

New York City retirees fight Democrat-union conspiracy to privatize health care

Steve Light, Sandy English
23 January 2023

Last week, New York City’s Democrat-dominated City Council declined to vote on a measure that would have allowed the city to charge fees to city retirees for health care insurance, a measure being pushed by the right-wing administration of Democratic Mayor Eric Adams and representatives of the city unions on the Municipal Labor Committee (MLC).

The vote would have potentially revised Administrative Code Section 12–126, under which the over 250,000 retired educators, firefighters, social service, sanitation and other city employees have enjoyed a premium-free plan that covers 20 percent of medical costs since 1967. The program is today called Senior Care.

The city-MLC partnership—more appropriately called a conspiracy—proposed the bill after failing to establish a plan to transfer city retirees to a federally funded, privately administered Medicare Advantage plan in the face of suits brought by the New York City Organization of Public Service Retirees (NYCOoPSR). The lawsuits resulted in decisions in both lower and appeals courts that required the city to honor the administrative code.

A change in the code by the City Council would have allowed the city to impose a monthly fee of \$191 for Senior Care. Many retirees cannot afford extra insurance costs when they already must choose between rent, food and medicine, especially retirees from lower-paid occupations such as education paraprofessionals.

The imposition of a premium would force thousands of retirees to switch to the Medicare Advantage plan, which would not charge a premium initially but could limit retirees’ choice of physicians and medical procedures, including costly treatments for conditions associated with aging. These features are designed to ensure a profit to the private companies that run Medicare Advantage plan.

The MLC wants to move retirees onto Medicare Advantage to fulfill its obligation to find \$600 million in savings for the city in health care in 2021 and in “every

fiscal year thereafter,” under a 2018 contractual agreement. That cost cutting is part of a pattern the union formalized in contracts with the city in 2014 and 2018 to pay for wage increases from health care plan savings, which by 2021 had already “saved” \$4.5 billion in health care costs.

The City Council, which is overwhelmingly Democratic and includes many supporters of Mayor Adams, made a tactical retreat in the face of massive opposition to the plan. On January 9, over 200 retirees testified to the council condemning the plan, while hundreds more outside the chambers demanded to be let in. Medicare Advantage is also broadly opposed by in-service city workers.

Adams has previously said he will unilaterally act to change retirees’ health care structure. This will undoubtedly initiate legal action by retirees’ organizations once again.

But this is not the end of the matter, and absolutely no confidence can be placed in the city council or the capitalist courts to protect workers’ right to decent health care. The demands for austerity are a part of a political and economic program of both Democrats and Republicans. According to the pro-business Citizens Budget Commission, health care costs will rise for the city about 8.5 percent in the next three years. One way or another, the Democratic Party intends to implement austerity on a national scale and particularly in New York City, which holds over \$100 billion in debt.

Already, the Adams administration has implemented cuts to education and initiated a hiring freeze for thousands of empty city positions. In November, it cut millions of dollars from the education budget, including laying off over 400 early childhood educators and shutting down whole school programs. On January 12, Adams announced another \$800 million in cuts to the Department of Education (DOE) budget for next year on

top of the \$375 million budget cut made over the summer. Attacks on all city services, such as hospitals and transportation, will now go forward.

The most significant aspect of the cuts to health care for retirees is the unrelenting push by the trade unions. It expresses the complete departure of these organizations from any attempt to defend the basic rights of their members. The most vocal advocate for the changes is the head of one of the largest city unions, United Federation of Teachers (UFT) President Michael Mulgrew.

Much of the retirees' ire has been understandably directed at Mulgrew's "big lie" tactics. The UFT, for example, emailed retirees when the bill to amend the city administrative code was introduced January 4 telling them that "the proposed amendment does not alter any of the protections to our health care," when, in fact, the whole purpose of the amendment is to dramatically downgrade retiree health care.

Mulgrew has also tried to pit current workers against retirees by repeating misinformation in an October 29 letter to active employees from the City Office of Labor Relations. The union warned, "If the unions don't go along with [the Medicare Advantage plan], the city has threatened to charge annual health care premiums of roughly \$1,500 [annually] for all in service municipal workers," along with the almost \$5,000 annual premium on Senior Care.

During the pandemic, the UFT facilitated the city's delayed closure of schools in 2020, then the unsafe reopening of schools in 2021, and then enforced the subsequent dismantling of mitigation measures. All of this resulted in unnecessary deaths and chronic Long COVID among educators, students, and their family members. It ensured the spread of the virus throughout the city, with schools one of the main vectors of viral transmission. Under the false "living with COVID" policies concocted by the Biden administration and implemented by unions nationwide, retirees were effectively culled from the population as a category that does not produce profits for the super-rich.

The support by Mulgrew, the UFT and the MLC for implementing Medicare Advantage, just like their role during the pandemic, is a poignant example of the integration of the trade unions into the capitalist state, which is in turn controlled by the corporations.

There can be no effective opposition to the attacks on retiree health care that fails to confront this alliance. The pseudo-left opposition in the unions, such as the Movement of Rank-and-File Educators caucus in the UFT

politically dominated by the Democratic Socialists of America (DSA), hold rallies that make demands on those who are responsible for the attacks—the Democratic Party and the unions.

City workers, active and retired, must fight the Democratic Party, which is now focused on promoting American imperialism's conquest of Eurasia by war with Russia and soon with China. Every social right of the working class will be sacrificed to supply weaponry and military aid to the war in Ukraine.

The unions are not only budget cutters but front-rank advocates of the war plans of the American ruling class. In October, American Federation of Teachers President Randi Weingarten traveled to Poland and Ukraine on a war propaganda tour, meeting with far-right nationalists.

The force that can defend and extend the right to health care and a secure retirement is the working class itself. New York City has seen an increasing number of strikes in the last two years that are part of the nationally and globally rising class struggle—at the Hunts Point Market, Columbia University and NYU graduate workers, part-time faculty at The New School, Harper Collins Publishing workers and most significantly the strike of 7,000 nurses at Mount Sinai and Montefiore hospitals this month. These are part of the transformation of mass social anger into a growing struggle of the working class internationally, such as in France against President Macron's move to raise the minimum age for a full pension by two years.

In August 2021, New York educators, including retirees, organized the Educators Rank-and-File Safety Committee to take back the power from the union apparatus, develop a movement in the working class independent from the two-party political structure controlled by the ruling class and create a network that will unite in action all sectors of the workforce and begin from what workers need, not what the capitalists say they can afford.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact