LOCAL GOV
health + wellness
SERVICE EXCELLENCE INNOVATION

Michael Gillespie, Chairman
David C. Hilyer, Chief Executive Officer

September 4, 2026

M E M O R A N D U M

TO: Local Government Units

FROM: Local Government Health Insurance Board

SUBJECT: 2027 Benefit Changes and Premiums

At the September 2, 2026 meeting, the Local Government Health Insurance Board (Board) approved a 3.1% medical and dental premium increase for active employees, non-Medicare retirees, and Medicare retirees, effective January 1, 2027.

With medical costs projected to increase approximately 9% and many health plans and employers facing double-digit premium increases, the Board is pleased to announce an increase that is well below projected national and state trends.

The Board remains committed to providing our members with comprehensive, high-quality benefits while maintaining stable and affordable premiums for our participating units, employees, and retirees.

Units will receive official premium assignment letters for 2027 soon.

In addition to the approval of the low-rate increase, the Board also approved the following benefit enhancements to our existing robust benefits:

Benefit Enhancements

- **Increased Blue Cross and Blue Shield of Alabama (BCBSAL) dental benefit coverage from 50% to 80% for basic restorative services**
- **Added coverage for a fertility procedure (additional information will be provided in the 2027 BCBSAL Health Handbook)**
- **Approved coverage for the Hinge Health Migraine Care Program at no cost to eligible members**
- **Enhanced the prescription drug benefit by adding a 90-day supply for maintenance medications, which is an increase from the current 60-day supply limit.**

Local Government Health Insurance Program
CY2027 Premiums

Active Employee Premiums - Preferred	Single	Family	Total
Employee (dental)	$688		$688
Employee & dependent (dental)	$688	$988	$1,676
Employee (no dental)	$658		$658
Employee & dependent (no dental)	$658	$943	$1,601

Active Employee Premiums - Standard	Single	Family	Total
Employee (dental)	$753		$753
Employee & dependent (dental)	$753	$1,148	$1,901
Employee (no dental)	$723		$723
Employee & dependent (no dental)	$723	$1,103	$1,826

Retiree (not Medicare)	Single	Family	Total
Retiree (not Medicare) (dental)	$1,421		$1,421
Retiree (not Medicare) & dependent (not Medicare) (dental)	$1,421	$1,200	$2,621
Retiree (not Medicare) & dependent (Medicare) (dental)	$1,421	$228	$1,649
Retiree (not Medicare) & 2 dependents (Medicare) (dental)	$1,421	$456	$1,877
Retiree (not Medicare) (no dental)	$1,391		$1,391
Retiree (not Medicare) & dependent (not Medicare) (no dental)	$1,391	$1,155	$2,546
Retiree (not Medicare) & dependent (Medicare) (no dental)	$1,391	$198	$1,589
Retiree (not Medicare) & 2 dependents (Medicare) (no dental)	$1,391	$396	$1,787

Retiree (Medicare)	Single	Family	Total
Retiree (Medicare) (dental)	$228		$228
Retiree (Medicare) & dependent (not Medicare) (dental)	$228	$986	$1,214
Retiree (Medicare) & dependent (Medicare) (dental)	$228	$228	$456
Retiree (Medicare) & 2 dependents (Medicare) (dental)	$228	$456	$684
Retiree (Medicare) (no dental)	$198		$198
Retiree (Medicare) & dependent (not Medicare) (no dental)	$198	$941	$1,139
Retiree (Medicare) & dependent (Medicare) (no dental)	$198	$198	$396
Retiree (Medicare) & 2 dependents (Medicare) (no dental)	$198	$396	$594

COBRA - Preferred	Single	Family	Total
Employee (dental)	$702		$702
Medicare employee (dental)	$233		$233
Employee & dependent (not Medicare) (dental)	$702	$1,008	$1,710
Medicare employee & dependent (not Medicare) (dental)	$233	$1,008	$1,241
Medicare employee & dependent (Medicare) (dental)	$233	$233	$466
Employee & dependent (Medicare) (dental)	$702	$233	$935
Employee (no dental)	$671		$671
Medicare employee (no dental)	$202		$202
Employee & dependent (not Medicare) (no dental)	$671	$962	$1,633
Medicare employee & dependent (not Medicare) (no dental)	$202	$962	$1,164
Medicare employee & dependent (Medicare) (no dental)	$202	$202	$404
Employee & dependent (Medicare) (no dental)	$671	$202	$873

COBRA - Standard	Single	Family	Total
Employee (dental)	$768		$768
Medicare employee (dental)	$233		$233
Employee & dependent (not Medicare) (dental)	$768	$1,171	$1,939
Medicare employee & dependent (not Medicare) (dental)	$233	$1,171	$1,404
Medicare employee & dependent (Medicare) (dental)	$233	$233	$466
Employee & dependent (Medicare) (dental)	$768	$233	$1,001
Employee (no dental)	$737		$737
Medicare employee (no dental)	$202		$202
Employee & dependent (not Medicare) (no dental)	$737	$1,125	$1,862
Medicare employee & dependent (not Medicare) (no dental)	$202	$1,125	$1,327
Medicare employee & dependent (Medicare) (no dental)	$202	$202	$404
Employee & dependent (Medicare) (no dental)	$737	$202	$939

Retiree (not Medicare) COBRA	Single	Family	Total
Retiree (not Medicare) (dental)	$1,449		$1,449
Retiree (not Medicare) & dependent (not Medicare) (dental)	$1,449	$1,223	$2,672
Retiree (not Medicare) & dependent (Medicare) (dental)	$1,449	$233	$1,682
Retiree (not Medicare) & 2 dependents (Medicare) (dental)	$1,449	$466	$1,915
Retiree (not Medicare) (no dental)	$1,419		$1,419
Retiree (not Medicare) & dependent (not Medicare) (no dental)	$1,419	$1,178	$2,597
Retiree (not Medicare) & dependent (Medicare) (no dental)	$1,419	$202	$1,621
Retiree (not Medicare) & 2 dependents (Medicare) (no dental)	$1,419	$404	$1,823

Retiree (Medicare) COBRA	Single	Family	Total
Retiree (Medicare) (dental)	$233		$233
Retiree (Medicare) & dependent (not Medicare) (dental)	$233	$1,006	$1,239
Retiree (Medicare) & dependent (Medicare) (dental)	$233	$233	$466
Retiree (Medicare) & 2 dependents (Medicare) (dental)	$233	$466	$699
Retiree (Medicare) (no dental)	$202		$202
Retiree (Medicare) & dependent (not Medicare) (no dental)	$202	$960	$1,162
Retiree (Medicare) & dependent (Medicare) (no dental)	$202	$202	$404
Retiree (Medicare) & 2 dependents (Medicare) (no dental)	$202	$404	$606

COBRA Disabled - Preferred	Single	Family	Total
COBRA Disabled (dental)	$1,032		$1,032
COBRA Disabled Medicare (dental)	$342		$342
COBRA Disabled & dependent (dental)	$1,032	$1,008	$2,040
COBRA Disabled Medicare & dependent (dental)	$342	$1,008	$1,350
COBRA Disabled & dependent (Medicare) (dental)	$1,032	$233	$1,265
COBRA Disabled Medicare & dependent (Medicare) (dental)	$342	$233	$575
COBRA Disabled (no dental)	$987		$987
COBRA Disabled Medicare (no dental)	$297		$297
COBRA Disabled & dependent (no dental)	$987	$962	$1,949
COBRA Disabled Medicare & dependent (no dental)	$297	$962	$1,259
COBRA Disabled & dependent (Medicare) (no dental)	$987	$202	$1,189
COBRA Disabled Medicare & dependent (Medicare) (no dental)	$297	$202	$499

COBRA Disabled - Standard	Single	Family	Total
COBRA Disabled (dental)	$1,130		$1,130
COBRA Disabled Medicare (dental)	$342		$342
COBRA Disabled & dependent (dental)	$1,130	$1,171	$2,301
COBRA Disabled Medicare & dependent (dental)	$342	$1,171	$1,513
COBRA Disabled & dependent (Medicare) (dental)	$1,130	$233	$1,363
COBRA Disabled Medicare & dependent (Medicare) dental)	$342	$233	$575
COBRA Disabled (no dental)	$1,085		$1,085
COBRA Disabled Medicare (no dental)	$297		$297
COBRA Disabled & dependent (no dental)	$1,085	$1,125	$2,210
COBRA Disabled Medicare & dependent (no dental)	$297	$1,125	$1,422
COBRA Disabled & dependent (Medicare) (no dental)	$1,085	$202	$1,287
COBRA Disabled Medicare & dependent (Medicare) (no dental)	$297	$202	$499

Southland	Single	Family	Total
Vision	$12	$8	$20
Dental	$44	$0	$44
Cancer	$12	$12	$24

Southland - COBRA	Single	Family	Total
Vision	$12	$8	$20
Dental	$46	$0	$46
Cancer	$12	$12	$24