



NON-MEDICARE RETIREE INSURANCE CAREER THRESHOLD DOLLAR CONTRIBUTION

EFFECTIVE JANUARY 1, 2026

INSURANCE DOLLAR CONTRIBUTION

Senate Bill 10 (2025 Regular Session) increases the **non-Medicare eligible** retiree insurance **dollar contribution** for members who meet **eligibility requirements**. The higher contribution amount will be paid on behalf of eligible CERS retirees beginning January 1, 2026 to coincide with Plan Year 2026.

ELIGIBILITY REQUIREMENTS

- 01** CERS Retiree
Participation Date 7/1/2003 and after
- 02** Not Eligible for Medicare
- 03** Eligible for Dollar Contribution Amount
- 04** Meet Career Threshold Requirement

CAREER THRESHOLD SERVICE REQUIREMENTS

The career threshold requirement is based on participation date and type of service.



TIER 1 Participation Date 7/1/2003 - 8/31/2008*

SERVICE TYPE	CAREER THRESHOLD	MONTHLY CONTRIBUTION
Nonhazardous	27 years	\$40
Hazardous	20 years**	\$50



TIER 2 Participation Date 9/1/2008 - 12/31/2013

SERVICE TYPE	CAREER THRESHOLD	MONTHLY CONTRIBUTION
Nonhazardous	27 years	\$40
Hazardous	25 years	\$50



TIER 3 Participation Date 1/1/2014 and after

SERVICE TYPE	CAREER THRESHOLD	MONTHLY CONTRIBUTION
Nonhazardous	27 years	\$40
Hazardous	25 years	\$50

The career threshold dollar amount will increase by 1.5% annually on July 1st.

*Members with a participation date of July 1, 2003 through July 31, 2004 who have a hire date before July 1, 2003 are eligible for percentage contribution rather than dollar contribution. The contribution method described here does not apply.

**Sick leave service credit will only count toward career threshold service requirements for Tier 1 hazardous members.



The following examples explain how the career threshold contribution amount is calculated.



TIER 1 Participation Date
7/1/2003 - 8/31/2008

CERS Nonhazardous

In this example, the member only has CERS nonhazardous service and meets the career threshold service requirement of 27 years.

Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
Nonhazardous	27	X	\$40	=	\$1,080

CERS Hazardous

In this example, the member only has CERS hazardous service and meets the career threshold service requirement of 20 years.

Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
Hazardous	20	X	\$50	=	\$1,000

CERS Nonhazardous & CERS Hazardous: Eligibility is based on total service credit.

In this example, the member *does not* meet the career threshold for nonhazardous service (27 total years) and will receive the standard \$10 nonhazardous monthly contribution. However, the member *does* meet the hazardous career threshold requirement (20 total years) and will receive the higher contribution.

Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
Nonhazardous	10	X	\$10	=	\$100
Hazardous	12	X	\$50	=	\$600
Total Contribution				=	\$700



TIER 2 Participation Date
9/1/2008 - 12/31/2013



TIER 3 Participation Date
1/1/2014 and after

CERS Hazardous

In this example, the member only has CERS hazardous service and meets the career threshold service requirement of 25 years.

Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
Hazardous	25	X	\$50	=	\$1,250

CERS Nonhazardous & CERS Hazardous: Eligibility is based on total service credit.

In this example, the member meets the career threshold service requirement for both nonhazardous (27 total years) and hazardous (25 total years) and will receive the career threshold contribution for each.

Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
Nonhazardous	7	X	\$40	=	\$280
Hazardous	20	X	\$50	=	\$1,000
Total Contribution				=	\$1,280

The following examples apply to CERS Retirees who have service in **multiple retirement systems**. Career threshold eligibility is based on total service credit in all state-administered retirement systems. The career threshold amount is paid only on CERS service.

CERS & KERS Nonhazardous

In this example, the member meets the career threshold service requirement for nonhazardous (27 total years). The member is only eligible for the standard \$10 nonhazardous monthly contribution for KERS service.

Retirement System	Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
CERS	Nonhazardous	20	X	\$40	=	\$800
KERS	Nonhazardous	7	X	\$10	=	\$70
				Total Contribution	=	\$870

CERS Nonhazardous & Teachers' Retirement System (TRS) Service

In this example, the member meets the career threshold service requirement for nonhazardous (27 total years). The member is only eligible for the standard \$10 nonhazardous monthly contribution for TRS service.

Retirement System	Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
CERS	Nonhazardous	15	X	\$40	=	\$600
TRS	Nonhazardous	12	X	\$10	=	\$120
				Total Contribution	=	\$720

CERS & KERS Hazardous

In this example, the member meets the career threshold service requirement for Tier 1 hazardous (20 total years). The member is only eligible for the standard \$15 hazardous monthly contribution for KERS service.

Retirement System	Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
CERS	Hazardous	20	X	\$50	=	\$1,000
KERS	Hazardous	5	X	\$15	=	\$75
				Total Contribution	=	\$1,075

CERS Nonhazardous & KERS Hazardous

In this example, the Tier 1 member meets the career threshold service requirement for nonhazardous (27 total years). The member is only eligible for the standard \$15 hazardous monthly contribution for the KERS service.

Retirement System	Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
CERS	Nonhazardous	20	X	\$40	=	\$800
KERS	Hazardous	7	X	\$15	=	\$105
				Total Contribution	=	\$905

CERS Nonhazardous, KERS Nonhazardous & SPRS

In this example, the member meets the career threshold service requirement for nonhazardous (27 total years). The member is only eligible for the standard \$10 and \$15 monthly contribution for KERS and SPRS service.

Retirement System	Service Type	Years of Service	X	Monthly Contribution	=	Total Monthly Contribution
CERS	Nonhazardous	15	X	\$40	=	\$600
KERS	Nonhazardous	3	X	\$10	=	\$30
SPRS	Hazardous	10	X	\$15	=	\$150
				Total Contribution	=	\$780