

Without membership vote, New York City government unions approve massive healthcare cuts

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New York City unions have approved a hugely unpopular change in the healthcare coverage of its hundreds of thousands of members. The change is for all unionized city employees covered by the Municipal Labor Committee (MLC), a coalition comprised of 102 municipal employee unions. The United Federation of Teachers (UFT) is the second largest union of city employees, with 200,000 members including non-city employees; UFT president Michael Mulgrew plays a central role in the MLC.

Rank-and-file workers did not even have the chance to vote. The deal was passed initially by the UFT delegate assembly by a 78 percent margin last Monday. It then passed Tuesday by 88 percent in the MLC Assembly. Neither meeting was open to the general membership.

No one, including, the UFT's delegate assembly, has seen the full contract. The "proprietary" nature of information for the contract is the reason the bureaucrats have given for not distributing the entire document to the delegate assembly, let alone the union membership.

The proposed New York City Employees Preferred Provider Organization (NYCEPPO) plan makes sweeping changes to the medical coverage of these employees, in addition to hundreds of thousands more of their dependents and spouses. It is slated to save the city over \$1 billion and will take effect on January 1, 2026.

The NYCEPPO plan is to be administered jointly by a merger into a single network of the previous EmblemHealth plan with hospitals covered nationally by UnitedHealthcare.

UnitedHealthcare has a high rate, 33 percent, of using required pre-authorization to deny treatments prescribed by patients' doctors. The MLC claims that UnitedHealthcare agreed to cut its list of pre-authorized procedures by 50 percent, but critics say they have not

been able to see the list of procedures that do require pre-authorization and that this does not, in any case, change the rate of denials.

The issue of pre-authorization carries extra concern because it was a center of the retirees' fight against privatization of their health care.

The UFT is doing its best to cover for their betrayal. For example, the union claims there will be no co-pays for most medical services. In fact, this applies only to "in-network preferred" providers. Likewise, Mulgrew claims that there are 1.6 million doctors in the new plan, but there are no more than 1.11 million doctors in the US.

Teachers have pointed out that past negotiations led to reduction of services, including mental health and diabetes management. Additionally, if the city claims after 2026 that the planned savings target was not met, then it can demand new negotiations with the MLC, asking for benefit cuts, higher deductibles or premiums.

The crisis has its roots in a deal made in 2014 by the MLC with then-newly elected mayor Bill DiBlasio to end a wage-freeze imposed by the previous administration of Michael Bloomberg. The deal swapped a wage increase for a billion dollars in healthcare savings for the city government. The actual deal was hidden from the members in the contract language and no information was provided as to how these savings would be made.

This was followed by an attempt to push through \$600 million annually in "cost savings" in the 2018 contract. The UFT and MLC promoted a plan to replace Medicare-based Senior Care health insurance for the 250,000 retired city workers with a private Medicare Advantage plan (MAP). Had it ultimately gone through, the proposal would have destroyed the no-cost care previously established and initiated premium payments.

When implementation of this plan was again attempted

in 2022, retirees and supporters staged protests, conducted online campaigns and filed lawsuits over the course of several years. Mulgrew lost substantial ground among retirees in the union leadership elections of mid-2024, and in 2025, the UFT backpedaled and dropped the MAP, only to refocus its efforts at gutting medical care for city workers.

As the *World Socialist Web Site* noted when Mulgrew abandoned the MAP last year:

The apparent end of this particular plan is no cause for complacency by teachers and other city workers. There can be no doubt that similarly massive austerity measures are being worked out jointly between the MLC and the Adams administration. This is because the orientation of the bureaucracy is determined, not by rank-and-file pressure, but by the needs and demands of US capitalism.

Whether they are run by Democrats or Republicans, city governments across the US are slashing billions from school and municipal budgets. The fate of New York City's government workers' healthcare is bound up with a massive social counterrevolution, spearheaded by the Trump administration, which is using the government shutdown to lay off thousands and seize personal control over the government.

The new cuts to healthcare by the UFT and MLC will add to the tremendous economic burdens facing workers in New York. The city has become one of the most expensive in the world, and by some measures the most unequal in the country, with a population of 123 billionaires and 384,500 millionaires.

The trade union bureaucracy, which is implementing these cuts, is also intervening to suffocate the mass dissent against Trump's operation dictatorship.

Randi Weingarten, the millionaire president of the American Federation of Teachers, proposes no more than to politely appeal to the very system which has propelled Trump to power, even as his mass firings at the Department of Education and other federal agencies threaten the destruction of public education.

At a Detroit stop in her tour for her recently published book *Why Fascists Hate Teachers*, Weingarten reassured audience members, "[i]t never gets to the point where fascism gets here." This remark came just a week after

fascist Trump adviser Stephen Bannon claimed that "a third of the [US] teachers are terrorists," and in the wake of Trump's authorization of the use of force in the deployment of federal troops to Portland, Oregon.

In the past few years, the Democratic Socialists of America (DSA) has been crucial in the rise to power of "reform" bureaucrats to restore credibility to the apparatus. But many of yesterday's reformers, Shawn Fain of the United Auto Workers and Sean O'Brien of the Teamsters, are now openly lining up with Trump. DSA members in the union apparatus not only continue to support these figures, but openly defend their embrace of Trump's "America First" policies.

The DSA's most current efforts have been focused on the campaign of Zohran Mamdani, the current Democratic front-runner for the New York City mayoral elections in 2025. While massive opposition to inequality is what drove his shock win in the Democratic primary, Mamdani's politics are fundamentally oriented toward channeling the massive hostility to the domination of all aspects of social life by Wall Street and big business back into the Democratic Party.

Even Mamdani's policies of modest reforms cannot be carried out without an offensive against the privileges of Wall Street, but Mamdani is doing everything possible to reassure financial interests that he can be trusted. This means, if he is elected, he will carry out even deeper cuts. Significantly, he has made no public comment on the implementation of NYCEPPO.

That is why the rapidly escalating coup by Trump against constitutional rule in the United States has been met with not so much as a single call to action by either the Democratic Party or the union apparatus, because such a movement would inevitably threaten the foundations of capitalism itself, which is no longer compatible with democracy.

Educators who want to mount a real struggle against the attacks on their livelihood and on the democratic rights of the working class should join the Educators Rank-and-File Committee, part of the IWA-RFC, in building a network of teachers and city employees democratically controlled by workers themselves to mobilize this struggle for their class interests.



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