



November 2013 Issue 4
Academic Year 2013-2014

Retirees Newsletter

Professional Staff Congress
Jack Judd, Editor psc-cuny.org/retirees

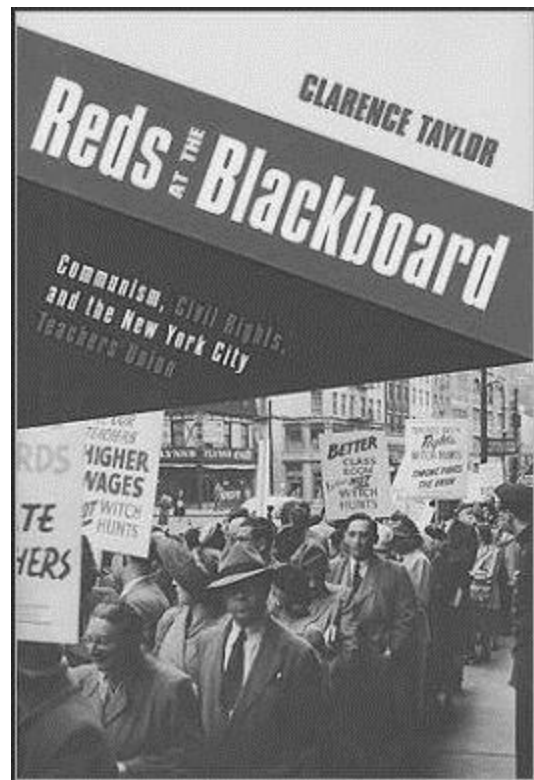
I. THE NEXT MONTHLY MEETING OF THE RETIREES CHAPTER, will be Monday, December 2, 1-3 pm, PSC Union Hall, 16th floor, 61 Broadway.

Our topic will be **The Political Outlook: 2013–14**. This will be a review of the November City Council and mayoral election, and analysis of the issues in the 2014 state and congressional elections. Discussion: How do we mobilize politically in the aftermath of the 2013 elections and in anticipation of the 2014 elections? **Speaker: Ed Ott**, distinguished lecturer at the Murphy Center and former executive director of the NYC Central Labor Council.

The Executive Committee meets at 10:30 AM at the PSC offices, 15th floor. Those interested are welcome to attend.

II. JANUARY LUNCHEON. Along with the Newsletter, you are receiving the [invitation](#) to the Chapter's Winter Luncheon, January 13th at John Jay. Speaker: Professor Clarence Taylor, author of *Reds at the Blackboard: Communism, Civil Rights, and the New York City*

Teachers Union. Send your reservation(s) in today.



III. WELFARE FUND STABLE; PSC WILL PRESS MAYOR ELECT BILL DE BLASIO FOR MORE FUNDING
(Submitted by Joel Berger, Retirees Chapter Vice-Chairman)

Larry Morgan, executive director of the PSC-CUNY Welfare Fund

delivered this clear message to the chapter at its November meeting:

“Your benefits have remained intact, as part of the overall philosophy and strategy of the PSC to assure that retirees are treated the same as active employees. This runs against the trend nationwide, as major corporations are continuing to cut benefits to retirees. The Bloomberg administration is trying to leave as its legacy the evisceration of the basic health insurance programs that you all enjoy.”

Morgan pointed out that the Municipal Labor Committee (MLC) has been steadfast in its resistance to any reductions in healthcare benefits proposed by the outgoing mayor. As a member of the MLC, the PSC advocates to preserve and expand benefits for both in-service members and retirees.

Morgan stated that the PSC-CUNY Welfare Fund is operating now without incurring large deficits. “We were losing substantial money for a long time because adjunct health insurance was underfunded,” he said. The additional appropriation of \$11.5 million from the State for health insurance for eligible adjuncts has eliminated much of the Fund’s deficit. Despite a recent increase of over 10% in Blue Cross premiums, “there is much more money in the program right now and we are operating at a near breakeven level,” according to Morgan.

The Fund has been able to take advantage of Medicare monies that are available under the Affordable Care Act to offset drug costs, thereby saving an additional \$2 million per year. Retirees no longer have a \$50 deductible per year on the drug benefit and are now enrolled (since 1/1/2012) in a special program that protects them and the Fund.

Under this new collaborative program with Medicare, there is no longer an annual limit on drug expenditures for retirees. This used to be \$10,000 for retirees; for active members there still is a \$10,000 limit. Under the new retirees program, when a certain level of annual drug spending is reached, the co-insurance rate actually decreases from 20% to 5%. [A Medicare calculation is employed. The formula is complex, but the co-pay reduction kicks in at about \$9,000.]



The Medicare Part D combined program saves the Fund money, and “allows us to continue offering the

same level of benefits," according to Morgan. The Fund receives \$1,865 per person (and their dependents) per year from CUNY for each retiree. This amount has not changed since the last collective bargaining agreement. The average gross cost of drugs per retiree is currently around \$2,200. Through the collaborative program with Medicare, the net cost is reduced to about \$1,250 per contract.

Challenges to the Fund in 2014 include: 1) How to serve the 120 active employees who had exceeded the drug cap of \$10,000 per year, since it will be lifted in 2014 and 2) How to deal with the dramatic increase in cost and prevalence of specialty medicines.



Following up on Larry Morgan's remarks, Debbie Bell, executive director of the PSC, reminded the chapter that the City's providing of health insurance predates collective bargaining for city employees. Mayor Bloomberg "will leave office without having removed free health insurance for families as an option. It was not looking like that would happen a few years ago," she said.

The programs that the City offers active and retired workers are very cost effective. However, the HIP and GHI insurance policies, where there are no premium costs to the individual, could see changes depending on what happens in negotiations between unions and the City.

Any changes to health care benefits must be negotiated by City and the MLC. That body was established more than 50 years ago, and consists of nearly 100 different unions representing 300,000 workers.

Even with a new de Blasio administration coming in, Bell said "it is likely that we will face some proposals to change the health insurance offerings."

Bloomberg's plan was to have workers and retirees pay a portion of their health insurance premium, fill out forms about their smoking habits, have their body-mass indexes calculated, and attest to their practice of healthy behavior. Fulfilling all of these requirements could result in a lower premium under the health care plan Mayor Bloomberg envisioned.

"The unions said that's not the way to provide health insurance for city workers who have for decades agreed to less than the national average in wage increases so they could have decent health insurance that covered their families and reasonable retirement programs."

The unions were successful in beating back Bloomberg's proposals by going to court, and obtaining a restraining order against them. "Bloomberg is going to leave office having made no significant changes to city workers' health insurance," according to Bell. To what extent Mayor de Blasio will make demands for changes in the health insurance programs is "an open question." "I don't think he will adopt the profit-driven, corporate-minded, United-Healthcare view of how to structure health insurance," Bell asserted. However, the PSC and the Retiree Chapter must be ready to pressure the new mayor "to go in the right direction."

IV. PSC-CUNY COPE

What is PSC/CUNY COPE?



PSC/CUNY COPE is the PSC's Committee on Political Education—the political action arm

of our union and part of the non-partisan VOTE-COPE program supported by tens of thousands of union members from our state and national affiliates, NYSUT and the

AFT. PSC/CUNY COPE contributions are separate from your union dues, and are collected via a personal check.

This November, PSC members voted overwhelmingly to elect the candidate we endorsed for Mayor, Bill de Blasio, and to elect the most progressive City Council candidates in many years. Thanks to PSC members like you, we'll have a mayor and council who understand the importance of investing in CUNY. But if we're going to turn progressive goals into reality, we have to continue the fight, and we have to carry it to Albany.

For Retirees, it is crucial that we support PSC/CUNY COPE in its political endeavors on our behalf. Please make a contribution by check (payable to PSC/CUNY COPE). We suggest a donation of \$60, but please give whatever you can. The more you give, the more it helps. We have spent a lifetime fighting for social and political gains. We must help pass them on to the next generation.

See the coupon below. Or visit psc-cuny.org/COPE.

Please tear off and return with your contribution to PSC/CUNY COPE, 61 Broadway, 15 th Floor, NY, NY 10006.	
<h2 style="margin: 0;">PSC/CUNY COPE</h2> <p style="margin: 5px 0;">Yes, I want to help build the political influence of the PSC, NYSUT and AFT.</p> <p style="margin: 5px 0;">I will contribute: \$35 _____ \$60 _____ \$100 _____ \$150 _____</p> <p style="margin: 5px 0;">Other _____</p> <p style="margin: 5px 0;">Name: _____ Check #: _____</p> <p style="margin: 5px 0; text-align: center;">Thank you for your contribution to PSC/CUNY COPE.</p>	

