

Tentative agreement for New York City transit workers attacks retiree health care

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Are you an MTA worker? Tell us what you think about the deal. All submissions will remain anonymous.

Transport Workers Union (TWU) Local 100 in New York City is trying to portray a new agreement for 38,000 subway and bus workers as a significant victory. But the sellout deal includes below-inflation raises and forces workers into taking fewer days off. The most glaring element in the bureaucracy's misinformation campaign is the cover-up of attacks on retiree health care coverage in the agreement.

The TWU met the key cost-saving demand of the Metropolitan Transportation Authority (MTA) on retiree health care, eliminating the current option for retirees to receive a plan supplementing traditional government-sponsored Medicare. Instead, all Medicare-eligible retirees will be forced onto Medicare Advantage plans, which are known to deny patients life-saving coverage and engage in fraud.

The move by the union and transit agency is part of a broader effort to shift health care for seniors onto private Medicare Advantage providers. On Friday, New York City Mayor Eric Adams pushed through Medicare Advantage plans for municipal retirees, overriding the City Comptroller's decision not to certify the change on account of "extensive allegations of fraud, abuse, over-billing, and denials of medically necessary care at 9 of the top 10 Medicare Advantage plans." Included in these allegations is Aetna, which provides coverage to MTA and municipal workers. The city unions approved this change in March without so much as a membership vote, allowing Adams to cut \$600 million annually in health care costs at the expense of workers.

Many New York City transit workers have expressed deep concern over the deal. "In 43 years I've never seen the TWU sell out the retirees on health benefits like

they are doing now," one transit worker explained to the WSWs.

The TWU reacted to rank-and-file anger over the retiree health care attacks by launching a disinformation campaign. A two-page supplement to the contract "highlights" makes the false claim that "Unlike other unions, we have bucked the downward spiral of care for our Medicare Eligible retirees."

The Memorandum of Understanding itself, under the heading "TWU enhanced retiree medical coverage," states, "Commencing with open enrollment for the plan year beginning January 1, 2024, Medicare eligible Retirees will be entitled to enroll in either of two Enhanced Retiree Benefits Coverage... The parties agree that the Plan of Benefits will not be a diminishment of benefits for Medicare eligible retirees."

But if the retiree benefits are really enhanced, then why would they have to agree that they will not be diminished? What this section deliberately omits is that, up to now, retirees had three options, not just two. The default Medicare supplement plan has been quietly deleted as an option. The only options now available are the Aetna Advantage Plans, which profit off denying medical coverage for treatments that would be approved under Medicare alone.

An analysis by Kaiser Family Foundation found, "Medicare Advantage plans denied two million prior authorization requests for health care services in whole or in part in 2021, or about six percent of the 35 million requests submitted on behalf of enrollees that year." Under traditional Medicare, prior authorizations are not required under most circumstances.

The U.S. Department of Health and Human Services Office of Inspector General issued in April 2022 which found that Medicare Advantage Organizations denied 13 percent of the medical procedures that Medicare

would have approved. In addition, a 2021 survey by the American Medical Association found that thirty-four percent of all physicians reported that roadblocks created by Medicare Advantage to medical care led to patient suffering impairment, disability, or death.

For transit workers, this health care issue needs to be understood in the context of the whole tentative agreement, especially the section titled “Availability/Gainshare.” Under this provision, the union agreed that workers would be on the job for at least five more days each year. The union, functioning as part of management, may receive a payoff, split 50-50 with the MTA if availability increases beyond five days.

This agreement is part of the budget agreement that the MTA reached with the Democratic Governor Kathy Hochul, which required the transit agency to save \$400 million from employee availability and productivity improvements. These health care attacks and productivity demands are taking place under conditions where the COVID-19 pandemic continues to kill and cause serious disabilities, such as brain fog caused by brain cell fusion, according to a recent scientific study.

TWU Local 100 enthusiastically supported Hochul in her recent election campaign. The role of the union bureaucracy is not to represent the membership but rather the corporate-controlled system against the workers. The TWU’s promotion of Medicare Advantage plans that profit off of denying seniors care is bound up with their integration into the Democratic Party and the profit interests they serve.

Transit workers must begin a counteroffensive to fight for their own interests. A “No” vote on the tentative agreement is a critical first step. However, on its own, it is not enough. The TWU bureaucrats have no intention of going back to the negotiating table to get a better deal for the workers because the union is in bed with management. We urge transit workers to organize rank-and-file committees independent of the union bureaucracy in order to mount a real struggle.

In contrast to the TWU’s appeals to the Democratic Party, which along with the Republicans, represent the interests of big business, rank-and-file committees must orient towards the working class to organize a common struggle. This includes appeals to New York City educators in the United Federation of Teachers, which just announced a sellout deal of their own with three

percent wage increases, and other municipal workers whose health care in retirement is similarly under attack.



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