

Medical Insurance Renewal—11.8%



This year's renewal is **11.8% or \$47.8M** which reflects:

- Higher hospital outpatient increases for past few years
- Rebound to expected hospital inpatient utilization rates

The State's share of the renewal could be reduced by:

- **2.5%** by employees paying higher copays (\$35, \$50, \$75) on Traditional Plan and higher deductible (\$2000/\$4000) on STAR HSA Plan
- **1.7%** by employees paying 10% of Insurance Premiums rather than 8.3%
- **.5%** by reallocating potential savings from Long-Term Disability Program

In Sum:

- Last year's renewal was 5% because higher hospital rates were offset by lower utilization. With utilization rebounding, this renewal reflects the impact of those higher rates. If the last two years were combined, the renewal for each year would be **8.4%**.
- Together, the changes above would bring the state's portion of the renewal down to **7.1%**. Copays have not increased since 2009. Increasing the STAR HSA deductible to \$2000/\$4000 would create breathing room against the minimum federal HSA amount of \$1700/\$3400, which goes up about \$40/\$80 a year.

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Dental Insurance Renewal – 4.9%



- This year's Renewal is 4.9% or \$.9M
- Dental Reserves are low and will be replenished by Excess Long-Term Disability Reserves

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Utah Retirement Systems
 Revised Preliminary Condensed Retirement Contribution Rates as a Percentage of Salary and Wages
 Fiscal Year July 1, 2026 - June 30, 2027

	Tier 1 DB System			Tier 1 Post Retired		Tier 2 - DB Hybrid System					Tier 2 - DC Plan					
	Contribution Reporting Fields			Post Retired Employment after 6/30/2010 - NO Amortization of UAAL**	Post Retired Employment before 7/1/2010 Optional 401(k) Cap	Contribution Reporting Fields					Contribution Reporting Fields					
	Tier 1 2026-2027 RATES					Tier 2 2026-2027 RATES					Tier 2 2026-2027 RATES					
	Employee	Employer	TOTAL			Tier 2 Fund	Employee	Employer	401(k)	TOTAL	Tier 2 Fund	Employee	Employer	401(k)	TOTAL	
Public Employees																
Contributory Retirement System																
11- Local Government	6.00	10.96	16.96	4.87	12.09	111	1.30	14.95	0.00	16.25	211	0.00	4.95	10.00	14.95	
12- State and School ¹	6.00	16.70	22.70	11.25	11.45											
17- Higher Education	6.00	17.70	23.70	12.25	11.45											
Public Employees																
Noncontributory Retirement System																
15- Local Government	-	14.97	14.97	3.11	11.86	111	1.30	13.19	0.00	14.49	211	0.00	3.19	10.00	13.19	
16- State and School ¹	-	21.19	21.19	8.94	12.25	112	1.30	19.02	0.00	20.32	212	0.00	9.02	10.00	19.02	
18- Higher Education	-	22.19	22.19	9.94	12.25	117	1.30	20.02	0.00	21.32	217	0.00	10.02	10.00	20.02	
Public Safety																
Contributory Retirement System																
Division A (with Social Security)																
23- Other Division A With 2.5% COLA	12.29	21.79	34.08	10.77	23.31	122	5.98	24.85	0.00	30.83	222	0.00	10.85	14.00	24.85	
Public Safety																
Noncontributory Retirement System																
Division A (with Social Security)																
42- State With 4% COLA	-	39.85	39.85	16.96	22.89	122	5.98	31.04	0.00	37.02	222	0.00	17.04	14.00	31.04	
43- Other Division A With 2.5% COLA	-	32.54	32.54	10.25	22.29	122	5.98	24.33	0.00	30.31	222	0.00	10.33	14.00	24.33	
75- Other Division A With 4% COLA	-	34.21	34.21	11.41	22.80	122	5.98	25.49	0.00	31.47	222	0.00	11.49	14.00	25.49	
48- Bountiful With 2.5% COLA	-	50.38	50.38	26.89	23.49	122	5.98	40.97	0.00	46.95	222	0.00	26.97	14.00	40.97	
Division B (without Social Security)																
44- Salt Lake City With 2.5% COLA	-	46.71	46.71	24.20	22.51	122	5.98	38.28	0.00	44.26	222	0.00	24.28	14.00	38.28	
45- Ogden With 2.5% COLA	-	48.72	48.72	26.30	22.42	122	5.98	40.38	0.00	46.36	222	0.00	26.38	14.00	40.38	
46- Provo With 2.5% COLA	-	42.23	42.23	19.61	22.62	122	5.98	33.69	0.00	39.67	222	0.00	19.69	14.00	33.69	
47- Logan With 2.5% COLA	-	40.47	40.47	17.87	22.60	122	5.98	31.95	0.00	37.93	222	0.00	17.95	14.00	31.95	
49- Other Division B With 2.5% COLA	-	32.57	32.57	9.95	22.62	122	5.98	24.03	0.00	30.01	222	0.00	10.03	14.00	24.03	
76- Other Division B With 4% COLA	-	33.97	33.97	10.94	23.03	122	5.98	25.02	0.00	31.00	222	0.00	11.02	14.00	25.02	
Firefighters' Retirement System																
Division A (with Social Security)																
31- Division A	15.05	1.61	16.66	-	16.66	132	5.98	14.08	0.00	20.06	232	0.00	0.08	14.00	14.08	
Division B (without Social Security)																
32- Division B	16.71	0.34	17.05	-	17.05	132	5.98	14.08	0.00	20.06	232	0.00	0.08	14.00	14.08	
Judges' Retirement System																
37- Judges' Noncontributory	-	46.00	46.00													

* Does not include the required 1.5% 401(k) contribution.

** Unfunded Actuarial Accrued Liability

¹ Public School Districts and Charter School rates are effective September 1, 2026 - August 31, 2027

Utah Retirement Systems
Preliminary Tier 1 Retirement Contribution Rates as a Percentage of Salary and Wages
Fiscal Year July 1, 2026 - June 30, 2027

	Preliminary Tier 1 2026-2027 RATES						Increase (Decrease) From Prior Year
	(1) Employee	(2) Employer	(3) Normal cost (1) + (2)	(4) Amortization of UAAL *	(5) Net Employer (2) + (4)	(6) Total (3) + (4)	
Public Employees							
Contributory Retirement System							
11- Local Government	6.00	6.09	12.09	4.87	10.96	16.96	(1.00)
12- State and School **	6.00	5.45	11.45	11.25	16.70	22.70 ¹	0.00
17- Higher Education	6.00	5.45	11.45	12.25	17.70	23.70 ¹	0.00
Public Employees							
Noncontributory Retirement System							
15- Local Government	-	11.86	11.86	3.11	14.97	14.97	(1.00)
16- State and School **	-	12.25	12.25	8.94	21.19	21.19 ^{1,2}	0.00
18- Higher Education	-	12.25	12.25	9.94	22.19	22.19 ^{1,2}	0.00
Public Safety							
Contributory Retirement System							
Division A							
23- Other Division A With 2.5% COLA	12.29	11.02	23.31	10.77	21.79	34.08	(0.50)
Public Safety							
Noncontributory Retirement System							
Division A							
42- State With 4% COLA	-	22.89	22.89	16.96	39.85	39.85 ¹	(0.50)
43- Other Division A With 2.5% COLA	-	22.29	22.29	10.25	32.54	32.54	(0.50)
75- Other Division A With 4% COLA	-	22.80	22.80	11.41	34.21	34.21	(0.50)
48- Bountiful With 2.5% COLA	-	23.49	23.49	26.89	50.38	50.38	0.00
Division B							
44- Salt Lake City With 2.5% COLA	-	22.51	22.51	24.20	46.71	46.71	0.00
45- Ogden With 2.5% COLA	-	22.42	22.42	26.30	48.72	48.72	0.00
46- Provo With 2.5% COLA	-	22.62	22.62	19.61	42.23	42.23	0.00
47- Logan With 2.5% COLA	-	22.60	22.60	17.87	40.47	40.47	(0.50)
49- Other Division B With 2.5% COLA	-	22.62	22.62	9.95	32.57	32.57	0.00
76- Other Division B With 4% COLA	-	23.03	23.03	10.94	33.97	33.97	(2.00)
Firefighters' Retirement System							
Division A							
Gross Rate	15.05	11.68	26.73	0.99	12.67	27.72	0.00
Insurance Premium Offset	0.00	(10.07)	(10.07)	(0.99)	(11.06)	(11.06)	0.00
31- Net rate	15.05	1.61	16.66	-	1.61	16.66	0.00
Division B							
Gross Rate	16.71	9.83	26.54	1.57	11.40	28.11	(2.00)
Insurance Premium Offset	0.00	(9.49)	(9.49)	(1.57)	(11.06)	(11.06)	0.00
32- Net rate	16.71	0.34	17.05	-	0.34	17.05	(2.00)
Judges' Retirement System							
Gross Rate	-	31.60	31.60	20.31	51.91	51.91 ¹	0.00
Court Fees Offset	-	0.00	0.00	(5.91)	(5.91)	(5.91)	(0.05)
37- Net rate- Noncontributory	-	31.60	31.60	14.40	46.00	46.00 ¹	(0.05)
Governors and Legislative							
14- Appropriation Payable by June 30, 2027					\$337,495	\$337,495	\$ (13,290)

¹ Includes funding of 3% Substantial Substitute based on salaries for all state and school employees.

² Does not include 1.5% 401(k).

* Amortization of Unfunded Actuarial Accrued Liability (UAAL)

** Public School Districts and Charter School rates are effective September 1, 2026 - August 31, 2027

Utah Retirement Systems
 Revised Preliminary Tier 2 Retirement Contribution Rates as a Percentage of Salary and Wages
 Fiscal Year July 1, 2026 - June 30, 2027

	Preliminary Tier 2 Hybrid Retirement System							Preliminary Tier 2 Defined Contribution Plan								
	(1) Employee Tier 2 DB Rate	(2) Employer Hybrid Plan DB Plan Rate	(3) Employer Hybrid Plan DC Plan Rate	(4) Death Benefit*	(5) Tier I Amortization %	(6) Total Employer Rate (2) + (3) + (4) + (5)	(7) Total Required Contribution (1) + (6)	Employee Increase (Decrease) From Prior Year	Employer Increase (Decrease) From Prior Year	(1) Employee Tier 2 Rate	(2) Employer Tier 2 Rate	(3) Death Benefit*	(4) Tier I Amortization %	(5) Total Required Contribution (1)+(2)+(3)+(4)	Employee Increase (Decrease) From Prior Year	Employer Increase (Decrease) From Prior Year
Public Employees Contributory Retirement System 11- Local Government	1.30	10.00	0.00	0.08	4.87	14.95	16.25	0.49	(1.00)	0.00	10.00	0.08	4.87	14.95	0.00	(1.00)
Public Employees Noncontributory Retirement System 15- Local Government	1.30	10.00	0.00	0.08	3.11	13.19	14.49	0.49	(1.00)	0.00	10.00	0.08	3.11	13.19	0.00	(1.00)
16- State and School ¹	1.30	10.00	0.00	0.08	8.94	19.02	20.32	0.49	0.00	0.00	10.00	0.08	8.94	19.02	0.00	0.00
18- Higher Education	1.30	10.00	0.00	0.08	9.94	20.02	21.32	0.49	0.00	0.00	10.00	0.08	9.94	20.02	0.00	0.00
Public Safety Contributory Retirement System 23- Other Division A (2.5% COLA)	5.98	14.00	0.00	0.08	10.77	24.85	30.83	1.25	(0.50)	0.00	14.00	0.08	10.77	24.85	0.00	(0.50)
Public Safety Noncontributory Retirement System 42- State	5.98	14.00	0.00	0.08	16.96	31.04	37.02	1.25	(0.50)	0.00	14.00	0.08	16.96	31.04	0.00	(0.50)
43- Other Division A (2.5% COLA)	5.98	14.00	0.00	0.08	10.25	24.33	30.31	1.25	(0.50)	0.00	14.00	0.08	10.25	24.33	0.00	(0.50)
75- Other Division A (4.0% COLA)	5.98	14.00	0.00	0.08	11.41	25.49	31.47	1.25	(0.50)	0.00	14.00	0.08	11.41	25.49	0.00	(0.50)
44- Salt Lake City	5.98	14.00	0.00	0.08	24.20	38.28	44.26	1.25	0.00	0.00	14.00	0.08	24.20	38.28	0.00	0.00
45- Ogden	5.98	14.00	0.00	0.08	26.30	40.38	46.36	1.25	0.00	0.00	14.00	0.08	26.30	40.38	0.00	0.00
46- Provo	5.98	14.00	0.00	0.08	19.61	33.69	39.67	1.25	0.00	0.00	14.00	0.08	19.61	33.69	0.00	0.00
47- Logan	5.98	14.00	0.00	0.08	17.87	31.95	37.93	1.25	(0.50)	0.00	14.00	0.08	17.87	31.95	0.00	(0.50)
48- Bountiful	5.98	14.00	0.00	0.08	26.89	40.97	46.95	1.25	0.00	0.00	14.00	0.08	26.89	40.97	0.00	0.00
49- Other Division B (2.5% COLA)	5.98	14.00	0.00	0.08	9.95	24.03	30.01	1.25	0.00	0.00	14.00	0.08	9.95	24.03	0.00	0.00
76- Other Division B (4.0% COLA)	5.98	14.00	0.00	0.08	10.94	25.02	31.00	1.25	(2.00)	0.00	14.00	0.08	10.94	25.02	0.00	(2.00)
Firefighters' Retirement System 31- Division A**	5.98	14.00	0.00	0.08	0.00	14.08	20.06	1.25	0.00	0.00	14.00	0.08	0.00	14.08	0.00	0.00
32- Division B**	5.98	14.00	0.00	0.08	0.00	14.08	20.06	1.25	0.00	0.00	14.00	0.08	0.00	14.08	0.00	0.00

* Employer paid active member death benefit (75% of salary) per Utah Code Section 49-22-501 and 49-23-501.

** For Firefighters, the fire insurance premium offset was applied first to the amortization charge, leaving no amount owed to Tier 1 by employers for Tier 2 Firefighters

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