

2026 Global Medical Trends

Insurer perspective

Executive Summary

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Double-digit global medical increases projected to persist into 2026

The key factors influencing medical trend rates

AI in healthcare

Global medical trends by market

Call to action: Optimize your healthcare benefits and spend

About the survey



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Double-digit global medical increases projected to persist into 2026

Medical costs around the world are set to rise again in 2026, with a projected global average increase of 10.3%. According to the WTW Global Medical Trends Survey, this sustained surge underscores a broader pattern of rising healthcare expenses that continue to challenge insurers and employers worldwide.

Medical inflation remains highest in Asia Pacific, where cost increases are expected to reach 14% in 2026 up from 13.2% in 2025. Latin America is poised for the sharpest acceleration, jumping from 10.5% in 2025 to 11.9% in 2026. The Middle East & Africa region is also projected to see an acceleration, with trends reaching 11.3% in 2026. Compared to the sharp increases of Asia Pacific, Latin America and the Middle East and Africa, North America and Europe are forecast to see more modest increases of 9.2% and 8.2% in 2026, in line with expected 2025 trends.

These projections underscore a growing sense of concern among insurers, as 56% anticipate further increases in global medical cost trends and 55% expect these elevated levels to persist for more than three years. The data suggests that relief is unlikely in the near term. As insurers brace for prolonged cost pressures, identifying the key drivers behind these trends becomes critical for shaping effective responses.

High medical cost trends are driven by region-specific service pressures — such as pharmacy, outpatient, and professional services — alongside global structural factors like new medical technologies, pharmaceutical advancements, and condition-based factors such as rising cancer incidence, particularly among younger populations.



Figure 1: **Global medical trends (gross) 2024-2026, globally and by region**

	2024	2025 (expected)	2026 (projected)
Global†	9.5%	10.0%	10.3%
Latin America†	9.6%	10.5%	11.9%
North America	7.4%	9.4%	9.2%
Asia Pacific	11.8%	13.2%	14.0%
Europe†	9.4%	8.3%	8.2%
Middle East and Africa†	8.5%	10.3%	11.3%

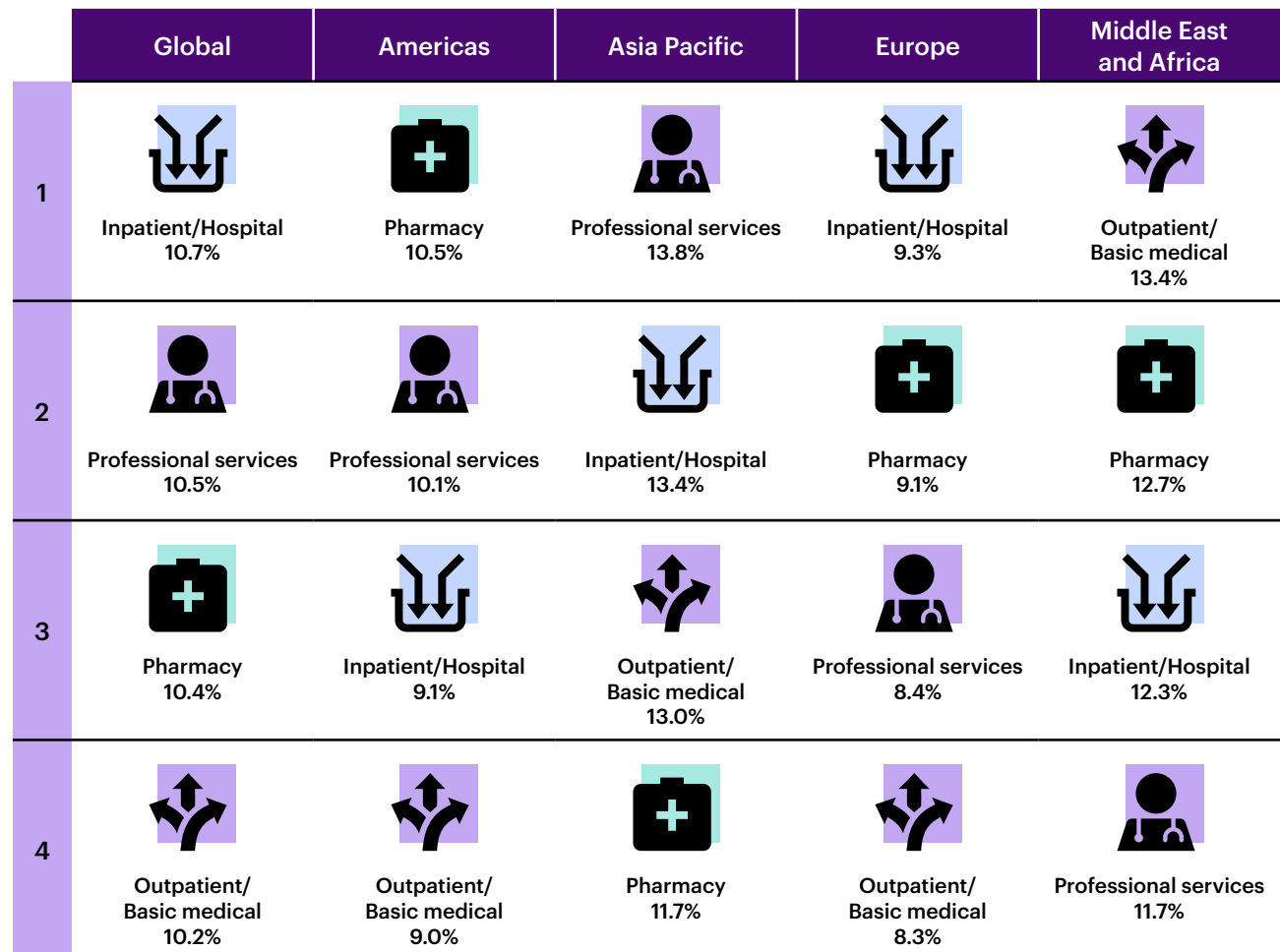
†Global, Latin America, Europe and Middle East and Africa numbers exclude Argentina, Turkey, Egypt, Nigeria and Zimbabwe (excluded due to volatile inflationary environments)

The key factors influencing medical trend rates

While the type of service driving trend varies by region, cost increases are being felt across all areas of care. In the Americas, pharmacy costs are expected to increase the most over the next year (Figure 2). Pharmacy trends are also high in Europe and the Middle East and Africa, but inpatient services are the top service driver in Europe and outpatient in the Middle East and Africa. In Asia, professional services — which include physician visits, therapeutic care, emergency services, imaging, labs, and anesthesia — are the fastest growing area in terms of cost.

Such wide regional variation points to broad-based increases across the globe. These regional variations suggest medical cost inflation is not isolated to one area of service but is affecting all aspects of healthcare.

Figure 2: Services driving medical trends (percentages are estimated means of expected change in cost per person over the next year)

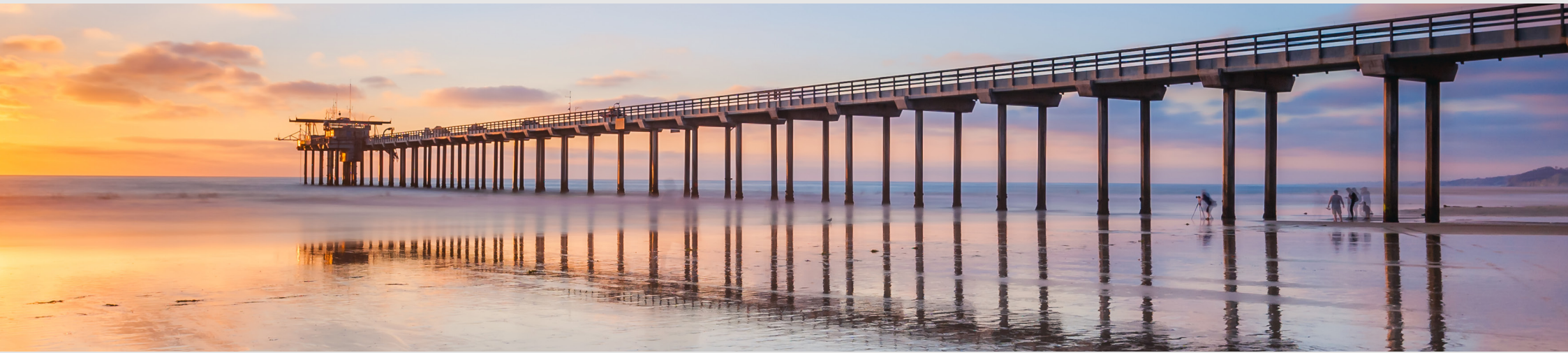


Persistent cost drivers reflect structural challenges across global healthcare systems.

The factors contributing to elevated medical cost trends remain largely unchanged, with new medical technologies continuing to lead globally — cited by 74% of insurers as the primary driver of costs (Figure 3). This is followed by the decline of public health systems (52%) and advancements in pharmaceuticals (49%), both of which reflect deeper systemic shifts in healthcare delivery and innovation. While fraud, waste and abuse rank fourth globally at 38%, it emerges as the top cost driver in the Middle East and Africa, where 79% of insurers identify it as a significant concern.

Figure 3: Factors driving medical trends

	Global	Americas	Asia Pacific	Europe	Middle East and Africa
1	New medical technologies	Advancements in pharmaceuticals	New medical technologies	New medical technologies	Fraud, waste and abuse
2	Decline of public health systems	New medical technologies	Advancements in pharmaceuticals	Decline of public health systems	New medical technologies
3	Advancements in pharmaceuticals	Little or no cost-sharing	Little or no cost-sharing	Advancements in pharmaceuticals	Provider/insurer consolidation
4	Fraud, waste and abuse	Employee demographics	Fraud, waste and abuse	Employee demographics	Supply chain disruptions, trade policies
5	Little or no cost-sharing	Decline of public health systems	Supply chain disruptions, trade policies	Fraud, waste and abuse	Decline of public health systems





Regional variations in the factors driving medical trends highlight the diversity of healthcare needs and systems.

In the Americas, pharmaceutical advancements are the leading factor driving costs, reported by 67% of insurers, and rank second in Asia Pacific at 63%. These figures are particularly relevant in the United States, where pharmaceutical costs are notably higher due to broader coverage of expensive therapies such as GLP-1 drugs — commonly used for diabetes and increasingly approved for obesity treatment. Coverage of GLP-1s for obesity is not common globally, where only two in five say it is covered in any of their plans; the Americas stand out where almost three in five (55%) say it is covered. However, 68% of insurers globally expect the use of GLP-1s will increase, particularly in the Americas (73%) and Europe (77%). Along with an increase in utilization, the costs associated with GLP-1s for obesity are expected to increase over the next three years.

In the past, social programs helped control the cost of care in Europe and Latin America, but consistent underfunding and other pressures have led to a decline in public health systems, particularly in Europe as treatments and their costs shift to private healthcare plans. The decline in public health systems is reported as a leading factor by three in four (76%) insurers in Europe, the highest of any region globally.

Cancer emerges as the leading condition driving medical claims costs globally. In nearly every region, cancer now stands as the fastest growing and most expensive diagnosis for insurers, cited by 57% globally. This trend is consistent in the Americas (69%), Asia Pacific (58%), and Europe (54%), where cancer is the fastest growing condition in terms of cost. In contrast, the Middle East and Africa report diabetes and metabolic diseases as the fastest growing conditions, with 66% of insurers naming these as the dominant cost factor, followed by cancer at 45%. Globally, cardiovascular conditions (50%) and behavioral health issues (37%) are also growing significantly, ranking second and third among the conditions driving medical claims costs.

The rising burden of cancer is not limited to older populations. Three-quarters of insurers have observed an increase in cancer incidence among individuals under the age of 40, aligning with broader epidemiological findings. Between 1990 and 2019, the global incidence of early-onset cancer rose by 79.1%, while early-onset cancer-related deaths increased by 27.7%¹, underscoring the growing impact of this condition on younger demographics and healthcare systems alike.

68% of insurers globally expect the use of GLP-1s will increase

¹ Zhao J, Xu L, Sun J, Song M, Wang L, Yuan S, Zhu Y, Wan Z, Larsson S, Tsilidis K, Dunlop M, Campbell H, Rudan I, Song P, Theodoratou E, Ding K, Li X. Global trends in incidence, death, burden and risk factors of early-onset cancer from 1990 to 2019. *BMJ Oncol.* 2023 Sep 5

AI in healthcare

Globally, the use of AI in healthcare programs is currently low with one in six (17%) insurers reporting they use it in a significant way. This is expected to double to 37% over the next two years, as many insurers look to incorporate these capabilities in their healthcare programs and activities. Current usage in healthcare delivery is focused on communication and plan administration, but AI capabilities are expected to increase across the board. The biggest AI investments are directed toward plan administration in most regions, but in the Middle East and Africa the biggest investments are toward wellbeing.

After an initial investment for implementation, AI is expected to reduce healthcare cost trends in the longer term.

After an initial investment for implementation, AI is expected to reduce healthcare cost trends in the longer term



Global medical trends by market

Figure 4: Global medical trends, by market

	Gross			Net [^]			Inflation rates (from IMF World Economic Outlook)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Global [†]	9.5	10.0	10.3	6.9	7.4	7.9	2.6	2.6	2.4
Latin America [†]	9.6	10.5	11.9	7.3	7.9	9.2	2.4	2.6	2.7
North America	7.4	9.4	9.2	4.5	6.4	6.7	2.9	2.9	2.4
Asia Pacific	11.8	13.2	14.0	9.2	11.0	11.6	2.5	2.2	2.4
Europe [†]	9.4	8.3	8.2	6.9	5.7	6.0	2.5	2.6	2.2
Middle East and Africa [†]	8.5	10.3	11.3	5.2	7.1	8.4	3.3	3.2	2.9
By market									
Latin America									
Argentina ^{**}	208.1	43.6	30.5	-11.8	7.6	16.0	219.9	35.9	14.5
Brazil ^{**}	11.7	11.1	11.0	7.3	5.8	6.7	4.4	5.3	4.3
Chile	4.2	5.0	5.7	0.3	0.6	2.5	3.9	4.4	3.2
Colombia ^{**}	10.0	10.1	9.5	3.4	5.4	6.4	6.6	4.7	3.1
Costa Rica ^{**}	11.7	10.4	11.5	12.1	8.3	8.5	-0.4	2.2	3.0
Ecuador	9.9	12.1	13.6	8.3	10.8	12.1	1.5	1.3	1.5
El Salvador	10.5	13.4	15.3	9.5	11.6	13.5	1.0	1.8	1.8
Guatemala	9.5	11.2	11.6	6.6	8.2	7.3	2.9	3.0	4.3
Honduras	8.6	10.4	11.4	4.0	5.6	7.2	4.6	4.7	4.2
Mexico	12.5	13.6	13.5	7.8	10.1	10.3	4.7	3.5	3.2
Nicaragua	4.5	6.5	9.0	-0.1	2.5	5.0	4.6	4.0	4.0
Panama	10.8	8.5	9.8	10.0	8.0	7.8	0.8	0.5	2.0
Peru ^{**}	6.7	7.5	9.0	4.3	5.8	7.1	2.4	1.7	1.9
Puerto Rico [*]	10.0	15.0	20.0	8.4	12.9	18.1	1.6	2.1	1.9
Trinidad and Tobago	10.0	10.0	10.0	9.5	8.7	8.0	0.5	1.3	2.0

[†]Global, Latin America, Europe and Middle East and Africa numbers exclude Argentina, Turkey, Egypt, Nigeria and Zimbabwe as outliers due to inflationary pressures.

[^]Net of general inflation

^{*}Countries where the trend was provided by WTW brokers.

^{**}Countries where the trend was provided by both insurers and WTW brokers; the final is an average of both.

Figure 4: **Global medical trends, by market**

	Gross			Net [^]			Inflation rates (from IMF World Economic Outlook)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
North America									
Canada	4.1	5.4	3.6	1.7	3.4	1.5	2.4	2.0	2.1
United States	7.6	9.7	9.6	4.7	6.7	7.2	3.0	3.0	2.5
Asia Pacific									
Australia	6.8	7.6	8.3	3.6	5.1	4.7	3.2	2.6	3.5
Azerbaijan**	4.8	8.5	11.0	2.6	2.8	6.5	2.2	5.7	4.5
Brunei	17.5	25.0	25.0	17.9	24.0	24.0	-0.4	1.0	1.0
China**	11.7	10.6	11.1	11.5	10.6	10.5	0.2	0.0	0.6
Hong Kong	10.3	9.7	9.9	8.5	7.8	7.7	1.7	1.9	2.2
India**	9.6	11.4	12.9	5.0	7.1	8.8	4.7	4.2	4.1
Indonesia**	12.8	16.9	15.1	10.5	15.2	12.6	2.3	1.7	2.5
Kazakhstan*	10.0	10.0	15.0	1.3	0.1	5.6	8.7	9.9	9.4
Malaysia**	11.7	13.9	15.7	9.9	11.5	13.4	1.8	2.4	2.2
New Zealand**	16.5	16.3	14.9	13.6	14.3	12.9	2.9	2.0	2.0
Pakistan**	22.5	18.5	20.0	-0.9	13.4	12.3	23.4	5.1	7.7
Papua New Guinea*	5.0	5.0	5.0	4.4	-0.5	0.4	0.6	5.5	4.6
Philippines**	17.0	14.3	16.1	13.8	11.7	13.2	3.2	2.6	2.9
Singapore**	12.3	15.5	16.9	9.9	14.1	15.4	2.4	1.3	1.5
South Korea**	12.6	15.0	13.5	10.3	13.1	11.7	2.3	1.8	1.8
Taiwan	12.7	13.3	16.7	10.5	11.6	15.1	2.2	1.8	1.6
Thailand	9.8	10.8	10.8	9.4	10.1	9.9	0.4	0.7	0.9
Vietnam**	10.3	10.6	12.3	6.7	7.7	9.8	3.6	2.9	2.5

[^]Net of general inflation

*Countries where the trend was provided by WTW brokers.

**Countries where the trend was provided by both insurers and WTW brokers; the final is an average of both.

Figure 4: **Global medical trends, by market**

	Gross			Net [^]			Inflation rates (from IMF World Economic Outlook)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Europe									
Armenia**	5.0	10.8	8.8	4.7	7.5	5.8	0.3	3.2	3.0
Austria	5.0	4.0	5.0	2.1	0.8	3.3	2.9	3.2	1.7
Belgium**	6.8	5.0	4.8	2.4	1.8	2.7	4.3	3.2	2.1
Bulgaria**	19.2	18.3	16.7	16.6	14.6	14.4	2.6	3.7	2.3
Cyprus	5.0	10.0	8.0	2.7	7.7	6.0	2.3	2.3	2.0
Denmark**	4.0	4.5	6.0	2.7	2.6	3.9	1.3	1.9	2.1
Finland*	10.0	15.0	10.0	9.0	13.0	8.0	1.0	2.0	2.0
France**	5.4	6.0	5.9	3.1	4.7	4.3	2.3	1.3	1.6
Georgia	10.8	12.4	13.6	9.7	8.8	10.4	1.1	3.6	3.2
Germany**	9.8	6.1	5.6	7.3	4.0	3.7	2.5	2.1	1.9
Greece**	7.8	7.5	7.7	4.8	5.1	5.6	3.0	2.4	2.1
Hungary**	14.5	11.2	8.4	10.8	6.3	4.9	3.7	4.9	3.6
Ireland**	9.8	7.9	7.3	8.4	6.0	5.6	1.3	1.9	1.7
Italy**	6.5	8.0	10.5	5.4	6.3	8.5	1.1	1.7	2.0
Latvia**	9.2	7.2	9.7	7.8	4.8	7.2	1.3	2.4	2.4
Lithuania**	9.1	7.2	9.9	8.2	3.8	7.1	0.9	3.5	2.8
Netherlands*	5.0	6.5	8.0	1.8	3.7	5.7	3.2	2.8	2.3
Norway**	12.0	10.5	8.1	8.8	7.9	5.9	3.1	2.6	2.2
Poland**	21.8	15.5	14.3	18.1	11.2	10.9	3.7	4.3	3.4
Portugal	12.2	7.6	6.6	9.5	5.7	4.5	2.7	1.9	2.1
Romania**	13.1	12.3	16.1	7.5	7.7	13.0	5.6	4.6	3.1
Serbia**	15.3	8.5	7.8	10.6	4.5	4.4	4.7	4.0	3.3

[^]Net of general inflation

*Countries where the trend was provided by WTW brokers.

**Countries where the trend was provided by both insurers and WTW brokers; the final is an average of both.

Figure 4: **Global medical trends, by market**

	Gross			Net [^]			Inflation rates (from IMF World Economic Outlook)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Europe									
Spain**	7.5	8.8	8.4	4.6	6.6	6.4	2.9	2.2	2.0
Sweden	3.0	3.0	5.0	1.0	0.9	3.0	2.0	2.1	2.0
Turkey**	73.5	48.6	36.7	15.0	12.7	13.9	58.5	35.9	22.8
United Kingdom	11.2	10.6	10.0	8.7	7.5	7.8	2.5	3.1	2.2
Middle East and Africa									
Algeria	10.0	8.0	8.0	6.0	4.3	4.4	4.0	3.7	3.6
Bahrain**	6.8	9.7	12.3	5.9	8.7	10.8	0.9	1.0	1.5
Benin**	10.8	21.7	20.8	9.7	19.5	18.8	1.2	2.2	2.0
Burkina Faso**	3.5	6.3	8.0	-0.7	3.3	5.5	4.2	3.0	2.5
Cameroon	19.3	22.0	25.3	14.8	18.6	22.3	4.5	3.4	3.0
Congo (Republic of)**	8.3	10.8	14.3	5.2	7.5	11.1	3.1	3.3	3.2
Cote d'Ivoire	18.2	14.7	15.8	14.7	11.7	13.6	3.5	3.0	2.2
Egypt**	30.6	29.7	28.1	-2.7	10.0	15.7	33.3	19.7	12.5
Eswatini	6.0	6.0	6.0	2.0	0.8	1.2	4.0	5.2	4.8
Ethiopia	10.0	15.0	25.0	-11.7	-6.5	12.8	21.7	21.5	12.2
Ghana**	19.8	16.0	16.8	-3.0	-1.2	7.4	22.9	17.2	9.4
Guinea*	1.0	1.0	2.0	-7.1	-2.5	-1.0	8.1	3.5	3.0
Iraq*	8.0	5.0	5.0	5.4	2.5	2.3	2.6	2.5	2.7
Jordan**	6.3	10.6	9.9	6.1	7.0	7.3	0.2	3.6	2.6
Kenya**	8.5	8.2	9.5	4.0	4.1	4.6	4.5	4.1	4.9
Kuwait*	3.5	6.3	5.0	0.6	3.8	2.8	2.9	2.5	2.2
Madagascar**	8.6	9.4	9.5	1.0	1.0	2.3	7.6	8.4	7.2

[^]Net of general inflation

*Countries where the trend was provided by WTW brokers.

**Countries where the trend was provided by both insurers and WTW brokers; the final is an average of both.

Figure 4: **Global medical trends, by market**

	Gross			Net [^]			Inflation rates (from IMF World Economic Outlook)		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Middle East and Africa									
Mauritius	10.0	15.0	15.0	6.4	11.4	11.4	3.6	3.6	3.6
Morocco*	5.0	5.0	6.0	4.1	2.8	3.7	0.9	2.2	2.3
Niger	5.5	10.8	18.5	-3.6	6.1	15.3	9.1	4.7	3.2
Nigeria**	41.0	53.5	57.5	7.8	27.0	20.5	33.2	26.5	37.0
Saudi Arabia	10.1	11.4	13.2	8.4	9.5	11.2	1.7	2.0	2.0
Senegal	10.0	10.0	5.0	9.2	8.0	3.0	0.8	2.0	2.0
Sierra Leone	20.0	27.5	35.0	-8.4	14.6	24.6	28.4	12.9	10.4
South Africa**	13.4	13.6	13.7	9.0	9.8	9.1	4.4	3.8	4.5
Tanzania	5.5	6.5	10.0	2.3	2.5	6.0	3.2	4.0	4.0
Togo	6.9	7.5	10.6	3.6	5.2	8.7	3.3	2.3	2.0
Uganda	10.0	9.0	10.0	6.7	4.8	5.3	3.3	4.2	4.7
Zambia	7.0	10.0	10.0	-8.0	-4.2	0.8	15.0	14.2	9.2
Zimbabwe	34.7	34.3	35.0	-701.4	-57.8	25.4	736.1	92.2	9.6

[^]Net of general inflation

*Countries where the trend was provided by WTW brokers.

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Call to action: Optimize your healthcare benefits and spend

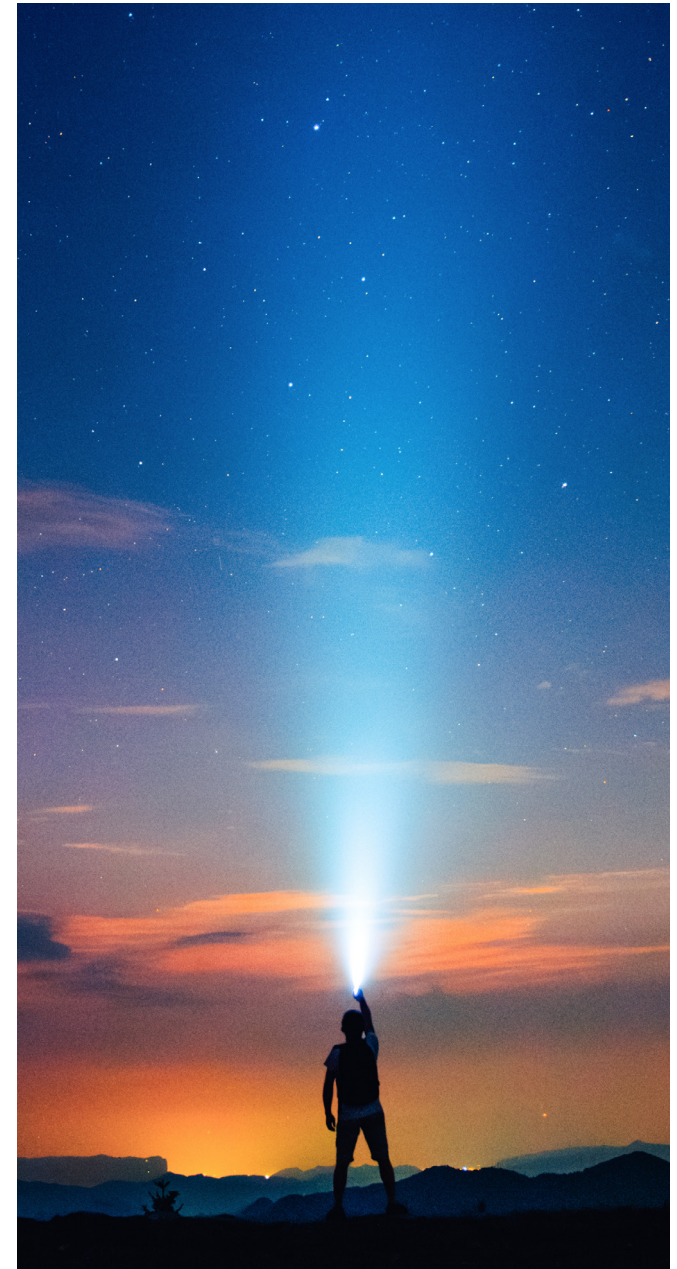
Rising medical costs continue to be a worldwide trend, despite the variance in healthcare landscapes by region. The challenge for multinational employers to navigate rising costs remains constant and requires strategic program management and budget forecasting to endure cost increases.

With many factors out of employers' control, some actions to take include:

- **Prioritize mental health:** ensure that mental health coverage is available through both insured and non-insured programs (i.e. IEAP, leave, etc.), expand digital mental health platforms, and optimize services/ resources for supporting the needs of the employee population
- **Spotlight cancer awareness and prevention:** provide screenings and preventative services (i.e. mammograms) to employees; drive educational campaigns
- **Introduce flexibility where possible:** include an element of flexibility into benefit programs, so that employees can utilize the benefits that they need

- **Consider employee cost share:** introduce co-pay or co-insurance design to incentivize more thoughtful medical spending and discourage excessing claiming
- **Invest in education and prevention:** Empower employees to use healthcare benefits wisely by offering targeted guidance on when and how to access services, emphasizing the importance of preventive care to improve overall health outcomes

With a partner like WTW, together we can develop the best strategies for your organization to combat the ever-present challenge of rising healthcare costs.





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About the survey

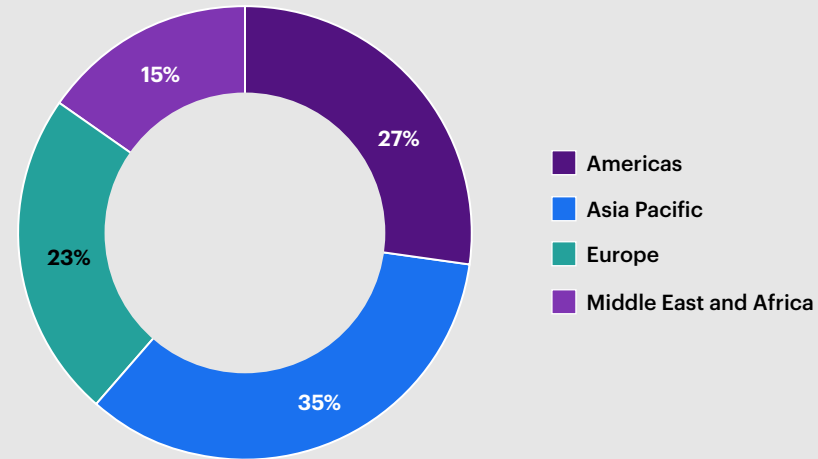
A total of 346 leading health insurers covering 82 countries participated in our survey, which was in field June through July 2025. Additionally, we received input for 54 countries from WTW brokers. The combined data covers 91 countries.

Where we have data from both insurers and brokers, the country trend is calculated by taking an average of the insurer and broker trends.

We use GDP per capita as the weighting factor for regional and global trend rates, to lessen the effect of market size and currency issues.

Note our global, Latin America, Europe and Middle East and Africa numbers exclude Argentina, Turkey, Egypt, Nigeria and Zimbabwe as the trend in these countries have been identified as outliers due to inflationary pressures.

Regional profile of respondents





About WTW

At WTW (NASDAQ: WTW), we provide data-driven, insight-led solutions in the areas of people, risk and capital. Leveraging the global view and local expertise of our colleagues serving 140 countries and markets, we help you sharpen your strategy, enhance organisational resilience, motivate your workforce and maximise performance. Working shoulder to shoulder with you, we uncover opportunities for sustainable success — and provide perspective that moves you. Learn more at wtwco.com.



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