

# Health benefit promises hurt school districts

By Zahira Torres, Los Angeles Times

California school districts once viewed lifetime healthcare coverage for employees as a cheap alternative to pay raises. That decision is coming back to haunt school leaders, and districts are scrambling to limit the lucrative benefit promised decades ago.

The price tag for retiree healthcare obligations has reached about \$20 billion statewide – an amount systems are not prepared to absorb.

Many districts failed to set aside money to pay for those increasingly expensive benefits for thousands of employees. Now, the financial burden threatens to drag down credit ratings and crowd out other budget priorities.

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