

I am Eileen Moran, a member of the Professional Staff Congress and resident of Bayside, Queens.

While I appreciate the opportunity to testify at this hearing I am more than a little concerned by the rush to press this forward on the heels of the holiday, particularly in the midst of so much misinformation from OLR.

The claim that changing 12-126 of the administrative code preserves choice is absurd. The average NYC pension is \$26,000. Could the average retiree pay close to \$2500, or \$5000 for a couple, to keep their current doctors and providers? My brother already spends well over \$5000. in drug co-pays as he copes with Amyloidosis and diabetes. Other retirees in their eighties likely also have high drug costs and the city has already added co-pays for all doctor's visits and tests. After 20 years in the police department, and then 22 years as a NYC high school teacher, with no additional pension or health benefits accrued, my brother cannot opt out for an additional \$5,000 per year to keep himself and his wife in senior care. As a retired police lieutenant he has a better than average pension. What of all the other retirees managing conditions with high drug costs but lower pensions?

Now, I urge you, as Council members to review the recommendations you have all received from the Professional Staff Congress to address not only the current fiscal shortfall but for significantly curbing healthcare costs in the long term as well. If not, you will be back in two years, with the same problem, looking to diminish coverage for another "class" of city workers.

The financial pickle that the city finds itself in today was not brought about because retirees health care is so expensive, since Medicare covers 80% of it. Retirees were just easy targets.

The current crisis is built on NYC's decades of mismanagement of its health benefits, and the preference for kicking the can down the road. Your oversight role on city budgets can change this.

NYC covers 1.2 million people with health benefits yet it has failed to use its size to negotiate better rates from any of its providers or even oversee that it is correctly billed. Barbara Caress, a health policy expert at CUNY, confirms that the city pays hundreds more for most procedures than New Yorkers in other smaller plans, including those in 32BJ or 1199.

Threatening to force most retirees into a privatized Medicare Advantage program, especially after all we have learned from both the Center for Medicare Services Research (CMS) and other investigations is that routine care is delayed or denied. Please do not turn a blind eye to that reality and force the majority of city retirees into markedly inferior care.

If the city could get through the far more serious fiscal crisis of the 1970's without cancelling its health benefits commitments why this draconian proposal now? Whom will it serve other than the CEO of Aetna already getting a \$29 million salary?

Thank you.