

Benefitfocus® State of Employee Benefits Report 2026 Highlights

Our claims and enrollment data for plan year 2026 uncovers key trends on employee benefits, from health plan costs and offerings, benefits utilization and more.



Health Care Costs Trends

Medical inflation remains a challenge for employers, which requires strategic planning to control costs without sacrificing care access.

↑ 6%

average increase in total health benefit cost per employee, reported by Mercer.¹ Medical and pharmacy spend per member per year (PMPY) increased **2.4%** for Benefitfocus customers.

↑ 2.1%

Increase in total spend for members with chronic conditions. Cancer, cardiovascular disease, diabetes and musculoskeletal conditions are trending downward in employee populations, which may be attributed to a decline in Baby Boomers.

\$615

Average preventive spend PMPY, an increase of 2.1% from the previous year.

Preventive spend accounts for an **average of 7.5%** of total medical spend.

7.5%

51.7% of prescription spend is allocated to brand-name drugs, with no generic availability.

51.7%

The average cost for these prescriptions **increased 6.4% to \$937.**



Benefits Utilization Trends

Our data shows how employers can help guide employees to cost-effective care and reduce short- and long-term costs.

64%

64% of emergency department (ED) visits were non-emergent or treatable by a primary care provider (PCP). These visits were most common among **Millennials (29.2%)**, **Gen X (25.6%)** and **Gen Z (25.4%)**.

25.6% Gen X **29.2%** Millennial **25.4%** Gen Z



32.1%

32.1% of members lacked a PCP. This population without a PCP grew 1.9% from the previous year.

✓ Cost Impact

The average cost of an ED claim was **\$498**. Office visit claims averaged **\$99**, and urgent care visit claims averaged **\$53**.

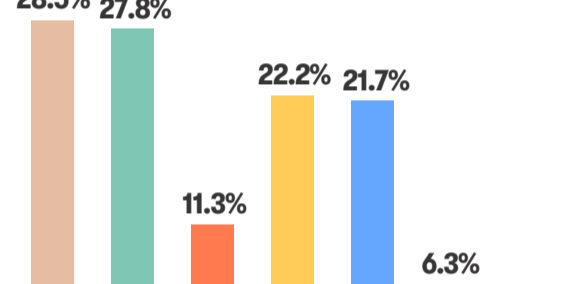
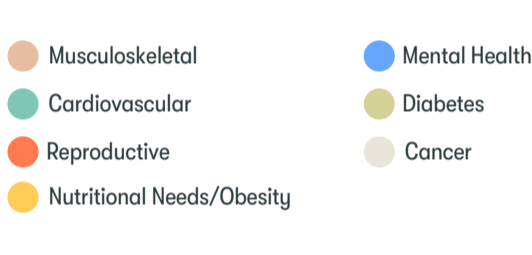


Chronic Condition Trends

Chronic conditions are identified by medical and prescription spend. Our data reveals the size the affected population and where demand for care is growing.

28.5%

Of members are affected by musculoskeletal conditions. This represents the largest population size of all chronic conditions, followed by cardiovascular conditions at 27.8%.



↓ 0.9%

Members with musculoskeletal conditions also experienced the greatest decline in prevalence, decreasing by 0.9% from the previous year.

↑ 0.6%

Increase in mental health care, followed by a 0.3% increase for nutritional needs/obesity and a 0.2% increase for reproductive health.

✓ Cost Impact

Members with musculoskeletal conditions were the second largest cost driver, with a 2025 total spend of **\$2.4B** and an average spend of **\$14,257 PMPY**. The total spend for members with mental health conditions decreased 0.1%, totaling **\$1.6B** and an average of **\$12,762 PMPY**.



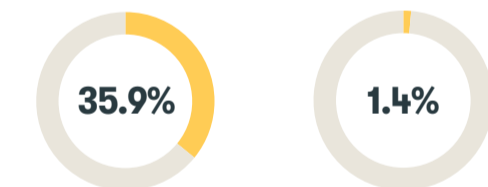
Pharmacy Trends

Pharmacy spend is largely driven by the volume of specialty and brand name prescriptions. This may require strategic sourcing and utilization criteria to manage costs.

35.9%

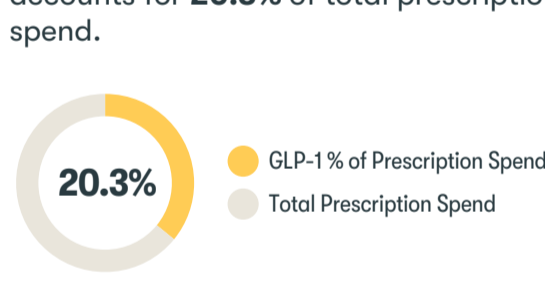
Of prescription spend is allocated to specialty but account for only **1.4%** of total prescriptions.

Specialty Prescription Trend



↑ 15.8%

Increase in member population taking GLP-1 prescription medications, which accounts for **20.3%** of total prescription spend.



✓ Cost Impact

Average price paid per specialty prescription was **\$5,783** and annual GLP-1 spend per member was **\$7,395** per member per year.



Benchmarking Data

The full Benefitfocus State of Employee Benefits Report 2026 will include the following benchmarking data:

- ✓ **Health Plan Offerings & Enrollment** – How many employers are offering traditional and high-deductible health plans (HDHPs) and enrollment rates.
- ✓ **Health Plan Costs** – Average premiums for employers and employees.
- ✓ **Supplemental & Voluntary Benefits** – Enrollment in and costs for accident insurance, critical illness or specified disease insurance, hospital indemnity insurance, ID protection, legal coverage and pet insurance.

[Click here](#)

to learn more about how Benefitfocus solutions can help engage your employees with their benefits.

- Personalized, unbiased decision support tools tailored to employee health and financial needs.
- Targeted communications that help demystify complex benefits topics.

- Digital point solutions to help employees manage chronic conditions.
- Care navigation to help employees find the right care at the right time.

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Ready to Get Started?

Benefitfocus is committed to helping organizations and the individuals they serve get the most value out of their health care and benefits programs.

↓ Book a demo to experience Benefitfocus in action.

Learn how we can help simplify benefits for your organization.

About the Data

The State of Employee Benefits Report 2026 was compiled from enrollment transactions aggregated across 316 large employers (1,000+ full time employees) within the Benefitfocus customer base, representing more than 1.8 million employees in total. The data was evaluated on an anonymous basis. Enrollment records include both active and passive enrollments made by a variety of industry roles (employee, carrier representative, broker, benefits administrator, etc) from the fall of 2023 through fall of 2025 for plan year effective dates of January 1. These measurements are not meant to be a nationally representative sample, but to represent the aggregate activity for large employers on the Benefitfocus platform.

For data related to medical and prescription drug claims, Benefitfocus drew from 68 employers in our Health Insights Platform with a total population of approximately 600,000 employees and their dependents. Claims were assessed based on claim service dates from 1/1/24 through 12/31/2025, for year over year comparison periods. Population Health data was compiled using Johns Hopkins ACG® System (version 14.0.1). The underlying claims demographics and claims were sanitized per HIPAA Safe Harbor guidelines and were filtered to exclude generations older than Baby Boomers and comply with the age 90 cutoff mentioned in section (3) of "Guidance on De-identification of Protected Information, November 26, 2012" which cites the Code of Federal Regulations Title 45 §164.514(b)(2)(i)(C)."

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¹ Projected cost increase for 2026 according to Mercer's National Survey of Employer-Sponsored Health Plans