



United States Office of Personnel Management
The Federal Government's Human Resources Agency

Benefits Administration Letter

Number: 22-303

Date: January 2022

Subject: Federal Employee Benefits Cost Factors for Calculating Imputed Costs, Fiscal Year 2022

This letter provides the fiscal Year (FY) 2022 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.

[Benefits Administration Letter \(BAL\) 03-309](#), dated September 15, 2003, provides detailed instructions for the computation and accounting for imputed costs related to the Federal civilian benefit programs.

Cost Factors

Pensions

The economic assumptions used to calculate the FY 2022 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.

The FY 2022 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 the governmental financial statements.

The FY 2022 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 in the 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 2022, the Non-Postal cost factor is \$8,775 and the Postal cost factor is \$9,754 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.

Non-Postal

Quarter	Factor
1 st	\$2,158
2 nd	\$2,182
3 rd	\$2,206
4 th	\$2,229
FY 2022	\$8,775

Postal

Quarter	Factor
1 st	\$2,399
2 nd	\$2,425
3 rd	\$2,452
4 th	\$2,478
FY 2022	\$9,754

FEGLI Program

The FY 2022 cost factor for the FEGLI is 0.02 percent of basic pay, the same as in previous years.

Statement for Auditors

The FY 2022 cost factors provided in this letter are being issued before an opinion by OPM's independent public accounting firm can be received for FY 2022. Nonetheless, the FY 2022 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 2021 financial statements. These statements received an unqualified audit opinion. The policies, procedures and controls pertaining to the calculations of the FY 2022 cost factors did not change from FY 2021. Consequently, auditors of FY 2022 financial statements can rely upon the disclosures in Office of Personnel Management's FY 2021 financial statements and the related audit opinion.

Please email any questions regarding this BAL to FinancialBALs@opm.gov.

Sincerely,

SHERRI JORDAN Digitally signed by SHERRI JORDAN
Date: 2022.01.18 10:46:44 -05'00'

Sherri D. Jordan

Associate Chief Financial Officer

Enclosed

FY 2022 Cost Factors for the CSRS and FERS*CSRS*

Category	Cost Factor (%)
Regular Non-Postal	46.2%
Regular Postal Service	39.2%
Regular Offset Non-Postal	34.4%
Regular Offset Postal Service	27.7%
Law Enforcement Officers	75.2%
Law Enforcement Officers – Offset	63.9%
Air Traffic Controllers	61.6%
Air Traffic Controllers – Offset	52.3%
Members of Congress	49.7%
Members of Congress – Offset	45.5%
Congressional Employees	62.7%
Congressional Employees – Offset	51.3%

FERS

Category	Cost Factor (%)
Regular Non-Postal	19.7%
Regular Postal Service	17.5%
Law Enforcement Officers	40.8%
Air Traffic Controllers	40.7%
Members of Congress	26.7%
Congressional Employees	27.9%
Military Reserve Technicians	23.3%

FERS – Revised Annuity Employees (RAE)

Category	Cost Factor (%)
Regular Non-Postal – RAE	20.2%
Regular Postal Service – RAE	18.1%
Law Enforcement Officers – RAE	41.4%
Air Traffic Controllers - RAE	41.3%
Military Reserve Technicians - RAE	23.7%

FERS – Further Revised Annuity Employees (FRAE)

Category	Cost Factor (%)
Regular Non-Postal – FRAE	20.4%
Regular Postal Service – FRAE	18.4%
Law Enforcement Officers – FRAE	41.5%
Air Traffic Controllers - FRAE	41.4%
Military Reserve Technicians - FRAE	23.9%