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32BJ Health Fund and Northwell Direct Announce Largest Direct Healthcare Contract of its Kind in the Country, Delivering Major Savings and Expanding Access to Care

As a Result of this Groundbreaking Collaboration, 32BJ Health Fund Expects to Spend 20 Percent Less in First Year, Creating National Blueprint for Reducing Healthcare Costs

NEW YORK – December 16, 2025 **–** 32BJ Health Fund, the union health fund representing 100,000 building service workers in the New York metro area, and Northwell Direct, a direct-to-employer health care network that partners directly with employers and labor unions to provide health benefits solutions to their employees, today announced a historic deal that will significantly expand access to high-quality care for 32BJ members and their families while delivering dramatic savings to patients, unions and employers. This agreement is the largest direct healthcare contract of its kind in the country.

Under the terms of the deal, the 170,000 participants in the 32BJ Health Fund will have access to the full spectrum of healthcare services available through the Northwell Direct network. As a result of the lower prices available through Northwell Direct, 32BJ Health Fund estimates it will save $46M in the first year of the agreement or 20 percent. A layer of third party administration will be removed because Northwell Direct and 32BJ Health Fund will manage the administrative relationship directly. 32BJ Health Fund will return Northwell Health to Preferred status. The result will be more options at lower costs for 32BJ members and their families. A look at this deal by the numbers:

- Reduced member inpatient copays from $1,000 to $100 and outpatient from $250 to $75 at providers in the Northwell Direct network.
- Expanded access to over 12,000 Northwell Health providers and reduced copays for them, from $40 to $0.
- Members will save approximately $5M in out-of-pocket copays.
- Annual increases in the fee schedules are capped at no more than 5% annually.

Members will continue to have access to their existing Anthem network, but are also encouraged to explore the low-cost copay options now available through Northwell Direct's network. Northwell Direct's provider network is provided through Northwell Direct Administrative Services Organization, Inc.

"It's impossible to overstate how much of a win this collaboration is for our hard-working families, our Health Fund, and our employers who contribute to it," **Manny Pastreich, President, 32BJ SEIU**, said. "We are dramatically lowering hospital and out-of-pocket costs for our members, expanding their access to high-quality care and proving it's possible to tackle the

healthcare cost crisis through innovation, rather than simply passing the burden onto workers. I'm incredibly proud of our union's role in advocating for these reforms to our healthcare system. This did not happen by accident. The agreement between the Health Fund and Northwell Direct is the first of its size and I trust it will serve as a national model."

"This is a new chapter for how healthcare is delivered and paid for in America," **John D'Angelo, CEO, Northwell Health**, said. "By bringing together the true payors of healthcare costs with the providers who deliver care, we are creating a more transparent, efficient and patient-centric system. We are committed to tackling healthcare affordability, and this historic partnership between Northwell Direct and the 32BJ Health Fund demonstrates that a true solution is possible at scale, providing access benefits and lowering costs for thousands of families in the communities we serve."

Additionally, the organizations will collaborate to find ways to make it easier for members to navigate their healthcare. This includes working together to make it simpler to schedule appointments and improving coordination for major medical events like having a baby or receiving cancer treatment.

"The labor-management partnership at the heart of 32BJ Health Fund is what makes this groundbreaking agreement possible," **Howard Rothschild, President of the Realty Advisory Board on Labor Relations, Inc. ("RAB")**, said. "This deal ensures our industry's workers continue to have access to world-class, affordable healthcare, which is a core commitment of our collaboration. The savings realized by the Health Fund will help ensure the continued stability of their benefits, which is of critical importance to the employers who contribute to the Health Fund and the members who rely on it."

Northwell Direct has a long history of partnering with organized labor, with over 40 percent of the members it served before this collaboration having received their benefits through a union health fund.

"Our mission at Northwell Direct is to deliver a smarter, more cost-effective network solution by aligning the incentives of the health system with those of unions, employers and employees," **Nick Stefanizzi, CEO, Northwell Direct**, said. "32BJ members will spend dramatically less; the 32BJ Health Fund expects to save millions; and Northwell Health will be able to provide care to patients without the additional layers of bureaucracy and added costs of traditional insurance."

The collaboration is guided by a commitment to transparency and data-driven insights. The partners expect a tremendous impact on improving affordability and contributing to the wellbeing of 32BJ union members, their families, and their communities.

"In a healthcare environment where costs continue to soar at unsustainable rates, this collaboration is proof that innovative solutions are the answer," **Peter Goldberger, Executive Director, 32BJ Health Fund**, said. "This collaboration provides 32BJ members expanded access to over 12,000 preferred providers in Northwell Direct's network at a $0 copay, while reducing hospital copays by 90%. When hospital prices are reduced, our members win."

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About 32BJ Health Fund
The 32BJ Health Fund is an unusually effective collaboration between a labor union and management to provide affordable, comprehensive, and innovative health coverage to working-class people. The 32BJ Health Fund aggregates employer contributions from 5,000 employers, ranging from many small businesses to global real estate firms, and uses these contributions to provide benefits to 200,000 members of the SEIU Local 32BJ union and their families. The union members are cleaners, property maintenance workers, doorpersons, security officers, window cleaners, building engineers, school and food service workers, and airport workers in over 10 states and Washington, DC.
Learn more: 32BJHealthFundInsights.com.

About 32BJ SEIU
With more than 185,000 members in 12 states, 32BJ SEIU is the largest property service workers union in the country. 32BJ SEIU represents over 85,000 building service workers in NYC, including 20,000 security officers. 32BJ SEIU members hail from 64 different countries and speak 28 different languages.

About Northwell Direct
Northwell Direct is the leading direct-to-employer solution for the greater New York Metro. We deliver enhanced access and affordability through our high-value network of over 39,000 providers, at-the-bedside care management, and employee health and wellness services. Owned by Northwell Health, New York State's largest health care provider, Northwell Direct brings together employers and providers to create innovative, affordable health benefit solutions that reduce costs and boost employee wellbeing.

About Northwell Health
Northwell Health is New York State's largest health care provider and private employer, with 21 hospitals, about 900 outpatient facilities and more than 12,000 affiliated physicians. We care for over two million people annually in the New York metro area and beyond, thanks to philanthropic support from our communities. Our 85,000 employees – 18,900 nurses and 4,900 employed doctors, including members of Northwell Health Physician Partners – are working to change health care for the better. We're making breakthroughs in medicine at the Feinstein Institutes for Medical Research. We're training the next generation of medical professionals at the visionary Donald and Barbara Zucker School of Medicine at Hofstra/Northwell and the Hofstra Northwell School of Nursing and Physician Assistant Studies. For information on our more than 100 medical specialties, visit Northwell.edu and follow us @NorthwellHealth on Facebook, X, Instagram and LinkedIn.