

As retirees citywide fight proposed givebacks made by the UFT top leadership, it's time to be concerned about your healthcare as a current in-service UFT member.

We hate to tell younger UFT members this: As you age, stuff happens.

Healthcare coverage is one of the top benefits we get from our union and our city. Our healthcare plans have been called Cadillac coverage.

As UFT members we enjoy those benefits while in-service and into retirement until we turn 65. Then most of us switch to traditional government Medicare, which covers 80% of our costs, with an essentially free supplemental plan from NYC covering the other 20%. Most buy a drug plan for \$150 a month. This system provides excellent coverage with an almost complete choice of doctors and easy access to procedures.

Enter managed care, through a privatized version of Medicare known generically as Medicare Advantage, run by profit-making health insurance companies with much higher administrative costs than public Medicare. While all healthcare is in some manner managed, government Medicare offers more control to the patient, compared with Medicare Advantage which has limited networks and requires permissions and pre-approvals for many procedures.

How much we manage, and how much is managed by health insurance companies, is a crucial point. While Medicare manages prices and some of what we can access, in Medicare Advantage much more of the management is in the hands of private, profit-making insurance companies. And that doesn't change whether the plan is called Medicare Advantage, Medicare Advantage Deluxe, Medicare Advantage Plus, or Mulgrewcare.

Why Mulgrewcare?

In 2014, our union leaders agreed to let the city ([mis](#))spend [\\$1 billion](#) of our Health Stabilization Fund to pay for our retro payments and salary increases. By 2018, that expenditure ballooned into a \$600 million funding gap, which the Municipal Labor Committee (MLC) agreed to help the City close. In secret negotiations, the MLC – which represents all municipal unions, and in which Michael Mulgrew controls 37% of the vote – chose to close this gap by forcing all municipal retirees, including UFT, out of Medicare and into a managed Medicare Advantage program.

To make the shift to Mulgrewcare work, Michael Mulgrew – along with the MLC, the City's Office of Labor Relations (OLR), and the insurance companies, known as the Alliance – devised

a plan to disincentivize retirees from opting out of the new program: They would charge a penalty of \$191 per month for each UFT family member who chose to remain in the program they had, up until then, been getting for free.

But a monkey wrench was thrown into their plans. As a result of a lawsuit brought by a coalition of municipal retirees, the [NY State Supreme Court ruled on March 3rd](#) that the opt-out penalty was a violation of city code and could not be implemented. This put Mulgrewcare in peril. Mulgrew understood that no one would choose an untested, probably inferior, health plan if there was no penalty to incentivize the switch. So, he folded. Or did he?

Mulgrew announced that, with the assent of Mayor Adams, he was withdrawing his support for the Med Advantage plan. But this is a classic case of, “Watch what they do, not what they say.” Because despite Mulgrew’s avowal, the City appealed the Supreme Court’s ruling the very next day. The appeal buys UFT retirees time as the case works its way through the NY State court system, but in the meantime, Michael Mulgrew and the MLC are working overtime to find a new source to replenish the Health Stabilization fund that they raided in 2014. With both the 2018 UFT contract and the 2018 MLC-OLR agreements ending, that source will likely be the funds spent on maintaining the health benefits of working UFT educators.

Please take a moment to consider what our union leadership is doing. By plotting to pull a staggering quarter-million NYC retirees out of public Medicare; by lobbying against the NY Health Act; by standing opposed to a national single-payer, Medicare-for-All system; by supporting the interests of gigantic, private insurance companies; our union leadership is weakening the Medicare system of the entire country. They are moving the UFT in the wrong historical direction.

[2014 MLC-OLR Health Savings Agreement](#)

[2014 UFT Memorandum of Agreement](#) (See Article H, part a, section viii)

[2018 MLC-OLR Health Savings Agreement](#)

[2018 UFT Memorandum of Agreement](#)

[Fiscal Year-End 2019-2021 Healthcare Savings Report](#)