

EMPLOYER CONTRIBUTION TRENDS

FEBRUARY 12, 2026



South Carolina Revenue and Fiscal Affairs Office
1000 Assembly Street
Rembert Dennis Building, Suite 421
Columbia, SC 29201
(803) 734-2265
www.rfa.sc.gov

Overview

- This report analyzes the trends and costs of employer contributions
- Employer contributions are an important part of overall compensation and include costs that are salary dependent, such as retirement and social security, and non-salary dependent, such as those based on plan selection by an employee for health and dental insurance
- Retirement contribution rates increased in FY 2017-18 through FY 2023-24* due to Act 13 of 2017 (Retirement System Funding and Administration Act)
 - The employer contribution rate increased by 2% effective July 1, 2017
 - For each of the next five years thereafter, the rate increased by 1% through FY 2023-24*

*Act 13 was initially scheduled to phase-in through FY 2022-23 but was extended one year due to the Continuing Resolution in FY 2020-21



Insurance Premiums

- Health insurance premium increases over the last 5 years have averaged approximately 9.5% per year
 - The average for the previous 10 years was approximately 3.4% per year
- The portion of premiums covered by employers ranged from 82% to 86% in 2026
- Employee premiums have not increased since 2012

2026 Health and Dental Monthly Premiums (Standard Plan and Basic Dental)

Coverage	Employee Contribution	Employer Contribution	Total Premium
Employee	\$ 97.98	\$ 564.96	\$ 662.94
Employee/spouse	\$ 261.00	\$ 1,175.44	\$ 1,436.44
Employee/children	\$ 157.58	\$ 960.36	\$ 1,117.94
Full family	\$ 327.90	\$ 1,531.28	\$ 1,859.18



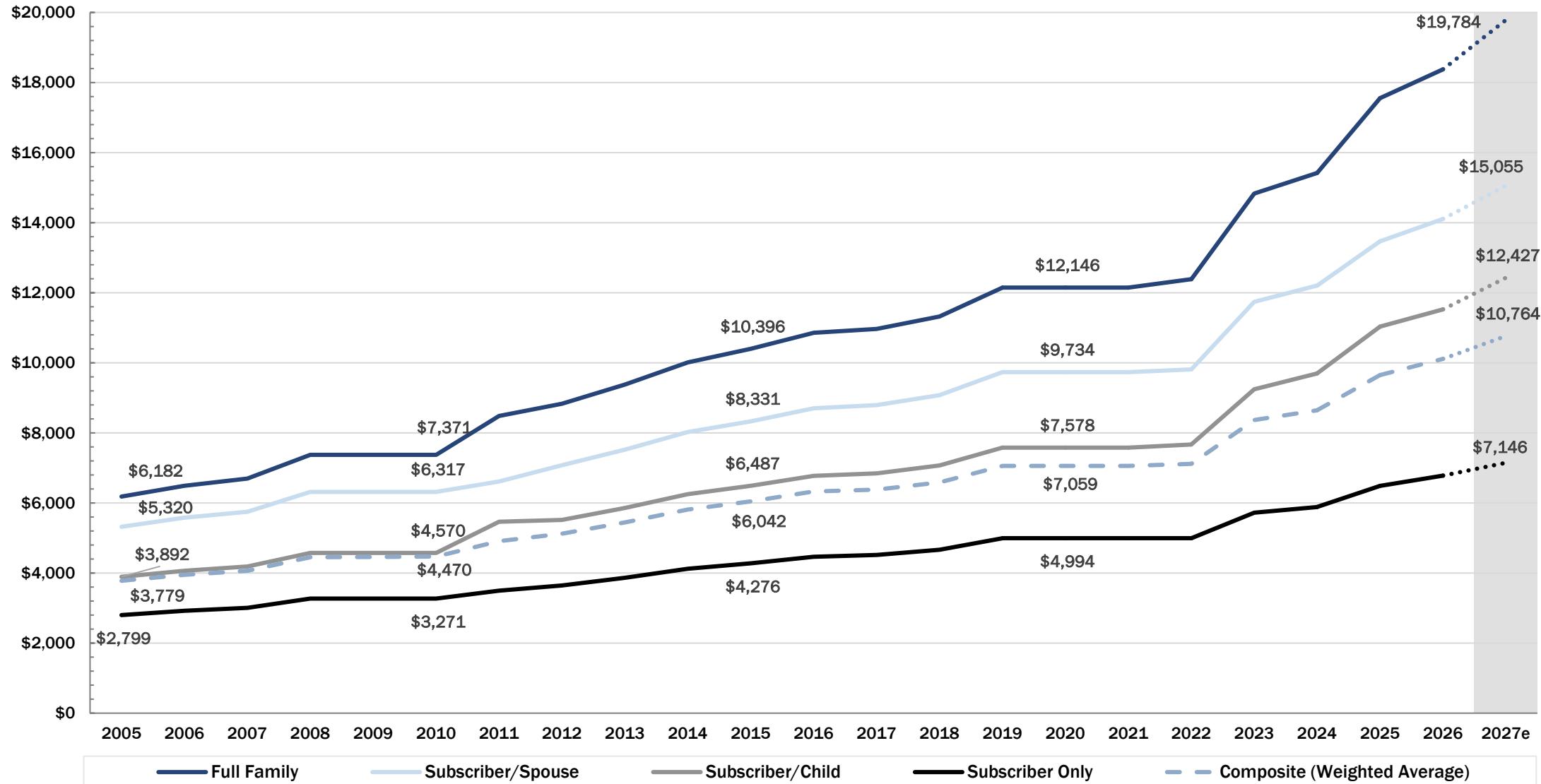
Major Components – 2027 Projections

- The employer share of health and dental insurance ranges from \$7,146 to \$19,784 per employee depending upon type of healthcare coverage
 - The composite (weighted average) of all employees is \$10,764
- The employer share of retirement (South Carolina Retirement System), social security, and other items is 32.3 percent of salary
- The employer share of retirement (Police Officer Retirement System), social security, and other items is 35.0 percent of salary
- Estimates for 2027 calculated using 5-year growth

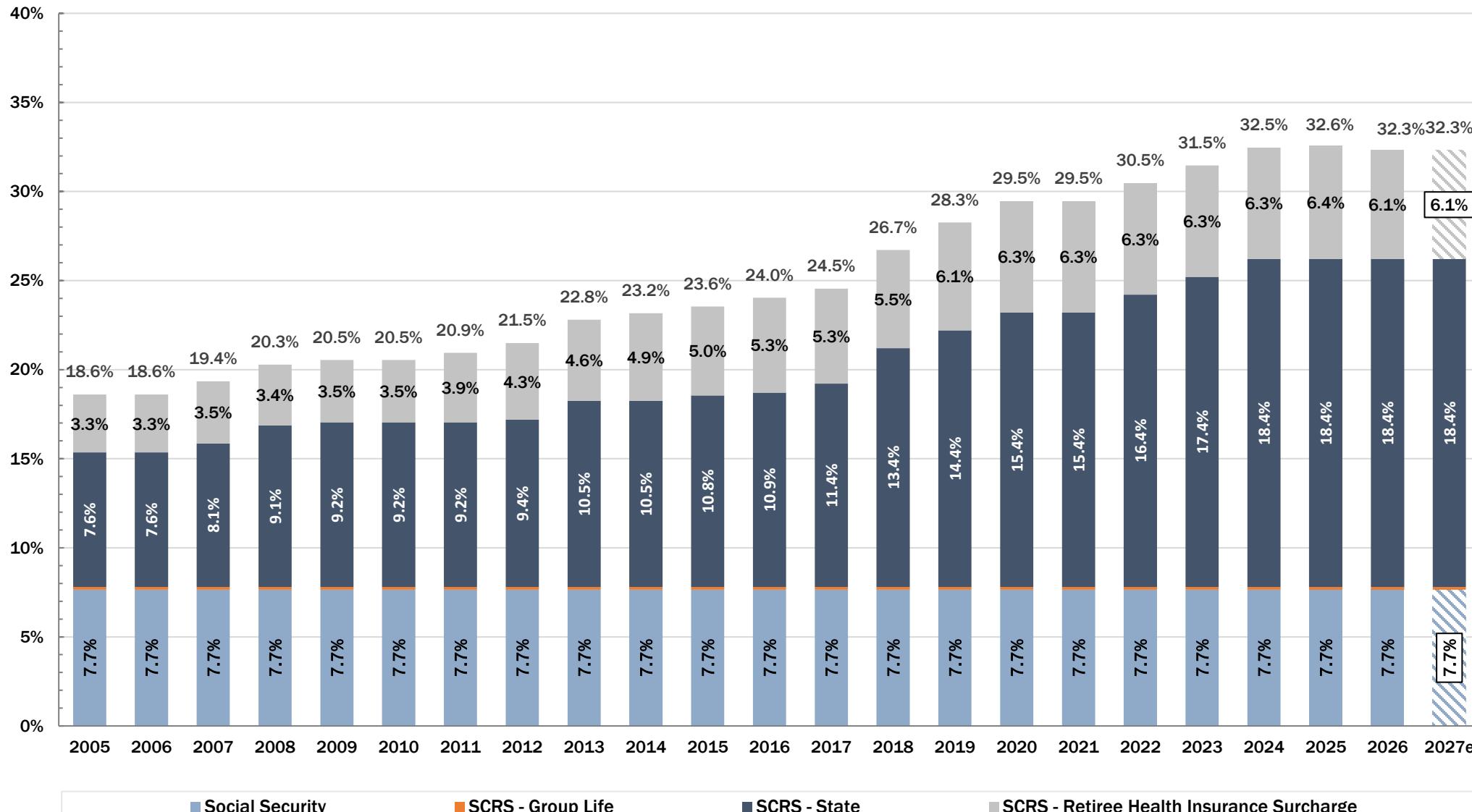


HEALTH AND DENTAL INSURANCE

Employer Contribution per Participating Employee



RETIREMENT SYSTEM (SCRS) AND SOCIAL SECURITY Employer Contribution Rates



■ Social Security

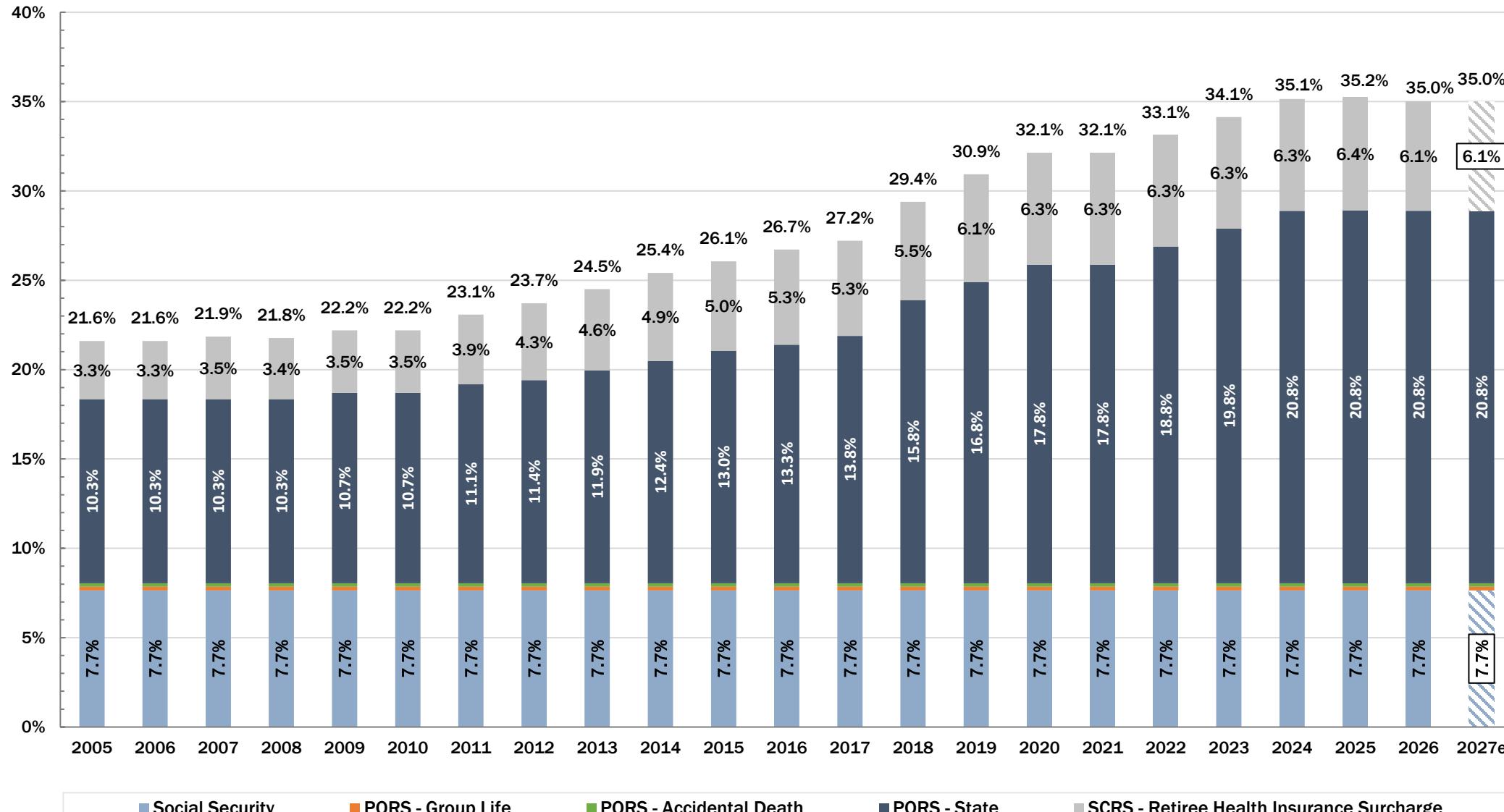
■ SCRS - Group Life

■ SCRS - State

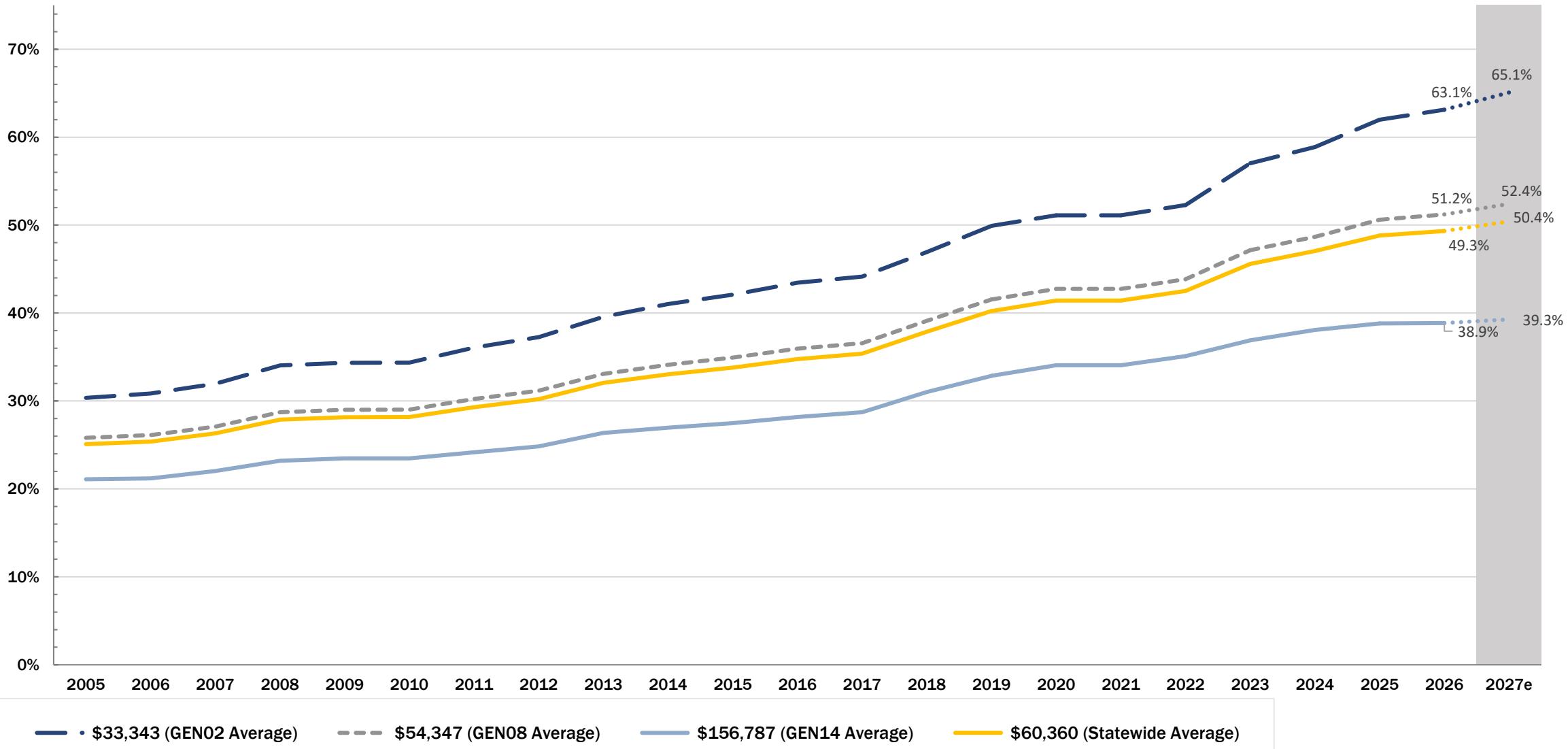
■ SCRS - Retiree Health Insurance Surcharge



RETIREMENT SYSTEM (PORS) AND SOCIAL SECURITY Employer Contribution Rates



HEALTH AND DENTAL, RETIREMENT, SOCIAL SECURITY Employer Contribution Rates



Pay Structure Modernization

- In June 2025, the state's classification and compensation system was restructured
- Based on numbers provided by State HR in December 2025, below are the approximate percentages of state employees in each newly created category:
 - General (GEN) – 77.9%
 - Law Enforcement – 13.2%
 - Clinical – 5.2%
 - Technology – 3.7%
- Pay bands across the low, mid, and high points of each pay classification were selected for analysis



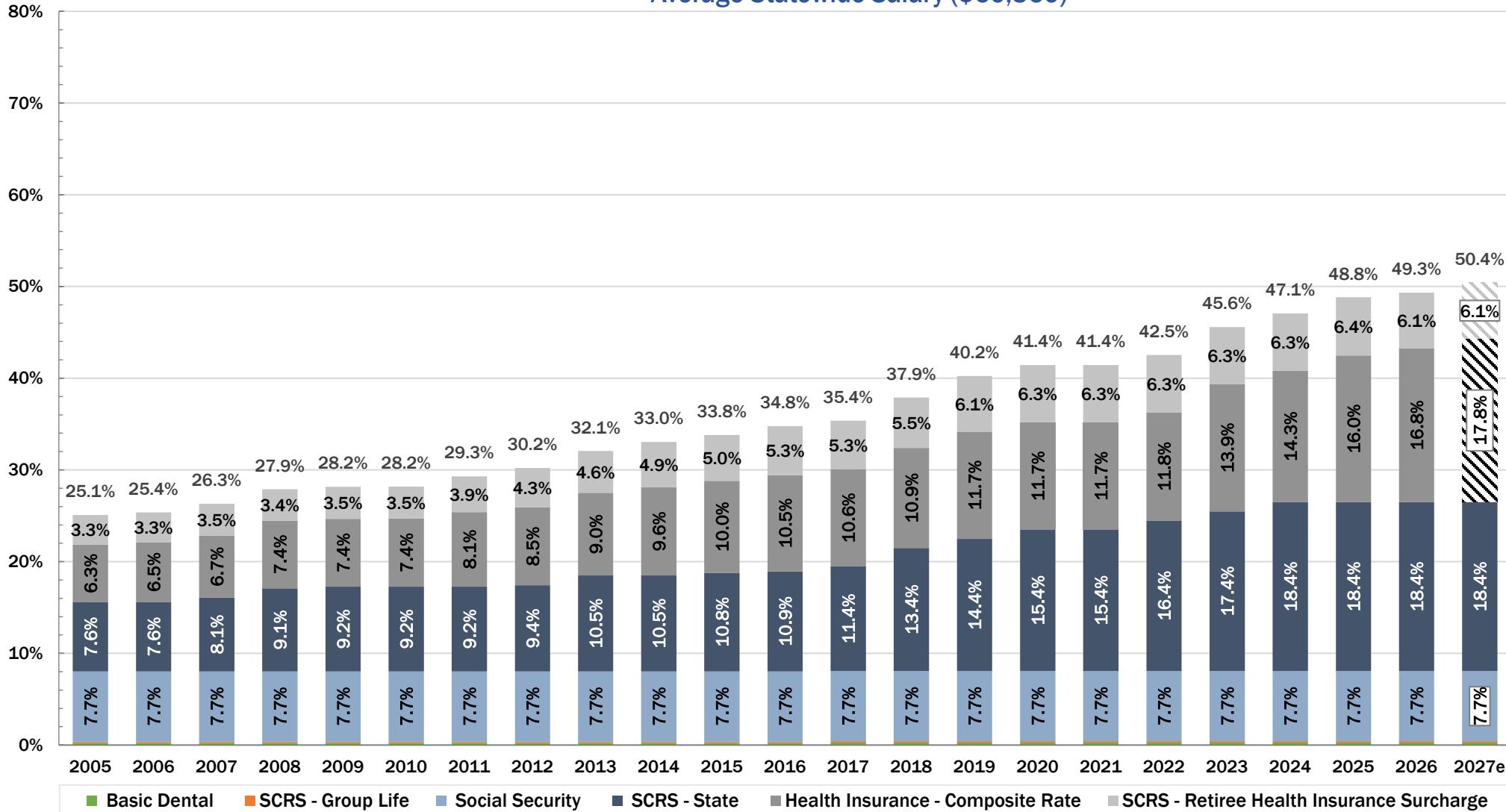
Employer Contributions by Pay Band*

- The total average cost of employer contributions range from 39.3 to 65.1 percent of salary, depending on salary levels
- The average employer contribution cost is 50.4 percent, or \$30,428 based on an average salary of \$60,360
- The average employer contribution cost in GEN 02 is 65.1 percent, or \$21,699 at an average salary of \$33,343
- The average employer contribution cost in GEN 14 is 39.3 percent, or \$61,584 at an average salary of \$156,787

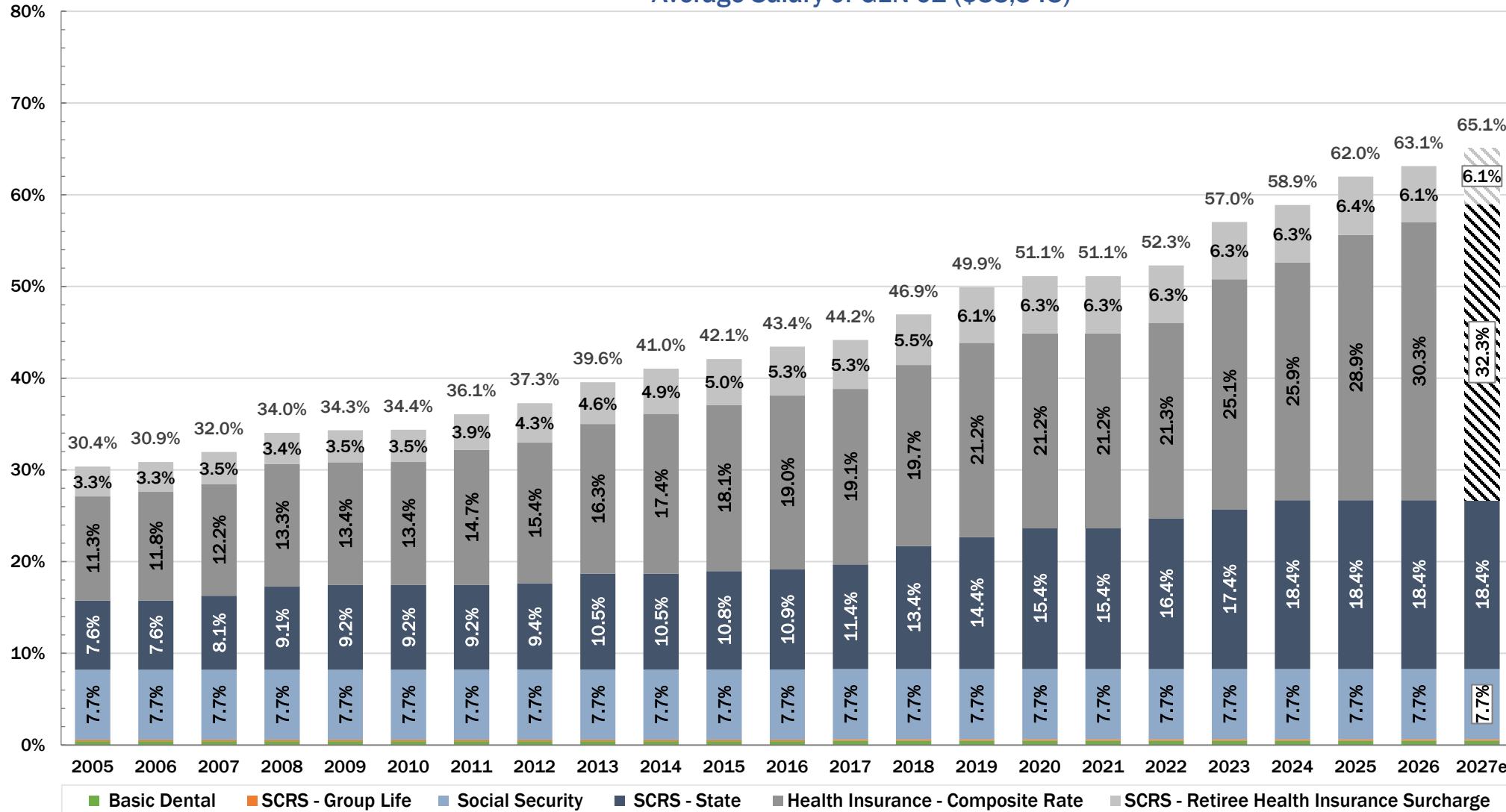
*Based on contribution cost projections for FY 2026-27



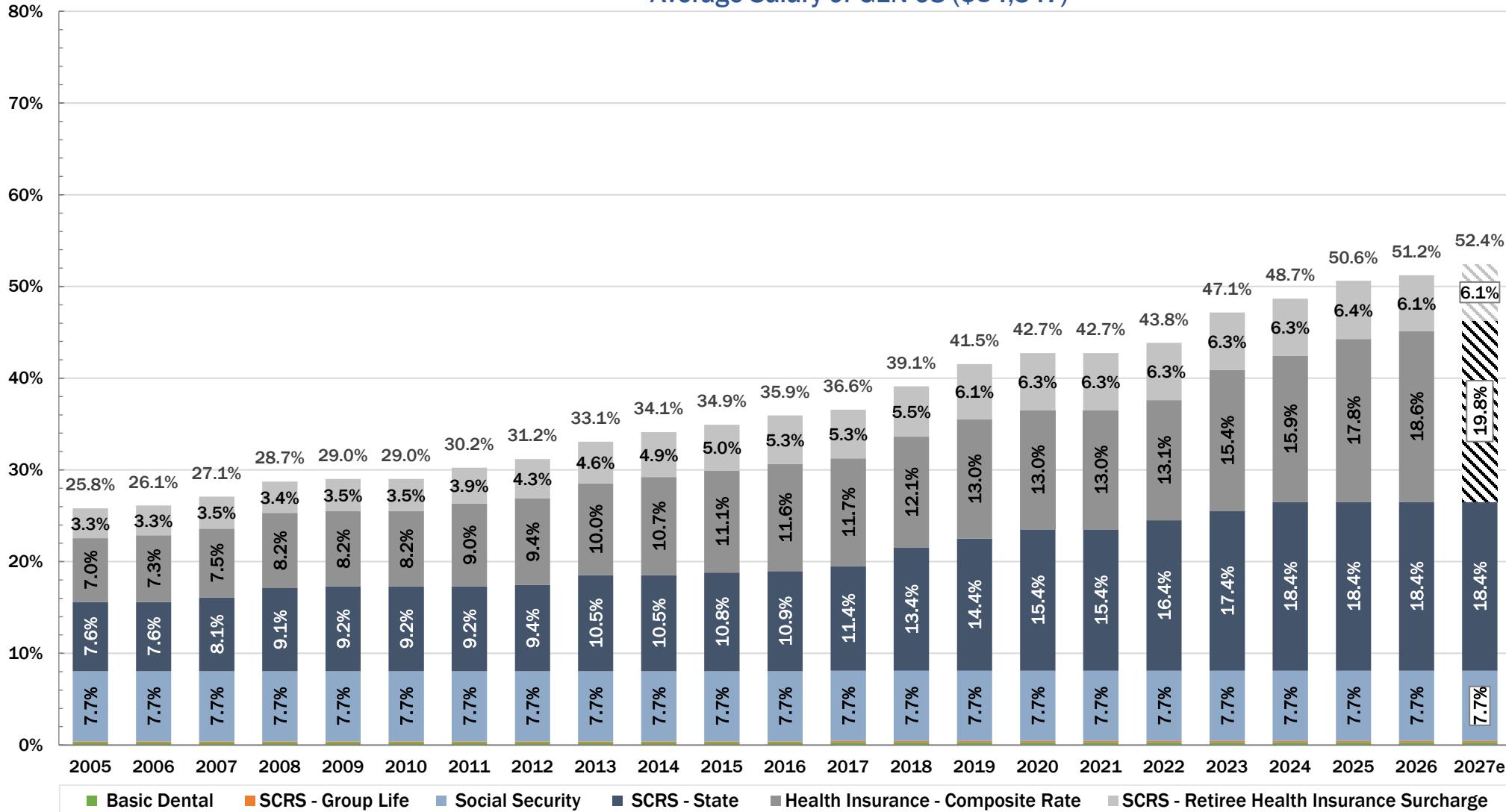
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Statewide Salary (\$60,360)



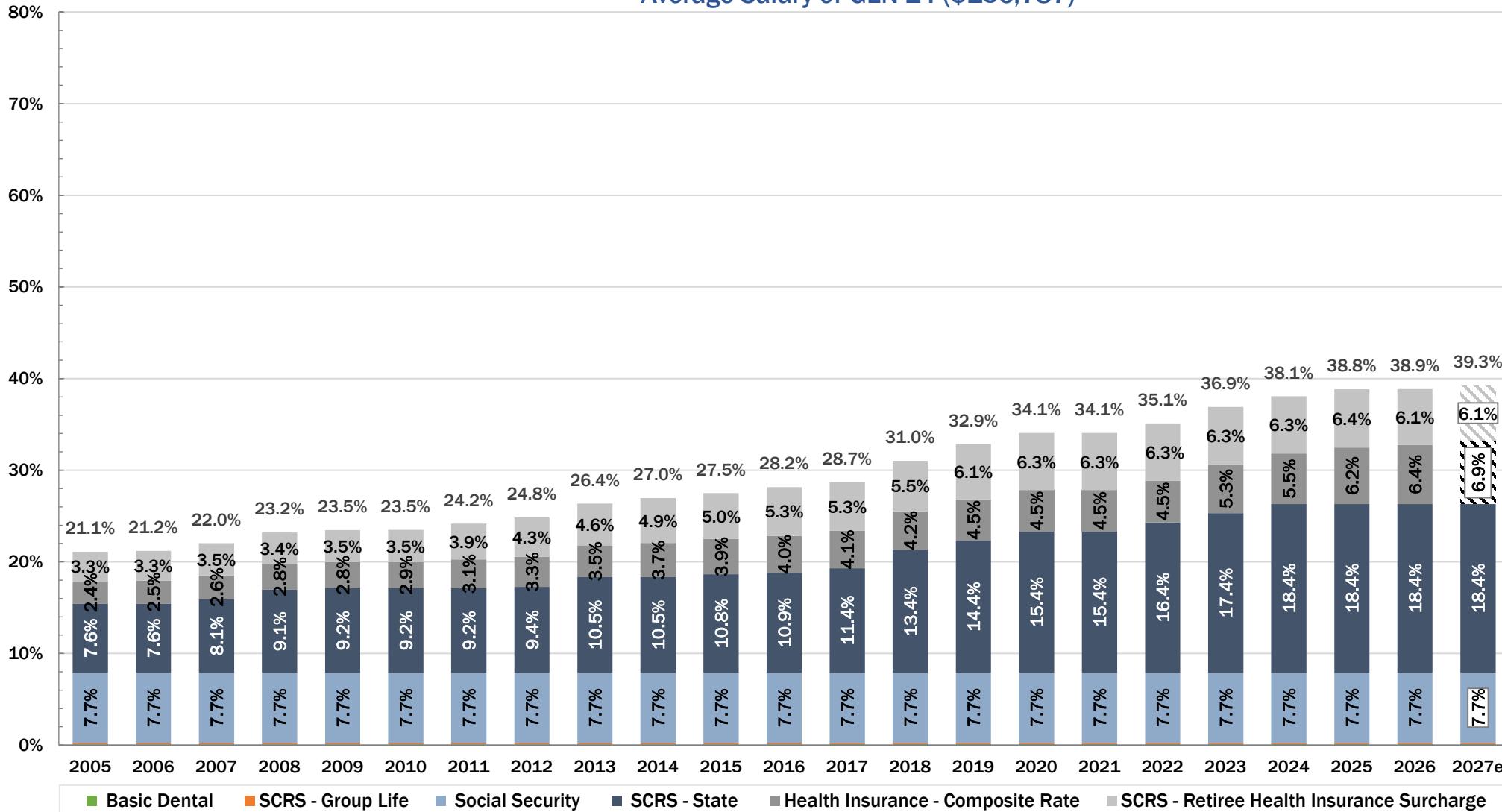
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of GEN 02 (\$33,343)



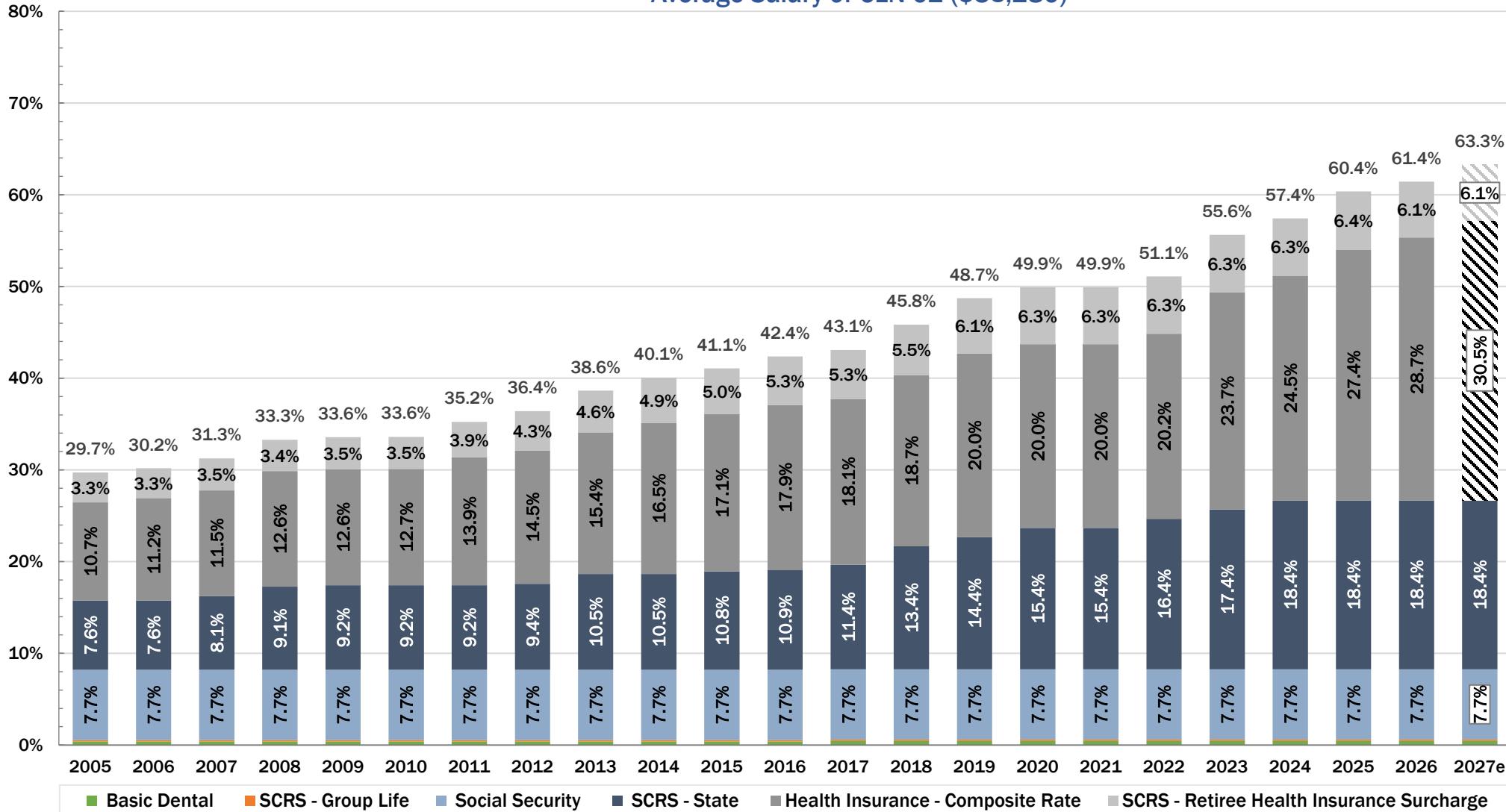
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of GEN 08 (\$54,347)



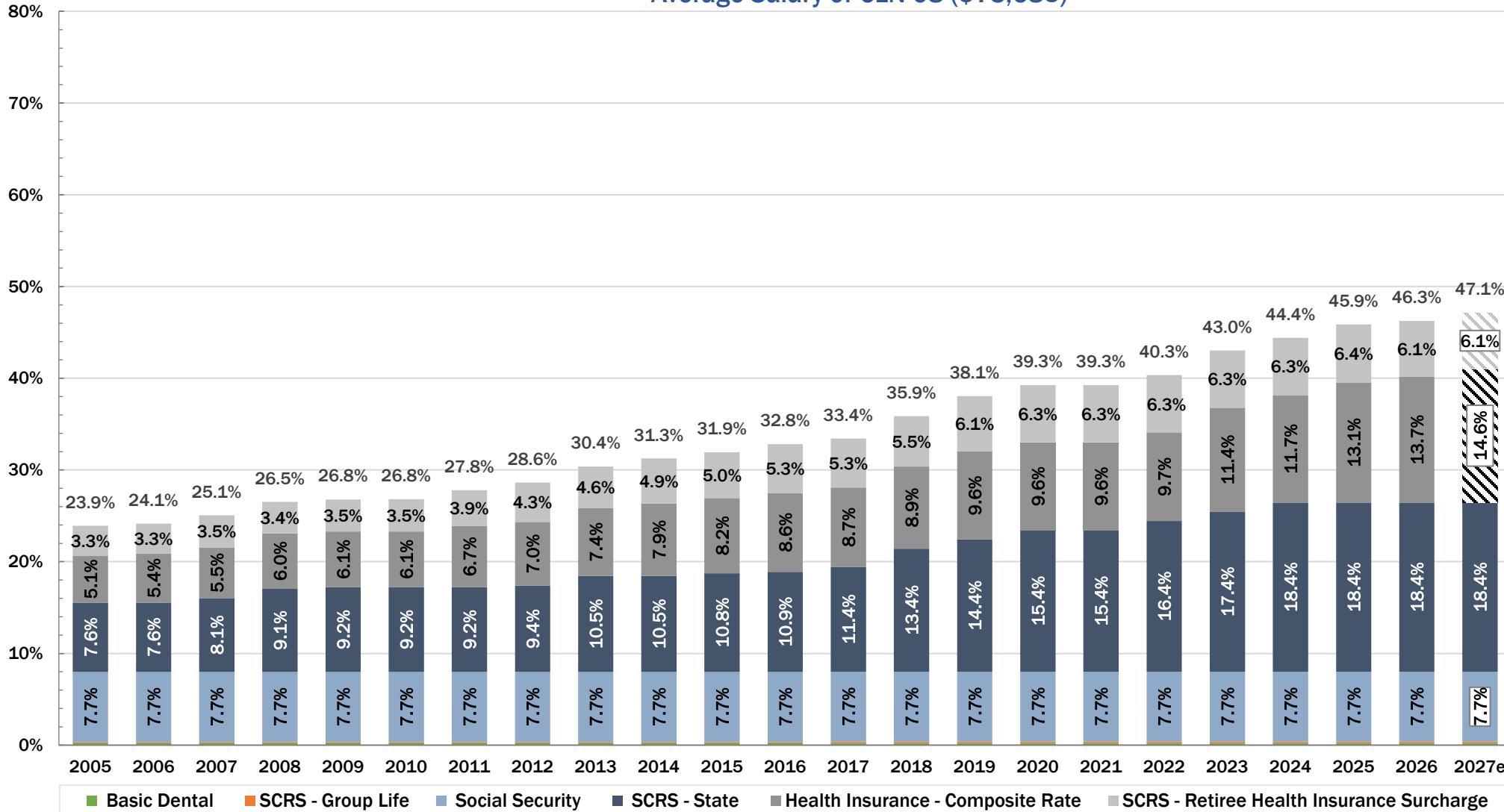
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of GEN 14 (\$156,787)



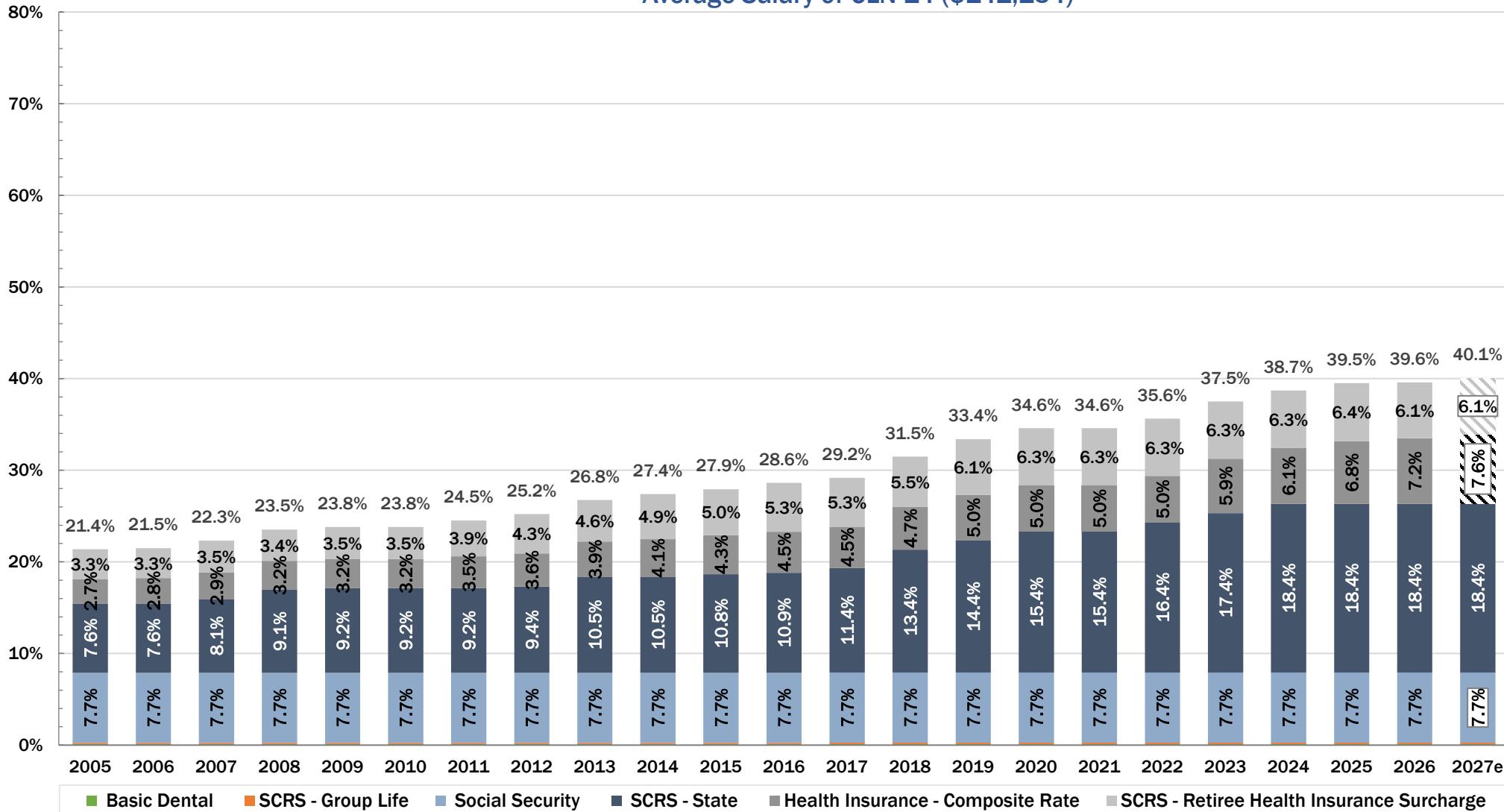
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of CLN 02 (\$35,280)



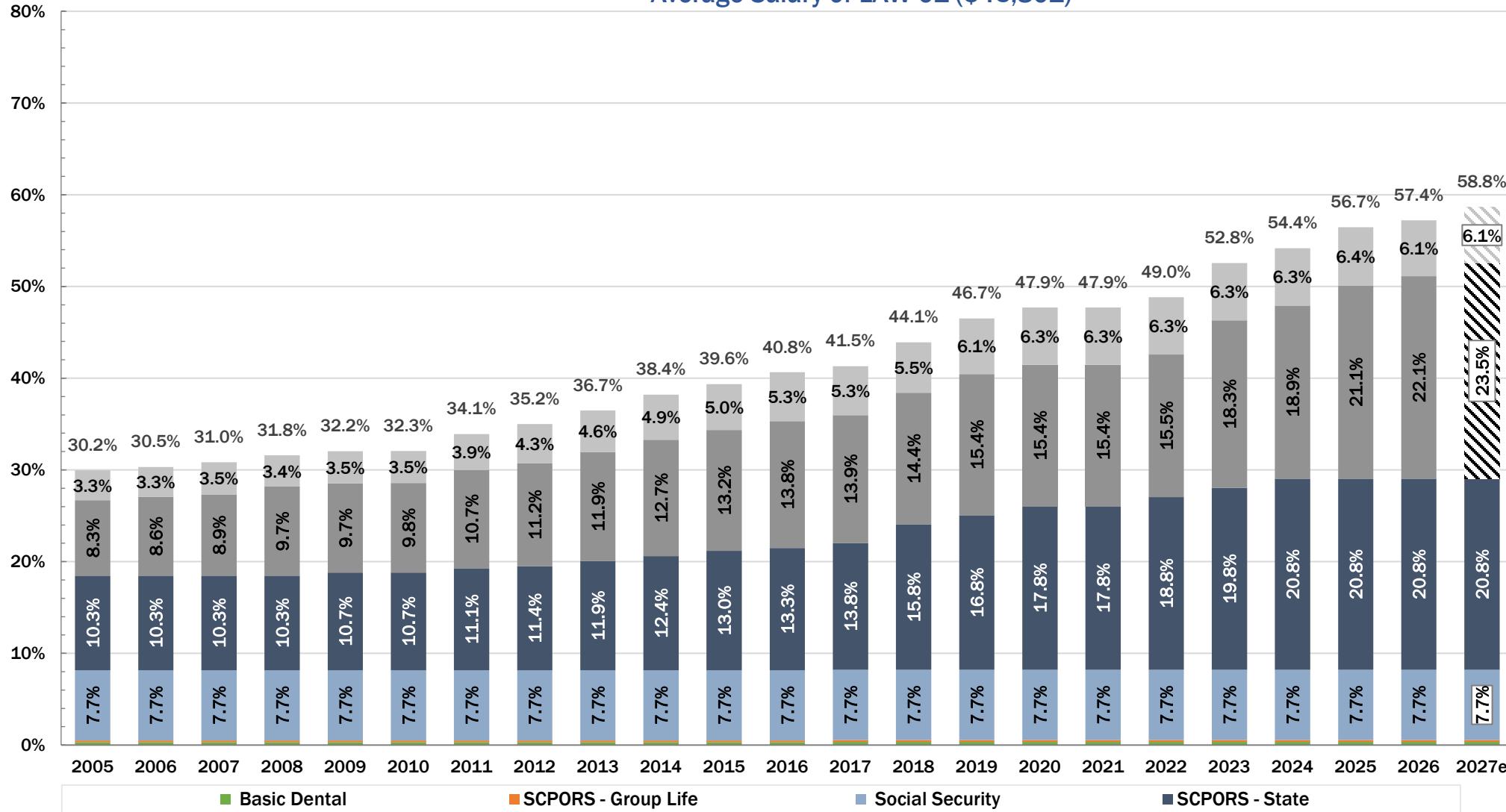
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of CLN 08 (\$73,685)



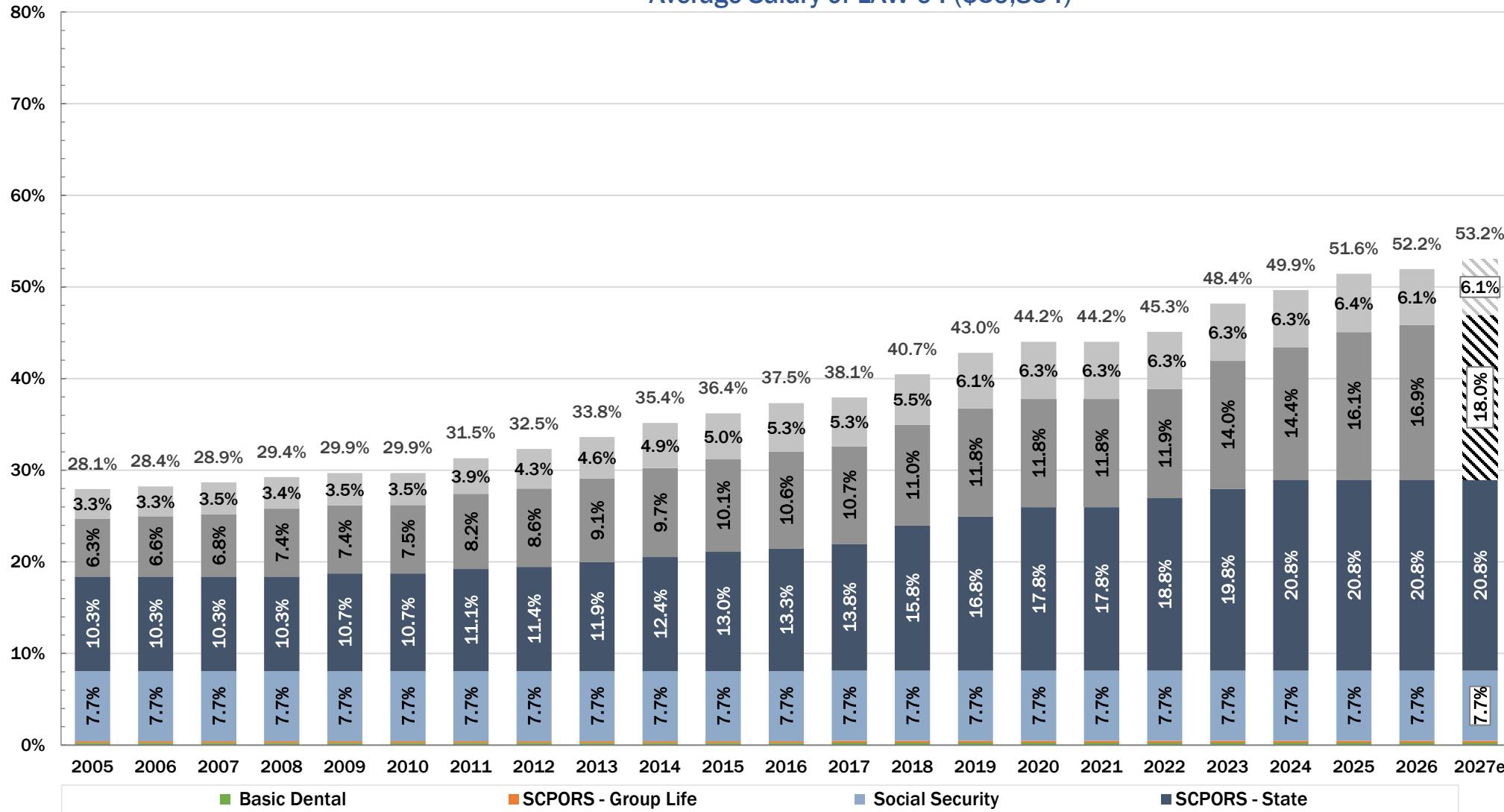
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of CLN 14 (\$141,154)



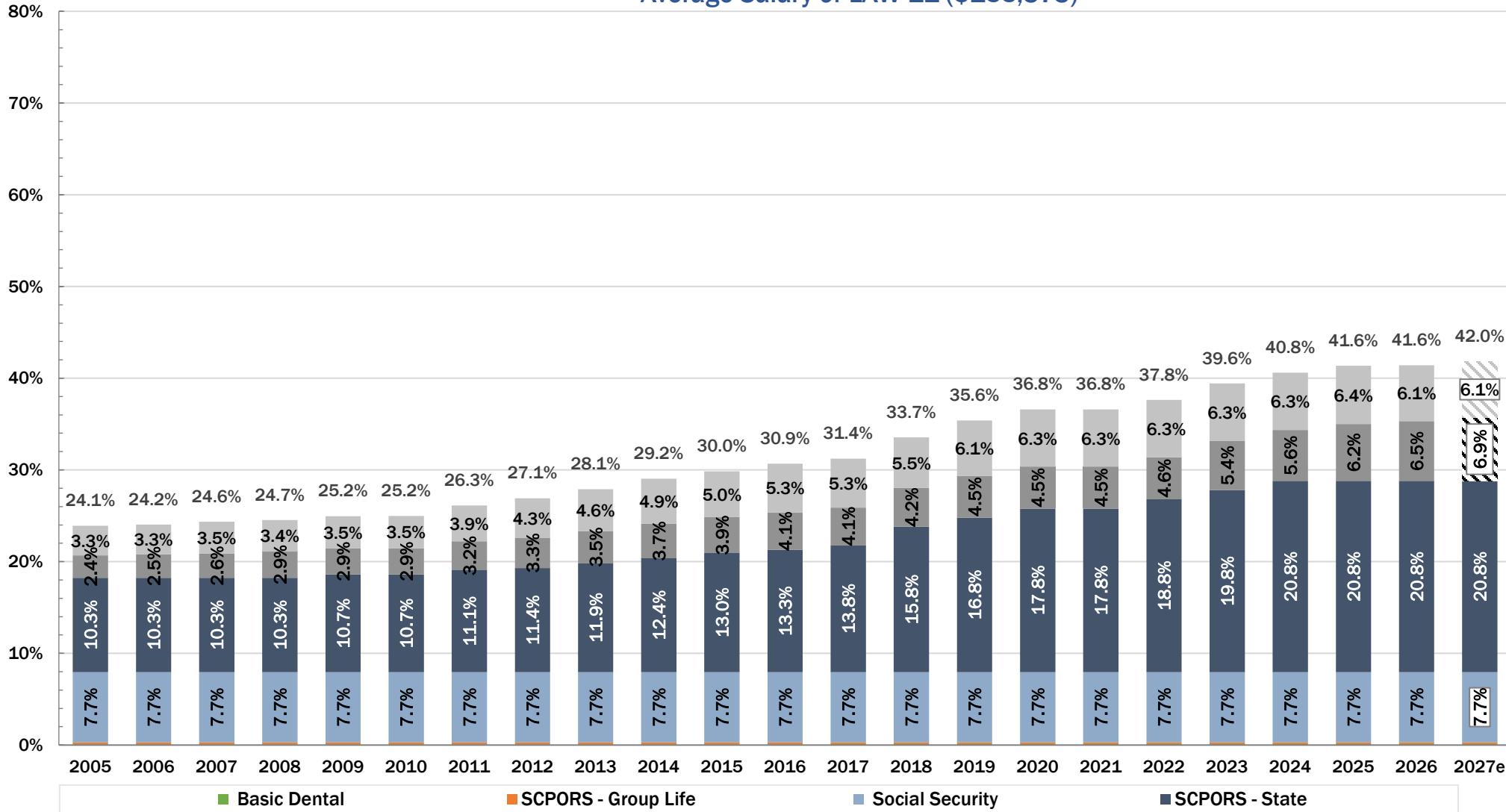
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of LAW 01 (\$45,801)



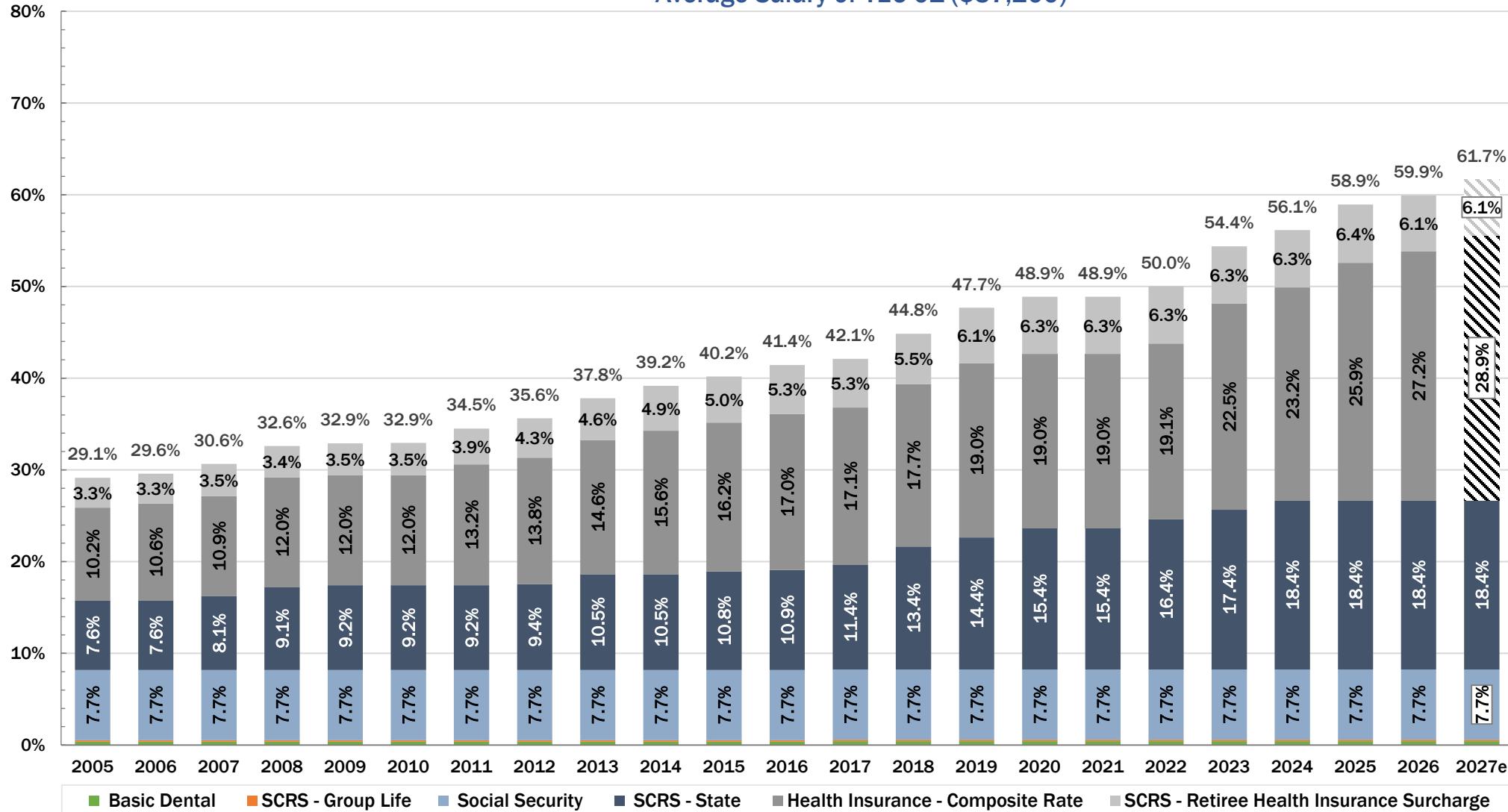
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of LAW 04 (\$59,854)



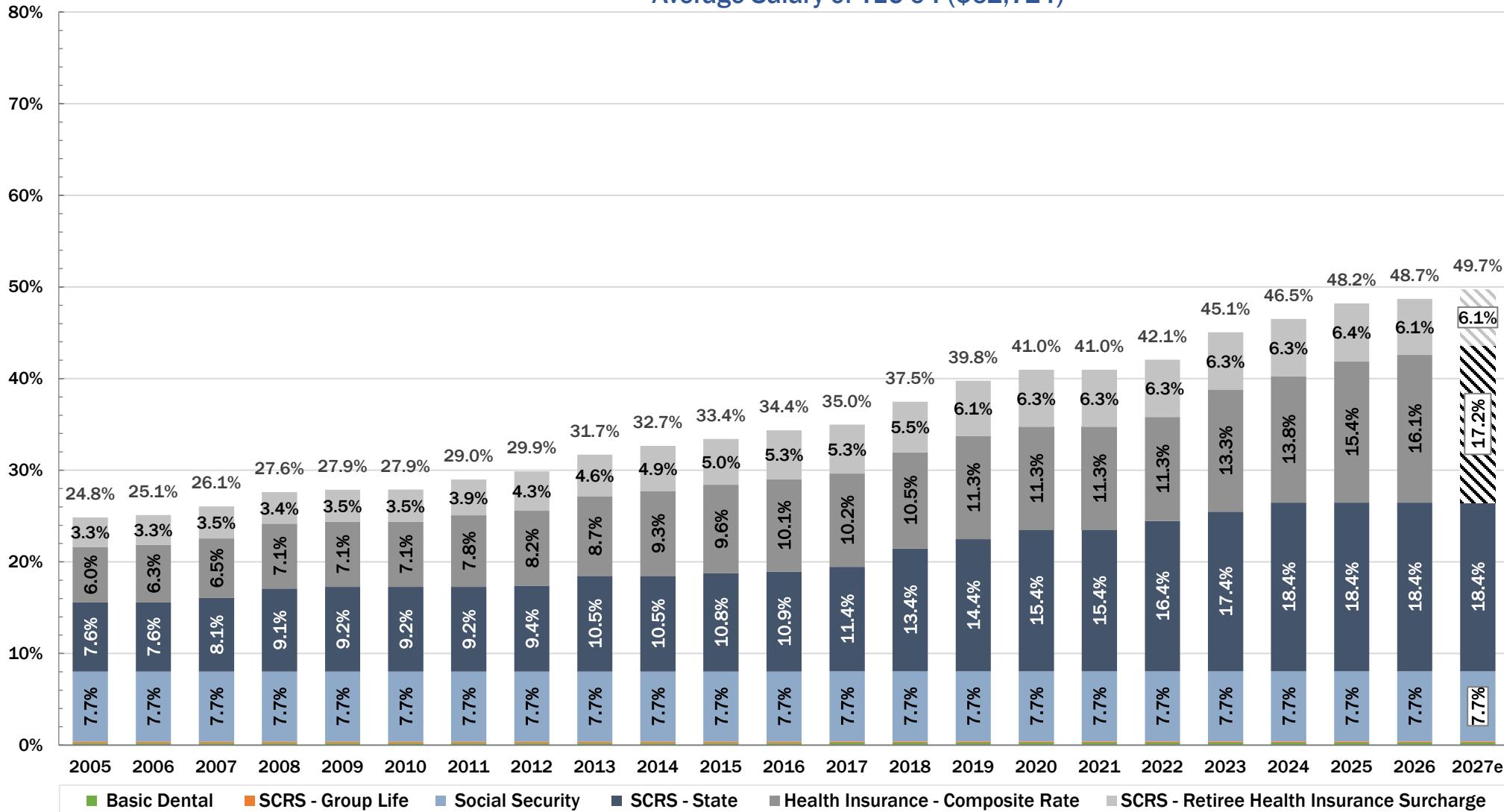
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of LAW 11 (\$155,373)



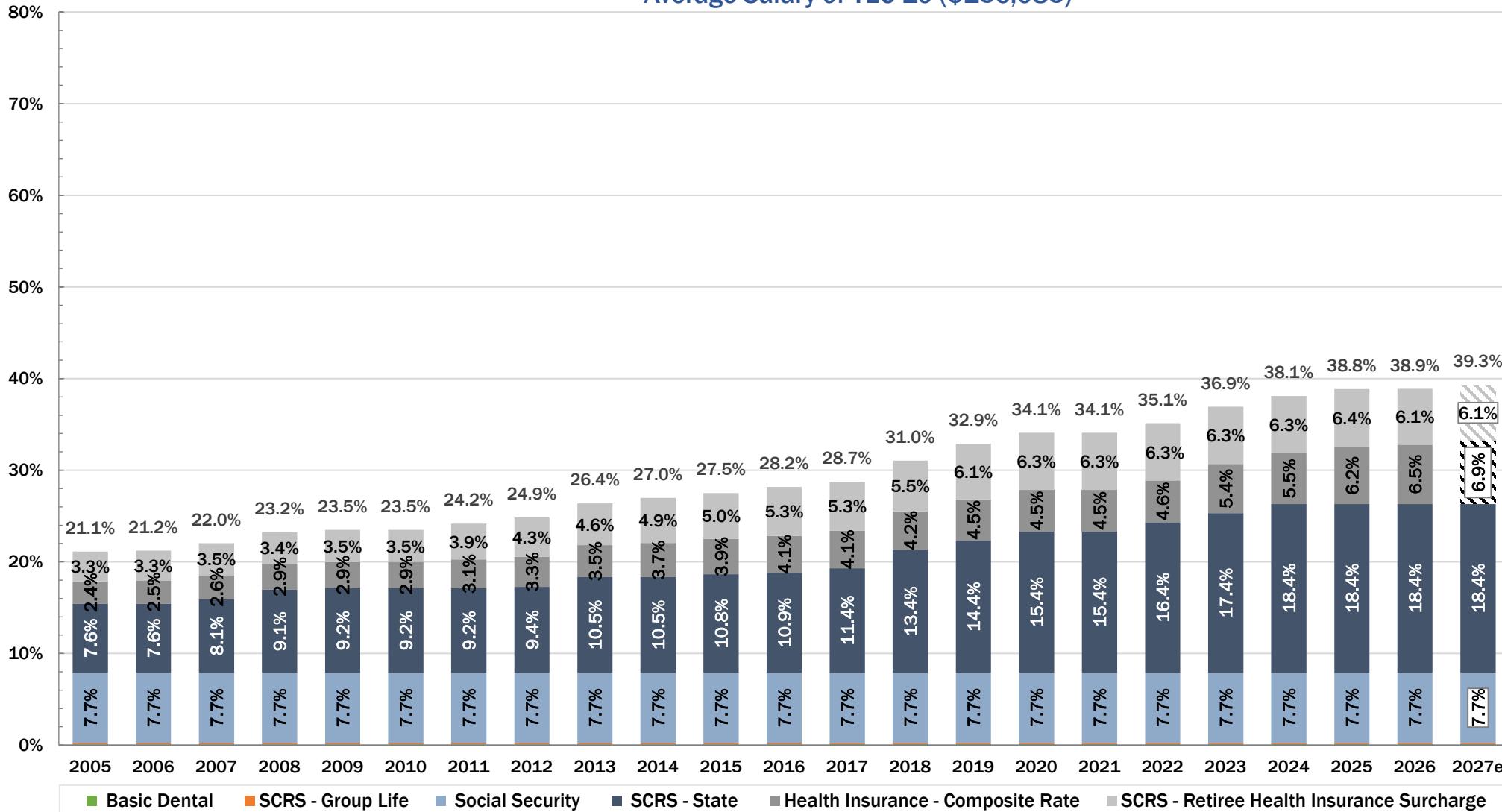
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of TEC 01 (\$37,200)



RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of TEC 04 (\$62,724)



RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of TEC 10 (\$156,085)



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE



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