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## Successful Legislative Session for RPEA

**On June 4, 2022 the New York State legislative session came to an end. RPEA was successful on numerous fronts, namely:**

### Skilled Nursing Care- Empire Plan

The Assembly followed the Senate's lead and passed our bill. The bill affects the 225,000 Medicare-primary retirees in the New York State Health Insurance Program (NYSHIP) Empire Plan and will affect many other retirees once they turn 65.

The passage of this legislation is a tremendous victory for RPEA. It is OUR bill, we drafted it, and were the only ones lobbying to get it passed. Kudos to Senator Neil Breslin and Assemblymember John McDonald for sponsoring the bill and getting it passed unanimously in each house.

We realize this bill does not affect everyone, but nonetheless, it does impact many of our members. That is why the Board of Directors made it a legislative priority.

Under the Empire Plan, benefits are drastically reduced upon becoming eligible for Medicare at age 65 because the Empire Plan stops covering Skilled Nursing Facility (SNF) care. As a result, the only remaining SNF coverage is the coverage provided by Medicare, which is for only 20 days and requires a hospital admission of at least 3 days. In contrast, prior to age 65, the Empire Plan provides both active and retired enrollees 120 days of SNF coverage with no such hospital admission requirement.

Medicare-primary enrollees pay the same NYSHIP premium every month as those under age 65. Yet, they get this lesser benefit simply due to their age.

As we go to press, the bill has yet to be delivered to Governor Hochul.

If you are in the Empire Plan, and have yet to send our sample letter of support (which was included in the 7/12 e-newsletter), ***you can voice your support by calling the Governor's office.***

**Call the Governor at 518-474-8390. When you call the Governor you'll hear a number of options. Select option 3, then select option 1 to leave a voice message or you can select option 2 to speak with a representative (Monday through Friday between 9:00 a.m. and 5:00 p.m.).**

**[Join our efforts to urge Governor Hochul to sign bill number S.8192](#)**



## COLA Increase

For the first time, RPEA developed a new approach to improving the pension fund Cost of Living Adjustment (COLA). The COLA formula has not changed since it was enacted 22 years ago. The new bill (S6835-C) was introduced by Senator Gournardes late in the session, and was not taken up.

The change initiated by RPEA creates a "catch up" payment (the difference between 50% COLA and the 3% cap) to current eligible retirees to better reflect the actual rate of inflation since the enactment of the COLA. The "catch up" applies to prior years only. However, once you receive the "catch up" payment, it becomes part of your pension base, and you will receive it every year. Going forward, the bill raises the maximum pension amount the COLA is applied against, going from \$18,000 to \$21,000 for current and future retirees (as was the case in prior bills).

Senator Gournardes added the teachers to our bill, with the same parameters applying to them as well. The major beneficiaries of this bill would be older retirees with smaller pensions, since salaries were much lower 20-30 years ago. It is important to note that 24% of retirees in the state retirement system receive a pension under \$10,000 and 43% have a pension under \$20,000.

Assemblymember Peter Abbate has indicated that he will introduce a companion bill. Having this new bill in print, with the fiscal note, is a major accomplishment- something to build on.

Since the effective date of the bill was September 1, 2023, we have not lost any time.

We are now well poised to have this bill ready when the legislature reconvenes in January. Since it will be a new legislative session, the bill will have a new number. This will be RPEA's top priority.

## NYSHIP Budget Cuts

For the first time in recent memory, the Governor's Executive Budget did NOT propose to cap the Medicare reimbursement, nor eliminate the IRMAA reimbursement. This was a battle we did not have to fight. RPEA had reached out to Governor Hochul as she prepared to submit her first budget. We pointed out that cuts to retiree health benefits was not the prudent way to finance the budget. She agreed with us.

## New York Health Act (Single Payer Healthcare)

RPEA was successful in helping to defeat this bill. The New York Health Act, would eliminate all existing health insurance providers (including NYSHIP), and create a new state run program. The bill contemplates a potential loss of existing benefits for public sector retirees, and would be unworkable for retirees who live out of state. Additionally, Medicare would be eliminated for New York State residents, as the proposed state health program would control everything. Thankfully, our retiree healthcare remains intact.

*RPEA thanks Kevin Cleary, our legislative representative, and his colleagues Katie Hohman and Tim Sheridan, for a job well done!*