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TESTIMONY before the Committee on Civil Service and Labor of the New York City Council

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Good Day! I am Evelyn Jones Rich, a senior citizen and municipal retiree who – like you – loves New York and wants to see it continue to grow and prosper.

The Council’s Amendment of Section 12-126 of the Administrative Code will be a mistake with results which threaten first - the lives of some of the 250,000 municipal retirees and our dependents , secondly - the lives of some of the 305,000 current NYC employees - especially the 18% now eligible to retire and the 26% who will be eligible to retire over the next five years – and finally the lives of some of the workers out there in the City, itself , who are watching your move with great interest and anticipation.

All of the interested parties involved – the Mayor, the Municipal Labor Committee, the retirees and you – the City Council - see and are concerned about the rising costs of health care in the City and beyond. We all agree that health care is a human right which must be honored and protected. We disagree about how best to achieve that elusive goal.

Some of my colleagues will discuss how – over time - amendment of 12-126 will create “classes “ that will be susceptible to varying kinds of health care whose quality and comprehensiveness will be brought into question.

Others will identify the limited networks, prior approvals, delayed and denied care which are the inevitable result of Medicare Advantage Plans.

Still others will tell you about the billions of dollars Wall Street titans have reaped from Medicare Advantage Plans which magnify patient ills, enroll unsuspecting patients, and even deceive medical practitioners all the while robbing the Medicare Trust Fund of dollars obtained in creative ways. Remember that so-called Medicare Advantage Plans were envisioned as saving the federal government money. Rather, they cost the federal government lots of money!

There are those who will challenge the Mayor's and MLC's assertion that the City is in dire financial straits – anticipating budget deficits and perhaps even flirting with bankruptcy, if the purported \$600 million dollars the transition to Medicare Advantage is alleged to save - 6/10 of one percent of the City's \$104+ billion dollar budget never materializes. Rather they , point to the \$8.1 billion already on hand in various reserve funds.

One of my colleagues will reject the false claim that the federal government would make up for the \$600 million cut in health care spending by showing – with two graphs - that the federal subsidy to Medicare Advantage plans has been just 4% in 2022 and is anticipated to be 2% in 2023.

Retirees know that this transition - were it to come to pass - will further harm those who pay obscene health care costs to insurance companies, hospitals and pharmaceutical companies as well as other companies, corporations and individuals who profit from exploiting the basic health care needs of the City's residents.

Another one of our retirees will insist that the Mayor's threat to transfer us all to Medicare Advantage Plus is hollow because individual choice has been and remains a basic requirement for enrollment in any Medicare or Medicare Advantage Plan. The Mayor cannot legally nullify that requirement.

I, myself, as a person of color, argue that the negative impact of the transition to Medicare Advantage will limit access to the quality health care needs of Black and Brown

retirees – with lower life expectancy levels and greater health care problems - and will reverberate throughout minority communities in the City with unknown but feared consequences.

Finally, we retirees insist that the so-called impartial arbitrator – Martin Scheinman – is not impartial but rather an employee of the MLC. His imposed deadlines about reaching an Agreement with Aetna as well as his demands that the Council pass the proposed amendment have no legal standing.

And, we need not tell you that **ad hoc** groups like the New York Organization of Municipal Retirees and the Cross Union Retirees Organizing Committee command our attention and have our full support.

What, then, are our options? One, perhaps, may lie within a children's folk tale, **The Third Gift**, told by the Guyanese writer, Jan Carew. It goes like this!

Long ago, Amakosa, the aged leader of the Jubas, a clan of herdsman and wanderers, felt death nearby. The Jubas were lazy and demoralized. Amakosa searched for new lands into which to lead his people from the parched, dry area where they currently lived. They traveled a long time and, finally, came to a mountain whose peak was lost in the stars. The area around the mountain was conducive for settlement. Death approach Amakosa who encouraged the young men in the group to climb the mountain. Whoever returned with a true gift would be the new leader. Over the years three times young Jubas climbed the mountain.

The first came back with a gift so wonderful that it amazed his fellow citizens - a stone which symbolized the need to work hard to reject drought and hunger. Thus the bearer of the **gift of hard work** was named leader. Years later, the second returned with a dazzling mountain flower which symbolized **the gift of beauty** and he, too, was named leader. Flowers appeared everywhere! The third many, many years later returned after many days with a clenched fist holding his hand high above him. At the top of the mountain the young man had encountered snow but each time he tried to return with it, he failed because the snow melted. Thus all he

could bring was the third gift - the gift of imagination. Indeed, he was named leader. Over the years the Jubas prospered.

Now is our time! We all know that nothing is easy. The MLC has **not** put forth a viable plan. It will take **hard work** to seriously consider the proposals advanced thus far to address our City's health care needs – to : (a) redirect funds the City holds in reserve to keep the MLC Stabilization Fund solvent for three years, (b) create a stakeholders commission charged with finding a path to control health care spending, with hospital pricing as a priority, and (c) develop a sustainable mechanism for funding City health insurance.

Investigating those proposals and, perhaps, looking for others will require cooperation and collaboration but the outcome of such actions will be **truly beautiful!** Finally, all parties must seize **the third gift** – **the gift of imagination** - and reject the proposal to amend Section 12-126 and look for the many, varying responses which will be required to resolve what seems to be an intractable problem.

Let's focus on **The Third Gift** – as we work together as equal partners in a collaborative, cooperative effort. Let's show that we have the political will and imagination to offer premium free, quality, comprehensive health care for all NYC employees and retirees.