

# Know Your Benefits

## 5 Ways to Manage Your Health Care Costs in 2026

Health care costs, and consequently employee benefit costs, have been growing at an alarming rate in recent years, and they're not slowing down. Multiple national surveys indicate that health care spending is expected to rise by 7% to 9% this year. Much of the increase is driven by high costs to see health care providers, prescription drug inflation, and growing utilization of specialty drugs and chronic care services.

While rising costs may feel overwhelming, individuals still have meaningful ways to manage their spending, increase transparency and make smarter decisions about their health. This article offers five strategies to help you navigate and control your health care expenses in 2026.

### 1. Improve Your Health Care Literacy

One of the most powerful ways to manage costs is to increase your understanding of how health care works, including your plan design, benefits and financial responsibilities. Consumers consistently cite health care as one of the top pressures on their household budgets, even above food, rent and utilities. With premiums, deductibles and out-of-pocket costs continuing to rise, knowing how to navigate the system becomes essential.

The following tips can help improve your health care literacy:

- **Request health care materials.** Your health care provider likely has plenty of instructional materials. Ask for visual aids such as videos, diagrams or brochures to help you better digest information.
- **Prepare before visiting a health care provider.** List topics or concerns you would like to discuss and take notes during your appointment.
- **Ask questions and clarify any unclear details.** If something is unclear, don't hesitate to ask for

further explanation or have your provider repeat it in simpler language.

### 2. Make the Most of Your HSA or FSA

Health savings accounts (HSAs) and flexible spending accounts (FSAs) remain powerful tools for managing your out-of-pocket health care expenses. As costs rise in 2026 and, consequently, more expenses shift to employees through higher deductibles and greater cost-sharing, maximizing these tax-advantaged accounts is now more important than ever.

HSAs allow tax-free contributions, tax-free investment growth and tax-free withdrawals for qualified medical expenses. FSAs let you set aside pre-tax dollars to cover eligible medical, dental, vision and pharmacy costs within the plan year. Both can be used to cover copays, deductibles, prescriptions and other qualified health care expenses.

The following can help you get the most out of HSA benefits:

- **Estimate your annual medical spending** so you can contribute enough. HSAs typically roll over indefinitely, allowing unused funds to accumulate.
- **Use your HSA regularly for copays** to take advantage of tax-free withdrawals.
- **Check whether your HSA allows investing** so you can potentially grow excess funds over time.
- **Build an HSA reserve** to prepare for larger or unexpected medical expenses.

The following tips can help you get the most out of FSA benefits:

- **Plan contributions carefully** since FSAs generally must be used within the plan year.

- **Use your FSA funds before they expire.** Only a small amount may roll over (if your plan allows it).
- **Apply FSA dollars to eligible medical, dental, vision and pharmacy costs** throughout the year to avoid forfeiting unused funds.

### 3. Look for Drug Discounts and Lower-cost Medication

Prescription drug spending is one of the largest drivers of rising health care costs in 2026, particularly regarding specialty drugs, cancer treatments, and GLP-1 medications for weight loss and diabetes. Pharmacy inflation alone is outpacing overall health care inflation, and specialty drug use continues to climb.

Consider the following tips to save on prescriptions:

- **Compare pharmacies.** Prices can vary dramatically between retail, mail-order and hospital-owned pharmacies and online services.
- **Review manufacturer coupons and patient assistance programs.** These are especially helpful for high-cost specialty drugs.
- **Check for lower-cost formulary options in your health plan's pharmacy benefit structure.** Employers increasingly emphasize pharmacy management programs as a key cost-control strategy.

### 4. Use Preventive Care and Stay Ahead of Chronic Conditions

Preventive care is one of the easiest ways to stay healthy while keeping your out-of-pocket costs down. Many common services, such as annual checkups, routine labs, vaccinations, cancer screenings (e.g., mammograms or colonoscopies) and cardiometabolic screenings, are covered at no cost when you use an in-network provider. Taking advantage of these services can help catch issues early, support long-term health and reduce the risk of needing more expensive care later.

The following actions could lower your long-term costs:

- **Complete your annual physical.** Most plans cover yearly exams and routine blood work at no cost.
- **Stay current with recommended screenings, including cancer, cardiovascular, diabetes and mental health.** Early detection not only supports better long-term health outcomes but can also prevent costly complications down the road.

- **Manage chronic conditions proactively.** Discuss with your primary care provider how you can best manage any chronic conditions you have through treatment, regular monitoring and lifestyle changes. Staying on top of ongoing conditions can help prevent complications, reduce symptoms and keep your long-term health care costs down.
- **Take advantage of wellness programs.** Your employer may offer wellness resources at no cost, such as health coaching, fitness programs, stress-management tools or nutrition support. These offerings can help you build healthier habits and stay on top of your well-being.

### 5. Create a Personal Health Care Budget and Plan Ahead

With prices for medical services, insurance premiums and pharmacy therapies expected to continue rising, one of the best financial strategies for 2026 is to build a health care budget.

The following are tips for building an effective health care budget:

- **Identify your fixed health expenses,** including monthly premiums, routine copays, therapy costs and maintenance medications.
- **Estimate variable expenses,** including lab tests, specialist visits and urgent care needs.
- **Set aside funds** in advance, preferably through an HSA or FSA.
- **Compare plan options** carefully during open enrollment. With many employers increasing deductibles and implementing new plan models (like high-performance networks or variable copay plans), choosing the right plan can make a meaningful difference.
- **Track your yearly spending** to spot patterns or opportunities to save.

### Learn More

While rising health care costs in 2026 are unavoidable, they are not unmanageable. If you have more questions about using available resources to manage health care costs, reach out to your HR representative.