Stanislaus Regional Housing Authority
ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA
MONO | STANISLAUS | TUOLUMNE COUNTIES

DATE: November 3, 2026

TO: Board of Commissioners

FROM: Jim Kruse, Chief Executive Officer

SUBJECT: Action Item #7: Authorization to Approve Medicare Income-Related Monthly Adjustment Amount (IRMAA) Reimbursement for Retired Contract Employees

PREPARED BY: Dawn Bonsu, Director of Business Operations

RESOLUTION NO: 26-27-07

RECOMMENDATION:

Stanislaus Regional Housing Authority recommends the Board of Commissioners approve the reimbursement of Medicare Income-Related Monthly Adjustment Amount (IRMAA) assessments imposed by the Social Security Administration (SSA) on eligible retired contract employees in an amount not to exceed $450 per month, or $5,400 annually, effective November 1, 2026 through November 30, 2029.

The Medicare Income-Related Monthly Adjustment Amount (IRMAA) is an additional premium assessed by the Social Security Administration on Medicare beneficiaries whose modified adjusted gross income exceeds certain federally established thresholds. These assessments apply to Medicare Part B and Medicare Part D premiums and are determined annually based on income information provided by the Internal Revenue Service.

As a result, certain retired contract employees may incur additional Medicare premium expenses beyond the standard Medicare premiums depending on their reported income.

Stanislaus Regional Housing Authority (Authority) recognizes the importance of maintaining competitive and equitable post-retirement health benefits for individuals who have served the Authority in executive leadership capacities.

In consideration of the additional Medicare expenses that may be incurred by retired contract employees, staff proposes establishing a limited reimbursement benefit for eligible IRMAA assessments.

SUMMARY

Staff recommends that the Board authorize the Authority to reimburse eligible retired contract employees for IRMAA assessments imposed by the Social Security Administration, subject to the

following conditions:

1. **Eligibility:** Reimbursement shall be limited to retired contract employees who served under an employment contract with the Authority and are otherwise eligible for retiree medical benefits under the terms of their applicable employment agreements.
2. **Reimbursement Amount:** The Authority shall reimburse actual IRMAA assessments incurred by an eligible retired contract employee, not to exceed $450 per month or $5,400 annually.
3. **Covered Assessments:** Reimbursement shall apply exclusively to Medicare Part B and Medicare Part D IRMAA assessments attributable to the eligible retired contract employee. IRMAA assessments imposed on a spouse or dependent shall not be eligible for reimbursement.
4. **Verification:** Eligible retired contract employees shall provide documentation issued by the Social Security Administration or other acceptable supporting documentation verifying the applicable IRMAA assessment. Reimbursement shall be limited to amounts actually incurred and substantiated.
5. **Effective Date and Duration:** The reimbursement benefit shall become effective November 1, 2026, and shall remain in effect through November 30, 2029, unless otherwise modified or extended by subsequent action of the Board of Commissioners.
6. **Administration:** The Authority's Human Resources and Finance departments shall be responsible for administering the reimbursement benefit, verifying eligibility, and ensuring compliance with the established reimbursement limits.

The proposed reimbursement benefit is intended to supplement existing retiree medical benefits and shall not otherwise modify or diminish any benefits provided under an eligible retired contract employee's employment agreement. Approval of the proposed IRMAA reimbursement benefit will provide additional financial assistance to eligible retired contract employees who incur increased Medicare premium expenses as a result of income-related assessments.

Fiscal Impact:

The maximum financial obligation under the proposed reimbursement benefit is $450 per month, or $5,400 annually, per eligible retired contract employee.

Actual expenditures will depend on the number of eligible retired contract employees, their respective IRMAA assessments and the supporting documentation submitted for reimbursement.

Funding for the reimbursement benefit shall be incorporated into the Authority's applicable operating budgets for the duration of the approved benefit period.

ATTACHMENT:

Resolution No. 26-27-07

Stanislaus Regional Housing Authority
ALPINE | AMADOR | CALAVERAS | INYO | MARIPOSA
MONO | STANISLAUS | TUOLUMNE COUNTIES

RESOLUTION NO. 26-27-07

RESOLUTION AUTHORIZING REIMBURSEMENT OF MEDICARE INCOME-RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA) ASSESSMENTS FOR ELIGIBLE RETIRED CONTRACT EMPLOYEES

WHEREAS, Stanislaus Regional Housing Authority recognizes the importance of providing competitive retirement benefits to individuals who have served the Authority in executive leadership capacities; and

WHEREAS, the Social Security Administration (SSA) assesses an Income-Related Monthly Adjustment Amount (IRMAA) on certain Medicare beneficiaries whose modified adjusted gross income exceeds federally established income thresholds; and

WHEREAS, IRMAA assessments result in additional Medicare Part B and Part D premium expense for affected retired contract employees beyond the standard Medicare premiums; and

WHEREAS, Stanislaus Regional Housing Authority has determined that establishing a defined reimbursement benefit, subject to specified eligibility requirements, reimbursement limits, and a designated benefit period, is appropriate and in the best interests of the Authority.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners of Stanislaus Regional Housing Authority, that

1. Authority is authorized to reimburse eligible retired contract employees for Medicare Part B and Part D Income-Related Monthly Adjustment Amount (IRMAA) assessments imposed by the Social Security Administration, subject to the terms and conditions established herein.

2. Eligible retired contract employees shall submit documentation issued by the Social Security Administration establishing the applicable IRMAA assessment, as well as proof of payment of said assessment acceptable to the Authority to support the reimbursement request.

3. The reimbursement benefit established by this Resolution is intended to supplement existing retiree medical benefits and shall not otherwise modify, reduce, or supersede any retirement benefits provided pursuant to an eligible retired contract employee's employment agreement.

4. The Chief Executive Officer is designated the Contract Officer and is authorized to implement and administer the reimbursement benefit in accordance with this

Resolution, including establishing reasonable administrative procedures for verifying eligibility, processing reimbursement requests and maintaining appropriate financial records.

5. This Resolution shall take effect immediately. The reimbursement benefit authorized by this Resolution shall become effective November 1, 2026, and shall expire November 30, 2029.

DULY AND REGULARLY ADOPTED by the Board of Commissioners of Stanislaus Regional Housing Authority this 3rd day of November 2026. On a motion by Commissioner ____, seconded by Commissioner____, and on the following roll call vote:

AYES:

NAYS

ABSENT:

ABSTAIN:

Approved:_____ Attest:_____
Chairperson Secretary