

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

November 04, 2025

FROM

LEONARDO GONZALEZ, Director, Human Resources Department

SUBJECT

Medical and Dental Plan Premium Rates for Retiree Plans

RECOMMENDATION(S)

1. Approve medical premium rates for Blue Shield of California for retired employees, retired Consolidated Omnibus Budget Reconciliation Act participants, and their eligible dependents effective January 1, 2026, through December 31, 2026, as shown in Attachment A.
2. Approve medical premium rates for Kaiser Foundation Health Plan, Inc. for retired employees, retired Consolidated Omnibus Budget Reconciliation Act participants, and their eligible dependents effective January 1, 2026, through December 31, 2026, as shown in Attachment A.
3. Approve Delta Dental of California retiree dental premium rates for retired employees, retired Consolidated Omnibus Budget Reconciliation Act participants, and their eligible dependents effective January 1, 2026, through December 31, 2027, as shown in Attachment B.

(Presenter: Leonardo Gonzalez, Director, 387-5570)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). There is no additional cost to the County associated with the approval of this item, as the County does not contribute to the cost of premiums for retired employees, retired Consolidated Omnibus Budget Reconciliation Act (COBRA) participants, and their eligible dependents.

BACKGROUND INFORMATION

Each year, the Human Resources Department (HR) and the Employee Benefits Advisory Committee (EBAC) work collaboratively with a contracted health and welfare consultant to review retiree plan utilization and negotiate medical and dental premium rates for the retiree plans. The EBAC is a labor-management committee, composed of individuals representing employee bargaining units, management, and retirees. In June 2025, the County contracted with health and welfare consultant, The Segal Company (Western States) Inc. (Segal), to conduct a comprehensive analysis of data provided by Blue Shield of California (Blue Shield), Kaiser Foundation Health Plan, Inc. (Kaiser), and Delta Dental of California (Delta Dental) to determine the best medical and dental rates for the upcoming retiree plan year.

Medical and Dental Plan Premium Rates for Retiree Plans November 4, 2025

Medical

In July 2025, Segal began negotiations with Blue Shield and Kaiser pertaining to the retiree premium rates for the 2026 benefit plan year.

Blue Shield initially proposed a rate pass (i.e., no rate adjustments) for the non-Medicare retiree medical plans and a 3.90% rate increase for the Medicare retiree medical plans for plan year 2026. However, after negotiations with Segal, Blue Shield agreed to adjust the 2026 Medicare premium rates to a rate pass (i.e., no rate adjustment for plan year 2026). After reviewing Blue Shield's final proposal, HR and the EBAC recommend approval of the Blue Shield retiree medical premium rates for plan year 2026 as listed in Attachment A.

Kaiser initially proposed an approximate 8.50% rate increase for the non-Medicare retiree medical plans and an approximate 7.00% rate increase for Medicare retiree medical plans that are most widely utilized. In September 2025, after three months of negotiations between Segal and Kaiser, and a meeting with HR and the EBAC, Kaiser remained firm with their rate increase proposal for plan year 2026. Therefore, Kaiser made no adjustments to their proposed rate increases for both the non-Medicare and Medicare retiree plans. Given Kaiser's firm position and the risk of service disruption to Kaiser members if not approved, HR and the EBAC recommend approval of the Kaiser retiree medical premium rates for plan year 2026 as listed in Attachment A.

Approval of this item establishes the retiree medical premium rates for plan year 2026.

Dental

In July 2025, Segal began negotiations with Delta Dental to establish retiree premium rates for the 2026 benefit plan year.

Delta Dental proposed an approximate 3.0% rate increase for both the Dental Preferred Provider Organization (DPPO) and Dental Health Maintenance Organization (DHMO) plans for years 2026 and 2027 (from January 1, 2026, through December 31, 2027), consistent with the not-to-exceed rate caps established in Contract No. 22-1257 on December 13, 2022 (Item No. 41).

While Segal's analysis indicated that actual plan utilization would support higher increases, the previously negotiated 3% rate caps limits the increase. Based on this analysis, HR and the EBAC recommend approval of the proposed rate increase of approximately 3.0% to the DPPO and DHMO plans, as shown in Attachment B.

Approval of this item establishes the retiree dental premium rates for plan years 2026 and 2027.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jose A. Mendoza, Deputy County Counsel, 387-5455) on October 09, 2025; County Finance and Administration (Garrett Baker, Administrative Analyst, 387-3077) on October 16, 2025.

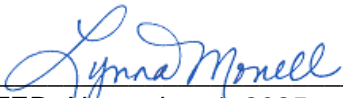
**Medical and Dental Plan Premium Rates for Retiree Plans
November 4, 2025**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 4, 2025



cc: File - Human Resources w/general
MBA 11/5/2025