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Vice-Chair  
Yuki Lei K. Sugimura

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Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 27, 2026

Ms. Marcy Martin, Director  
Department of Finance  
County of Maui  
Wailuku, Hawaii 96793

Dear Ms. Martin:

SUBJECT: **FISCAL YEAR 2027 BUDGET** (BFED-1) (FN-06)

May I please request you provide the following:

1. A copy of the fringe benefit rates used to prepare the Mayor's Proposed FY 2027 Budget.
2. A detailed breakdown of actual costs for employee fringe benefits from FYs 2021 to 2026, to date, by category and by fund. The categories include:
  - a. Employees' Retirement System
  - b. Federal Insurance Contributions Act
  - c. Hawaii Employer-Union Health Benefits Trust Fund
  - d. Other Post-Employment Benefits.
3. An explanation of any cost increases to each fringe benefit category and identify whether the increase is based on collective bargaining agreements, including the request for FY 2027.
4. FY 2027 Hawaii Employer-Union Health Benefits Trust Fund medical insurance premium costs for County employees, itemized as: (a) the County employer premium share, and (b) any County-paid employee premium share. Please also provide FYs 2026 and 2027 dollar amounts for each component and cite the authority for any County-paid employee share.

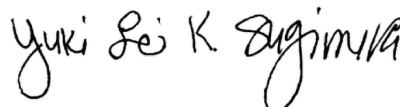
Ms. Marcy Martin  
February 27, 2026  
Page 2

5. Program details for the EUTF medical insurance for County employees, focusing on Hawaii Medical Service Association and Kaiser Permanente plans. For FYs 2026 and 2027, please provide the following:
  - a. The number of employees who do not participate in County medical coverage, including how “nonparticipation” is defined and tracked;
  - b. Enrollment by plan and tier; and
  - c. The average employee cost, by tier, when an employee enrolls in a plan that costs more than the plan the County uses to set its standard premium contribution.
6. An explanation on whether the County subsidizes employee premium costs for employees enrolled in non-benchmark HMSA or Kaiser plans. If yes, please describe the method and estimated FY 2027 cost. If no, please confirm and note any constraints.
7. The number of employees receiving \$250 monthly for not participating in the County-sponsored medical insurance program. Please identify the appropriation used to fund the payment and explain why it is being used.

May I further request you transmit your response to [bfed.committee@mauicounty.us](mailto:bfed.committee@mauicounty.us) by **March 25, 2026**. To ensure efficient processing, please duplicate the coding in the subject line.

Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger ext. 7761, or Pauline Martins at ext. 8039).

Sincerely,



YUKI LEI K. SUGIMURA, Chair  
Budget, Finance, and Economic  
Development Committee

bfed:2027bgt:260206afn03:kes

cc: Mayor Richard T. Bissen, Jr.

## BFED Committee

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**From:** BFED Committee  
**Sent:** Friday, February 27, 2026 1:09 PM  
**To:** 'Marcy Martin'  
**Cc:** 'Maria Zielinski'; 'Stacey Vinoray'; 'finance'  
**Subject:** FISCAL YEAR 2027 BUDGET (BFED-1) (FN-06)  
**Attachments:** Correspondence to Finance 02-27-2026 (FN-06).pdf

**Importance:** High



**RICHARD T. BISSEN, JR.**  
Mayor

**MARCY MARTIN**  
Director

**MARIA E. ZIELINSKI**  
Deputy Director

**DEPARTMENT OF FINANCE**  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
PHONE: (808) 270-7722  
[www.MauiCounty.gov](http://www.MauiCounty.gov)

March 23, 2026

Ms. Lesley Milner  
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

*Richard T. Bissen, Jr.*  
Mayor  
3-24-26  
Date

Honorable Richard T. Bissen, Jr.  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair  
and Members of the Budget, Finance, and Economic Development Committee  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Sugimura and Members:

**SUBJECT: FISCAL YEAR 2026 BUDGET (BFED-1) (FN-06)**

Pursuant to your letter dated February 27, 2026, requesting the following information, please see our responses below:

1. A copy of the fringe benefit rates used to prepare the Mayor's Proposed FY 2027 Budget.

*Response: The following fringe rates were used to prepare the Mayor's Proposed FY2027 Budget.*

	FY2027
Employees' Retirement System	General employees - 24%, Police/Fire - 44% (Current rate for Police/Fire is 41% however, the ERS has proposed an increase of 3% for this budget session.)
Federal Insurance Contributions Act	Social Security - 6.2%, Medicare - 1.45% (Federally set)
Hawaii Employer-Union Health Benefits Trust Fund	Based on estimates by the EUTF
Other Post-Employment Benefits - Annual Required Contribution (ARC)	Based on the OPEB actuarial valuation provided by the EUTF
OPEB - Above and beyond the ARC (Not required)	Proposed by County administration

2. A detailed breakdown of actual costs for employee fringe benefits from FYs 2021 to 2026, to date, by category and by fund. The categories include:
  - a. Employee's Retirement System
  - b. Federal Insurance Contributions Act
  - c. Hawaii Employer-Union Health Benefits Trust Fund
  - d. Other Post-Employment Benefits

*Response: Please refer to the attached table titled "Actual Costs by Fringe Rate Category."*

3. An explanation of any cost increases to each fringe benefit category and identify whether the increase is based on collective bargaining agreements, including the request for FY 2027.

*Response: The increases for ERS and FICA for fiscal years 2023 and 2025 were mainly due to bargaining unit increases with the increase for fiscal year 2024 being due to both bargaining unit increases and temporary hazard payments (COVID-19). Any increases for EUTF payments were due to premium increases and any increases for OPEB – ARC were due to the actuarial valuation amounts.*

4. FY 2027 Hawaii Employer-Union Health Benefits Trust Fund medical insurance premium costs for County employees, itemized as: (a) the County employer premium share, and (b) any County-paid employee premium share. Please also provide FYs 2026 and 2027 dollar amounts for each component and cite the authority for any County-paid employee share.

*Response: Please refer to the attached rates for FY 2026 and FY 2027. Please note that these rates do not apply to bargaining units 11 and 15 as they have not ratified new contracts as of the date of this letter. The County-paid employee share is based on bargaining unit contracts and supplemental agreements to those contracts.*

5. Program details for the EUTF medical insurance for County employees, focusing on Hawaii Medical Service Association and Kaiser Permanente plans. For FYs 2026 and 2027, please provide the following:
  - a. The number of employees who do not participate in County medical coverage, including how "nonparticipation" is defined and tracked;

- b. Enrollment by plan and tier, and
- c. The average employee cost, by tier, when an employee enrolls in a plan that costs more than the plan the County uses to set its standard premium contribution.

**Response:**

- a. *The number of employees who do not participate in County medical coverage, including how “nonparticipation” is defined and tracked;*

*The estimated number of employees who do not participate in the County medical coverage is 404. “Nonparticipation” is defined as those who waive medical coverage as reported by the EUTF.*

- b. *Enrollment by plan and tier:*

<b>Benefit Plan</b>	<b>Type of Enrollment</b>	<b>Estimated Enrollment</b>
<b>MEDICAL PLANS</b>		
PPO - 75/25 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	375
	Two-Party	159
	Family	248
PPO - 80/20 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	94
	Two-Party	22
	Family	30
PPO - 90/10 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	30
	Two-Party	7
	Family	6
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	414
	Two-Party	150
	Family	277
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	112
	Two-Party	28
	Family	56

- c. *The average monthly employee cost, by tier, when an employee enrolls in a plan that costs more than the plan the County uses to set its standard premium contribution.*

<b>Benefit Plan</b>	<b>Type of Enrollment</b>	<b>Employee Cost</b>
<b>MEDICAL PLANS</b>		
PPO - 80/20 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	356.26
	Two-Party	1,103.14
	Family	865.30
PPO - 90/10 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	535.28
	Two-Party	1,658.18
	Family	1,300.36
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	327.46
	Two-Party	1,016.94
	Family	796.30

6. An explanation on whether the County subsidizes employee premium costs for employees enrolled in non-benchmark HMSA or Kaiser plans. If yes, please describe the method and estimated FY 2027 cost. If no, please confirm and note any constraints.

*Response: Currently, the County does not subsidize employee premium costs for employees enrolled in medical plans other than HMSA 75/25 and Kaiser Standard.*

7. The number of employees receiving \$250 monthly for not participating in the County-sponsored medical insurance program. Please identify the appropriation used to fund the payment and explain why it is being used.

*Response: There are no employees receiving \$250 monthly, however, there are 242 employees who receive \$200 per month for not participating in the County-sponsored medical insurance program. The appropriation to fund the payment is contained within the FY 2026 budget ordinance under Countywide Costs – Fringe Benefits – EUTF COM Supplemental Health Program.*

Should you have any questions, please feel free to contact me or Deputy Director Maria Zielinski at extension 7722.

Sincerely,



MARCY MARTIN  
Director of Finance

Attachments

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
ACTIVE EMPLOYEES**

**COUNTY OF MAUI  
EFFECTIVE JULY 1, 2025  
BU 00, 01, 02, 03, 04, 13**

**EFFECTIVE JANUARY 1, 2026  
BU 12**

<b>Benefit Plan</b>	<b>Type of Enrollment</b>	<b>Semi-Monthly Employee Contribution</b>	<b>Monthly Employee Contribution</b>	<b>Monthly Employer Contribution</b>	<b>Percent Employer</b>	<b>Total</b>
<b>MEDICAL PLANS</b>						
PPO - 75/25 Plan - HMSA Medical and Chiropractic	Self	-	-	436.32	100.0%	436.32
	Two-Party	-	-	1,059.28	100.0%	1,059.28
	Family	-	-	1,350.44	100.0%	1,350.44
PPO - 75/25 Plan - CVS Caremark Prescription Drug	Self	-	-	149.78	100.0%	149.78
	Two-Party	-	-	363.94	100.0%	363.94
	Family	-	-	463.68	100.0%	463.68
PPO - 80/20 Plan - HMSA Medical and Chiropractic	Self	128.02	256.04	384.02	60.0%	640.06
	Two-Party	310.88	621.76	932.62	60.0%	1,554.38
	Family	396.44	792.88	1,189.28	60.0%	1,982.16
PPO - 80/20 Plan - CVS Caremark Prescription Drug	Self	50.11	100.22	150.34	60.0%	250.56
	Two-Party	121.77	243.54	365.30	60.0%	608.84
	Family	155.13	310.26	465.42	60.0%	775.68
PPO - 90/10 Plan - HMSA Medical and Chiropractic	Self	204.95	409.90	409.18	50.0%	819.08
	Two-Party	497.83	995.66	993.78	50.0%	1,989.44
	Family	634.97	1,269.94	1,267.26	49.9%	2,537.20
PPO - 90/10 Plan - CVS Caremark Prescription Drug	Self	62.69	125.38	125.18	50.0%	250.56
	Two-Party	152.35	304.70	304.14	50.0%	608.84
	Family	194.12	388.24	387.44	49.9%	775.68
HMO - HMSA Medical and Chiropractic	Self	260.30	520.60	422.16	44.8%	942.76
	Two-Party	632.41	1,264.82	1,025.32	44.8%	2,290.14
	Family	806.65	1,613.30	1,307.46	44.8%	2,920.76
HMO - CVS Caremark Prescription Drug	Self	69.18	138.36	112.20	44.8%	250.56
	Two-Party	168.12	336.24	272.60	44.8%	608.84
	Family	214.22	428.44	347.24	44.8%	775.68
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	-	-	561.36	100.0%	\$561.36
	Two-Party	-	-	1,364.12	100.0%	\$1,364.12
	Family	-	-	1,740.22	100.0%	\$1,740.22
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	163.73	327.46	534.36	62.0%	\$861.82
	Two-Party	398.15	796.30	1,297.92	62.0%	\$2,094.22
	Family	508.47	1,016.94	1,654.70	61.9%	\$2,671.64
Supplemental Medical and Prescription Drug - Verdegard Administrators (fka HMA)	Self	-	-	35.96	100.0%	\$35.96
	Two-Party	-	-	64.18	100.0%	\$64.18
	Family	-	-	69.50	100.0%	\$69.50
<b>DENTAL PLAN</b>						
HDS Dental	Self	-	-	40.38	100.0%	\$40.38
	Two-Party	-	-	80.78	100.0%	\$80.78
	Family	-	-	121.16	100.0%	\$121.16
<b>VISION PLAN</b>						
VSP Vision	Self	-	-	4.20	100.0%	\$4.20
	Two-Party	-	-	7.82	100.0%	\$7.82
	Family	-	-	10.22	100.0%	\$10.22
<b>LIFE INSURANCE</b>						
Securian Life Insurance	Employee	-	-	4.12	100.0%	\$4.12

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
ACTIVE EMPLOYEES**

**COUNTY OF MAUI  
EFFECTIVE JULY 1, 2025  
BU 00, 01, 02, 03, 04, 13**

**EFFECTIVE JANUARY 1, 2026  
BU 12**

<b>Benefit Plan</b>	<b>Type of Enrollment</b>	<b>Semi-Monthly Employee Contribution</b>	<b>Monthly Employee Contribution</b>	<b>Monthly Employer Contribution</b>	<b>Percent Employer</b>	<b>Total</b>
<b>MEDICAL PLANS</b>						
PPO - 75/25 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	-	-	586.10	100.0%	\$586.10
	Two-Party	-	-	1,423.22	100.0%	\$1,423.22
	Family	-	-	1,814.12	100.0%	\$1,814.12
PPO - 80/20 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	178.13	356.26	534.36	60.0%	\$890.62
	Two-Party	432.65	865.30	1,297.92	60.0%	\$2,163.22
	Family	551.57	1,103.14	1,654.70	60.0%	\$2,757.84
PPO - 90/10 Plan - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	267.64	535.28	534.36	50.0%	\$1,069.64
	Two-Party	650.18	1,300.36	1,297.92	50.0%	\$2,598.28
	Family	829.09	1,658.18	1,654.70	49.9%	\$3,312.88
HMO - HMSA Medical and Chiropractic, CVS Caremark Prescription Drug	Self	329.48	658.96	534.36	44.8%	\$1,193.32
	Two-Party	800.53	1,601.06	1,297.92	44.8%	\$2,898.98
	Family	1,020.87	2,041.74	1,654.70	44.8%	\$3,696.44
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	-	-	561.36	100.0%	\$561.36
	Two-Party	-	-	1,364.12	100.0%	\$1,364.12
	Family	-	-	1,740.22	100.0%	\$1,740.22
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	163.73	327.46	534.36	62.0%	\$861.82
	Two-Party	398.15	796.30	1,297.92	62.0%	\$2,094.22
	Family	508.47	1,016.94	1,654.70	61.9%	\$2,671.64
Supplemental Medical and Prescription Drug - Verdegard Administrators (fka HMA)	Self	-	-	35.96	100.0%	\$35.96
	Two-Party	-	-	64.18	100.0%	\$64.18
	Family	-	-	69.50	100.0%	\$69.50
<b>DENTAL PLAN</b>						
HDS Dental	Self	-	-	40.38	100.0%	\$40.38
	Two-Party	-	-	80.78	100.0%	\$80.78
	Family	-	-	121.16	100.0%	\$121.16
<b>VISION PLAN</b>						
VSP Vision	Self	-	-	4.20	100.0%	\$4.20
	Two-Party	-	-	7.82	100.0%	\$7.82
	Family	-	-	10.22	100.0%	\$10.22
<b>LIFE INSURANCE</b>						
Securian Life Insurance	Employee	-	-	4.12	100.0%	\$4.12

**HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
ACTIVE EMPLOYEES**

**ALL EMPLOYERS EXCEPT FOR COUNTY OF KAUAI AND KAUAI DEPARTMENT OF WATER  
EFFECTIVE JULY 1, 2026  
BU 11, 14, 15 AND EXCLUDED COUNTERPARTS**

<b>Benefit Plan</b>	<b>Type of Enrollment</b>	<b>Semi-Monthly Employee Contribution</b>	<b>Monthly Employee Contribution</b>	<b>Monthly Employer Contribution*</b>	<b>Percent Employer</b>	<b>Total</b>
<b>MEDICAL PLANS</b>						
PPO - 75/25 Plan - HMSA Medical and Chiropractic	Self	61.66	123.32	354.68	74.2%	478.00
	Two-Party	149.74	299.48	861.06	74.2%	1,160.54
	Family	190.96	381.92	1,097.72	74.2%	1,479.64
PPO - 75/25 Plan - CVS Caremark Prescription Drug	Self	20.33	40.66	116.96	74.2%	157.62
	Two-Party	49.42	98.84	284.16	74.2%	383.00
	Family	62.97	125.94	362.02	74.2%	487.96
PPO - 80/20 Plan - HMSA Medical and Chiropractic	Self	166.97	333.94	354.00	51.5%	687.94
	Two-Party	405.48	810.96	859.72	51.5%	1,670.68
	Family	517.09	1,034.18	1,096.32	51.5%	2,130.50
PPO - 80/20 Plan - CVS Caremark Prescription Drug	Self	71.19	142.38	150.96	51.5%	293.34
	Two-Party	172.99	345.98	366.80	51.5%	712.78
	Family	220.41	440.82	467.30	51.5%	908.12
PPO - 90/10 Plan - HMSA Medical and Chiropractic	Self	251.14	502.28	378.84	43.0%	881.12
	Two-Party	610.04	1,220.08	920.08	43.0%	2,140.16
	Family	778.11	1,556.22	1,173.26	43.0%	2,729.48
PPO - 90/10 Plan - CVS Caremark Prescription Drug	Self	83.61	167.22	126.12	43.0%	293.34
	Two-Party	203.17	406.34	306.44	43.0%	712.78
	Family	258.88	517.76	390.36	43.0%	908.12
HMO - HMSA Medical and Chiropractic	Self	311.39	622.78	391.70	38.6%	1,014.48
	Two-Party	756.57	1,513.14	951.36	38.6%	2,464.50
	Family	965.00	1,930.00	1,213.12	38.6%	3,143.12
HMO - CVS Caremark Prescription Drug	Self	90.04	180.08	113.26	38.6%	293.34
	Two-Party	218.81	437.62	275.16	38.6%	712.78
	Family	278.81	557.62	350.50	38.6%	908.12
HMO - Kaiser Standard Medical, Prescription Drug and Chiropractic	Self	68.98	137.96	468.50	77.3%	\$606.46
	Two-Party	167.61	335.22	1,138.44	77.3%	\$1,473.66
	Family	213.83	427.66	1,452.32	77.3%	\$1,879.98
HMO - Kaiser Comprehensive Medical, Prescription Drug, and Chiropractic	Self	190.97	381.94	504.96	56.9%	\$886.90
	Two-Party	464.32	928.64	1,226.52	56.9%	\$2,155.16
	Family	592.88	1,185.76	1,563.62	56.9%	\$2,749.38
Supplemental Medical and Prescription Drug - Verdegard Administrators (fka HMA)	Self	7.82	15.64	20.80	57.1%	\$36.44
	Two-Party	13.69	27.38	37.08	57.5%	\$64.46
	Family	14.79	29.58	40.16	57.6%	\$69.74
<b>DENTAL PLAN</b>						
HDS Dental	Self	10.55	21.10	22.12	51.2%	\$43.22
	Two-Party	21.09	42.18	44.26	51.2%	\$86.44
	Family	28.44	56.88	72.78	56.1%	\$129.66
<b>VISION PLAN</b>						
VSP Vision	Self	0.84	1.68	2.52	60.0%	\$4.20
	Two-Party	1.57	3.14	4.68	59.8%	\$7.82
	Family	2.05	4.10	6.12	59.9%	\$10.22
<b>LIFE INSURANCE</b>						
Securian Life Insurance	Employee	-	-	4.12	100.0%	\$4.12

\*Continuation of July 1, 2024 to June 30, 2025 monthly employer contributions until a collective bargaining agreement is reached. Employees should contact their employer or check the EUTF website at [www.eutf.hawaii.gov](http://www.eutf.hawaii.gov) for updated information regarding their premiums and contributions.

Actual Costs by Fringe Rate Category

		2021	2022	2023	2024	2025	2026 as of 2.28.26
A.	Employees' Retirement System	61,830,089.94	59,564,980.79	62,110,714.88	69,193,316.80	70,439,144.37	27,882,623.74
B.	Federal Insurance Contributions Act	9,015,539.14	8,867,148.88	9,067,929.56	10,420,304.27	11,204,745.85	6,287,645.03
C.	Hawaii Employer-Union Health Benefits Trust Fund	43,695,575.29	19,916,486.94	20,367,526.14	22,870,982.65	24,932,985.64	11,798,893.00
D.	Other Post-Employment Benefits - Annual Required Contribution (ARC)	-	41,547,000.00	38,344,000.00	38,399,000.00	38,085,000.00	38,095,000.00
	OPEB - Above and beyond the ARC (Not required)	18,000,000.00	3,000,000.00	3,000,000.00	20,228,767.00	2,566,147.00	2,568,201.00
	*In FY2021 Regular employer contributions were combined with the ARC but separated out in future years.						

## BFED Committee

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**From:** Janina E. Agapay <Janina.E.Agapay@co.maui.hi.us>  
**Sent:** Wednesday, March 25, 2026 9:06 AM  
**To:** BFED Committee  
**Cc:** Lesley J. Milner; Marcy L. Martin; Maria E. Zielinski; Stacey M. Vinoray; Marci M. Sato; Mary Grace Joy A. Andam  
**Subject:** (BFED-1)(FN-06)  
**Attachments:** (BFED-1)(FN-06).pdf

Aloha,

Please see attached correspondence.

Mahalo,

***Janina Agapay***

County of Maui | Budget Office

Phone: (808) 270-7836

Email: [Janina.E.Agapay@co.maui.hi.us](mailto:Janina.E.Agapay@co.maui.hi.us)