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FOR IMMEDIATE RELEASE

**Press Release**

## **Milliman Medical Index estimates 2024 cost of healthcare for American individual is \$7,151; cost for family of four is \$32,066**

**Healthcare costs for the average person increased 6.7% from 2023 to 2024, with pharmacy costs contributing nearly half of this year's cost increase**

SEATTLE – May 21, 2024 – Milliman, Inc., a premier global consulting and actuarial firm, today announced the release of the 2024 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 2024, with pharmacy costs increasing by 13% and constituting nearly half of this year's total increase. Healthcare costs for a hypothetical family of four rose to \$32,066.

"The cost of prescription drugs contributed to about half of this year's healthcare cost increase," says MMI co-author Dave Liner. "With life-changing and potentially high-cost new drugs and gene therapies entering the market and drawing much attention, prescription drug costs should continue to exert upward pressure on healthcare cost trends."

"The widely discussed GLP-1s are the biggest contributor to this year's pharmacy trend," said MMI co-author Mike Gaal. "The coverage for these drugs can be inconsistent from plan to plan, particularly for weight-loss indications. With increased patient demand and various patient studies underway, this story is still rapidly evolving, but there is no denying the impact these drugs have had on employer-sponsored healthcare coverage in the last year."

"Looking back at the history of employer-sponsored healthcare coverage, there's a recurring theme where certain things aren't covered at first and then they eventually become benefits you can expect," said MMI co-author Deana Bell. "Health plans contemplating covering new treatments are weighing the potential ROI against employee demand, and these decisions are driving much of the benefit variability."

"Employers pay 58% of a person's overall healthcare costs, but they'd pay 9% more if not for pharmacy rebates," says MMI co-author Annie Man. "In the 19 years we've been doing this study, the role of rebates has evolved, which is why we now report our numbers net of rebate."

"As the biggest healthcare payer in the country, the federal government has massive influence even on healthcare it's not paying for," said MMI co-author Jason Clarkson. "The current Medicaid unwinding may create waves of new enrollees for employer-sponsored plans as people look to replace their lost Medicaid coverage."

To see the 2024 MMI, go to <https://www.milliman.com/en/insight/2024-milliman-medical-index>.

**About Milliman**

Milliman is among the world's largest providers of actuarial, risk management, and technology solutions. Our consulting and advanced analytics capabilities encompass healthcare, property & casualty insurance, life insurance and financial services, 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://www.milliman.com).

**About the Milliman Medical Index**

Since 2005, the Milliman Medical Index (MMI) has analyzed the projected total cost of healthcare for a hypothetical family of four covered by a typical employer-sponsored health plan. To reflect changing family demographics, the MMI now also projects healthcare costs for the average person. Unlike many healthcare cost reports, the MMI measures the total cost of healthcare benefits, not just the employer's share of the costs, and not just premiums. The 2024 report also explores how benefits that may not be covered by health insurance, such as fertility treatments and anti-obesity medications, affect U.S. households' overall healthcare spending.

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