

Irvine Unified School District

A Joint Communique from the Benefits Management Board

August 2025

BMB Adopts Increase to Employee Contribution Premiums for Plan Year 2026

The Benefits Management Board (BMB) has not increased employee contributions to health benefits since 2021, and has kept deductibles, co-pays and coinsurance at the levels established at that time.

However, healthcare costs are increasing at approximately 9% - 12% per year in California and IUSD faces a similar upward trend, and the PPO and HMO plans become more costly each year. The Cost of Living Adjustment (COLA) IUSD receives in State funding is lower than the increased cost of benefits, most years, which means that the BMB must work diligently to manage our plans, and additional money is required to keep pace with increasing costs.

During the 2024/2025 school year, the BMB held regular meetings, including a special summer session, to address a projected **\$4.4 million deficit** for the health benefit program. This means that our monthly expenditures exceed what is funded, and we have been using reserves to provide time to the BMB to make the best decisions for our employees.

In an effort to make a well-informed decision, the BMB consulted with two highly respected health benefit consulting firms. In the end, the BMB adopted, by majority vote, new employee contributions for 2026. The medical contribution for employees only will increase by \$30 per month, with additional increases for family members. This will be a shared effort, with employees contributing approximately half of the needed **\$2.2 million**. The remaining amount will be the subject of bargaining in the context of total compensation for salary and benefits during the 2025-26 school year.

2026 Plan Year - Active Employee and Dependent Monthly Rates (10 Payroll Cycles)				
Coverage Level	UHC PPO	UHC HMO	Dental	Vision
Employee Only	\$80.00	\$80.00	\$20	\$5
Employee + Spouse	\$415.00	\$415.00	\$45.00	\$14.00
Employee + Child	\$365.00	\$365.00	\$45.00	\$14.00
Employee + Children	\$395.00	\$395.00	\$75.00	\$26.00
Family	\$470.00	\$470.00	\$75.00	\$26.00

Additional Work for 2025/2026 School Year

While these new contributions are essential, they are just one part of the overall strategy. The BMB remains committed to identifying more cost-saving options to ensure long-term stability and to preserve our comprehensive health care benefits. The BMB understands the importance of health benefits to our employees and their families and is aware that any increase is a challenge, so these increases were deemed necessary to maintain coverage at current levels.

Background Information about BMB

The BMB is composed of District and union representatives, and manages and oversees our employee health benefit program. The BMB is responsible for designing and managing our insurance benefits while working within the available budget. The BMB utilizes industry experts as consultants to guide the work of the BMB. This self-funded model is unique in the county and has enabled IUSD to offer relatively low cost PPO and HMO plans compared to other districts.

Being self-funded, BMB pays its bills monthly and must keep sufficient funds on-hand with a reserve to meet its obligations. This takes careful management of resources and the BMB meets often to review costs in order to make any adjustments required to keep the program financially solvent.

The members of the BMB continue to monitor the performance of our HMO and PPO plans. The BMB's approach is to analyze long-term trends and overall performance rather than making decisions based on the data from a single year, ensuring we provide a stable and reliable health benefits program.

2025/2026 Meetings of the Benefits Management Board

September 12, 2025

November 7, 2025

January 9, 2026

March 13, 2026

April 17, 2026

May 15, 2026

Benefits Management Board Representatives

ITA

Jessica Bracken

Zane Pang

Sonia Kearney

Nicole Vicioso

CSEA

Gus Talamantes

Cesar Roman

Chris Mastrangelo

ISA

Don Grudem

Maria Ragas

District

Eamonn O'Donovan

John Fogarty

Stephen Bayne

Susan Kemp

Susan Holliday

Laurie Serich-Lundquist

IAA

Jennifer Payton

Charlotte Glass

IAAP

Cindy Baringoldz