PEBA Academy

Employer Advisory Group

Employer Services

June 2025

PEBA
SC Retirement Systems and State Health Plan

Serving those who serve South Carolina

Topics

- Important reminders.
- Insurance.
- Retirement.

Important reminders

PEBA reminders

Security of employer portals (EBS and EES)

- Users should *never* share their user ID or PIN with others.

Contracted vendors

- PEBA does *not* approve or endorse companies or their products without having a legal, contractual relationship with those companies.

Phishing and scams

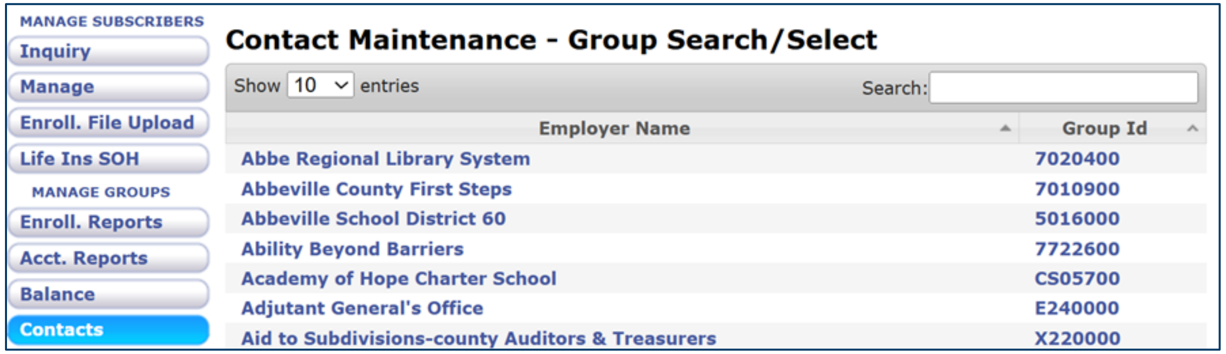
- Emails from PEBA will come from peba.sc.gov.

Weekly e-newsletter to employers

- *PEBA Update*, our weekly e-newsletter to employers, includes important updates and announcements from PEBA.
- PEBA distributes *PEBA Update* on Tuesday afternoons.
- Distribution list comes from employer contacts with a valid email address in the employer portals.
- View archived newsletters at peba.sc.gov/peba-update.

Maintain employer contacts

- Employers must identify individuals as their contacts in the EBS (insurance) and EES (retirement) employer portals.
- Regularly review and update contact information. Refer to the [January 7, 2025, *PEBA Update*].
- PEBA uses contact information to send employer communications.
- Employer contacts do *not* have to be portal users.



Employer Contact Information
Add, update, and maintain your contact information.
Employer contacts are not linked to EES users. Complete Form 6505 for EES access.

Employer education and support

- Visit our Employers webpage at [peba.sc.gov/employers].
- View our training resources on the dedicated training webpages:
  - peba.sc.gov/insurance-training; and
  - peba.sc.gov/retirement-training.
- Employer manuals are key reference tools for administering benefits:
  - *Benefits Administrator Manual*; and
  - *Covered Employer Procedures Manual*.
- Use the Life event checklists at peba.sc.gov/publications as guides.

- The *Navigating Your Benefits* series is available at peba.sc.gov/nyb.
- This series provides common-language explanations on state insurance and retirement benefits.

Mail not received at PEBA

- Each day, PEBA staff sorts, scans and indexes each piece of incoming mail.
- The scanned documents are date-stamped.
- Processors review, then process or reject each received document.

Recommendations

- Use EBS and EES when possible to process transactions.
- Commercial customers with a meter provider can request the USPS Intelligent Mail Package Barcode (#USPS888-PB) from their meter provider.

Insurance

Fiscal year 2026 budget

For January 1, 2026

- Funding for the State Health Plan corresponds with a 4.6% employer rate increase.
- Active employee and funded retiree health insurance premiums will *not* increase in 2026.
- Permanent, part-time teacher, partially funded retiree, non-funded retiree, COBRA subscriber, survivor and former spouse health insurance premiums will increase in 2026.
- Final rates will be published in August.

Experience rating load factors[1]

- Participating optional employers are subject to experience rating of health insurance premiums.
  - Refer to the *Optional Employer Handbook* for more information.
- In March, PEBA mailed experience rating letters to the primary billing contact in EBS.
- Optional employers must apply their 2026 load factor to both the employer and employee health premiums beginning January 1, 2026.
- Email analytics@peba.sc.gov with any questions.

[1] Not applicable to state agencies, institutions of higher education, public school districts and charter schools.

Looking ahead to the fall

- *Preparing for open enrollment* training video and online sessions with Employer Services.
- Open enrollment webpages for employers and members.
- Begin thinking about your plans for promoting open enrollment and encouraging employees to log in to MyBenefits.

Contracts for January 1, 2026

- Pharmacy Benefits Manager;
- Dental; and
- MoneyPlus.

Optional employers

- Once final rates are published, prepare your updated employer and employee health premiums, if applicable.

Pharmacy formulary

- Express Scripts’ formulary is the list of covered drugs. It includes some brand-name drugs and generics.
- The formulary development process focuses first on clinical factors, with financial considerations coming into play only among clinically comparable products.
- When changes occur to the formulary, like exclusions and tier changes, Express Scripts notifies impacted members, their physicians and their pharmacists before the changes are implemented.
- Member communications include personalized letters with a list of alternative medications and direction on how to change their prescription.

Employer Group Health Report

- PEBA is committed to giving employers helpful information related to the State Health Plan.
- As part of that effort, we develop a customized annual report for each employer that provides a better understanding of the health of their active employees and their dependents at the group level.
- We encourage the executive team and benefits administrators to use the report to identify areas of opportunity to improve member health outcomes for their population.
- PEBA emailed the 2025 report last month.
- For questions about the report, resources available to employers or benefits for State Health Plan members, email analytics@peba.sc.gov.

How’s your workplace well-being?

- PEBA invites employers to complete the workplace well-being survey.
- Your feedback will help us provide improved materials to promote PEBA’s benefits and programs.
- Access the survey in the May 27, 2025, *PEBA Update*.
- **Deadline to complete the survey is Monday, June 30.**

PEBA Partners

- At the end of the survey, you’ll have the opportunity to submit information to be recognized this year.
- PEBA Partners is an award program recognizing employers who demonstrate a dedication to promoting a physically and financially healthier workplace.
- PEBA wants to recognize employers who are setting the bar for workplace well-being programs.

Retirement

Fiscal year 2026 budget

For July 1, 2025

- SCRS, State ORP and PORS employer retirement contribution rates will *not* increase.
- Member contribution rates will also *not* increase.
- The insurance surcharge[1] will decrease to 6.10%.
- Final rates will be published in *PEBA Update* and online at peba.sc.gov/contribution-rates.

- The following exemptions to the earnings limitation remain in the fiscal year 2026 budget and are contingent on continued approval in each year's budget:
  - Class One law enforcement officers who retired under PORS prior to January 1, 2023, and are employed as critical needs school resource officers.
  - SCRS and PORS retirees who had a period of at least 12 consecutive months after retirement during which the member did not work for any covered employer in any capacity.

[1] Not applicable to all employers. To confirm participation, employers not on the CG Office's payroll should view their deposit forms in EES.

Pension funding allocation credit

- The fiscal year 2026 budget also includes funding to offset a portion of the employer contribution rate that has been provided to most employers in SCRS and PORS in previous years.
- The credit invoice will be a one-time credit in the same amount as last year's credit.
- Employers can use this credit invoice for the quarterly deposit for the quarter ending September 30, 2025 (due to PEBA by October 31, 2025).
- A participating employer will not receive a credit that exceeds its employer contributions due.
- An employer cannot use the credit on a monthly deposit or for the quarter ending June 30, 2025, since the funds are allocated specifically for fiscal year 2026.
- The fiscal year 2026 credit amount is available online by employer code.

Mandatory membership

- Membership is mandatory as a condition of employment with a covered employer unless in a position or classification of employment specifically exempted from membership by statute.
- Other classifications, such as non-permanent employees, have the option to elect non-membership within 30 days from their date of hire, unless the employee already has an account.
- Newly hired employees of state agencies, public higher education institutions, public school districts and participating charter schools may choose participation in State ORP instead of SCRS within 30 days of their date of hire.
- If a member is employed by two covered employers at the same time, they must participate in the same plan (i.e., SCRS or State ORP) with both employers, except where a State ORP participant takes a second position with a covered employer that doesn’t participate in State ORP.

Enrollments

- Initiate a retirement enrollment for all employees (i.e., full-time, part-time, temporary, permanent).
- For most employers[1], initiate the *Retirement Plan Enrollment* in EES.
  - Provides the appropriate retirement plan election options.
  - Encourages the employee to make an informed enrollment decision.
  - Eliminates the use of paper forms.
- Employees are responsible for making their retirement plan election within 30 days.
  - If an election is not made within 30 days from the hire date, the employee is automatically enrolled in SCRS; or PORS for any PORS-eligible position.
  - Employee is directed to designate retirement beneficiaries through Member Access. State ORP participants must also designate beneficiaries with their service provider.

[1]State agencies that report their payroll through the Office of the Comptroller General are excluded from this process.

State ORP service providers

- State ORP is a defined contribution retirement plan for employees of state agencies, public and charter school districts and public higher education institutions.
- Selecting a provider is an enrollment step for the employee.
- Enrollments, including transfers, are critical. Providers will either hold or reject contributions until an enrollment is received.

- The current providers are:
  - Corebridge Financial;
  - Empower;
  - TIAA; and
  - Voya Financial.

View contact information for the service providers.

Contract for January 1, 2026

- Four State ORP service providers.

Be Aware + Prepare

- The retirement awareness series is available at peba.sc.gov/bap.
- Regardless of how we define retirement awareness, PEBA believes it's important to plan for a secure financial future and think about what life will be like after working.
- *Retirement Starts Now* is targeted toward employees in the middle of their careers.
- *Get Set for Retirement* is targeted toward employees who are within a few years of retirement eligibility.

Disclaimer

This presentation does not constitute a comprehensive or binding representation of the employee benefit programs PEBA administers. The terms and conditions of the employee benefit programs PEBA administers are set out in the applicable statutes and plan documents and are subject to change. Benefits administrators and others chosen by your employer to assist you with your participation in these employee benefit programs are not agents or employees of PEBA and are not authorized to bind PEBA or make representations on behalf of PEBA. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.