

May 24, 2022

RE: NYSHIP Contribution Rates (S.4149/A.3357)

Dear Legislator:

As a taxpayer, a constituent and a member of the New York State Public Employees Federation, I urge you to pass legislation to require the legislature to once again set the State's health insurance contribution rates for the New York State Health Insurance Plan (S.4149 by Sen. Gounardes/A.3357 Asm. Abbate).

This legislation gives back the legislature's authority to set health insurance rate for public sector retirees covered by NYSHIP. The legislature had this authority until 2011 when it was transferred to the President of the Civil Service Commission who currently has the power to set rates administratively with the consent of the Director of the Budget.

Public sector retirees have very modest defined benefit pensions that provide little protection against inflation or cost increases. The Civil Service Commission is an appointed body that maintains no state budget setting authority. The Legislature, in addition to representing the public sector retirees who are heavily impacted by rate setting decisions, can also seek additional resources to cover increased costs if it deems it appropriate.

All public servants should be able to look forward to retirement assured that their health insurance contribution rates will not change overnight, leaving them in a financially precarious position. This bill gives both current and retired public employees the peace of mind they deserve by clarifying that the State's contribution to NYSHIP premiums cannot be altered by executive regulation.

I urge you to pass this important legislation at the earliest possible opportunity.

Sincerely,