

NYC retirees could be denied ‘medically necessary care’ under Medicare Advantage plan

By [Chris Sommerfeldt](#) NEW YORK DAILY NEWS Apr 28, 2022

Retired city government workers could be at risk of losing out on “medically necessary care” if they enroll in a health insurance plan favored by Mayor Adams’ administration, according to a federal study released Thursday. The federal study, conducted by the inspector general’s office for the Department of Health and Human Services, reviewed thousands of medical claims denied by Medicare Advantage plans, which are privately administered and have become increasingly common in the U.S. in recent years.

About 13% of the claims rejected by the Advantage plans on pre-authorization grounds would’ve been covered under traditional, federally-administered Medicare, the Health and Human Services IG found. The IG also discovered that 18% of the rejected claims were inappropriately denied for payment after the fact. “Denying requests that meet Medicare coverage rules may prevent or delay beneficiaries from receiving medically necessary care,” the report stated, adding that among the improperly rejected services were MRI scans and stays at inpatient rehabilitation facilities.

In light of its findings, the HHS IG recommended that Congress consider strengthening enforcement against and oversight of private providers that administer Advantage plans. The study comes as Adams’ administration continues to fight in court in hopes of transferring the city’s roughly 250,000 retired municipal workers onto an Advantage plan administered by a coalition of private health insurance companies known as Alliance. Adams’ administration has argued that the Alliance plan would save local taxpayers hundreds of millions of dollars per year, as the private-public insurance structure would allow the city to contribute a smaller chunk of funding than under the traditional Medicare plan most municipal retirees currently benefit from.

The NYC Organization of Public Service Retirees, which is made up of retired cops, firefighters and other city workers, sued last year to block former Mayor Bill de Blasio’s administration from first rolling out the Advantage plan, arguing that it would water down their health coverage. The group also contended that the city would break the law by attempting to slap a \$191 monthly penalty on any retiree who opted out of the Advantage plan in order to keep their current Medicare coverage.

A Manhattan Supreme Court justice sided with the retirees last month, ruling that the city could not implement the plan because the proposed financial penalty violated longstanding local administrative laws. But Adams’ administration is appealing that ruling, saying it hopes to roll out the plan as first envisioned in order to secure the sizable taxpayer savings. Adams and several of the city’s largest unions have consistently argued that the Advantage plan would provide retirees with adequate health care coverage. Despite the HHS study, Adams spokesman Jonah Allon said late

Thursday that the administration”continues to believe that the Medicare Advantage Plan is in the best interests of retirees and the city.” ”The implementation is currently on hold pending the outcome of the appeal. We look forward to presenting our arguments in court,” Allon added. Marianne Pizzitola, a retired FDNY emergency medical specialist and president of the NYC Organization of Public Service Retirees, said the HHS study corroborates what her group has been arguing and urged the mayor to drop his court action. “We’ve been saying from the get-go that this plan would downgrade our benefits because (Alliance’s) goal is their bottom line, not our care, and now we’ve been vindicated,” she said. “It would be great if the mayor actually read the report and said, ‘Ah s--t, let’s fix this in other way.’ That would be the responsible thing to do.”