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# City Retirees Sue City Hall over Health Benefits

NEW YORK – September 26, 2021 – A coalition of retired fire fighters, police officers, teachers, EMS, and many other former City workers has sued the City in an attempt to stop the City from changing their health insurance coverage without the retiree’s permission. The Organization of Public Service Retirees, Inc., a non-profit grass-roots organization challenged the City’s effort to deprive retirees of their vested health benefits by filing an Article 78 Petition late Sunday in State Supreme Court Manhattan. Pollock Cohen partner Steve Cohen represents the Organization.

The Organization is comprised of nearly 4,000 NYC retirees who have joined together and voluntarily contributed, on average \$25 each, to mount the legal challenge. The group was formed in late August after the City announced its intention to forcibly switch retirees out of the Medicare “Supplemental” or “Medigap” plan they have long received as a retirement benefit after years of City service. The new plan would impose costly co-pays, deprive retirees of many doctors who refuse to accept the new plan, and impose often-dangerous “prior authorization” hurdles – administered by private insurance companies – on even the most routine diagnostic tests and procedures. The new plan is a clear and significant diminution of retirees’ current health benefits.

“The City is trying to impose this on nearly 250,000 elderly and disabled retirees, many who live on fixed incomes,” said Marianne Pizzitola, the Organization’s President, a retired EMT and 9/11 responder in the Fire Department who retired with a disability. “People who worked hard, served the City and its residents, and were told specifically that their benefits vested with them upon retirement, have had the most critical of safety nets pulled out from under them,” said Pizzitola. “The City did this in secrecy, never consulted a single retiree, and is counting on no one having the guts or resources to take on City Hall. They counted wrong.”

The Article 78 Petition is a well-established route to challenge government agencies that overstep their authority. “City employees, retirees, and their dependents are entitled to health benefits paid for by the City up to a specified dollar level,” said Steve Cohen, a partner at the Manhattan law firm Pollock Cohen LLP which is representing the retirees. “The cost of the Medigap plan the City has been paying for over the past 40 years is far below that dollar cap,” said Cohen. “Importantly, the obligation to pay for that insurance is not only established by law – City Administrative Code Section 12-126 – but is incorporated into most of the collective bargaining agreements that the City has entered into for decades.”

The City announced its intention to forcibly impose the new Medicare Advantage plan after an unrecorded voice vote – conducted over RingCentral – by City unions and the

Municipal Labor Committee on July 14th. The City had been studying ways to reduce its healthcare costs for several years, and decided it could shift the cost of providing insurance for Medicare-eligible retirees from the City budget to the Federal budget by moving people onto a Medicare Advantage plan. “We’re all for the City saving money,” said Pizzitola, “But it shouldn’t be done on the backs of retirees, many of who are disabled and live on fixed incomes.”

“We have asked the Court to halt the forced imposition of the new program and to maintain the status quo,” said Pizzitola. “We asked the City to meet with us and they refused. We asked the City to discuss the needs of seniors and those who retired with disabilities after working at Ground Zero, and they rebuffed us. I would hope the City would have the decency to at least meet with those who have served the City and its residents. Sadly, but not surprisingly, the DeBlasio administration has ignored us. Hopefully, Eric Adams will do better., and do the right thing.”

The City was also recently sued by Aetna, which had submitted a proposal to provide the Medicare Advantage plan. Despite the Aetna proposal actually scoring higher in the bid process, the city awarded the contract to an Alliance formed by EmblemHealth and Anthem. Aetna’s Article 78 Petition asks for the contract to be voided. It is pending before Justice Lyle Frank in State Supreme Court Manhattan.