

University of Washington
FY25 Fringe Benefit Rates -- Subject to approval by DHHS
Explanation of Rate Changes

Salary Classification Object Code	Salary Classification Description	2024 Actual Rates*	2025 Proposed Rates	Increase/(Decrease) 2024 to 2025	Variance Explanation
01-10	Faculty - Campus	22.6%	24.9%	2.3%	(1)
01-20	Medical Residents	28.5%	29.3%	0.8%	(2)
01-30/40	Graduate Students	18.2%	18.6%	0.4%	(3)
01-50	Post Doctoral Trainees	16.3%	18.7%	2.4%	(4)
01-60	Classified Staff - Campus	38.1%	34.4%	-3.7%	(5)
01-70	Professional Staff - Campus	30.0%	30.3%	0.3%	(6)
01-80	Hourly Staff	21.2%	23.0%	1.8%	(7)
01-90	Pre Doctoral Trainees	25.2%	22.4%	-2.8%	(8)

Significant changes in FY25 rates:

Healthcare: Per the Governor's budget 2025 Healthcare premiums are estimated at \$1,170 per month per eligible employee, compared to \$1,145 per month per eligible employee for 2024. Year over Year change represents a 2.2% increase. The Health Care component is growing at a slower rate than salaries.

PERS: FY25 Projected rates include 9.53% of salary forecast.

GAIP: FY25 Projected rates include an increase of 4.4%.

Variance Explanations:

- (1) Faculty: Higher projected salary growth contribute to the increased benefit rate (1.4%) and the healthcare increase due to premium increase and the HC growth (0.2%) plus the impact of the prior year under recovery (0.7%)
- (2) Medical Residents: Higher projected salary growth contribute to the increased benefit rate
- (3) Graduate Students: Higher projected salary growth contribute to the increased benefit rate (0.5%) and increased in healthcare cost (GAIP - Graduate Assistant Insurance Plan) (2%) **offset** by prior year over recovery (-2.1%)
- (4) Post Doctoral Trainees: Healthcare increase due to premium increase (0.2%) plus the impact of the prior year under recovery (2.2%)
- (5) Classified Staff: The rate **decrease** is the result of benefit costs becoming a reduced percentage of total salary expense due to significant salary growth: PERS (-1.5%), healthcare (-1.8%) and prior year over recovery (-0.4%)
- (6) Professional Staff: Higher projected salary growth contribute to the increased benefit rate
- (7) Hourly Staff: The rate increase is the result of salary driven benefit costs becoming a higher percentage of overall total salary expense (0.7%) and increased healthcare (2.2%), **offset** by (-1.1%) decrease in Other retirement (In FY22, significant one time union payments (\$4.2M) were made upon ratification of certain large healthcare unions).
- (8) Pre Doctoral Trainees: The rate **decrease** is the result of healthcare costs (GAIP) becoming a reduced percentage of total salary expense due to salary growth (-1.3%) plus prior year over recovery (-1.5%)

*These are the actual fringe benefit rates UW used during FY24. These may differ from those negotiated with DHHS-CAS.