



Retirees Sue State Over Health Insurance Increase Assert No Authority to Affect Current Retirees

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ALBANY, NY (12/08/2011)(readMedia)-- **The Retired Public Employees Association (RPEA)**, on behalf of its 40,000 members, today announced the commencement of legal action against Governor Andrew M. Cuomo and New York State over an attempt to make public service retirees pay a larger portion of our health insurance costs. The suit asks for a rollback of a two percent (2%) increase in the percentage they pay toward the cost of their health insurance premiums.

The lawsuit, entitled **RPEA, et. al. vs. Cuomo, et.al.**, was filed in Albany County Supreme Court and is a combined Article 78/Declaratory Judgment action asking that Cuomo and other State officials who "administratively extended" provisions of negotiated union contracts to retired public employees be legally stopped from imposing such terms on existing retirees.

Stan Winter, RPEA President, stated, "When we retired from the State there was a promise that our percentage cost would remain stable – now the administration feels that since they negotiated new contracts they can extend them to non-represented retirees. The Taylor Law does not allow retirees to participate in collective bargaining and therefore, it is blatantly illegal to apply such agreements to those who have already retired."

Under existing Civil Service Law, State employees who retired after January 1, 1983 pay ten percent (10%) of the cost of health insurance premiums for individual coverage and twenty-five percent (25%) for family coverage. The last time contribution percentages were changed as a result of union contracts existing retirees were "grandfathered" and only future retirees had to pay the increased percentages.

"A 2% contribution increase for individual health coverage is really a 20% increase!" declared Alan Dorn, RPEA's Executive Director. "If this is allowed to happen, then there will be precedence for the State to increase the percentages at will. The State is trying to balance its budget on the backs of pensioners who have no ability to negotiate for givebacks or other benefits."

Retirees' costs are based on premiums and co pays which are set by the health insurance carriers which can and do increase every year. In the past 15 months there have been four premium increases. These plans are coordinated and administered by the **New York State Health Insurance Plan (NYSHIP)** under the auspices of the NYS Department of Civil Service, Employee Benefits Division which is a named defendant along with the Governor in the lawsuit.