
23 want to get in. We are aggressively trying to assist
24 and attract new and fearless organizing generation.
25 The entitlement of quality healthcare has been our

2 signature commitment for the strength of our
3 collective bargaining so what's happening? Construct
4 other ways to save money without peeling away from
5 the retirees that have delivered their worth tenfold.
6 Think of the disasters that have shut this City down
7 over the years. Who has been responsible to reset the
8 business?

9 Thank you, City Council, for yourself,
10 for us, for your constituents. Whose side will you be
11 on? Healthcare is a public good so don't imperil our
12 service. Preserve Administrative Code 126 because
13 everything else will make you sick.

14 CHAIRPERSON DE LA ROSA: Thank you so
15 much.

16 ROBERTA PIKSER: Good afternoon. My name
17 is Roberta Pikser. I'm a retired teacher of English
18 as a Second Language to adults and a member of the
19 United Federation of Teachers. I served as Adult
20 Education Chapter Secretary. Our students had jobs or
21 were searching for jobs or both. We teachers worked
22 from 8:30 in the morning until 9 at night, travelling
23 between boroughs on a six-day week. We were available
24 to our students when they called us at home. We were
25 paid for classroom time only, not for preparation or

2 travel or consultations. We chose to do this work in
3 order to help people who were becoming part of our
4 communities in the City of New York. We knew that we
5 would retire with the security of healthcare for the
6 bodies we had used up in the service of our city.
7 That was the bargain. That was what we earned. Now,
8 the City wants to renege on its part of the bargain.
9 Health savings is not the issue unless the money is
10 needed to pay the 27.9-million-dollar salary of the
11 CEO of Aetna or to contribute to Aetna's 11.9
12 billion-dollar-a-year profits. There are other ways
13 for the City to save money besides denying needed
14 medical care to the workers and retirees. They have
15 been enumerated here. You can turn over those rocks.
16 There are always ways to find money for what you
17 want. We know this. One way that hasn't been
18 mentioned today is that the City could collect the
19 stock transfer tax that is on the books and is now
20 being returned to the stock traders and to their
21 little computers. Amending section 12-126 of the
22 Administrative Code will remove the assurance of
23 cost-free care though in truth we've already paid for
24 that care. It will open the way for tiered healthcare
25 for all future City workers. This is not acceptable

2 for a City that proports to be the most advanced City
3 in the country. Do not sell out the retirees. We are
4 your constituents, and we vote. Do not sell out the
5 current workers. They are your constituents, and they
6 vote.

7 CHAIRPERSON DE LA ROSA: Thank you so
8 much.

9 ROBERTA PIKSER: We are all your
10 constituents; we all vote.

11 CHAIRPERSON DE LA ROSA: Thank you so
12 much.

13 ROBERTA PIKSER: Thank you.

14 CHAIRPERSON DE LA ROSA: Thank you. The
15 next panel is Ruth Solomon, Lisa Flanzraich, Roberta
16 Gonzalez, and Thomas Schecter. Should all be here in
17 person. If you are, please come up and identify
18 yourself.

19 If there is space on the dais, we're
20 going to call up as well Maureen McDermott, Barbara
21 Turkewitz, and Theresa Moran (phonetic). Please come
22 up as quickly as physically possible, and we'll get
23 started when you're ready.

24 Anyone else from that list? Ruth Solomon,
25 Lisa Flanzraich, Roberta Gonzalez, Thomas Schecter,

2 Maureen McDermott, Barbara Turkewitz, and Theresa
3 Moran.

4 Identify yourself so we can make sure we
5 know who's here.

6 ROBERTA GONZALEZ: Good day, Council
7 Members. My name is Roberta Gonzalez. I'm a New York
8 City retiree with 38+ years of service, all with the
9 Department of Health and Mental Hygiene. I want to
10 give a special thank you to my Council Member Inna
11 Vernikov who has supported me along the way. I want
12 to quote former Vice President Hubert Humphrey who
13 served as Vice President from 1965 to 1969. He spoke
14 about the successful measurement of a government or
15 society at his dedication of the Humphrey Building in
16 Washington, D.C. He said that the measure of societal
17 success is reflected in its treatment of the weakest
18 members of society. He said the moral test of a
19 government is how that government treats those who
20 are in the dawn of life, the children, those who are
21 in the twilight of life, the elderly, and those who
22 are in the shadows of life, the sick, the needy, and
23 the handicapped. What kind of society and kind of New
24 York City government will pass this moral test? I say
25 one that votes no to changing Administrative Code 12-

2 126 and does not diminish the health and well-being
3 of its municipal retirees. I have two cancers related
4 to working for the City of New York during and after
5 9/11. The World Trade Center Health Program has a
6 two-tiered system. Responders who are uniformed and
7 on the pile City workers and survivors who breathed
8 the same air but worked next to those on the pile.
9 Responders are seen at Mount Sinai. Survivors are
10 seen at Bellevue. As a survivor myself and a
11 Bellevue, my cancer was undiagnosed for almost four
12 years. I believe a two-tiered system that this
13 healthcare Advantage program would put into place was
14 not seeing me in the same way and would not see me in
15 the same way that a system designed for all would
16 have seen me. Thank god I eventually went to NYU with
17 my scans for a second opinion, and the doctor there
18 took one look and told me I had lung cancer. Thank
19 god it was slow-growing or I wouldn't be here today.
20 I've given you copies of alternative plans, and I
21 hope that you will look at them and vote against
22 changing 12-126.

23 CHAIRPERSON DE LA ROSA: Thank you so much
24 and we received your packet. Thank you.

2 BARBARA TURKEWITZ: Hi. I'm Barbara
3 Turkewitz, and I sat where you are because I worked
4 for the City Council for 12 years. I know this has
5 been a long hearing. I've submitted comments. I think
6 what I want to say at this point, having listened the
7 way you have to the whole hearing for the day, is
8 that I think we're a stellar city and I think that we
9 deserve to have the best healthcare around, and I
10 think that means keeping it government-run. I think
11 government runs things well. I think that the
12 Medicare plan is a much better plan than the Medicare
13 Advantage plans have been. I think that's what
14 everybody who has studied this says and if the unions
15 really came up with a plan that's so much better than
16 anything that exists put it on the table, let people
17 join that plan if they want or keep this plan if they
18 want and neither one of them should have a fee. It's
19 still going to be cheaper for the people who go to
20 Medicare Advantage because there are these additional
21 benefits. There is a lower deductible so there are
22 incentives for people to take that plan even if you
23 still allow us to keep our plans for free, but what
24 I'm hearing is everybody wants choice because they
25 don't want to go into the Medicare Advantage so even

2 the teachers who came to support the unions in asking
3 you to make these changes, they still were really
4 saying this because they want to keep their Medicare,
5 which really undermines the argument that the
6 Medicare Advantage is some great plan, but it may be,
7 but then let's make sure that there are people at the
8 table to evaluate how good it is. I don't personally
9 trust the MLC to be the people at the table doing
10 that. Put together a real taskforce of people who
11 have backgrounds, include retirees, and give it a
12 shot and let us evaluate what these results look
13 like. They didn't tell us what their performance
14 measures were. Are they going to say how many people
15 didn't get certain tests? How many people were denied
16 ability to get to a doctor? How many doctor changes?
17 I haven't seen any of those performance metrics, and
18 that's what I did for a living for years. I did
19 public policy. I don't hear a policy discussion here,
20 and I think the policy of going private is a bad
21 policy for the City of New York, and that's why I
22 would urge you not to make this change.

23 CHAIRPERSON DE LA ROSA: Thank you so
24 much. Thank you for your thoughtful comments.

2 THOMAS SCHECTER: Good afternoon,
3 Chairperson De La Rosa and Members of the Committee.
4 My name is Thomas Schecter. I retired from HLA after
5 30 years. I have a lot to say but so little time to
6 say it so I'll have to cut out some. First part, in
7 1975, New York City was literally bankrupt. President
8 Ford told the City drop dead. They imposed a fiscal
9 (INAUDIBLE) on New York City for 20 or 30 years, but
10 they never once changed health plans, and when we
11 were actually bankrupt and they didn't change
12 pensions when we were bankrupt for people who were
13 already receiving them. Now, we are not bankrupt, and
14 yet they are changing the plans on us when it's
15 really not necessary.

16 Second is a personal problem. I cover my
17 wife who is (INAUDIBLE) Medicare-eligible. If this
18 plan goes through, who will pay for a bankruptcy
19 lawyer for me? (INAUDIBLE) has to pay for some plan
20 so we can both be covered because the Aetna plan for
21 people who are not on Medicare is 465 dollars a month
22 so I need to pay, I pay for the Senior Care or
23 (INAUDIBLE) a month, and I can't afford either so who
24 will pay for it? City Hall, legislation, MLC, Mr.
25 Scheinman? The sad part is that Mr. Scheinman seems

2 to think he has big power. He is over the Mayor, he's
3 over your office and the City Council, over MLC, and
4 everything else, he can give deadlines to City
5 Council. I didn't think he had that power. He can
6 impose premiums on healthcare. I didn't know he had
7 that power. I don't know who gave him that power. I
8 didn't see where it was written. The other point is
9 that...

10 CHAIRPERSON DE LA ROSA: Thank you. Please
11 wrap up.

12 THOMAS SCHECTER: Many places like MD
13 Anderson Medical Center, Cleveland Clinic, Mayo
14 Clinic will not accept any Medicare Advantage plan as
15 well as other places probably because of the horrors
16 of prior authorization and problems in getting paid.
17 Maybe I'm getting out of line, but I feel as these
18 problems popping up, I was lucky, I guess I'll go to
19 Memorial Sloan Kettering. If I was not with the City,
20 they would not accept a Medicare Advantage plan.

21 CHAIRPERSON DE LA ROSA: Thank you. I
22 appreciate your comments. Thank you so much. Thank
23 you all for coming.

24 Up next, we'll have a virtual panelist,
25 Theresa Moran, and then following Theresa an in-

2 person panel made up of Elizabeth Suzy Sandor, Gloria
3 Brandman, Marcia Biederman, and Adina Schwartz. If
4 you're here, you can start quietly coming to the dais
5 while we listen to Miss Moran virtually. Thank you.

6 THERESA MORAN: Hi. My name is Theresa
7 Moran. I retired from New York City service in 2002.
8 I am a resident of Council District 23. Can you hear
9 me?

10 CHAIRPERSON DE LA ROSA: Yes, we hear you,
11 Theresa.

12 THERESA MORAN: All right. I wasn't sure
13 because I fell off the top of the thing. Okay. I'm
14 represented by the Honorable Linda Lee. In 2009, my
15 doctor discovered that I had cancer. Treatment
16 included surgery, radiation, and taking meds for
17 life. Without the medications, I will die, but, as
18 you see, I'm still here so they're working plus I
19 must have different test at various intervals so the
20 cancer doesn't come back. When this Medicare
21 Advantage talk started, I followed up with my
22 doctors, none of whom would participate in any
23 Medicare Advantage plan. Their reason was time spent
24 in denials for permission to order necessary tests
25 and procedures. My research shows the various

2 government and media investigations support that as
3 fact. I certainly don't trust the MLC's word that
4 they will now prevent this from happening to me since
5 it was the MLC who decided to replace my Medicare
6 EmblemHealth plan with an Advantage plan in order to
7 cover their numerous financial raids on the Health
8 Stabilization Fund so they gave me no choice but to
9 opt out. Would paying 191 dollars a month be a
10 hardship? It certainly would. Due to the effects that
11 the drinkable radiation has had on my teeth plus my
12 huge medicine bills, the deductible medical amount I
13 reported on my taxes for 2021 was more than 20,000
14 dollars. In 2023, it's going to cost even more. I
15 went back to work several years ago to be sure I
16 could pay those bills, but as I am now nearing 80, I
17 do wonder how much longer I can work. The New York
18 Supreme Court and the Appellate Bench agree that
19 thanks to the protection of Administrative Code 12-
20 126 I should not have to...

21 SERGEANT-AT-ARMS: Thank you. Time is
22 expired.

23 THERESA MORAN: The financial hardship.
24 12-126 is protecting me and every New York City
25 employee and retiree.

2 CHAIRPERSON DE LA ROSA: Thank you.

3 THERESA MORAN: And all of us are relying
4 on you to protect 12-126 just as your predecessors
5 have done for more than 50 years.

6 CHAIRPERSON DE LA ROSA: Thank you so
7 much, Miss Moran. Thank you. Up next, Elizabeth Suzy
8 Sandor, Gloria Brandman, Marcia Biederman, and Adina
9 Schwartz. If you're here, you can come forward. If
10 not, we have Sarah Shapiro, Francine Schloss, Arthur
11 D'Sizerio (phonetic). If you're here in person, any
12 of these folks can come up, and you can begin when
13 you're ready.

14 SERGEANT-AT-ARMS: Miss Sandor, you may
15 begin when you're ready.

16 SUZY SANDOR: Good afternoon, Council
17 Members. My name is Suzy Sandor. I worked for the
18 City for 25 years, and I am represented by Council
19 Member Julie Menin from District 5. May I
20 respectfully ask you to take a moment to look at us
21 and to think of those who are too old or too sick or
22 too far away or too poor to be here today?
23 Altogether, we are City retirees who worked on
24 average 20, 30, or more years for the City. We are
25 labor. New York City is now considering stripping

2 away the Medicare/Medigap plan that it has committed
3 and to which we expected under Administrative Code
4 12-126 and you, City Council, are now contemplating
5 moving us into a privatized, for-profit plan with the
6 misleading name of Medicare Advantage. Advantage is
7 not Medicare. Many of our doctors won't take those
8 plans. One of mine won't and will only take Medicare.
9 Why? Because this plan paid the provider very little,
10 burdened them with onerous paperwork, and are full of
11 pre-authorizations. Advantage plans are under
12 countless investigations and colluding, Congressional
13 because of denials and delay of care and even fraud.
14 Once one is enrolled in an Advantage plan, it is
15 very, very hard to return to traditional
16 Medicare/Medigap health insurance and, in some cases,
17 it is denied because of preexisting conditions.
18 Medicare/Medigap provides national coverage.
19 Advantage does not. Advantage policies offer Fitbit
20 watch, dental cleaning, free pair of glasses,
21 (INAUDIBLE) transportation to close-by doctor, few
22 hot meals after surgery, and some sort of exercise
23 classes, none of this is good enough. Please keep 12-
24 126.

25 CHAIRPERSON DE LA ROSA: Thank you.

2 SUZY SANDOR: In closing, I respectfully
3 suggest that the Council Members call their own
4 doctors, their parents' doctors, their grandparents'
5 doctors and ask those providers if they will honor
6 and take Advantage plans. Thank you and have a good
7 evening.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 GLORIA BRANDMAN: Good evening. I want to
10 thank the remaining Council People for staying to
11 listen to us. My name is Gloria Brandman. I have been
12 a member of the United Federation of Teachers for
13 over 40 years, the last seven as a retiree, and I
14 want to start by saying my union never asked
15 membership if we wanted this change. I never asked
16 for it. There's never been a vote in any of the
17 democratic meetings in my union, not at the executive
18 board meeting, not at a delegate assembly, not at a
19 retired teachers chapter meeting, never. Mr. Mulgrew
20 was here earlier, but he did not stay to listen to
21 what the retirees here are saying, although there was
22 a panel earlier that he put together, and I
23 appreciate their need for good quality healthcare,
24 they deserve it, and they want it, but they say they
25 can only get it if you do amend the change, and I

2 also want to say that panel was put here by Mr.
3 Mulgrew so it was his opinion as well. I was a
4 special education teacher, and my job was to ensure
5 students increase academic and social skills. I
6 evaluated them, found out what they knew, taught them
7 what they needed to make progress and make choices,
8 and I hope this hearing is doing the same for you
9 Honorable Council People. So what do you know? The
10 City told you without amending the Code they'd be no
11 choice for retirees. False. Retirees, we already have
12 a choice actually between 12 different plans. We want
13 to keep the high-quality, premium-free health
14 insurance we were promised and we earned by all our
15 years of working. If the Code is amended, the only
16 free choice will be a privately run Medicare
17 Advantage plan, and you've heard this all day, fewer
18 doctors, need for prior approval, it's not what we
19 want for our health as we get older. You've been told
20 that the report issued by Mr. Scheinman is a ruling.
21 False. It's not. It's an opinion. It's not binding.
22 There was no arbitration. There was no disagreement.
23 It's being used to mislead you. Costs are out of
24 control. Yes, they are. But you have heard all day,
25 you have gotten many, many emails with ways this City

2 can get more money and can afford this healthcare,
3 stock transfers tax, the PSC plan is brilliant.
4 Council Members, you need to find out what really
5 happened to the Health Stabilization Fund. Do your
6 research, and I am sure you will not amend 12-126.
7 Thank you.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 SARAH SHAPIRO: My name is Sarah Shapiro,
10 retired teacher, lifelong unionist. I'm here to urge
11 you to vote no on amending Administrative Code 12-
12 126. The New York Times article, the Cash Monster was
13 Insatiable, reported that nearly all the top Medicare
14 Advantage insurers have been accused of fraud or
15 scamming the federal government by overbilling. One
16 of these companies is CVS, which owns Aetna, the
17 insurance company the MLC and City are currently
18 negotiating with. Mark Bertolini, CEO of Aetna, is
19 the highest paid CEO, he made 27.9 million dollars
20 last year. Medicare Advantage is a misnomer. It is
21 not Medicare. Legislation in the House called Save
22 Medicare Act would make it illegal for these private
23 health insurance companies to use the word Medicare.
24 Medicare Advantage plans are in the business of
25 making profits by delaying and denying necessary

2 medical care. Retiree healthcare is only 6/10 of 1
3 percent of the City's entire budget. According to the
4 Mayor's Office of Management and Budget November
5 Financial Plan, the City has 8.3 billion dollars in
6 reserves, the highest level in its history. The Rainy
7 Day Fund has 1.9 billion. The General Reserve Fund
8 has 1.6 billion. The Retiree Health Benefit Trust
9 Fund has 4.5 billion. The City is not broke. Long-
10 term solutions to cut healthcare costs are needed
11 such as the City could create a self-insurance plan,
12 aggressive hospital-cost-reduction measures, all
13 union welfare funds could be consolidated into one
14 for-group drug purchasing. There are several
15 possibilities for long-term solutions. We retirees
16 have thought of many. We urge the City Council to do
17 their work and investigate this. We agree with the
18 proposal put forth by the PSC. Listen to retirees.
19 Let the Mayor do his own dirty work and vote no on
20 amending Administrative Code 12-126.

21 CHAIRPERSON DE LA ROSA: Thank you. Can
22 you make sure that your mic is on, ma'am? Thank you.

23 FRANCINE SCHLOSS: I'm Fran Schloss,
24 former President of DC-37 Local 1757...

2 DEPUTY SPEAKER AYALA: Do you mind
3 bringing it closer to you so that the people in the
4 back can hear? Thank you.

5 FRANCINE SCHLOSS: Representing
6 appraisers, assessors, and housing development
7 specialists. I'm here today as a retiree speaking
8 against the proposed amendment to the City Charter.
9 The reason that I remained an employee of the City of
10 New York for 39 years was the promise of future
11 guaranteed benefits such as the defined pension plan
12 and virtually free healthcare benefits. I am here
13 today because it is not the fault of the 66,000 DC-37
14 retirees that the Healthcare Insurance Stabilization
15 Fund was utilized for entirely unrelated matters.
16 These were withdrawal of funds without provisions for
17 replenishment. I am here today because of the savings
18 of 600 million dollars that was guaranteed between
19 the MLC and the City of New York that was not
20 fulfilled. It is curious that the retirees'
21 association has identified over 300 million dollars
22 in savings toward this figure that has not been
23 previously identified. To change the City Charter
24 regarding retiree healthcare benefits is an action
25 that will endanger the financial well-being of

2 retirees on fixed incomes. This is in addition to an
3 insurance company that will act as a gatekeeper
4 having the power to overrule the judgement of a
5 retiree's primary care physician. I will conclude
6 with this last thought. We, as New York City employee
7 retirees, may not have a seat at the contract
8 negotiating table, but we do vote in great numbers,
9 and we do bring out the vote.

10 DEPUTY SPEAKER AYALA: Thank you so much
11 for your testimony.

12 We have two more in person, Arthur
13 D'Sizerio and Richard Alles.

14 We're moving to a virtual panel. Ibeth
15 Mejia, Jaqueline Lyle, and William Terry. Ibeth.

16 Okay. Jaqueline Lyle. We're having some
17 technical difficulties so we're going to move to in-
18 person.

19 The next panel is made up of Roy
20 Fischman, Michael Brocoum, Edward Hernandez, and Jack
21 LaTorre.

22 Okay, seeing as we only have one person
23 for this panel, we will call members of the following
24 panel. Marc Kagan, Max Stapler (phonetic), Martin
25 Habler (phonetic), and Gale Liddenberg (phonetic).

2 Our apologies. It seems like a lot of
3 folks have gone home. Bear with me one second.

4 MARC KAGAN: My name is Marc Kagan. I'm
5 actually a constituent of Council Member De La Rosa.
6 I'm sorry she's left by now.

7 DEPUTY SPEAKER AYALA: She'll be back.
8 She's downstairs.

9 MARC KAGAN: I seem to be the first one to
10 say that. I am a UFT retiree, angry that my former
11 union is at the forefront of this effort to take away
12 the medical benefits and my wife, a double cancer
13 survivor whose next CAT scan is tomorrow morning.
14 Thankfully, her constant regime of testing is not
15 subject to prior authorizations and denials. She has
16 enough on her mind without fighting with insurance
17 companies. I'm a grateful active member of the
18 Professional Staff Congress CUNY, grateful not only
19 that the PSC voted against Medicare Advantage at the
20 Municipal Labor Committee but has gone the extra mile
21 and more setting forth a realistic alternative plan
22 that the City Council can and should embrace. Council
23 Member Restler earlier called this a game of chicken,
24 and he's right that Mayor Adams and Harry Nespoli and
25 Michael Mulgrew have rigged this as a game of

2 chicken. Council Member De La Rosa asked can the City
3 and the MLC do this? We'll see what the courts say,
4 but you are the City too. You can reject the game of
5 chicken. You can reject being the bad guy, Adams'
6 tool. You can intervene proactively. You can tell
7 Adams to use the Retiree Health Benefit Trust. You
8 can use the 36 months that gives you to build a
9 better health plan, not just for retirees who
10 actually cost the City so little, but for all City
11 workers. These savings are a one-shot temporary fix
12 to a systemic problem. What the PSC is proposing is
13 that we look for a real, sustainable solution rather
14 than victimize retirees this year, new hires the
15 next, people with high prescription costs or lots of
16 dependents and a third and so on. Thank you.

17 DEPUTY SPEAKER AYALA: Thank you.

18 JACK LATORRE: Good day and thank you for
19 this opportunity to speak. My name is Jack LaTorre,
20 retired NYPD lieutenant and cancer survivor. First, I
21 wish to thank Marianne Pizzitola and her team for
22 forming the New York City Organization of Public
23 Service Retirees. Thanks to this group, I can present
24 the following facts.

2 One, the Stabilization Fund has been
3 misused for many years, 2003, 2006, 2009, 2011, and
4 2014. To fund raises by taking 1 billion dollars from
5 it is wrong.

6 Two, by changing Administrative Code 12-
7 126 to force retirees in privatized Medicare
8 Advantage is both deadly and wrong.

9 Three, to ignore the fact that big
10 healthcare is under federal investigation for
11 Medicare Advantage fraud is wrong.

12 Four, to subject low-income retirees to
13 higher premiums, fees, and co-pays is wrong.

14 Five, to ignore the fact that Medicare
15 Advantage adds nearly 100 more life-threatening pre-
16 authorizations is wrong.

17 Six, to ignore the fact that Medicare
18 Advantage limits care and access to life-saving
19 treatments is wrong.

20 Seven, to believe the so-called Scheinman
21 document issued December 15, 2022, has the force of
22 law is wrong. It is a nonbinding recommendation.

23 Eight, for the Municipal Labor Council to
24 have two unions, the UFT and DC-37, control 2/3 of
25 any vote is wrong.

2 Nine, if this City Council amends
3 Administrative Code 12-126, it will be taking away
4 the healthcare rights of the elderly and disabled
5 retirees who have dedicated their working lives to
6 serving the people of New York City.

7 Eric Adams when running for mayor said
8 the Medicare Advantage plan seems like a bait and
9 switch. I ask this Council to not amend 12-126. I ask
10 this City Council to do what is right, not what is
11 clearly seen by the true facts is wrong. Thank you.

12 DEPUTY SPEAKER AYALA: Thank you so much.
13 Our next in-person panel will be Rosalee Franchella
14 (phonetic), Ana Juarbe, Carmela Dee, and James
15 Hayhurst. You may begin. Make sure your mic is on.

16 ROSIE VARTORELLA: Hello. My name is Rosie
17 Vartorella. I am retired vision teacher for NYC DOE
18 from Brooklyn, District 39. I want to thank you,
19 Shahana Hanif, for your support.

20 For 25 years, I worked with blind and
21 visually impaired students, most of whom were the
22 only visually impaired in their schools. I travelled
23 to three to five schools per day. I loved my job, I
24 loved my students, I loved my life. Along with my
25 husband, Rick, also a retired NYC DOE teacher, I

2 juggled work, family life just like everyone here. I
3 saw Medicare come out of my paycheck without much
4 thought until last year when I moved onto Medicare.
5 It has been a seamless transition with Senior Care. I
6 do not worry about future healthcare on Medicare. I
7 do not want to change to Medicare Advantage and pay-
8 up Senior Care will be unaffordable. That is not an
9 option. The UFT does not speak for me on this issue
10 though I am a dues-paying member. When you are young,
11 busy, juggling, making your life, you do not think
12 about future health insurance, but you must, you
13 should. You will care when you're a retiree. You will
14 want to know you can go to an MD of your choice, not
15 worry about pre-authorization delays for needed
16 testing, be covered when you travel, not have to
17 worry if an MD no longer accepts your coverage. Each
18 of you will be just like me in the future and, trust
19 me, you will want original Medicare, not Medicare
20 Advantage. When you are covered and medical
21 emergencies arise, whether young or old, you do not
22 want to deal with uncertainty. My family has dealt
23 with many medical emergencies and unforeseen
24 illnesses, but we did not worry about healthcare when
25 they arose. I am living and enjoying life today. I

2 want to know that what I paid into all of those years
3 of paystub deductions, all of those happy and
4 incredibly hectic and juggling years, what I bought
5 into is what I earned and what I have. The most
6 important skill I taught my students was self-
7 advocacy. I'm speaking out for myself today with my
8 students, my family, and all of you in my heart and
9 on my mind. Do not change Administrative Code 12-126.
10 Thank you.

11 DEPUTY SPEAKER AYALA: Thank you so much.

12 Thank you.

13 CARMELA DEE: My name is Carmela Dee. I'm
14 a DC-37 retiree and worked for New York Public
15 Library as an archivist for 18 years. I now work at a
16 local library to supplement my 16,000-dollar annual
17 pension. I do not deal in misinformation. The City
18 and the unions have betrayed us by breaking their
19 promise to those who served the City for decades. At
20 the height of the pandemic, my husband suffered a
21 retinal occlusion in his left eye. His doctor called
22 it a stroke in his eye. He will require retinal
23 injections every four to six weeks for the rest of
24 his life. Traditional Medicare and GHI Senior Care
25 cover it except for the 15-dollar co-pays. In a

2 Medicare Advantage plan, he could have to wait for
3 authorizations and suffer further retinal damage.
4 Although we live modestly, to have to pay almost
5 5,000 dollars a year plus co-pays to keep our current
6 health insurance was not something we planned for.
7 This is also a social justice issue. Those who cannot
8 afford to pay premiums and co-pays will be forced
9 into a MAP despite the wealth of data proving these
10 plans provide inferior healthcare. We all understand
11 the need to save money, but amending the Code and
12 forcing people into a MAP are not the only ways.
13 Martin Scheinman's report is only his paid opinion;
14 it is not binding. No previous City Council has
15 fallen for the scare tactics. Code 12-126 has
16 protected our healthcare since 1967. If it's amended,
17 the door is opened for the City to go after any of
18 our benefits. Does this City Council really want
19 destroying the healthcare of retirees and employees
20 to be its legacy as well as its own fate? Please vote
21 no. Thank you and thank you for being here.

22 CHAIRPERSON DE LA ROSA: Thank you so
23 much. Up next, we have James Hayhurst, J. Finn, and
24 Earl Roberts. If you're present, please come forward.
25 James Hayhurst, J. Finn, Earl Roberts.

2 UNKNOWN: Hayhurst left.

3 CHAIRPERSON DE LA ROSA: Okay. Let's try
4 Robert Bookman (phonetic), Bob Greenberg, Renee
5 Dinnerstein.

6 UNKNOWN: Bob Greenberg left.

7 CHAIRPERSON DE LA ROSA: Okay. Thank you.
8 Angel Medina, Brenda Berkman, Jackie DiSalvo, and
9 Leslie Williams. If any of those folks are present
10 here, please come forward. If not, you may begin.

11 Identify yourselves and begin. Thank you.

12 RENEE DINNERSTEIN: My name is Renee
13 Dinnerstein, and I'm a retired New York City teacher.
14 I'm here to ask you not to amend Administrative Code
15 12-126. I began teaching in public school in 1968 and
16 retired in 2003. The idea that the City and my union,
17 the UFT, might deny me the medical coverage that I've
18 had since retirement has caused me great distress.
19 I've been told in no uncertain terms by my six
20 medical specialists who literally keep my body going
21 that they will not accept Medicare Advantage. Dr.
22 (INAUDIBLE), my pain management doctor; Dr. Nancy
23 Coles, my ophthalmologist; Dr. Karen Silver, my
24 podiatrist; Dr. Stuart Katchis, my orthopedic
25 surgeon; Dr. Hal Mitnick, my rheumatologist; Lisa

2 Primich, my physical therapist. The older I get, the
3 more specialists I seem to see, and I have many
4 friends who are in the same position. I also fear
5 that this change or this possible change will add to
6 the unfortunate two-tier system in our city. My
7 teacher's pension after taxes is 39,768 dollars. I
8 could keep my Medicare and pay for supplementary
9 insurance for my husband and myself, reducing my net
10 pension by 12.5 percent. A municipal worker retiring
11 with a much smaller salary might possibly have a net
12 pension of 12,000 dollars. The cost of the same
13 supplemental insurance that I would sign up for would
14 end up being 40 percent of their pension. Anyway,
15 please don't change it. It's a bad idea.

16 CHAIRPERSON DE LA ROSA: Thank you for
17 testifying.

18 JOSEPH FINN: Hi. My name is J. Finn, and
19 I'm a retiree from the New York City Police
20 Department. I'm here today on behalf of a couple of
21 retiree organizations, the Superior Officers
22 Association (Retired), the New York 1013. We
23 represent around 15,000 retirees, and we're asking
24 that the Council not make any changes as requested to
25 the 12-126. I've been requested by a number of

2 retirees in their 70s, 80s, and 90s to please not
3 change the Administrative Code. When they retired and
4 they worked for the City, there were promises, and
5 we've heard that time and time again today. One of
6 the things that I heard today that was disconcerting
7 was about when the City was testifying and they
8 constantly referred to the MLC, and I just want to
9 point out that the MLC does not represent the
10 retirees and, in fact, it wasn't really discussed
11 about the weighted voted in the MLC when it was
12 originally formed. The MLC has evolved, and that's
13 one thing that the Council can review, about how we
14 got here today, what authorities were invested
15 originally in the MLC, what was the original
16 intention of the MLC, and how the weighted vote goes.
17 Typically, when you have more powerful organizations
18 like the UFT and DC-37, there would be some sort of
19 protections for the minority that don't seem to be
20 really heard. I give a lot of credit to Marianne
21 Pizzitola and her staff that has brought a lot of
22 these issues to light. When some of the questions
23 that came from the Council today were posed to her,
24 she said she'd love an opportunity to talk to the
25 different unions and we've kind of been shut out.

2 That is one thing that I think the Council is
3 empowered to do, look at who actually speaks for who.
4 The retirees when you look around, we feel that we
5 have been neglected. A lot of people couldn't come
6 down here today, and we ask that you take that into
7 consideration of how we got here today and we get to
8 a solution that listens to everybody. Thank you.

9 CHAIRPERSON DE LA ROSA: Thank you so
10 much. Thank you for your testimony.

11 We have Damien Andrade, Robert Thompson,
12 Elsie Newman (phonetic), if you're present. Ed
13 Delgado (phonetic), Colette Swietnicki, and Nestor
14 Danyluk. Ed Delgado, Colette Swietnicki, Nestor
15 Danyluk. If any of those folks are here, and I'm
16 sorry if I messed up your name.

17 All right, Juliette Giorgio, Lynn Bender
18 Max, Lainie Kitt, Denise Rickles. Michelle Keller,
19 Laura Judith Daigen-Ayala, Anthony DiLeonarda, Monica
20 Layla Benfante (phonetic). You may begin when you're
21 ready and identify yourself so that we can track you.
22 Thank you so much.

23 DENISE RICKLES: I'm Denise Rickles, and
24 I'm retired special education teacher, and you are my
25 district person. In the past years during a budget

2 crisis, mayors have asked the City Council to amend
3 12-126. The City Council chose not to. That is the
4 position I'm urging you to take, not to amend. We
5 sacrifice salary increases in order to keep our
6 benefits. We are promised premium-free healthcare at
7 retirement. Now Aetna Advantage is being proposed in
8 a so-called effort to solve the City's budget crisis.
9 The cost of Senior Care is 6/10 of 1 percent of the
10 total City budget. Do you really think that putting
11 us in an Advantage plan eliminating 6/10 of 1 percent
12 from the budget will go a long way to solving the
13 budget crisis? I don't think so. The only thing it
14 will do is to have a negative effect on the health
15 and financial well-being of retirees and contribute
16 to Aetna's billion-dollar yearly profits. You're
17 putting us in an Advantage plan in spite of the fact
18 the Medicare Advantage industry is under federal
19 investigation for billing scams, fraud, waste,
20 deceptive marketing, and abusive practices. The New
21 York Times has written a number of investigative
22 articles exposing their practices that cheat, scam,
23 harm, and sometimes kill people as their profits
24 soar. Why are you putting us in this plan? It doesn't
25 make sense. Mr. Scheinman's recommendation is an

2 opinion and not legally binding and so agrees Michael
3 Mulgrew and Randy Weingarten. No one asked... Okay, I'm
4 going to try to just finish. The MLC and the OLR are
5 desperately lobbying because they have already given
6 raises to municipal workers. The money for the raise
7 was calculated on the projection of healthcare cost
8 savings after putting retirees into a Medicare
9 Advantage plan. We retirees rejected it, and we sued
10 the City and we won, and they have not been able to
11 have cost savings because it never happened so what
12 I'm asking you is to please let us fight the good
13 fight by not amending 12-126, and we would like to
14 have the good fight. Let us do it in court. We
15 understand your fear. I really heard it. You wanted
16 to know what happens if we don't win. You know what,
17 I'm willing to take that risk, and I think most of us
18 are, and I'm speaking for many people, we're not
19 going to put it on your shoulders. It's not your
20 fault. We want to fight the good fight. We think we
21 have a great chance of winning. We've won twice
22 before, and we would love you to give us that
23 opportunity. Thank you very much.

24 CHAIRPERSON DE LA ROSA: Thank you so
25 much.

2 LAURA DAIGEN-AYALA: Thank you, Madam
3 Chair and Council Members, for still being here. We
4 really appreciate being heard. My name is Laura
5 Daigen-Ayala. I am retired New York City public
6 school teacher. I served this City beginning in 1981,
7 retired in 2016. You can do the math because a
8 teacher probably taught you how, very likely a public
9 school teacher. During the last two decades of my
10 service, I worked for the United Federation of
11 Teachers' Teacher Center as a Literacy Coach at a
12 Bilingual School in Washington Heights and
13 subsequently as a Teacher Center Instructional
14 Specialists for English-language learners. Seeing my
15 former union, my union to which I still pay dues,
16 here advocating for Aetna, for the privatization of
17 healthcare when they so stridently fight against the
18 privatization of education is just surreal to me. The
19 next thing I know they're going to invite me to a
20 birthday party for Eva Moskowitz. I'm going to put
21 aside some of my testimony today because I want to
22 point out one thing. The entire morning was spent
23 convincing us that Medicare Advantage had addressed
24 all of the concerns that we had about pre-approvals,
25 about doctor care, about our doctors continuing to

2 accept us as patients, but when the people who spoke
3 for the UFT and they came with a contingent of them,
4 about 20 people, when the five people spoke about
5 choice, and I want to say (INAUDIBLE) choice which
6 means supposed choice, they each one of them talked
7 about their right to maintain Medicare. Not one of
8 them spoke about changing over to Medicare Advantage
9 that was touted by Michael and others as being so
10 great. Why? I ask you to ask yourselves why would
11 they, therefore, choose not to change so please don't
12 be blackmailed or intimidated or gaslit. This is not
13 an advantage to us, and we count on you to represent
14 our best interests.

15 CHAIRPERSON DE LA ROSA: Thank you so
16 much.

17 LYNN BENDER MAX: Good evening. Hi. My
18 name is Lynn Bender Max. I'm a New York City retiree,
19 36 years in the Human Resources Administration. I am
20 urging you to vote no to amend 12-126 of the
21 Administrative Code. I am fortunate to be represented
22 by the extraordinary Council Member Gale Brewer who
23 "is a supporter of retirees who are concerned about
24 maintaining their current health providers and not
25 having insurance companies be gatekeepers." Much has

2 been made of the so-called Arbitrator's opinion that
3 the City should switch 250,000 retirees and their
4 dependents into an inferior Medicare Advantage plan,
5 but it is just that, an opinion, not legally binding.
6 This was not an arbitration, and Mr. Scheinman was
7 not an arbitrator in this situation. This was a
8 discussion between two parties that agree with each
9 other and organizations representing retirees were
10 not part of that discussion. Retirees gave their all
11 to New York City, they worked for substantially less
12 money in their paychecks in return for guaranteed
13 quality healthcare at no additional cost to
14 themselves. If the Council votes to amend 12-126,
15 they will be voting to establish a two-tiered
16 healthcare system for retirees. Those who earned less
17 money in their careers and have smaller pensions will
18 be forced to accept an inferior plan with long waits
19 for pre-approval of life-saving tests and procedures
20 and often denial of care. Many studies including the
21 2022 report by the Inspector General of the U.S.
22 Department of Health and Human Services show that
23 profit-making Medicare Advantage plans offer
24 substandard care. Those retirees with higher pensions
25 will have better healthcare options. Please, in 2023

2 in the City of New York, do not vote for inequality.
3 Finally, on a personal note, last summer my husband
4 was rushed to the hospital in excruciating pain. He
5 had a scan at 2 a.m., another at 4 a.m., and
6 emergency surgery at 11 a.m. If we were covered by a
7 Medicare Advantage plan requiring prior
8 authorizations for each test and procedure, he might
9 not be alive today. This is what is at stake. Please
10 don't amend 12-126. Thank you.

11 CHAIRPERSON DE LA ROSA: Thank you so
12 much. Thank you all for coming today and for
13 testifying.

14 Up next, we're going to call Merritt
15 Claude, and then virtual if present right after Miss
16 Claude we have Ibeth Mejia, Jaqueline Lyle, and
17 William Terry.

18 Put the microphone a little lower so we
19 can hear you and then when you're ready just press
20 the button and you can begin.

21 MERRITT CLAUDE: Can you hear me?

22 CHAIRPERSON DE LA ROSA: Yes, we hear you.

23 MERRITT CLAUDE: Okay. Good evening. I am
24 Merritt Galefinn (phonetic) Claude, member of DC-37
25 Retirees Association, a lifelong New Yorker, graduate

2 of Hunter College, and a constituent of Councilman
3 Eric Dinowitz's 11th District. I retired from the
4 City as a supervisor in the Agency for Child
5 Development after 34 years of service. Please do not
6 approve the 12-126 measure. Please allow us to keep
7 our Medicare and GHI at Emblem. MAP, Medicare
8 Advantage programs, notoriously intentionally limit,
9 impede, bar, and deny our needed medical services
10 that are legally and contractually free. As we age,
11 we develop a variety of medical issues which can
12 necessitate medical intervention. I have had serious
13 cardiac surgery, brain tumor, breast cancer, and
14 other things that required immediate and continual
15 medical services for these critical issues. For over
16 20 years, I have chosen to utilize doctors,
17 hospitals, and medical facilities within the City and
18 on Long Island for various necessary ongoing
19 diagnostic services, MRIs, CAT scans, (INAUDIBLE),
20 biopsies, sonograms, etc., needed for my medical
21 conditions. It is imperative that I continue to have
22 the choice of my doctors. It is imperative that I be
23 allowed to use these services without being subjected
24 to prior approvals, denials, appeals which can allow
25 a cancer to spread. Life-threatening medical

2 nightmares require appropriate measures that cannot
3 wait for approvals or dealing with denials and
4 appeals. I implore you to keep our GHI Emblem Choice
5 plan which allows us to choose our medical providers
6 without the restrictive time delays of gaining
7 authorization from a MAP bureaucrat, our urgently
8 needed life-saving tests and interventions. Thank you
9 for your time and any efforts you may make in
10 consideration of my situation and the similar
11 situations of most of the retirees of the City
12 services. I have an addendum on here.

13 CHAIRPERSON DE LA ROSA: Thank you so
14 much, Miss Claude. Thank you for coming.

15 We're going to turn to our virtual
16 panels. I'm going to call three names right now. If
17 we could start with Ibeth Mejia followed by Jaqueline
18 Lyle followed by William Terry. Miss Mejia, when
19 you're ready, you may begin. Not here?

20 Miss Jaqueline Lyle. When you're ready,
21 you may begin.

22 Miss Lyle, are you on?

23 JACQUELINE LYLE: I am on.

24

25

2 CHAIRPERSON DE LA ROSA: All right. Thank
3 you, Miss Lyle. You may begin when you're ready. We
4 can hear you.

5 JACQUELINE LYLE: Good evening and thank
6 you for giving me the opportunity to speak with you
7 today. My name is Jacqueline Lyle. I'm a retired New
8 York City teacher. I worked many years in District
9 24. I received my healthcare coverage from New York
10 City. I want to explain why that coverage in its
11 current form has been invaluable to me and to my
12 family. I also wanted to discuss our research on
13 Medicare Advantage plans and explain why the care is
14 problematic. My husband, Kevin, experienced kidney
15 failure in his early 50s. On Thanksgiving evening in
16 2004, we received a phone call from Columbia
17 Presbyterian. They had a kidney for Kevin. We needed
18 to leave immediately. If we had had to get prior
19 approval, I am not sure Kevin would have received
20 that kidney as his operation took place over a
21 holiday weekend on the eve of Thanksgiving when
22 insurance offices are closed. He did receive that
23 kidney, and his transplant was successful. The point
24 I am making is that medical emergencies and
25 opportunities can happen at any time without warning.

2 Requesting approvals and using a prescribed network
3 of doctors can jeopardize treatments that must be
4 done quickly to get needed life-saving results. A
5 Medicare Advantage plan would require those
6 authorizations. In addition, there's a dark cloud
7 over (INAUDIBLE) because my research shows me that
8 his transplant is considered a pre-existing
9 condition. If you move my husband into an Advantage
10 plan as many Medicare recipients do that Medicare
11 Advantage does not cover all that he needs, and, if
12 he tries to move back to traditional care, he will
13 experience problems getting back on traditional
14 Medicare. If that's not enough, his transplant status
15 will be seen as a pre-existing condition, making a
16 Medicare supplement unaffordable. Please do not
17 change Code 12-126 and refrain from introducing Bill
18 874. It is my believe that traditional Medicare will
19 provide the best coverage for us. We have been
20 retired for several years and we cannot afford to pay
21 additional premiums.

22 SERGEANT-AT-ARMS: Your time has expired.

23 JAQUELINE LYLE: You've been entrusted by
24 your constituents to represent their interests.
25 Please do just that by helping to preserve their

2 earned benefits and maintain their health and to
3 continue productive, active lives. Thank you.

4 CHAIRPERSON DE LA ROSA: Thank you so
5 much. Thank you for testifying. William Terry, if
6 you're here, please unmute and begin your testimony.

7 If not, we will move on to Vincent
8 Licitra, Margaret Feeley (phonetic), Martin O'Neal
9 (phonetic), John Lanzilotto. If you could identify
10 yourself.

11 VINCENT LICITRA: My name is Vincent
12 Licitra. Just want to remind some people 30 years
13 ago, this private medical insurance came into
14 existence under an administration you can figure out
15 and those are the same people that brought us the
16 savings and loan scandal. This is going to turn out
17 to be a scandal eventually. I say keep your hands far
18 away from it. I heard some threats today. Some people
19 saying you're going to get this no matter what. I
20 don't think that's nice to threaten people, elderly
21 people, people who are trying to make a living.
22 Threaten them you're going to take this no matter
23 what, and they're telling you the same thing. People
24 work a lifetime and then they try to make it in their
25 retirement. Who thinks kicking a stool out from under

2 an elderly person or a disabled person is a funny
3 thing to do? That's what you're doing at this point
4 in life. You say let's kick the stool out from under
5 these people. Who cares? I got a 12-year-old type 1
6 diabetic daughter, an 18-year-old daughter in the
7 first year of college, and a 52-year-old wife. I have
8 to bring them up. I have to get them into their life.
9 How do I do that when you guys are all dumping it
10 down on working people? How do we do that? I'll you
11 one way. I take a gallon of milk and when it's
12 halfway down I pour some water into it to get it a
13 little bit further. I don't tell them about it. I do
14 it in the dark of night. What I have to do? Go get in
15 the food line now because you guys want to start
16 adding more cost to our living? Go get on the food
17 line now, right? I'm still trying to contribute to
18 people that need food, but now I have to think about
19 maybe I have to go on that food line. I don't want to
20 do that. It's a shame. You guys should know better. I
21 think you're courageous enough to make the right
22 decision here. I know my Council Person, Carr, he
23 said we don't want this, already knows it, we don't
24 want this. You guys should realize that too. We go to
25 fight for our country, we go to work for our country,

2 we work our whole life hard, and then we get to the
3 end, and they say who needs you, who needs you, we
4 take whatever we want from you. Go to hell they say.
5 That's what they're saying. Please, let's get
6 serious. We're all grown up. Let's get serious here.
7 It's very important.

8 CHAIRPERSON DE LA ROSA: Thank you so
9 much.

10 Margaret Feeley, if you're here, Martin
11 O'Neal, John Lanzilotto. They're virtual. Margaret,
12 you can unmute yourself and go ahead. Martin O'Neal.
13 John Lanzilotto. Jack Hafis (phonetic). Richard
14 Gannon (phonetic).

15 JOHN LANZILOTTO: My name is John
16 Lanzilotto.

17 CHAIRPERSON DE LA ROSA: You may begin,
18 John.

19 JOHN LANZILOTTO: Okay. In respect to you,
20 Council Woman De La Rosa, I wish there were more
21 constituents and union members left, but it seems
22 like everybody's gone, but I'm going to tell you
23 about me. I'm a retired New York City Department of
24 Sanitation supervisor of over 20 years. I retired at
25 the end of 2001. My wife is waiting a double lung

2 transplant, and she was turned down in New York, and
3 she's listed in Philadelphia because it was the only
4 place we could get her on a lung transplant list. I
5 have emphysema. I've had bladder cancer. On and on,
6 I'm keeping my wife alive. New York City said they
7 were going to take care of me, and I promised my wife
8 I was going to take care of her. When they came out
9 with the plan of the original Medicare Advantage
10 plan, I opted out, and they didn't even have a plan,
11 and they did a lot of talking and they have no plan.
12 It's like a used car salesman. It's easy to talk and
13 talk and talk and they have nothing. Really. Vote no.
14 I just want to say this. Medicare, which I pay for,
15 pays 80 percent of the hospital, and the other plan
16 which I pay 300 a month for, the GHI, pays 20
17 percent, and they said you're going to be forced into
18 Medicare Advantage. Medicare is a federal government
19 plan. The City cannot force me or any of us in
20 Medicare Advantage, and I don't know why they kept
21 saying that. We cannot be forced into Medicare
22 Advantage. This isn't Russia. Chairperson De La Rosa,
23 you understand that, don't you? I want to ask you
24 when you said, I heard you ask a question I believe,
25 you said that the City, if they decide...

2 SERGEANT-AT-ARMS: Your time is expired.

3 JOHN LANZILOTTO: Huh?

4 CHAIRPERSON DE LA ROSA: Please wrap up.

5 Thank you.

6 JOHN LANZILOTTO: I just want to ask you a
7 question. You said if the Mayor said to push you into
8 Medicare Advantage plan, no, he cannot. I mean you
9 guys understand that, right? Medicare is a federal
10 government plan that we paid into. Please vote no.
11 Please vote with integrity. Please take care of your
12 seniors. Please.

13 CHAIRPERSON DE LA ROSA: Thank you so
14 much.

15 JOHN LANZILOTTO: Could you answer me,
16 Council Woman De La Rosa?

17 CHAIRPERSON DE LA ROSA: Thank you so
18 much. My understanding is that the Mayor and the MLC
19 can agree that Medicare Advantage will be the only
20 offering that the City will pay for, making it zero
21 cost, and that is what is up for discussion here
22 today. I appreciate your testimony, and I certainly
23 do wish you and your wife good health. Thank you for
24 coming.

2 Jack Hafis, Richard Gannon, Cedric
3 Fergus, and Cindy Mathias (phonetic). Jack, if you're
4 here and you want to testify, please unmute yourself
5 and begin when you're ready.

6 Richard Gannon, you can go ahead, please.
7 We hear you.

8 RICHARD GANNON: My name is Richard
9 Gannon. I'm retired from 2009. I retired out of New
10 York City Department of Correction. I started my
11 employment with the City of New York with New York
12 City Parks Department at 16 years old. I'm here
13 representing myself and also additionally my father
14 which is also a City retiree who retired in 1999. In
15 my opinion, the Council today should not do the
16 Mayor's bidding and force us to go on (INAUDIBLE) as
17 we've always had and by changing the Administrative
18 Code, it would be no longer a choice. We would be
19 stuck with what Labor Relations has deemed what's
20 best. I feel that the Administrative Code shouldn't
21 be changed because it's been sitting there for 50
22 years protecting the rights of all the City
23 employees. I think the City of New York, as
24 employees, we're the best employees in the world. I
25 still have additional family members who do work for

2 the City. I have one who works as a teacher, I have
3 one that's still on NYPD, and I really feel that that
4 was one of the promises that we all stayed. We didn't
5 go into the private sector and make more money. We
6 stayed where we were at because of the promise of the
7 pension and the additional medical coverage that at
8 this point you're looking to get rid of and putting
9 us in a Medicare Advantage plan so the City no longer
10 pays for it. The City makes out. I just do not agree
11 with that. Thank you for your time.

12 CHAIRPERSON DE LA ROSA: Thank you, Mr.
13 Gannon. Cedric Fergus. Cindy Mathias.

14 CINDY MATHIAS: Yes.

15 CHAIRPERSON DE LA ROSA: You may begin.
16 Miss Mathias. You're muted. If you could unmute
17 yourself, you may begin.

18 There should be a request to unmute. If
19 you see it, please unmute.

20 While we figure this out, we'll come back
21 to Miss Mathias. Robert Cohen, Carmen Olivares, Gene
22 Iannuzzi, so if Robert Cohen is on the virtual line,
23 oh, Miss Mathias, can you hear us?

24 CINDY MATHIAS: Yes.

2 CHAIRPERSON DE LA ROSA: All right, you
3 may go ahead.

4 CINDY MATHIAS: I can go ahead.

5 CHAIRPERSON DE LA ROSA: Yes. We hear you.
6 Thank you.

7 CINDY MATHIAS: I'm a little disheartened
8 that there's nobody left in the City Council, and
9 I've been on this meeting since 9:15 in the morning
10 without eating or moving from my computer. I'm also
11 disheartened that there were only 10 people that
12 voted to open it, the five people from the unions
13 that sat down at the table from MLC and only five
14 people gave testimony to say they wanted you to open
15 it. Every single other person that came today to
16 testify today is against you opening this. My name is
17 Cindy Mathias, my City Council Member is Carlina
18 Rivera, District 2, who is not there today. I'm a
19 retired high school secretary with 22 years of
20 service in public education. I'm extremely distraught
21 with the harmful position that the UFT leadership is
22 taking in forcing you to open to Admin 12-126. It's
23 been in effect since 1967, protecting us for 56
24 years, now that it's 2023. Are City Council Members
25 at risk of being forced into this disadvantage

2 healthcare program as well? The MLC negotiated behind
3 closed doors. Rank and file had no voice. Who is the
4 MLC? Certainly, an organization with hardly any
5 transparency. There is a 2/3 majority voting bloc in
6 the MLC consisting of the UFT and the DC-37. That is
7 not fair to all the other unions that are against
8 this. They are strongly on the side of privatization
9 of insurance and giving all the power to insurance
10 companies. Please, look into the history of the
11 mishandling of the Stabilization Fund. Because of the
12 misuse, we stand here today. What is the point of
13 making a promise and then changing the rules at the
14 end game? This is what you are doing. Who will want
15 to join a union or work for the City when you take
16 away the very benefits you sold them to entice them
17 into service and membership. There are many other
18 ways for the City to save money...

19 SERGEANT-AT-ARMS: Your time has expired.

20 CINDY MATTHEUS: No, it didn't. I timed
21 myself. Reinstate the commuter tax. Opening 12-126
22 sets precedent to opening the Administrative Code in
23 Albany for (INAUDIBLE) intentions.

24 CHAIRPERSON DE LA ROSA: Thank you, Miss
25 Mathias. Your time has elapsed.

2 CINDY MATTHEUS: I want to make my final
3 statement.

4 CHAIRPERSON DE LA ROSA: Thank you. Thank
5 you, Miss Mathias. Your time has expired. Robert
6 Cohen, Carmen Olivares, Gene Iannuzzi. If Mr. Robert
7 Cohen is on, you could begin.

8 ROBERT COHEN: Good evening. I am a
9 retired professor from Queens College CUNY where I
10 taught math for over 40 years. I urge you not to
11 amend 12-126. Medicare Advantage plans put roadblocks
12 in the way of their members as to which doctors they
13 can see and what care is appropriate. I have had
14 several bouts of melanoma, the deadliest form of skin
15 cancer, and I am being carefully monitored for any
16 recurrence. A few years ago, I was told it might've
17 spread to my brain, a condition that is life-
18 threatening. Fortunately, after several scans, it
19 turned out to be a false alarm. Would I get the same
20 level of care in a Medicare Advantage plan? I doubt
21 it, and it does later spread could I then choose any
22 doctor I want to treat me? No. I understand that the
23 City needs to save money. However, there are other
24 ways to save money as outlined by my union, the PSC.
25 There's a good op-ed in today's Daily News by Barbara

2 Bowen and Barbara Caress. For example, the City like
3 many large many corporations could self-insure,
4 hiring an outside company to administer their plan,
5 hospital and doctor charges need to be carefully
6 monitored to make sure the City is not being
7 overcharged, etc. As the PSC has proposed, these and
8 other ways to save money should be carefully studied
9 and would produce even more savings than adopting a
10 Medicare Advantage plan run by a for-profit insurance
11 company. Recent articles in the New York Times and
12 elsewhere have exposed the money-grabbing of such
13 plans. Please do not throw us under the bus. Thank
14 you.

15 CHAIRPERSON DE LA ROSA: Thank you so
16 much. Carmen Olivares, if you're here or virtual and
17 on the Zoom, you can unmute yourself. If not, we'll
18 move on to Gene Iannuzzi.

19 GENE IANNUZZI: Can you hear me now?

20 CHAIRPERSON DE LA ROSA: Yes.

21 GENE IANNUZZI: Hi. Thank you, Chairwoman
22 De La Rosa, and thank you to the Members of the
23 Council who have stuck it out as long as you have. My
24 name is Gene Iannuzzi. I am a 71-year-old recently
25 retired registered nurse. I'm also a paramedic, and I

2 concluded my City service as a college professor at
3 the Borough of Manhattan Community College as the
4 Director of their Paramedic Program. Twenty years of
5 service at HHC and CUNY and over 40 years of
6 healthcare. Most of that was in emergency care.
7 Because of all that, I steadfastly oppose the
8 proposed amendments to 12-126 and the coercive
9 attempts to push retirees into Medicare Advantage
10 plans, and I totally reject the testimony by the City
11 administration as absolute fiction and spin delivered
12 by people who do not know the human costs of taking
13 care of other people. On the other hand, since we
14 really haven't heard from too many actual healthcare
15 providers today, I note that the biggest proponents
16 for privatizing retiree healthcare with their army of
17 lobbyists and blind followers are a teacher, Michael
18 Mulgrew, a sanitation man, Harry Nespoli, and I'm not
19 exactly sure what Henry Garrido does. Besides that, I
20 doubt seriously if any of you would seek medical
21 advice from a teacher, a sanitation, or a bureaucrat
22 nor would you be comfortable with a doctor or nurse
23 who never examined you remotely reviewing, denying,
24 or delaying care based on their employer's bottom
25 line as they absolutely would in Medicare Advantage..

2 SERGEANT-AT-ARMS: Your time has expired.

3 GENE IANNUZZI: And other private plans.

4 These are the ones who are telling you that
5 everything is okay.

6 CHAIRPERSON DE LA ROSA: Thank you so much
7 for your testimony today. Your time has elapsed.
8 Thank you.

9 We have someone who signed up by the name
10 of Dulce (phonetic) virtually. If you're on, you can
11 unmute yourself. Apologize, we don't have a last
12 name. If not, we'll move on to Stephanie Fein
13 (phonetic), Wilson Guzman, Carl Ailman (phonetic),
14 and David Himmelstein. Stephanie Fein, if you're on,
15 you may begin. Wilson Guzman.

16 WILSON GUZMAN: Good evening, Chair De La
17 Rosa and Members of the Civil Service and Labor
18 Committee. My name is Wilson Guzman, and I am the
19 Associate State Director for Community and Engagement
20 at AARP New York. I'm here on behalf of AARP New
21 York's 750,000 New York City members to voice
22 opposition to Intro 874, which seeks to amend the
23 Administrative Code of the City of New York in
24 relation to the health insurance coverage for City
25 employees, City retirees, and their dependents.

2 Retired City workers are the very people who built
3 this City and made it great. They deserve what they
4 were promised and, above all, they deserve the
5 assurance of good healthcare in their later years.
6 The City's Medicare Advantage scheme will instead
7 saddle retirees with higher costs, smaller networks,
8 and greater administrative obstacles to accessing
9 healthcare and preferred doctors. A promise made
10 should be a promise kept. These retirees were
11 promised solid health plans at no cost, and that is
12 what they should be guaranteed. No retiree should be
13 forced to pay more to get the same coverage or to
14 lose coverage they currently have, but this is even
15 more than about what's fair and what's right. This is
16 also about placing retirees under undue financial
17 stress for the purposes of saving the City some
18 money. Cost savings should not be brought to bear on
19 the backs of retirees. For that, the City should look
20 elsewhere. Last year, we released AARP New York's
21 Blueprint for Action entitled What New Yorkers 50+
22 Deserve, which is filled with recommendations to help
23 City officials address vital issues facing older New
24 York City residents. This Blueprint lays out the
25 financial hardships faced by our older residents.

2 These hardships already impact (INAUDIBLE) and
3 hunger. Let's not add healthcare to the mix by making
4 it more expensive for retirees to see their doctors.
5 A promise made should be a promise kept. That's what
6 older adults deserve. If there's any change to
7 retirees' health insurance and, again, any
8 alternative plan must offer what retirees get now at
9 the same low-cost basis, there must be an education
10 effort to support retirees..

11 SERGEANT-AT-ARMS: Your time has expired.

12 WILSON GUZMAN: Making the transition. So
13 many things today are confusing enough, let's not add
14 health insurance transition to the list for our
15 former City workers. Thank you.

16 CHAIRPERSON DE LA ROSA: Thank you so
17 much.

18 We're going to go to an in-person panel
19 to switch it up here. We have Miss Gail Benjamin,
20 Stephen Fisher, Wei Ming (phonetic), Janice Dunham,
21 and Robert Waylon (phonetic). If you're here, please
22 come over and identify yourself for the record.

23 Since there's some room here, let's see,
24 Theresa Roth, Deborah Roina, James Rossi, Zezlie
25 Blyden. You may begin when you're ready. Thank you.

2 STEPHEN FISHER: Hi. My name is Stephen
3 Fisher. I appreciate the opportunity to speak with
4 you today in my opposition to amending City
5 Administrative Code 12-126. I'm a 71-year-old City of
6 New York retiree, and I'm a resident of Council
7 District 3, Erik Bottcher's District. My path to
8 working in government started in 1972 when I was a
9 college intern and, at that time, I never thought
10 that I would be sitting here 50 years later talking
11 to you about preserving my healthcare. I retired in
12 August 2018 from the New York City Department of
13 Social Services, the Human Resources Administration
14 as an Assistant Deputy Commissioner for the Office of
15 Procedures, and in my first stint at HRA I also was
16 the Assistant Deputy Commissioner for the Division of
17 AIDS Services which you now know as HASA so I've been
18 around a long time. You have my written testimony.
19 I'm not going to read from it. I just want to get
20 some of the highlights. A lot of people today have
21 given a lot of good information and food for thought,
22 but what I want to leave you with is a couple of
23 things. Two courts and six justices have ruled that
24 the City may not impose a premium to remain on GHI
25 Senior Care and reject enrollment in the Advantage

2 plan. Let's be clear about this. This issue is before
3 you because of the misuse of the Health Insurance
4 Stabilization Fund by the Municipal Labor Committee
5 that allowed the UFT to provide funds for raises for
6 City teachers. This occurred as has been discussed
7 because it was not monitored. One of the things that
8 I would want to stress with you is to sit down with
9 the New York City Organization of Public Service
10 Retirees. They have outlined many cost savings that
11 Marianne Pizzitola mentioned that OMB was unaware of,
12 and I think you need to look at that. Also, in
13 listening to everyone today, one thing that struck
14 me, a lot of these folks from the City and from the
15 unions are not going to be around five or 10 years
16 from now so promises made today are not necessarily
17 going to be promises tomorrow.

18 CHAIRPERSON DE LA ROSA: Thank you so
19 much, Mr. Fisher. You may begin.

20 ZEGLIE BLYDEN: Okay. Madam Chair De La
21 Rosa and Members of the Civil Service and Labor
22 Committee. My name is Zezlie Blyden, and I live in
23 Council District 35. I'm a New York City municipal
24 retiree from the Brooklyn Public Library with 32
25 years of service. Thank you for the opportunity to

2 speak. It was always said working for the City, the
3 pay might be low but the benefits are good. We are
4 here today because the Municipal Labor Committee and
5 the City want the City Council to change
6 Administrative Code 12-126 that has been in existence
7 since 1967. The Code protects retirees and futures
8 retirees equally. I'm not longer a union member, but
9 my benefits were earned and paid for. However, my
10 former union, DC-37, seeks to take away my
11 traditional Medicare and have me pay for GHI Senior
12 Care. This City Council and the Administrative Code
13 is my only wall of protection as a retiree. The
14 reasons given for wanting these changes are:

15 One, amending the Code will allow choice
16 in the retirees' health plans, but we already have
17 choices right now. The active employees have 11
18 choices, and the retirees have 14 health plans to
19 choose from. Just stopping right there, just
20 listening today to the MLC and the City this morning,
21 they kept on saying that they want to force us into
22 Advantage Care to give us choice but forcing us into
23 Advantage Care is giving us no choice.

24 Two, it would allow the MLC and the City
25 the ability to offer pay-up options for retirees

2 Senior Care. When the Advantage plan was rolled out
3 last year, I decided to opt out because MAP wasn't as
4 good as traditional Medicare.

5 CHAIRPERSON DE LA ROSA: Thank you. If you
6 could wrap up. Thank you.

7 ZEGLIE BLYDEN: Okay, but to keep my
8 medical plan, I would have to pay 191 dollars monthly
9 for GHI Senior Care. Paying 191 dollars monthly would
10 have been a financial burden with my modest pension,
11 and GHI only accounts for 20 percent of my medical
12 expenses.

13 Three, I'm almost finished, by
14 transferring retirees into a Medicare Advantage plan,
15 it would help stop the depletion of the Stabilization
16 Fund. Medicare Advantage plan versus traditional
17 Medicare. Medicare Advantage is managed care by a
18 for-profit corporation...

19 CHAIRPERSON DE LA ROSA: Thank you. We
20 have your testimony, and we've submitted for the
21 record.

22 ZEGLIE BLYDEN: All right.

23 CHAIRPERSON DE LA ROSA: If we could just
24 keep going because we still have hundreds of names on

2 the list, and we want to make sure we get to everyone
3 tonight. Thank you so much.

4 ZEGLIE BLYDEN: Okay, sure.

5 CHAIRPERSON DE LA ROSA: Thank you. Miss
6 Benjamin.

7 GAIL BENJAMIN: Hi. My name is Gail
8 Benjamin, and I was an active City employee for over
9 37 years. I volunteered as the Charter Revision
10 Commission for over two years, and I now work with a
11 City agency. I would like to talk briefly, I'm
12 watching the clock, about the actual amendment that's
13 before you because it's not a specific amendment.
14 What it basically does is gives the Municipal Labor,
15 MLC, and the City the ability to decide for the class
16 of people. They don't say what they can decide. It
17 just cedes to them this ability to take any class of
18 employees which could be active employees and to make
19 a decision for them as long as the MLC and the
20 administration agree so my first request is that if
21 you are going to consider this that you not adopt
22 that language which is basically a promise to
23 consider something tomorrow that you will then have
24 no control over. If you decide that you are going to
25 approve something and you think that's worthwhile, I

2 think you need to amend the Mayor's message and
3 substitute language that is specific as to the
4 authority that you wish to give up and how you wish
5 to do that and to whom.

6 Secondly, just as a quick aside, when
7 people have said earlier in the day that they did not
8 understand why there was distrust of Medicare
9 Advantage, I would say quite simply when something
10 sounds too good to be true it generally is and if
11 Medicare has problems meeting its bills, which it
12 does, how is a for-profit company that is going to
13 get the same amount going to manage such that they
14 can make a profit on the money that Medicare could
15 not manage to run the agency? The only way people
16 think they can do that is if they are either limiting
17 the administrative functions which means delays in
18 paying out money one way or another or obstacles to
19 consumers who are trying to access their benefits or
20 a reduction of benefits. That is why people are
21 suspicious of what the Medicare Advantage plan
22 offers.

23 Last but not least, 65,000 employees
24 opted out of the Alliance plan. They downplayed it,
25 but that's more than a fifth of the retirees decided

2 that it did not offer them anything. Part of the
3 issue I think you should be asking is are they
4 guaranteeing Aetna a minimum enrollment. Part of the
5 reason Alliance said that they were opting out of
6 continuing with the contract was because of the low
7 levels of enrollment. It is my understanding that the
8 enrollment levels are vital to how the Medicare
9 Advantage program works.

10 CHAIRPERSON DE LA ROSA: Thank you so much
11 for your thoughtful comments. Thank you.

12 THERESA ROTH: I'm Theresa Roth, and I
13 retired from the Teachers Retirement System, TRS. The
14 majority of my service was a supervising investment
15 analyst of the pension fund. I am a constituent of
16 Councilman Erik Bottcher's District 3. I seem to have
17 outstayed him. I am here in opposition to amend
18 Section 12-126. I joined the City 25 years ago
19 specifically for the City's benefits and pension
20 instead of continuing my career at Wall Street firms
21 at higher salaries. So strong was my belief in the
22 civil service system that I served as a term as an
23 executive board member for DC-37 Local 1407. Giuliani
24 sent us back to work after 9/11 on the infamous
25 Christi Todd Whitman Day to 220 Church Street with

2 minimal electricity, no air conditioning, windows
3 wide opening, and I had a smoldering car under my
4 window. I have thyroid cancer, which was removed,
5 malignant, and now I have malignant neuroendocrine
6 tumors. Switching to this plan, the plan will kill
7 sooner than I'm supposed to die. I urge the City
8 Council not to amend this. Thank you.

9 CHAIRPERSON DE LA ROSA: Thank you so
10 much. Thank you all for your thoughtful comments.

11 I just want to say quickly. I know a few
12 people have mentioned it. Although you may not see
13 many Council Members present, our Deputy Speaker is
14 here, we have Council Member Dinowitz here, and
15 Members are watching both virtually and live, and
16 there will be robust discussion. This is the first
17 hearing, and this is part of the process. Don't feel
18 as though we're not listening. We're here, I am here,
19 and our Deputy Speaker is here, Dinowitz is here, and
20 all are watching and paying close attention so I just
21 want you to know that your comments are not going
22 into the ethernet. We are listening, okay.

23 Is Carl Ailman (phonetic) here or David
24 Himmelstein, virtual? Carl Ailman or David
25 Himmelstein?

2 DAVID HIMMELSTEIN: This is David
3 Himmelstein. I'm here.

4 CHAIRPERSON DE LA ROSA: Thank you, Mr.
5 Himmelstein. You may begin when you're ready.

6 DAVID HIMMELSTEIN: Thank you. Dr.
7 Himmelstein. I'm a primary care physician, a
8 distinguished professor of public health and health
9 policy at Hunter College, and a lecturer of medicine
10 at Harvard Medical School where I spent more than 30
11 years on the faculty. I want to just comment on the
12 rapacious and disgraceful conduct of the Medicare
13 Advantage programs and the lies about it that have
14 been put forward in this hearing by representatives
15 of the City and of the unions advocating for it. The
16 Medicare Advantage programs make enormous amounts of
17 money at public expense by denying care. That's not
18 just anecdotes. There's hard evidence of that. Aetna
19 alone has paid 265 million dollars to its CEOs over
20 just the last decade. It takes 17 percent of every
21 healthcare dollar it receives for its profits and
22 overhead, and to put that into perspective the
23 average Medicare patient brings 2,200 dollars in
24 overhead and profit each year to Medicare Advantage
25 plans. The way they make that money is by denying

2 needed care to patients and hassling doctors.
3 Earlier, folks said why would doctors not join this
4 plan, but in fact doctors often refuse and despite
5 the lies about networks, in fact, when you ask
6 doctors about whether they participate in managed
7 care plans, only about 18 percent of all
8 psychiatrists, 40 percent of cardiologists, and 60
9 percent of primary care doctors actually participate
10 in managed care plans despite managed care plans
11 often claiming high membership. We have recent, just
12 this year, strong evidence of the poor quality..

13 SERGEANT-AT-ARMS: Your time has expired.

14 DAVID HIMMELSTEIN: Medicare plans are
15 delivering. Mortality rates for cancer patients 90
16 percent higher in Medicare Advantage for pancreatic
17 cancer, 40 percent higher for liver cancer, 40
18 percent higher for stomach cancer, and refusal of
19 expensive diabetic..

20 CHAIRPERSON DE LA ROSA: Thank you. Please
21 wrap up.

22 DAVID HIMMELSTEIN: Thank you for your
23 attention.

24 CHAIRPERSON DE LA ROSA: Thank you so
25 much. Thank you.

2 On virtual, we have Jacqueline
3 Schoenhaus-Barnett (phonetic). If you're on, you may
4 begin.

5 JACQUELINE SCHOENHAUS-BARNETT: Hi. Can
6 you hear me?

7 CHAIRPERSON DE LA ROSA: We hear you.

8 JACQUELINE SCHOENHAUS-BARNETT: My name is
9 Jacqueline Schoenhaus-Barnett, and I'm a retired
10 bilingual school psychologist for the New York City
11 Department of Education. In July 2021, the MLC made
12 an announcement that it would be switching all City
13 retirees to a Medicare Advantage plan by January 2022
14 unbeknownst to the majority of the 250,000 people who
15 would be impacted by this decision. At that time, we
16 were assured by the MLC that we would be able to keep
17 all of our doctors and receive exactly the same
18 healthcare we enjoyed under regular Medicare. Bingo.
19 Everyone proceeded to call their doctors, and, of
20 course, we were told they never heard of the Medicare
21 Advantage plan. Those verbal promises made to City
22 retirees were clearly duplicitous fabrications not
23 based on reality and, guess what, we are hearing the
24 same promises today. What this really means is that
25 if we wish to keep our regular doctors and Senior

2 Care, we would have to pay a premium of 191 dollars
3 per month which would create a two-tier system or be
4 switched to a MAP and be burdened with pre-
5 authorizations and bureaucratically encumbered
6 paperwork often involving reimbursements after
7 treatment. At that time, no one really knew about the
8 protections of the City Code 12-126 until the
9 retirees won the court cases and learned about its
10 provision about 100 percent of the full healthcare
11 insurance costs are to be paid by the City. After the
12 court cases and the disappearance of Alliance as the
13 Senior Care provider, our UFT union leader declared
14 that they would only sign onto a plan which was
15 tailored exactly to the needs..

16 SERGEANT-AT-ARMS: Your time has expired.

17 JACQUELINE SCHOENHAUS-BARNETT: Of his
18 constituency. This was obviously retrospect since
19 initially he enthusiastically supported the switching
20 of all City retirees into a half-baked Advantage plan
21 that the courts found irrevocably flawed in its
22 implementation. Now, I'm wondering about how the
23 iron-clad checks and balances that he's promising in
24 an infrastructure, how is he going to afford to pay

2 people to assure this quality healthcare they're
3 promising us...

4 CHAIRPERSON DE LA ROSA: Thank you, Miss
5 Barnett. We have to wrap up. Thank you so much.

6 We have Lina Haber (phonetic), Robin
7 Wiener (phonetic), and Carol Anshien. Robin Wiener,
8 we see you, we hear you, you can begin.

9 ROBIN WIENER: Okay. Hi. Thank you for
10 everybody's attention (INAUDIBLE) I want to thank the
11 Council for its attention and congratulate the
12 Retiree Organization on its beautiful presentation. I
13 ask the Council to please don't delegate your
14 authority and your legislative powers to the union
15 and to the City. It's simply not necessary. The
16 Scheinman document is not worth the paper it is
17 written upon. It's not binding upon a legislature.
18 You are a legislature. You have the power, and I
19 trust that you're going to exercise it very
20 responsibly. I just want to thank you for your very
21 kind attention.

22 CHAIRPERSON DE LA ROSA: Thank you so
23 much, Miss Wiener. Carol Anshien, if you're here, you
24 may begin.

25 CAROL ANSHIEN: Hi. Can you hear me?

2 CHAIRPERSON DE LA ROSA: Yes, we can.

3 CAROL ANSHIEN: Okay, great. Thank you. I
4 had on my paper here good day, but now it's good
5 evening, and good evening to you and your
6 perseverance, Miss De La Rosa. My name is Carol
7 Anshien. I'm retired 16 years from the New York
8 Public Library where I worked for over 29 years. I
9 was also active in my union, DC-37 Local 1930. I'm
10 here today to ask that you not support the proposed
11 amendment changed to the Administrative Code 12-126
12 now. I heard what Marianne said earlier, and maybe
13 they'll be another time to possibly do those changes
14 but not now. The cost would be very prohibitive to
15 many retirees who are currently on low fixed incomes
16 and also take away the ability of retirees to
17 litigate. I do not want to be in a Medicare Advantage
18 plan and didn't with the first effort to do this. I
19 fear it will not cover all my healthcare needs as
20 others have said. I've been satisfied with the
21 coverage provided by traditional Medicare and by
22 Empire Blue Cross supplemental which I am one who
23 pays for and everyone keeps talking about Senior Care
24 but there are other plans, and I'm happy with that
25 one. I do not have co-pays. I am worried not only

2 that it might become unaffordable but also scared
3 that I will no longer have the plan of my choice. I
4 am a multiple cancer survivor over 25 years and
5 continue to receive excellent preventative treatment
6 and care from Memorial Sloan Kettering. The increased
7 costs for basic healthcare services should not be
8 coming out of the pockets of retirees. This
9 additional stress on our aging bodies and minds is
10 unconscionable. We earned the..

11 SERGEANT-AT-ARMS: Thank you. Your time is
12 expired.

13 CAROL ANSHIEN: Service and low salaries
14 to continue to receive quality healthcare with
15 choices in our healthcare insurance and traditional
16 Medicare benefits promised. The Mayor and the unions
17 should not be using us as pawns in their negotiations
18 for current worker contracts.

19 CHAIRPERSON DE LA ROSA: Thank you, Miss
20 Anshien. Thank you. Your time has expired. Thank you
21 so much.

22 All right, we're going to go back to in-
23 person for a little while. Bennett Fischer, if you're
24 here, Antonia Manuela, if you're here, and Karen
25 Anderson, you may step up to the dais. Let me call

2 Deborah Poleshuck, Dierdre Burke, Trudy Silver,
3 Evelyn David. Any of those folks in here? One more?
4 Okay, one more. Let's see. Glory Ann Kerstein, if
5 you're here.

6 Okay, you may begin. We can go down the
7 line. Identify yourself so that we can track you here
8 in the system. Thank you so much and thank you for
9 your patience.

10 ANTONIA MANUELA: Good evening, Madam
11 Chair Carmen De La Rosa and Council Members. I stayed
12 to speak to the moral issue. Firstly, I wish you all
13 a healthy new year for health as we all know is
14 everything. My name is Antonia Perenza (phonetic)
15 Manuela, and I am a proud member of DC-37 Retirees
16 Association. I am a retired and former employee of
17 the New York City Housing Authority, but I am also
18 included in the demographics of black and brown
19 elders on fixed incomes, elders on small pensions,
20 elders with heart disease and other multiple medical
21 issues who society has historically and
22 disproportionately subjected to and still attempts to
23 subject to inferior medical care. My body and all of
24 our bodies cannot afford poor healthcare by poorly
25 administered private healthcare insurance, and that

2 is what will happen to all of us, to all of you, to
3 all of us, if Administrative Code 12-126 is amended.
4 I have been outside of your gates with my fellow
5 activists, unions, organizations for three years in
6 90- and 20-degree weather begging for the healthcare
7 security of traditional Medicare to remain unchanged,
8 and now I've come inside to wait and to beg you for
9 the healthcare security of Administrative Code 12-126
10 to remain unchanged. I'm not ashamed. I beg you. I
11 beg you do not change Administrative Code 12-126.
12 Thank you.

13 CHAIRPERSON DE LA ROSA: Thank you so
14 much. You may go ahead, sir. Thank you.

15 BENNETT FISCHER: Hello. I'm Bennett
16 Fischer, and I'm a retired teacher with 29 years of
17 service in our public schools, and I'm a career-long
18 UFT activist who is very distraught and very angry at
19 the harmful position my union leadership is taking.
20 All of us here are public service employees, and
21 whichever City health plan we are enrolled in, the
22 cost of that plan is protected by a defined price
23 threshold set in a City law. If your insurance costs
24 less than the threshold, you're covered. If it's more
25 than the threshold, you pay up. That's fair. The law

2 applies equally to all City employees. It ensures a
3 decent and equal subsidy for the City health plan we
4 choose, and it lets the most vulnerable among us stay
5 on traditional public Medicare and doesn't coerce
6 anyone into the private regional for-profit Medicare
7 Advantage ecosystem. Why would the City Council ever
8 even consider taking our healthcare protections, the
9 people's protection, out of the law and putting it
10 into the hands of the few, very few, very fallible,
11 very self-interested group of politicians? New York
12 City mayors come and go, union presidents come and
13 go. The law offers us the stability that we need.
14 Keeping 12-126 intact doesn't mean we can't
15 negotiation for quality healthcare and savings, but
16 amending 12-126 the way it's written here means we
17 will be at the mercy of a few men in a room. I
18 thought we were beyond those days. We dedicate our
19 careers to public service not for great pay but to do
20 good for our communities and our families. What we
21 sacrifice in pay, we expect to make up in decent,
22 stable benefits, both in service and in retirement.
23 Don't give away our legal protections. What we give
24 up in law, we will never get back.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much.

4 UNIDENTIFIED: Good evening, Honorable
5 Chair De La Rosa, thank you very much, and all
6 Honorable City Council Members who are here and are
7 listening and are partaking in this, I know it's been
8 a really long day, and I'm a little woozy actually.
9 Anyway, thank you for this opportunity to allow me to
10 voice my request actually in favor of amending New
11 York City Code 12-126 and I'll explain because it's a
12 really big issue here back and forth. If you add a
13 clause that reaffirms the Municipal Labor Committee's
14 bargaining rights to negotiate retiree healthcare and
15 enable the City to continue offering retirees the
16 options of pay-up healthcare plans and it guarantees
17 the unions and the Council's bargaining rights and
18 rights to arbitration, which are contractual and
19 protected by State Constitution, so what this
20 gentleman said is amend the amendment in other words
21 if there's an opportunity for that. Again, by
22 amending New York City Administrative Code 12-126,
23 you need to guarantee, uphold, and affirm the
24 Council's rights and the union's rights to bargaining
25 and arbitration for healthcare coverage and choice.

2 Whatever you decide, please vote to uphold and
3 reaffirm those contractual rights.

4 CHAIRPERSON DE LA ROSA: Thank you.

5 GLORY ANN KERSTEIN: I'm Glory Ann
6 Kerstein. I'm a 74-year-old retiree from HPD and a
7 member of the DC-37 Retirees Association. I'm also
8 Chair of the HDFC Coalition Anti-Foreclosure
9 Committee, but I'm here today to testify on a
10 personal basis of being a retiree whose two main
11 doctors have said we will not accept a privatized
12 Medicare plan including a specialist I've been seeing
13 for 27 years so I don't know how to replace something
14 like that. I do not understand that the current law
15 forbids unions their collective bargaining power, but
16 that's one of the problems we've had during today's
17 testimony is that there's a lot of conflicting
18 information, and the problem is that the City
19 Council, you who have given us retirees who
20 heretofore had no voice, the first forum where we can
21 discuss these issue, you have not been given adequate
22 data. You've not been given adequate research or
23 study. You don't even know what the contract would
24 look like. You're in the dark as we have been since
25 2014 when MLC and the City and DeBlasio and everybody

2 were making all these plans for those of us most
3 affected without a voice. Look, the quarter of a
4 million who we are, we, if all together, would be the
5 third largest city in the entire state. We'd be
6 bigger than Rochester, but we didn't get to vote for
7 the Mayor or the Council or the health plan. You are
8 providing us for the first time with that opportunity
9 so what I would encourage this Council to do is
10 continue the collaboration, continue to collaborate
11 with the retirees and those who have a lot to lose.
12 True justice requires that voices heretofore that
13 were silent be heard, true democracy requires time,
14 and important legal decisions require data and
15 research which you and we deserve.

16 CHAIRPERSON DE LA ROSA: Thank you so much
17 for all of your comments and all of your opinions. I
18 just want to re-emphasize this is a first hearing.
19 We're not taking a vote yet. The Council will
20 deliberate on this and decide the path forward. Thank
21 you so much and thank you for your patience.

22 We have Penny Mintz, Kathleen Cahill,
23 Michele Rayvid, and Gerard Longarzo. If you're here,
24 you may come up. Norman Scott, if you're here, come
25 up. John Hyland. Santos Crespo.

2 UNIDENTIFIED: (INAUDIBLE)

3 CHAIRPERSON DE LA ROSA: Okay. When you're
4 ready, you may begin. Thank you for waiting.

5 MICHELE RAYVID: Good evening and thank
6 you for holding this hearing and allowing us to
7 speak. My name is Michele Rayvid. I'm a retired
8 educator and a member of the UFT. I'm here today to
9 urge City Council to vote no to amending
10 Administrative Code 12-126. This law has equally
11 protected the healthcare of municipal workers since
12 1967. It's the only healthcare protection that
13 retirees have. If the City forces us into a Medicare
14 Advantage plan, retirees will indeed have the legal
15 recourse to challenge this action in court, and
16 they'll certainly win. However, once this Code is
17 amended, legal action will be difficult. I personally
18 worked for the City of New York for nearly 40 years
19 with the understanding that I'd be entitled to
20 traditional Medicare once I retired and turned 65 and
21 that the City would bear the cost of my Medigap plan
22 less than 20 percent of my total healthcare costs.
23 Now, the City wants to renege on that promise.
24 However, a promise is a promise. Why should more than
25 200,000 retirees like myself be coerced into

2 abandoning our excellent health coverage for a
3 substandard Medicare Advantage plan valued at about
4 \$7.50 a month because of a misused Health Insurance
5 Stabilization Fund that was supposed to be there for
6 medical and health needs but was used for purposed
7 other than the healthcare of its workers. The City
8 presently has 8.3 billion dollars in reserves, the
9 highest level in its history, and it has 4.5 billion
10 dollars in its retiree health benefits trust fund
11 which supports healthcare benefit obligations to
12 retirees. Surely, this 4.5 billion dollars can be
13 used to help finance the Municipal Labor
14 Stabilization Fund with the help of the Comptroller.
15 I'm calling on you, City Council Members, to use your
16 voice to stand up and protect those disenfranchised
17 retirees who have no voice. Let your voice speak for
18 them. Vote no to any changes. Don't let the fate of
19 more than 200,000 retirees be decided by three labor
20 leaders and a Mayor who all refuse to sit down with
21 retirees to explore any other cost-saving options.

22 CHAIRPERSON DE LA ROSA: Thank you.

23 MICHELE RAYVID: A promise is a promise.

24 Do the right thing.

25

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much.

4 MICHELE RAYVID: Thank you.

5 CHAIRPERSON DE LA ROSA: We can go down
6 the line, I guess. Ladies first. You can go ahead
7 then we'll get the gentlemen.

8 KATHLEEN CAHILL: Good evening and thank
9 you for this opportunity. My name is Kathleen Cahill,
10 and I retired in 2004 after working at the New York
11 City Office of the Corporation Counsel as an attorney
12 where I spent most of my career. I'm in my 80th year,
13 and I am now in the winter of my life facing the
14 following fearful, stressful, anxiety-producing
15 situation. Approximately one year, ago I was told
16 that my osteoporosis has accelerated, and my bones
17 are rapidly disintegrating. I found a renowned
18 endocrinologist at Columbia University. I applied to
19 be one of his patients because he only accepts very
20 challenging serious cases. I was accepted by him as a
21 patient, and I'm now getting two injections a year of
22 medicine. When I was at my last appointment getting
23 my second shot, the doctor's assistant told me that
24 all of their Medicare Advantage patients have been
25 denied the use of this medication. This is such a

2 harrowing story because these patients are
3 desperately in need of this medication. This is the
4 same insurance plan that New York City wants its
5 retirees to have, privatized, profit-seeking plans
6 that can deny what doctors deem necessary for their
7 patients. Please show your empathy, step into our
8 shoes, and deny any alteration to Section 12-126. You
9 know that Mr. Scheinman has no jurisdiction over City
10 Council nor the retirees. Please protect who are so
11 vulnerable in the winter of our lives from losing our
12 healthcare and being in financial peril.

13 CHAIRPERSON DE LA ROSA: Thank you so
14 much. Thank you for your thoughtful comments. Thank
15 you.

16 KATHLEEN CAHILL: Thank you.

17 GERARD LONGARZO: My name is Gerard A.
18 Longarzo. I'm Department of Education 41 years'
19 service. Council Member Dinowitz, Woodlawn says
20 hello. Delay treatment, deny treatment. This is the
21 way for-profit Medicare Advantage plans operate. It's
22 the way they pump up their bottom line at the expense
23 of the people they cover. It's not just me who's
24 saying it. It's the investigators from the federal
25 government. As per the New York Times December 3,

2 2022, I quote, "Medicare Advantage plans often deny
3 needed care. A federal report finds insurers deny
4 tens of thousands of authorization requests
5 annually." The change in Administrative Code 12-126
6 is a giant step but in the wrong direction because it
7 would be a giant step toward inflicting vastly
8 inferior healthcare coverage upon retirees,
9 individuals who dedicated decades of their lives in
10 service to the City of New York. Shameful.

11 (INAUDIBLE) Why are we in this mess? Was the Health
12 Stabilization Fund a fund that was to be dedicated to
13 the healthcare needs of all City unions? Was that
14 used improperly? Were funds from this fund taken out
15 in order to cover a raise for the UFT? Is that simple
16 mismanagement? Who orchestrated that, Mr. Mulgrew?
17 Let's mention Harry Nespoli, Chairman of the
18 Municipal Labor Committee. He refers to retirees as
19 rump retirees. Shameful disrespect. Remember,
20 Medicare Advantage Care plans delay treatment, deny
21 treatment. My wife of 46 years was diagnosed with
22 triple negative breast cancer. In the absence of
23 rapid access to advanced medical care, she would be
24 dead. Me, I was diagnosed with numerous tears in the
25 retinas of my eyes. In the absence of rapid access to

2 advanced medical care, I would be blind. The loss of
3 rapid access to advanced medical care is not
4 acceptable. In conclusion, we, New York City
5 retirees, are not a throwaway card, and Harry
6 Nespoli, we are not rump retirees. Hands off our
7 Medicare. Don't buy the lie.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 SANTOS CRESPO: Thank you, Madam Chair and
10 City Council, for allowing me this opportunity to
11 speak to you. My name is Santos Crespo. I'm the
12 former President of Local 372, the largest Local at
13 DC-37, and I'm also a former Vice President of
14 District Council 37. When I was discharged from the
15 Navy back in 1973, I was hired by then the Board of
16 Education as an Addiction Service Counselor. We were
17 not unionized at that time, and in 1975 when we
18 finally decided to join DC-37 it was with that
19 promise that at the end of our tenure we would have
20 not only a pension but we would have a good
21 healthcare benefit. What's happened? What, in fact,
22 has happened? For some reason, the MLC wants to say
23 that we are afraid of change. We're not afraid of
24 change. We want to be part of the process. When we
25 approached them to be part of that process, their

2 response to us was how dare you want to speak to us,
3 you don't trust us. Well, the reality is no, we don't
4 because you have not been transparent. Now, I was
5 born in East Harlem, I was born in the Bronx, and for
6 the last 20+ years I reside in East New York Brooklyn
7 so when you want to talk about trust those are my
8 credentials. If you cannot answer my questions
9 because you don't have the answers, don't tell me
10 about trust. Thank you.

11 CHAIRPERSON DE LA ROSA: Thank you so
12 much. Thank you all for your testimony and your
13 thoughts today.

14 Up next, we have Marc Kagan, Dr. Mary
15 Lutz...

16 UNIDENTIFIED: Kagan spoke.

17 CHAIRPERSON DE LA ROSA: Kagan spoke?
18 Okay. Anthony Amato, Naomi Harris, Joseph Fernamesco,
19 Douglas Hantusch, Aurea Mangual, Neal Frumpkin, Joyce
20 Chedick Wilcox, Logan Clark, Abigail Martin, Judith
21 Fox-Miller, Marilyn Coppa, Michelle Russins
22 (phonetic), John Mudd, Andrew Ellen, Rosie
23 Vartorella, Susan Kassapian, Philip Seelig, Judy
24 Arnow, Oliver Fein, Neme Alperstein, Susan Petito.

2 You may begin, sir, when you're ready
3 while your Colleagues sit, you may begin.

4 UNIDENTIFIED: Thank you. I am female.

5 CHAIRPERSON DE LA ROSA: I am so sorry. I
6 am so sorry.

7 UNIDENTIFIED: I have a point of order
8 question.

9 CHAIRPERSON DE LA ROSA: Yes.

10 UNIDENTIFIED: Will you be voting tonight
11 or when you can you anticipate a vote?

12 CHAIRPERSON DE LA ROSA: We are not voting
13 tonight for the record. This is the first hearing. We
14 have not scheduled a vote yet so after this hearing,
15 the City Council will deliberate amongst ourselves
16 what the next steps are.

17 I apologize for misgendering you. You may
18 go forward.

19 UNIDENTIFIED: Thank you. Good evening to
20 all of you who are here both online and in-person.
21 I'm a constituent of Council Member Rita Joseph and a
22 proud member of my union, PSC CUNY. I am 73 years old
23 and served City College for 34 years before retiring
24 during the pandemic. Throughout my service, both
25 myself and my husband received health insurance

2 coverage through my union, the Professional Staff
3 Congress, under his contract with New York City. Now,
4 we are both dependent upon and very satisfied with
5 Medicare and our current retiree health benefits
6 through the union. I am one of those of the many that
7 you've heard today who are vulnerable retirees who
8 have a target on our back put their by Aetna hoping
9 that we'll die during the next five years. I have
10 multiple pre-existing conditions including cancer,
11 diabetes, and asthma for which I receive excellent
12 treatments and prescriptions covered by these
13 benefits. It has not been easy to enroll with
14 multiple providers who accept my insurance. If you
15 and your Council Colleagues disrupt the current
16 arrangement previously negotiated and still under
17 contract, you will undoubtedly shorten my life and
18 the lives of other retirees. You are accountable to
19 us and to our survivors. We strongly oppose any
20 Administrative Code that weaken our benefits and gut
21 our health insurance lifeline. Please help take that
22 target from Aetna off our backs. Please vote no on
23 any Administrative Code changes. Thank you.

24 CHAIRPERSON DE LA ROSA: Thank you so
25 much.

2 JUDY ARNOW: Hi. My name is Judy Arnow,
3 and I'm a retiree. I retired in 2009 from the City,
4 and I am on original Medicare for a long time, and
5 it's great. I'm going to tell you a brief story about
6 why we need it and give you a window into why NYC
7 retirees are up in arms about this threat to our
8 original Medicare. I'm 75 years old and I've had
9 health issues over the last 20+ years including
10 spinal stenosis, osteoporosis, bone fractures as well
11 as other typical aging issues. I don't tend to talk
12 about my other medical issues, and no one besides
13 myself and my doctor needs to know what they are.
14 Because of modern medicine, I can continue to live a
15 pretty active life, walking, exercising, climbing
16 steps, hiking around town and in the country. My life
17 is better than I would've expected at this age, and
18 I'm optimistic for the future, but not quite a year
19 ago I tripped on the sidewalk in my neighborhood.
20 Afterward, I found it was a struggle just to get my
21 body out of bed, never mind be walking indoors or
22 outdoors since I had pain whenever I moved. I live on
23 the third floor of a building with no elevator so if
24 my bone did not heal appropriately I would have to
25 move from my apartment of 26 years. An x-ray showed

2 nothing, but my pain continued, and I did not seem to
3 be on the mend. I wondered would I ever be able to
4 walk normally again. I spoke to my doc who said he
5 was concerned about my lack of progress and that I
6 needed an MRI to diagnose the problem and determine
7 how to treat it. I was able to schedule and get the
8 MRI done quickly and, afterwards, I was told I had a
9 fracture of my sacrum. I was told to be careful
10 because if I fall I could easily break those bones
11 again. But I was lucky to get a diagnosis quickly. I
12 later spoke to a friend who is Medicare "Advantage"
13 who said her doctor has been trying for years to get
14 her an MRI but has been unable to get approval from
15 the private for-profit insurer. This is why some
16 people call out Mayor Adams as the Double D plan,
17 Delay and Deny.

18 CHAIRPERSON DE LA ROSA: Thank you. Thank
19 you for your testimony today.

20 JUDY ARNOW: One more sentence.

21 CHAIRPERSON DE LA ROSA: Go ahead.

22 JUDY ARNOW: So when someone tells you
23 they want to keep their original Medicare, you can
24 understand why they are so adamant and so willing to
25

2 make phone calls and write letters to their
3 Councilperson to fight this good fight. Thank you.

4 CHAIRPERSON DE LA ROSA: Thank you so
5 much.

6 SUSAN PETITO: Good evening, Madam Chair.
7 I'm Susan Petito, lifelong City resident from
8 Chelsea. I served for 33 years as an attorney with
9 the Police Department, retiring in 2015 as Assistant
10 Deputy Commissioner Legislative Affairs. I chose to
11 work very hard for a very long time notwithstanding
12 the possible rewards of private or corporate legal
13 practice over those many years. I am, therefore,
14 appalled that the City has broken my trust. You know
15 about the inherent flaws and rampant fraud associated
16 with Medicare Advantage plans. You also know about
17 the misrepresentations which the City and the MLC
18 promulgated in order to convince retirees that their
19 new specially designed Medicare Advantage plan would
20 provide better health coverage for them. That was
21 completely untrue and reflects the fact that retirees
22 were never consulted. The City's unions do not
23 represent retirees and sold them out without
24 hesitation. I'm lucky. I can afford to pay for good
25 Medigap coverage. Many City retirees are not so

2 lucky, but there is also a dirty little secret
3 embedded in this controversy. The City's plan will
4 likely have a racially disparate impact. Based on the
5 City's employment patterns and history, retirees who
6 earned lower salaries and receive lower pension
7 payments will more likely be people of color. They
8 will be less financially able to choose to opt out
9 and will suffer the consequences. This is an
10 unacceptable result. The City and MLC are trying to
11 entangle you in their scheme. They say it's about
12 protecting retiree choice when in fact they want you
13 to provide a fig leaf for their illegal intentions.
14 If they decide to force all retirees into a Medicare
15 Advantage plan, let it be on their heads without your
16 help. The City and its unions can find more
17 responsible ways to address spiraling healthcare
18 costs without scapegoating retirees. They should
19 bring the retirees into the conversation and see what
20 happens. City employees rely upon the promise of
21 Section 12-126. For many employees, this is an
22 important element of their decision to enter and
23 remain in City service. I know it was for me.

24 CHAIRPERSON DE LA ROSA: Thank you.

2 SUSAN PETITO: Our lives were devoted to
3 making the City work, and our future healthcare
4 should be a promise kept rather than destroyed.

5 CHAIRPERSON DE LA ROSA: Thank you so
6 much. Thank you.

7 NEME ALPERSTEIN: Thank you for your
8 perseverance. You have stood the day.

9 CHAIRPERSON DE LA ROSA: Thank you. Make
10 sure the button is pressed.

11 NEME ALPERSTEIN: My name is Neme
12 Alperstein, 28 years as a teacher for the New York
13 City Department of Education, UFT member, proud union
14 member until this whole debacle evolved. I will tell
15 you that I have a lot of family members in
16 healthcare, and the rule of thumb was nobody goes
17 into Medicare Advantage. Now, the other piece is a
18 CEO getting 27+ million dollars a year while saving
19 costs for retirees. There's only one way to do it.
20 Cut services, cut testing. I even had a family member
21 who was a doctor. He was in a Medicare Advantage plan
22 or some such, it might've been HIP, and he was told
23 not to order the test. He lasted two days, stood up,
24 shook everybody's hand, and left. He said this is not
25 the way to practice medicine. We have heard that the

2 hospitals agreed to take MAP. Well, that's the trick.
3 They may take it, but, when you show up, does your
4 doctor? Chances are your doctor does not. Now what if
5 you have a serious condition? To put on Medicare
6 Advantage, that's a ploy for profit, and it's on the
7 backs of retirees. My question is every time the City
8 doesn't want to make good on a contract, are they
9 going to come to you and say could you change the
10 law, could you change and amend the regulations? I
11 don't think you should be burdened with that. City
12 Council has a lot of bright people on it. I have seen
13 all day. You guys are bright, and my question is
14 failure is not an option. To think outside the box,
15 we have cell phones, we have computers, we do Space
16 X, we do NASA, don't tell me there's no option. Find
17 it with us. I know it can be done. If the Mayor
18 can't, I'm so sorry. I know my City Council can, and
19 I hope that you will vote not to amend 12-126 so we
20 can find savings instead of diminishing care. Thank
21 you for your perseverance. You are awesome for doing
22 that.

23 CHAIRPERSON DE LA ROSA: Thank you. Thank
24 you for your patience and thank you for your
25 testimony tonight.

2 Up next, we have Bill Schillinger, Bonnie
3 Nelson, Susan Herzog, and Jacqueline Frazier, and
4 William Russo.

5 You may begin when you're ready.

6 WILLIAM J. SCHILLINGER: Good evening. My
7 name is William J. Schillinger. I'm a retired FDNY
8 lieutenant. For the past 20 years, I've been retired,
9 and during those 20 years, I've enjoyed the best
10 healthcare that is guaranteed to me because of 12-126
11 of the New York City Administrative Code. My pension
12 is guaranteed by the New York State Constitution. My
13 healthcare benefits come under the New York City
14 Administrative Code 12-126, which has been in force
15 since 1967. During the last 20 years, 17 of which
16 were in Medicare, I've had multiple surgeries. I've
17 been treated by neurologist, Dr. Ira Casson, for two
18 concussions which I suffered on the job. I'm under
19 his care for cognitive issues. He's now the senior
20 advisor for the NFL on concussion syndrome. I'm also
21 under the care of Dr. Abrams at Columbia Presbyterian
22 for precancerous lesions in my esophagus. He's the
23 senior specialist at Columbia Presbyterian for upper
24 disease in esophagus. During this time, I never had
25 to worry about my healthcare, not have to worry about

2 premiums, precertification, prior authorizations, or
3 even denials of care. If you amend this law, 12-126,
4 that may all change. There's nothing more retirees
5 worry about than losing their healthcare benefits. By
6 amending this law, Code 12-126, which has been in
7 force since 1967, would be a disaster. I'm sure there
8 are people in this room who can come up with a plan
9 to save the City money. Put your heads together, have
10 some cooperation with all the unions, don't balance
11 the budgets on the backs of the retirees. If this
12 goes to a vote, please vote no. I hope it doesn't get
13 that far. Thank you.

14 CHAIRPERSON DE LA ROSA: Thank you so
15 much.

16 SUSAN HERZOG: Hello. My name is Susan
17 Herzog. I live in the West Village. Erik Bottcher is
18 my representative, but he's not here, but I thank you
19 very much for sticking it out, and I guess a shout
20 out to Council Member Dinowitz who came back and is
21 still here. I'm a retired science teacher. I love
22 teaching. I always supported the UFT, and I'm
23 devastated that my union would sell away its members'
24 hard-earned retirement benefits and then resort to
25 telling lies when the plan was judged illegal like

2 this lie that they keep repeating and repeating that
3 the judge ruled that there could only be one plan.
4 I'm retired. I have enough time to read, and I've
5 read his judgment, and he did not say that. When the
6 City first attempted to force us into the plan, I
7 discovered that some of my doctors, one of whom
8 literally saved my life, would not participate in a
9 Medicare Advantage plan as we've heard many people
10 say. Even though that company at that time claimed
11 that he was in-network, which was a lie. They lied to
12 us, and I don't expect they would not continue to do
13 so. I pay for Medicare monthly and for my drug
14 insurance. The City only pays for a supplement policy
15 that covers 20 percent of the cost that Medicare
16 doesn't cover, and Medicare's rates are controlled so
17 they're not the ones who are raising the costs of
18 medical care. Why, after more than 50 years, is this
19 unbearable burden on the City, why is this now an
20 unbearable burden on the City? Apparently, because
21 the MLC made a bad deal that now requires us retirees
22 to pay for. Because the court said that the
23 protections of 12-126 made the deal illegal, they
24 need to amend it to create a class of municipal
25 employees. For now, this class would only be us,

2 Medicare-eligible retirees. Do you really want to
3 undermine the only legal protection all municipal
4 employees have for their healthcare? The City and MLC
5 want you, the City Council, to take the blame for
6 doing this to us. We have confidence that you won't
7 do that, that you'll be our heroes and vote no.

8 CHAIRPERSON DE LA ROSA: Thank you so
9 much.

10 BONNIE NELSON: Good evening and thank you
11 for giving me the opportunity to speak to you today.
12 My name is Bonnie Nelson. I'm a retiree from John Jay
13 College of the City University of New York where I
14 worked 37 years as a librarian. I'm also Secretary of
15 the Retirees Chapter of the Professional Staff
16 Congress. I'm asking you to vote against changing
17 Administrative Code 12-126. Changing the Code will
18 allow the City to move 250,000 elderly City retirees
19 into an inferior Medicare Advantage plan while
20 allowing those retirees who can afford it to pay for
21 2,400 dollars a year to keep the Medicare
22 supplemental plan we currently have. I'm asking that
23 instead of changing the Administrative Code, you urge
24 the City and the MLC to take another path, to buy
25 time to find a better solution by adopting the plan

2 the PSC has proposed, using money in the Retiree
3 Benefits Trust Fund for a few years as a bridge while
4 a Stakeholders Committee tries to come up with better
5 long-term solutions. Changing the Code and forcing
6 retirees into private Medicare Advantage to save 600
7 million dollars a year does not solve the long-term
8 problem. It buys at most a few years before other
9 cuts will need to be made. Since the first Healthcare
10 Savings Agreement in 2014, City workers and retirees
11 have seen increasing co-pays, reduced doctor
12 networks, and now an attempt to degrade retirees'
13 healthcare. Meanwhile, the CEO of Aetna made 24
14 million dollars in 2020, the CEO of New York
15 Presbyterian makes 9 million dollars, and the CEO of
16 Mount Sinai is paid 5.5 million a year, but City
17 workers can't get a raise unless they accept reduced
18 health insurance benefits. There's something gravely
19 broken here, and forcing elderly, infirm retirees
20 into an inferior health plan is not going to fix it.
21 Every single retiree who spoke today spoke in favor
22 of keeping Senior Care, including those from the UFT
23 who asked you to change 12-126. That's because
24 traditional Medicare is better for everyone, not just
25 those who can afford to pay 200 dollars a month.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much.

4 JACQUELINE FRAZIER: Good evening. My name
5 is Jacqueline Frazier. I'm a retiree. I've been
6 working for the City for 34 years. My concern as
7 everyone else here as retirees is my health. A lot of
8 people say okay, so what about your health. I was
9 diagnosed with what they call Sjogren's Syndrome a
10 few years ago, which is a rare disease, and it's an
11 autoimmune deficiency disease. What happens is the
12 body's immune system attacks these healthy cells that
13 produce the saliva and the tear glands. Like I say,
14 this is a rare disease, and this is something that
15 I'm going back and forth to the doctor for at Mount
16 Sinai, and I'm under what they consider a specialist
17 program. Now, if this program is taken away from me,
18 I don't know what I'm going to do because as of yet,
19 and I was just told again the latter part of last
20 year, they still have not come up with a prognosis of
21 this disease because it's still like pretty much
22 fairly new to them. Mount Sinai, which is undergoing
23 the studies, they have asked me in the process of
24 doing so later on would I be willing to do the
25 studies or whatever it is they have to do. I have to

2 think about this because I don't know what the plans
3 are for this 12-126. I don't want any change because
4 as of now, again I can only speak for myself, I know
5 my health is more important to me than anything else
6 that's been said and done, and also I'm an asthmatic
7 and those that know about asthmatic, you can catch an
8 attack from different things such as dust, colognes,
9 or anything of that sort, and if you don't have that
10 medication to stop it right then and there you can go
11 into cardiac arrest, and a lot of my family members
12 and coworkers have died. Just recently, last year, I
13 lost four relatives to asthma, so I'm not going to be
14 a statistic in this matter. Thank you.

15 CHAIRPERSON DE LA ROSA: Thank you so
16 much.

17 JACQUELINE FRAZIER: I just want to add
18 one more thing. With this disease also, it has caused
19 my teeth to deteriorate so now I cannot smile and how
20 they say put on a pretty smile, no, because it
21 deteriorated my teeth, it's like brittle. I look like
22 a piranha, okay. I'm making a joke of it because I
23 have to keep my sense of sanity going but thank you.

24 CHAIRPERSON DE LA ROSA: You are very
25 beautiful, and we all acknowledge that. Thank you.

2 Thank you for coming and thank you all for your
3 testimony.

4 I have Marilyn Vogt-Downey as well. If
5 you are here present and your name has been called,
6 please see the Sergeant-at-Arms. Instead of reading
7 through everybody, we're just going to just ask you
8 if you're in the room to come forward. You may begin
9 when ready.

10 SERGEANT-AT-ARMS: Once again, everyone
11 that's in the room has spoken, correct, that has
12 signed up? Perfect.

13 CHAIRPERSON DE LA ROSA: Okay, you may
14 start when you're ready.

15 MARILYN VOGT-DOWNEY: I'm ready, but I
16 just want to say that for these to be hearings, as a
17 teacher for 26 years before I retired from high
18 school, (INAUDIBLE) school, if somebody was having a
19 hearing, I didn't trust anybody was listening to me
20 if I couldn't look them in the eye in the class and
21 for you to have hearings and listen to the people who
22 are coming in with this plan and then go to dinner
23 when it's time to listen to all these incredible
24 voices, I think it's really an insult, and I suggest
25 you have lunch breaks or dinner breaks when you get

2 hungry because we get hungry too. That way, they'd
3 really be hearings because this material that you
4 have not heard today is invaluable, and I don't think
5 they'll get it otherwise.

6 Yes, I'm a retired teacher, and I wanted
7 to say also about the presentations. I wouldn't have
8 accepted the testimony of the people who came before
9 you for the administration this morning. They had no
10 data. They kept stumbling around trying to find the
11 data in their books, oh, we'll get this for you
12 sometime, oh, we don't have that, oh, sorry, we don't
13 know this. It was an embarrassment. I would've
14 thought they'd say sorry, but maybe we'd better come
15 back another day, but they just kept going, and in
16 the end they didn't have even the document that
17 they're asking you to approve. It was a sham, and I'm
18 surprised they went that far and to be so surprised,
19 and I hope you very genuinely reject them.

20 On why Aetna wants to do this here, it's
21 for the profits. How do they do that? My doctor
22 refuses to work for Aetna, and the reason he says is
23 because one of the ways they make profits is by
24 making sure you don't spend very much with each
25 patient. If you spend more than 15 to 20 minutes with

2 a patient, you have to fill out lots of paperwork,
3 and that means the doctors really don't have a chance
4 to get to know you and, even if they know you, they
5 don't have a chance to really check in with you
6 because doctors need the time they think they need,
7 and Aetna doesn't want you to do that.

8 CHAIRPERSON DE LA ROSA: Thank you.

9 MARILYN VOGT-DOWNEY: The other thing I
10 want to say is accountability. This morning, the
11 speakers said, oh yes, we'll go to the MLC, they'll
12 always have accountability, the MLC, as other
13 speakers have said, is not democratic. Not only is
14 the UFT and DC-37 officials the ones who control the
15 vote even though there are over 100 unions in the
16 MLC, they have really no voice. By the same token,
17 teachers in the UFT don't have a voice either.

18 CHAIRPERSON DE LA ROSA: Thank you. Please
19 wrap up.

20 MARILYN VOGT-DOWNEY: We didn't know about
21 this except, it had been there for years until PSC
22 told us about it.

23 CHAIRPERSON DE LA ROSA: Thank you. Please
24 wrap up.

2 MARILYN VOGT-DOWNEY: I just have one last
3 point to make, and that is the New York State
4 Healthcare (INAUDIBLE) was up at the Legislature. UFT
5 officials opposed that claiming we had a better plan.
6 While they were opposing that and going to impose
7 that on us so they could tax the rich and have
8 Medicare for all, that's (INAUDIBLE) they didn't even
9 think of to bring up this morning.

10 CHAIRPERSON DE LA ROSA: Thank you, thank
11 you. I actually agree with your last point but thank
12 you. Go ahead.

13 SUZANNE KNABE: Does this work?

14 CHAIRPERSON DE LA ROSA: Yes, and
15 introduce yourself so we can track you here in the
16 system.

17 SUZANNE KNABE: Hello. My name is Suzanne
18 Knabe. I'm a retired New York City teacher and UFT
19 member. At this time, my husband is very ill. My
20 primary health insurance is Medicare A and B, and my
21 secondary is GHI. I do not support amending
22 Administrative Code 12-126 for the following reasons.
23 The Code was enacted over 50 years ago to protect and
24 guarantee City retirees and their families as well as
25 the long-term health insurance benefits of active New

2 York City municipal workers. The City pays the entire
3 cost of health insurance coverage for City employees
4 and their dependents in commiserate to the HIP HMO
5 rate. Administrative Code 12-126 offers equality and
6 choice in our healthcare for all municipal workers.
7 We are offered a wide variety of plans, GHI, CIGNA,
8 Empire, HIP, Humana, Aetna, and Medicare. The Code
9 also pays for our welfare fund. Why did the City,
10 OLR, and some unions propose to amend Administrative
11 Code 12-126? The money that was allocated in the
12 Stabilization Fund for our health insurance was spent
13 on teacher salaries, etc. Now, the City is hard-
14 pressed and scrambling to save money on the backs of
15 retired municipal workers, and eventually this change
16 will affect workers. Our health insurance is non-
17 negotiable and cannot be privatized. By attacking the
18 most vulnerable during the COVID pandemic, when
19 municipal were dying, you are demonstrating a
20 depraved indifference to our senior population,
21 employing coercive tactics, misinformation, and a
22 chaotic rollout implementation plan to attempt to
23 force us into a MAP insurance plan. I guess my time
24 is up?

2 CHAIRPERSON DE LA ROSA: Yes. Thank you so
3 much. Thank you for your testimony. If you submit it,
4 we have the full testimony for our records. Thank
5 you. You may go forward.

6 WILLIAM RUSSO: Honorable Chair, thank you
7 for your patience and the other Council Members I
8 thank them for being here. My name is William Russo.
9 I'm a retired New York City Housing Authority
10 employee who served for 34 years from 1976 through
11 2010. I want to say right off the bat I believe you
12 should vote no and not amend the Code. With that, I
13 want to speak about the history of where we are in
14 terms of leadership. I think what we have is a
15 failure of union leadership, we have a failure of the
16 City administrators, and we have people who are
17 characterizing each other meaning the unions and the
18 City, characterizing us retirees in a very bad
19 manner. I served 34 years, 20 of which were in a
20 managerial capacity and 14 with the Teamsters Union
21 Local 237. I recall a time when we had labor leaders
22 like Victor Gotbaum, Barry Feinstein, Michael Quill,
23 John Delorre (phonetic). They were leaders of the
24 union. They would never do something like this to
25 their membership. In fact, many of those union

2 leaders founded the Employee Retirees Divisions of
3 their union. They were sensitive to the unions. What
4 we all have in common in this room, those who left
5 the room, those who support, those who are in the
6 room, is public service, the noblest profession in
7 the world. I taught civil service exam techniques for
8 30 years during my career. I taught young people how
9 to take promotional exams. We all believed in public
10 service. This decision behind the scenes is a
11 betrayal. One of the speakers earlier today talked
12 about referring to ghosts of the past. There are no
13 ghosts of the past. The ghosts were those people who
14 went into a room and using smoke and mirrors
15 reflecting on each other came out and said they made
16 a decision. James Madison warned of tyranny of the
17 majority. It wasn't a majority here. It was what he
18 warned also, a minority. It's tyranny of a minority,
19 and we can't accept it. Thank you.

20 CHAIRPERSON DE LA ROSA: Thank you so
21 much. I know we have this wonderful woman here
22 waiting and then we can go to the gentleman. Sorry. I
23 can't keep track of the names at this point and
24 identify yourself.

2 LAURA GENOVESE: Good evening and thanks
3 for being here so late. My name is Laura Genovese. I
4 live in District 1, and my Council Member is
5 Christopher Marte. I'm a retired City worker with 21
6 years of public service, 18 of them as a DOE school
7 secretary. I have a deep feeling for the labor
8 movement, and I'm strongly against both privatization
9 of our schools and healthcare. I gave up a high-
10 paying private sector job to work for the welfare of
11 children while counting on the City's commitment to
12 provide me with the benefits I earned, benefits that
13 also help raise the standard for all workers. I have
14 to say that I'm a bit tired, but I'm glad I stayed
15 because I heard a lot of people speaking very well.
16 The question about why these individuals who I've
17 stopped trusting, and I'm very upset about even Mr.
18 Mulgrew spoke, this was my union leader. I paid union
19 dues. I'm watching him before my eyes saying we were
20 always going to give you Medicare Advantage plan.
21 They know very well what they're doing. This is the
22 same individual with others that they blatantly
23 violated Code 12-126. They blatantly violated it. Had
24 it not been for that wonderful lawsuit by the
25 retirees, they wouldn't have gotten caught. They

2 thought they could get away with it. Now they're back
3 and now they're holding you hostage. We have a big
4 problem right now in the country. Wendell Potter was
5 here. They're trying to privatize healthcare like you
6 wouldn't believe. They're watching New York City
7 right now. That Code is like a star, and there are
8 insurers that are just waiting, and please stand
9 firm, do not amend it. My husband has cancer. He said
10 tell them don't amend it because we want them to go
11 to court. They cannot abuse us like this. Sorry.

12 CHAIRPERSON DE LA ROSA: It's okay. Thank
13 you for sharing your testimony. I really appreciate
14 all of your thoughts and your sentiments. You may go
15 ahead.

16 NORMAN SCOTT: I just came running back
17 from a UFT executive board meeting because I heard my
18 name was called. My name is Norman Scott. I worked at
19 the DOE for 35 years, and I'm retired for 20 years as
20 an elementary school teacher in Williamsburg. I am
21 obviously here to support keeping the 12-126 intact
22 while we negotiate for quality healthcare and
23 savings. I heard my union people speak today from my
24 union, all of whom on some way or other have been on
25 the UFT payroll. You do not see scores of rank-and-

2 file teachers or retirees coming here to tell you to
3 change the Code, and there's a reason for that. At no
4 point did we have a way to vote or give our choice on
5 whether this should happen. The right way to have
6 done it would have been to open this up to some
7 debate before they threw this at us. My wife worked
8 in the medical field for her entire career, and she
9 has always been Medicare Advantage because she has
10 dealt with all these companies for years, and she
11 always said the most qualified efficient company was
12 Medicare. They had professional people working there,
13 people who are in a union, they were civil servants
14 whereas all these private companies just hire anyone,
15 and she had the most difficulty with the people from
16 the private companies, and also Medicare costs are so
17 much less than Medicare Advantage in terms of
18 administrative costs. What I did want to do was
19 answer the choice question because that's been thrown
20 around, and you guys asked some legitimate questions.
21 You know what? I want to give you choice. They're not
22 offering choice for everybody. The choice is for the
23 people who can afford it. Luckily, my wife and I can
24 afford to opt out, and, originally, that seemed okay,
25 then I started to realize how inequitable the choice

2 is. It's only for the people who have decent pensions
3 and can opt out. The majority of people probably
4 cannot opt out so offering the word choice is a faux
5 option. It's not for everybody, and they're using
6 sophistry to try and say we want to give choice.
7 Well, they don't really want to give choice. They
8 only want to give choice to relatively few people,
9 and I think if you change this Code, you will give me
10 choice, but you will not give people who are making
11 much less money than me a choice at all. They will be
12 locked into an inferior Medicare Advantage program,
13 and you will be creating a two-class system. Some of
14 us will get to keep Medicare and Senior Care, and
15 many people do not, and I think that's something that
16 we have to address, very important, and also go read
17 all the articles that are out there about Medicare
18 Advantage. Somehow, this City and the unions are
19 coming up with a magic plan that exists nowhere else
20 in this world. I'd like to say that in operation
21 because I don't believe it has happened. Just the New
22 York Times alone has savaged Medicare Advantage plans
23 time and again. That's pretty surprising. You would
24 think the New York Times would not be the one you

2 would be reading that in, but we have been. Thank you
3 very much.

4 CHAIRPERSON DE LA ROSA: Thank you all so
5 much. You've been very thoughtful and insightful, and
6 we appreciate your comments here tonight. Is Ibeth
7 Mejia here? Yeah? We called you earlier, but you can
8 please come forward. If everybody else who is here
9 in-person has testified, we're going to go back to
10 virtual.

11 If there's anyone who hasn't testified,
12 please see the Sergeant-at-Arms who will take your
13 card. You may begin when you're ready.

14 IBETH MEJIA: Hi. I am a teacher and UFT-
15 elected representative on the UFT high school
16 executive board. I represent the majority of high
17 school teachers that voted in the last UFT election
18 along 15,000 UFT members voted for us, not our
19 president. I represent in the high school division,
20 and I urge the City Council to vote no on amending
21 12-126 for this will affect in-service, not on
22 retirees. I suggest putting together a Blue Ribbon
23 Panel as has been proposed but has not been executed
24 by our union President, Michael Mulgrew. Find other
25 ways to save money with new audits and other savings

2 that were in the 2018 agreement, but please leave 12-
3 126 as it is and support our retirees and our active
4 employees. Thank you.

5 CHAIRPERSON DE LA ROSA: Thank you so
6 much. Thank you for your comments. Thank you.

7 We're going to go back to the virtual
8 panel now. I'll call three at a time. If you're on,
9 please unmute yourself and begin. We're going to
10 start with Rose Disatozzi (phonetic), Matthew Weber,
11 and Diana Scalera. Rose, if you're on, please unmute
12 yourself at the request. Rose is not here. Matthew
13 Weber, if you're on, please unmute yourself at the
14 request and begin your testimony.

15 MATTHEW WEBER: Good evening. Can you hear
16 me?

17 CHAIRPERSON DE LA ROSA: We can hear you.

18 MATTHEW WEBER: Thank you so much for
19 taking the time to allocate this time for all of us.
20 I'm a retiree for New York City Health and Hospitals,
21 but I want to speak to you from a different
22 perspective. I'm speaking on behalf of Judith, a
23 nearly 97-year-old retired teacher residing in a
24 senior care facility near Harrisburg, Pennsylvania.
25 Judith taught for 26 years at PS 241 during which

2 time she cared for and nurtured students, actively
3 supported parents, and mentored young adults who
4 expressed an interest in teaching. She dedicated a
5 significant portion of her best years to helping
6 others, purposefully choosing to work in an
7 impoverished community to make meaningful differences
8 to many. When it came to her well-being, Judith
9 trusted OLR and UFT representatives who assured her
10 and subsequently reassured her that when her turn
11 came to retire, she would premium-free traditional
12 Medicare supplemental health insurance for life.
13 These reassurances allowed Judith to remain laser-
14 focused on fulfilling students', parents', and
15 mentees' needs. As many New York City retirees,
16 Judith's health has declined. Aging coupled with
17 illness and accidents have left her frail. Not by
18 choice, fully vibrant, caring people like her are now
19 at the mercy of this Council. Judith needs and
20 deserves continuity of healthcare with providers
21 she's familiar with, clinicians knowledgeable about
22 her history and needs, and close to her home. This
23 backdrop is intended to ground Council Members'
24 decision-making around the 250,000 Judiths who gave
25 selflessly to make the Big Apple the biggest and the

2 best city. Retirees (INAUDIBLE) benefits were
3 promised these benefits by the same organizations
4 that are now working to diminish benefits. Please,
5 for all the Judiths, place a moratorium on making any
6 changes to existing retiree healthcare benefits.
7 Thoroughly examine why the MLC did not pursue
8 combining the 100+ welfare fund to achieve monumental
9 savings and enhance benefits for all. Place Aetna's
10 CMS overall star quality rating under a microscope..

11 SERGEANT-AT-ARMS: Thank you. Your time
12 has expired.

13 MATTHEW WEBER: Formally meet with
14 Marianne Pizzitola. Thank you. I've submitted
15 additional recommendations in writing.

16 CHAIRPERSON DE LA ROSA: Thank you so
17 much. Thank you. We have Diana Scalera. If you're on,
18 please unmute yourself and begin your testimony.

19 DIANA SCALERA: I can't unmute.

20 CHAIRPERSON DE LA ROSA: You're unmuted.
21 We hear you.

22 DIANA SCALERA: Oh, you can? Okay. Because
23 it looks like it's not here.

24 CHAIRPERSON DE LA ROSA: Yeah, we hear
25 you.

2 DIANA SCALERA: Hi. Diana Scalera. I
3 worked for 26 years in the New York City DOE, 13
4 years as a teacher and 13 years as an administrator.
5 I want to talk about something that we haven't spoken
6 about. Some people mentioned used up bodies. First of
7 all, I want to say to everyone I have just loved
8 being with my Colleagues again and to be with City
9 workers, teachers, and to remember what it felt like
10 and how passionate we are about what we do and so I
11 thank you for being here, I thank you for sharing
12 your thoughts with me. It's been really an amazing
13 day. I never thought I'd stay on this meeting until
14 now, and it's just wonderful to have met you. Thank
15 you.

16 My special talent is to organize things
17 and to think about how to put them together and what
18 they look like, and we heard about used up bodies, we
19 hear a lot of stories about people in the middle of
20 treatment who are really suffering emotionally
21 because they're terrified that this treatment is
22 going to be ruined or taken away from them or
23 something like that, and that's a really powerful
24 story. It's really grand because it's affecting
25 almost all of us. All of us have at this point in our

2 lives serious medical problems so that's something
3 that we can really take in, but there's another side
4 to this. Picture the day that they decide that we're
5 going to switch to Medicare Advantage. None of us
6 know how it works. They don't know how it works.
7 Everything is unknown. Imagine that you have a
8 medical crisis on that day and you have no place to
9 go.

10 SERGEANT-AT-ARMS: Thank you. Your time is
11 expired.

12 CHAIRPERSON DE LA ROSA: You can wrap up.
13 Wrap up your thought.

14 DIANA SCALERA: You have no place and so
15 you can't just switch one day to another 250,000
16 people onto a new medical program. It's unfathomable
17 that anybody could think that they can do that, and
18 it's dangerous. They'll be many people who die.

19 CHAIRPERSON DE LA ROSA: Thank you. We
20 have Sheila Seigal (phonetic). If you're here, please
21 unmute yourself at the request followed by Edward
22 Farrell, William Laziza, and Paul Russ (phonetic).
23 Sheila Seigal. Not here. Edward Farrell, if you're
24 here.

25 EDWARD FARRELL: Yes, I'm here.

2 CHAIRPERSON DE LA ROSA: Yes, you may
3 begin.

4 EDWARD FARRELL: Thank you for the
5 opportunity. It's been a long day, and I will be very
6 brief. A lot of the points have been made. Let me
7 just say for the record, our association, the Retired
8 Public Employees Association, for over 50 years has
9 been representing the interest of state and local
10 government workers. It's our position that health
11 benefits should never be diminished for those who
12 have already retired. If changes want to be made
13 prospectively, that's one thing, but once you've
14 committed yourself to a career and you retire, you
15 should be entitled to the benefits you earned. I just
16 have a couple of comments on what transpired today.
17 We've been through this Medicare Advantage issue with
18 other municipalities around the state, and I heard a
19 lot of smoke and mirrors today. When one of the union
20 representatives said it was a secret plan that had a
21 lousy rollout, well that's an understatement. It was
22 a secret plan that nobody knew about, and the rollout
23 was horrible. Even when they tried to implement it,
24 they still didn't have everything in order. I was
25 really surprised that when members of the Council

2 pressed them that they just blew you off. They had no
3 information, they weren't going to give you any
4 information. That included representatives from the
5 administration as well, and then to say regardless of
6 what you do regarding this Code issue we're going
7 forward anyway. That's the height of arrogance.

8 There's one other point I want to make and then I'll
9 wrap up. We work primarily with retirees in the State
10 retirement system and the State pension system of
11 course. I think you should look into this because
12 this has been referenced. In the State pension
13 system, 24 percent of the retirees have a pension of..

14 SERGEANT-AT-ARMS: Your time has expired.

15 EDWARD FARRELL: 10,000 dollars or less.

16 CHAIRPERSON DE LA ROSA: Please wrap up.

17 EDWARD FARRELL: Yes, and when you say
18 what percentage of 20,000 or less, it's almost 50
19 percent, and I think someone needs to look at this in
20 regards to the City because the cost impact is really
21 significant for those at the lower level and those
22 who retired years ago when salaries were much
23 smaller.

2 CHAIRPERSON DE LA ROSA: Thank you. Can
3 you submit your testimony so we can take a look at
4 your suggestion? That would be great.

5 EDWARD FARRELL: Yes. I did submit it
6 already. Thank you very much.

7 CHAIRPERSON DE LA ROSA: Perfect. Thank
8 you so much and thank you for your patience. We have
9 William Laziza. If you're on, please unmute yourself
10 and come on. Paul Russ.

11 WILLIAM LAZIZA: Hello. Can you hear me
12 now?

13 CHAIRPERSON DE LA ROSA: Yes, we hear you.

14 WILLIAM LAZIZA: Hi. This is William
15 Laziza. Greetings and salutations to the Honorable
16 Members of the Service and Labor Committee of New
17 York City. Thank you for allowing me to speak and
18 thank you for staying this late. I am a retired CUNY
19 employee and a member of the PSC CUNY Retirees Group.
20 I chose to work for lower wages at CUNY because of
21 the retirement package, offering a small pension and
22 healthcare for life. During my tenure, I became
23 disabled due to illness partly brought on by stress
24 from long hours and constant worry with keeping my
25 assignments under control, on budget, fully

2 functioning to serve CUNY, NYC and its citizens day-
3 in and day-out. My particular story is too long to
4 detail here. Although the work was challenging and I
5 had to put in more hours than I was being paid for, I
6 was happy, and I felt that my wife and I were
7 protected in the long-term by the benefits that I was
8 earning through my years of service. Now that I have
9 retired, the healthcare benefit has been a lifesaver
10 for me. I have a limited income and need to maintain
11 my health more than ever. Please reject the proposed
12 changes to amend the City Administrative Code Section
13 12-126. I urge you to vote no on the proposed change
14 when it comes up for a vote, but then what is to be
15 done with the entire issue of retiree healthcare?
16 Here is a suggestion. The PSC has put forward a
17 proposal for an alternative to resolving increasing
18 health insurance costs for City workers and retirees
19 that takes a longer-term view while protecting
20 vulnerable retirees from the many dangers of Medicare
21 Advantage plans. Please take the time to give his
22 plan a fair chance and your full consideration. This
23 plan has been put together by experts who are
24 familiar with the issues confronting the City today
25 and how we got here. In not too many years, you, too,

2 may face retirement and find yourself in the same
3 situations that we, retirees, here face today. This
4 is not the time to kick the can down the road with
5 the decision to compromise one group or the other.
6 This is the time to find a lasting solution that will
7 serve New York City employees...

8 SERGEANT-AT-ARMS: Thank you. Your time
9 has expired.

10 WILLIAM LAZIZA: And retirees in the best
11 way possible. Please think of us and find a way to
12 honor the commitment that CUNY and the New York City
13 government made when we were hired with the
14 understanding that if we worked hard and did our job
15 we would be rewarded with the benefit package that
16 was agreed to at the time.

17 CHAIRPERSON DE LA ROSA: Thank you so
18 much.

19 WILLIAM LAZIZA: We did our job for you..

20 CHAIRPERSON DE LA ROSA: Thank you. Thank
21 you for your comments. Thank you. Paul Russ, if
22 you're on, please come on now. Not here. We'll move
23 on to Fern Skolnick-Cruz.

24 FERN SKOLNICK-CRUZ: I'm here.

2 CHAIRPERSON DE LA ROSA: Thank you. You
3 may begin.

4 FERN SKOLNICK-CRUZ: Thank you so much and
5 thank you for holding this meeting. I don't want to
6 repeat talking points. I do want to say this. This is
7 important. Not all of us reside in New York City or
8 New York State. I, for one, live in Maryland so it's
9 a double whammy because in Maryland physicians don't
10 even accept Maryland-based Medicare Advantage plans.
11 While traditional Medicare enables me to live where I
12 want within the 50 states, travel for medical care or
13 to see friends or relatives, and if faced with a
14 medical emergency go to a hospital, find a doctor. A
15 state-based or city-based commercial Medicare
16 Advantage plan really restricts your access and
17 almost confines you to not leave the state. I've
18 heard people give testimony that they had to travel
19 out of state for life-saving medical interventions.
20 That might be precluded, and I would like you to
21 think about that. I also want you to know that as a
22 resident of Maryland, I pay taxes on my pension so
23 I'm retired from the DOE after 22-some-odd years with
24 a smaller pension than I would have if I had stayed
25 on for 25 so in a way I lost some pension and then

2 taxed as well, and I know I'm not the only person who
3 still lives in a state where it's reciprocal, you're
4 not taxed, so that's something to think about. The
5 last thing I want to say is Aetna has a fiduciary
6 obligation to its shareholders to keep making money.
7 The City of New York has a fiduciary obligation to
8 its public servants, and I sincerely hope that you
9 put together a taskforce consisting...

10 SERGEANT-AT-ARMS: Thank you. Your time
11 has expired.

12 FERN SKOLNICK-CRUZ: Of all of the
13 relevant and affected stakeholders and experts and
14 work collaboratively to develop a viable plan
15 consistent with social justice which is what we as
16 public servants have earned and deserve so please
17 vote no. Let it go to court. Optionality can be
18 exercised after that.

19 CHAIRPERSON DE LA ROSA: Thank you. Thank
20 you so much.

21 We have June Ninos (phonetic). If you're
22 here, you can unmute yourself at the prompt. June
23 Ninos, if you're on, please unmute yourself at the
24 prompt. We'll move on to Paige Dorothy Delano
25 (phonetic). If you're on the Zoom, please unmute

2 yourself at the prompt, Paige Dorothy Delano. Not
3 here. We'll move on to Rose Destasi (phonetic). If
4 you're on, please unmute...

5 UNIDENTIFIED: Yes, I'm on. Can you hear
6 me?

7 CHAIRPERSON DE LA ROSA: Yes, we can hear
8 you. Please begin.

9 UNIDENTIFIED: Thank you.

10 CHAIRPERSON DE LA ROSA: You're welcome.

11 UNIDENTIFIED: I'm sorry. I tried to
12 unmute, before but it didn't happen. The City Council
13 is being threatened that if you don't amend the
14 statute to force retirees into the Medicare Advantage
15 plan, the Mayor will do so on his own. Amending the
16 statute does the same thing. Why should the City
17 Council amend a law that the Mayor will do anyway?
18 Why do his dirty work? Let the Mayor take care of the
19 political hit for hurting retirees and removing City
20 Council from the ire of retirees and constituents in
21 the next election. If the Mayor does this act, the
22 retirees will be able to challenge and win this in
23 court where we have been successful before. Please do
24 not change the Administrative Code 126. Thank you so
25 very much for your attention.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much. Debra Bigelisen, if you're on. Moving on to Ben
4 Scarcela (phonetic). Ben, if you are on, please.

5 DEBRA BIGELISEN: I'm on here. Can you
6 hear me?

7 CHAIRPERSON DE LA ROSA: Yes.

8 DEBRA BIGELISEN: This is Debra.

9 CHAIRPERSON DE LA ROSA: You may begin.

10 DEBRA BIGELISEN: Thank you. I'll try to
11 be as quick as possible. Thank you. You actually are
12 my representative. I will try to cut out as much, I
13 know you've heard just about all of this today so
14 I'll read what I wrote. My name is Debra Bigelisen. I
15 just turned 65, and I'm a retired New York City high
16 school teacher. I taught for 27 years. When I
17 retired, I was promised my healthcare would not
18 change, and the stress that you are considering
19 changing 12-126 to undercut my health benefits. I
20 worked as a Dean of Students with many troubled
21 students who brought guns to school, knives, and box
22 cutters. I attended gang training. I worked with
23 other children that lived in shelters and considered
24 their safe place and home. Now that I have retired,
25 you are trying to undercut my healthcare. I am urging

2 you not to do this. I am clear on the rising cost of
3 healthcare in this country. Politicians that make
4 laws should be fighting the hospitals to be working
5 for us, not for the Mayor and some other Committee.
6 I'm trying to run through this. I question whether
7 you have ever been in a New York City school with
8 troubled children, a burning building, or in an
9 ambulance saving someone's life, or even worked in a
10 City hospital through this pandemic. If this is your
11 way of saying thank you to all the first responders
12 in New York City, then you don't deserve to be in
13 office. I'm urging you not to make these changes. The
14 Mayor will do whatever he wants to do anyway. I
15 question your motives in politics. It's dishonorable
16 that you would want to change the healthcare of
17 thousands of people that have served this City. It's
18 reprehensible to have a Mayor that wants to do this.
19 I question whether you really know the difference
20 between healthcare plans. My doctors, as you heard
21 before, do not take Medicare Advantage. I've had many
22 healthcare issues. I won't go through them because of
23 time..

24 SERGEANT-AT-ARMS: Thank you. Your time
25 has expired.

2 DEBRA BIGELISEN: Okay. Thank you for your
3 time again and thank you for staying so late.

4 CHAIRPERSON DE LA ROSA: Thank you so
5 much. Ben Scarcela, if you're here, please unmute
6 yourself at the prompt. Moving on, Adrienne Belay
7 (phonetic), if you're here, please unmute yourself at
8 the prompt.

9 ADRIENNE BALAY: Hello. I'm here.

10 CHAIRPERSON DE LA ROSA: Yes. You may
11 begin.

12 ADRIENNE BALAY: Okay. Honorable Council
13 Members. My name is Adrienne Balay. I was a police
14 officer in the NYPD. I worked undercover and anti-
15 crime in the 1980s. Unfortunately, I got hurt going
16 after a murder suspect one evening. I was
17 hospitalized for 10 days and then afterwards, now the
18 result is I'm in a wheelchair most of the time. I
19 can't go anywhere without being in a wheelchair. My
20 husband three years ago was diagnosed with liver
21 cancer. If it wasn't Sloan, he would be dead today.
22 They rushed through the testing. They operated on him
23 three times, and they took care of him with the
24 chemo. He was hospitalized twice for chemo reactions.
25 As for me, last year I was diagnosed with colon

2 cancer so I've been under doctor care. But the best
3 part is that we're on traditional Medicare. It's a
4 blessing, and I don't want to have to wait to get any
5 tests done. If we had to wait and get denied and have
6 to appeal to get our tests and not be able to get our
7 tests, I know that we would not be here to see future
8 grandchildren. I'm from Brooklyn. I have a Masters
9 from Brooklyn College. I became one of the finest
10 because even though I could've gone into the private
11 sector and made more money I wanted to give to the
12 City. I want to protect this Code. Too many retirees
13 will suffer and passively die if we're forced into
14 the Advantage plan. The City is spreading too many
15 lies. I appreciate you. Thank you for protecting us.

16 SERGEANT-AT-ARMS: Thank you. Your time
17 has expired.

18 ADRIENNE BALAY: Thank you very much.

19 CHAIRPERSON DE LA ROSA: Thank you so much
20 for your comments here today. John T. O'Malley, if
21 you're here, at the prompt, unmute yourself.

22 JOHN T. O'MALLEY: Hello. Thank you, Chair
23 De La Rosa. I appreciate your work on this and your
24 ability to be both compassionate and inclusive in
25 this process. It's very much appreciated. I'm a pre-

2 Medicare retiree of Verizon, and my union negotiated
3 a Medicare Advantage plan for post-Medicare retired
4 with no choice. Without any choices, we have no
5 lawsuit, not for forcing people onto Medicare
6 Advantage, not for cutting benefits, not for the
7 union not being authorized to negotiate on people's
8 behalf, none of that stuff. Anecdotally, there's no
9 complaints from any of the retirees. The members live
10 all over the United States, outside the United
11 States, but there aren't any people complaining about
12 their doctors not being in or their care not being as
13 good or anything like that. I understand the
14 concerns, of course, about Medicare Advantage, and I
15 hate privatization, I hate private companies
16 siphoning off the top of either City services or any
17 sort of municipal service, but this Code change has
18 nothing to do with Medicare Advantage. That's coming
19 no matter how this vote goes. This is a vote, yes for
20 choice and for Senior Care, or no for no choice and
21 no Senior Care. Council can (INAUDIBLE) go find
22 money, look at the funds, but that doesn't change the
23 fact that this Code change is not about Medicare
24 Advantage or no Medicare Advantage. That decision has
25 already been made in a different forum. I have no

2 choice, on Medicare Advantage. Maybe it'll be fine,
3 but you have the power to give the New York City
4 retirees choice, at least while you figure out the
5 rest of it, so you should give them the dignity, give
6 them the choice while you figure out what you want to
7 do next. Thank you very much. I appreciate the
8 hearing and everybody who testified.

9 CHAIRPERSON DE LA ROSA: Thank you so much
10 for testifying today.

11 Up next, we have Pamela Marksheid
12 (phonetic). If you're here, please unmute yourself at
13 the prompt. Pamela Marksheid. Not here. Moving on to
14 Joan Greenbaum.

15 JOAN GREENBAUM: That's me.

16 CHAIRPERSON DE LA ROSA: Great. You may
17 begin.

18 JOAN GREENBAUM: Thank you. My name is
19 Joan Greenbaum, and yes, Carmen De La Rosa, you are
20 my Councilwoman and I thank you for hanging in here.
21 I'm hoarse from just listening. I don't know how you
22 do it. I started at LaGuardia Community College, a
23 job I loved, after I was a programmer and a systems
24 analyst at IBM, you can imagine the pay change.
25 People in the computer field, and I'm going to get

2 rid of much of what I was going to say, but I thought
3 I'd bring this perspective. People in the computer
4 have a number of sayings, one of which I really love.
5 We fail more often because we solve the wrong problem
6 than because we get the wrong solution to the wrong
7 problem, and I think that's what we're looking at
8 here today. I think what the MLC and the City have
9 given us is the wrong solution to the wrong problem.
10 It's almost like they're singing a song what are we
11 going to do about the problem about retirees. For
12 starters, I want to take us back to the 2018
13 agreement in which the City and the MLC agreed to
14 from a Tripartite Committee, and in this Committee
15 they said the MLC and the City would get savings.
16 They never showed us any data, and I'm data-driven,
17 you could guess that, about what those savings were,
18 and that's what part of the PSC plan is about, is
19 let's build up a trust of showing savings, but let me
20 go on with Tripartite Committee. It was made of the
21 MLC, the City, and you know who the third party is,
22 Carmen, it's Martin Scheinman, and then when the
23 savings didn't materialize, Scheinman appointed
24 himself...

2 SERGEANT-AT-ARMS: Thank you. Your time
3 has expired.

4 JOAN GREENBAUM: Uh, really?

5 CHAIRPERSON DE LA ROSA: You may conclude
6 your thought so that we can go on to the next person.

7 JOAN GREENBAUM: (INAUDIBLE) became the
8 Arbitrator as we well know, and I'd just ask this
9 last thought besides the PSC proposal, I ask you to
10 look at the percentage or the number that's being
11 promised to Aetna because that's going to have to be
12 in the contract or in a letter of agreement and I'm
13 really frightened of that. Thank you very much.

14 CHAIRPERSON DE LA ROSA: Thank you. Thank
15 you for your insight today.

16 Up next, we have Matt Shapiro. If you're
17 on the Zoom, you may unmute yourself at the prompt.
18 Not here.

19 MATT SHAPIRO: I'm here.

20 CHAIRPERSON DE LA ROSA: Oh, you're here.
21 Okay. You may begin.

22 MATT SHAPIRO: Can you hear me?

23 CHAIRPERSON DE LA ROSA: Yes, we hear you
24 now. You may begin.

2 MATT SHAPIRO: I agree with most of the
3 testimony against changing 12-126. That is, 12-126
4 guarantees cost-free healthcare up to a reasonable
5 cap and changing that cap so that the MLC and the
6 City can do whatever they want doesn't make any sense
7 if you care about the retirees so, please, don't do
8 that. I have two point that haven't been made. I
9 chucked the rest of my testimony. One is that any
10 Medicare Advantage plan cannot meet the terms of 12-
11 126. They're not cost-free. They may be premium-free,
12 but they're not cost-free, and the proof of that came
13 out after the judicial decision, about a month after,
14 when the Inspector General laid out in his report
15 about all the denials of care that go on in Medicare
16 Advantage programs where Medicare would've approved
17 those procedures. Those denials of care have a cost.
18 Take any procedure that's been denied, a 50,000-
19 dollar surgery, whatever you want to look at, who's
20 going to pay that cost if it's denied? Obviously,
21 it's left up to the retiree to pay for it if the
22 person wants to live so the plan is not cost-free.
23 It's very expensive. If the plan is shoved down our
24 throats as the City intends to do because of the sham
25 Arbitrator, then it's going to be knocked out of

2 court. It can't withstand that challenge. That's one
3 thing. The other thing I wanted to say is...

4 SERGEANT-AT-ARMS: Thank you. Your time
5 has expired.

6 MATT SHAPIRO: Oh, one more point, please.

7 CHAIRPERSON DE LA ROSA: If you could
8 conclude, that would be great. Please do submit your
9 full testimony.

10 MATT SHAPIRO: Quickly, you can resolve
11 this problem if you want to by passing a law or
12 expanding 12-126 to require a supplementary program
13 to Medicare be offered premium-free, co-pay-free,
14 deductibles, in the law, you can legislate it. We
15 don't need judicial decisions anymore if the Council
16 wants to act. The Council can solve this problem.
17 You're in charge.

18 CHAIRPERSON DE LA ROSA: Thank you. We
19 appreciate your comments tonight and your patience as
20 well. Barbara Backer. If you're here, please unmute
21 yourself at the prompt. Not here. Eileen Moran
22 (phonetic).

23 BARBARA BACKER: I am here.

24 CHAIRPERSON DE LA ROSA: Oh, Barbara, Yes,
25 Barbara, you can go ahead.

2 BARBARA BACKER: Hi. Thank you for your
3 perseverance in staying with us. I have written
4 testimony which I have submitted, but most of it has
5 been covered. My name is Barbara Backer. I'm a
6 registered professional nurse. I have professionally
7 practiced nursing in this city for more than 30
8 years, first as a psychiatric nurse clinical
9 specialist at Bellevue Psych Hospital and ending my
10 career as Professor Emeritus of Nursing at Lehman
11 College in the Bronx. I speak in opposition to the
12 proposed Administrative Code changes, and I'm going
13 to make one point which I feel very, very strongly
14 about, and I don't think, it maybe has been mentioned
15 during this hearing, but it is about the relationship
16 between the patient and the healthcare provider.
17 Those of us in mental health know how important this
18 relationship is because the therapy or the cure in
19 many ways depends on the trust between the patient
20 and the provider, and in a Medicare Advantage program
21 if you are moved from pillar to post because you
22 can't get a physician, you don't establish this trust
23 overnight, not just in mental healthcare but are you
24 going to trust the cardiac surgeon and move around in
25 your heart if you don't know who that person is?

2 There are many analogies to make in terms of that
3 development of trust, and that is the core at the
4 point of delivery of healthcare, and I don't believe
5 that is considered in the Medicare Advantage plan as
6 presented here. We can't move people around similar
7 to that of an Amazon assembly line where you are in
8 one distribution center as a package and then you're
9 moved to another because you don't fit the right
10 package size or delineation of what their package can
11 be and then you're moved to another distribution
12 center where there is no recognition of that package
13 at all and you may or not get to your destination but
14 there has been a delay and the package may be damaged
15 and the people at the new center have no idea how to
16 repair.

17 CHAIRPERSON DE LA ROSA: Thank you, Miss
18 Backer.

19 SERGEANT-AT-ARMS: Thank you. Your time
20 has expired.

21 BARBARA BAKKER: Vote no on the amendment
22 change. Thank you.

23 CHAIRPERSON DE LA ROSA: Thank you so much
24 for your patience and for testifying tonight. We have
25 Eileen Moran. If you're on, please unmute yourself at

2 the prompt and begin your testimony. Not here. Marthe
3 Gold. If you're here, at the prompt please unmute
4 yourself and begin your testimony.

5 MARTHE GOLD: Thank you. Can you hear me
6 okay?

7 CHAIRPERSON DE LA ROSA: Yes.

8 MARTHE GOLD: Hi there. Thanks for
9 persevering. My name is Marthe Gold. I'm Professor
10 Emerita of Community Health and Social Medicine at
11 the CUNY School of Medicine at City College. I'm a
12 physician whose career has been in healthcare
13 delivery and as a senior policy advisor in the
14 federal Department of Health and Human Services.
15 Thank you for holding the meeting. I'd like to remind
16 New York City government that Medicare for all is
17 endorsed by a majority of Americans. A recent found
18 that fully 80 percent of Democrats support a public
19 insurance option. Medicare Advantage is all about
20 privatizing medical care. For the City of New York to
21 place its municipal workers in a private for-profit
22 plan is completely out of sync with the desires of
23 the vast majority of the constituency. People will
24 not forget. Relevant to the City's presentation that
25 the federal government will pick up much of the

2 missing 600-million-dollar tab, a December 7th
3 Congressional Budget Office Study reported that the
4 federal government pays Medicare Advantage plans an
5 average of 4 percent more than it would cost the
6 Medicare fee-for-service program to cover a similar
7 beneficiary. The CBO recommends that benchmark
8 payments to U.S. plans be reduced by 10 percent in
9 2025. You have to wonder how Aetna will manage that
10 little program and satisfy its shareholders.
11 Enrolling us in Medicare Advantage is a band-aid
12 solution to extremely long-run cost growth. PSC
13 CUNY's proposals are far more likely to accomplish
14 the ends the City seeks, more cost control while
15 keeping its promise to us. Thank you for not
16 succumbing to the pressures of the union leadership.
17 Thank you.

18 CHAIRPERSON DE LA ROSA: Thank you.
19 Michael Antwerp. If you could unmute yourself at the
20 prompt, that would be great, and you can start your
21 testimony.

22 MICHAEL ANTWERP: Hello. Can you hear me?

23 CHAIRPERSON DE LA ROSA: I hear you.

24 MICHAEL ANTWERP: Thank you. Thank you so
25 much, Miss De La Rosa. My name is Michael Antwerp,

2 and I'm married to a City public retiree and receive
3 my healthcare plan through her.

4 Number one, Martin Scheinman's
5 participation in this situation was not an
6 arbitration and has no legal jurisdiction whatsoever
7 as confirmed by Michael Mulgrew, Randy Weingarten,
8 and several attorneys.

9 Number two, New York State Supreme Court
10 and the Appellate Court ruled that retirees should
11 not pay for their current supplemental plan premium
12 which costs only 6/10 of 1 percent of the City
13 operational budget. It's an extremely cost-effective
14 yet powerful benefit.

15 Number three, viable solutions as
16 recommended by the PSC, healthcare economist Barbara
17 Caress, and measures like self-insurance, welfare
18 fund consolidation, and placing all unions into the
19 same drug plan can save the City at least 500 million
20 dollars a year. MAPs should never be an option.

21 Number four, MAPS deny and delay
22 treatment, which puts patients at risk, resulting in
23 increased illness and even death, unlike traditional
24 Medicare. Don't allow the Mayor and the MLC and
25

2 Michael Mulgrew to subject retirees to this heinous
3 stressful risk.

4 Number five, retirees took lower-paying
5 jobs, giving their labor, health, and in some cases
6 even their lives. This is a slap in the face to 9/11
7 responders, their spouses, partners, widows, and
8 widowers who rely on a solid healthcare at this point
9 in their lives. A MAP will not deliver that.

10 Finally, number six, hundreds of
11 thousands of retirees have small pensions like
12 35,000, 25,000, 15,000. They are women and people of
13 color and cannot afford 200 dollars a month plus co-
14 pay to keep themselves safe in traditional Medicare.
15 The City Council is one of the last bastions of
16 protections. Retirees built the City, maintained it,
17 protected it, made it function properly and on time,
18 and were the backbone of making New York City one of
19 the greatest destinations in the world. Let us not
20 forget them and their critical contributions in their
21 time of need now. Remember, that this will also be
22 your legacy as a City Council, and it will have far-
23 reaching consequences for elections and civil
24 servants in this cohort and for generations to come.

2 I beseech all of you to please leave 12-126 alone. Do
3 the right thing. Thank you.

4 CHAIRPERSON DE LA ROSA: Thank you so much
5 for your testimony. Jane Buchannan, if you're on. Go
6 ahead.

7 MICHAEL ANTWERP: Okay, by Michelle Otis.

8 CHAIRPERSON DE LA ROSA: Okay, Mr.
9 Antwerp, do you think that it would be appropriate to
10 submit the testimony instead of reading it out loud?
11 We're on hour 11.

12 MICHAEL ANTWERP: They were submitted, but
13 I was asked by the two people who could not attend to
14 have it read for them.

15 CHAIRPERSON DE LA ROSA: Okay, I'm asking
16 you to consider just submitting because we're on hour
17 11, and we still have a few more folks signed up. Is
18 that okay or do you want to proceed.

19 MICHAEL ANTWERP: Well, I would like to
20 proceed. I have to say their testimonies are very
21 short.

22 CHAIRPERSON DE LA ROSA: Okay. Go ahead.

23 MICHAEL ANTWERP: From Jerry Mastriano. I
24 know the Mayor is pressuring the City Council to
25 amend Code 12-126. This would allow the City to

2 provide a cheaper and grossly inferior Medicare
3 Advantage healthcare plan to retirees and pave the
4 way to eventually force inferior plan on the in-
5 service workers. As a retiree myself, I selected an
6 Emblem HIP Medicare Advantage plan for my first year
7 of Medicare coverage, and it nearly killed me with
8 the insurance company's denying and delaying of my
9 diagnostics. The insurance company even attempted to
10 delay my urgent heart surgery. I thought I'd have to
11 choose between being on the hook for half a million
12 dollars for the procedure that wasn't covered or else
13 die waiting for the insurance company to decide to
14 pre-authorize it. In my desperation, I was actually
15 considering going to the ER, hoping they would
16 perform the surgery as an ER procedure, which would
17 then have to be covered by the Medicare Advantage
18 plan. All this aggravation did my heart condition no
19 good. I'm lucky I survived Medicare Advantage. The
20 costly bad decisions of the NYC Central Labor Council
21 should not be paid for by vulnerable New York City
22 retirees. Please vote no to any Administrative Code
23 amendments that would breach the hard-fought-for
24 collective bargaining agreements that protect City
25 workers' healthcare and for in-service City worker

2 and for New York City retirees. Thank you. Signed,
3 Jerry Mastriano.

4 The last one is from Tracy Abon-Ford who
5 could not be here tonight, and she writes, I have
6 been a school social worker with the New York City
7 DOE for 24 years, and I'm at work right now. I was
8 working at PS 142 in Lower Manhattan on September 11,
9 2001. In the months after as part of my job, I walked
10 to daycare centers just blocks from ground zero. I
11 passed the smoldering remains of the World Trade
12 Center. The smell of death lingered for months in PS
13 142. I continued to work at 142 in the years
14 following 9/11, and I was diagnosed with upper
15 respiratory disease and chronic rhinosinusitis. My
16 conditions are chronic, and I will need the same
17 specialized Medicare treatment I receive now when I
18 retire in five years. Any Medicare Advantage plan
19 will deny the treatments that I need. I receive all
20 treatment from NYU Langone which does not accept
21 Medicare Advantage plans. The respiratory disease and
22 chronic rhinosinusitis is a direct result...

23 SERGEANT-AT-ARMS: Thank you. Your time
24 has expired.

25 MICHAEL ANTWERP: Thank you.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much. Jane Buchannan, if you're on, at the prompt,
4 please unmute yourself.

5 We hear you. You can go ahead.

6 JANE BUCHANNAN: (INAUDIBLE) in City
7 Council District 3, Erik Bottcher is my City Council
8 Member. I am not a New York City employee or retiree,
9 but I have many friends and neighbors who are. I am
10 here to support them in their efforts to protect the
11 Senior Care health insurance plan. Senior Care, full
12 Senior Care including Medigap coverage payment, was
13 guaranteed, and that guarantee, that promise, must be
14 honored. Please put your efforts into working
15 together to come up with alternate ways to solve the
16 probably of rising healthcare costs. Though I'm not a
17 City employee, I am a proud union member in another
18 sector of the economy. I am very concerned to see
19 union leaders promoting Advantage plans to their
20 members instead of valuing Medicare, original,
21 traditional Medicare. It's my understanding that a
22 number of City Council Members have come out to
23 oppose this amendment to the Administrative Code. I
24 urge Council Members to join together in opposition.

2 I urge you to vote down this amendment. Thank you for
3 your attention. Good night.

4 CHAIRPERSON DE LA ROSA: Thank you so much
5 for your testimony.

6 I will read out the following names. If
7 you are online, please indicate so. Lupe Hernandez
8 (phonetic), Donna Sentorino (phonetic), Elga Jaffe
9 (phonetic), Robert Rosenbaum (phonetic), Robert
10 Schzwartzhoky (phonetic), Andrew McLaughlin
11 (phonetic), Susan Ortega, Professor Irving Robbins
12 (phonetic), Sandra Kaplan (phonetic), Ralph Paladino
13 (phonetic), Nick Siragusa, Sr. (phonetic), Valerie
14 Marie Glasgow (phonetic), Pulikeezhu Thomas, James
15 Eterno (phonetic), Phyllis Hoffman (phonetic), Mark
16 Trapufka (phonetic), Christopher Balchin (phonetic),
17 Karen Bracco (phonetic), Doreen DiLeandro (phonetic),
18 Margaret Cohen, Lolly McKeever (phonetic), Tanisha
19 Grant (phonetic), Peter Bronson (phonetic), Kevin
20 Kutten (phonetic), Sandra Kaplan (phonetic), Evalee
21 Bard (phonetic), Jules Hirsch (phonetic), Peter Allen
22 Lamphrey (phonetic), Leonardo DePaletta (phonetic),
23 Steven Klein (phonetic), Elein Bistreser (phonetic),
24 Gary Barnett (phonetic), Patricia Luce (phonetic),
25 Marianne Stuart Titus (phonetic), James Bonano

2 (phonetic), Annie Freedman (phonetic), Alex Stein
3 (phonetic), Thomas Skottle (phonetic), Genesis
4 Cordero (phonetic), Cecelia Braxton (phonetic),
5 Marsha Newfeld (phonetic), Bobby Zimmerman, Harold
6 Delancy (phonetic), Sherry Lopez.

7 There are two other folks here. Leslie
8 Williams, if you're on, please unmute yourself. You
9 may begin your testimony.

10 LESLIE WILLIAMS: Hi. Good evening. Thank
11 you for hanging in there, Miss De La Rosa. Thank you
12 so much. I'm a CUNY retiree. I retired in 2016, and,
13 when I joined CUNY, I joined CUNY with the
14 understanding that I would be getting a lower salary
15 but also great benefits when I retired. If I went to
16 the private sector, I could've made a lot of money,
17 but I decided to stay with CUNY, and I lasted through
18 17 or 18 years when I retired. People who retire
19 should be continued with their benefits that they
20 signed up for, that they were eligible for, that they
21 put in their time for, and there are many people who
22 have lower salaries, lower pensions, who really are
23 being discriminated against by not being continued in
24 this plan. Also, long-term, new employees who come
25 into CUNY or to the City should be mindful that they

2 may not have a pension or health benefits when they
3 retire, and I fully endorse PSC CUNY's plan. Thank
4 you.

5 CHAIRPERSON DE LA ROSA: Thank you, Mr.
6 Williams, for your insights. Gary Barnett, if you're
7 on, at the prompt, you can unmute yourself and begin
8 your testimony.

9 GARY BARNETT: Okay, wait a minute, okay,
10 now. Hello.

11 CHAIRPERSON DE LA ROSA: We hear you. You
12 can start. We hear you.

13 GARY BARNETT: Okay. My name is Gary
14 Barnett, and I am a retired spouse of a Department of
15 Education employee. Who amongst the rank and file and
16 their dependents even knew of the important
17 protection Administrative Code 12-126 provided when
18 we were blindsided in July 2021 by the proclamation
19 that our health insurance would be switched from
20 traditional Medicare Senior Care to a Medicare
21 Advantage plan as of January 1, 2022. On top of the
22 absurdity of even thinking of switching 250,000
23 retirees in a timeframe of less than six months was
24 the fact that the vehicle for announcing the new plan
25 was merely an entry in the Office of Labor Relations'

2 website on or about July 14, 2021, with no direct
3 communication to rank-and-file members and no legally
4 required public hearing. It took a successful lawsuit
5 and appeal lawsuit to shed light on what I suspect
6 was known all along by the MLC and the New York City
7 Office of Labor Relations, that they had acted
8 illegally and that in order to put in place the
9 money-saving and inferior-quality Medicare Advantage
10 plan alluded to in the (INAUDIBLE) agreements of 2014
11 and 2008, Administrative Code 12-126 had to be
12 amended. It would appear that the MLC and the City
13 knew that amending the Code would be a heavy lift
14 which is why they introduced the Medicare Advantage
15 plan clandestinely, not anticipating there would be
16 much pushback and certainly not a lawsuit. The new
17 plan, known as Alliance, was portrayed as "better
18 than traditional Medicare" that it was "custom-
19 designed Medicare plus plan" that would allow a
20 retiree to see any doctor, provider, or specialist
21 who participates in Medicare, which of course turned
22 out to be false along with other information about
23 prior authorizations and a convoluted system of
24 paying for a procedure...

2 SERGEANT-AT-ARMS: Thank you. Your time
3 has expired.

4 GARY BARNETT: What? Can I just read
5 another? All right. Let me read my final statement
6 here. As the retired spouse of a retiree, I'm very
7 grateful for the past negotiations between the MLC
8 and the City ensured that ensured I would never have
9 the stress of mountains of paperwork and fighting
10 with health providers, but in attempting to switch
11 retirees to a Medicare Advantage plan the MLC and
12 City sadly acted irresponsibly and illegally. It's
13 incumbent on the Council to protect the rights of
14 those affected by the City and MLC's actions. Not
15 only would it set a dangerous precedent to enable
16 illegality by changing the rules to accommodate such
17 actions, but changing Administrative Code 12-126 at
18 this time will set the stage for a potential future
19 diminution of benefits such as Medicare Part B
20 reimbursement (INAUDIBLE) less expensive benchmark
21 (INAUDIBLE) certain classes of individuals among
22 other unknown and unforeseen consequences so I
23 implore you to vote no to amending the Administrative
24 Code 12-126. Thank you.

2 CHAIRPERSON DE LA ROSA: Thank you so
3 much. With Mr. Barnett's testimony, we are officially
4 concluded with the testimony here.

5 I want to take the opportunity to thank
6 Speaker Adams for her leadership in allowing us to
7 bring this conversation forward, Deputy Speaker Ayala
8 for hanging in there with me, all of my Colleagues
9 really who have really come here with the intention
10 to listen, and all of the Staff, Sergeant-at-Arms,
11 Committee Staff, and all the Council Staff that's
12 here at this late hour. We're just short of 12 hours
13 on this hearing. We set out to do what the intent
14 was, to lay the table for all opinions to be heard in
15 a fair fashion and for us to get the answers to the
16 questions as the Council continues to deliberate on
17 this very important matter.

18 I want to thank all of the retirees, the
19 actives, the union leaders, and all of our
20 constituents who have come out today to express their
21 opinions, their concerns, and their serious issues
22 with the amendment before us and with the healthcare
23 issues overall. Thank you so much.

24

25

2 I want to remind folks that you can
3 submit testimony up to 72 hours after the conclusion
4 of today's hearing at testimony@council.nyc.gov.

5 Thank you all. The hearing is adjourned.

6 [GAVEL]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date January 16, 2023