



PED Recommendations Benefit State Employees

The PED recommendations benefit both the State and its employees, but *how?*

The State

- The State receives \$8 million in Employer FICA savings annually.
- Legislators used over \$16 million over the last four budget years to help balance the budget.

The Employee

- Employees save \$8 million annually from FICA taxes.
- NCFlex provides an additional \$2.5 million annually in benefits to employees. NCFlex provides these benefits at no cost or reduced cost:
 - Core AD&D – \$10,000 AD&D plan (No employee cost)
 - Core Vision – Wellness Vision Plan (No employee cost).
 - Vision Basic and Enhance Plans – Premiums are subsidized by \$1 per employee.
 - Dental High Option Plan – Premiums are subsidized by five percent.

Additional Savings

- Adopting the PED report's recommendations would add \$2.3 million annually from just BEACON employees to the Employer FICA Savings.
- State Employees would save \$2.3 million annually. State Employees would spend the savings and potentially generate additional state income tax.
- Adopting the PED recommendations has the potential of adding additional FICA savings both to the State and its employees. The State could use the extra funding to:
 - Help with employees' salary increases
 - Subsidize additional benefits to make them more affordable to state employees
 - Provide additional benefits plans at no cost to the employee.