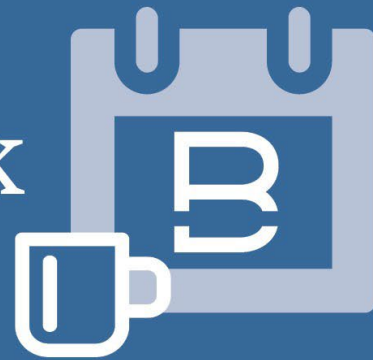


The Work Week

Bassford Remele Employment Practice Group



July 14, 2025

Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

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Supreme Court Clarifies ADA Does Not Cover Retiree Benefit Claims

[Michael J. Pfau](#)

On June 20, 2025, the U.S. Supreme Court issued a significant decision in *Stanley v. City of Sanford, Florida*, narrowing the scope of the Americans with Disabilities Act (ADA) as it applies to post-employment benefits. In a 7–2 opinion, the Court held that retirees may not bring discrimination claims under Title I of the ADA for alleged unequal treatment related solely to retiree benefits.

The case arose when Karyn Stanley, a firefighter for the City of Sanford, was forced to retire due to Parkinson's disease. When she was hired, the City offered healthcare coverage for disability retirees until they reached age 65. In 2003, however, the City amended its policy, limiting coverage to 24 months after retirement for those who retired due to disability. Stanley, unaware of this change, sued under the ADA after her benefits were terminated.

Lower courts dismissed Stanley's claim, concluding that because she was no longer employed or seeking employment, she did not qualify as a "qualified individual" under Title I. The Supreme Court agreed. Writing for the majority, Justice Gorsuch emphasized that Title I's language is clear: its protections extend only to individuals who currently hold or seek a job and who can perform that job's essential functions, with or without reasonable accommodation. The Court found that retirees do not meet this definition because they are no longer part of an employment relationship.

In dissent, Justices Sotomayor and Jackson argued that the decision undermines the ADA's broader anti-discrimination purposes and may leave disabled retirees vulnerable to unfair benefit reductions. The ruling, however, signals the Court's continuing focus on statutory text in defining the scope of workplace protections.

Key Takeaways for Employers

This decision provides meaningful clarity for employers—particularly public employers and those who offer retiree health or disability benefits. Employers can now rely on *Stanley* for the proposition that Title I of the ADA does not extend to claims based solely on post-employment benefits. This means that changes to retiree benefit plans are less likely to trigger ADA litigation, so long as they do not affect active employees or applicants.

Nevertheless, employers should remain mindful that retirees may pursue other legal avenues, including claims under the Rehabilitation Act (for public entities or federal funding recipients), state anti-discrimination statutes, or ERISA. Moreover, benefit plan amendments should always be carefully reviewed for compliance with contractual obligations, collective bargaining agreements, and other applicable laws.

Bassford Remele's Employment group continues to monitor the implications of this ruling and other developments affecting retiree benefits, disability discrimination, and workplace policies. We regularly advise employers on designing and updating benefit programs to comply with evolving federal and state law while balancing fiscal responsibility and employee expectations. Please reach out with any questions or if you need assistance.

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