



Regarding the Impact of Health and Medicaid Policy on New York City Retirees and Municipal Retiree Workers

Submitted by: New York City Organization of Public Service Retirees

Introduction

This testimony is submitted for the written record of the New York State Senate and Assembly Joint Budget Committee Hearing.

Thank you for the opportunity to submit this testimony on behalf of tens of thousands of New York City public service retirees and municipal retiree workers who devoted their careers to serving this City and State. The New York City Organization of Public Service Retirees (NYCOPSR) represents retired municipal employees from across agencies and titles - teachers, transit workers, sanitation workers, clerical staff, healthcare workers, and others who earned their retirement benefits through decades of public service.

At issue before this Committee is not an abstract budget line, but the real-world health and financial security of retirees who rely on the promises made to them. Current Health and Medicaid policies, particularly those pushing retirees out of Traditional Medicare and into privatized alternatives, threaten to undermine those promises. We urge the Legislature to act decisively to protect retirees by preserving access to Traditional Medicare and passing the **Health Equity for Retirees Act (HERA)**.

Background on the NYC Organization of Public Service Retirees

The NYC Organization of Public Service Retirees was formed to advocate for the health, dignity, and economic security of retired municipal workers. Our members are not lobbyists or special interests—we are former public servants who upheld the functioning of New York City through fiscal crises, natural disasters, public health emergencies, and everyday governance.

Healthcare was a core part of the compensation package promised to us. For generations, that promise meant stable, comprehensive coverage through **Traditional Medicare**, supplemented by retiree health plans negotiated in good faith. That system has worked. It is familiar to retirees, accepted broadly by providers, and designed to prioritize patient care—not profit margins.

The Current Problem: Forced Medicare Changes and Medicaid Pressure

In recent years, NYC retirees have faced repeated attempts to shift them out of Traditional Medicare and into privatized Medicare Advantage-style arrangements. These changes are often justified as “cost-saving” measures, but in practice they:

- Restrict access to doctors and hospitals
- Require prior authorizations that delay or deny care
- Increase out-of-pocket costs for retirees on fixed incomes
- Shift decision-making from patients and doctors to insurance companies

For many retirees, especially those with chronic conditions, disabilities, or complex care needs, these changes are not minor inconveniences—they are dangerous disruptions. When retirees lose access to trusted providers or face denials for medically necessary care, the result is poorer health outcomes and higher long-term costs.

At the same time, pressures on Medicaid funding and cost-shifting strategies risk pushing retirees into systems that were never designed to replace the comprehensive coverage they earned. This is not fiscal responsibility; it is cost deferral at the expense of seniors’ health.

Why Traditional Medicare Must Be Preserved

Traditional Medicare remains the gold standard for retiree healthcare for several reasons:

- **Universal provider access:** Most doctors and hospitals accept it.
- **Predictability:** Retirees understand how it works and can plan accordingly and has rare prior authorization so retirees get the care their doctors prescribe.
- **Medical decision-making:** Care decisions stay between patients and providers.
- **Equity:** It does not discriminate based on geography, network, or profitability.

Forcing retirees out of Traditional Medicare breaks long-standing promises and destabilizes lives at a stage when stability matters most. New York State should be reinforcing, not undermining, this proven healthcare plan.

The Importance of Passing the Health Equity for Retirees Act (HERA)

The **Health Equity for Retirees Act (HERA)** is a necessary and responsible legislative solution. HERA would:

- Protect NYC municipal retirees’ right to remain in Traditional Medicare
- Prevent unilateral changes to retiree healthcare that reduce coverage or access
- Promote transparency and fairness in retiree health benefit decisions
- Ensure that cost savings are not achieved by shifting risk onto seniors

HERA recognizes a simple truth: retirees kept their side of the bargain. The government must keep its side as well.

Budgetary Responsibility and Moral Obligation

We understand the fiscal pressures facing New York State and New York City. Retirees understand budgets—we balanced them, administered them, and lived through austerity when necessary. But balancing the budget on the backs of seniors who can least afford it is neither sound policy nor moral governance.

Investing in stable, preventive, and accessible healthcare through Traditional Medicare reduces emergency care, hospitalizations, and long-term Medicaid costs. Protecting retirees' healthcare is not just the right thing to do—it is the smart thing to do.

Conclusion and Call to Action

This submission is intended to inform budget deliberations for the upcoming fiscal year and beyond.

The New York City Organization of Public Service Retirees respectfully urges the Senate and Assembly Budget Committees to:

1. Reject any budget proposals that force or incentivize NYC retirees out of Traditional Medicare or passes more costs onto them.
2. Protect retiree healthcare from privatization schemes that reduce access and quality
3. **Pass the Health Equity for Retirees Act (HERA) without delay**

Our retirees built this State. They educated its children, kept its streets safe, moved its people, and cared for its most vulnerable. In retirement, they ask for nothing more than the healthcare they were promised. Retirees are not in Unions, their fate is not in the hands of the Unions for collective bargaining negotiations. Our Healthcare is not determined by the Unions, it is determined by you the legislature.

New York can be the catalyst for change when it comes to protecting retirees.

Thank you for your consideration.

Marianne Pizzitola
President
NYC Organization of Public Service Retirees
www.nycretirees.org