



United States Office of Personnel Management
Office of the Chief Financial Officer

Benefits Administration Letter

Number: 26-304

Date: December 2025

Subject: Fiscal Year 2026 Federal Employees Benefits Cost Factors for Calculating Imputed Costs

This letter provides the fiscal year (FY) 2026 cost factors for the Federal civilian benefit programs. Agencies will use these factors to calculate their imputed costs relating to the Civil Service Retirement System (CSRS), the Federal Employees Retirement System (FERS), the Federal Employees Health Benefits Program (FEHB) and the Federal Employees' Group Life Insurance Program (FGLI). The imputed costs are used to determine the actuarial liabilities which are included in Governmental financial statements.¹

Cost Factors

Pension. The economic assumptions used to calculate the FY 2026 cost factors under Statement of Federal Financial Accounting Standard (SFFAS) 33: Pensions, Other Retirement Benefits, and Other Postemployment Benefits: Reporting the Gains and Losses from Changes in Assumptions and Selecting Discount Rates and Valuation Dates are based on a 10-year historical average. These economic assumptions differ from those established by OPM under guidance from the CSRS Board of Actuaries for the determination of certain statutory funding payments for CSRS and FERS.

¹ [BAL 03-309](#) provides accounting instructions and illustrations to calculate imputed costs related to the abovementioned Federal civilian benefit programs.

The FY 2026 cost factors for all categories of CSRS coverage are enclosed. While agency payments under CSRS are not affected by the CSRS normal cost percentages for most agencies, the CSRS normal cost percentages determined under SFFAS 33 are used to determine the actuarial liabilities, which are included in Governmental financial statements.

The FY 2026 cost factors reported in this BAL differ from the normal cost percentages used to determine the employer contributions agencies pay for FERS employees. The cost factors for all categories of FERS coverage are enclosed. Since the cost factors reported under SFFAS 33 are determined on a different basis than the actual FERS normal cost contributions, agencies should expect to continue to report future imputed retirement costs for their FERS employees.

FEHB Program. OPM is providing the FEHB cost factors for the United States Postal Service as well as the cost factors for the remainder of the Government in this letter. For FY 2026, the Non-Postal cost factor is \$11,378 and the Postal cost factor is \$7,571 per enrolled employee. Please note that the cost factors shown below are based on the actuarial assumptions required by SFFAS 33, as calculated by the FEHB actuary.

Table 1. Non-Postal Cost Factor

Quarter	Factor
1st	\$2,791
2nd	\$2,826
3rd	\$2,862
4th	\$2,899
FY 2026	\$11,378

Table 2. Postal Cost Factor

Quarter	Factor
1st	\$1,857
2nd	\$1,881
3rd	\$1,905
4th	\$1,929
FY 2026	\$7,572

FEGLI Program. The FY 2026 cost factor for the FEGLI is 0.02 percent of basic pay, the same as in previous years.

Table 3. Cost Factors for CSRS

CSRS Factors	Cost Percentage
Regular Non-Postal	56.0%
Regular Postal Service	47.1%
Law Enforcement	94.7%
Air Traffic Controller	78.8%
Members of Congress	58.7%
Congressional Staff	72.6%

Table 4. Cost Factors for CSRS-Offset

CSRS-Offset Factor	Cost Percentage
Offset Non-Postal	40.7%
Offset Postal Service	32.4%
Offset Law Enforcement	79.8%
Offset Air Traffic Controller	65.6%
Offset Members of Congress	53.5%
Offset Congressional Staff	57.7%

Table 5. Cost Factors for FERS

FERS Cost Factor	Cost Percentage
Regular Non-Postal	24.6%
Regular Postal Service	21.6%
Law Enforcement	52.8%
Air Traffic Controller	54.7%
Members of Congress	32.5%
Congressional Staff	34.4%
Military Reserve Tech	28.2%

Table 6. Cost Factors for FERS-RAE

FERS-RAE Cost Factor	Cost Percentage
Regular Non-Postal – RAE	25.0%
Regular Postal Service – RAE	22.1%
Law Enforcement – RAE	53.4%
Air Traffic Controller – RAE	55.3%
Military Reserve Tech – RAE	28.6%

Table 7. Cost Factors for FERS-FRAE

FERS-FRAE Cost Factor	Cost Percentage
Regular Non-Postal – FRAE	25.3%
Regular Postal Service – FRAE	22.4%
Law Enforcement – FRAE	53.8%
Air Traffic Controller – FRAE	55.7%
Military Reserve Tech – FRAE	28.9%

Statement for Auditors

The FY 2026 cost factors provided in this letter are being issued before an opinion by OPM's independent public accounting firm can be received for FY 2026. Nonetheless, the FY 2026 cost factors for "regular" CSRS and FERS coverage, as well as those for the FEHB and FEGLI Programs are consistent with the disclosures in the footnotes accompanying OPM's consolidated FY 2025 financial statements. These statements received an unmodified "clean" audit opinion. The policies, procedures and controls pertaining to the calculations of the FY 2026 cost factors did not change from FY 2025. Consequently, auditors of FY 2026 financial statements can rely upon the disclosures in Office of Personnel Management's FY 2025 financial statements and the related audit opinion.

Additional Information

If you have questions about this letter, please send an email to FinancialBALs@opm.gov. We look forward to assisting you.