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# State of Wisconsin Department of Administration

*Tony Evers, Governor*
*Kathy Blumenfeld, Secretary*

**Date: November 5, 2026**

**Locator Number: DPM-0666-CC-Revised**

## Bureau of Classification and Compensation Bulletin

### Subject: 2027 Health Insurance Premium Rates, Health Savings Account Information, and Health Insurance Opt-Out Information

***This bulletin is revised November 5, 2026, to further increase the Health Savings Account (HSA) employer contribution amounts.***

The purpose of this bulletin is to inform appointing authorities of the 2027 monthly employee health insurance contribution rates, and Health Savings Account (HSA) and Health Insurance Opt-Out Stipend administration information for calendar year 2027. These rates and amounts are set in accordance with Chapter 40, Wis. Stats. Additional information on these topics will also be available in the ***It's Your Choice*** material soon to be posted on the Department of Employee Trust Funds (ETF) website.

*Changes for 2027: the monthly health insurance premium amounts are changed. HSA employer contributions have increased. Opt-out Stipend amounts remain the same as in 2026. There are no administrative procedure changes.*

*SECTION I. HEALTH INSURANCE PREMIUMS FOR 2027*

**A. Employees Appointed to Work 1,040 Hours or More**

Except as noted in B., and C., below, all represented and nonrepresented employees appointed to work 1,040 hours or more and WRS-covered LTEs who have at least two concurrent appointments and work at least 1,040 hours, will pay the following monthly premiums (High Deductible Health Plan (HDHP)):

| 2027 Non-HDHP Employee Monthly Premiums | | | | |
|---|---|---|---|---|
| | Without Dental | | With Dental | |
| | Single | Family | Single | Family |

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| | | | | |
|---|---|---|---|---|
| Tier 1 | $135 | $335 | $140 | $346 |
| Tier 2 (Access Out of State Only) | $209 | $525 | $214 | $536 |
| Tier 3 (Access Only) | $368 | $914 | $373 | $925 |

| 2027 HDHP Employee Monthly Premiums | | | | |
|---|---|---|---|---|
| | Without Dental | | With Dental | |
| | Single | Family | Single | Family |
| Tier 1 | $47 | $117 | $52 | $128 |
| Tier 2 (Access Out of State Only) | $121 | $307 | $126 | $318 |
| Tier 3 (Access Only) | $280 | $696 | $285 | $707 |

**B. Employees Appointed to Work Less Than 1,040 Hours**

Except as noted in C and D below, employees appointed to work less than 1,040 hours and WRS-covered LTEs with only one appointment will continue to pay 50% of the total monthly premium for the health insurance coverage selected, including coverage under an HDHP.

**C. Teaching and Graduate Assistants**

All Teaching Assistants and Graduate Assistants will pay the following monthly premiums:

| 2027 Non-HDHP Employee Monthly Premiums | | | | |
|---|---|---|---|---|
| | Without Dental | | With Dental | |
| | Single | Family | Single | Family |
| Tier 1 | $67.50 | $167.50 | $72.50 | $178.50 |
| Tier 2 (Access Out of State Only) | $104.50 | $262.50 | $109.50 | $273.50 |
| Tier 3 (Access Only) | $184.00 | $457.00 | $189.00 | $468.00 |

**Teaching Assistants and Graduate Assistants are <u>not</u> eligible to enroll in a High Deductible Health Plan (HDHP).**

**D. Payroll Deduction of Health Insurance Premiums**

a. **STAR Agencies:** Employees who work for agencies covered by STAR payroll system will have health insurance premiums distributed evenly across 12 pay periods for employees paid monthly. Employees on any other pay frequency will have it distributed evenly over 24 biweekly pay periods per year. For biweekly pay periods, the total monthly premium will be split evenly between the first two biweekly paychecks payable within the month. If there is a third biweekly check payable within the month, no health insurance deductions will be taken from that pay period.

b. Non-STAR payroll system agencies will maintain their current payroll and deduction schedules.

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**A. Eligibility for HSA Employer Contribution**

Employees will receive the HSA employer contribution for any coverage month in which the employee is enrolled in a High Deductible Health Plan (HDHP) and HSA, and is eligible for the employer contribution towards their health insurance premium.

**B. 2027 Annual State HSA Employer Contribution**

The 2027 annual HSA Employer Contribution for employees who are covered by a High Deductible Health Plan (HDHP) for all of 2027 and are eligible for the full employer contribution towards health insurance is:

- $1,002 for single coverage
- $2,004 for family coverage

Employees who are required to pay half the total health insurance premium will receive one-half of the State HSA contribution.

**C. Prorated HSA Employer Contribution for Coverage Effective After January 1st of the Year**

If HDHP/HSA coverage is effective after January 1st of the year, the employee will receive a prorated annual HSA state contribution based on the coverage effective date. The employee will receive $83.50 per month for every month in which the employee has single coverage and $167 per month for every month in which the employee has family coverage. If an employee terminates coverage during the year, the employee will receive the state HSA contribution through the final month of coverage. IRS guidance indicates that an employee eligible for health insurance on the first of a month must receive the full HSA contribution for that month (i.e., $83.50 for single coverage and $167 for family coverage) so it may be necessary to process a Pay One-Time Transaction (POTT) for an employee that terminates early in a month, to ensure that the employee receives an amount equal to two biweekly HSA contributions for that month.

**D. HSA Employer Contribution When Health Insurance Coverage Level Changes**

If an employee changes their health insurance coverage level (single to family or vice versa), the employee will receive the HSA employer contribution associated with the health insurance premium that is required for that coverage month ($83.50 for single and $167 family).

**E. HSA Employer Contribution Not Covered by Wisconsin Retirement System**

The HSA employer payments will not count toward Wisconsin Retirement System earnings.

**F. HSA Payroll Processing**

State HSA contributions in 2027 will be distributed over 12 pay periods for employees paid monthly. Employees on any other pay frequency will have it distributed evenly over 24 biweekly pay periods.

The payroll center will determine the appropriate payment method for academic year or seasonal employees.

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## SECTION III. HEALTH INSURANCE OPT-OUT STIPEND

Employees who opt-out of state health insurance may be eligible for an annual $2,000 health insurance opt-out stipend. The opt-out stipend is provided for in s. 40.513, Wis. Stats.

### A. Eligibility for Health Insurance Opt-Out Stipend

An employee* is eligible for the stipend if all three of the following apply:

- The employee would be eligible for the employer contribution towards health insurance (either eligible for full or half of the employer contribution)
- The employee applies for the opt-out stipend within 30 days of hire or annually during the annual It's Your Choice Open Enrollment period (either via paper application or electronic enrollment)
- The employee is not enrolled in State Group Health Insurance as a subscriber or dependent.

*The following groups of employees are not eligible for the Opt-Out Stipend

- Graduate Assistants and Short-Term Academic Staff not covered by the Wisconsin Retirement System.
- Any employee not eligible for the employer contribution towards health insurance
- Any employee that in 2015 would have been eligible for any state contribution towards health insurance premiums but did not elect coverage in that year

**NOTE:** An employee must re-apply for the Opt-Out Stipend on an annual basis during the It's Your Choice Open Enrollment Period.

An employee is eligible to receive an opt-out stipend payment for any month that the employee would be otherwise eligible to receive the employer contribution towards health insurance (including eligible LTEs).

Employees who are required to pay half the total health insurance contribution (including eligible LTEs and others working less than 1,040 hours) are eligible for the full amount of the Opt-Out Stipend.

If an employee initially opts out of health insurance for 2027 but later enrolls due to a qualifying event, the stipend must be stopped as soon as health insurance is effective.

### B. Prorated Opt-Out Stipend for Employees Not Eligible for Entire Year

The employee will receive a prorated amount of the annual $2,000 Opt-Out Stipend if not eligible for the stipend for the entire year (ex. mid-year hire or termination). The employee will receive approximately $166.67 for every month ($83.34 per bi-weekly pay period) that the employee is eligible for the stipend. Unlike the HSA employer contribution, the employer is not required to ensure that an employee receives both biweekly opt-out payments for the month of termination.

### C. Taxability and Wisconsin Retirement System

The opt-out payments are considered taxable income but will not count toward Wisconsin Retirement System earnings.

### D. Opt-Out Stipend Payroll Processing

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The Opt-Out Stipend in 2027 will be distributed over 12 pay periods for employees paid monthly. Employees on any other pay frequency will have it distributed evenly over 24 biweekly pay periods.

The payroll center will determine the appropriate payment method for academic year or seasonal employees.

## *SECTION V. REFERRAL OF QUESTIONS*

**Employee Questions:**

Employees with questions regarding the contents of this bulletin should contact their agency Human Resources or Payroll Office directly.

**Employer Questions:**

Employer questions should be directed to Tina Updike, DOA Central Benefits by e-mail at tina.updike@wisconsin.gov.

Signed by:
Donna I Bente
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Donna Bente, Division Administrator

Division of Personnel Management