Retiree Benefits

Human Resources Department

RECOSA Brown Bag| Aug 14, 2026

Agenda

- Budget Overview
- Civilian Compensation and Benefits
- Healthcare Plans
  - Pre-65
  - Post-65
- TMRS COLA

Overall Budget

- General Fund facing $158M budget shortfall
- Proposed budget is balanced and includes
  - $89.6M in reductions
  - Increased property tax of $90M
    - Average of $2.95 per month per homeowner
  - Reduction of 101 civilian positions
- Budget includes 3% civilian cost of living increase

Employee Benefits Fund

	2025 ACTUAL	2026 ADOPTED	2026 ESTIMATE	2027 PROPOSED
Beginning Balance	$19.8	17.0	$10.7	$(27.8)
Revenues	226.4	242.4	251.5	287.3
Medical / RX Claims	198.9	206.6	247.6	258.2
Other Expenses	36.6	36.4	42.3	41.5
Ending Balance	**$10.7**	**$16.5**	**$(27.8)**	**$(40.2)**

Civilian & Pre-65 Retirees

- Plan design changes
  - Deductible increase +$1,000 / $2,000
  - Max out of Pocket increase +500 / $1,000
- Monthly Premium Increases- Civilian
  - CDHP: from $6 to $95
  - HMO: from $11 to $102
  - Value: from $24 to $178

Retiree Health Care Plans

Pre-65 – CDHP Monthly Rates

	Pre-07 Retiree Only			Pre-07 Retiree +1			Pre-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
30+	$145.95	$170.16	$24.21	$274.05	$340.33	$66.28	$380.10	$510.49	$130.39
25-29	$160.65	$187.30	$26.65	$295.05	$374.61	$79.56	$409.50	$561.91	$152.41
20-24	$174.30	$203.22	$28.92	$324.45	$406.43	$81.98	$451.50	$609.65	$158.15
19 & Under	$211.05	$246.06	$35.01	$408.45	$492.13	$83.68	$571.20	$738.19	$166.99

	Post-07 Retiree Only			Post-07 Retiree +1			Post-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
10+	$529.07	$616.85	$87.78	$1,058.14	$1,233.69	$175.55	$1,587.21	$1,850.54	$263.33
5-9	$1,058.14	$1,233.69	$175.55	$2,116.28	$2,467.38	$351.10	$3,174.42	$3,701.07	$526.65

Pre-65 – HMO Monthly Rates

	Pre-07 Retiree Only			Pre-07 Retiree +1			Pre-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
30+	$189.00	$220.36	$31.36	$355.95	$440.71	$84.76	$494.55	$661.07	$166.52
25-29	$208.95	$243.62	$34.67	$383.25	$487.23	$103.98	$532.35	$730.85	$198.50
20-24	$225.75	$263.20	$37.45	$421.05	$526.41	$105.36	$586.95	$789.61	$202.66
19 & Under	$274.05	$319.52	$45.47	$531.30	$639.04	$107.74	$742.35	$958.55	$216.20

	Post-07 Retiree Only			Post-07 Retiree +1			Post-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
10+	$603.46	$703.58	$100.12	$1,206.92	$1,407.16	$200.24	$1,810.38	$2,110.74	$300.36
5-9	$1,206.92	$1,407.16	$200.24	$2,413.84	$2,814.32	$400.48	$3,620.76	$4,221.48	$600.72

Pre-65 – New Value Monthly Rates

	Pre-07 Retiree Only			Pre-07 Retiree +1			Pre-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
30+	$290.85	$339.10	$48.25	$548.40	$678.20	$129.80	$760.20	$1,017.31	$257.11
25-29	$321.30	$374.60	$53.30	$589.05	$749.21	$160.16	$819.00	$1,123.81	$304.81
20-24	$347.55	$405.21	$57.66	$647.85	$810.42	$162.57	$903.00	$1,215.63	$312.63
19 & Under	$421.05	$490.90	$69.85	$816.90	$981.81	$164.91	$1,142.40	$1,472.71	$330.31

	Post-07 Retiree Only			Post-07 Retiree +1			Post-07 Retiree +2		
	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
10+	$777.03	$905.94	$128.91	$1,554.06	$1,811.88	$257.82	$2,331.09	$2,717.82	$386.73
5-9	$1,554.06	$1,811.88	$257.82	$3,108.12	$3,623.76	$515.64	$4,662.18	$5,435.64	$773.46

AETNA Retiree Rates

- Aetna Medicare Advantage Plans (Post-65)
  - 1,238 Subscribers / 1,580 Total Lives
- City is fully insured through Aetna
- Aetna’s revised rates for 2027 reflect premium increases

Premiums- Pre-07 Medicare PPO

	Pre-07 Medicare PPO Retiree Only			Pre-07 Medicare PPO Retiree +1		
	Current	Proposed	Increase	Current	Proposed	Increase
30+	28.58	75.52	**$46.94**	57.15	151.04	**$93.89**
25-29	29.50	77.96	**$48.46**	59.00	155.92	**$96.92**
20-24	30.42	80.39	**$49.97**	60.84	160.79	**$99.95**
19& Under	36.87	97.45	**60.58**	73.74	194.90	**$121.16**
Count	**349 Retirees**			**591 Retirees**		

Premiums- Pre-07 Medicare PLUS

	Pre-07 Medicare PPO PLUS Retiree Only			Pre-07 Medicare PPO PLUS Retiree +1		
	Current	Proposed	Increase	Current	Proposed	Increase
30+	135.48	182.42	**$46.94**	270.95	364.84	**$93.89**
25-29	136.40	184.86	**$48.46**	272.8	369.72	**$96.92**
20-24	137.32	187.29	**$49.47**	274.64	374.59	**$99.95**
19& Under	143.77	204.35	**$60.58**	287.54	408.70	**$121.16**
Count	154 Retirees			110 Retirees		

TMRS Cost of Living Adjustment (COLA)

- In FY26, the City will be proposing a COLA of 1.9% which equates to 70% of CPI
  - The annual decision whether to offer an ad-hoc COLA lies with the City
  - The highest COLA that the City can elect is 70% of CPI

SCAN ME

Who is Eligible for COLA?

- Individuals who retired through TMRS prior to December 31, 2025

Calculating COLA

- CPI-Measure of the change in prices consumers pay for goods and services
- COLA is calculated at 70% of the increase in CPI for the prior calendar year
- Dec 2024 CPI = 315.605
- Dec 2025 CPI = 324.054
- 70% of increase = 1.9%

SCAN ME

- 8.45 is a 2.76% increase in CPI
    - (324.054 – 315.605) / 315.605
- 70% of a 2.76% increase is 1.9%

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Backup

CITY OF SAN ANTONIO
— TEXAS —

Cost Share History

- Currently at an 89/11 cost share Post-09

	2018	2019	2020	2021	2022	2023	2024	2025	2026
Pre 09 Split	83/17	83/17	83/17	85/15	89/11	89/11	89/11	89/11	90/10
Premium Increase	9-12%			-10%					5%
Post 09 Split	79/21	79/21	79/21	81/19	86/14	89/11	88/12	88/12	89/11
Premium Increase	9-12%			-10%		-20%			5%

Enrollment	2026
Pre 09	1,436
Post 09	5,655
Total	7,091

2027 Premium Increases (monthly)

- Maintains current split 89.5/10.5 (explore what premium increases could be implemented)
- Dollar amount increase applied equally to Pre-09 and Post-09
- Generates $1,834,776 (12 months) / $1,376,082 (9 months)

HMO	Increase
EE Only	$6.53
EE+Spouse	$37.28
EE+Children	$18.69
EE+Family	$55.96

CDHP	Increase
EE Only	$3.46
EE+Spouse	$30.46
EE+Children	$15.21
EE+Family	$51.89

Value PPO	Increase
EE Only	$13.60
EE+Spouse	$63.63
EE+Children	$38.77
EE+Family	$97.35

Civilian Plan Design Changes

Proposed FY27 Civilian Plan Design Changes

- Deductibles and max out-of-pocket maximum (OOP) last increased in FY18
- Proposed for FY27
  - Deductible:
    - Individual: +$1,000
    - Family: +$2,000
  - OOP Max
    - Individual: +$500
    - Family: +$1,000

	New Value & HMO (EE/Fam)		CDHP (EE/Fam)	
	Deductible	OOP Maximum	Deductible	OOP Maximum
Current since FY 2018	$1,500/$3,000	$3,500/$7,000	$2,000/$4,000	$4,000/$8,000
Proposed	**$2,500/$5,000**	**$4,000/$8,000**	**$3,000/$6,000**	**$4,500/$9,000**

Proposed FY27 Premium Increases (monthly)

- Changes the current split to 88.3/11.7 in FY 2027
- Dollar amount increase applied equally to Pre-09 and Post-09
- Generates $3,413,601 (12 months) / $2,560,201 (9 months)

	CDHP			HMO			VALUE		
Pre Post	Current	Proposed	Increase	Current	Proposed	Increase	Current	Proposed	Increase
EE Only	17.96 34.02	24.30 40.36	**$6.34**	35.91 64.26	47.89 76.24	**$11.98**	75.60 133.81	100.55 158.76	**$24.95**
+Spouse	90.72 158.00	146.57 213.85	**$55.85**	175.78 260.83	244.15 329.20	**$68.38**	373.28 500.48	489.96 617.15	**$116.68**
+Child	31.20 55.94	59.09 83.83	**$27.89**	82.22 133.82	116.50 168.10	**$34.28**	198.46 314.50	269.57 385.61	**$71.11**
+Family	128.52 223.78	223.68 318.94	**$95.16**	241.92 358.34	344.54 460.97	**$102.62**	504.63 671.33	683.15 849.85	**$178.52**
Count	**4,643 Employees**			**797 Employees**			**1,649 Employees**		

Note: CDHP Plan also offers HSA benefit $500/$1000