

EMPLOYER CONTRIBUTION TRENDS

FEBRUARY 12, 2026



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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

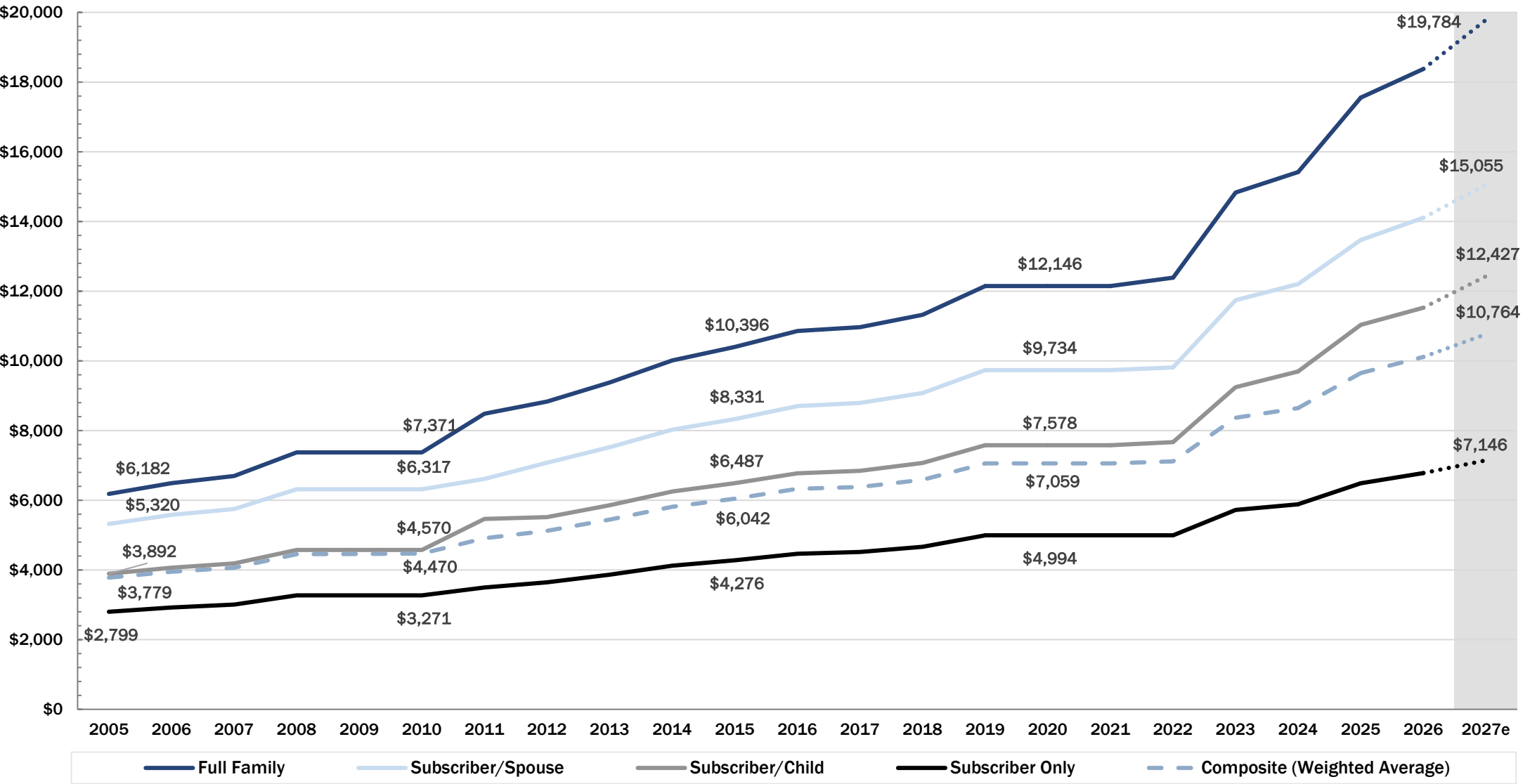


Major Components – 2027 Projections

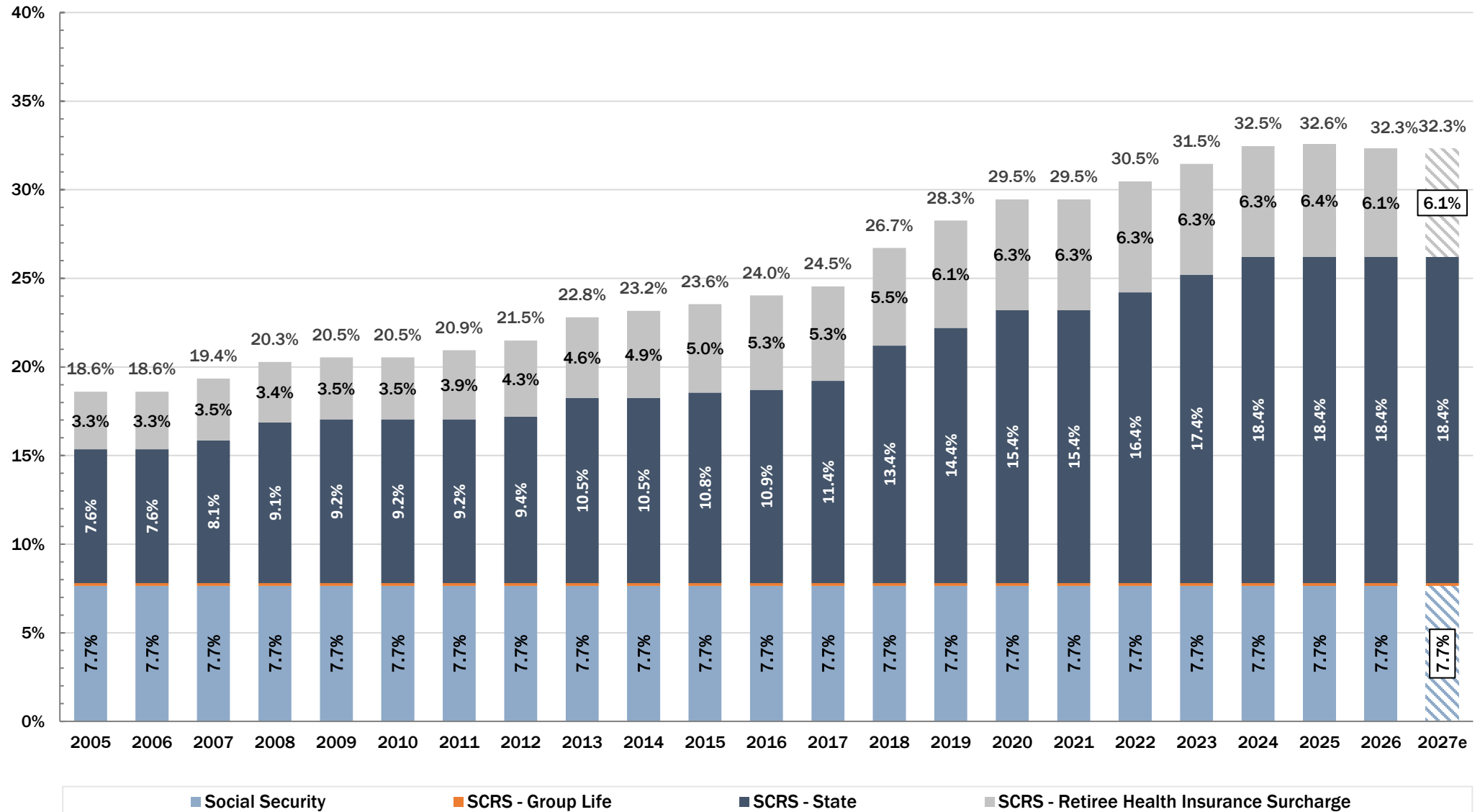
- The employer share of health and dental insurance ranges from \$7,146 to \$19,784 per employee depending upon type of healthcare coverage
 - The composite (weighted average) of all employees is \$10,764
- The employer share of retirement (South Carolina Retirement System), social security, and other 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



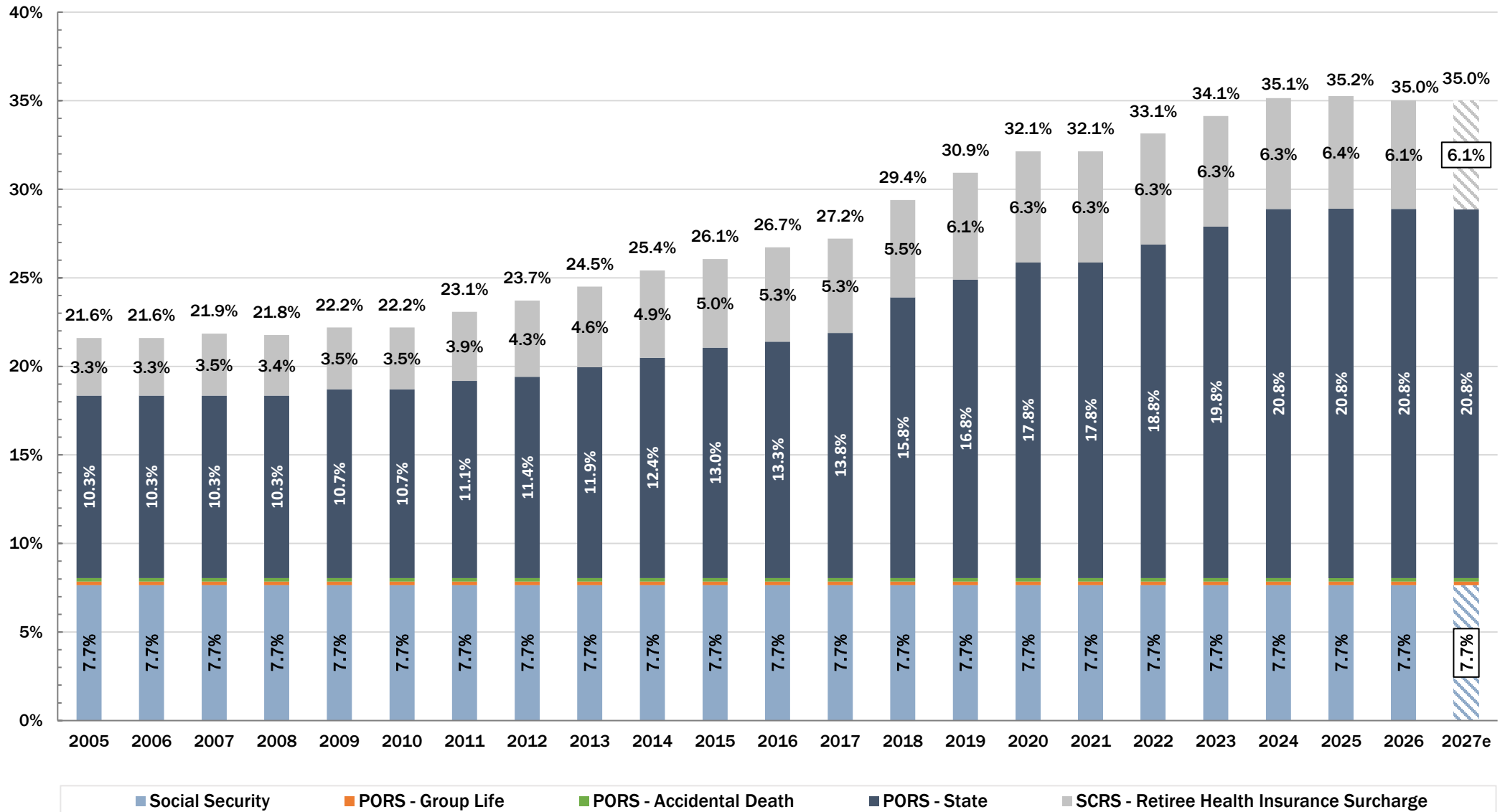
HEALTH AND DENTAL INSURANCE
Employer Contribution per Participating Employee



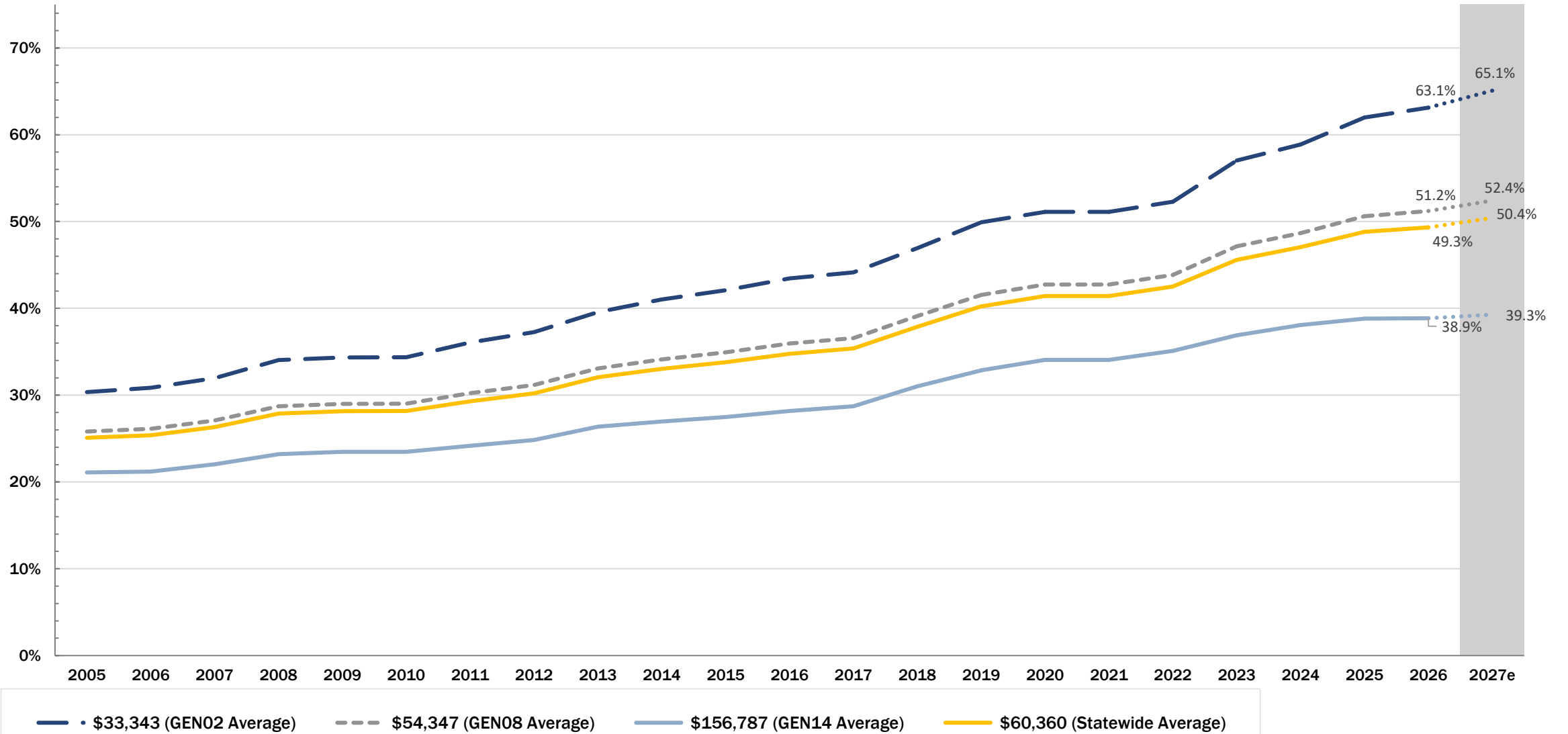
RETIREMENT SYSTEM (SCRS) AND SOCIAL SECURITY Employer Contribution Rates



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



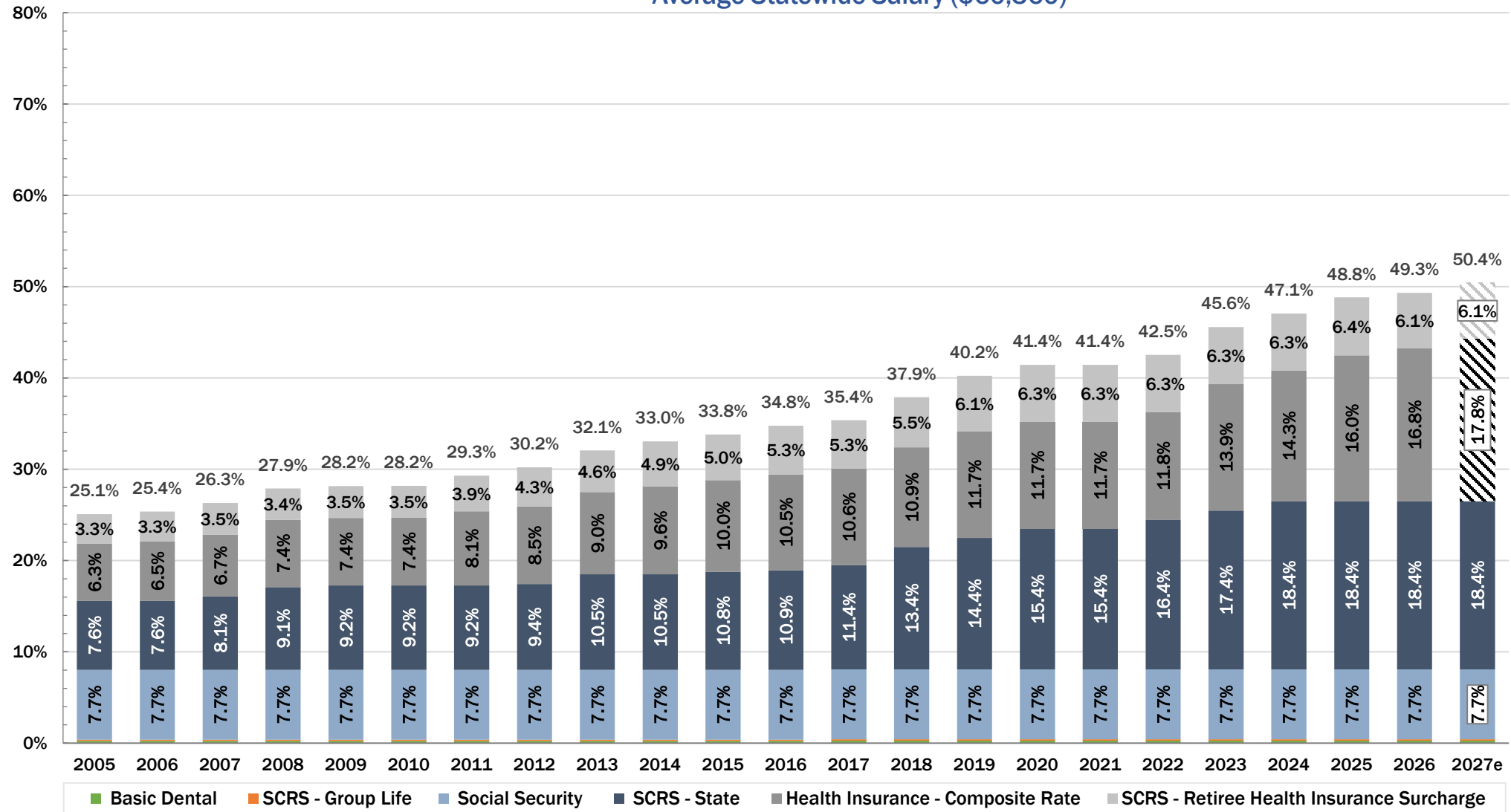
Employer Contributions by Pay Band*

- 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

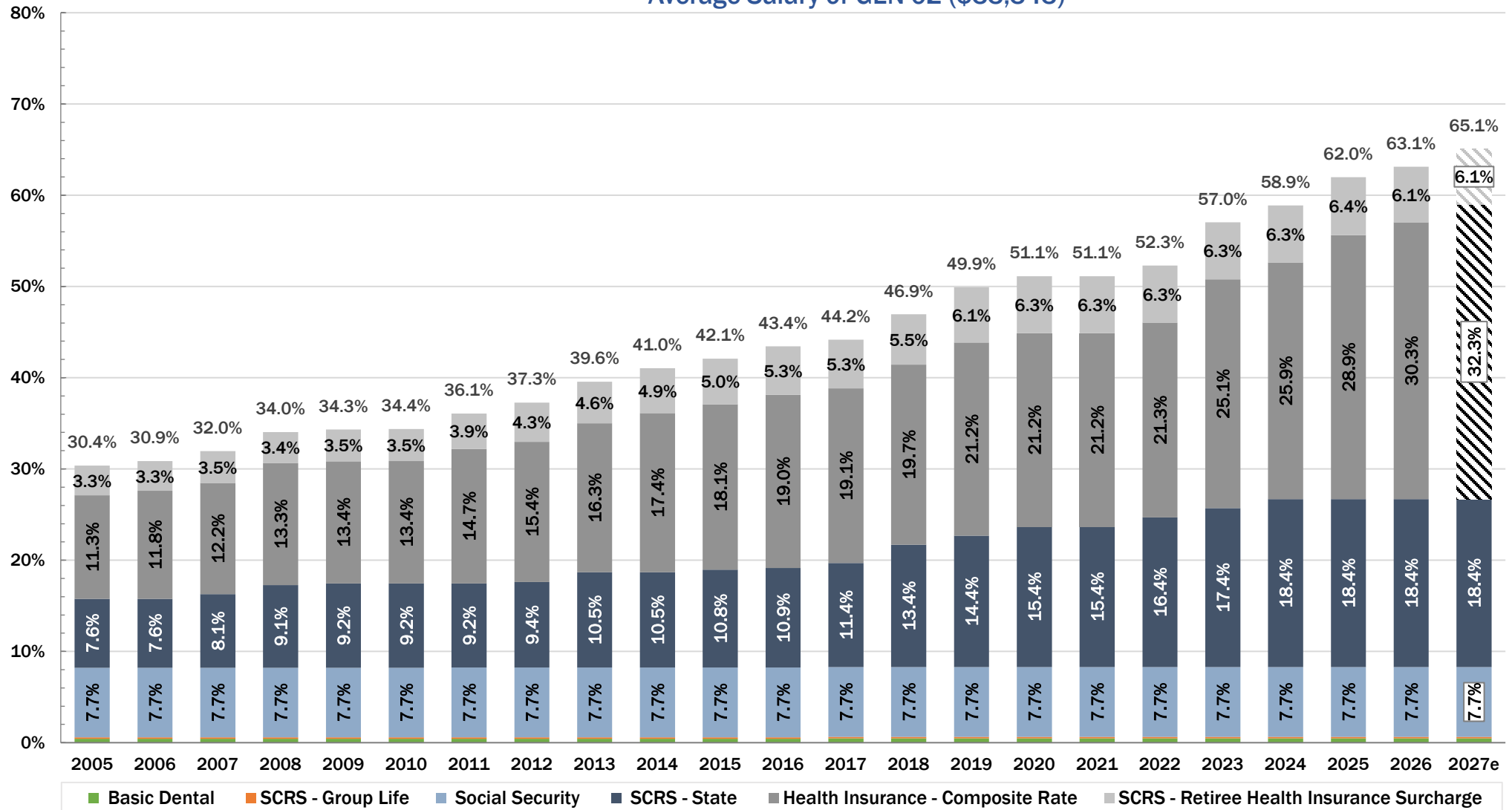
*Based on contribution cost projections for FY 2026-27



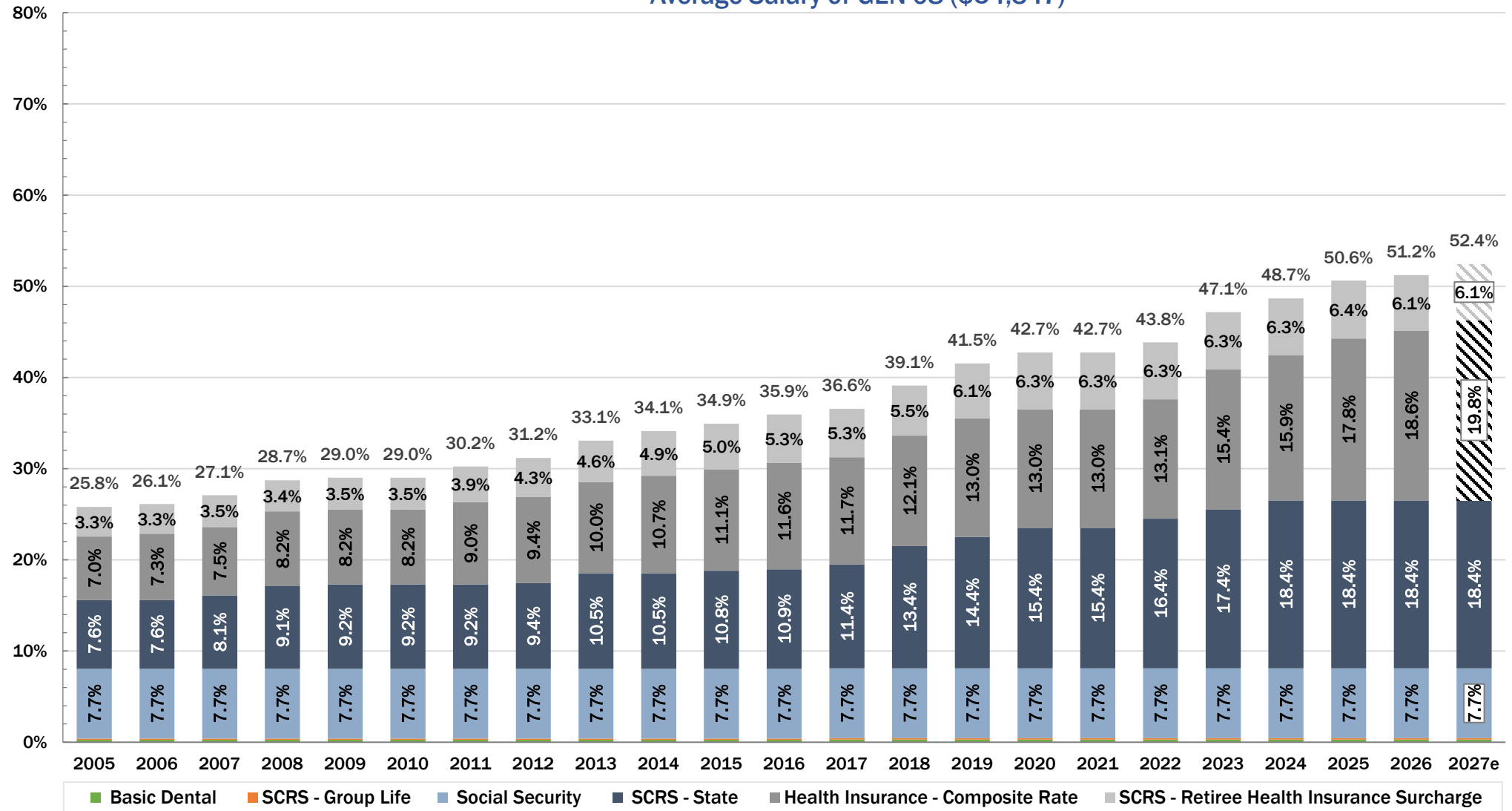
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Statewide Salary (\$60,360)



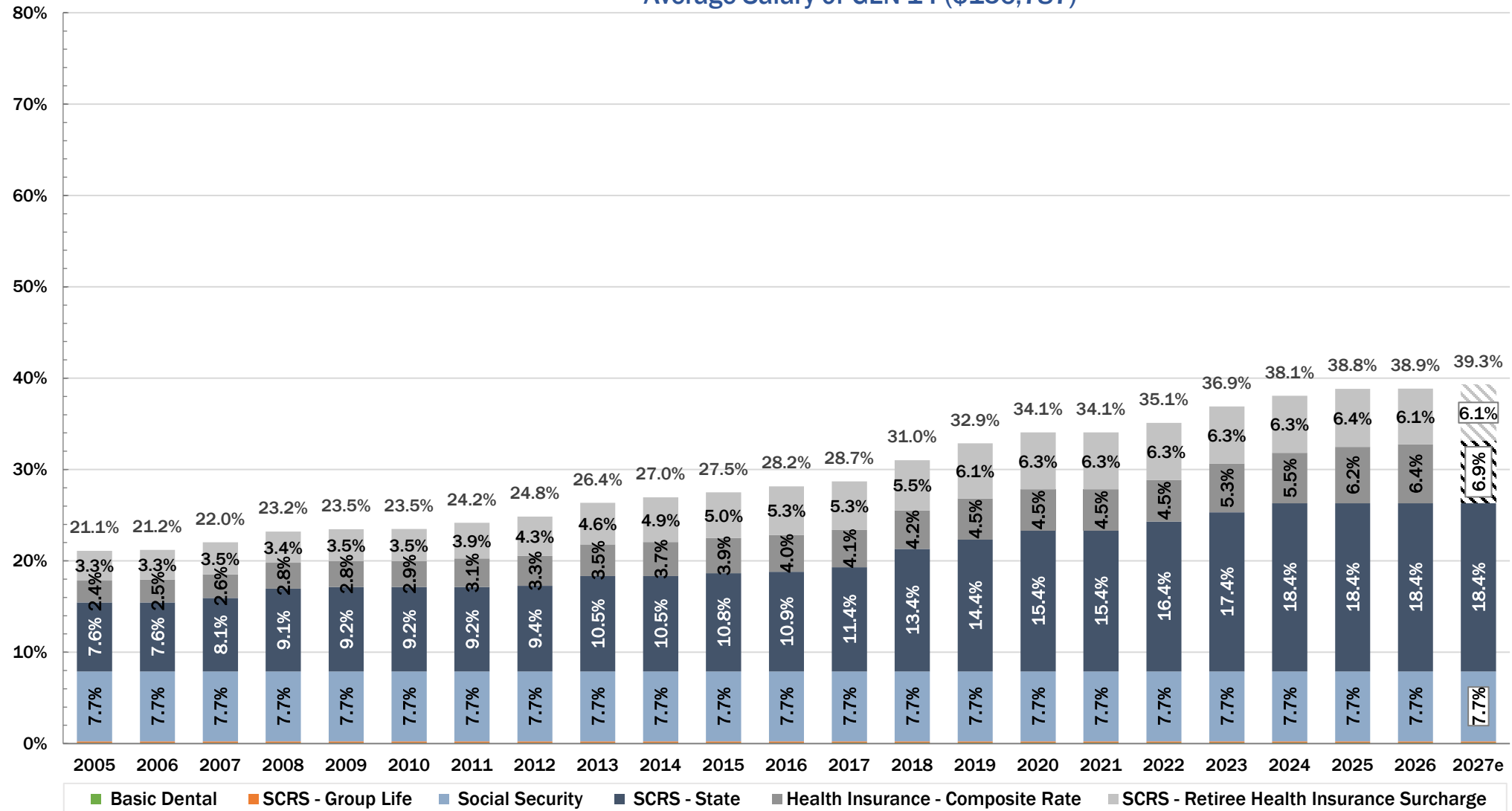
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of GEN 02 (\$33,343)



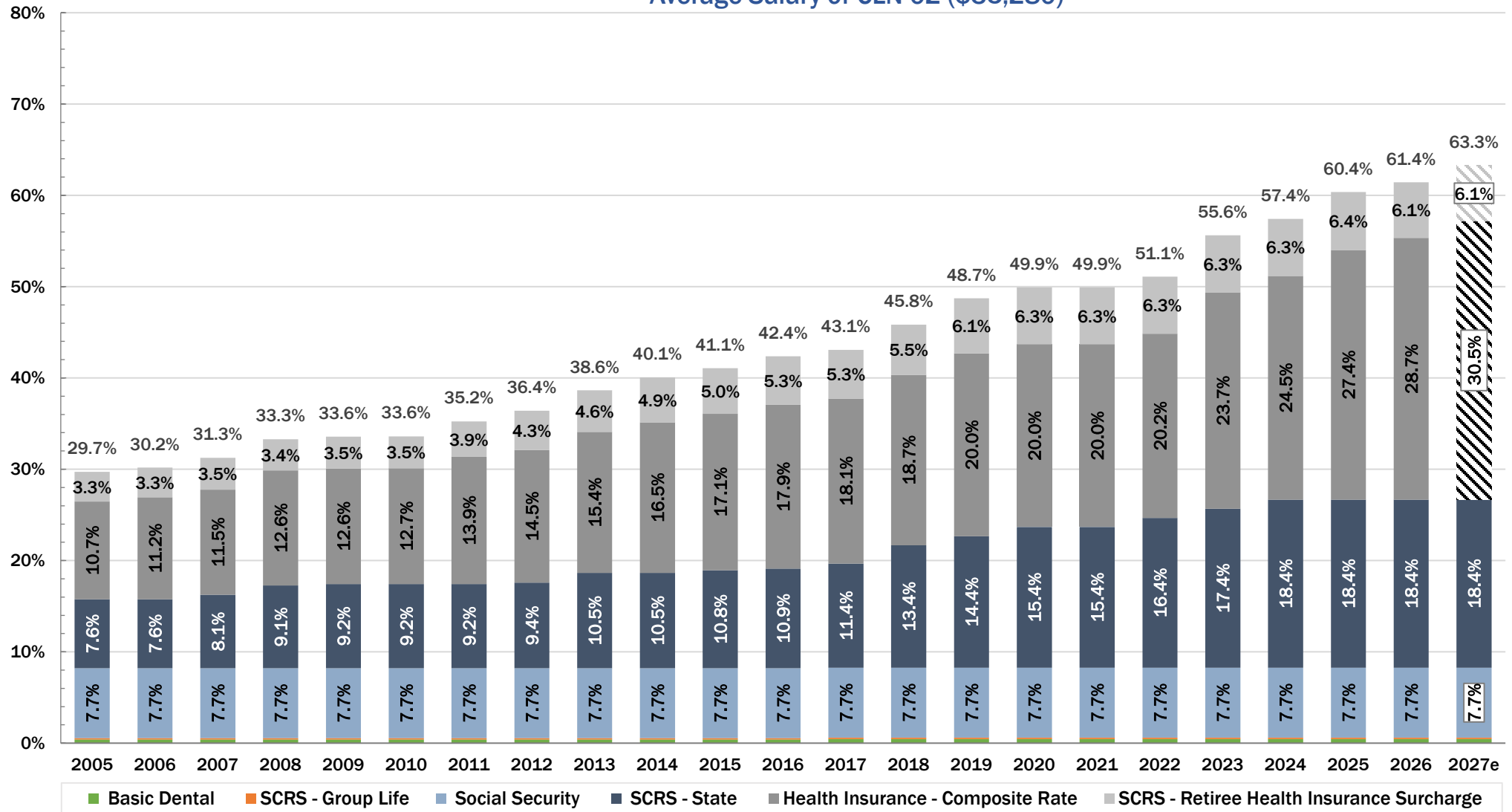
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of GEN 08 (\$54,347)



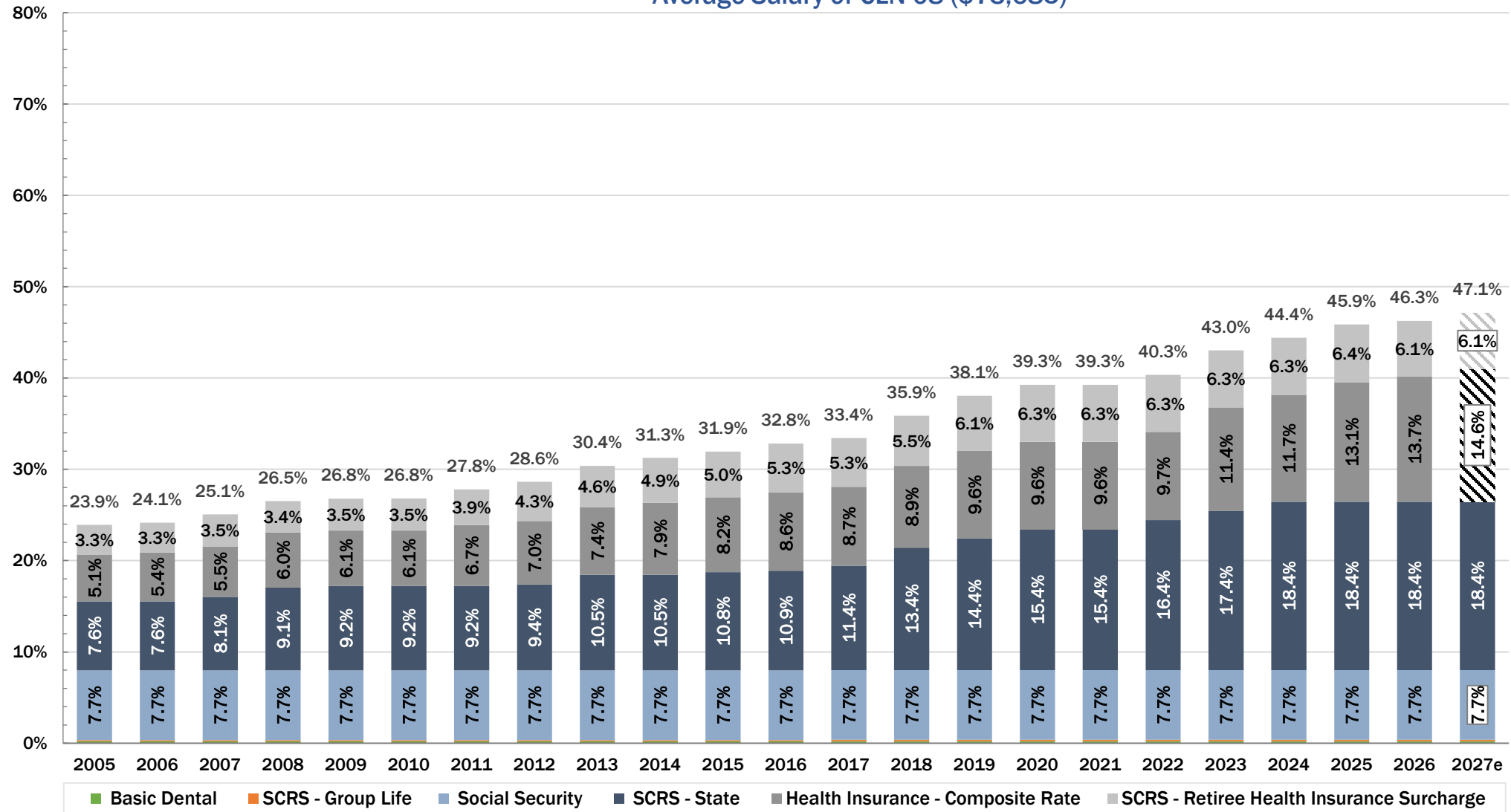
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of GEN 14 (\$156,787)



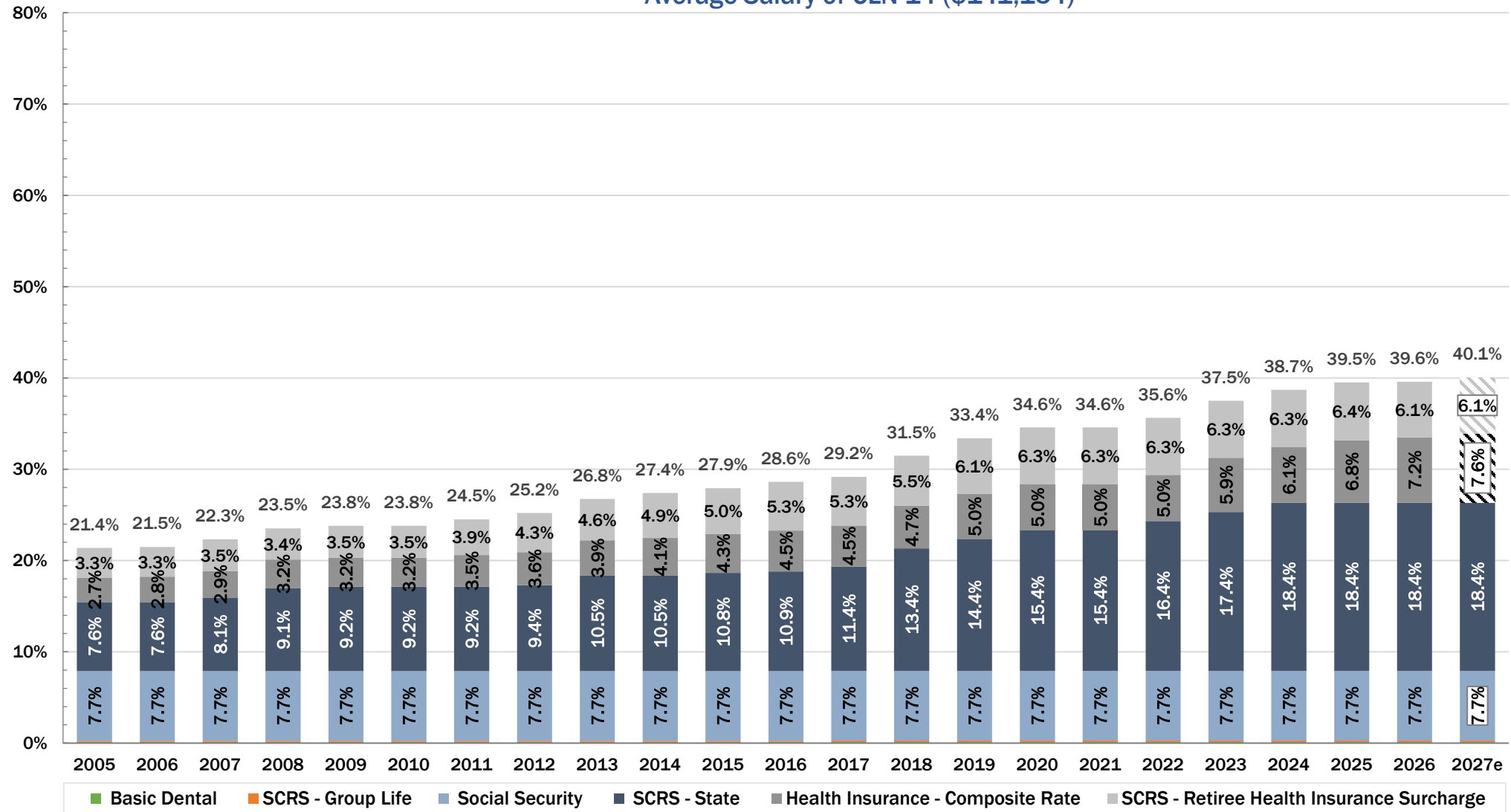
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of CLN 02 (\$35,280)



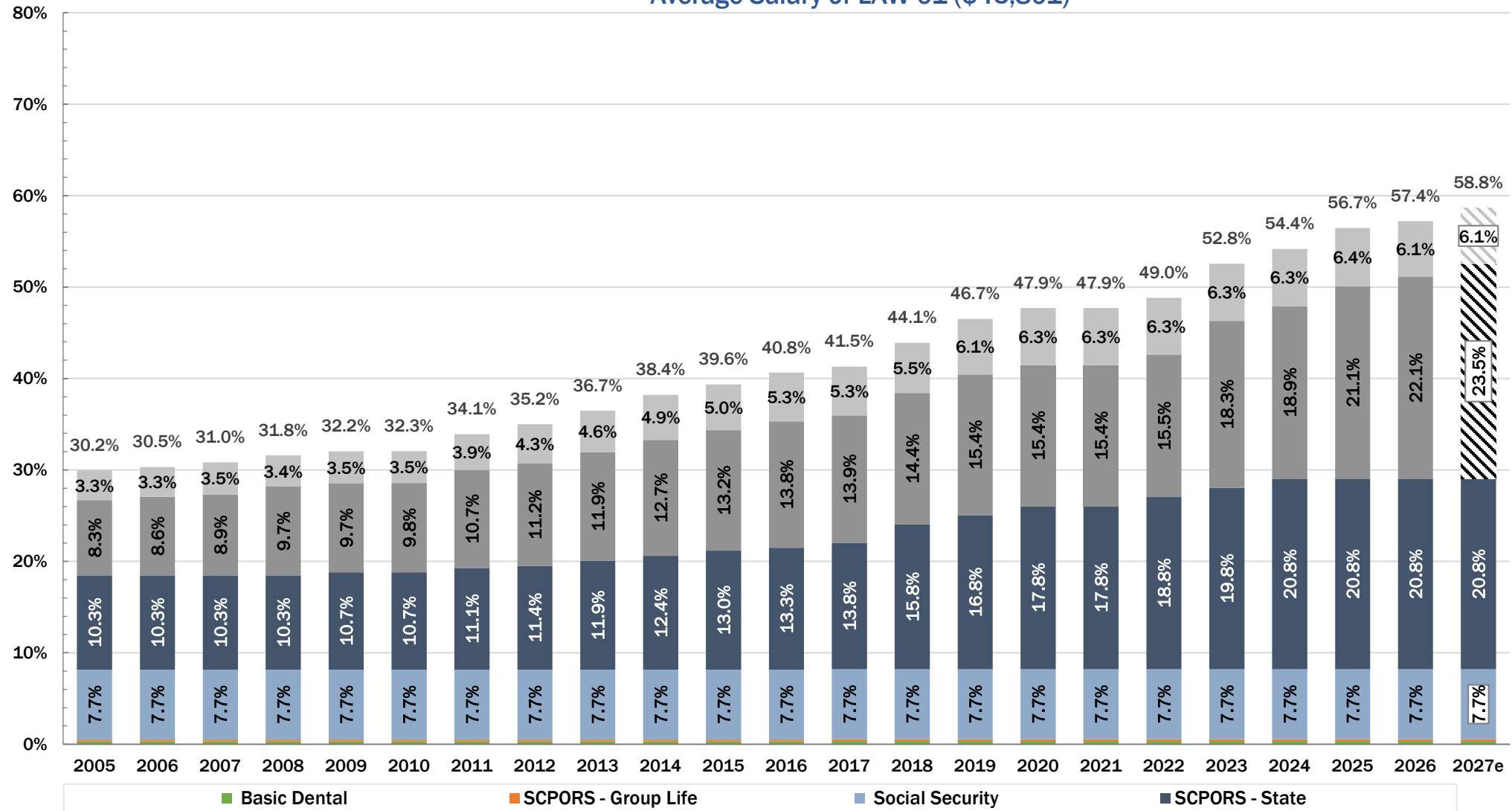
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of CLN 08 (\$73,685)



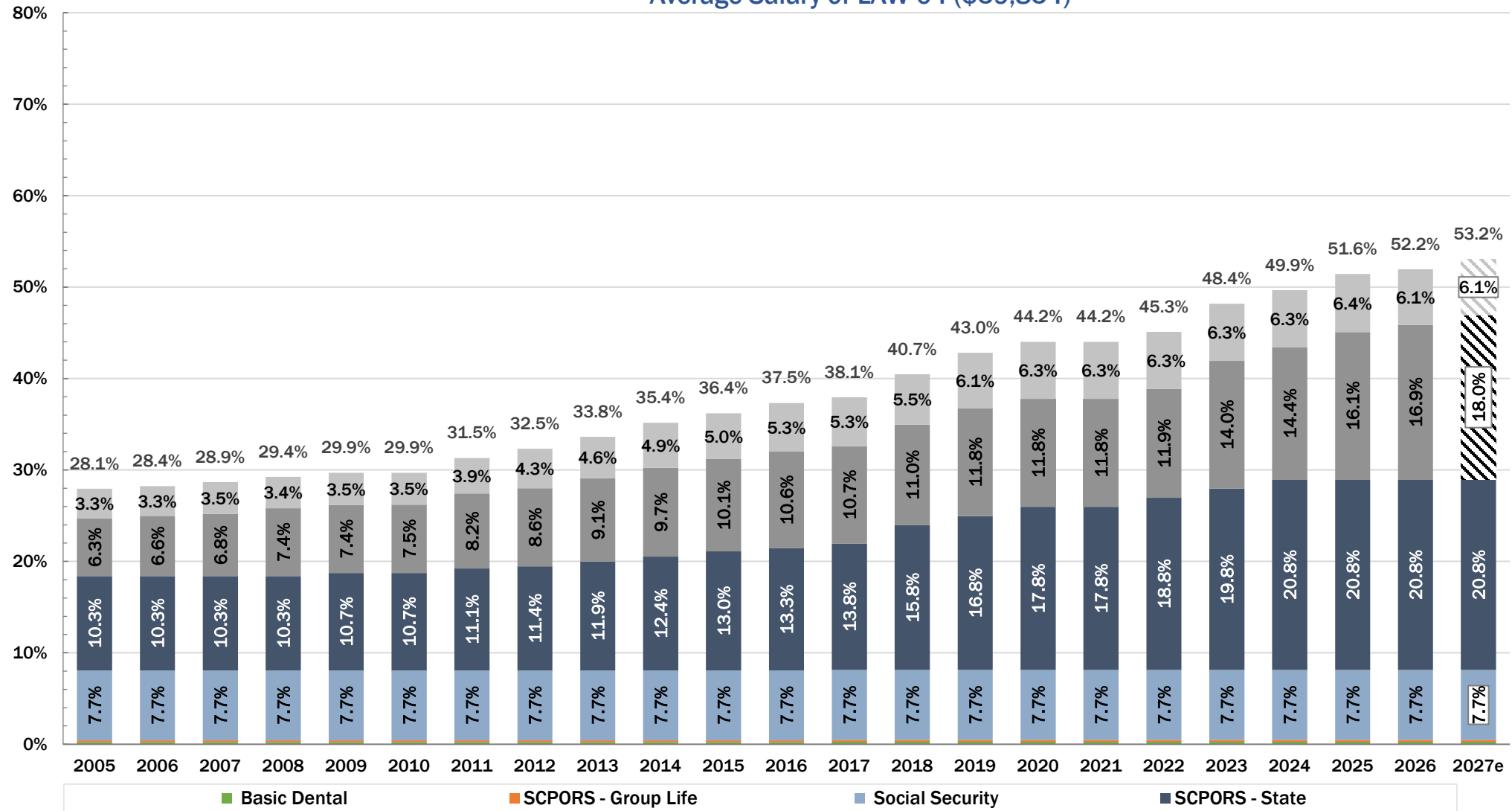
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of CLN 14 (\$141,154)



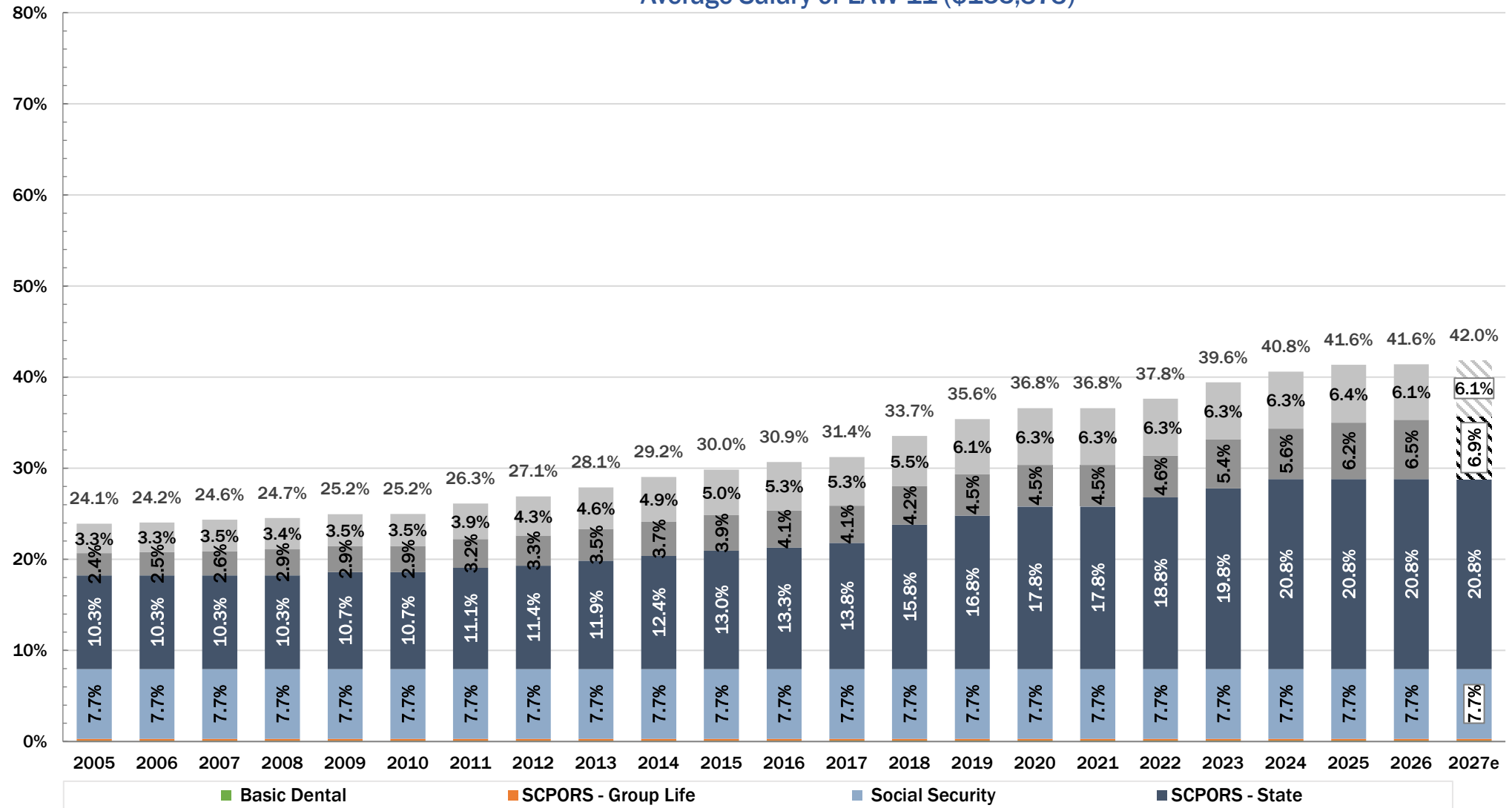
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of LAW 01 (\$45,801)



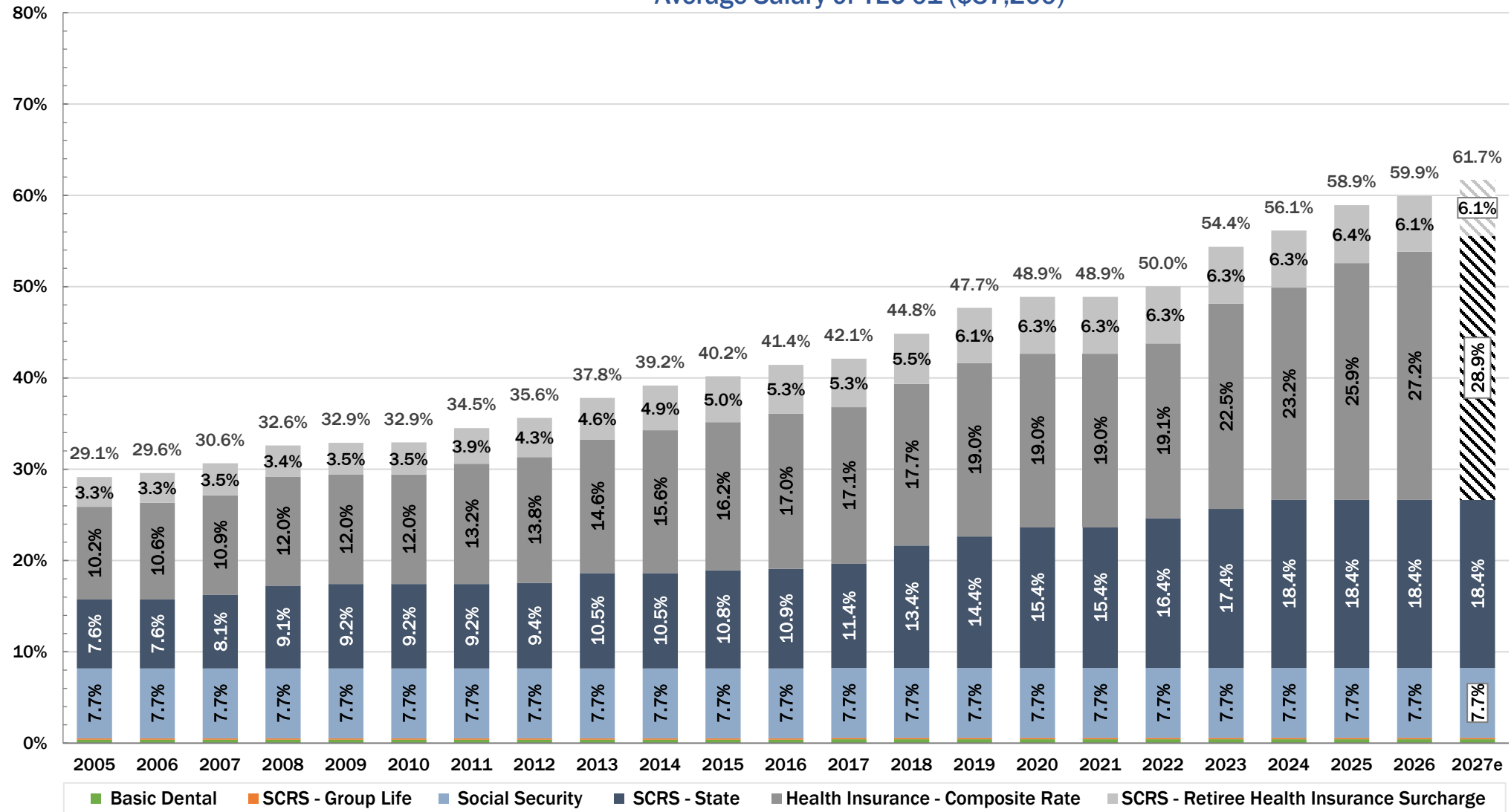
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of LAW 04 (\$59,854)



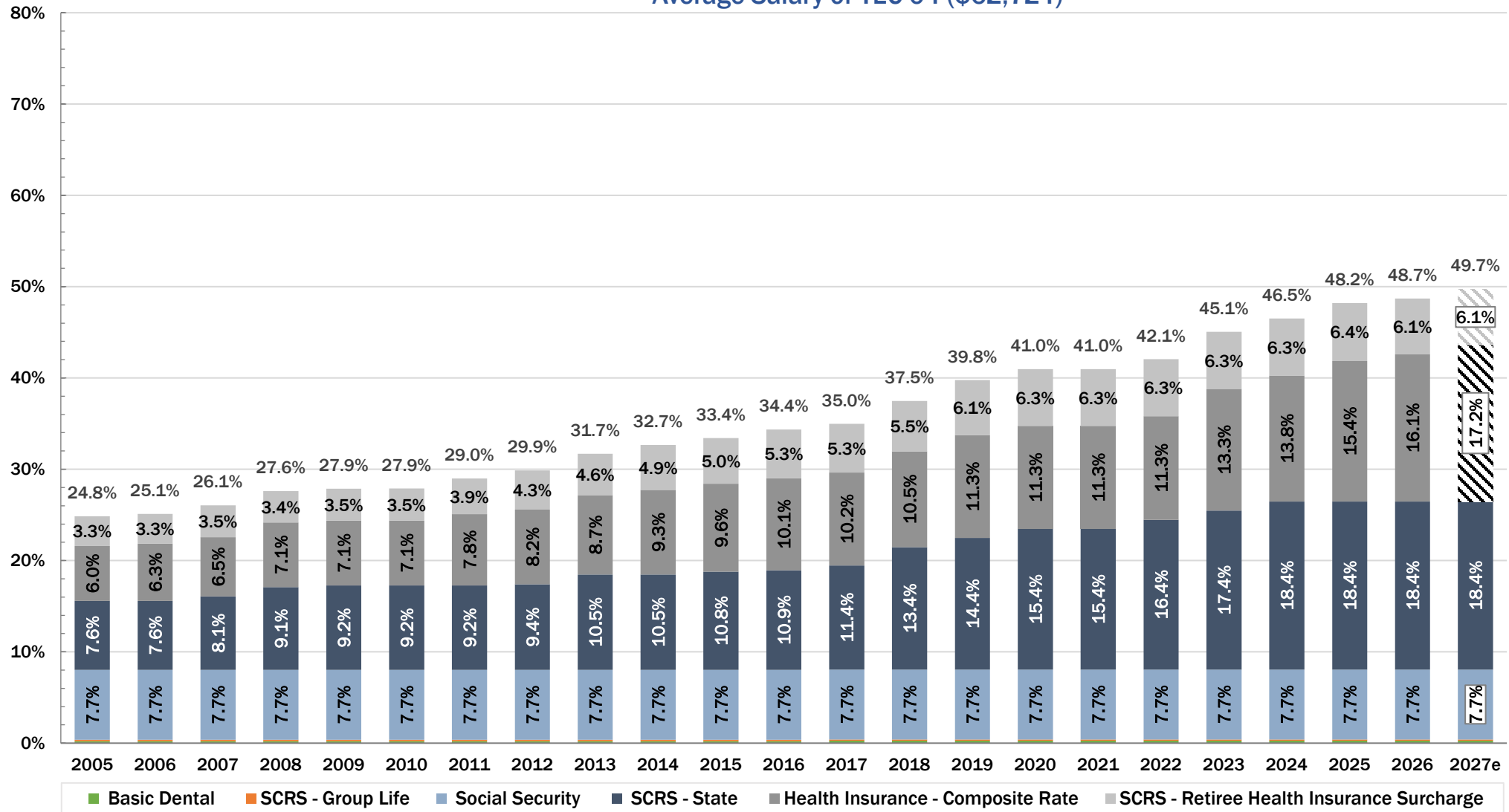
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES
Average Salary of LAW 11 (\$155,373)



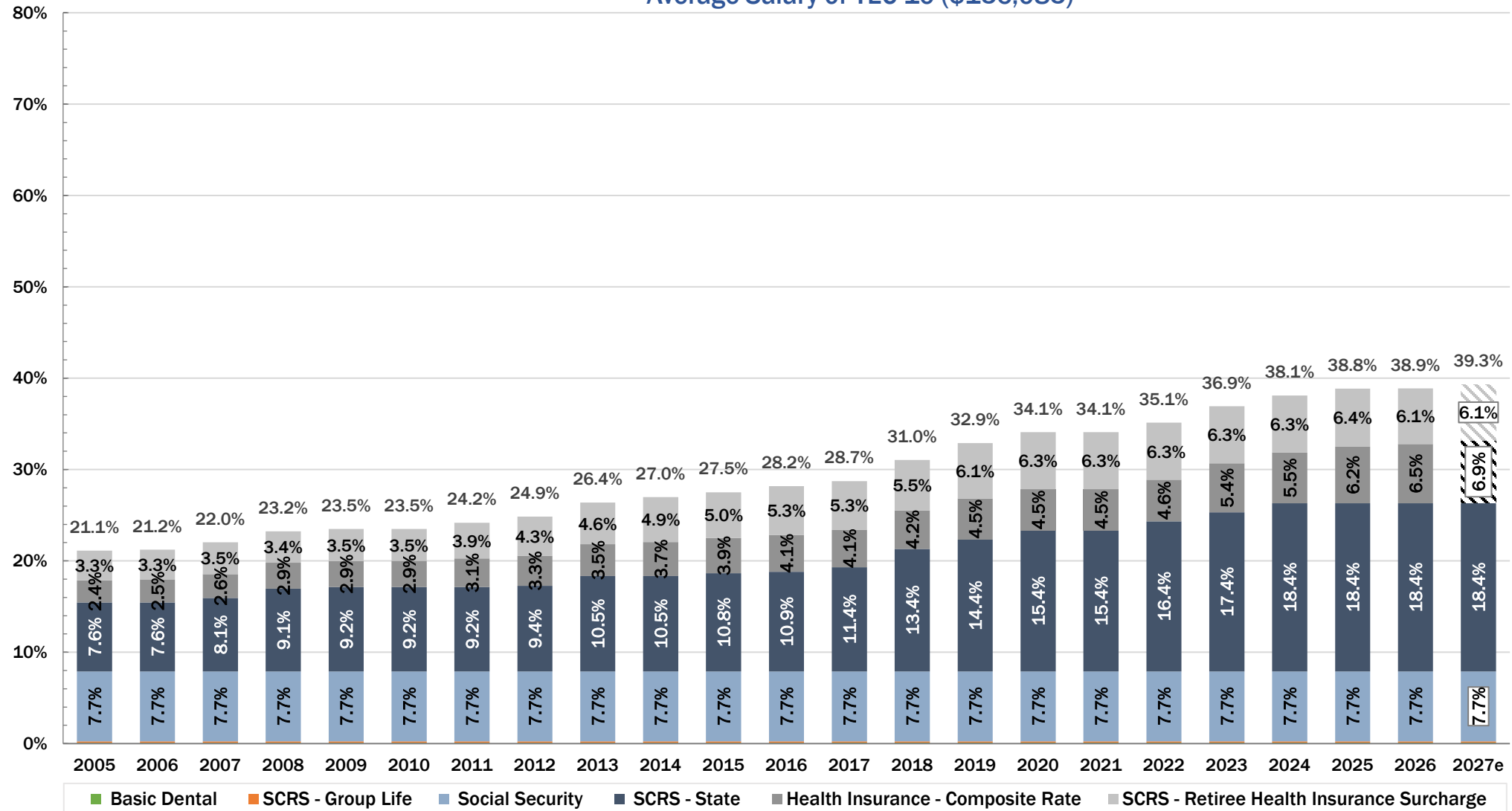
RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES Average Salary of TEC 01 (\$37,200)



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)



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