

The Increasing Financial Pressure of Healthcare Costs



To better understand how rising healthcare costs and coverage gaps are affecting individuals, Zurich American Insurance Company (Zurich) conducted a national survey with Statista to gather insights into current attitudes toward medical expenses and supplemental coverage. The findings reveal that many people are experiencing financial strain, even when they have major medical insurance.

Healthcare expenses continue to rise, and with them, out-of-pocket costs are increasing as well. In fact, the average U.S. adult paid around \$1,500 out of pocket last year, not including insurance premiums. *At the same time, cost sharing and deductibles are on the rise, leaving coverage gaps that many households are not prepared for.

This financial strain is precisely where supplemental coverage, such as Gap Medical Insurance, becomes increasingly important. Survey responses indicate a growing awareness of these coverage gaps and a rising need for solutions that help bridge the financial divide.



The Deductible Reality



58%
of respondents have met or exceeded their major medical insurance deductible at least once per year.

This highlights a trend: many individuals face significant out-of-pocket costs before their health plan provides full coverage. Major medical protects some of your finances, but not all.

What Leads to Out-of-Pocket Costs

Reaching a deductible is increasingly common and not just after serious procedures:

68% met their deductible due to medical procedures

52% mentioned diagnostic testing and imaging

57% reported specialist consultations

57% cited prescriptions

Routine medical services, from medication therapy to specialist visits, are enough to push people into their deductible range earlier and more often.



Understanding the Impact of High Deductibles



For many people, the annual deductible for an individual plan is a significant expense. According to our data, 60% of respondents have deductibles over \$1,500. Meanwhile, 35% say their share of the premium is up to \$500 per year. High-deductible plans can help lower premium costs, but they also mean higher upfront expenses and greater financial responsibility for individuals.

How People Are Covering the Costs

Faced with an unexpected \$1,000 medical bill:

43% would use a credit card or payment plan

37% would dip into savings

15% would need to take on additional work to pay the bill

Healthcare events are now a source of financial stress, leading consumers to rely on debt or sacrifice savings just to access care. This underscores the unpredictable nature of out-of-pocket medical costs.



Cost Barriers to Care



Cost concerns are changing how, and even if, people seek medical care:

62% said they delay medical care because of the cost

37% have cancelled care altogether

When preventive visits, follow-ups, or testing are postponed or avoided, health conditions may worsen, resulting in higher costs and more complex treatments later on.

Current Major Medical Insurance Satisfaction



Satisfaction with major medical coverage is mixed:

46% are unsatisfied with their plan

14% are unsatisfied with pricing

9% are unsatisfied with their coverage

Why Gap Medical Insurance Matters Now

Gap Medical Insurance helps reduce financial exposure by covering out-of-pocket costs that major medical plans do not pay. For brokers, it is an opportunity to offer reliable protection at a time when customers are looking for solutions that maintain access to care while controlling cost exposure. The goal is greater financial confidence and a more resilient benefits strategy for organizations of all sizes.

Zurich's Gap Medical Insurance provides reimbursement for eligible out-of-pocket expenses (including deductibles, co-insurance, and copays). This helps mitigate the financial assignment of benefits is arranged, Zurich can also pay approved benefits directly to the provider, supporting a smooth and dependable claims experience for clients.

Sources:
*Healthcare Costs and Affordability," KFF, 2025
Zurich Statista Study 2024

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