



Vol. LI—No. 4

SERVING OVER 399,000 MEMBERS

October 2025



Wow! Congratulations to Alabama's Congressional Delegation

BY DAVID G. BRONNER

Alabama has scored a big win that will shape our state and nation for decades to come. The official move of U.S. Space Command headquarters to Huntsville is a monumental achievement. I want to extend my congratulations to our entire Alabama congressional delegation for the critical role they played in making this happen. This is a fine example of a bipartisan effort.

From the very beginning, our delegation stood united, Republicans and Democrats alike, to showcase Huntsville as the clear choice. Special recognition goes to Senators Tommy Tuberville and Katie Britt, who worked tirelessly to keep this issue front and center in Washington. Their leadership and persistence ensured that Alabama's case could not be ignored. Likewise, Representatives Robert Aderholt and Dale Strong were unwavering in their efforts to champion Huntsville, highlighting both the strategic advantages of Redstone Arsenal

and the strength of our local workforce. As Chair of the House Armed Services Committee, Congressman Mike Rogers played a critical role in ensuring that the national security community fully understood the strategic importance of bringing Space Command to Alabama, along with Representatives Gary Palmer, Barry Moore, Terri Sewell, and Shomari Figures.

The benefits of this move are enormous. Beyond strengthening our national security, it will bring high-quality jobs, major investment, and new opportunities to Alabama families. For decades, the Retirement Systems of Alabama has invested in Alabama's growth. We have seen first-hand how strategic decisions like this transform communities. The arrival of Space Command continues that legacy of progress, ensuring that our state remains on the cutting edge of science, technology, and defense. ●

A huge victory when Alabama leaders work together!

PEEHIP's Rising Costs: A Nationwide Issue

BY DAVID G. BRONNER

The Public Education Employees' Health Insurance Plan (PEEHIP) has provided health insurance coverage to Alabama's education employees, retirees, and their dependents since its creation in 1983. For nearly a decade, PEEHIP held the line on costs without asking the Legislature or members for more money. Federal subsidies for Medicare retirees and aggressive cost-saving programs made that possible.

However, PEEHIP faced a large shortfall for fiscal year 2026 due to a significant decline in federal funding for Medicare retirees. The Legislature

increased PEEHIP's funding by \$124 million and the PEEHIP Board authorized the withdrawal of \$119 million from the Alabama Education Retirees' Healthcare Trust. Now PEEHIP is facing an even larger shortfall of \$380 million for fiscal year 2027.

Why is PEEHIP facing such a large shortfall after almost a decade of level costs? There are three main reasons: cuts to federal funding for Medicare retirees, general inflation that is driving up the cost of everything, and higher utilization of healthcare by our members. PEEHIP has used every tool available to rein in

costs, but federal funding, inflation, and increased utilization are outside our control.

Additionally, state revenues may not be able to keep up with these rapidly rising costs. In fiscal year 2026, PEEHIP's funding is expected to equal almost \$1.129 billion. Finding state funding to pay the needed \$1.509 billion in fiscal year 2027 will be a heavy lift, especially in light of three years of tax cuts totaling over \$1.7 billion per year (some of them being much needed, like the grocery tax) WITHOUT

CONTINUED ON PAGE TWO

PEEHIP's Rising Costs: A Nationwide Issue

continued from page one

REPLACEMENT REVENUE (despite efforts through gambling reforms).

Since its founding, PEEHIP has provided great health insurance benefits for public education employees and retirees. However, we are facing some challenging times and we are not alone. Skyrocketing

healthcare costs are impacting all health insurance plans, public and private, across the country. While PEEHIP may not be in control of this nationwide trend, we will continue to do everything we can to navigate the issue and work with all stakeholders to find a solution that will

preserve your PEEHIP benefits while also ensuring its sustainability.

Remember, PEEHIP's Board and staff do not control the costs! They are set by hospitals, drug companies, doctors, and your utilization. ●

Health Insurance Costs for Businesses to Rise by Most in 15 Years

BY ANNA WILDE MATHEWS, *THE WALL STREET JOURNAL*

U.S. businesses are facing the biggest health insurance cost increases in at least 15 years, after already-steep boosts in recent years that have pushed annual expense for family coverage high enough to equal the price of a small car.

Costs for employer coverage are expected to surge about 9.5% in 2026 . . . [which] would represent the fastest rate of increase since at least 2011, when the price tags for employer coverage were far lower than **the recent average of roughly \$25,500 for a family plan.** . . .

Insurers say rising premiums for health coverage are driven by the growing

cost of healthcare. The causes include higher prices for hospital care, expanding use of services – due in part to higher prevalence of conditions such as cancer in the working-age population – and pricey drugs, including the popular weight-loss and diabetes treatments known as GLP-1s. . . .

Rising employer healthcare costs are driven in part by the continuing impact of inflation, which has been playing out in higher prices negotiated by hospital systems. . . .

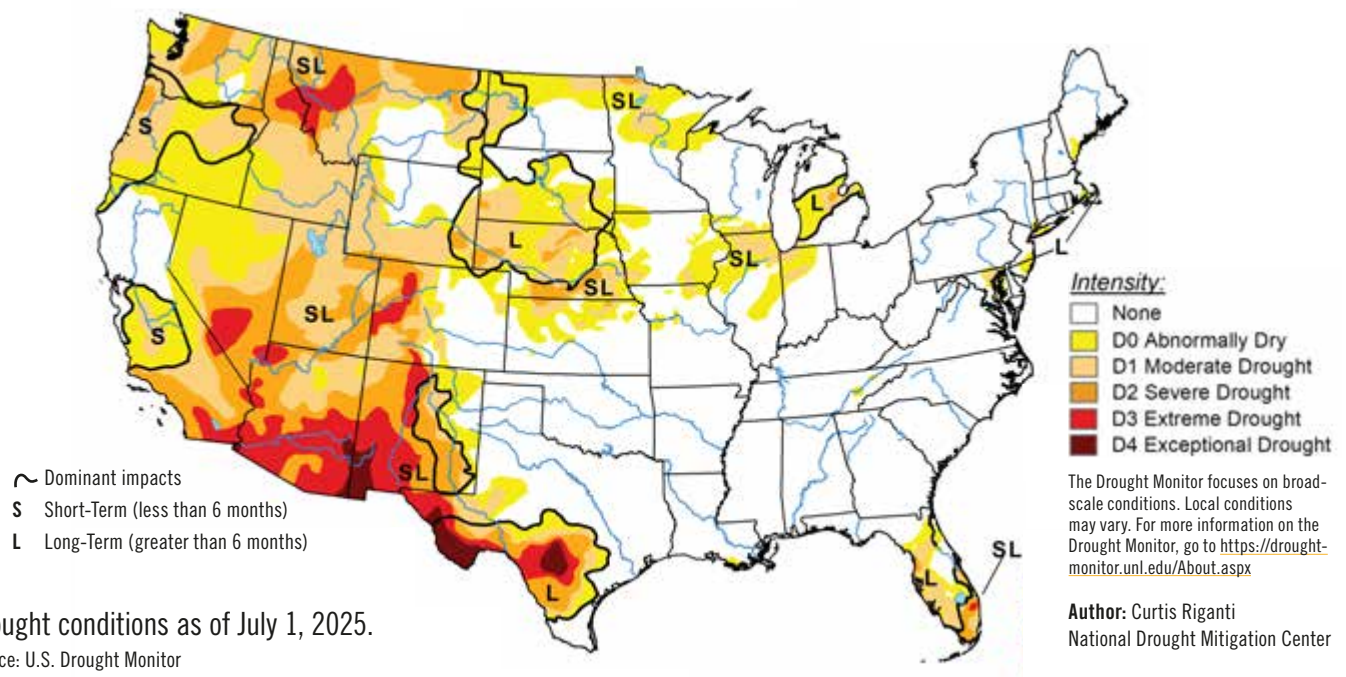
“This is the worst I’ve seen,” in rapid escalation of healthcare costs, said Pam

Kehaly, CEO of Blue Cross Blue Shield of Arizona. “It’s happening so fast, it’s happening so broadly.” She points to aggressive billing by some healthcare providers, potentially powered by artificial-intelligence tools.

In addition, Americans are using more healthcare services, partly due to rising care for serious health issues such as cancer, cardiovascular conditions such as atrial fibrillation, and musculo-skeletal problems that can lead to lower-back and joint procedures, said Kirk Roy, chief actuary at Blue Cross Blue Shield of Michigan. . . . ●

Drought

Drought has driven up prices for wheat, beef, and coffee this year. **Years of poor rain in the U.S. Midwest have dried up grazing land and shrunk America's cattle herds to their lowest numbers in 70 years.**



Alabama Success Story

The Alabama Department of Veterans Affairs Celebrates 80 Years of Honoring the Heroes Among Us

The Alabama Department of Veterans Affairs (ADVA) recently celebrated its 80 years of service to Alabama veterans. Since 1945, ADVA has played a vital role in honoring and supporting the men and women who served our nation, adapting and expanding its efforts since the end of World War II. At the heart of its mission, ADVA's long-standing commitment ensures that Alabama's veterans and their families receive the recognition, respect, and assistance they have earned.

Under the leadership of Gov. Kay Ivey and alongside the Alabama Legislature, ADVA is working daily to provide assistance navigating the U.S. Department of Veterans Affairs (VA) system, in addition to providing Alabama-specific services. While ADVA works closely with the federal VA, the two agencies are not connected and have different missions, programs, and services.

PROGRAMS THAT MAKE AN IMPACT

- **Veterans Service Offices** – A service member's first stop when they plan to separate from the military should be with one of ADVA's accredited Veterans Service Offices. ADVA has offices in 61 counties across the state to help veterans and their families navigate the complex system of federal, state, and local benefits. The primary role of Veterans Service Offices is to assist veterans in filing claims for benefits such as VA disability compensation, pensions, education, healthcare, and survivor benefits – as well for ADVA or other state- or federal-provided programs.

Most importantly, this service is

provided at no cost to the veteran or his or her loved ones. In FY23, Alabama veterans received more than \$5.8 billion in payouts from the U.S. Department of Veterans Affairs.

- **Alabama G.I. Dependent Scholarship Program** – College is expensive, but ADVA is happy to assist. The G.I. Dependent Scholarship Program provides valuable educational assistance to the dependents of eligible disabled veterans, with help applying to tuition, required textbooks, and instructional fees at Alabama's colleges, universities, and technical schools. Benefits include up to \$400 per credit hour for tuition and \$1,000 per semester for books and fees.
- **State Veterans Home Program** – ADVA provides skilled nursing and assisted living care to eligible veterans in five state-run facilities, located in Alexander City, Pell City, Huntsville, Bay Minette, and Enterprise. These homes offer 24/7 medical care, therapy, social activities, and transportation in a secure, supportive environment. The homes are also incredibly cost-efficient – costing veterans no more than \$24 per day.
- **State Veterans Memorial Cemetery** – ADVA's service to veterans goes into eternity. The Alabama State Veterans Memorial Cemetery at Spanish Fort offers an honorable final resting place for veterans, including National Guard and Reserve, at no cost. Situated on over 120 acres with 5,000 burial sites, the cemetery is dedicated to providing dignified interment services for the



heroes among us. Through consistent upkeep and respectful services, the cemetery ensures that those who served are remembered with the honor and tranquility they deserve.

SERVING THOSE WHO SERVED

ADVA is on a mission to make Alabama the nation's most veteran-friendly state. This mission is rooted in respect, gratitude, and action. This is more than just a goal – it is a lasting promise to our service members and their families. ADVA is dedicated to making Alabama a place where veterans are not only appreciated on Veterans Day, but every day of the year. Through efforts, programs, and services, Alabama is striving to set a national standard for what it means to truly serve those who served.

You can learn more about ADVA by visiting va.alabama.gov.

This is a series of articles about Alabama Success Stories. Please let us know if you have a similar success story you would like to share with the RSA membership. You may contact us at communications@rsa-al.gov. ●

TRS Board Members Sworn in at September Meeting

TRS Board of Control Vice Chair Anita Gibson administers the Oath of Office to (L to R): Amy LaCount, Postsecondary; Jay Duke, Support Personnel #1; Peggy Mobley, Retired #1; Ricky Whaley, Chair and Teacher #2; Amanda Miller, Teacher #1; and Will Walsh, Higher Education #1. ●



You Need to Start Planning a Holiday Break at RSA's Outstanding Hotels, Spas, and RTJ Golf



Member Hotel
Discounts Webpage

RETIREMENT SYSTEMS OF ALABAMA
201 SOUTH UNION STREET
P.O. BOX 302150
MONTGOMERY, ALABAMA 36130-2150

PRST STD
U.S. POSTAGE
PAID
MONTGOMERY, AL
PERMIT NO. 402

ENJOY YOUR HOLIDAYS A Special Deal FOR RSA MEMBERS

The Battle House, A Renaissance Hotel \$129

- October 4-6, 10-12, 15-23, 26-28
- November 7-12, 16-18, 23-30
- December 1-3, 7-9, 17-19, 21-29

The Battle House RSA Spa Package \$244

- October 6, 15, 20-22, 27-28
- November 10-12, 17-18, 24-26
- December 1-3, 8-9, 17, 22-23, 29

Riverview Plaza \$119

- October 5-7, 16-20, 23-25, 29-30
- November 15-20, 28-30 • December 1-3, 7-9, 17-29

Grand Hotel \$137 (plus a 15% resort fee)

- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30
- December 1-2, 7-8, 14-15

Grand Hotel RSA Golf Package \$209 (plus a 15% resort fee)

- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30
- December 1-2, 7-8, 14-15

Grand Hotel RSA Spa Package \$285 (plus a 15% resort fee)

- October 12-13, 19-20, 29-31
- November 2-3, 16-17, 24-25, 30
- December 1-2, 7-8, 14-15

Renaissance Shoals \$119

- October 5-6, 15-16, 26-27
- November 9-10, 23-26 • December 21-30

Renaissance Shoals RSA Spa Package \$229

- October 5-6, 15-16, 26-27
- November 9-10, 23-26 • December 21-30

Renaissance Ross Bridge* \$129 (plus a 15% resort fee)

- October 1-2, 5, 13-14, 22-23, 26
- November 2-3, 9, 16, 20, 23-27
- December 4, 7-8, 14-18, 21-25, 28-29

Renaissance Ross Bridge* RSA Spa Package \$260 (plus a 15% resort fee)

- October 1, 22 • November 3, 24-25
- December 8, 15-17

Auburn/Opelika Marriott Resort* \$119 (plus a 10% resort fee)

- October 5-6, 12-13, 26-27
- November 2-3, 12-13, 23-24
- December 15-16, 21-22, 24-25

Auburn/Opelika Marriott Resort* RSA Spa Package \$234 (plus a 10% resort fee)

- October 5-6, 12-13, 26-27
- November 2-3, 12-13, 23-24
- December 15-16, 21-22, 27-28

Prattville Marriott \$109

- October 10-11, 15-16, 20-21
- November 2, 8-9, 16-17, 28-30 • December 19-31

Renaissance Montgomery \$129

- October 1-2, 23-26 • November 9-10, 11-12, 29-30
- December 21-24, 28-29

Renaissance Montgomery RSA Spa Package \$244

- October 1-2, 23-24 • November 9-10, 11-12, 29-30
- December 21-24

Rates available the 1st of the month and
are not applicable to groups.

Corporate/Promotional Code: R2A
on www.rsa-al.gov

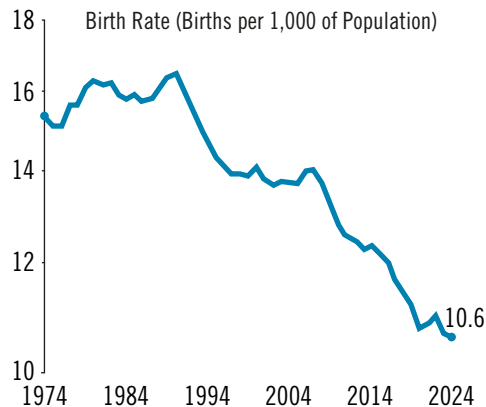
Book Online and Save RSA \$4.

*Visit Member Discounts page for details.

FOLLOW US

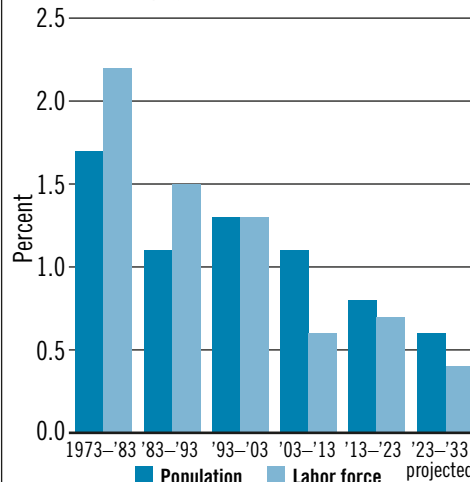
X @RSAALGOV

The U.S. Birth Rate Has Steadily Fallen Over the Past 30 Years



Population and Labor Force Growth

10-year compound average annual rates, for periods and 2023-33 projected:



Sources: U.S. Bureau of Labor Statistics,
Peter G. Peterson Foundation, Society for Human Resource Management



CEO

David G. Bronner

Deputy Director – Administration
Jo Moore

Deputy Director – Investments
Marc Green

Executives

Communications
Deborah J. Kirk

Chief Accountant & Financial Officer
Diane E. Scott

Employees' & Judicial Retirement
William F. Kelley, Jr.

Employer Services
Margaret B. Sellars

Field Services
Christopher C. Gallup

Information Technology Services
Michael T. Baker

General Counsel
Jared H. Morris

Legislative Counsel
Neah M. Scott

Member Services
Penny K. Wilson

PEEHIP
J. David Wales

RSA-1
Ikeem R. Means

Teachers' Retirement
Valerie Y. Summers

The Retirement Systems of Alabama
201 South Union Street
P.O. Box 302150
Montgomery, Alabama 36130-2150
Phone: 334.517.7000
877.517.0020

RSA Website: www.rsa-al.gov