

Fall 2025





Healthcare Affordability Pulse



Introduction

Healthcare costs create significant financial stress for U.S. families. In fact, a middle-income family of four with employer-sponsored coverage will spend almost 10% of their household budget on healthcare expenses each year, with the average cost rising to nearly \$27,000 annually.¹

Healthcare consumers also face macroeconomic pressures that influence spending decisions:

-  In 2025, a slowing labor market² led to income uncertainty for many.
-  The U.S. tariff policies contributed to an uncertain economic climate.³
-  AI and accelerating technological change are also fueling concerns about job stability.⁴
-  Experts predict a 6.5% rise in total benefit costs per employee in 2026⁵ (the steepest rise in 15 years).

Given all these factors – many beyond individual control – it’s understandable that household decision makers are *worried*, *distracted*, and *concerned* about how to best manage their healthcare spending.



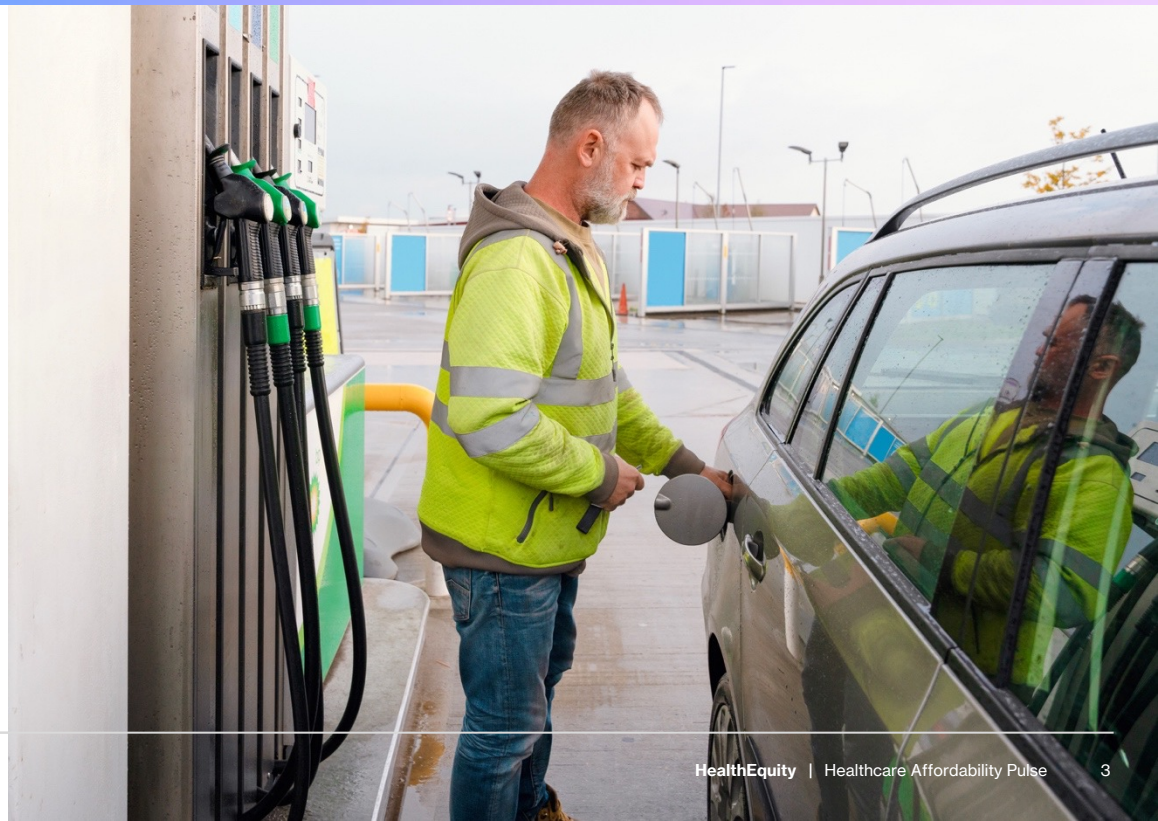


I feel concerned due to rising costs and inflation, which makes it harder to manage expenses. Groceries, gas prices, and healthcare costs have all significantly increased.”

Male from Illinois, age 55

How can employers and benefits teams help employees better manage the financial burden, stress, and pressure of rising healthcare expenses?

HealthEquity conducted a survey in the summer of 2025 to help better understand how these concerns affect employees, what they are doing to adjust spending, and how benefits education affects their feelings. The findings highlight the real impact of the healthcare affordability crisis and reveal how benefits teams can help their people **save, spend, and invest with confidence.**



Survey criteria

Sample size

n=618

Sampling approach

A nationally representative sample of HSA holders and non-HSA holders was recruited via a panel provider, using U.S. Census benchmarks for demographic quotas. No weighting was applied; each response counts equally.

Margin of error

For the overall sample (n=618), the margin of error is $\pm 3.9\%$ for a 50% proportion and $\pm 3.2\%$ for a 79% proportion at a 95% confidence level. Subgroup margins are wider (up to $\pm 10\%$) due to smaller sample sizes.

Income bands

Lower-income:

5%	20%
Less than \$25,000	\$25,000 - \$49,999

Middle-income:

22%	18%	20%
\$50,000 - \$74,999	\$75,000 - \$99,999	\$100,000 - \$149,999

Higher-income:

14%
\$150,000 or more

Prefer not to say:

1%



Employment status

Full-time, part-time, or self-employed



Decision influence

Primary or shared decision maker enrolled in an employer-sponsored health plan







HSA ownership

40%	60%
HSA holders	Non-HSA holders

Key takeaways

Key findings from this report:

-  All income tiers are curbing spending (but they differ in what they're cutting).
-  Better benefits understanding is correlated with lower financial stress at work.
-  Health Savings Account (HSA) holders feel more prepared for both expected and unexpected healthcare costs.
-  Surveyed HSA holders are more likely to proactively plan and feel ready to absorb immediate cost pressures.



This survey underscores the *importance of HSAs* as a critical tool for supporting employees. Employees with an HSA are *better prepared* for the future than their peers.”

Tene Raymond,
HealthEquity Director Consumer Engagement

1



Adjusting budgets due to economic worries

Key insight

All income tiers are planning to adjust their household budgets due to *economic concerns*.

Across the population surveyed, nearly everyone shared concerns about broader economic trends in 2025. When asked whether concerns over personal finances had risen in the last six months, the trend held true across high-, middle-, and lower-income respondents. Healthcare consumers from all backgrounds are feeling trepidation about what's ahead.

79%

are somewhat or very **concerned about the overall economy.**



59%

are somewhat more or very much **more concerned about personal finances** than they were 6 months ago.



“I am worried about draining my savings account to pay for everyday expenses. I am also worried about my 401k... I am worried about the stock market and the drop in the U.S. dollar, the economy, the outlook of the U.S. government decisions, the costs of tariffs.

Middle-income female from New York , age 70



All income tiers say they are likely to adjust their household budget due to economic concerns. This includes two-thirds (66%) of lower-income respondents and 69% of both middle- and high-income respondents.

In open-ended responses, HSA holders took a long-term view of economic planning and budgeting; they were more likely to mention savings, retirement, and investment or market concerns. Non-HSA holders, on the other hand, were more prone to focus on short-term problems, emphasizing rising costs, debt, and emotional strain.

Personal finances and macroeconomics clearly occupy the minds of household decision-makers. The question isn't whether people will adjust their budgets – **it's what they'll cut, and how it will affect their everyday lives.**



Generational Pulse

84% of Gen Z respondents are concerned about the economy right now. They are also the *most concerned generation* about personal finances compared to 6 months ago.

Snapshot of a younger workforce

A generational divide

Gen Z and Millennials are now the largest share of the U.S. workforce (54%),⁸ and they are driving a new approach to healthcare spending.

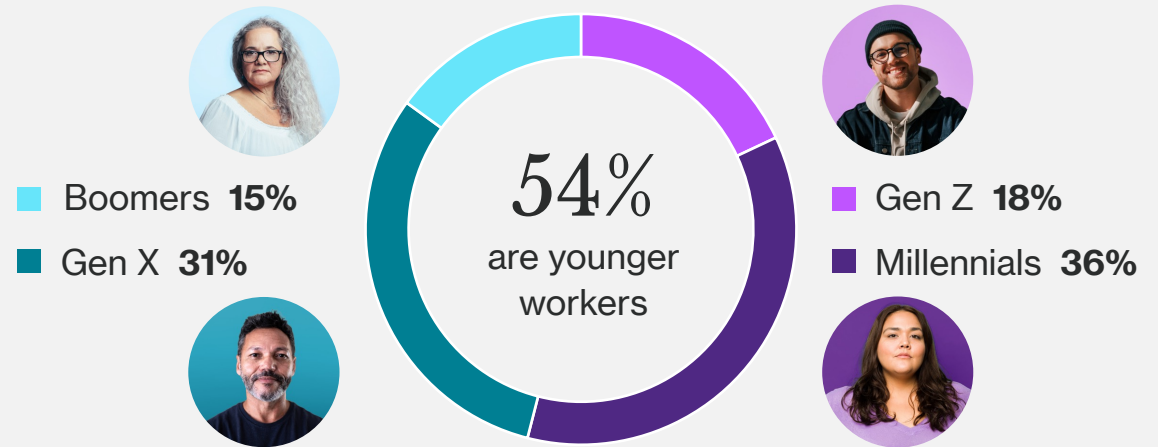
The survey revealed a generational shift in attitudes towards employee benefits, healthcare spending, and financial strain. Gen Z (56%) and Millennials (50%) are significantly more likely to have HSAs compared to Gen X (35%) and Boomer employees (24%).

The two younger cohorts also report a better understanding of their employee benefit programs. This benefits literacy translates into action, with younger Americans more likely to have HSAs and actively use them.

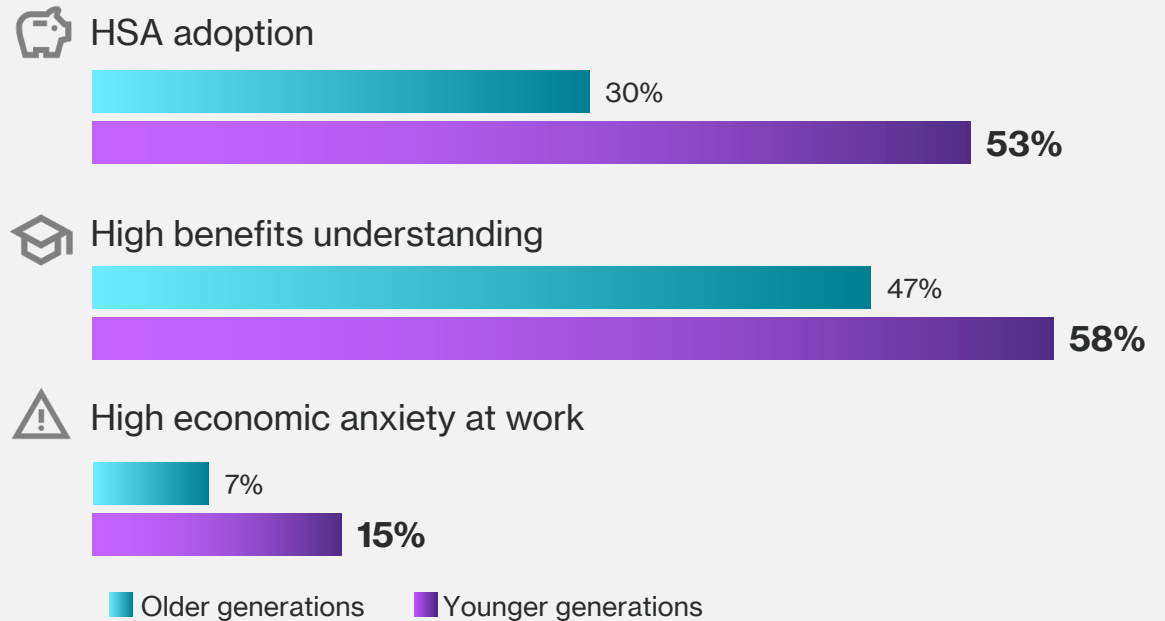
However, economic anxiety impacts younger workers more acutely. Fifteen percent of Gen Z and Millennial workers say economic anxiety affects their work focus a great deal, twice the rate experienced by Gen X and Boomers (7%).

It's clear that younger workers are more aware of benefits options, but they are also more worried about their ability to pay for healthcare expenses. Benefits leaders have an opportunity to engage this generation differently to help them feel more resilient.

Share of workforce



Generational differences between healthcare consumers



2

Focusing at work in the face of financial strain

Key insight

Those who reported a higher understanding of their employee benefits *are less likely to be affected* by economic worries at work.

Financial stress can affect performance, focus, and workplace happiness. The survey asked respondents, "How much does your current financial situation affect your ability to focus or perform well at work?" Here's what they shared.

Economy affecting work focus

Middle-income



Higher-income



Lower-income



Income level does not appear to provide economic peace of mind. Indeed, many survey respondents mentioned the job market as a source of concern and worry at work.

The survey data does suggest a correlation between respondents who reported a higher understanding of their employee benefits and those less likely to be affected by economic stress at work.



I make good money – but the current economy has me *stressed out*. I genuinely feel we are nearing a recession and I can barely afford my rent with the prices in [my area].”

High-income female from California

People who say they understand their benefits very or extremely well are **45% more likely to say financial stress does NOT affect their work focus** compared to those with a moderate benefits understanding.



Generational Pulse

Younger generations, Gen Z (53%) and Millennials (62%), report understanding their benefits at higher rates than older generations (Gen X and Boomers both at 47%).

This finding is a ringing endorsement for benefits education. Benefits teams play a key role in giving employees confidence in their ability to **better save, spend, and invest in their health.**



3

Preparation & budget management

Key insight

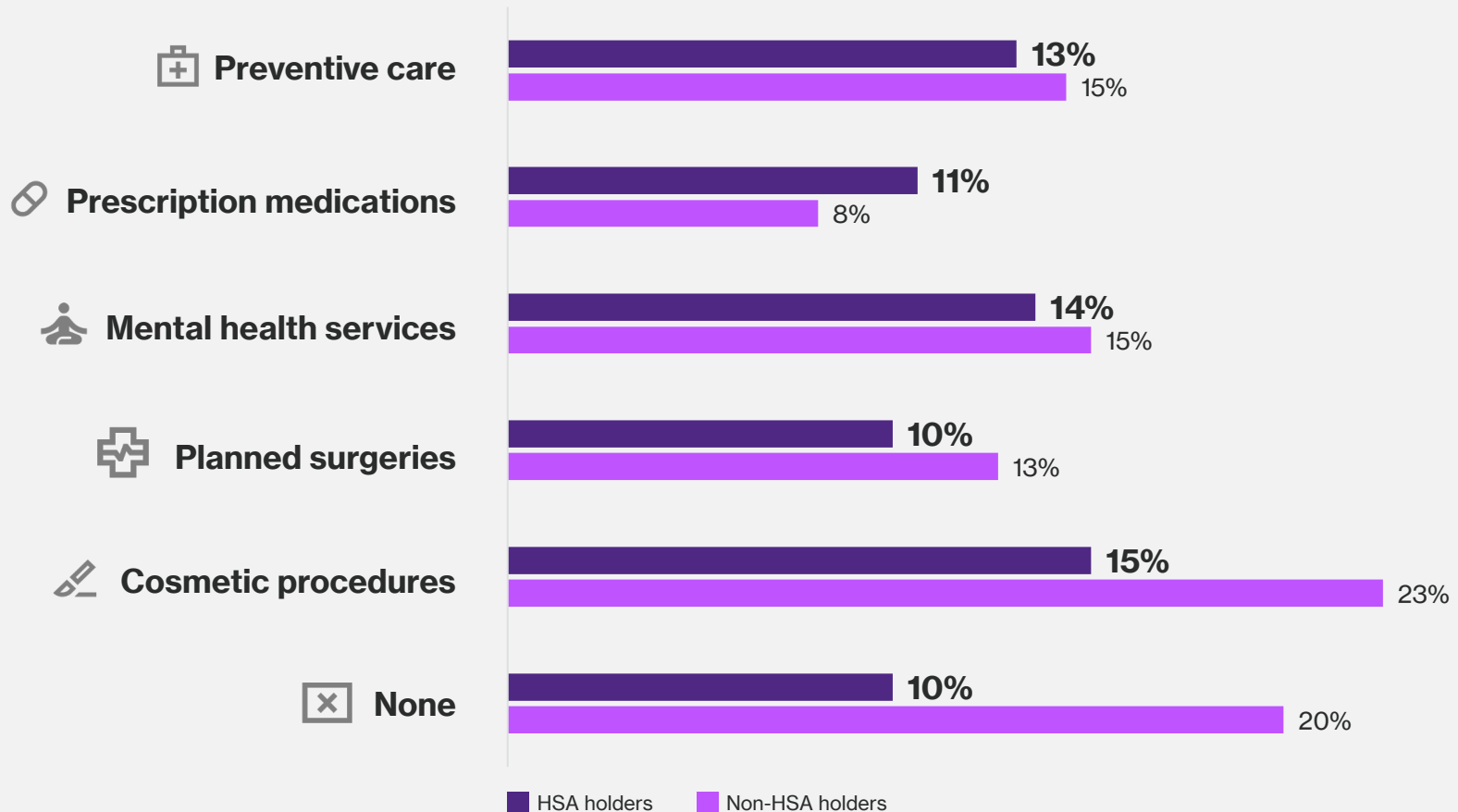
HSA holders are *very confident* in their understanding of their employee benefits.

When asked, "How well do you understand your employee benefits?" 64% of HSA holders say they understand them extremely or very well, compared to only 44% of non-HSA holders.

HSA holders are 46% more likely to understand their employee benefits.

Those who have taken the initiative to set up an HSA through their employer are confident in their ability to navigate their benefits. Additionally, this group is less likely to cut back on key healthcare costs.

Healthcare expenses most likely to cut back on if your financial situation worsens



HSA holders are less likely to forego:

-  Preventive care
-  Mental health services
-  Planned surgeries
-  Cosmetic procedures

While all respondents said they're likely to reduce certain healthcare expenses, a generational divide emerged.

Generational Pulse

Gen Z (36%) and Millennials (34%) would skip preventive care to save money, and 46% of Gen Z would cut mental health services.

On the other hand, Gen X and Boomer respondents were the most likely to say they wouldn't skip any healthcare expenses (32% and 40%, respectively).

While the economic winds are worrying, employers should know their benefits education efforts, along with HSA programs, are making a meaningful impact. People who understand and utilize their HSA benefits are better prepared for regular healthcare expenses.



We are always trying to put more money aside into savings, but it feels like we can never catch a break. *Healthcare expenses are often put off* – checkups and prescription meds are important, but since we got off Medicaid we don't go to the doctor as much.”

Millennial female from Colorado

4





Proactive planning

Key insight

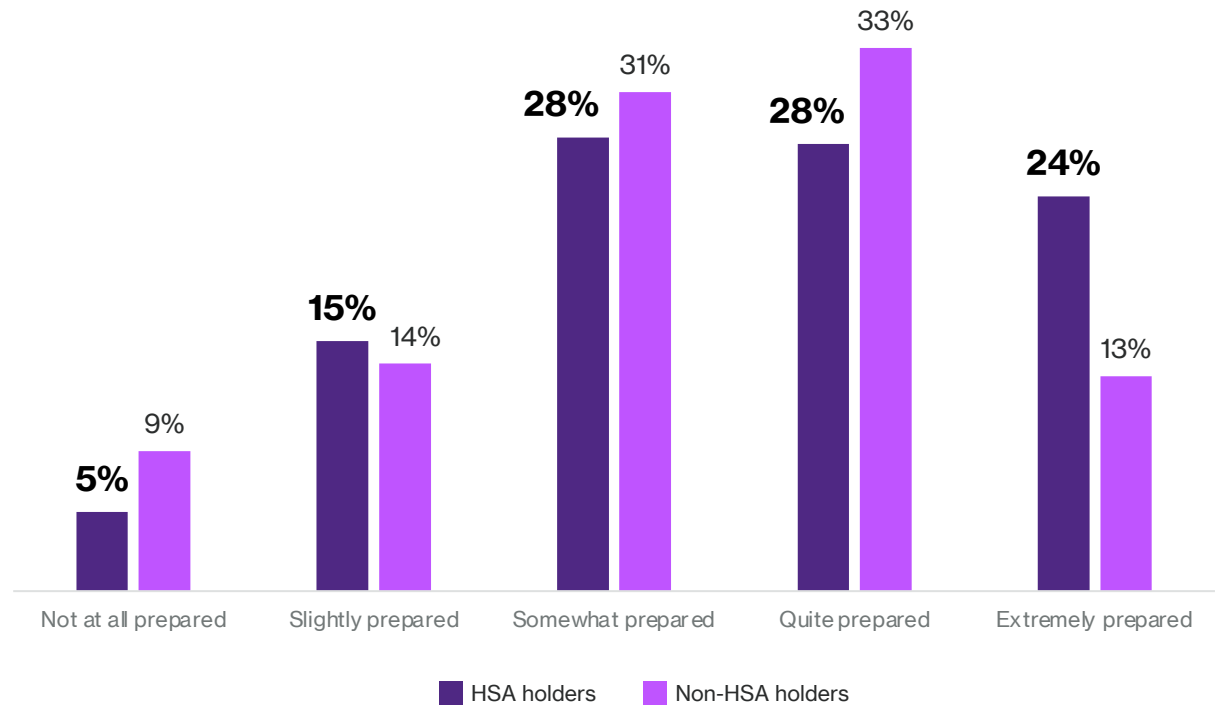
HSA holders are more likely to *be prepared* for both planned and unplanned healthcare spending.

We wanted to know how healthcare consumers are preparing and planning for future healthcare spending. We asked two key questions to assess financial readiness over the next six months.

 **Financial readiness:** How financially prepared are you to cover planned healthcare expenses (for example, routine check-ups and prescription refills) in the next six months?

 **Health savings:** How much cash do you have readily available to cover unexpected healthcare expenses (for example, ER visits, hospital stays, or diagnostic tests) in the next six months?

Preparedness for planned healthcare expenses



HSA holders were 12.5% more likely to be prepared for routine healthcare expenses (52% vs. 45%). In fact, many HSA holders and non-HSA holders feel confident they can pay for routine visits, prescription refills, and general care.

“With the amount of money I have saved, I feel like *I could bounce back* from any situation.”

Male HSA holder from Texas, age 23



The second question about cash on hand for emergency healthcare expenses reveals a surprising finding.

HSA holders are 16% more likely than non-HSA holders to have more than \$5,000 saved.

However, just under one-third of them (and one-quarter of the general population) are prepared for a more costly health emergency. In addition, 11% of HSA holders shared that they don't have any emergency money saved. Employers may consider a higher employer contribution or default HSA enrollment strategy to help boost employee savings.

Cash available for healthcare emergencies



Generational Pulse

Emergency savings by generation:



Most likely to have \$5,000 in savings

Boomers (38%)





More likely to have less than \$500 in savings


Gen Z (36%) | Millennials (30%)



For context, let's look at some data around common out-of-pocket costs from the Peterson-KFF Health System Tracker.⁷

 Asthma inhalers (annual spending):
\$1,830

 Pre-natal, childbirth, and post-natal care:
\$2,743 | \$3,071 for caesarean births

 One-day in-patient hospitalization:
\$3,132






The majority of respondents could not pay for a single overnight hospital stay with their savings. While HSAs and other health savings benefits can help, it's clear that many consumers need more help preparing for emergency healthcare expenses. Benefits teams are well-positioned to design plans, enact policies, and educate employees on how to *prepare for healthcare spending*.



5



What employers can do

-  Prioritize benefits education.
-  Offer a well-designed high-deductible health plan (HDHP).
-  Benchmark and contribute to your HSA program.
-  Consider default enrollment in your HSA plan.
-  Offer a Health Payment Account (HPA).

What can benefits teams do with these insights?

How can they help *prepare employees* for rising costs and changing economic realities?

Tip 1:

Prioritize benefits education.

What difference does it make?

Employees with a greater benefits understanding are less likely to feel distracted at work and more likely to be prepared for both routine and emergency expenses. Benefits teams can impact this with educational opportunities for employees – not just during open enrollment, but year-round. For example, education around preventive care, which is often covered at no cost to employees, could encourage employees in smart healthcare behaviors.

How can I get started?

- Review your benefits onboarding and training program.
- Plan benefits education campaigns throughout the year.
- Check out HealthEquity's [Open Enrollment Toolkit](#) for employers.



Tip 2:

Offer a well-designed HDHP.

What difference does it make?

HDHPs are a prerequisite for an HSA, but [only 50% of private employers even offer an HDHP option](#).⁸ Some employers offering HDHP options still don't pair qualifying plans with an HSA. Offering and encouraging HDHPs plus HSA ownership leads to better preparation for rising healthcare costs.

How can I get started?

- Review your health plan options and choose qualifying HDHPs as part of your offering.
- Evaluate your HSA program for gaps or opportunities for improvement.
- Explore strategies for encouraging employees to enroll in HDHPs and HSAs.



Tip 3:

Benchmark and contribute to your HSA program.

What difference does it make?

Employer contributions to HSAs are a win-win. Employees get to jumpstart their healthcare savings, while employers encourage higher HDHP enrollment and gain tax savings. You can consider a dollar-for-dollar or percentage match with employee contributions.

How can I get started?

- Compare your HSA plan with top peers and competitors in your industry.
- Depending on your company goals, consider a match or a front-loaded seed providing access to funds at the beginning of the plan year.
- Pay for the employee investment fee (if applicable), making it easier for HSA members to invest.



Tip 4:

Consider default enrollment in your HSA plan.

What difference does it make?

Many employers already choose to enroll employees by default in their 401k benefits, and the same approach could work for HSAs. There are important considerations, like an “opt-out” instead of “opt-in” enrollment process, and plan eligibility requirements. But it’s worth considering default enrollment as a way to remove barriers to pre-tax healthcare savings for employees.

How can I get started?

- Default enroll employees into your HSA-qualified plan and HSA.
- Kickstart savings by defaulting contribution levels for all HSA plan enrollees at the employee HDHP premium savings level.



Tip 5:

Offer a Health Payment Account.

What difference does it make?

HPAs are another tool employers can use to help employees access and pay for healthcare when they need it. This interest-free, no-fee alternative payment option allows employees to pay for out-of-pocket healthcare expenses over time without high interest costs and before their deductible is met.

How can I get started?

- Gauge employee interest in an HPA with a benefits survey.
- Determine employee eligibility rules and plan design.
- Pair an HPA with an HSA benefit for pre-tax healthcare savings.





With the expected jump in premium costs coming for 2026, employers are in a unique position to influence how their employees utilize, pay for, and experience healthcare. A thoughtful benefits offering that includes healthcare savings options can help address the healthcare affordability crisis.”



Tene Raymond

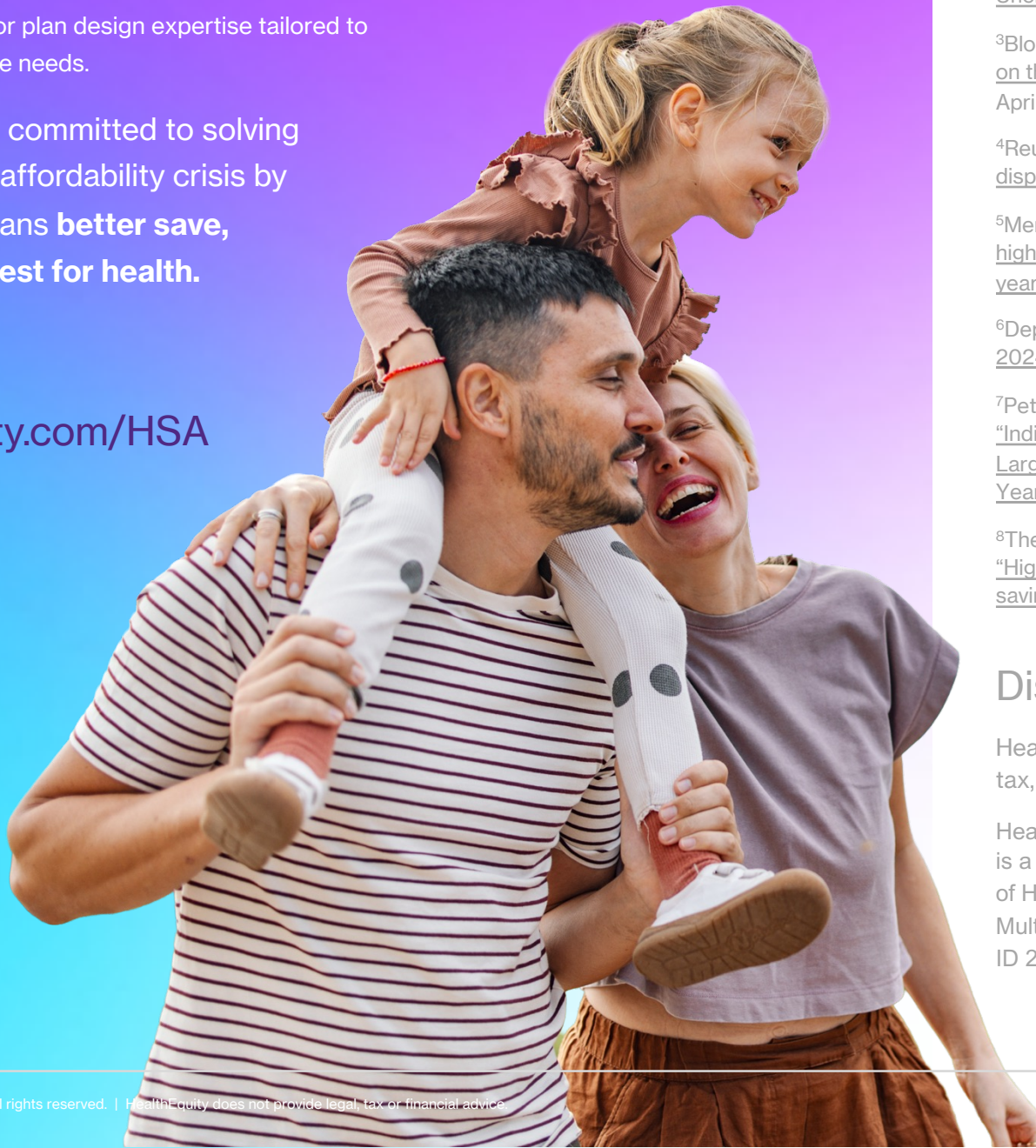
HealthEquity Director Consumer Engagement

Healthcare consumers have a lot on their minds. Partner with HealthEquity for plan design expertise tailored to your people's unique needs.

HealthEquity is committed to solving the healthcare affordability crisis by helping Americans **better save, spend, and invest for health.**

Learn more

HealthEquity.com/HSA



References

- ¹Peterson-KFF Health System Tracker, [“Household Health Spending Calculator.”](#)
- ²Bureau of Labor Statistics, [Civilian Unemployment Rate](#), August 2025.
- ³Bloomberg, [“Modeling the impact of tariffs on the global stock market.”](#) April 2025.
- ⁴Reuters, [“Americans fear AI permanently displacing workers.”](#) August 2025.
- ⁵Mercer, [“Employers prepare for the highest health benefit cost increase in 15 years.”](#) September 2025.
- ⁶Department of Labor, [Trendlines, August 2024.](#)
- ⁷Peterson-KFF Health System Tracker, [“Individual Market Insurers Requesting Large Premium Increases in More Than 5 Years.”](#) July 2025.
- ⁸The Bureau of Labor Statistics, [“High-deductible health plans and health savings accounts fact sheet.”](#)

Disclosures

HealthEquity does not provide legal, tax, financial or medical advice.

HealthEquity Payments, LLC is a wholly owned subsidiary of HealthEquity, Inc. with Nationwide Multistate Licensing System (“NMLS”) ID 2564416. Not available in all states.”