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Federal Court Rules in Favor of County of Orange on Retiree Medical Issue

(Santa Ana, CA) — A United States District Court Judge has ruled that the County of Orange is not contractually obligated to provide retirees with a health insurance "pooling" benefit and has granted the County's motion for summary judgment in the case.

U.S. District Judge Andrew J. Guilford issued the order June 19 in a lawsuit brought by the Retired Employees Association of Orange County, Inc. The group had filed suit against the County over a 2006 action by the Board of Supervisors to split active employees and retirees into separate pools for the purposes of determining health insurance premiums. The establishment of separate pools for active and retired employees took effect January 1, 2008.

In his order granting the County's motion for summary judgment, Judge Guilford stated "Here, Plaintiff has failed to provide evidence of any explicit legislative or statutory authority requiring the County to continue providing retirees the pooling benefit in setting rates."