

# **San Francisco Health Service System Health Service Board**

## **Rates & Benefits**

Review and Approve Blue Shield of California Non-Medicare  
Flex-Funded HMO Medical/Rx Plans  
2026 Rates and Contributions

Presented by Mike Clarke, Lead Actuary, Aon

May 8, 2025

# Agenda

- **Rate Setting Methodology Preface**
- **Blue Shield of California (BSC) HMO Plans 2026 Rating — Renewal Summary**
- **2026 Monthly Rate Cards for BSC Access+ HMO and BSC Trio HMO Plans**
  - Active Employees (93/93/83 and 100/96/83 contribution strategies)
  - Non-Medicare Retirees (per City Charter employer contribution guidance)
- **Recommendation for HSB Action**
- **Appendix — Additional Information**
  - Rate Card Footnotes
  - 2025 BSC Access+ HMO and Trio HMO Monthly Rate Cards
  - Glossary of Terms

# 1

## Rate Setting Methodology Preface

# Health Plan Funding

## Method Comparison by SFHSS Plan

Funding Method	Self-Funded	Flex-Funded	Fully Insured
<b>Funding Method Description</b>	Claim dollars based on services delivered to members are paid by the Trust, along with plan administrative fees to manage the plan (process claims, provide call center for members, etc.)	Insurance approach where most claim dollars based on services delivered to members are paid by the Trust, but with fixed costs for certain healthcare services ("capitation") as well as plan administrative fees and large claim reinsurance mechanism ("pooling") at \$1 million per participant annually	Health plan sets fixed dollar plan premiums to cover expected claim costs for healthcare services by members, as well as plan administrative fee costs
<b>Who Calculates the Recommended SFHSS Plan Rates That HSB Approves?</b>	Aon actuary using Aon-determined cost trend assumptions and health plan-determined administrative fees (and required legislative fees)	Aon actuary using plan-determined cost trend assumptions that are validated by Aon actuary, and health plan-determined administrative/large claim pooling fees (and required legislative fees)	Plan's actuary using plan-determined cost trend assumptions which are scrutinized by Aon actuary, and health plan-determined administrative fees/large claim pooling adjustments (and required legislative fees)
<b>SFHSS Plans by Funding Method</b>	<ul style="list-style-type: none"> <li>• Non-Medicare PPO</li> <li>• Delta Dental Active Employee PPO</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Blue Shield of CA Access+ HMO</b></li> <li>• <b>Blue Shield of CA Trio HMO</b></li> <li>• Health Net CanopyCare HMO</li> </ul>	<ul style="list-style-type: none"> <li>• All Kaiser HMO plans</li> <li>• BSC Medicare Advantage PPO</li> <li>• Delta Dental Retiree PPO</li> <li>• DeltaCare Dental HMO</li> <li>• UHC Dental HMO</li> <li>• VSP Vision</li> </ul>
<b>HSB Rate Stabilization Policy Applies?</b>	Yes	Yes	No

# Health Plan Rate Setting Process for Next Plan Year

## Determining Needed Plan Rate Changes For Next Year — Five Step Process

Completion of these five steps below produces an aggregate cost projection based on current plan enrollment for the next plan year (right now, the 2026 plan year)



Next, the Aon and plan actuaries compare these next-year cost projections to the total current-year dollars when multiplying rates times enrollment — and that leads to the needed percentage change in rates from this year to next year:

$$\frac{\text{2026 Total Projected Plan Cost}}{\text{2025 Rates x Enrollment}} = \text{Needed Rate Change Factor (2026 vs. 2025)}$$

# Non-Medicare Medical Plan 2026 Rate Renewal Summary

Below is a summary of total rate cost increase recommendations that are being presented today for San Francisco Health Service System (SFHSS) Non-Medicare health plans — with each rating action calculated by individual plan based on the process reviewed on the prior page. For the BSC plans, the recommended actions incorporate restricting GLP-1 prescription drug access for weight loss to individuals with Body Mass Index (BMI) at or above 40, as well as adoption of SB729 infertility benefit requirements for the two BSC HMO plans. Kaiser HMO adopted the GLP-1 coverage for weight loss only restriction for the 2025 plan year.

Non-Medicare Health Plan	Before Rate Stabilization Adjustment	After Rate Stabilization Adjustment
BSC Access+ HMO <sup>1</sup>	8.4%	<b>8.7%</b>
BSC Trio HMO <sup>1</sup>	8.9%	<b>9.2%</b>
Health Net CanopyCare <sup>1</sup>	1.7%	<b>-0.3%</b>
Kaiser	TBD	Does not apply (insured plan)
Non-Medicare PPO <sup>1,2</sup>	2.6%	<b>0.5%</b>

- 1 Rating action incorporates proposed change to GLP-1 coverage as described in rating recommendation documents for BSC plans, as well as mandated infertility benefit levels (SB729) for HMO plans that are recommended to apply to PPO plan also.
- 2 Total rate increase for active employees with Non-Medicare PPO Choice Not Available pricing will follow the total rate increase for the BSC Access+ HMO plan.

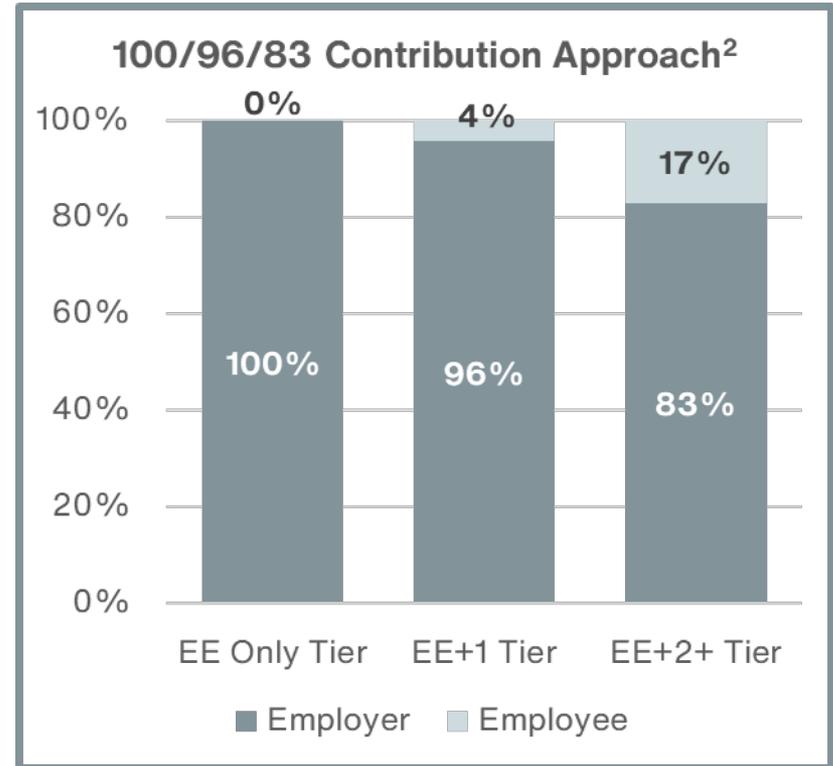
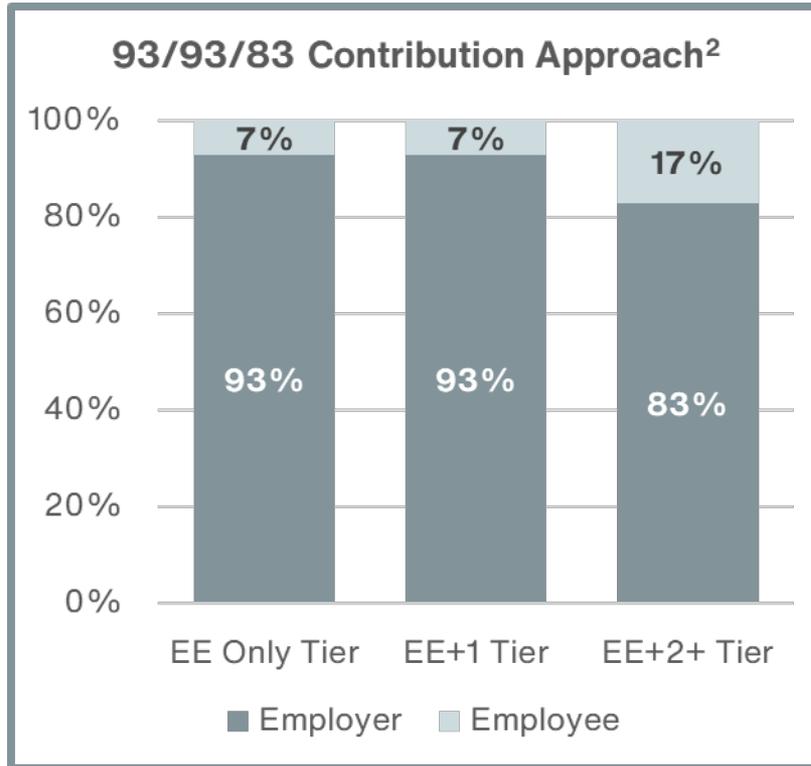
# Non-Medicare Medical Plan 2025 Proposed Total Rates

Recommended 2025 **monthly** total cost rates for each SFHSS non-Medicare health plan are shown below (all rate card elements included):

SFHSS Health Plan	Plan Year	Active Employees			Non-Medicare Retirees		
		EE Only	EE + 1	EE + 2+	RET Only	RET + 1	RET + 2+
Kaiser HMO	PY 2025	\$881.38	\$1,758.78	\$2,487.00	\$1,770.88	\$2,648.28	\$3,376.50
	PY 2026	TBD	TBD	TBD	TBD	TBD	TBD
	% Difference	TBD	TBD	TBD	TBD	TBD	TBD
BSC Access+ HMO	PY 2025	\$1,163.91	\$2,323.84	\$3,286.60	\$2,688.54	\$3,894.74	\$4,857.48
	PY 2026	\$1,265.37	\$2,524.76	\$3,570.07	\$2,921.19	\$4,230.84	\$5,276.12
	% Difference	8.7%	8.6%	8.6%	8.7%	8.6%	8.6%
BSC Trio HMO	PY 2025	\$989.72	\$1,975.47	\$2,793.63	\$2,284.58	\$3,309.61	\$4,127.75
	PY 2026	\$1,081.36	\$2,156.74	\$3,049.31	\$2,494.45	\$3,612.72	\$4,505.25
	% Difference	9.3%	9.2%	9.2%	9.2%	9.2%	9.1%
Health Net CanopyCare	PY 2025	\$791.41	\$1,578.85	\$2,232.40	\$1,824.65	\$2,643.43	\$3,296.97
	PY 2026	\$789.90	\$1,573.83	\$2,224.46	\$1,818.52	\$2,633.64	\$3,284.27
	% Difference	-0.2%	-0.3%	-0.4%	-0.3%	-0.4%	-0.4%
Non-Medicare PPO	PY 2025	\$1,478.50	\$2,867.91	\$4,052.53	\$1,990.63	\$2,887.46	\$3,603.48
	PY 2026	\$1,487.03	\$2,882.83	\$4,072.88	\$2,001.54	\$2,902.47	\$3,621.75
	% Difference	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
Non-Medicare PPO (Choice Not Available)	PY 2025	\$1,163.91	\$2,323.84	\$3,286.60	\$1,990.63	\$2,887.46	\$3,603.48
	PY 2026	\$1,265.37	\$2,524.76	\$3,570.07	\$2,001.54	\$2,902.47	\$3,621.75
	% Difference	8.7%	8.6%	8.6%	0.5%	0.5%	0.5%

# Active Employees (CCSF<sup>1</sup>)

## Segmenting Total Cost Rates into Employer and Member Contributions



<sup>1</sup> City and County of San Francisco (CCSF) MOU contribution sharing approaches shown above; other employers in SFHSS plans have their employer-specific contribution sharing methodologies for active employees.

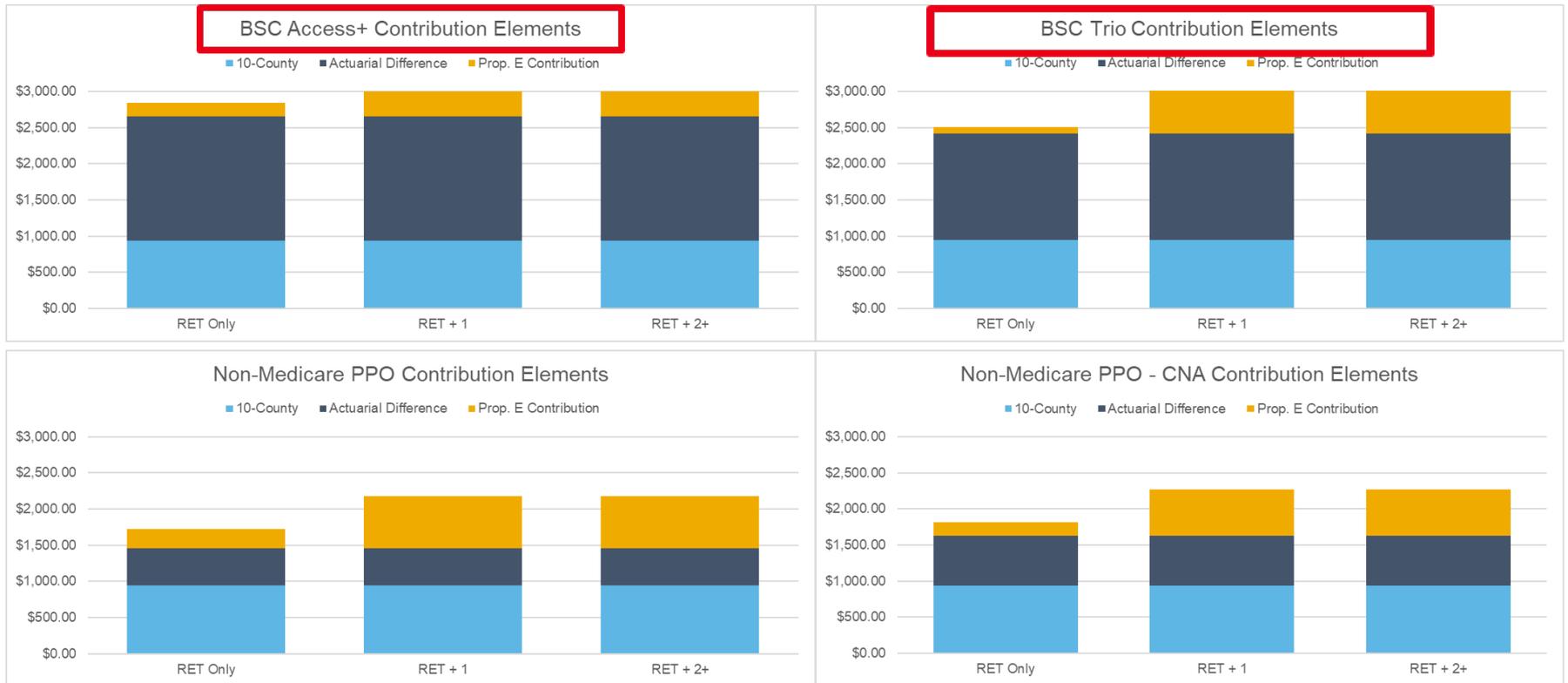
<sup>2</sup> For the highest cost plan (Non-Medicare PPO Plan), based on MOU the employer contribution dollar amounts are set to equal the employer contribution dollar amounts for the second highest-cost plan (which is BSC Access+ HMO), except for the Employee Only tier in the 100/96/83 contribution approach where the member pays no contribution for any plan.

# Non-Medicare Retirees (based on City Charter)

## Segmenting Total Cost Rates into Employer and Member Contributions

Non-Medicare Retirees — **2025** Employer Contribution Components (BSC Plans)

- Light Blue — 10-County Amount (same amount for all plans)
- Dark Blue — “Actuarial Difference” (plan-specific, same amount for all tiers)
- Gold — Retiree Prop. E Contribution (plan-specific, varies for Single tier vs. Family tiers)



# 2

## Recommendation for HSB Action

BSC HMO Plans

# BSC HMO 2026 Plans Rating — Recommendation

**Staff recommends that the Health Service Board (HSB) approve the BSC Access+ HMO and Trio HMO 2026 plan year monthly rate cards presented in this material, including design changes for GLP-1 weight loss medications and SB729-required changes to the infertility benefit.**

- The total rate increase for the BSC Access+ HMO Plan including stabilization buy-down for 2026 is 8.7%.
- The total rate increase for the BSC Trio HMO Plan including stabilization buy-down for 2026 is 9.2%.
- The recommendations include these proposed design changes into 2026 plan year:
  - A change in coverage for GLP-1 medications for the 2026 plan year to restrict coverage for weight loss only to individuals with a Body Mass Index (BMI) at or above 40; and
  - Adoption of SB729 infertility benefit level requirements placed on fully-insured plans in California effective in 2026.

# 3

## BSC HMO Plans 2026 Rating — Renewal Summary

# BSC HMO Plans 2026 Rating

## Renewal Summary

- The plans outlined in this document are administered by Blue Shield of California (BSC) in 2025 (retiree “split family” Non-Medicare lives were previously administered by UnitedHealthcare in 2023 and 2024).
- Covered member and life counts per the 2025 SFHSS Demographic Report are:

<b>2025 Headcount (from SFHSS 2025 Demographic Report)</b>	<b>Members (e.g., employees and retirees)</b>	<b>Covered Lives (members and dependents)</b>
Access+ HMO: Active Employees	9,204	20,112
Trio HMO: Active Employees	4,051	8,213
Access+: Non-Medicare Retirees	1,064	1,695
Trio HMO: Non-Medicare Retirees	632	959
<b>Total BSC HMO Plans</b>	<b>14,951</b>	<b>30,979</b>

# BSC HMO Plans 2026 Rating

## Renewal Summary

- Recommended rate increases for the BSC HMO plans are based on 2024 claims experience trended to 2026, BSC 2026 administrative fees, BSC HMO provider capitation costs, BSC HMO large claim pooling fees, and other rating components as described on the next page that form the overall total cost rates recommended for the BSC HMO plans in 2026.
- The recommended change to GLP-1 prescription drug coverage for weight loss is described on the next page.
- The aggregate calculated rate increases across all populations and rating tiers for the BSC HMO plans are:
  - Access+ plan: +8.7%
  - Trio plan: +9.2%
  - Overall (for both plans combined): +8.9%

# BSC HMO Plans 2026 Rating

## Restricting GLP-1 Coverage for Weight Loss Only for Those With BMI 40+

- As stated by Kaiser at the November 14, 2024, HSB meeting, Kaiser HMO restricted coverage for GLP-1 medications for weight loss only (e.g., no approved qualifying diagnosis) for individuals with Body Mass Index (BMI) at or above 40 (e.g., Class III Obesity) starting in the 2025 plan year. A BMI of 40 is considered “morbidly obese”.
  - BMI is a measure of body fat based on height and weight that applies to adults. BMI is calculated by dividing weight in kilograms by the square of height in meters ( $\text{kg}/\text{m}^2$ ).
  - Per California Title 28 Rule 1300.67.24(e)(3), GLP-1 drugs and other anti-obesity medications remain covered under the Kaiser HMO for patients with BMI equal to or greater than 40.
  - GLP-1 medications remain covered within the Kaiser HMO for qualifying health conditions (such as diabetes), and for weight loss for individuals with BMI 40 and above.
- For the 2026 plan year, it is recommended to align the Blue Shield HMO and PPO plans to the Kaiser HMO approach to GLP-1 medication coverage. Health Net is not yet filed for this consideration.
  - The recommendation aligns with the CA mandate that requires minimum coverage for class III obesity, as well as the goal of ensuring these medications are accessible for members who would clinically benefit the most from treatment.

# BSC HMO Plans 2026 Rating

## Renewal Summary

- The 2026 BSC HMO plan rate cards include the following cost components:
  - Projected 2026 medical/pharmacy (net of rebates) claim costs;
  - Projected 2026 HMO capitation charges for certain medical services including physicians;
  - BSC 2026 administrative fees;
  - BSC HMO large claim pooling fees, CA MCO tax, and ACA PCORI fees;
  - Buy-up for rate stabilization reserve amortization (\$8,504,000 buy-up in 2026, versus \$9,027,000 buy-up in 2025);
  - VSP Basic Plan vision premiums which remain at 2025 levels; and
  - The SFHSS Healthcare Sustainability Fund charge of \$6.00 per employee/retiree per month (PEPM), which is an increase of \$2.00 from 2025.
- The Sutter Legal Settlement buy-down has now expired after 2025 plan rating, so is not applicable for 2026 BSC HMO plans rating (\$1,916,000 in 2025 rating).

# BSC HMO Plans 2026 Rating

## Renewal Summary

### Commentary on 2024 Plan Experience Driving 2026 Rate Increase Recommendations

- As reviewed in the March HSB meeting, 2024 BSC HMO plan expenses per employee/retiree per month (PEPM), which included the UHC EPO plans in 2024, increased by 6.8% from 2023 to 2024. Primary drivers included:
  - Medical: a similar number of large claimants exceeding \$500K in a year from 2023 (37 individuals) to 2024 (38 individuals), but a higher amount in total for claimants over \$500K paid in 2024.
  - Prescription Drugs: continued elevation in specialty medication spending from 2023 to 2024 (+17%).
  - Overall population prevalence rates of diabetes, lipid disorder, and obesity continued to increase into 2024.

# BSC HMO Plans 2026 Rating

## Renewal Summary

### Commentary on BSC HMO Fee Changes from 2025 to 2026

- BSC’s 2026 administrative fee is increasing by 2.75% versus 2025 fees.
- BSC’s large claim pooling fee is increasing by 15.0% versus the 2025 fee.

<b>BSC Fee Component PEPM: Access+ HMO</b>	<b>2025</b>	<b>2026</b>	<b>Change</b>
<b>Fixed Fees (Total)</b>	<b>\$100.38</b>	<b>\$108.55</b>	<b>+8.1%</b>
BSC Administration	\$56.00	\$57.54	+2.75%
BSC Large Claim Pooling (\$1.25M deductible)	\$43.46	\$49.98	+15.0%
Legislative Fees (PCORI, CA MCO Tax)	\$0.92	\$1.03	+12.0%
<b>BSC Fee Component PEPM: Trio HMO</b>	<b>2025</b>	<b>2026</b>	<b>Change</b>
<b>Fixed Fees (Total)</b>	<b>\$95.16</b>	<b>\$103.18</b>	<b>+8.4%</b>
BSC Administration	\$50.86	\$52.26	+2.75%
BSC Large Claim Pooling (\$1.25M deductible)	\$43.46	\$49.98	+15.0%
Legislative Fees (PCORI, CA MCO Tax)	\$0.84	\$0.94	+11.9%

# 4

## 2026 Monthly Rate Cards for BSC Access+ HMO and BSC Trio HMO Plans

# 2026 BSC HMO Monthly Rate Cards

- Active employee rate cards for the BSC HMO plans in this presentation are shown for the two most common employer contribution strategies as of the start of this year for City and County of San Francisco (93/93/83 and 100/96/83).
  - There are multiple employer contribution strategies for active employees across the employers participating in the San Francisco Health Service System (SFHSS).
- Non-Medicare retiree rate cards in this presentation are shown for non-Medicare retirees who earn the full City contribution levels based on dates of hire and length of service — with employer contributions determined based on formulas outlined in the City Charter.
- Comparisons of member contributions from 2025 to 2026 are included in the tables that follow.

# BSC Access+ HMO

## Monthly Rate/Contribution Change — 2026 versus 2025

Non-Medicare Retirees, and **93/93/83** Contribution Strategy for Employees

<i>PY = Plan Year</i>		Active Employees			Non-Medicare Retirees		
		EE	EE+1	EE+2+	RET	RET+1	RET+2+
<b>Monthly Employee/ Retiree Contributions</b>	<b>PY 2025</b>	<b>\$81.47</b>	<b>\$162.67</b>	<b>\$558.72</b>	<b>\$140.93</b>	<b>\$744.03</b>	<b>\$1,706.77</b>
	<b>PY 2026</b>	<b>\$88.58</b>	<b>\$176.73</b>	<b>\$606.91</b>	<b>\$161.61</b>	<b>\$816.44</b>	<b>\$1,861.72</b>
	<i>\$ Difference</i>	\$7.11	\$14.06	\$48.19	\$20.68	\$72.41	\$154.95
	<i>% Difference</i>	8.7%	8.6%	8.6%	14.7%	9.7%	9.1%
<b>Monthly Employer Contributions</b>	<b>PY 2025</b>	<b>\$1,082.44</b>	<b>\$2,161.17</b>	<b>\$2,727.88</b>	<b>\$2,547.61</b>	<b>\$3,150.71</b>	<b>\$3,150.71</b>
	<b>PY 2026</b>	<b>\$1,176.79</b>	<b>\$2,348.03</b>	<b>\$2,963.16</b>	<b>\$2,759.58</b>	<b>\$3,414.40</b>	<b>\$3,414.40</b>
	<i>\$ Difference</i>	\$94.35	\$186.86	\$235.28	\$211.97	\$263.69	\$263.69
	<i>% Difference</i>	8.7%	8.6%	8.6%	8.3%	8.4%	8.4%
<b>Monthly Total Rate</b>	<b>PY 2025</b>	<b>\$1,163.91</b>	<b>\$2,323.84</b>	<b>\$3,286.60</b>	<b>\$2,688.54</b>	<b>\$3,894.74</b>	<b>\$4,857.48</b>
	<b>PY 2026</b>	<b>\$1,265.37</b>	<b>\$2,524.76</b>	<b>\$3,570.07</b>	<b>\$2,921.19</b>	<b>\$4,230.84</b>	<b>\$5,276.12</b>
	<i>\$ Difference</i>	\$101.46	\$200.92	\$283.47	\$232.65	\$336.10	\$418.64
	<i>% Difference</i>	8.7%	8.6%	8.6%	8.7%	8.6%	8.6%

# BSC Access+ HMO

## Monthly Rate/Contribution Change — 2026 versus 2025

Non-Medicare Retirees, and **100/96/83** Contribution Strategy for Employees

<i>PY = Plan Year</i>		Active Employees			Non-Medicare Retirees		
		EE	EE+1	EE+2+	RET	RET+1	RET+2+
Monthly Employee/ Retiree Contributions	PY 2025	\$0.00	\$92.95	\$558.72	\$140.93	\$744.03	\$1,706.77
	PY 2026	\$0.00	\$100.99	\$606.91	\$161.61	\$816.44	\$1,861.72
	\$ Difference	\$0.00	\$8.04	\$48.19	\$20.68	\$72.41	\$154.95
	% Difference	-	8.6%	8.6%	14.7%	9.7%	9.1%
Monthly Employer Contributions	PY 2025	\$1,163.91	\$2,230.89	\$2,727.88	\$2,547.61	\$3,150.71	\$3,150.71
	PY 2026	\$1,265.37	\$2,423.77	\$2,963.16	\$2,759.58	\$3,414.40	\$3,414.40
	\$ Difference	\$101.46	\$192.88	\$235.28	\$211.97	\$263.69	\$263.69
	% Difference	8.7%	8.6%	8.6%	8.3%	8.4%	8.4%
Monthly Total Rate	PY 2025	\$1,163.91	\$2,323.84	\$3,286.60	\$2,688.54	\$3,894.74	\$4,857.48
	PY 2026	\$1,265.37	\$2,524.76	\$3,570.07	\$2,921.19	\$4,230.84	\$5,276.12
	\$ Difference	\$101.46	\$200.92	\$283.47	\$232.65	\$336.10	\$418.64
	% Difference	8.7%	8.6%	8.6%	8.7%	8.6%	8.6%

# BSC Access+ HMO

## Proposed Monthly 2026 Rate Card

### 93/93/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,231.74	\$2,463.48	\$3,485.86	\$2,856.59	\$4,137.65	\$5,160.00
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Claims Stabilization Amount/Self-Funded Policy	\$23.48	\$46.96	\$66.45	\$54.45	\$78.87	\$98.36
<b>Total</b>	<b>\$1,265.37</b>	<b>\$2,524.76</b>	<b>\$3,570.07</b>	<b>\$2,921.19</b>	<b>\$4,230.84</b>	<b>\$5,276.12</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$942.14	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$942.14	\$942.14
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,655.82	\$1,655.82	\$1,655.82
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$161.62	\$816.44	\$816.44
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,759.58	\$3,414.40	\$3,414.40
<b>2026 Non-Bargained Contribution Rate</b>	<b>\$1,265.37</b>	<b>\$2,524.76</b>	<b>\$3,570.07</b>	<b>\$161.61</b>	<b>\$816.44</b>	<b>\$1,861.72</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,176.79	\$2,348.03	\$2,963.16			
<b>2026 Typical Bargained Member Contribution</b>	<b>\$88.58</b>	<b>\$176.73</b>	<b>\$606.91</b>			

<b>Final Member Contribution 2025</b>	<b>\$81.47</b>	<b>\$162.67</b>	<b>\$558.72</b>	<b>\$140.93</b>	<b>\$744.03</b>	<b>\$1,706.77</b>
<b>Difference — 2026 versus 2025</b>	<b>\$7.11</b>	<b>\$14.06</b>	<b>\$48.19</b>	<b>\$20.68</b>	<b>\$72.41</b>	<b>\$154.95</b>

# BSC Access+ HMO

## Proposed Monthly 2026 Rate Card

### 100/96/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,231.74	\$2,463.48	\$3,485.86	\$2,856.59	\$4,137.65	\$5,160.00
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Claims Stabilization Amount/Self-Funded Policy	\$23.48	\$46.96	\$66.45	\$54.45	\$78.87	\$98.36
<b>Total</b>	<b>\$1,265.37</b>	<b>\$2,524.76</b>	<b>\$3,570.07</b>	<b>\$2,921.19</b>	<b>\$4,230.84</b>	<b>\$5,276.12</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$942.14	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$942.14	\$942.14
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,655.82	\$1,655.82	\$1,655.82
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$161.62	\$816.44	\$816.44
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,759.58	\$3,414.40	\$3,414.40
<b>2026 Non-Bargained Contribution Rate</b>	<b>\$1,265.37</b>	<b>\$2,524.76</b>	<b>\$3,570.07</b>	<b>\$161.61</b>	<b>\$816.44</b>	<b>\$1,861.72</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,265.37	\$2,423.77	\$2,963.16			
<b>2026 Typical Bargained Member Contribution</b>	<b>\$0.00</b>	<b>\$100.99</b>	<b>\$606.91</b>			

<b>Final Member Contribution 2025</b>	<b>\$0.00</b>	<b>\$92.95</b>	<b>\$558.72</b>	<b>\$140.93</b>	<b>\$744.03</b>	<b>\$1,706.77</b>
<b>Difference — 2026 versus 2025</b>	<b>\$0.00</b>	<b>\$8.04</b>	<b>\$48.19</b>	<b>\$20.68</b>	<b>\$72.41</b>	<b>\$154.95</b>

# BSC Trio HMO

## Monthly Rate/Contribution Change — 2026 versus 2025

Non-Medicare Retirees, and **93/93/83** Contribution Strategy for Employees

<i>PY = Plan Year</i>		Active Employees			Non-Medicare Retirees		
		EE	EE+1	EE+2+	RET	RET+1	RET+2+
<b>Monthly Employee/ Retiree Contributions</b>	<b>PY 2025</b>	<b>\$69.28</b>	<b>\$138.28</b>	<b>\$474.92</b>	<b>\$53.83</b>	<b>\$566.35</b>	<b>\$1,384.49</b>
	<b>PY 2026</b>	<b>\$75.70</b>	<b>\$150.97</b>	<b>\$518.38</b>	<b>\$69.61</b>	<b>\$628.74</b>	<b>\$1,521.27</b>
	<i>\$ Difference</i>	\$6.42	\$12.69	\$43.46	\$15.78	\$62.39	\$136.78
	<i>% Difference</i>	9.3%	9.2%	9.2%	29.3%	11.0%	9.9%
<b>Monthly Employer Contributions</b>	<b>PY 2025</b>	<b>\$920.44</b>	<b>\$1,837.19</b>	<b>\$2,318.71</b>	<b>\$2,230.75</b>	<b>\$2,743.26</b>	<b>\$2,743.26</b>
	<b>PY 2026</b>	<b>\$1,005.66</b>	<b>\$2,005.77</b>	<b>\$2,530.93</b>	<b>\$2,424.84</b>	<b>\$2,983.98</b>	<b>\$2,983.98</b>
	<i>\$ Difference</i>	\$85.22	\$168.58	\$212.22	\$194.09	\$240.72	\$240.72
	<i>% Difference</i>	9.3%	9.2%	9.2%	8.7%	8.8%	8.8%
<b>Monthly Total Rate</b>	<b>PY 2025</b>	<b>\$989.72</b>	<b>\$1,975.47</b>	<b>\$2,793.63</b>	<b>\$2,284.58</b>	<b>\$3,309.61</b>	<b>\$4,127.75</b>
	<b>PY 2026</b>	<b>\$1,081.36</b>	<b>\$2,156.74</b>	<b>\$3,049.31</b>	<b>\$2,494.45</b>	<b>\$3,612.72</b>	<b>\$4,505.25</b>
	<i>\$ Difference</i>	\$91.64	\$181.27	\$255.68	\$209.87	\$303.11	\$377.50
	<i>% Difference</i>	9.3%	9.2%	9.2%	9.2%	9.2%	9.1%

# BSC Trio HMO

## Monthly Rate/Contribution Change — 2026 versus 2025

Non-Medicare Retirees, and **100/96/83** Contribution Strategy for Employees

<i>PY = Plan Year</i>		Active Employees			Non-Medicare Retirees		
		EE	EE+1	EE+2+	RET	RET+1	RET+2+
Monthly Employee/ Retiree Contributions	PY 2025	\$0.00	\$79.02	\$474.92	\$53.83	\$566.35	\$1,384.49
	PY 2026	\$0.00	\$86.27	\$518.38	\$69.61	\$628.74	\$1,521.27
	<i>\$ Difference</i>	\$0.00	\$7.25	\$43.46	\$15.78	\$62.39	\$136.78
	<i>% Difference</i>	-	9.2%	9.2%	29.3%	11.0%	9.9%
Monthly Employer Contributions	PY 2025	\$989.72	\$1,896.45	\$2,318.71	\$2,230.75	\$2,743.26	\$2,743.26
	PY 2026	\$1,081.36	\$2,070.47	\$2,530.93	\$2,424.84	\$2,983.98	\$2,983.98
	<i>\$ Difference</i>	\$91.64	\$174.02	\$212.22	\$194.09	\$240.72	\$240.72
	<i>% Difference</i>	9.3%	9.2%	9.2%	8.7%	8.8%	8.8%
Monthly Total Rate	PY 2025	\$989.72	\$1,975.47	\$2,793.63	\$2,284.58	\$3,309.61	\$4,127.75
	PY 2026	\$1,081.36	\$2,156.74	\$3,049.31	\$2,494.45	\$3,612.72	\$4,505.25
	<i>\$ Difference</i>	\$91.64	\$181.27	\$255.68	\$209.87	\$303.11	\$377.50
	<i>% Difference</i>	9.3%	9.2%	9.2%	9.2%	9.2%	9.1%

# BSC Trio HMO

## Proposed Monthly 2026 Rate Card

### 93/93/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,047.73	\$2,095.46	\$2,965.10	\$2,429.85	\$3,519.53	\$4,389.13
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Claims Stabilization Amount/Self-Funded Policy	\$23.48	\$46.96	\$66.45	\$54.45	\$78.87	\$98.36
<b>Total</b>	<b>\$1,081.36</b>	<b>\$2,156.74</b>	<b>\$3,049.31</b>	<b>\$2,494.45</b>	<b>\$3,612.72</b>	<b>\$4,505.25</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$942.14	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$942.14	\$942.14
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,413.09	\$1,413.09	\$1,413.09
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$69.61	\$628.75	\$628.75
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,424.84	\$2,983.98	\$2,983.98
<b>2026 Non-Bargained Contribution Rate</b>	<b>\$1,081.36</b>	<b>\$2,156.74</b>	<b>\$3,049.31</b>	<b>\$69.61</b>	<b>\$628.74</b>	<b>\$1,521.27</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,005.66	\$2,005.77	\$2,530.93			
<b>2026 Typical Bargained Member Contribution</b>	<b>\$75.70</b>	<b>\$150.97</b>	<b>\$518.38</b>			

<b>Final Member Contribution 2025</b>	<b>\$69.28</b>	<b>\$138.28</b>	<b>\$474.92</b>	<b>\$53.83</b>	<b>\$566.35</b>	<b>\$1,384.49</b>
<b>Difference — 2026 versus 2025</b>	<b>\$6.42</b>	<b>\$12.69</b>	<b>\$43.46</b>	<b>\$15.78</b>	<b>\$62.39</b>	<b>\$136.78</b>

# BSC Trio HMO

## Proposed Monthly 2026 Rate Card

### 100/96/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,047.73	\$2,095.46	\$2,965.10	\$2,429.85	\$3,519.53	\$4,389.13
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Claims Stabilization Amount/Self-Funded Policy	\$23.48	\$46.96	\$66.45	\$54.45	\$78.87	\$98.36
<b>Total</b>	<b>\$1,081.36</b>	<b>\$2,156.74</b>	<b>\$3,049.31</b>	<b>\$2,494.45</b>	<b>\$3,612.72</b>	<b>\$4,505.25</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$942.14	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$942.14	\$942.14
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,413.09	\$1,413.09	\$1,413.09
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$69.61	\$628.75	\$628.75
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,424.84	\$2,983.98	\$2,983.98
<b>2026 Non-Bargained Contribution Rate</b>	<b>\$1,081.36</b>	<b>\$2,156.74</b>	<b>\$3,049.31</b>	<b>\$69.61</b>	<b>\$628.74</b>	<b>\$1,521.27</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,081.36	\$2,070.47	\$2,530.93			
<b>2026 Typical Bargained Member Contribution</b>	<b>\$0.00</b>	<b>\$86.27</b>	<b>\$518.38</b>			

<b>Final Member Contribution 2025</b>	<b>\$0.00</b>	<b>\$79.02</b>	<b>\$474.92</b>	<b>\$53.83</b>	<b>\$566.35</b>	<b>\$1,384.49</b>
<b>Difference — 2026 versus 2025</b>	<b>\$0.00</b>	<b>\$7.25</b>	<b>\$43.46</b>	<b>\$15.78</b>	<b>\$62.39</b>	<b>\$136.78</b>

# 5

## Recommendation for HSB Action

BSC HMO Plans

# Recommendation for HSB Action

**Staff recommends that the Health Service Board (HSB) approve the BSC Access+ HMO and Trio HMO 2026 plan year monthly rate cards presented in this material, including design changes for GLP-1 weight loss medications and SB729-required changes to the infertility benefit.**

# 6

## Appendix — Additional Information

- Rate Card Footnotes
- 2025 BSC Access+ HMO and BSC Trio HMO Monthly Rate Cards
- Glossary of Terms

# BSC HMO Rate Card Footnotes

- 1) **Expense** — SFHSS Healthcare Sustainability Fund charge.
- 2) **“10-County” Employer Contribution** — Per Charter Section A8.423, the employer contribution must equal the average of the employer contribution to health premiums of the 10 most populous counties in California, not including San Francisco. The monthly amount for 2026 rating is \$942.14 (per March 2025 HSB action).
- 3) **“Single Retiree Offset”** — Per Charter Section A8.428; for Non-Medicare Retirees, this is equal to the 10-County Amount.
- 4) **Retiree “Actuarial Difference”** — Per Charter Section A8.428, employer contributes the difference between a single active Employee and a single non-Medicare Retiree cost of premium. Calculated for non-Medicare retiree only.
- 5) **Prop. E Employer Contribution (passed in November 2000 Election)** — Per Charter A8.428, the Prop. E employer contribution for Retiree (R) and R+1 =  $50\% \times [\text{Total Rate Cost} - 10 \text{ County} - \text{Actuarial Difference}]$ .
- 6) **Currently, the two most common employer contribution formulas** in MOU agreements follow are 93% Single/93% E+1/83% E+2+ and 100% Single/96% E+1/83% E+2+.

# BSC Access+ HMO

## Monthly 2025 Rate Card

**93/93/83 Contribution**  
(Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,136.29	\$2,272.58	\$3,215.74	\$2,635.23	\$3,817.02	\$4,760.15
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Claims Stabilization Amount/Self-Funded Policy	\$24.87	\$49.74	\$70.38	\$57.68	\$83.54	\$104.19
Sutter Legal Settlement	(\$5.40)	(\$10.80)	(\$15.28)	(\$12.52)	(\$18.14)	(\$22.62)
<b>Total</b>	<b>\$1,163.91</b>	<b>\$2,323.84</b>	<b>\$3,286.60</b>	<b>\$2,688.54</b>	<b>\$3,894.74</b>	<b>\$4,857.48</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$882.05	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$882.05	\$882.05
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,524.63	\$1,524.63	\$1,524.63
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$140.93	\$744.03	\$744.03
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,547.61	\$3,150.71	\$3,150.71
<b>2025 Non-Bargained Contribution Rate</b>	<b>\$1,163.91</b>	<b>\$2,323.84</b>	<b>\$3,286.60</b>	<b>\$140.93</b>	<b>\$744.03</b>	<b>\$1,706.77</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,082.44	\$2,161.17	\$2,727.88			
<b>2025 Typical Bargained Member Contribution</b>	<b>\$81.47</b>	<b>\$162.67</b>	<b>\$558.72</b>			

<b>Final Member Contribution 2024</b>	<b>\$74.93</b>	<b>\$149.64</b>	<b>\$514.03</b>	<b>\$132.25</b>	<b>\$687.23</b>	<b>\$1,573.15</b>
<b>Difference — 2025 versus 2024</b>	<b>\$6.54</b>	<b>\$13.03</b>	<b>\$44.69</b>	<b>\$8.68</b>	<b>\$56.80</b>	<b>\$133.62</b>

# BSC Access+ HMO

## Monthly 2025 Rate Card

### 100/96/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$1,136.29	\$2,272.58	\$3,215.74	\$2,635.23	\$3,817.02	\$4,760.15
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Claims Stabilization Amount/Self-Funded Policy	\$24.87	\$49.74	\$70.38	\$57.68	\$83.54	\$104.19
Sutter Legal Settlement	(\$5.40)	(\$10.80)	(\$15.28)	(\$12.52)	(\$18.14)	(\$22.62)
<b>Total</b>	<b>\$1,163.91</b>	<b>\$2,323.84</b>	<b>\$3,286.60</b>	<b>\$2,688.54</b>	<b>\$3,894.74</b>	<b>\$4,857.48</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$882.05	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$882.05	\$882.05
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,524.63	\$1,524.63	\$1,524.63
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$140.93	\$744.03	\$744.03
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,547.61	\$3,150.71	\$3,150.71
<b>2025 Non-Bargained Contribution Rate</b>	<b>\$1,163.91</b>	<b>\$2,323.84</b>	<b>\$3,286.60</b>	<b>\$140.93</b>	<b>\$744.03</b>	<b>\$1,706.77</b>

MOU Negotiated Pickup <sup>6</sup>	\$1,163.91	\$2,230.89	\$2,727.88			
<b>2025 Typical Bargained Member Contribution</b>	<b>\$0.00</b>	<b>\$92.95</b>	<b>\$558.72</b>			

<b>Final Member Contribution 2024</b>	<b>\$0.00</b>	<b>\$85.51</b>	<b>\$514.03</b>	<b>\$132.25</b>	<b>\$687.23</b>	<b>\$1,573.15</b>
<b>Difference — 2025 versus 2024</b>	<b>\$0.00</b>	<b>\$7.44</b>	<b>\$44.69</b>	<b>\$8.68</b>	<b>\$56.80</b>	<b>\$133.62</b>

# BSC Trio HMO

## Monthly 2025 Rate Card

### 93/93/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$962.10	\$1,924.21	\$2,722.77	\$2,231.27	\$3,231.89	\$4,030.42
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Claims Stabilization Amount/Self-Funded Policy	\$24.87	\$49.74	\$70.38	\$57.68	\$83.54	\$104.19
Sutter Legal Settlement	(\$5.40)	(\$10.80)	(\$15.28)	(\$12.52)	(\$18.14)	(\$22.62)
<b>Total</b>	<b>\$989.72</b>	<b>\$1,975.47</b>	<b>\$2,793.63</b>	<b>\$2,284.58</b>	<b>\$3,309.61</b>	<b>\$4,127.75</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$882.05	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$882.05	\$882.05
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,294.86	\$1,294.86	\$1,294.86
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$53.84	\$566.35	\$566.35
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,230.75	\$2,743.26	\$2,743.26
<b>2025 Non-Bargained Contribution Rate</b>	<b>\$989.72</b>	<b>\$1,975.47</b>	<b>\$2,793.63</b>	<b>\$53.83</b>	<b>\$566.35</b>	<b>\$1,384.49</b>

MOU Negotiated Pickup <sup>6</sup>	\$920.44	\$1,837.19	\$2,318.71			
<b>2025 Typical Bargained Member Contribution</b>	<b>\$69.28</b>	<b>\$138.28</b>	<b>\$474.92</b>			

<b>Final Member Contribution 2024</b>	<b>\$61.93</b>	<b>\$123.65</b>	<b>\$424.70</b>	<b>\$39.42</b>	<b>\$497.84</b>	<b>\$1,229.63</b>
<b>Difference — 2025 versus 2024</b>	<b>\$7.35</b>	<b>\$14.63</b>	<b>\$50.22</b>	<b>\$14.41</b>	<b>\$68.51</b>	<b>\$154.86</b>

# BSC Trio HMO

## Monthly 2025 Rate Card

### 100/96/83 Contribution (Active Employees)

	Active Employees			Non-Medicare Retirees		
	Employee Only	Employee Plus One Dependent	Employee and Family	Retiree without Medicare	Retiree and Spouse w/o Medicare	Retiree and Family
Medical	\$962.10	\$1,924.21	\$2,722.77	\$2,231.27	\$3,231.89	\$4,030.42
Vision	\$4.15	\$8.32	\$11.76	\$4.15	\$8.32	\$11.76
Expense <sup>1</sup>	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00
Claims Stabilization Amount/Self-Funded Policy	\$24.87	\$49.74	\$70.38	\$57.68	\$83.54	\$104.19
Sutter Legal Settlement	(\$5.40)	(\$10.80)	(\$15.28)	(\$12.52)	(\$18.14)	(\$22.62)
<b>Total</b>	<b>\$989.72</b>	<b>\$1,975.47</b>	<b>\$2,793.63</b>	<b>\$2,284.58</b>	<b>\$3,309.61</b>	<b>\$4,127.75</b>

10-County Amount <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$882.05	\$0.00	\$0.00
Single Retiree Offset <sup>3</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$882.05	\$882.05
"Actuarial Difference" <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$1,294.86	\$1,294.86	\$1,294.86
Retiree Prop. E Employer Contribution <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$53.84	\$566.35	\$566.35
Subtotal City Contributions	\$0.00	\$0.00	\$0.00	\$2,230.75	\$2,743.26	\$2,743.26
<b>2025 Non-Bargained Contribution Rate</b>	<b>\$989.72</b>	<b>\$1,975.47</b>	<b>\$2,793.63</b>	<b>\$53.83</b>	<b>\$566.35</b>	<b>\$1,384.49</b>

MOU Negotiated Pickup <sup>6</sup>	\$989.72	\$1,896.45	\$2,318.71			
<b>2025 Typical Bargained Member Contribution</b>	<b>\$0.00</b>	<b>\$79.02</b>	<b>\$474.92</b>			

<b>Final Member Contribution 2024</b>	<b>\$0.00</b>	<b>\$70.66</b>	<b>\$424.70</b>	<b>\$39.42</b>	<b>\$497.84</b>	<b>\$1,229.63</b>
<b>Difference — 2025 versus 2024</b>	<b>\$0.00</b>	<b>\$8.36</b>	<b>\$50.22</b>	<b>\$14.41</b>	<b>\$68.51</b>	<b>\$154.86</b>

# Glossary of Terms

## **ACA PCORI Fee**

- The Affordable Care Act's Patient Centered Outcomes Research Institute fee that was extended beyond its original 2019 expiration to the year 2029 as part of the federal SECURE Act signed into law in December 2019.

## **Capitation (BSC HMO Plans)**

- Fixed per member cost that SFHSS pays to BSC for certain services, generally including services rendered in a provider's office and outpatient facility visits that do not result in a hospital admission.

## **Large Claim Pooling (BSC HMO Plans)**

- Insurance protection against catastrophic or unpredictable losses. Claims beyond the large claim pooling amount per individual in a year are transferred to the insurer, in consideration for a large claim pooling fee paid to the insurer.

## **Risk Corridor (BSC HMO Plans)**

- The percentage of expected claims, beyond those expected claims, which the employer is responsible to fund before the insurer covers the remaining claims that exceed the risk corridor percentage (this is set at 125% of expected claims for both Access+ and Trio in 2025).

# Glossary of Terms

## Rate Stabilization Reserve

- HSB policy establishes use of a stabilization reserve to spread any underwriting gains or losses into the following year's premium calculation in a consistent manner to reduce volatility from year-over-year changes in premium. The underwriting gains or losses are added or subtracted from the premium amounts to adjust for previous losses or gains. Per HSB policy, each year's loss or gain is spread over the next three years.

## Ten (10)-County Average Survey

- Per Charter Section A8.423, the employer contribution must equal the average of the employer contribution to health premiums of the ten most populous counties in California, not including San Francisco.