

## Talking Points for PSC Members for March 21 Hearing on proposed Aetna Medicare Advantage contract

- I worked for xx years as a \_\_\_\_\_ at \_\_\_\_\_ College, CUNY. I knew that my salary at CUNY would be modest, but I believe in the mission of CUNY and in public service. I also understood that the City had made a solemn promise to its workers: serve the public good, work for modest wages, and you will be guaranteed full, rock-solid, not-for-profit, *Medicare-based* healthcare coverage when you retire.
- The City is poised to break that promise with the contract you are considering today.
- Medicare Advantage is not Medicare. Aetna's primary responsibility is to make a profit for its shareholders. And it makes a profit by restricting access to medical care.
- For two years City officials and MLC leaders have led us to believe that to secure a "Medicare Advantage" contract for NYC retirees, the City would need to either eliminate the current Medicare supplemental coverage or charge retirees its full cost. The City's current supplemental coverage, Senior Care, covers the 20 percent gap in Medicare reimbursements and is provided free to retirees and our eligible dependents.
- We were told that Aetna would not accept NYC retirees without the guarantee that Senior Care would be either eliminated or offered at a cost of nearly \$2,400 a year.
- But the proposed Aetna contract, now available on the City's OLR website, sets out three options:
  - Option A: no plan other than Aetna would be offered, with an opt out to HIP VIP, a pre-existing Medicare Advantage HMO in which some retirees are currently enrolled;
  - Option B: Aetna would be the default plan, and retirees and their dependents could retain supplemental coverage by paying the full cost;
  - Option C: Aetna would be the default plan, but retirees and their dependents could opt in to supplemental coverage at no extra cost.
- Why were we never told about Option C? (Option B is not permitted under the current Administrative Code, which the Council did not act to change.)
- Under Option C, Aetna would charge the City more per MA participant, and yes, the City's anticipated savings would be somewhat reduced. But if Aetna is as wonderful as the City and the MLC negotiators claim, then many retirees would still choose it, and the City would still save money.
- If some of us choose to stick with traditional Medicare and free supplemental coverage, then there are still ways for the City to find health care cost savings. My union, the PSC, has made proposals; other groups have made other compelling proposals.
- Under option C, some of us would opt to retain free supplemental care along with traditional Medicare, and some of us might elect Aetna's MA program.

- But we would have a choice. The promise to us would not be betrayed. All without violating the proposed contract with Aetna.
- We have protested this change for 2 years. As a result, this is probably a better plan than the first plan offered us BUT it is still Medicare Advantage and that remains a bad deal for many of us.
- Medicare Advantage plans make money by limiting retirees' access to health care. New York City may have negotiated provisions—such as fewer prior authorizations being required for the first 2 years—BUT the waiver of those provisions may not last more than 2 years and probably not more than 5 years and 4 months.
- Aetna has committed to provide reports to the City about its performance and retirees' experience, BUT only a few people can see these reports and they have to sign a pledge of confidentiality.
- There is a better way, even within the confines of this contract. Option C honors the compact the City made with its workers.

Let us keep our traditional Medicare and free supplemental coverage. Let us retain protection by a program that is about health, not profits. Aetna has agreed to permit that. The City should do the same.