

Municipal Labor Committee

125 Barclay Street, Room 540 / New York, NY 10007-2179 / (212) 349-6280

February 26, 2014

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Sanitationmen's Association, AFL-CIO

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AFSCME, AFL-CIO

Executive Secretary
THERESA SIRABELLA

TO: All Municipal Labor Committee Members
FROM: Harry Nespoli
RE: Medical Riders

Effective January 1, 2014, the Patient Protection Affordable Care Act no longer permits caps on certain health benefits. To address this change, during 2013, the MLC Technical Committee tried numerous times to establish procedures for member union(s) to opt into purchasing optional medical riders from the City as provided in the City's Health Benefits Summary Plan Description. These riders included items such as prescription drugs and private duty nursing/durable medical equipment. After avoiding a direct response for several months, the City ultimately refused to agree to the MLC's request. Accordingly, the MLC filed an Improper Practice Charge and a Petition for Injunctive Relief with the Office of Collective Bargaining to protect our member's health benefits rights.

The Board of Collective Bargaining granted the MLC permission to seek injunctive relief in the courts. On December 30, 2013, the MLC filed a Petition in the New York State Supreme Court initially seeking a temporary restraining order to require the City to comply with our rights to purchase medical riders. On December 31, 2013, the MLC, the City and the Office of Collective Bargaining agreed upon a resolution that was placed on the court record and so ordered by Justice Martin Shulman. In pertinent part, that resolution provided:

1. Effective January 1, 2014, any employee or retiree will be able to purchase a medical rider.
2. Each union that will take advantage of opting into a medical rider will segregate funds in the amount of \$150 per member for the drug rider and \$30 per member for the private duty nursing/durable medical equipment rider subject to the final resolution of the

Improper Practice Charge by the Board of Collective Bargaining. The unions will hold these funds in an escrow account.

3. The Board of Collective Bargaining, after a hearing, will issue a decision on this matter within 60 days from January 2, 2014.

On February 24, 2014, the Board of Collective Bargaining issued its decision that in pertinent part finds that the City violated the New York City Collective Bargaining Law by unilaterally precluding union members from purchasing certain medical riders, including prescription drug coverage, private duty nursing and durable medical equipment coverage, which are mandatory subjects of bargaining. This unilateral change impermissibly altered the status quo. The Board granted the MLC's petition in its entirety.

This is the third time within the past year that the MLC successfully protected our members' health benefits rights' from the challenges of the Bloomberg Administration.