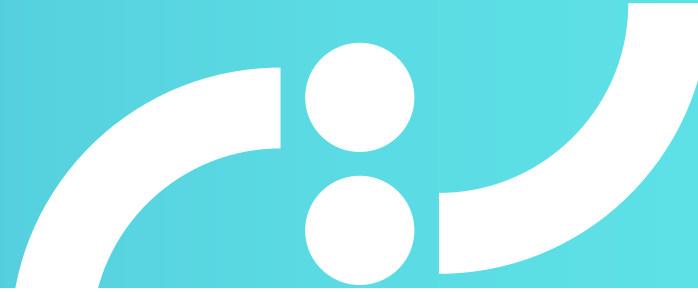


# Group Insurance Plans



Finance, Budget and Audit Committee  
September 18, 2025

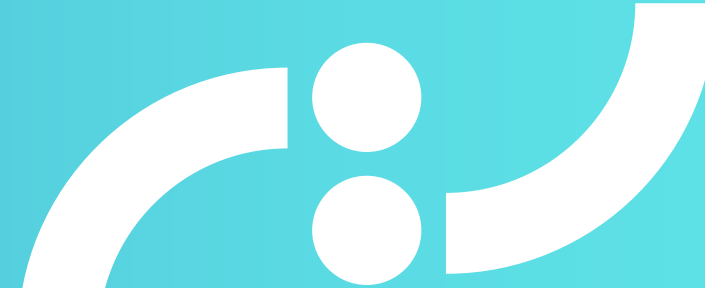
# Staff Recommendation



AUTHORIZE the Chief Executive Officer (CEO) to:

Renew existing group insurance policies covering Non-Contract and American Federation of State, County and Municipal (AFSCME) employees, including long term disability coverage for Teamsters employees, and life insurance for all full-time Los Angeles County Metropolitan Transportation Authority (Metro) employees, for a one-year period beginning January 1, 2026.

# Background



The Non-Contract Group Insurance Plan, a flexible benefits program, was implemented in August 1994.

Health insurance plans are part of the total compensation package that helps attract and retain qualified employees, as well as provide existing employees with a foundation to maintain or improve their health.

Metro, including the Public Transportation Services Corporation (PTSC), offers benefit plans that promote efficient use of health resources and are cost-effective for the agency and employees.

Approximately 99% of the employees covered by the benefit plans are PTSC employees.



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# Group Insurance Plans Overview & Next Steps

## Overview

- Non-Contract and AFSCME Employees contribute 10% towards their individually selected plan's medical and dental premiums
- The Delta Dental PPO/HMO, VSP and Long-Term Disability plans did not have a rate increase for 2026 and will keep their current rates until January 1, 2027
- The overall group insurance premium cost will increase by 10.9% for 2026
- Factors contributing to group insurance premium increases are as follows:
  - increased number of high-dollar medical claims
  - significant losses on life insurance claims
  - impact of inflation

## Next Steps

- Metro will hold annual open enrollment from November 3rd, 2025 to November 16th, 2025 for Non-Contract and AFSCME employees and implement benefit elections effective January 1, 2026.



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