CITY OF NEW YORK
MANHATTAN COMMUNITY BOARD FOUR
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JESSICA CHAIT
Chair

JESSE R. BODINE
District Manager

December 12, 2025

Adrienne Adams
City Council Speaker
NYC City Council
250 Broadway
New York, NY 10007

Re: NYC Retirees Medicare
Bill 1096-2025

Dear Speaker Adams,

Manhattan Community Board 4's (MCB4) Full Board at its regularly scheduled meeting on December 3, 2025, voted 40 in favor, 0 opposed, 3 abstaining, and 4 present but not eligible to vote, to (1) request a City Council hearing about protecting the traditional Medicare benefits of retired City workers and (2) support the adoption of Bill Intro 1096-2025.

On November 6, 2025, at the HHHS committee's meeting, Camille Dee, a member of the NYC Organization of Public Service Retirees, presented to the committee asking for support for draft City Council legislation (Intro 1096) preserving the traditional Medicare benefits earned by and promised to 250,000 NYC retirees and their families. Specifically, Intro 1096 would stop the city from diminishing the health insurance coverage provided to city employees and their dependents or the contributions the city makes for such health insurance coverage below the level of such benefits or contributions as of December 2021.

Background

Retired City employees and their dependents have traditional Medicare insurance plans, which allow them to see any health care provider throughout the US, as long as the provider accepts Medicare. Fortunately, more than 95% of health care providers throughout the US accept Medicare.

On March 30, 2023, Mayor Eric Adams signed a contract with Aetna that would move

250,000 retired City employees and their dependents from the traditional Medicare insurance plan onto a privatized Medicare Advantage (MA) plan. The change was first proposed by former Mayor Bill de Blasio and agreed to by the Municipal Labor Committee (MLC), a coalition of union leaders representing most of the City's public sector unions. The City and the public sector unions favor MA plans because of alleged cost-savings which allow them to negotiate better rates for current union members. However, the unions don't represent City employees who are already retired. Further, the United Federation of Teachers withdrew its support for MA plans to support retaining the traditional Medicare insurance plan for retirees. This contract between Aetna and Mayor Adams has been litigated repeatedly for the last two years.

MA plans are inferior to traditional Medicare plans in several ways, including in the use of "prior authorization", which is a process whereby the insurer can deny coverage for services it deems unnecessary. A 2024 US Senate committee found that MA plans are intentionally abusing prior authorization to boost profits. 75% of prior authorization denials get reversed when appealed. Aetna, which would be running the MA plan for NYC retirees, has the highest prior authorization denial rates of all health insurers in the US. 95% of doctors report that MA's prior authorizations lead to delayed care for necessary medical treatment. 89% of doctors report that these delays caused by prior authorizations lead to negative outcomes for patients' health. Another reason that MA plans are inferior to traditional Medicare plans is that 20% of health systems in the US (including the Mayo Clinic) do not accept MA.

In the fall of 2023, HHHS heard a presentation on this same topic, during which two retirees shared that if the MA plan were to proceed, the time-consuming pre-approval process would negatively impact their healthcare. It was further noted that retirees receiving specialized care, treatments, or seeing medical specialists would have to switch to providers in Aetna's network resulting in a loss of access to their current healthcare providers. The retirees have noted that this change would be extremely disruptive and cause negative health outcomes to our retired City workers and their dependents. After the meeting, the Board voted in favor of sending a letter very similar to this one.

MCB4 Positions

We have the utmost respect for collective bargaining and union agreements. We also have the utmost respect for retired NYC employees and believe in the rights of retired City workers to not have their healthcare diminished.

Our City Council has a pivotal role in this matter. Given that our retired long-time City workers and their elderly or disabled dependents face the potential loss of critical healthcare benefits, we request that City Council hold a hearing to take testimony on this critical matter affecting 250,000 retirees.

After a fact-gathering hearing has taken place, we ask that the City Council protect the Medicare health care benefits of our retired City workers. Enacting Bill Intro 1096-2025 would also be consistent with previous laws passed by the City Council, ensuring that

every active and retired City worker has access to the City-funded Medicare and supplemental insurance.

Conclusion
For these reasons, we request that the City Council (1) hold a City Council hearing to discuss and explore ways to protect the Medicare healthcare benefits of retired City workers and (2) support the adoption of Bill Intro 1096-2025. We further urge the State Assembly, State Senate, and Governor to encourage the City to maintain Medicare benefits for already retired New York City employees.

Sincerely,

Jessica Chait
Chair
Manhattan Community Board 4

Joe Restuccia
Co-Chair
Housing, Health,
and Human Services
Committee

Maria Ortiz
Co-Chair
Housing, Health,
and Human Services
Committee

cc: Hon. Erik Bottcher, New York City Council
Hon. Gale Brewer, New York City Council
Hon. Tony Simone, New York State Assembly
Hon. Brad Hoylman-Sigal, New York State Senate
Hon. Kathy Hochul, New York State Governor