

**APPENDIX A**

**A LOCAL LAW**

To amend the administrative code of the city of New York, in relation to health insurance coverage for city employees, city retirees, and their dependents

Be it enacted by the Council as follows:

3 Section 1. Paragraph (1) of subdivision b of section 12-126 of the administrative  
4 code of the city of New York, as amended by local law number 39 for the year 2001, is amended  
5 to read as follows:

6 (1) The city will pay the entire cost of health insurance coverage for city  
7 employees, city retirees, and their dependents, not to exceed one hundred percent of the full cost  
8 of H.I.P.-H.M.O. on a category basis, or in the alternative, in the case of any class of individuals  
9 eligible for coverage by a plan jointly agreed upon by the city and the municipal labor committee  
10 to be a benchmark plan for such class, not to exceed the full cost of such benchmark plan as  
11 applied to such class. Where such health insurance coverage is predicated on the insured's  
12 enrollment in the hospital and medical program for the aged and disabled under the Social  
13 Security Act, the city will pay the amount set forth in such act under 1839(a) as added by title  
14 XVIII of the 1965 amendment to the Social Security Act; provided that such amount shall not  
15 exceed the sum of nineteen dollars and fifty-three cents per month per individual for the period  
16 beginning January first, nineteen hundred eighty-eight and ending December thirty-first, nineteen  
17 hundred eighty-eight, and provided further however that such amount shall not exceed the sum  
18 of twenty-seven dollars and ninety cents per month per individual for the period beginning  
19 January first, nineteen hundred eighty-nine and ending December thirty-first, nineteen hundred

1 ninety-one, and provided further that such amount shall not exceed the sum of twenty-nine  
2 dollars per month per individual for the period beginning January first, nineteen hundred ninety-  
3 two and ending December thirty-first nineteen hundred ninety-five. Provided further, that such  
4 amount shall not exceed the sum of thirty-two dollars per month per individual effective January  
5 first, nineteen hundred ninety-six. Provided further, that such amount shall not exceed the sum of  
6 thirty eight dollars and seventy cents per month effective January first, two thousand and  
7 provided further that each year thereafter, the City shall reimburse covered employees in an  
8 amount equal to one hundred percent of the Medicare Part-B premium rate applicable to that  
9 year.

10 § 2. This local law takes effect immediately.

11



September \_\_, 2022

Harry Nespoli, Chair  
Municipal Labor Committee  
55 Water Street, 23<sup>rd</sup> Floor  
New York, NY 10041

Re: Proposed Legislation Concerning Health Care Coverage

Dear Mr. Nespoli:

This letter is to confirm our agreement to jointly recommend to the New York City Council the enactment of the proposed local legislation appended to this letter as Appendix A, entitled “A Local Law to amend the administrative code of the city of New York, in relation to health insurance coverage for city employees, city retirees, and their dependents.”

The legislation would provide that the Municipal Labor Committee and the City may jointly agree upon a plan for health insurance coverage for any class of individuals that would be a benchmark plan for such class. The legislation would help ensure the parties have the necessary flexibility to obtain quality and affordable health insurance coverage for covered individuals, by ensuring that the parties may designate different plans, whether existing or newly created, as benchmarks for different classes of individuals. As is currently the case, the agreed-upon benchmark plan would not have any employee premiums. The parties agree that this proposal should not be construed to indicate concurrence with or endorsement of the opinion and order of the New York State Supreme Court in *NYC Organization of Public Service Retirees v. Champion*, Index No. 158815/2021. The parties further agree not to designate a benchmark plan under this legislation for any class other than: (1) the class of active employees and pre-Medicare retirees, and dependents (of active employees or of retirees) who are also eligible for the coverage provided such class; and (2) the class of Medicare-eligible retirees, and their dependents who are also eligible for the coverage provided such class.

The parties agree that the legislation would require their affirmative joint agreement to designate an existing or newly created benchmark plan and would not authorize the imposition of a benchmark plan upon the parties by any means of mandatory impasse resolution.

If the above conforms to your understanding, please countersign below.

Very truly yours,

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Renee Campion

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: \_\_\_\_\_  
Harry Nespoli, Chair