

RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF RAHWAY

RESOLUTION NO. 1585

DATE OF ADOPTION: JUNE 13, 2019

SUBJECT: MEDICARE PART B CO-PAY FOR RETIREES 65 OR OVER WHILE RECEIVING VESTED MEDICAL BENEFITS FROM RAHWAY HOUSING AUTHORITY

THE FOLLOWING RESOLUTION was presented by the Executive Director/Secretary at a Regular Meeting held on June 13, 2019:

WHEREAS, if a retiree receives State medical benefits from his or her former employee, the retiree must sign up for Part B if already 65 when retiring or when turning 65 during retirement; and

WHEREAS, Medicare Part B then becomes the primary medical insurance and the vested medical benefits from RHA become the supplemental; and

WHEREAS, when the vested medical benefits from RHA become the supplemental medical coverage, premiums for said coverage drop by 50 to 60%; and

WHEREAS, the state, in recognition of the cost savings to the state vested medical benefits allows, but does not mandate, the public entity to pay the monthly fee which is charged by Medicare Part B which is currently in 2019 \$135.50 per month ; and

WHEREAS, paying the retirees Part B co-pay is in a way sharing in the cost savings for the vested state medical benefits becoming the supplemental coverage; and

NOW, THEREFORE, BE IT RESOLVED that Rahway Housing Authority will pay to the retiree when he/she is required to sign up for Medicare Part B the cost of said Medicare Part B co-pay. The benefit will be paid every 6 months in June and December for the prior 6 months for a maximum total of 60 months (can be less if employee retires before turning 65).

BE IT FURTHER RESOLVED, that this benefit to the 65 year or older retiree in recognition of lower vested health care benefits shall remain constant at the cost of Medicare Part B co-pay at the time of retirement and shall not change during the duration of the vested health care benefits from Rahway Housing Authority.

COMMISSIONER Ragan made a motion to adopt the above resolution, which was seconded by **COMMISSIONER** Simon and on a roll call vote the Ayes and Nays were as follows:

AYES

Gonzalez
Lesinski
Pekarofski
Ragan
Simon
Thomas
Thomas-Petit


NAYS

ABSTAIN

ABSENT

THE CHAIRPERSON thereupon declared Resolution No. 1585 adopted.

I certify that the foregoing is a true copy of a resolution of the Housing Authority of the City of Rahway adopted on June 13, 2019.



Kenneth Pushko
Executive Director/Secretary