



78%

of employees
are worried
about
healthcare
costs rising
next year

The 2026 State of Employee Health Benefits

1,000 U.S. Employees Reveal Why the Traditional
Group Health Plan Is Breaking Down

Research by Take Command

The 5 Signals Employers Can't Ignore



73.5% *saw insurance costs increase*



78% *worried about healthcare costs*



49% *prefer employer contribution model*



94% *say benefits drive job decisions*



51% *want control over insurance*

What 1,000 U.S. Employees Really Want From Their Health Insurance

In the United States, we're surrounded by world-leading medical innovation, technology, and top-tier specialists and treatments. Yet too often, patients find they are unable to access basic care close to home and at a price they can afford. Employee health benefits are designed to improve access to coverage, but group plan premiums have reached new heights in recent years, pushing employers and employees to the breaking point.

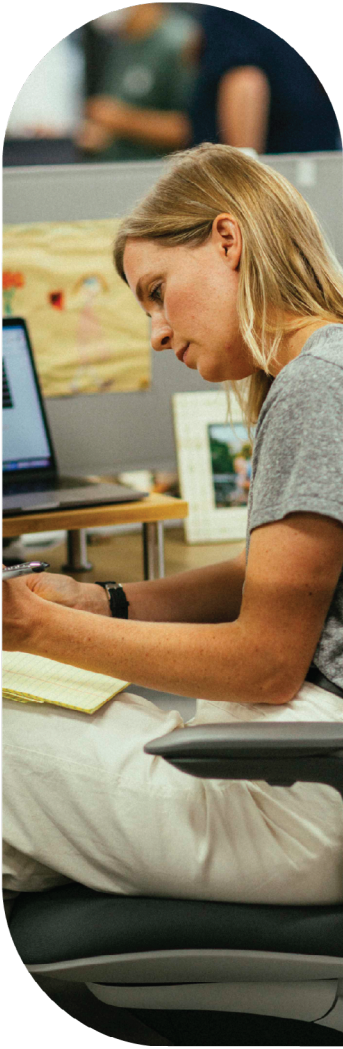
For employers, reducing healthcare costs isn't as simple as cutting back on benefits. As you'll see in this report, health benefits are extremely important to attracting talent and reducing turnover in industries facing growing labor shortages. For employees, participating in an expensive group plan is often the only way to secure health coverage for themselves and their families.

The aim of this survey is not only to highlight the challenges we all face, but also to show there is a way forward. We hope this data encourages employers to reconsider their approach to health benefits and explore new options that better serve the needs of their business and their employees.



Jack Hooper

Founder and CEO of Take Command



The 2026 State of Employee Health Benefits

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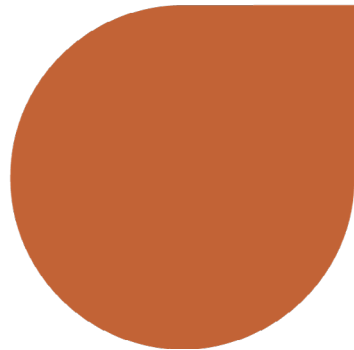
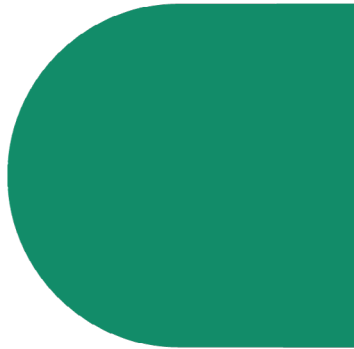
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Key Findings

- 1 Employees want more control.** Over half of respondents believe that employees should control their own health insurance choices, and 49% said that if their employer gave them money to choose their own health insurance, they would prefer that over being placed on a company plan.
- 2 Insurance takes a toll on mental health.** 78% of employees are worried about healthcare costs rising in 2027. Several respondents said they had delayed visiting the doctor due to costs, and many expressed concerns about losing access to preferred providers if their employer changed group plans. A lack of relevant mental health support was another common pain point.
- 3 Employees are paying more for insurance.** 73.5% said the cost of health insurance increased somewhat or significantly for 2026. While premiums rose across the board in 2026, employees with individual insurance were more likely to see costs remain stable than those on a group health plan.
- 4 Health benefits are essential to hiring and retention.** Nine out of 10 (94%) employees said that health benefits were somewhat or extremely important when deciding whether to stay at a job. In addition, over half said they would not take a new employment opportunity due to a poor benefits package.
- 5 Every industry is feeling the pressure.** From skilled trades and hospitality to education and nonprofits, employees across industries want more autonomy when it comes to choosing health insurance. Half (51%) of employees said they believed employees should have full control over their insurance decisions, while a third (33%) said control should be shared between the employer and employee.

Methodology and Demographics

Take Command surveyed **1,000 employees** from across the U.S. working in industries including education, healthcare, hospitality, manufacturing, nonprofit, and retail. Company sizes ranged from small businesses to enterprise organizations with over 1,000 employees. The survey includes responses from employees with group health insurance, insurance purchased on the individual market, and individual health plans provided by their employer through a Health Reimbursement Arrangement (HRA). The research was conducted in March 2026, focusing on insured, U.S.-based employees.

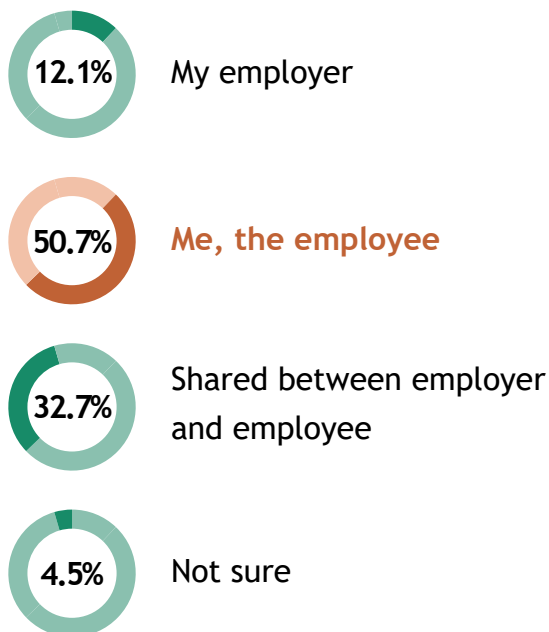


Insight

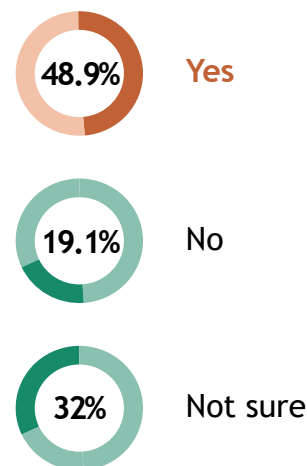
Employees with individual insurance spent **37% less out-of-pocket** than those on group plans.

Choice Matters

Who do you believe should control your health insurance choices?



If your employer gave you money to choose your own health insurance plan, would you prefer that over being placed in a company plan?

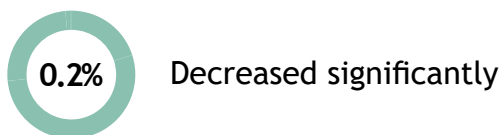
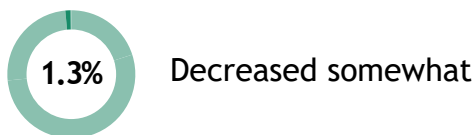


While more than half of employees believe they should control their health insurance choices, most employers (62%) offer just one or two plans. With such a narrow selection of insurance options, many employees end up with a level of coverage that doesn't align with their medical needs or the amount they wish to pay out-of-pocket.

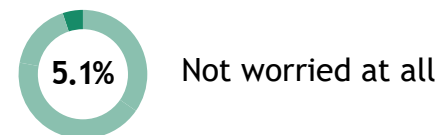
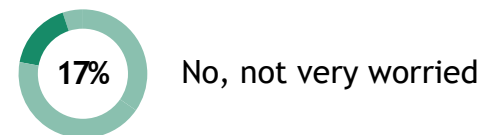
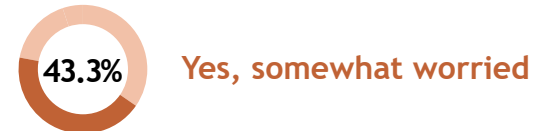
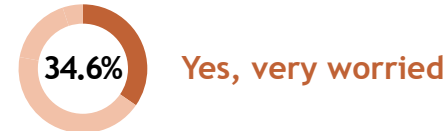
Almost half (49%) of employees said that if their employer gave them money to choose their own health insurance, they would prefer that over being placed on a company plan. Given that this is the mechanism behind an HRA, it suggests these employees would be in favor of moving from traditional group benefits to an individual insurance model.

The Cost of Coverage

Compared to 2025, how did the cost of your health insurance change for 2026?



Are you worried about your healthcare costs rising in 2027?

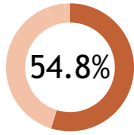


Three out of four (76%) employees on a group plan said the cost of their health insurance increased somewhat or significantly for 2026. That percentage was lower for employees with individual insurance, with 67.6% of respondents reporting an increase. A larger proportion of people with individual insurance saw no change in the cost of their health plan – 30% compared to 23% with group insurance. **78%** of employees said they were somewhat or very worried about healthcare costs rising in 2027.

Total out-of-pocket costs for 2025 varied widely, from **\$50 to \$30,000**. Excluding outliers, the median out-of-pocket expense for employees with group health insurance was \$1,200, while employees with individual insurance spent \$751. The personalized nature of individual health insurance helps to explain this difference: employees choose a plan that covers the services and treatments that matter most, and pay less out of pocket as a result.

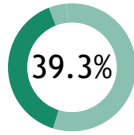
The Importance of Benefits

How important are health benefits when deciding whether to stay at or leave a job?



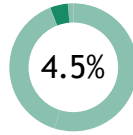
54.8%

Extremely important



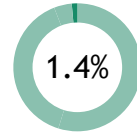
39.3%

Somewhat important



4.5%

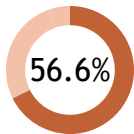
Not very important



1.4%

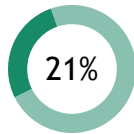
Not important at all

Would you choose not to take a new employment opportunity due to a poor benefits package?



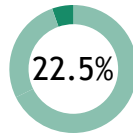
56.6%

Yes



21%

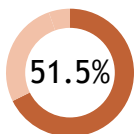
No



22.5%

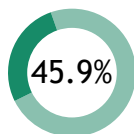
Not Sure

Have you ever stayed in a job primarily because you did not want to lose your health insurance?



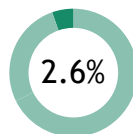
51.5%

Yes



45.9%

No



2.6%

Not Sure



More than 90% of employees said health benefits were somewhat or extremely important when deciding whether to stay at or leave a job, while half said they have stayed at a job because they did not want to lose their insurance. The fact that 56.5% of employees would not take a new opportunity due to a poor benefits package underlines the fundamental importance of employer-sponsored health benefits to attracting talent.

The survey also found that 34.5% of employees with individual insurance were very satisfied with the quality of care provided by their health insurance, compared to 32% of employees on a group plan. While the difference is small, satisfaction with employee benefits can determine whether they stay at a company or look for new opportunities.

Mental Health Impact

The survey revealed that insurance is a source of stress for employees, but company plans often fall short when it comes to providing access to mental health care. Several employees shared their experiences and how coverage impacts their mental well-being:

“I delay going to the doctor because I have anxiety about the cost and the headaches of dealing with insurance.”

“It’s stressful knowing your insurance provides little coverage for mental health.”

“My healthcare coverage does not cover mental health services extensively, which makes it hard to afford mental health care.”

“I’ve been unable to find a mental health provider that is reputable, covered by my policy, and that I am comfortable with.”

Continuity of care is linked to stronger health outcomes. When a company changes its group health plan, employees can lose access to their preferred providers. Changing doctors takes its toll on employees’ mental health. One survey respondent told us, **“I am not able to see my therapist due to my company switching health plans,”** while another expressed concern that the doctor they have seen for years will no longer be covered. HRAs help to overcome this challenge. Instead of worrying about losing access to services they rely on, employees can choose and maintain the plan that meets their current needs.



Industry Insights

We surveyed 1,000 employees total, including around 100 from each of the following 10 key industries. While choice, cost, and the importance of benefits in employment decisions are recurring themes, there are some interesting takeaways specific to each industry.

Education

According to a 2025 analysis by the [Learning Policy Institute](#), around **1 in 8** of all teaching positions in the U.S. are either unfilled or filled by teachers not fully certified for their assignments. Turnover is one of the main causes of teacher shortages, with many moving to industries that offer better pay and benefits. Our survey results back this up: **100% of education professionals said health benefits were somewhat or very important when deciding whether to stay at or leave a job.**

82

Employees on a group health plan.

18

Employees with individual insurance.

Insights for the education industry:

46% of employees believe they should control their health insurance decisions rather than their employer. **34%** believe it should be shared between the employer and employee.

32% of employees with individual insurance are very satisfied with the quality of care provided by their health insurance, compared to **22%** of employees on a group plan.

47% of employees would prefer to choose their own health insurance plan with money provided by their employer.

90% of employees in the education industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

It's nerve-wracking to think about whether or not it's going to be fine next year.

”

“

I worry about how much I have to pay for premiums plus meeting the deductible and the copays, as well as medications.

”

“

It is stressful finding the right doctors and making sure they are in network.

”

Healthcare and Social Assistance

Burnout is high among healthcare professionals who dedicate their working lives to helping others but often struggle to access the support they need. Health insurance that covers mental health services can help protect employees and prevent skilled workers from leaving the industry.

However, the data suggests it's having the opposite effect – almost half (46%) of employees said that concerns about coverage impact their mental health. One nurse said they were worried about how increasing costs would affect their patients, adding to the burden.

68

Employees on a group health plan.

32

Employees with individual insurance.

Insights for the healthcare and social assistance industry:

55% of employees believe they should control their health insurance decisions rather than their employer.

44% of employees with individual insurance are very satisfied with the quality of care provided by their health insurance, **compared to 37% of employees on a group plan.**

58% of employees would prefer to choose their own health insurance plan with money provided by their employer.

77% of employees in the healthcare and social assistance industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

I worry that my premiums will significantly increase and my health condition will not be covered.

”

“

I consider myself to be very healthy. However, when I do have an appointment coming up, I do get nervous about how much will be covered.

”

“

It's stressful thinking I might not be able to afford coverage anymore.

”

Hospitality and Tourism

45% of the hospitality and tourism employees who responded to the survey buy health insurance on the individual market, compared to **22.4% across all industries**. This aligns with the fact that hospitality and tourism workers are often employed part-time and therefore ineligible for many group health plans. An HRA allows employers to provide every employee with fair health benefits, adjusting the allowance according to the number of hours they work. The survey data shows that individual insurance works for hospitality and tourism employees: **86.7% said their insurance plan allows them to visit the medical providers that are important to them.**

55

Employees on a group health plan.

45

Employees with individual insurance.

Insights for the hospitality and tourism industry:

51% of employees believe they should control their health insurance decisions rather than their employer.

36% of employees with individual insurance are very satisfied with the quality of care provided by their health insurance, **compared to 29% of employees on a group plan.**

45% of employees would prefer to choose their own health insurance plan with money provided by their employer.

81% of employees in the hospitality and tourism industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

I have to be cautious about my healthcare needs because I do not have access to all of the providers that I would need for follow-up appointments.

”

“

I am concerned about how expensive health insurance is and how it doesn't even cover everything.

”

“

The pricing of healthcare is outrageous and keeps going up.

”

Government and Public Sector

The vast majority of government and public sector employees who responded to our survey are on a group plan provided by their employer. However, that doesn't mean that employers shouldn't explore alternatives. **Just 39% of employees with group insurance said they had plenty of choice when selecting their health plan, despite almost half of companies offering three or more plans.** This data suggests that government and public sector employees would prefer an insurance model that allowed for greater personalization.

89

Employees on a group health plan.

9

Employees with individual insurance.

Insights for the government and public sector industry:

45% of employees believe control of healthcare choices should be shared between the employer and employee. **39% believe employees should control their own choices.**

44% of employees with individual insurance feel that their health plan fits their personal healthcare needs, **compared to 42% on a group plan.**

36% of employees would prefer to choose their own health insurance plan with money provided by their employer.

79% of employees in government and the public sector are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

I pay a lot every paycheck for my insurance, and the co-pay keeps going up. I don't know how I am going to keep affording it.

”

“

My company went with a new [insurance] company. Anything in-neighborhood is free, but my established doctor is not part of it.

”

“

It's stressful knowing your coverage only provides little coverage for mental health.

”

Information Technology

A stable, full-time workforce used to make group health insurance the logical choice for large technology companies and enterprise organizations. However, the shift towards remote work and part-time schedules is changing how employers approach health benefits; **33% of survey respondents already purchase insurance through the individual market.** Individual insurance ensures employees can access healthcare services where they live, even if that's in a different state from the company's headquarters. With the cost of healthcare continuing to rise, we expect to see more [large organizations](#) explore alternatives to traditional group insurance.

67

Employees on a group health plan.

33

Employees with individual insurance.

Insights for the IT industry:

48% of employees believe they should control their health insurance decisions rather than their employer. **26%** believe it should be shared between the employer and employee.

54.5% of employees with individual insurance are very satisfied with the quality of care provided by their health insurance, compared to **45%** of employees on a group plan.

66% of employees would prefer to choose their own health insurance plan with money provided by their employer

73% of employees in the IT industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

Hard deductibles and co-pays cause me financial stress and anxiety.

”

“

It impacts the way I think about my health.

”

“

Coverage and cost worries impact my mental health.

”

Manufacturing

Labor shortages are an ongoing concern for the manufacturing industry. Employers can't afford to lose skilled workers, and they need to do everything they can to attract new generations of employees. The survey results confirm that health benefits are critical to manufacturers' recruitment and retention efforts. **Almost every employee (98%) said that health benefits were somewhat or extremely important when deciding whether to leave a company, while 58% would not take a new job that offered a poor benefits package.**

83

Employees on a group health plan.

17

Employees with individual insurance.

Insights for the manufacturing industry:

50% of manufacturing employees believe they should control their health insurance decisions rather than their employer.

41% of employees with individual insurance are very satisfied with their company's health benefits, compared to **34%** of employees on a group plan.

44% of manufacturing employees would prefer to choose their own health insurance plan with money provided by their employer.

75% of manufacturing employees are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

Healthcare is expensive, and I feel like if anything big happens to me or my family, we will be in a lot of debt.

”

“

I am always worried about getting critically sick and not being able to afford coverage.

”



Nonprofit and Social Services

Offering quality health benefits is especially important for nonprofit organizations that can't always match the salaries of typical corporations. **96% of survey respondents said that health benefits were somewhat or extremely important when deciding whether to stay at or leave a job, while 58% said they would choose not to take a new job due to a poor benefits package.** The survey data also suggests that nonprofit employers could attract talent by offering a wider range of insurance options – **currently, just 14% believe they have plenty of choice.**

73

Employees on a group health plan.

26

Employees with individual insurance.

Insights for the nonprofit and social services industries:

47% of employees believe they should control their health insurance decisions, not their employer.

18% of employees are currently very satisfied with their company's health benefits. **15% are somewhat or very dissatisfied.**

37% of employees would prefer to choose their own health insurance plan with money provided by their employer.

80% of employees in the nonprofit and social services sectors are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

Stress, worry, and concern about not being covered for certain medical issues, tests, or procedures.

”

“

It makes me stressed about losing my job.

”

“

The premium keeps going up, and my annual raises don't cover it.

”

Retail

Group health insurance is a poor fit for an industry that employs large numbers of part-time and seasonal staff. Retail workers may miss out on benefits if they don't consistently work more than 30 hours a week, leaving them unable to afford coverage. HRAs help retail employers contribute to everyone's healthcare costs, whether they're in a nine-to-five office role or on the shop floor. **Of the 9% of survey respondents who currently have an HRA, all but one said their insurance allows them to visit the medical providers that matter to them, and over half (55.6%) said that their employer covers the full amount of their healthcare premium.**

66

Employees on a group health plan.

39

Employees with individual insurance.

Insights for the retail industry:

57% of employees believe they should control their health insurance decisions rather than their employer.

41% of employees with individual insurance said they have plenty of choice when selecting health insurance, **compared to 27% of employees on a group plan.**

57% of employees would prefer to choose their own health insurance plan with money provided by their employer.

77% of employees in the retail industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

Wondering if they'll bump up the prices again makes me anxious.

”

“

It affects me if I don't have certain coverage for certain health needs.

”

“

My healthcare coverage has an impact on my judgment and eagerness to pursue medical help when needed.

”

Skilled Trades

Skilled trades, such as plumbing, carpentry, and construction, involve increased physical risk compared to white-collar jobs. High usage drives up the cost of group health insurance, with premiums typically increasing year on year. Our survey shows that individual insurance protected many skilled trade employees from major increases going into 2026 – over half (54.5%) saw no change in the cost of their health insurance. On the other hand, seven out of 10 employees on a group plan saw an increase in their insurance costs.

63

Employees on a group health plan.

33

Employees with individual insurance.

Insights for the skilled trade industry:

62.5% of employees believe they should control their health insurance decisions rather than their employer

33% of employees with individual insurance are very satisfied with the quality of care provided by their health insurance, compared to **27%** of employees on a group plan.

46% of skilled trade employees would prefer to choose their own health insurance plan with money provided by their employer.

68% of employees are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

Knowing I don't have the best coverage makes me stressed and nervous about what would happen if something went wrong with my health.

”

“

I am stressed about being able to afford to pay my bills and insurance premium payments.

”

“

Not being able to get the care that I need while also being unsure if my coverage will even approve of the services is extremely stressful.

”

Transportation and Warehousing

Demand for transportation and warehousing staff continues to outpace supply, making recruiting and retaining a stable workforce incredibly challenging. According to our survey, health benefits are critical to attracting new transportation and warehousing employees: **6 in 10 respondents said they would not take a new employment opportunity due to a poor benefits package.** In addition, **94% of employees said health benefits were somewhat or extremely important when deciding whether to stay at or leave a job.**

69

Employees on a group health plan.

28

Employees with individual insurance.

Insights for the transportation and warehousing industry:

51.5% of employees believe they should control their health insurance decisions, not their employer.

61% of employees with individual insurance are somewhat or very satisfied with their company's health benefits

53% of employees would prefer to choose their own health insurance plan with money provided by their employer.

78% of employees in the transportation and warehousing industry are somewhat or very worried about healthcare costs rising in 2027.

Employee experiences:

“

The prices keep increasing, and as I get older, I wonder how I will pay for my plan.

”

“

I am constantly worried about paying my bills, and healthcare is a significant expense.

”

“

I'm paying \$500 a month for insurance and still paying out of pocket for co-pays and medicine.

”



A Turning Point for Health Benefits

The American healthcare system no longer works for employees, and now we have the data to show it.



Employees want to make their own health insurance decisions, but most have just one or two group plans to choose from. **Employees want affordable health insurance that meets their needs**, yet premiums and out-of-pocket costs continue to rise year on year. Above all, employees want their insurance to provide peace of mind for themselves and their families, but their shared experiences tell a very different story.

The Take Command 2026 Employee Health Benefits Survey is a call to action for every employer that wants to make life better for their employees and their families. By moving from traditional group health insurance to an HRA, employers can help every employee access the care they need at a price they can afford. HRAs also deliver continuity of care: employees can stay on the same plan as long as they need and even take their coverage with them if they change jobs.

As well as building a healthier, happier workforce, employers can also make significant cost savings with an HRA. Insurance companies no longer dictate the cost of coverage; employers decide how much to contribute to their employees' health plans and whether to increase that amount each year. As a result, HRAs turn health benefits from a volatile expense into a valuable asset for attracting skilled employees and retaining top talent.