



CSEA Class Action Settlement a Huge Victory for Westchester County Retirees March 4, 2010

CSEA, New York's leading union, has won a settlement on behalf of 1,600 retired **Westchester County** employees that freezes their prescription drug costs for life for themselves and their dependents.

"This is a huge victory for our retirees," said CSEA Statewide President Danny Donohue. "They live on fixed incomes and never expected they would be forced to pay more for their health care."

Under the terms of the class action settlement that was approved Tuesday by Supreme Court Judge Joan Lefkowitz, prescription co-payments are forever frozen for class members and their dependents, with generic drugs at \$4, brand name drugs at \$8 and non-preferred brand name drugs at \$15. There are safeguards in place so that most prescriptions will not exceed \$8. Various other co-payments and deductibles are also frozen forever.

The county will also pay each class member or surviving dependent \$700, and the county will also pay CSEA attorney fees and litigation expenses in the amount of \$65,000. The costs of the immediate payouts are approximately \$1.1 million.

The settlement stems from a suit CSEA filed in 2004 claiming the county improperly diminished the health insurance benefits of workers who retired between January 1993 and May 2004.

CSEA argued that the 1993 through 2004 contracts, unlike other CSEA contracts with the county, prohibited the county from changing those retirees' benefits. Lefkowitz, in a decision in July 2008, agreed with the union, ruling, "plaintiffs' health insurance benefits in the prior collective bargaining agreements survived those agreements and may not be diminished without their consent."

The county then appealed and it was expected that the matter would continue to be litigated for another two years as it worked its way through the appellate courts. On March 2, 2010, however, Lefkowitz approved the settlement, which now must be implemented within the next 20 to 90 days.

As a side agreement, the county agreed that other CSEA unit retirees, who previously had no clear contractual or legal protection, were entitled to at least the insurance level of active employees.