

New Health Plan Proposed by NYC for Current City and CUNY Employees

CUNY employees are covered by the NYC health insurance plan, whether we are paid by the City or the State. After a year of negotiations, [the City announced](#) in June that a new plan had been developed to replace the current Comprehensive Benefits Plan, commonly known as GHI/Blue Cross or Anthem. More than 70 percent of City and CUNY employees (active employees, retirees under 65, and their dependent families) are currently covered by the CBP. **There will be no change to the Medicare supplemental plans which 65+ retirees on Medicare use.**

Health plans covering CUNY employees are negotiated by the City and the Municipal Labor Committee (MLC) a coalition of the municipal employee unions. The MLC will vote on the proposed new plan on September 30. The PSC President has a vote. Representatives of the MLC Executive Committee were involved in the plan design, but most union leaders, including the PSC's, have not been informed of the financial details of the contract. We do have information about many of its elements, however, and provide that information below. The PSC leadership will continue to call for more information about the proposed plan before the vote is taken. If the MLC approves, it will take effect on January 1, 2026.

If approved, the new plan (tentatively called "NYC Employees PPO Plan") will cover **those currently covered by the GHI/Blue Cross or Anthem plans**: active City (including CUNY) employees and pre-65 retirees and their dependents. The City will design the coverage, subject to MLC approval. The plan will be self-insured; the City, not the insurers, guarantees payment of claims and administrative costs. NYC and the plan administrators negotiated a 5-year contract.

Despite the lack of information about the contract's financial elements, PSC knows the following:

Coverage: Active employees and pre-65 retirees and their dependents currently in the GHI CBP plan will be automatically enrolled in the new plan unless they choose to enroll in a different plan during the Open Enrollment Period, November 1-30, 2025.

- The GHI/Anthem plan for City and CUNY employees will not exist after 12/31/2025.
- All the other health plans among which employees can choose, such as Aetna and HIP, will continue to be available, at least for 2026. When the NYC Employee Benefits Program posts the chart comparing plans for 2026, the chart will be shared with members.
- Any employee's plan change during Open Enrollment will take effect 1/1/26.

No Premiums: No premiums will be charged by the NYCE PPO Plan for the 5-year life of the contract.

Simplification: Plan participants will have a single ID card and member portal, instead of two.

Access: Plan participants will have access to all the doctors, clinical providers and hospitals to which they now have access, at least for 2026.

- There will be no "tiering" of hospitals, at least for 2026.
- The City has indicated that almost all participants will be able to keep their current health care providers. PSC cannot confirm this assertion as it applies to individual providers. There is no Summary Plan Description (SPD) at this time, and in-network provider lists have not yet been made available.
- Emblem will increase the number of in-network providers in the 13 downstate counties and link to larger networks in New Jersey and Connecticut. With the expanded network, the optional major medical rider that some PSC members currently buy will not be offered.
- Behavioral health services will be expanded and provided by UnitedHealthcare.

- UnitedHealthcare has more than 1.6 million in-network providers nationally in the UHC Choice Plus Network, which means there will be many more in-network providers for employees and retirees living outside the NYC area—a big improvement.
- The City claims that a large majority of plan providers have the ability to see new patients.
- Referrals will not be required to see specialists.

Co-Pays and Deductibles: [The MLC chart comparing the proposed and current plans](#) indicates that there will be no change in co-pays or deductibles in 2026. Health & Hospitals providers and Emblem’s Advantage Care Physicians will charge \$0 co-pays.

- The UFT claims that participants will be protected from co-pay increases during the 5-year life of the contract (*NY Teacher* 9/5/25), but PSC cannot confirm this assertion. There is no corresponding promise for other out-of-pocket costs, including coinsurance, deductibles, and out-of-pocket limits.
- Memorial Sloan Kettering and the Hospital for Special Surgery will remain in the network for 2026, as they are now, continuing to charge \$0 co-pays for hospital services, but many of their doctors are not in-network, so they will charge fees.

Certain Prescription Drugs: The PICA plan, which pays for chemotherapy and infusions for active employees and dependents, will continue during 2026. How future coverage will be handled is not yet clear. Drugs that are required by NY State or the ACA to be provided through the health plan, such as diabetes and birth control medications, will be provided through the NYCE PPO Plan using a different Pharmacy Benefits Manager, Prime Therapeutics. Prescriptions provided by the current PBM, Express Scripts, will be transferred. **Other prescription drugs will continue to be covered by the PSC-CUNY Welfare Fund.**

Prior Authorization: Prior authorizations will be eliminated for many common procedures, like MRIs and CT scans, but will be required for certain high-cost, emerging technology and experimental treatments. The overall number of prior authorizations is expected to decline by 50 percent.

Administration: The plan will be administered by UMR, a UnitedHealthcare company. EmblemHealth will manage the provider network and assist participants in the 13 downstate NY counties. UnitedHealth will process all claims and manage the providers in the rest of the country.

Cost Shift: The City’s financial consultant claims the City will save up to \$1 billion per year on employee health care costs under this plan, through a combination of more efficient plan administration, improved care management, and better hospital rates, available because there are 750,000 covered lives in the plan. PSC was unable to review the financial details of the contract and cannot confirm this assertion.

In 2022, when negotiations for a new plan began, the City and MLC announced a shared goal: “to reduce the cost of delivering healthcare by at least 10% while continuing to provide efficient, high-quality healthcare to all City employees and pre-Medicare retirees without significant increases in member out-of-pocket cost.” PSC leadership and healthcare advisors believe that this goal is unattainable. It is impossible to cut \$1 billion from the City’s annual spending without reducing access to medical care and/or shifting significant costs to participants in the plan. The information available to the PSC does not indicate how close to the goal of reducing costs by \$1 billion the City will require the plan to reach, nor does it indicate what changes might occur after 2026 if the goal is not achieved.

Bottom Line: Current GHI CBP plan participants are likely to see little change in their coverage during 2026 if the new plan is approved. Participants will probably be able to access the same providers they currently see and will probably not experience a significant increase in costs, if any. **However, without being able to review the financial elements of the plan, including the precise cost-reduction target, we cannot know whether the City will seek to change the plan design in 2027 or subsequent years.**