

Testimony
New York City Council Finance Hearing
FISCAL YEAR 2021 EXECUTIVE BUDGET
May 21, 2020
By Ralph Palladino, Local 1549 2nd Vice President

This testimony is on behalf of Local 1549 President Eddie Rodriguez and the 14,000 members and taxpayers of New York City Clerical-Administrative Employees Local 1549. Our members are front line workers in nearly every city agency, 311, New York Police Department (NYPD) and New York Health and Hospitals (NYC H+H) and MetroPlus HMO. Our members are primarily women of color who live, work, shop and vote in every community in this city.

The present situation in the country is dire. Our city's healthcare system and economy are on life support. We need to get through this crisis and the slow rebuilding efforts in a smart way beginning with the resources we have at hand.

Our requested items, if placed in the final budget document, **will save taxpayers' dollars** and enhance public services. Some will help generate tax funds the city needs.

An additional benefit from our staffing requests in the final budget is to provide meaningful jobs to those who need them the most, in the communities that we serve and represent. It will help people move out of poverty into decent middle-class jobs. These jobs, in turn, will result in better services and greater tax revenues for the city. The buying power of our members will help businesses get back on their feet and help create more tax paying workers.

Reducing public services and staffing is unfair! Save Our Hospitals

Calls by some for reducing public services now and in the rebuilding process is wrong. The same is true for furloughing and/or laying off public employees.

The City Council together with ALL city leaders needs to speak up and tell the state leaders that cuts they voted on relating to city support and hospitals prior to April 1 should be reversed. The state is also expected to release its savings allocation plan to deal with the projected State deficit of \$13B exacerbated by the COVID-19 pandemic. We can expect more cuts. You will find specifics relating to NYC H+H in an Addendum at the end of this written testimony.

Our members are asking, "Where is the shared sacrifice in this crisis? We are not properly compensated, face layoffs and disease while the very rich and corporations do not even pay their fair share of taxes! The very rich can afford to buy multi-million dollar apartments overlooking Central Park but cannot help with the state and city revenue by paying more in taxes?"

More people will need public services than before. This is certainly true of childcare. The Pandemic is not likely to just "disappear" quickly. A real cure that is usable is a year or more in the future. The economic carnage and new rules of assembly will mean there will be a slow recovery.

The New York City Health and Hospitals (NYC H+H) system has been and will continue to be in the epicenter of the fight to protect the public's health. H+H helps all who need help regardless of ability to pay, including immigrants. We cannot afford to lose any funding with an overhead of just 3%. We certainly cannot cut staff given the Pandemic's unpredictability, lack of a cure at this time and the likely need for further treatment of those who contracted COVID-19. We certainly cannot think that there will not be other

epidemics and Pandemics in our nearer future. Especially in part thanks to climate change. The upcoming influenza season is an annual epidemic that will compound problems in the fall.

The heroic work of our front line healthcare workers including those Local 1549 members who are the first to greet COVID-19 as they do all patients must be rewarded properly. Certainly these workers should not be losing their jobs. Their duties are responsible for generating insurance income for NYC H+H and they generate patient medical records. They provide valuable information to patients and their families. The duties of some include providing medical related translation services.

Downsizing government and the workforce is not the answer to health or economic recovery. Raising revenues by taxing those who can afford to pay known as tax fairness is! Thankfully the city administration that believes this. If the head of Amazon can buy three floors of a penthouse overlooking Central Park for \$80 million and then recently buy two more floors for \$18 million then they can pay more in taxes to support this city and state!

Need for Eligibility Specialists-Human Resources Administration (HRA)

Last year Local 1549 and advocates testified at the City Council about the need for hiring more Eligibility Specialists (ES) in the HRA. We were refused. Now the city and HRA have had to draft 200 higher paid Caseworkers and an unspecified number of MetroPlus Enrollment Sales Representatives to assist processing claims for food stamps (SNAP). The ES's are working overtime daily from 7 AM to up to 8:30 PM to process claims. Note that these claims are by phone (TIPS) and online. No one listen to us!

Two years ago the Error Rates shot up from the national average of 6% to a very high 9% due to the reduction of nearly 400 ES's in HRA. Last year the rate dropped only because of forced overtime and a using a reign of terror on the staff including following them to bathrooms disguised as "wellness checks". We documented this last year by members' testimonies at the City Council. Commissioner Banks, to his credit visited many worksites more recently with President Rodriguez and personally heard accounts of this harassment. We are told that it is no longer going to happen.

It is obvious there will be a need for more ES's given the long-range unemployment and underemployment forced by COVID-19 and lack of enough financial aid from Washington. The numbers offered in Commissioner Banks' testimony delivered of SNAP recipients in the city show that numbers always rise significantly for a few years following an economic crisis.

Management's drive to automate is primarily for financial reasons and not for wanting to be "client friendly". While numbers offered by management show an increase of cases processed by computer, note that we know that roughly 50% of people using computers and phones come into centers anyway.

The same is true of management shutting down centers. This was begun during the Bloomberg administration for the sole purpose of saving 10% on rental costs for the city and not for the convenience of those in need.

30-40% of city residents who are eligible for SNAP do not apply. Wonder why? Likely it is due to over automation, and lack of more convenient access facilities.

Increasing the numbers of Eligibility Specialists has been shown to be a critical need. ES are also needed in Medicaid, HASA and other programs. Remember that every \$1 spent by SNAP recipients generates over \$2 in local economic activity. Now is the time!

NYPD Civilianization

Crime has risen in the city during the COVID-19 Pandemic. The city and NYPD have designated that the Police Administrative Aide (PAA) position is not exempt from downsizing. Yet they allow hundreds of uniformed employees to sit at desks performing the work designated for the PAA title. This means that those who should be policing for crime prevention are not able to. The city continues to waste \$30 million a year in tax dollars.

While these able-bodied uniform employees sit at desks the number of PAA's have severely been reduced the past few years. Meanwhile the Court Assistant Processing job function has been given to the PAA's on top of their other duties. The PAA's gather all the information on record of cases and incidents that the ADA's need for court appearances.

Last year the NY City Council had requested a civilianization project over a few years beginning with 100 positions this year. This was taken off the table at negotiations. The reason I was told was that it was is that the NYPD said that there was a "clerical employee job freeze" for budgetary reasons.

The city and NYPD allegedly, in order to save tax dollars, decided to keep the 386 positions that they say (we say it is closer to 500) are able bodied uniformed employees who are performing Clerical-Administrative duties of a Police Administrative Employees. These uniformed employees cost the city and NYPD nearly double what a clerical employee would cost to perform these duties. These are 386-500 uniformed employees who could be out on the street keeping our citizens safe. These are positions that could be filled by applicants living in the city who took and paid for civil service tests but being denied jobs. This goes against three court ordered arbitration decisions.

There are 200 less PAA's and Supervising PAA's than there was five years ago. There are 16 less Clerical Associates. Uniformed employees are doing their work!

Civilianization of the NYPD will mean that New Yorkers from all across the city will have a chance at gaining meaningful employment. Those who fill the Police Administrative Aide positions live in the five boroughs of the city. Many of the able-bodied uniformed employees, who will be replaced, do not live in the five boroughs. Civilianization improves the morale of the Police Administrative Aides. It will do the same for those police officers who risk their lives in the streets every day, while others are sitting at desks performing clerical duties while taking jobs from others who need and deserve them.

It is estimated by various sources including former City Comptrollers, Public Advocates, Citizens Budget Commission and the Independent Budget Office that **NYPD Civilianization could save the taxpayers anywhere between \$17 and \$127 million dollars. Our latest figures factoring in our collective bargaining raises but NOT those of uniformed personnel show a saving of: Roughly \$30 million recurring year!**

Higher Paid Non-Competitive Titles Performing Civil Service Title Duties

The city, DCAS and various agencies, especially Agency for Children's Services and Human Resources Administration are wasting over \$3 million annually and under cutting the civil service system. They are doing so by replacing civil service employees, especially Clerical Associates with mostly higher paid non-competitive titles. The non-competitive employees performing the same duties as the replaced Clerical Associates.

In the **HRA** they are taking people off the civil service lists for Eligibility Specialists (ES), and making them non-competitive titles. While these employees are not performing ES

duties they do not have civil service protections. There has been an attrition of 269 Clerical Associate (33%) positions in HRA over five years and our members tell us those positions were turned over to non-competitive titles at a higher rate of pay though performing the same duties. The City Council should request that the city, DCAS and NYC H+H strictly adhere to the placement of employees in positions according to their job description and proper titles. These are higher paid titles performing clerical-administrative duties. Most are non-competitive titles taking civil service positions. But a significant amount are also higher titles including managerial and semi-managerial.

The City Council should ask that DCAS send a memo to all city agencies to cease this practice. That this practice begun by the Bloomberg Administration which is a waste of city tax dollars must be ended. Local 1549 has filed numerous grievances against management in several agencies, including the NYPD (other than the ones already won at Arbitration) and the NYC H+H, for replacing Clerical-Administrative Employees with higher paid, mostly non-competitive titles while assigning those replacements the same routine work that our members perform. Our analysis of most, not all, of the grievances filed shows that the city, by conservative estimate, is wasting approximately \$3,220,000 *annually* in just five city agencies and NYC H+H. This does not include the cost of processing and hearing the grievances nor the cost of arbitration. (*We have already provided detailed documentation on this in earlier testimony.*)

This is an attack on merit, the civil service system and a waste of taxpayers' money.

Additional Staffing for 911

To illustrate the need for additional staffing note that the NYPD had to move 400 less senior officers into the PSAC's in order to satisfy the demand of calls during the COVID-19. This was done as crime increased in the city! Texting work will begin in June.

Note that ALL emergency calls including those to the FDNY and EMS go through our 911 members first.

250 additional Police Communication Technicians (PCT) for the two Public Safety Answering Centers will enhance public safety, reduce the rising cost of overtime (\$1 million annually for the past three years) and increase the morale of 911 personnel. It will help to satisfy the increasing workload that will become more intense with the new 'text-to-911' requirements that are approaching next month. Currently there are many empty cubicles in both PSACs that could be utilized to better meet emergencies.

Many of those eligible for retirement are retiring. Staffing must be monitored constantly. The additional staffing has helped alleviate overtime, sick leave and stress. The centers receive just over 9 million calls.

Now, however, the amount of overtime has begun to rise again by roughly \$2 million from 2017 to 2018. This adds additional stress to these first responders. Now, texting has been added to their job requirements. Stress and burn-out, we believe is, partially responsible for absenteeism and the high turnover rate.

Requesting Funding from the 911 Surcharge to Enhance Public Safety

Reach out to the Mayor's office and request that the city work with Local 1549 to develop a grant proposal to secure funding from the various 911 Surcharges that appear on telephone and cell phone bills. The 911 Surcharge should be used for the purpose it was intended, to enhance the 911 emergency system. The FCC report issued the prior December says that 42% of the \$189 million of the funds collected were diverted from 911 use to the state

General Fund. Use the surcharge to upgrade the 911 system and hire 500 additional PCT/SPCTs for the NYPD 911 System call centers. The funding be requested on a recurring basis.

Hiring Civil Service Interpreters

While we do agree with the idea to provide enhanced interpreter servicing especially for the immigrant community. If the city can spend \$16 million on providing interpreter services for private entities it seems to us they can also do so for all the city agencies. That also would better serve those who need this service, especially the immigrant communities.

The Interpreter services should be performed face to face by the Civil Service Interpreter title. Currently interpreter services except in a very few areas is done by private for-profit phone lines. A New York Immigration Coalition study verifies that face to face interpretation is more efficient than phone use.

It is critical that the various agencies have their own interpreters to draw from given the different rules and laws governing servicing. For instance our members in HRA have complained about phone line interpreters egging on clients to challenge the rules that the ES's presented to the clients. Local 1549 asked at this hearing last year to meet to discuss this but heard nothing back from the City Council!!

Finally

Our 14,000 members hope that you will listen to our requests and make them happen. If you do it will make for better, more efficient servicing and help save tax dollars for the city.

THANK YOU

ADDENDUM ON NYC H+H and State's COVID-19 Allocation Plan

As you may know, the State is expected to release its savings allocation plan to deal with the projected State deficit of \$13B exacerbated by the COVID-19 pandemic. This is in addition to cuts of \$200 million already affecting NYC H+H due to the April 1 budget.

The cuts to NYC H+H are a slap in the face to the First Responders who are the real heroes in fighting the Pandemic.

NYC H+H and MetroPlus HMO operate with a 3% administrative cost! This leaves no other option than to lay off healthcare workers. This will hurt our ability to provide safety and health to all needy patients, not just COVID-19. Yet the private non-profits whose CEO's make millions of dollars running act more like for-profits and received more funding than they were entitled to based on patient mix. The tax dollars and Medicaid dollars are not following the patients.

- **The future of the health care system must address structural inequities.**
- **Safety net providers and the communities they serve need to be part of the discussion.**
- **They were not part of the Medicaid Redesign Team.Reinstate the enhanced safety net funds!**
- **No new cuts for enhanced safety net providers!**
- **Distribute DSH funds to H+H on a monthly schedule rather than in lump sum payments.**

Background: Safety net hospitals are at the front line of battling COVID-19, the worst public health crisis in this country in a century. We need support more than ever – not cuts!

“Re-imagine the health care system” should focus on:

- At a recent press conference, the Governor cited the need to “reimagine the healthcare system” in order to prepare for future challenges. The State should focus on:
- Addressing health care disparities, including the financing structure.
- Addressing the disparity between well-resourced and needier hospitals, by establishing a tiered Medicaid payment for safety net hospitals.
- **Solution: The future of the health care system must address structural inequities. Safety net providers and the communities they serve need to be part of the discussion on the future of health care.**

Reinstate Enhanced Safety-Net (ESN) Funds:

- The Legislature established the ESN definition in statute (Subdivision 34, of PHL 2807-C) and appropriated these funds for the past 3 years.
- Since 2017 the money was not distributed.
- In January 2020, DOB swept the funds saying CMS would not approve; we don’t agree. We believe there is a way to distribute these funds (via the plans) in a more straight-forward approach.
- The ESN hospitals need a tiered rate system just to keep more equity within the system—the Legislature recognized that and we shouldn’t let it go without more consideration.
- With the virus crisis, there is a need for permanent and targeted funding for enhanced safety net hospitals now more than ever.
- **Solution: Reinstate the enhanced safety net funds!**

Ensure safety net providers are held harmless from additional across the board (ATB) cuts:

- The enacted budget increased the ATB cuts to 1.5%, this disproportionately hits ESN providers who care for more patients who are in the Medicaid program or uninsured.
- **Solution: No new cuts for enhanced safety net providers!**

Timeliness of DSH Funding:

- DSH funds are intended to support hospitals unreimbursed costs of providing medical care to uninsured patients and Medicaid enrollees.
- Other public hospitals have first access to IGT DSH funds in state law.
- Since there is no required timeline for most H+H DSH, payments can be delayed pending estimates of other hospital needs or other issues.
- The sequencing of NYS DSH funds allocations means the hospital which provides the most care to Medicaid and uninsured people – NYC H+H gets paid last, not first.
- H+H is primarily reliant on a pool of leftover DSH funds, leaving it subject to fluctuating payment amounts/timing and first in line for devastating federal DSH cuts.
- **Solution: Distribute DSH funds to H+H on a monthly schedule rather than in lump sum payments.**

You are asked to reach out to all the Albany leaders. Call the Governor and State Legislators.