



Retired Public Employees Association

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MEMORANDUM IN SUPPORT

S.4324, by Senator Tedisco
A.5210, by Assemblyman Abinanti

AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families

As the association representing retired public employees, RPEA has made the preservation of local public retiree health insurance benefits a **high priority** in its 2017 Legislative Program.

This bill would amend the General Municipal Law to require a local government, prior to executing a contract to provide health insurance to retired officers, employees or their families, to give 90 days notice of such proposed contract. The notice shall state the general terms of the proposed contract, where the entire text of the proposed contract can be obtained and financial information including, but not limited to, the cost of the proposed contract to the local government and to the retired officers, employees or their families. The notice of proposed contract shall be posted in a public place at the local government's offices, on any website it publishes and in any other place within the corporation's jurisdiction where hearing notices are published.

With the cost of health insurance rising to astronomical levels, it is essential that those retirees and their families who are financially affected are given advanced notice, before finalization by a governmental unit, of proposed health insurance contracts. In addition, such disclosure would enable the employees or retirees, themselves, to make sure that the proposed health insurance contract terms are cost effective. This is especially true since retired public employees have no collective bargaining rights and are often confronted after-the-fact with higher premium charges or co-pay amounts without concomitant increases in their pensions.

This bill builds on the public disclosure requirement of Chapter 603 of the Laws of 2011 which requires that proposed resolutions, laws, rules, regulations, policies or any amendments thereto that are scheduled to be the subject of an open meeting during which such records will be discussed shall be made available to the public prior to or at such meeting. Because of the complexity and significance of changes in health insurance contracts and plans to retirees, this bill reasonably would add a minimum advance notice provision.

In fact, where retirees are able to know the terms of proposed health insurance contract changes, they have willingly participated in helping the locality find cost effective alternatives which at the same time, meets the retirees' needs.

For the above reasons, RPEA **strongly supports** this bill and urges that it be passed by the Legislature and enacted into law by the Governor.