



Legislation Text

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Int. No. 1099

By Council Members Barron, Vernikov, Schulman, Lee, Avilés, Hanif, Richardson Jordan, Marte, Krishnan, Holden, Bottcher, Cabán, Brewer, Brannan, Yeger, Ariola, Paladino and Kagan

A Local Law to amend the administrative code of the city of New York, in relation to protecting the health care choice of retired employees of the city of New York

Be it enacted by the Council as follows:

Section 1. Declaration of legislative findings and intent. The Council hereby finds and declares that it is critical to protect the health care choice of city retirees in order to ensure full access to health care and to minimize the need for emergency room and Medicaid expenditures. The Council also recognizes that city retirees earned and paid for their benefits and were made promises during their employment.

The Council recognizes that the protections provided in section 12-126 of the administrative code of the city of New York have repeatedly come under attack by different city administrations.

The Council also recognizes that retirees loyally served the City with the promise of specific health care benefits in retirement. In addition, the Council recognizes that a material change in those health care benefits may prevent retirees from seeking medical care because of financial hardship.

Further, the Council finds that:

The City has offered retirees and their dependents several choices of health insurance plans to supplement their Medicare policies;

Some of these plans for retirees and their dependents serve as “Medigap” policies, in that they pay for 20 percent of the cost of a medical appointment or service after Medicare pays for its statutorily-required 80 percent. A retiree is then able to see any health care provider throughout the United States (including its

possessions and territories), as long as the provider accepts Medicare. More than 95 percent of health care providers throughout the United States accept Medicare. Medigap policies entrust medical decisions to the physician or other health care provider of retirees;

However, some public employers have implemented or have proposed implementing new modalities of health insurance for retirees, including Medicare Advantage Plans;

These plans have been found to reduce retirees' access to necessary medical care - due to protracted pre-authorization procedures - and frequently have forced them to stop using their long-time health care providers, if the providers did not choose to become part of these plans; and

Accordingly, City retirees may delay their care or increasingly rely on urgent care and/or emergency room use and/or Medicaid. This puts their health at increased risk and results in increased costs to the City.

§ 2. Section 12-126 of the administrative code of the city of New York is amended by adding a new subdivision e to read as follows:

e. In order to preserve retiree health care choice, the city shall offer Medicare-eligible city retirees and their Medicare-eligible dependents at least one Medigap plan with benefits equivalent to or better than those available to city retirees and their dependents as of December 31, 2021. Nothing in this subdivision shall be construed to impair the ability of any employee organization to negotiate the terms and conditions of employment for their employee members.

§ 3. This local law takes effect immediately.

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