



# City of Chicago



O2016-2589

Office of the City Clerk

## Document Tracking Sheet

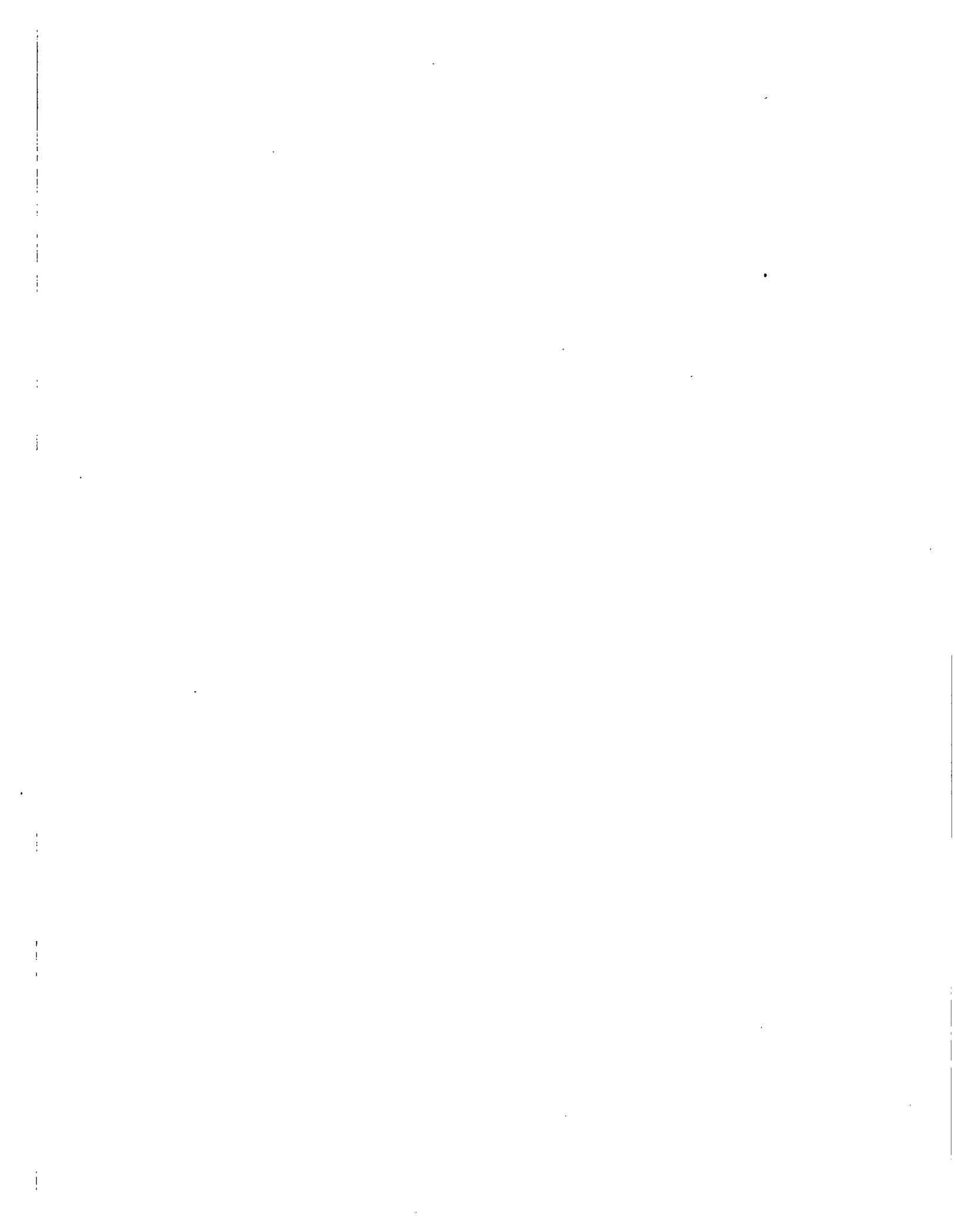
**Meeting Date:** 4/13/2016

**Sponsor(s):** Maldonado (26)  
Sadlowski Garza (10)  
Beale (9)  
Cappleman (46)  
Pawar (47)  
Zalewski (23)  
Ervin (28)  
Hopkins (2)  
Moreno (1)  
Mitts (37)  
Harris (8)  
Solis (25)  
Reboyras (30)  
Sawyer (6)  
Napolitano (41)  
Sposato (38)  
Villegas (36)  
Ramirez-Rosa (35)  
Austin (34)  
Dowell (3)  
Arena (45)  
Burnett (27)  
Lopez (15)  
Moore (49)  
Hairston (5)

**Type:** Ordinance

**Title:** Amendment of Municipal Code Section 2-152-171  
concerning continued health insurance subsidy for certain  
retirees

**Committee(s) Assignment:** Committee on Workforce Development and Audit



**ORDINANCE**

**WHEREAS**, For almost 50 years, the City of Chicago provided affordable health care coverage for its retirees, but in 2013 the City announced it would implement a three-year phase out of health care subsidies to almost all retirees; and

**WHEREAS**, Retiree health insurance is a benefit that employees earn while they work which, once earned, should not be unilaterally taken away and, as a result the City's failure to honor its obligations, this phase-out is currently being challenged in court by a group of retirees and their widows; and

**WHEREAS**, The median annual pension for retirees in the Municipal Employee Annuity and Benefit Fund (MEABF) is between \$27,000 and \$30,000, and more than 9,000 of those annuitants rely on the City for health insurance; and

**WHEREAS**, Virtually every City of Chicago retiree has been harmed by the City's cuts to health insurance subsidies, which results in some retirees spending over half their modest pensions on health care; and

**WHEREAS**, Certain retirees who are over 65 but are not eligible for Medicare because they were hired before March 31, 1986, when Medicare was extended to public employees, are especially and unfairly hard hit; now, therefore

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:**

**SECTION 1.** Section 2-152-171 of the Municipal Code of Chicago is hereby amended by deleting the language stricken and inserting the language underscored, as follows.

**2-152-171 ~~Reserved~~ Continued health insurance subsidy for certain retirees.**

The City shall cover 80% of the health care expenses incurred by each Municipal Employee Annuity and Benefit Fund annuitant aged 65 years or older who participates in the Non-Medicare Eligible Retiree Healthcare Plan.

**SECTION 2.** This ordinance shall take effect upon passage and publication

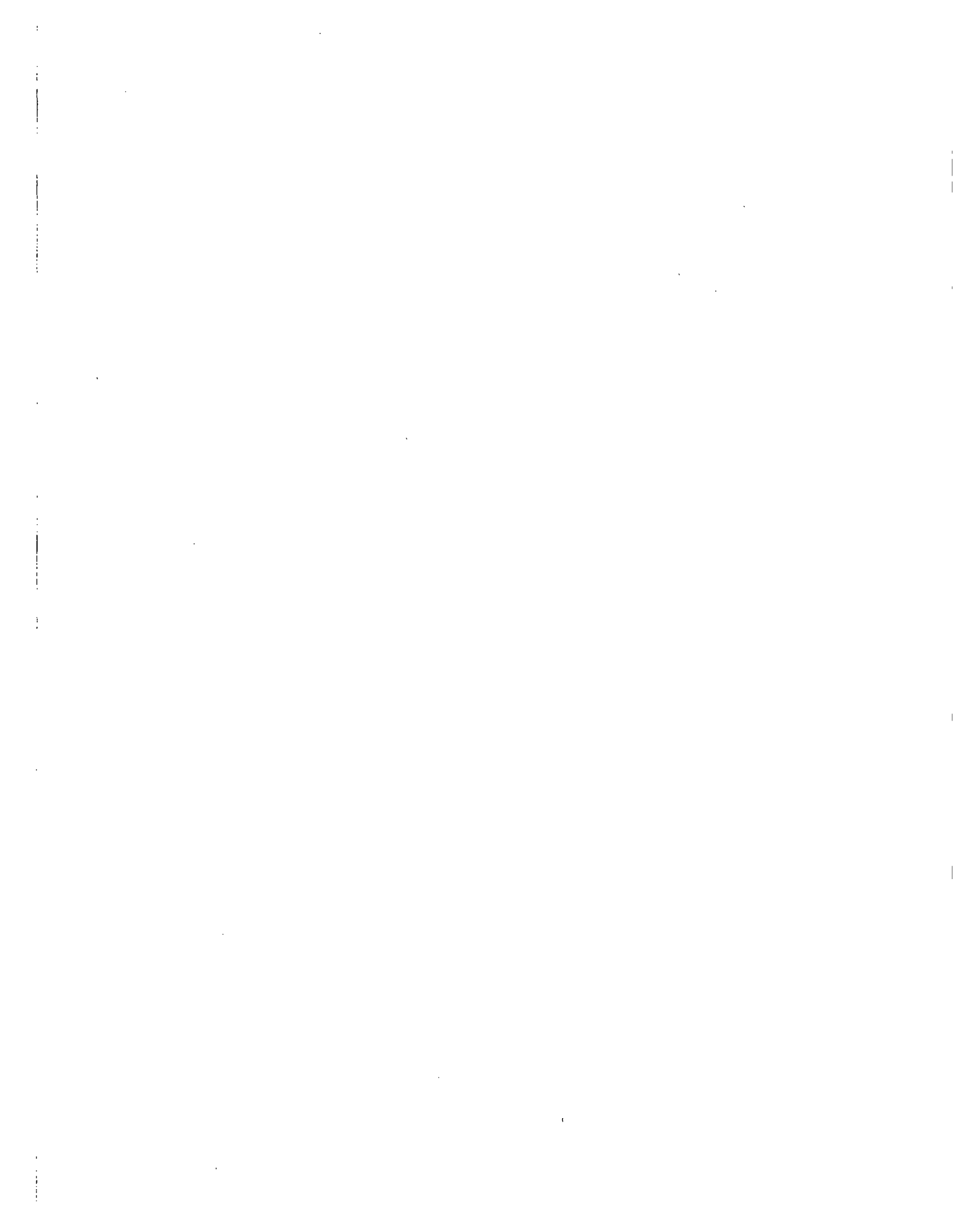
Roberto Maldonado  
Alderman, 26<sup>th</sup> Ward

*Ray Barb 9th*  
*Susan Sadlovskaya 10th*  
*James Caplan 46*

*Amir 47*  
*Michele 23*  
*Burhan 2*  
*1-87*  
*Lee M...*  
*37th*

*Markell Harris 8th*  
*Robert Maldonado*  
*25*

*(9)*  
*Raymond...*  
*Joshua...*  
*20 41*  
*Water...*  
*Carle...*  
*35*  
*Carrie M. Austin*  
*212*



Lester A. Houston 5