

New York City municipal unions impose privatized health care on retirees

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Last Thursday, New York City's Municipal Labor Committee (MLC), an association of 102 city workers unions, voted to force 250,000 retirees onto a private health care plan known as Medicare Advantage, managed by the health insurance behemoth, Aetna.

While several smaller unions abstained or voted against the measure, the two largest unions who control most of the votes, the United Federation of Teachers (UFT) and AFSCME District 37 (DC37), who cover tens of thousands of Emergency Medical Service workers, office workers, medical workers, school workers and others, voted to impose it over mass opposition.

Medicare Advantage is widely regarded as inferior to the existing premium-free SeniorCare. Critics note that Aetna and other private insurance carriers will require more prior authorizations than SeniorCare for some medical procedures and prescriptions that may delay, or even prevent, medically necessary care. Many doctors do not accept Medicare Advantage, and some specialists have noted that the most extensive medical care, normally required in the last years of life, will come under scrutiny from Aetna.

This means that retirees will no longer have a choice between SeniorCare and Medicare Advantage. The Aetna Medicare Advantage Plan will take effect September 1, 2023. The prescription drug plan, which is still being negotiated, starts January 1, 2024.

The switchover has been widely opposed by retirees. Initially, the city and unions threatened to charge a premium for SeniorCare, which would have forced retirees on to Medicare Advantage. But retiree organizations took the city to court on the grounds that it violated a city law that ensured city retirees health care without premiums.

The previous New York mayoral administration of Democrats Bill de Blasio, as well as the current one under Eric Adams, has attempted to implement the plan, which the federal government will fund to the tune of \$600 million.

According to the *Gothamist*, "Aetna won't require prior authorization for any medical services for the first 120 days after coverage begins. After that, some types of care will

require prior approval—but it will only apply to about 20% of the services Aetna typically subjects to this type of scrutiny. Services that will need prior authorization include hospital inpatient care, physical therapy, long-term nursing care and some specialty medications—with exceptions for emergency or urgently needed care."

New York's Democratic Mayor Adams said, "We also heard the concerns of retirees and worked to significantly limit the number of procedures subject to prior authorization under this plan. ... In the coming days, we will communicate with all city retirees to provide details and next steps for the plan. ... This Medicare Advantage Plan is in the best interests of retirees and taxpayers."

Michael Mulgrew, the UFT president and vice chair of the MLC, said, "Aetna's much-improved Medicare Advantage proposal, with new guarantees about prior authorization of services and enhanced other benefits, has been approved overwhelmingly by the Municipal Labor Committee."

Retirees and city workers generally know they are being swindled. At a protest in front of City Hall in Lower Manhattan on Thursday, retirees expressed their determination to fight the MLC's decision. All over social media both in-service and retired city workers have registered their disgust at the MLC's actions. Some spoke of the stress the decision has given them. Others called it the battle of their lives.

One teacher on Twitter noted: "All retired teachers should have the choice to be on [traditional] Medicare. Today NYC Teacher's union—@UFT took that choice away from retirees by forcing them into a for profit, privatized Medicare Advantage plan, against their wills ..."

Another said, "Up next, is our pension plans. If y'all ain't wakin' up by now, you'll get yer wake-up notice when the default notice on your pensionable retirement payments comes in the mail..."

A retired worker told his colleagues on Facebook, "I have been telling working members not to vote on the new contract it's a bad deal for them and for us." Another retired worker on Facebook put it succinctly: "They sold us down

the river.”

The vote exposes the whole process of the transformation of the trade union bureaucracy over the past 40 years. The city unions now intercede, self-righteously and energetically, to degrade the health care of retirees to save the city’s finances—finances which are determined entirely by the needs of the superrich, who infest the city.

The attack on the oldest workers’ health care—essentially allowing them to die earlier—is only a continuation of the role the UFT and other city unions have played during the pandemic: to open schools and workplaces, to shun all COVID-19 mitigation, from social distancing to testing to masking and allow the deadly virus to spread.

Seventy-seven percent of the 76,825 people who have died in three years in New York state are 65 and older. The result has been the “social murder” of a significant portion of the “excess” population that no longer produces surplus value for the ruling class. The union bureaucracies have played a significant role in this death toll by helping to enforce the premature reopening of schools and workplaces.

As one retired educator told the WWSWS about the implementation of Medicare Advantage, “I’m feeling like I won’t even survive 65. I was told by a dear friend if your birth year begins with 19 we are obsolete. We are worthless, expendable.”

The Medicare Advantage swindle is occurring simultaneously with the preparation of a sellout contract for in-service city workers: DC37 has now signed a tentative agreement with the Adams administration for 3 percent raises over five years, amounting to a pay cut, given the current 6.5 percent rate of inflation. Other city unions, including the UFT, are bound to follow course given the pattern bargaining these unions follow.

UFT President Mulgrew has done nothing to dissuade the impression that a below-inflation “raise” is coming. Negotiations are held in secret and, as with the promised billion-dollar health care savings for the city, which the UFT announced at the time of the 2018 contract—now taking the form of Medicare Advantage implementation—the unions will hide the full implications of what they have agreed to until it is too late.

Attempts to reverse Medicare Advantage by appealing to the Democratic-controlled city council and actions in court have amounted to nothing. And no appeal to the union bureaucracies is possible. At a recent UFT union delegates meeting, Mulgrew declared that retirees have no right to vote on their health care.

These are critical experiences for workers, both retired and in-service, throughout the city—and indeed internationally—and it is time to draw a balance sheet: The union bureaucrats, the Democratic Party and the health

insurance companies are imposing privatized health care over and against the opposition of workers themselves. They will now seek to implement a concession contract with real wage losses.

The inescapable conclusion is that any action that can substantially change the situation requires new, worker-run rank-and-file organizations, free of the layer of paid union officials and their hangers-on, and just as importantly, free of the influence of Democratic Party politicians.

Workers themselves must organize a united struggle independently of the apparatus in the DC37, the UFT and all the other unions in the MLC. These organizations must elaborate a strategy that is based on the needs of workers, not what the capitalist government says it can afford. These committees must prepare citywide industrial action to stop the Medicare Advantage plan in its tracks, to ensure substantial raises for in-service workers and to re-implement all COVID-19 mitigations.

Workers are building rank-and-file committees all around the world as a part of the International Workers Alliance of Rank-and-File Committees (IWA-RFC). The Rank-and-File Committee at Dana auto parts is now playing a leading role in exposing the mass firings of workers at plants across the United States. It is reaching out to workers at other auto companies to develop a common struggle to defend jobs and living standards. New York City workers must take inspiration from this and follow suit.

The Northeast Educators Rank-and File Safety Committee has issued a statement, “Six months without a contract. Educators must take the struggle into their own hands” that gives a lead to the development of these committees.

Workers in New York City are strongly encouraged to come to the Northeast Educators Rank-and-File Safety Committee meeting on Saturday, March 25, at 2:00 PM ET to discuss the way forward.



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