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FOR IMMEDIATE RELEASE

**Press Release**

**Milliman Medical Index 20th anniversary edition: Healthcare costs for an American family reach \$35,119 in 2025, increasing on average 6.1% annually since 2005**

*Pharmacy costs and outpatient facility care generate 69% of 2025 cost increase*

SEATTLE – May 27, 2025 – Milliman, Inc., the premier global consulting and actuarial firm, today announced the release of the 2025 Milliman Medical Index (MMI), which measures healthcare costs for Americans covered by a typical employer-sponsored health insurance plan. Healthcare costs for the average person increased 6.7% in 2025, with pharmacy costs increasing by 9.7% and outpatient facility care costs rising 8.5%. Healthcare costs for a hypothetical family of four rose to \$35,119.

“Pharmaceutical costs have been a leading driver of healthcare spending in recent years,” says Milliman Principal and Consulting Actuary Dave Liner. “This year, outpatient facility services and pharmacy costs together accounted for nearly 70% of the total cost increase. Much of the outpatient growth is linked to high-cost drugs administered in outpatient settings.”

In recognition of the MMI’s 20<sup>th</sup> anniversary, this edition includes a look back at how healthcare costs have evolved in the last 20 years.

“Since we began publishing the MMI 20 years ago, healthcare costs for American families have nearly tripled,” says Milliman Principal and Consulting Actuary Deana Bell. “Annual growth has averaged 6.1%, far outpacing any other household expense. No other cost category has risen as steeply or as consistently over the past two decades. Outpatient facility care saw the largest increase of any category, rising 286% since 2005, reflecting the growing complexity of procedures now handled outside of inpatient settings.”

Read [this year’s MMI](#).

**About Milliman**

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at [milliman.com](https://milliman.com).

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