Financial Health Pulse®

2023 U.S. Trends Report

Rising Financial Vulnerability in America

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About the U.S. Trends Report and Financial Health Pulse®

Since 2018, the U.S. Trends Report has used longitudinal probability-based surveys to document how financial health in the U.S. is changing over time and differs across consumers. The U.S. Trends Report is the annual report of the Financial Health Pulse® research initiative conducted by the Financial Health Network. The Financial Health Pulse combines survey data with administrative data, with the goal of providing regular updates and actionable insights about the financial lives of Americans.

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Executive Summary

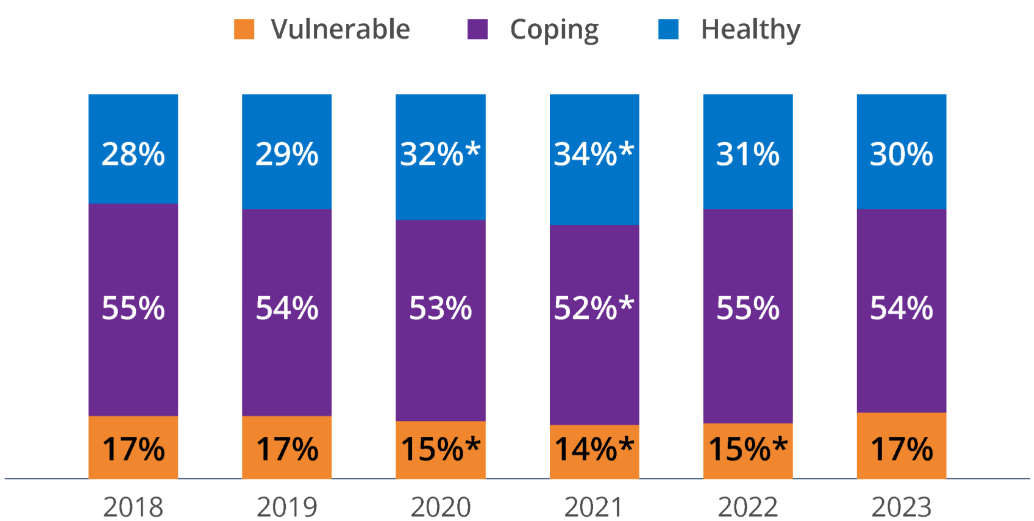
A Concerning Shift for U.S. Financial Health in 2023

After reaching a historic high in 2021, the 2023 U.S. Trends Report finds that the financial health of Americans has declined to pre-pandemic levels and some financial health disparities have widened over the past year. While the changes in financial health documented in last year's report were driven by a declining share of Financially Healthy Americans, this year's report reveals a new, concerning shift toward financial vulnerability – particularly among historically disadvantaged populations.

Between the spring of 2022 and the spring of 2023, the share of Financially Healthy Americans did not meaningfully change, but the share of Financially Vulnerable Americans increased to levels not seen since 2019.

Figure ES1. The share of Financially Vulnerable Americans has increased to pre-pandemic levels.

Percentage of people by financial health tier (2018-23).



*Note: * Statistically significant relative to 2023 ($p < 0.05$). Figures are rounded to the nearest integer, so they may not total 100%.*

Key Findings

The share of Financially Vulnerable Americans grew **to 17% in 2023 from 15% in 2022**.	**Black, Latinx, and younger Americans** disproportionately experienced an increase in financial vulnerability.	**47% of unbanked households** were Financially Vulnerable.	**Workers at businesses with less than 100 employees** were Financially Vulnerable twice as often as those working for businesses with 500 or more employees.

1. Increased Share of Financially Vulnerable Americans

The percentage of Financially Vulnerable Americans returned to pre-pandemic levels.

- 17% of Americans were Financially Vulnerable in 2023, an increase from 15% in 2022.
- The share of Americans who were Financially Healthy or Financially Coping did not meaningfully change over the last year.

2. Declines in 5 of 8 Financial Health Indicators

Declines were observed across all four pillars of financial health: Spend, Save, Borrow, and Plan.

- With about half (49%) of Americans spending less than their incomes, this indicator is the lowest it's been since we first began reporting on financial health in 2018.
- Three more indicators retreated to pre-pandemic levels: debt manageability, confidence in achieving long-term financial goals, and agreement that one's household is planning ahead.
- Short-term savings also declined relative to 2022, but still remained above pre-pandemic levels.
- The three remaining indicators did not change from their 2022 levels.

3. Widening Financial Health Gaps Across Race and Ethnicity

Black and Latinx Americans disproportionately experienced an increase in financial vulnerability.

- Between 2022 and 2023, the share of Black and Latinx Americans who were Financially Vulnerable increased by 6 and 7 percentage points, respectively, while there was no meaningful increase in the share of Financially Vulnerable Asian, White, or Multiracial people.

- Financial health gaps between Black and White Americans and between Latinx and White Americans grew over the past year.
- Black and Latinx Americans experienced growing challenges around borrowing and financial planning.

4. Widening Financial Health Gaps Across Age Groups

Younger Americans disproportionately experienced an increase in financial vulnerability.

- Increases in the share of Financially Vulnerable Americans were concentrated among people between the ages of 18 and 35.
- Financial health gaps between the youngest and oldest Americans widened over the past year.
- Americans aged 65 and older face distinct financial challenges around savings, with 44% reporting a lack of confidence in reaching their long-term financial goals and 24% reporting that they did not have enough savings to cover three months of expenses.

5. A First Look at Changes Across Demographic Groups

This year's report examines financial health by geographic region, household composition, and more.

- One out of 5 (20%) Americans living in Southern states were Financially Vulnerable, a higher share than in any other region of the United States.
- Single women were more often Financially Vulnerable than single men or those who were married or partnered.
- In 2023, those born in the U.S. were more often Financially Vulnerable than those born outside of the U.S., though the considerable variation in the lived experiences of immigrants requires deeper exploration.

6. Financial Health Is Intertwined With Financial Resources

Large financial health gaps are tied to key financial characteristics.

- Despite recent declines in the share of unbanked households, our findings highlight how critically important it is to continue focusing on those without access to bank accounts. Nearly half (47%) of unbanked Americans were Financially Vulnerable, four times the share of those with a bank account (11%).
- Our new measure of net worth shows that almost half (48%) of those who reported being in debt were Financially Vulnerable, compared with just 6% of those who reported having positive net worth – a staggering 800% difference.
- This pattern was mirrored in two key drivers of wealth generation – homeownership and entrepreneurship. Three out of 10 (30%) renters were Financially Vulnerable in 2023,

compared with just 9% of homeowners. Similarly, just 8% of entrepreneurs were Financially Vulnerable, compared with 15% of Americans who were not business owners.

7. Financial Health Is Related to Employment Experiences

Financial health varies depending on consumer experiences in the labor market.

- Two out of 5 (40%) unemployed Americans were Financially Vulnerable, compared with 14% of those who were employed and 15% of those who were not in the labor force.
- Those working at smaller businesses were more frequently Financially Vulnerable than those working for larger businesses. Workers at businesses with fewer than 100 employees were Financially Vulnerable twice as often as those working at businesses with 500 or more employees (18% versus 9%, respectively).

8. Large Financial Health Gaps Across Health

Financial health and health status are closely linked.

- Those who reported that their overall health was fair or poor were Financially Vulnerable six times more often than those with good or excellent overall health. There was a similar pattern between financial health and mental health.
- People with disabilities were more often Financially Vulnerable than those without disabilities.

A Call for Systems-Level Change

Our findings bring new urgency to the need to work toward financial health for all. The improvements in financial health observed in 2020 and 2021 have proven to be temporary. This return to pre-pandemic levels of financial health raises important questions about which aspects of our current economic situation have led to these declines and what we can do to reverse the trend. In addition, declining financial health among historically disadvantaged populations underscores the continued need to keep equity front of mind when developing products and policies to support financial health.

In line with the scope of the challenge posed by these findings, we intend this year's report to be a call to action to a wide variety of audiences, including financial service providers, employers, policymakers, and researchers at academic institutions and think tanks. It will take the collective efforts of stakeholders across sectors to enact system-level solutions that effectively and swiftly respond to the rise in financial vulnerability. This year's findings are a reminder that a focus on helping consumers become Financially Healthy should not divert attention from the circumstances of Americans who are Financially Vulnerable.

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Introduction

Following year-over-year increases in 2020 and 2021, in 2022, financial health declined for the first time in the history of the Financial Health Pulse®, though it remained above pre-pandemic levels.[1, 2, 3] Certain groups of Americans – often those from historically advantaged backgrounds – drove the declines between 2021 and 2022.[4] There was great concern about what direction financial health would trend in 2023.

Looking at the economic landscape over the last year, Americans have weathered an economy characterized by contradictions. Americans were buffeted between reports of mass layoffs on one hand and low unemployment rates on the other.[5, 6] While weekly earnings were higher than ever, Americans simultaneously dealt with elevated prices brought on by stubbornly high inflation.[7, 8] Over the last year, the volatile stock markets often reflected these economic contradictions.[9, 10] Given the erratic year, it is especially important to document how Americans' financial health fared in response to these economic forces.

The contradictions of the economic landscape over the past year could also have serious consequences for disparities in financial health. Climbing interest rates between 2022 and 2023 meant that Americans with savings could benefit from those higher rates, while consumers relying on debt to make ends meet could struggle to manage repayments.[11, 12, 13] And in the early months of 2023, the expiration of additional pandemic-era SNAP and Medicaid benefits, which helped many vulnerable Americans afford basic expenses like food and medicine, potentially contributed to, or even widened, financial health gaps.[14, 15]

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[1] Thea Garon, Andrew Dunn, Necati Celik, & Helen Robb, "U.S. Financial Health Pulse: 2020 Trends Report," Financial Health Network, October 2020.
[2] Andrew Dunn, Thea Garon, Necati Celik, & Jess McKay, "Financial Health Pulse: 2021 U.S. Trends Report," Financial Health Network, October 2021.
[3] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[4] Ibid.
[5] "Unemployment Rate (UNRATE)," U.S. Bureau of Labor Statistics, Federal Reserve Bank of St. Louis, last updated August 2023.
[6] Brian Bushard, "2023 Layoff Tracker: Cybersecurity Firm Rapid7 Cuts 470 Jobs," Forbes, August 2023.
[7] "12-month percentage change, Consumer Price Index, selected categories," U.S. Bureau of Labor Statistics.
[8] "Median usual weekly earnings of full-time wage and salary workers by sex," U.S. Bureau of Labor Statistics.
[9] "S&P 500 caps off dismal year with worst loss since 2008 financial crisis," CBS News, MoneyWatch, December 2022.
[10] Wayne Duggan, "August 2023 Stock Market Forecast," Forbes, Forbes Advisor, last updated August 2023.
[11] Taylor Tepper, "Federal Funds Rate History 1990 to 2023," Forbes, Forbes Advisor, last updated July 2023.
[12] "Federal Reserve focuses monetary policy on fighting inflation," U.S. Bank, July 2023.
[13] Rob Wile, "Federal Reserve raises interest rates to 16-year high as fight to tame inflation persists," NBC, NBC News, May 2023.
[14] Hannah Recht, "As Medicaid Purge Begins, 'Staggering Numbers' of Americans Lose Coverage," KFF, KFF Health News, June 2023.
[15] Lauren Hodges, "'Back to one meal a day': SNAP benefits drop as food prices climb," NPR, March 2023.

Thus, 2023 is a critical moment for financial health: Will financial health continue its downward trajectory, returning to pre-pandemic levels or worse? And what will happen to financial health disparities observed across demographic and socioeconomic groups?

The 2023 U.S. Trends Report documents the year-over-year changes in overall financial health and shows how consumer savings, spending, borrowing, and planning have changed since 2022. This report also investigates whether changes in financial health occurred among all Americans or only among certain groups. In doing so, we document where financial health gaps have widened in the past year.

We intend for this year's report to be a call to action to a wide variety of audiences. Financial institutions and employers may use the findings shared in this report as benchmarks for the financial health of their customers and employees. For both industry and policymaking audiences, our findings on financial health gaps can also help illuminate the continued need to develop products, services, and policies to support the financial health of specific populations. By documenting the close connections between financial health and other dimensions of economic insecurity, this report is also intended as a resource for researchers at academic institutions and think tanks as they contribute to the growing body of research on the financial lives of Americans. By speaking to a variety of audiences, this report underscores the necessity to engage in systemic solutions with stakeholders across industry, policy, government, and research to move the needle on financial health.

Methodology

2023 Financial Health Pulse Data

Now in its sixth year, the Financial Health Pulse survey was fielded between April 27, 2023 and June 11, 2023 to panelists of the University of Southern California's Understanding America Study (UAS), which is a nationally representative, probability-based internet panel. The UAS identifies respondents for its panel via address-based sampling and the Financial Health Pulse survey is fielded online to all participants with the exception of those oversampled from Los Angeles County.[16, 17]

[16] In 2018, the Financial Health Pulse survey was not fielded to the UAS panel's Spanish-speaking respondents. In years since, the survey has been translated into Spanish and fielded to this group.

[17] A risk of using an internet-based panel is that not all respondents have access to the internet or a device with internet access and some may be less comfortable using computers. UAS offers a tablet with internet access to panelists to mitigate response bias from internet usage. In our 2023 survey, about 3% of respondents received a tablet and internet access from UAS, which is less than the percentage of households without internet access (10%) (see ACS 2021).

In 2023, the Financial Health Pulse survey had a response rate of 69.38%, with 8,655 respondents in total.[18] The median respondent completed the Financial Health Pulse survey in 21 minutes. All respondents received a $15 incentive for their participation in the survey.

We compare our 2023 findings with Pulse surveys from prior years, which all relied on data collected from the UAS panel. Table 1 provides the field dates, number of respondents, cooperation rate, and margin of error for each annual survey.

Table 1. Dates and sample sizes of Financial Health Pulse surveys (2018-23).

Year	Survey dates	Number of respondents	Cooperation rate	Margin of error
2023	April 27-June 11	8,655	69.38%	± 1.05%
2022	April 13-May 15	6,595	70.71%	± 1.21%
2021	April 22-May 22	6,403	71.84%	± 1.23%
2020	April 20-May 7	6,570	77.14%	± 1.21%
2019	April 17-June 15	5,424	79.16%	± 1.33%
2018	April 26-July 4	5,019	82.93%	± 1.38%

Note: Cooperation rate is the percentage of panelists who started the survey out of those invited.

Our analytic sample was restricted to 8,264 respondents whose data could be weighted (please see more details on weighting below), who answered our eight financial health questions, spent at least five minutes responding to the survey, and answered at least half of the survey questions.[19] Item non-response in the Financial Health Pulse Survey is low. As such, we did not implement imputation techniques, but we report the number and percentage of missing respondents for measures of demographic and socioeconomic characteristics in table notes.

The Financial Health Pulse survey contains questions about respondents' financial health, specifically focusing on their spending, saving, borrowing, and financial planning. It also collects detailed

[18] The 2023 Financial Health Pulse survey has a lower cooperation rate than previous years, in part because the UAS panel was expanded from 10,000 panelists to over 12,000.

[19] About 2% of respondents (N = 178) were removed from the sample because they completed the survey in less than five minutes or because they did not answer over half of the survey questions. Another 2% (N = 194) were removed from the sample because they could not be weighted. And finally, the less than 1% (N = 19) of respondents who did not answer at least one of the financial health questions were also omitted from the analytic sample.

information on their income, demographic characteristics, experiences with inflation, changes in employment, and the types of accounts held. Our analysis occasionally relies on data collected from other surveys the panelists complete, including information on household income, country of birth, and household composition.[20]

Financial Health Framework

This report focuses on an individual's financial health, a composite framework that considers multiple facets of household finances.

Figure 1. 8 indicators of financial health.

Calculating FinHealth Scores®

The Financial Health Network developed the FinHealth Score® to provide researchers and stakeholders with a standard metric to understand the financial lives of Americans. The FinHealth Score relies on eight survey questions, two for each financial health pillar: Spend, Save, Borrow, and Plan (Figure 1). Responses to these questions are used to calculate the FinHealth Score by first assigning scores to the item responses for each of the eight indicators of financial health and then averaging across all eight indicators.[21]

[20] This information was collected from respondents in surveys fielded between January 30, 2023, and June 11, 2023.
[21] Please see the [FinHealth Score methodology webpage](#) for more information on how the score was designed. In 2023, 0.76% of the sample had missing values for their FinHealth Score because they had not answered one or more of the eight financial health indicator questions.

FinHealth Scores range from 0 to 100 and are used to categorize respondents into three financial health tiers. Respondents with scores between 0 and 39 are considered "Financially Vulnerable," and represent consumers struggling with almost all aspects of their financial lives. Those with scores between 40 and 79 are defined as being "Financially Coping," meaning that they struggle with some aspects of their financial lives. Finally, those who scored between 80 and 100 are considered "Financially Healthy."[22] People are considered Financially Healthy when they spend, save, borrow, and plan in ways that enable them to be resilient in the face of setbacks and pursue opportunities to thrive.

In this report, we investigate how FinHealth Scores vary across a number of different demographic and socioeconomic groups. Please see Appendix A for definitions of each of these groups.

Explanation of Methods Used

All findings presented in this report are descriptive statistics. All differences we describe in the text of this report are statistically significant with at least a 95% confidence level. In tables and figures, we denote statistically significant differences across years with an asterisk. We also report on statistically significant differences in Financial Health across different populations in 2023, but, with a few exceptions, do not denote these differences with a symbol in the table or figures. Percentages are rounded to the nearest integer; as a result, not all may sum to 100%.

Our analyses were conducted using survey weights developed from the U.S. Census Current Population Survey benchmarks so that the data are representative of the non-institutionalized adult population of the United States.[23] Weights are applied in all analyses presented in this report.

Throughout this report, we seek to succinctly present a comprehensive and nuanced picture of the financial health of Americans. This means that we will sometimes report on the changes in the share of Americans who fall in each tier of financial health, and in other sections we may focus on the changes in the share who are Financially Vulnerable. Even in instances when we do not discuss all three tiers in the text of the report, the tables show results for our three financial health tiers.

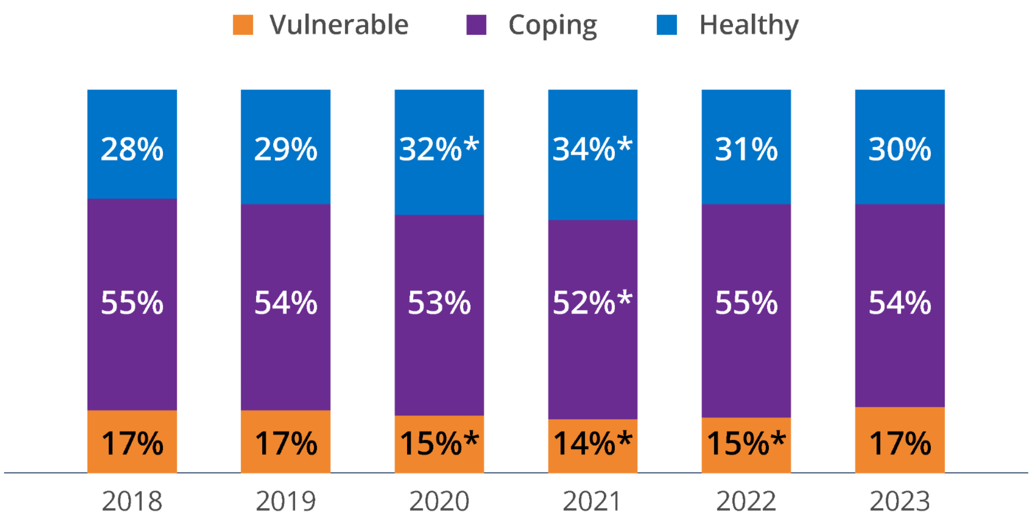
[22] Please visit the FinHealth Score methodology webpage for more information.
[23] Weighting factors used were gender, race/ethnicity, age, education, and Census region.

The State of U.S. Financial Health in 2023

The past year was marked by complex economic changes, including rising interest rates, stubbornly high inflation, record-high earnings, record-low unemployment, the expiration of some pandemic-era benefits, and a volatile stock market. In the midst of these changes, the share of Americans considered Financially Vulnerable increased in 2023 to levels last observed in 2019 (Figure 2).

Figure 2. The share of Americans considered Financially Vulnerable increased to pre-pandemic levels.

Percentage of people categorized by financial health tier (2018-23).



*Note: * Statistically significant relative to 2023 ($p < 0.05$). Figures are rounded to the nearest integer, so they may not total 100%.*

Seventeen percent of Americans, or 43 million people, were considered Financially Vulnerable in 2023, an increase of 2 percentage points or 5 million people from only the year before.[24, 25] In contrast, the share of Americans considered Financially Healthy or Financially Coping remained relatively unchanged from 2022 and comparable to pre-pandemic levels.[26]

[24] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[25] Calculated from subtracting the number who were Financially Vulnerable in 2022 from the number Financially Vulnerable in 2023 among those 18 and older as reported in 2021 ACS 5-Year Estimates.
[26] Although there was a decline between 2022 and 2023 in the share of Americans who were Financially Coping or Financially Healthy, this decrease was not statistically significant.

Mirroring the increase observed in overall financial vulnerability, five of the eight financial health indicators worsened between 2022 and 2023: spending less than income, liquid savings, confidence in long-term goals, debt manageability, and planning ahead financially (Table 2).[27]

Table 2. 5 of the 8 financial health indicators declined between 2022 and 2023.
Percentage of people with positive responses for each financial health indicator (2018-23).

Financial health indicator	2018	2019	2020	2021	2022	2023
Spending less than income	53%*	54%*	58%*	57%*	51%*	49%
Pay all bills on time	65%*	67%*	66%*	72%	71%	71%
Have enough savings to cover at least three months of living expenses	55%*	54%*	57%	62%*	59%*	57%
Are confident they are on track to meet long-term financial goals	40%	40%	41%*	43%*	41%*	39%
Have a manageable amount of debt or no debt	70%	70%	72%	75%*	74%*	71%
Have a prime credit score	67%*	66%*	67%*	70%	71%	70%
Are confident their insurance policies will cover them in an emergency	61%*	58%	60%*	59%	57%	59%
Agree with the statement: "My household plans ahead financially."	60%	60%	63%*	62%*	62%*	59%

*Note: * Statistically significant relative to 2023 ($p < 0.05$).*

[27] Unlike financial health, there is less consensus on what the appropriate indicator is for financial vulnerability. Thus, throughout this report, we document the percentages of people who are meeting the threshold for the Financially Healthy end of the scale of each of our financial health indicators (e.g., having at least three months of expenses saved). Developing consistent indicators of vulnerability and building consensus around those indicators could be important for industry stakeholders and policymakers to chart the impact of products and policies.

An Indicator at a Six-Year Low

One indicator – **spending relative to income** – continued a three-year slide to reach levels even lower than those reported in 2019.[28, 29, 30, 31] Although earnings increased over the past year, some consumers had less money coming in due to the end of expanded benefits through Medicaid and SNAP.[32, 33] Meanwhile, inflation made essentials like food and rent more expensive, and higher interest rates increased the cost of revolving credit card balances, potentially contributing to higher spending relative to income.[34, 35]

Indicators Retreating to Pre-Pandemic Levels

In 2023, three indicators retreated to lower, pre-pandemic levels: **debt manageability**, **confidence in achieving long-term financial goals**, and **agreement that one's household is planning ahead**. In part, this may be due to increasing interest rates, which have made some debt, especially credit card debt, more expensive.[36] Similarly, the rising cost of new borrowing for mortgages, auto loans, and business loans may have derailed people's long-term home, car, and business ownership goals. In addition, inflation – which had cooled prior to the survey but was still higher than prior to the pandemic – makes it difficult to protect the value of long-term savings.[37]

Indicators Still Above Pre-Pandemic Levels

In 2023, three financial health indicators – **on-time bill payment**, **short-term savings**, and **self-rated credit health** – were at higher levels than prior to the pandemic. Two of them – self-rated credit health and on-time bill payment – increased in 2021 and have not yet declined. A third –

[28] Thea Garon, Andrew Dunn, Necati Celik, & Helen Robb, "U.S. Financial Health Pulse: 2020 Trends Report," Financial Health Network, October 2020.
[29] Andrew Dunn, Thea Garon, Necati Celik, & Jess McKay, "Financial Health Pulse: 2021 U.S. Trends Report," Financial Health Network, October 2021.
[30] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[31] In prior years' Trends Reports, we have reported the percentage of people spending less than or equal to their income. This proportion also decreased between 2022 and 2023 from 80% to 78%.
[32] Deepa Shivaram, "The expanded child tax credit expires Friday after Congress failed to renew it," NPR, December 2021.
[33] "Median usual weekly earnings of full-time wage and salary workers by sex," U.S. Bureau of Labor Statistics.
[34] Martin Almuzara, Babur Kocaoglu, & Argia Sbordone, "MCT Update: Inflation Persistence Continued to Decline in March," Federal Reserve Bank of New York, Liberty Street Economics, May 2023.
[35] Meghan Greene, Wanjira Chege, MK Falgout, & Necati Celik, "FinHealth Spend Report 2023: U.S. Household Spending on Financial Services Amid Historic Inflation and an Uncertain Economy," Financial Health Network, June 2023.
[36] Tara Siegel Bernard, "What Higher Interest Rates Mean for Mortgages, Credit Cards and More," The New York Times, June 2023.
[37] "S&P 500 (^GSPC)," Yahoo, Yahoo Finance.

short-term savings – worsened in 2022 and 2023, but was still at higher levels than prior to the pandemic.

The higher levels observed among these three indicators may reflect the lingering benefits of a reduction in consumer spending and increased government assistance during the pandemic, despite high interest rates and other economic factors in 2023.[38, 39] However, the declines in other indicators, such as debt manageability and spending relative to income, may portend serious challenges in the future for on-time bill payment, short-term savings, and self-rated credit health.[40, 41]

The Financial Health of Demographic Groups

The next section documents financial health gaps across demographic groups as they appear in 2023. For groups we have been collecting data on for multiple years, we also report on changes in financial health status and changes in financial health gaps between 2022 and 2023. By disaggregating financial health across demographic groups, we can identify the populations that current policies and products are leaving behind and build toward more inclusive systems in the future.

U.S. Financial Health by Race and Ethnicity

As in prior years, we observed considerable disparities in financial health across race and ethnicity in 2023, reflecting generations of inequality rooted in discriminatory housing and employment practices and racialized access to credit and assets.[42, 43, 44, 45, 46] In 2023, over a quarter of Black Americans (28%) were Financially Vulnerable, considerably more than any other racial and ethnic group. About 1 in 5 Latinx people and people who selected multiple races or ethnicities (21% and 22%, respectively) were Financially Vulnerable, higher than the share of Asian and White Americans

[38] Hamza Abdelrahman & Luiz E. Oliveira, "The Rise and Fall of Pandemic Excess Savings," Federal Reserve Bank of San Francisco, FRBSF Economic Letter, May 2023.
[39] David Tinsley, Anna Zhou, Taylor Bowley, & Liz Everett Krisberg, "Shifting gears, but still going forward," Bank of America Institute, Consumer Checkpoint, March 2023.
[40] Andrew Haughwout et al., "Younger Borrowers Are Struggling with Credit Card and Auto Loan Payments," Federal Reserve Bank of New York, Liberty Street Economics, February 2023.
[41] Melinda Zabritski, "State of the Automotive Finance Market Q4 2022," Experian, March 2023.
[42] Andrew Dunn, Thea Garon, Necati Celik, & Jess McKay, "Financial Health Pulse: 2021 U.S. Trends Report," Financial Health Network, October 2021.
[43] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[44] Michael S. Gutter & Angela Fontes, "Racial Differences in Risky Asset Ownership: A Two-Stage Model of the Investment Decision-Making Process," Journal of Financial Counseling and Planning, 2006.
[45] Alexandra Killewald, "Return to Being Black, Living in the Red: A Race Gap in Wealth That Goes Beyond Social Origins," Demography, May 2013.
[46] Jennifer C. Lee & Samuel Kye, "Racialized Assimilation of Asian Americans," Annual Review of Sociology, May 2016.

considered Financially Vulnerable (7% and 13%, respectively).[47] In contrast, Asian and White Americans were more often Financially Healthy (42% and 35%, respectively) than those who identified as Black, Latinx, or selected multiple races and ethnicities (13%, 18%, and 24%, respectively).

Between 2022 and 2023, the overall shift toward financial vulnerability was driven by increases in the share of Black and Latinx Americans considered Financially Vulnerable. Specifically, the share of Black people who were Financially Vulnerable rose 6 percentage points year-over-year (Table 3). Similarly, the share of Latinx people categorized as Financially Vulnerable increased 7 percentage points (from 14% to 21%) and the share categorized as Financially Healthy declined 5 percentage points between 2022 and 2023 (from 23% to 18%). In contrast, all tiers of financial health remained relatively unchanged between 2022 and 2023 for Americans who identified as Asian, White, or selected multiple racial and ethnic categories.

Table 3. Black and Latinx Americans became increasingly Vulnerable relative to White people between 2022 and 2023.

Percentages of racial and ethnic groups categorized by financial health tier.

	Asian		Black		Latinx		White		Multiracial	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Healthy	44%	42%	15%	13%	23%	18%*	35%	35%	27%	24%
Coping	50%	50%	64%	59%	62%	61%	51%	51%	55%	54%
Vulnerable	5%	7%	22%	28%*	14%	21%*	14%	13%	18%	22%

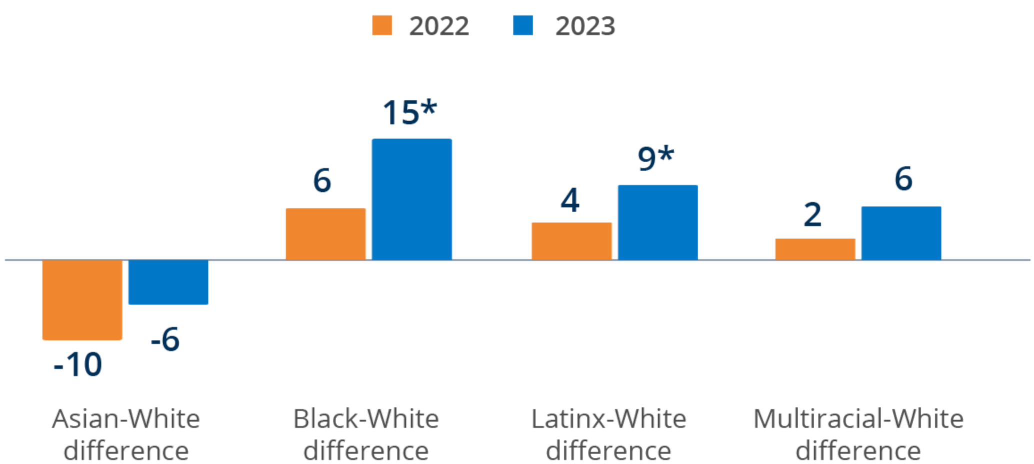
*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 582 respondents were Asian, 769 were Black, 901 were Latinx, 5,180 were White, and 588 selected multiple races or ethnicities. There were also 230 (2.8%) respondents who selected "Other" when asked for their race and ethnicity. Given small cell sizes, this group was omitted from these analyses. An additional 14 respondents (0.17%) did not report their race or ethnicity, so they were not included in this analysis. In 2022, 360 respondents were Asian, 484 were Black, 727 were Latinx, 4,268 were White, and 356 selected multiple races or ethnicities. Figures are rounded to the nearest integer, so they may not total 100%.*

[47] Please see Appendix A for more detail on how we identified multiracial respondents.

These changes translate to a growing Black-White and Latinx-White gap in financial health, as the difference between the share of Black people who were Financially Vulnerable and the share of Financially Vulnerable White people grew between 2022 and 2023 (Figure 3). We find the same pattern when comparing Latinx individuals with White people. This means that the financial circumstances of Black and Latinx Americans grew worse relative to White people over the last year.

Figure 3. Black and Latinx Americans became increasingly Vulnerable relative to White people between 2022 and 2023.

Percentage-point change in share of Financially Vulnerable racial and ethnic groups relative to White people by year.



*Note: * Statistically significant relative to 2022 (p < 0.05). In 2023, 582 respondents were Asian, 769 were Black, 901 were Latinx, 5,180 were White, and 588 selected multiple races or ethnicities. There were also 230 (2.8%) respondents who selected "Other" when asked for their race and ethnicity. Given small cell sizes, this group was omitted from these analyses. An additional 14 respondents (0.17%) did not report their race or ethnicity, so they were not included in this analysis. In 2022, 360 respondents were Asian, 484 were Black, 727 were Latinx, 4,268 were White, and 356 selected multiple races or ethnicities.*

Year-over-year declines in financial health indicators around borrowing and financial planning offer some explanations for the widening financial health gaps between Black and White Americans as well as Latinx and White Americans (Table B1). Between 2022 and 2023, the share of Black and Latinx people who had a manageable amount of debt and who agreed that their household planned ahead financially decreased. In addition, a declining share of Latinx Americans reported a prime credit score. In part, these declines in financial health may be related to interest rates, since a greater share of Black and Latinx households carry a balance on their credit card and more often hold unsecured installment loans with high interest rates.[48] High interest rates may contribute to declining debt manageability, eroding both credit scores and the ability to plan ahead financially.

In addition, a growing share of Black and Latinx people used high-cost alternative credit products in the past year, which may also contribute to the declines in debt manageability and financial planning experienced by these groups.[49] Stakeholders invested in reversing these widening gaps in financial health may wish to prioritize their energies toward supporting borrowing and financial planning.

U.S. Financial Health by Age

Prior Trends Reports showed that older Americans were less frequently Financially Vulnerable and more often Financially Healthy than younger Americans.[50] In 2023, we observe a similar pattern. For instance, only 6% of those who were 65 and older were Financially Vulnerable, compared with roughly 2 out of 10 Americans in younger age groups. And nearly half (49%) of Americans aged 65 and older were Financially Healthy, a far greater proportion than Americans in younger age groups.

Over the past year, a growing share of the youngest Americans were Financially Vulnerable, while there was no change among older Americans (Table 4). The share of Financially Vulnerable people aged 18 to 25 and 26 to 35 increased over the past year to pre-pandemic levels (from 12% to 19% and 17% to 24%, respectively). In contrast, the share of people aged 36 to 49, 50 to 64, and 65 and over who were Financially Vulnerable did not change meaningfully.

Table 4. Financial health disparities widened between the youngest and oldest Americans.
Percentage of people categorized by age and financial health tier.

	18-25		26-35		36-49		50-64		65+	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Healthy	24%	17%*	23%	21%	24%	22%	28%	30%	49%	49%
Coping	64%	64%	59%	54%*	58%	58%	55%	54%	44%	45%
Vulnerable	12%	19%*	17%	24%*	18%	20%	17%	16%	7%	6%

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 391 respondents were between the ages of 18 and 25, 1,216 were aged 26 to 35, 2,206 were aged 36 to 49, 2,365 were 50 to 64 years old, and 2,074 were aged 65 and*

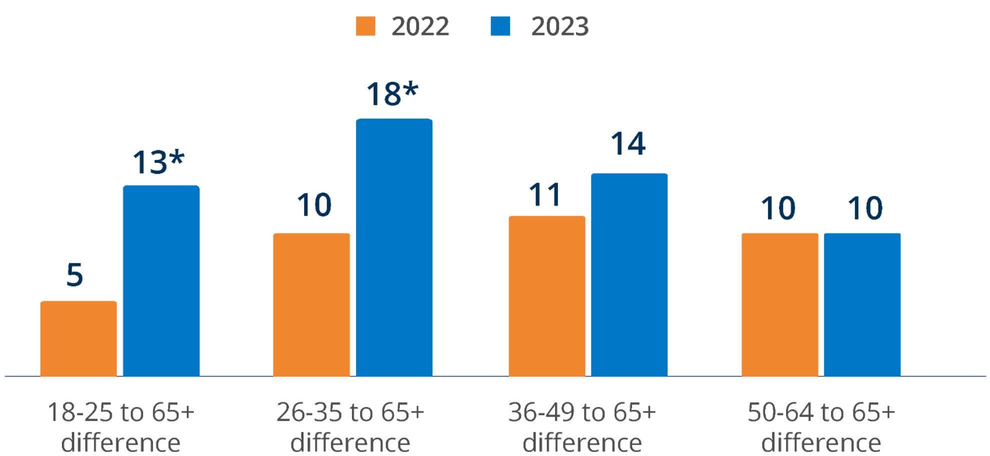
[48] Meghan Greene, Wanjira Chege, MK Falgout, & Necati Celik, "FinHealth Spend Report 2023: U.S. Household Spending on Financial Services Amid Historic Inflation and an Uncertain Economy," Financial Health Network, June 2023.
[49] Ibid.
[50] Thea Garon, Andrew Dunn, Necati Celik, & Helen Robb, "U.S. Financial Health Pulse: 2020 Trends Report," Financial Health Network, October 2020.

older. An additional 12 respondents (0.12%) did not report their age, so they are not included in this analysis. In 2022, 253 respondents were aged 18 to 25, 853 were 26 to 35 years old, 1,668 were aged 26 to 49, 1,900 were aged 50 to 64, and 1,723 were 65 and older. Figures are rounded to the nearest integer, so they may not total 100%.

These changes led to growing disparities in financial health between the oldest and youngest Americans (Figure 4). Between 2022 and 2023, the share of 18- to 25-year-olds and 26- to 35-year-olds who were considered Financially Vulnerable increased relative to the share of Americans aged 65 and older who were Financially Vulnerable. These growing financial health gaps across age groups show that the financial lives of young people are increasingly precarious relative to older Americans.

Figure 4. There were growing financial health disparities between the youngest and oldest age groups.

Percentage-point change in share of Financially Vulnerable relative to people aged 65 and older by age and year.



*Note: * Statistically significant relative to 2022 (p < 0.05). In 2023, 391 respondents were between the ages of 18 and 25, 1,216 were aged 26 to 35, 2,206 were aged 36 to 49, 2,365 were 50 to 64 years old, and 2,074 were aged 65 and older. An additional 12 respondents (0.12%) did not report their age, so they are not included in this analysis. In 2022, 253 respondents were aged 18 to 25, 853 were 26 to 35 years old, 1,668 were aged 26 to 49, 1,900 were aged 50 to 64, and 1,723 were 65 and older.*

This was driven by growing difficulties around spending, borrowing, and planning. The share of 18- to 25-year-olds who reported having a prime credit score or agreed that they plan ahead financially declined. Similarly, the trend toward vulnerability among 26- to 35-year-olds is driven by a decrease in the share who reported being able to pay their bills on time and holding a manageable amount of debt. Recent findings show the disproportionately high reliance on high-cost loan products among those aged 18 to 44, potentially inflating spending and debt and compromising young Americans' long-term planning.[51] As young people enter adulthood and become financially independent, they could benefit from products and services that support their ability to spend, borrow, and plan, establishing financial health both in the moment and for the rest of their lives.

As much as the growing vulnerability of younger Americans deserves attention, this should not detract from the unique financial challenges of older Americans. In 2023, 4 out of 10 (44%) Americans aged 65 and older were not confident that they were on track to meet their long-term financial goals. And almost a quarter (24%) did not have enough savings to cover at least three months of living expenses.[52] Although savings concerns are an issue for a smaller share of older Americans than for younger Americans, those aged 65 and older face distinct barriers to accruing savings. For instance, among other challenges, older Americans face barriers to employment in the form of ageism, which limit their income streams.[53] In addition, older Americans have less time to accumulate savings and wealth than those who are younger. With limited products and services aimed at supporting the savings of this age group, financial vulnerability among older Americans is particularly intractable. We are thus concerned not only by the worsening financial health of younger Americans, but also by the paucity of financial services and products that are designed to serve older Americans with limited financial means.[54]

U.S. Financial Health by Household Composition

Prior research consistently shows that single women face greater financial challenges compared with married or partnered individuals and single men.[55, 56, 57] This is consistent with the view that financial health is experienced collectively by an entire household and not uniquely by each individual in a household. To align our approach with this research, we report on the relationship between household composition and financial health in 2023 by categorizing respondents into three groups: single women, single men, and married or partnered individuals.

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51 "Economic Well-Being of U.S. Households in 2022," Board of Governors of the Federal Reserve System, May 2023.
52 Dissavings is typically expected to occur among older consumers, but our findings raise concerns that some older Americans may not have enough savings to get by. Eric French, John Bailey Jones, & Rory McGee, "Savings After Retirement," Federal Reserve Bank of Richmond, Working Paper Series, December 2022.
53 Jennifer Schramm, "An Aging Labor Force and the Challenges of 65+ Jobseekers," AARP Public Policy Institute, September 2018.
54 Andrew Dunn, Karen Andres, & Eric Wilson, "Redesigning the Financial Roadmap for the LMI 50+ Segment: New Challenges and Opportunities," Financial Health Network, February 2019.
55 Meghan Greene, "The Gender Gap in Financial Health: Identifying Barriers and Opportunities for Improving Women's Financial Health," Financial Health Network, July 2022.
56 Augusta Saraiva, "Single Women Lag in Pay, Education as Workforce Shifts From '90s," Bloomberg, October 2021.
57 Kate Bahn & Christian E. Weller, "Single Women Face the Greatest Risk and Economic Insecurity," Center for American Progress, April 2017.

In 2023, single women were more frequently Financially Vulnerable than either single men or those who were married or partnered (22% versus 17% and 15%, respectively) (Table 5). In addition, single women were less frequently Financially Healthy compared with single men and married or partnered individuals (19% versus 28% and 33%, respectively). Single women were also more often Financially Coping than married or partnered individuals (58% versus 52%, respectively).

Table 5. The share of single women and married or partnered individuals who were Financially Vulnerable increased.

Percentage of people categorized by household composition and financial health tier.

	Single women		Single men		Married or partnered individuals	
	2022	2023	2022	2023	2022	2023
Healthy	19%	19%	27%	28%	35%	33%
Coping	62%	58%	56%	56%	52%	52%
Vulnerable	19%	22%*	16%	17%	13%	15%*

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 2,037 respondents were single women, 939 respondents were single men, and 5,285 were married or partnered individuals. In 2022, 1,480 respondents were single women, 722 were single men, and 4,202 were married or partnered individuals. Figures are rounded to the nearest integer, so they may not total 100%.*

Between 2022 and 2023, we found that the percentage of single women and married or partnered individuals considered Financially Vulnerable increased. In particular, there was a 3 percentage point increase for single women (19% to 22%) and a 2 percentage point increase for married or partnered individuals (13% to 15%). Meanwhile, there were not any meaningful changes in the share of Financially Vulnerable, Coping, or Healthy single men.

The increase in financial vulnerability among married or partnered individuals can be attributed to a decline in the share of those whose spending was less than their income, who had confidence they were on track to meet long-term financial goals, or who agreed their household planned ahead financially. We also saw a decline in the share of single women who agreed that their household plans ahead financially. Previous research showed that single women were disproportionately impacted by recent economic factors such as inflation, interest rates, employment rates, earning power, and increased debt levels, and it appears the same may be true for married or partnered individuals.[58, 59, 60, 61]

U.S. Financial Health by LGBTQIA+ Status

Consistent with prior Trends Reports, people who identify as LGBTQIA+ have lower financial health than non-LGBTQIA+ people.[62] In 2023, 23% of people who identify as LGBTQIA+ were considered Financially Vulnerable versus 16% of people who do not identify as such. In contrast, those who identify as LGBTQIA+ were less often considered Financially Healthy than those who did not identify as LGBTQIA+ (19% versus 31%, respectively). These findings are in line with reports that consistently highlight the ongoing disparities faced by LGBTQIA+ people, indicating that they continue to experience greater challenges such as higher rates of poverty, workplace discrimination, and barriers to employment, which hinder their opportunities to achieve financial stability.[63, 64, 65, 66]

Table 6. Financial vulnerability increased among non-LGBTQIA+ people.
Percentage of people categorized by LGBTQIA+ status and financial health tier.

	LGBTQIA+		Non-LGBTQIA+	
	2022	2023	2022	2023
Healthy	23%	19%	32%	31%
Coping	57%	58%	54%	53%
Vulnerable	20%	23%	14%	16%*

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 869 respondents were categorized as LGBTQIA+ and 7,363 were categorized as non-LGBTQIA+. In 2022, 629 respondents were categorized as LGBTQIA+ and 5,727 were categorized as non-LGBTQIA+.*

[58] Zoe Han, "Inflation has hit women more 'acutely,' experts say. Here's why.," MarketWatch, June 2022.
[59] "Economic Well-Being of U.S. Households in 2022," Board of Governors of the Federal Reserve System, May 2023.
[60] Rakesh Kochhar, "The Enduring Grip of the Gender Pay Gap," Pew Research Center, March 2023.
[61] Fenaba R. Addo, "Debt, Cohabitation, and Marriage in Young Adulthood," Demography, July 2018.
[62] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[63] Greg Owen, "By the numbers (part 1): A new survey examines the financial health of LGBTQ+ people," LGBTQ Nation, April 2023.
[64] Ana Hernández Kent & Sophia Scott, "New Analysis Finds LGBTQ+ Households Trail in Income and Wealth," Federal Reserve Bank of St. Louis, On The Economy, December 2022.
[65] "Economic Well-Being of U.S. Households in 2022," Board of Governors of the Federal Reserve System, May 2023.
[66] Christopher S. Carpenter, Maxine J. Lee, & Laura Nettuno, "Economic outcomes for transgender people and other gender minorities in the United States: First estimates from a nationally representative sample," Southern Economic Journal, August 2022.

Although we did not observe meaningful year-over-year changes in overall financial health for LGBTQIA+ individuals, there was a decline in the percentage of LGBTQIA+ individuals who had manageable amounts of debt and who agreed that their household plans ahead financially. Meanwhile, the percentage of Financially Vulnerable non-LGBTQIA+ people increased to 16% in 2023 from 14% in 2022. This increase was driven by the decline in the proportion of non-LGBTQIA+ people who agreed that their household plans ahead financially.

U.S. Financial Health by Country of Birth

Over 44 million people living in the U.S. were born in another country, making up over one-eighth of the U.S. population.[67] Compared with the U.S.-born population, the foreign-born U.S. population are younger, are more likely to be people of color, have lower educational attainment, live in larger households, are more likely to be employed, and have similar household incomes.[68] Although prior research on recent immigrants shows that they often have stronger health, labor market, and economic outcomes, the 2023 Trends Report is the first time we report on the financial health of this group.[69, 70]

In 2023, those born outside of the U.S. had very similar financial health to those born in the United States. For instance, individuals born outside of the United States were less often Financially Vulnerable than those born in the United States (14% versus 17%, respectively) (Table 7). In addition, those born outside of the U.S. were just as often considered Financially Healthy or Financially Coping as U.S.-born individuals.

In the past year, there was an increase in the percentage of U.S.-born people considered Financially Vulnerable (15% to 17%). This change from 2022 to 2023 was largely due to a higher percentage of U.S.-born people who spent more than their income, had insufficient short-term savings, had unmanageable debt, and did not plan ahead financially (Table B5). While we also observed a decrease in the share of foreign-born people who reported manageable amounts of debt or no debt and who said they planned ahead financially, this did not translate to an overall change in financial health.

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[67] "B05012 | NATIVITY IN THE UNITED STATES," United States Census Bureau.
[68] "S0501 | SELECTED CHARACTERISTICS OF THE NATIVE AND FOREIGN-BORN POPULATIONS," United States Census Bureau.
[69] Cynthia Feliciano, "Immigrant Selectivity Effects on Health, Labor Market, and Educational Outcomes," Annual Review of Sociology, July 2020.
[70] Although the 2023 U.S. Trends Report marks the first time we have compared findings on the financial health of foreign-born and U.S.-born consumers, we have collected data on country of birth since the first Financial Health Pulse survey. Thus, we are able to report on changes in financial health for both groups.

In part, the stronger financial health observed among those born outside of the United States reflects findings from prior research showing the unique economic successes of many immigrants.[71] That said, recent immigrants have vastly diverse migration histories and experiences upon arrival to the United States, so our findings may mask heterogeneity within the foreign-born population. For instance, immigrants to the United States come for different reasons and from various socioeconomic backgrounds. Some are here on specialized H-1B or F-1 visas, while others arrive as refugees with fewer resources. In addition, about two-thirds of foreign-born respondents in our survey are U.S. citizens. Citizenship might be an important distinguishing factor for financial health because citizenship is a factor considered when determining access to federal means-tested programs.[72] Similarly, prior research showed that those who are not U.S. citizens are less likely to hold wealth-generating assets such as property and stocks.[73] A forthcoming brief will focus on the financial health of immigrants, keeping these nuances in mind.

Table 7. Financial vulnerability increased among U.S.-born individuals.

Percentage of people categorized by country of birth and financial health tier.

	Foreign-born		U.S.-born	
	2022	2023	2022	2023
Healthy	31%	30%	31%	30%
Coping	58%	56%	54%	53%
Vulnerable	12%	14%	15%	17%*

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$). In 2023, 1,055 respondents were foreign-born and 7,209 were U.S.-born. In 2022, 726 respondents were foreign-born and 5,679 were U.S.-born. Figures are rounded to the nearest integer, so they may not total 100%.*

[71] Cynthia Feliciano, "Immigrant Selectivity Effects on Health, Labor Market, and Educational Outcomes," Annual Review of Sociology, July 2020.
[72] Karina Fortuny & Ajay Chaudry, "Overview of Immigrants' Eligibility for SNAP, TANF, Medicaid, and CHIP," The Urban Institute, Assistant Secretary for Planning and Evaluation, March 2012.
[73] Angela Fontes & Nicole Kelly, "Factors Affecting Wealth Accumulation in Hispanic Households: A Comparative Analysis of Stock and Home Asset Utilization," Hispanic Journal of Behavioral Sciences, September 2013.

U.S. Financial Health by Geographic Region

There is considerable evidence that economic opportunities and resources are geographically bounded in part because of differences in infrastructure, government supports, and the availability of jobs and financial services, such as banks or insurance providers.[74, 75, 76, 77, 78] Recognizing that where someone lives may be impactful for their financial health, we documented financial health across regions of the United States in 2023. Determined by the Census, each state is assigned to one of four geographic regions: the South, Northeast, Midwest, and West (Appendix A).

The financial health of those living in the South was an outlier, with greater vulnerability than any other region. In 2023, those in the South were more often Financially Vulnerable and less frequently Financially Coping than those living in the Northeast, Midwest, or West. In addition, between 2022 and 2023, the South was the only region to experience an uptick in vulnerability, with a 4 percentage point increase in the share who were Financially Vulnerable (Table 8).

This year-over-year decline observed in the South was driven by a decline in the share of people spending less than their income and who agreed that they plan ahead financially (Table B6). Perhaps this is because those living in the South bore the brunt of inflation-driven increases in gas and housing costs, making it more challenging to manage expenses.[79] Prior research also showed that those living in the South are disproportionately likely to struggle with credit card debt, suggesting that they may be especially vulnerable to rising interest rates and may be struggling to manage expenses and plan ahead.[80, 81]

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[74] "Bachelor's degree or higher, percent of persons age 25 years+, 2017-2021," United States Census Bureau.
[75] "In civilian labor force, total, percent of population age 16 years+, 2017-2021," United States Census Bureau.
[76] "Persons in poverty, percent," United States Census Bureau.
[77] Craig Benson, Alemayehu Bishaw, & Brian Glassman, "Persistent Poverty in Counties and Census Tracts," United States Census Bureau, American Community Survey Reports, May 2023.
[78] Kennan Cepa, Wanjira Chege, & Angela Fontes, "Pulse Points Summer 2023: Weathering Financial Setbacks From Natural Disasters," Financial Health Network, August 2023.
[79] Rajashri Chakrabarti, Dan Garcia, & Maxim Pinkovskiy, "Rural Households Hit Hardest by Inflation in 2021-22," Federal Reserve Bank of New York, Liberty Street Economics, January 2023.
[80] Ibid.
[81] Michelle Black, "These States Are Struggling The Most (And Least) With Credit Card Debt," Forbes, Forbes Advisor, last updated April 2023.

Table 8. Financial vulnerability increased for those living in southern states.

Percentage of people categorized by geographic region and financial health tier.

	Northeast		Midwest		South		West	
	2022	2023	2022	2023	2022	2023	2022	2023
Healthy	32%	33%	34%	32%	27%	27%	32%	31%
Coping	55%	53%	51%	52%	57%	54%*	55%	55%
Vulnerable	13%	14%	15%	16%	16%	20%*	13%	14%

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 1,067 lived in the Northeast, 1,695 lived in the Midwest, 2,456 lived in the South, and 3,044 lived in the West. Two respondents (< 0.1% of analytic sample) did not provide their state of residence, so their Census region could not be identified. In 2022, there were 725 who lived in the Northeast, 1,488 in the Midwest, 1,792 in the South, and 2,399 in the West.*

U.S. Financial Health by Financial Characteristics

In prior years, the Trends Report showed that the inflows of financial resources to a household via income were strongly related to financial health.[82] This section continues to report on these patterns for household income in 2023 relative to prior years. In addition, for the first time, we also explore how banking status, net worth, and two major factors of wealth accrual – homeownership and owning a business – are related to financial health. Reporting on these additional financial characteristics deepens our understanding of how interconnected financial resources are to overall financial health and points to possible areas of focus for financial service providers engaged in supporting the financial health of their customers.

U.S. Financial Health by Banking Status

At 4.5%, the share of households without a bank account is the lowest it has ever been since the FDIC began publishing an official estimate in 2009.[83] But for these 5.9 million unbanked households, not having access to a bank account can make it more challenging to accrue interest on savings and access other financial products, such as credit, that can help households reach long-term financial goals.[84] As such, banking status is a potential on-ramp to financial health. Therefore, this year, we investigated financial health across three different banking statuses: those who have bank accounts – the fully banked; those without a bank account – the unbanked; and those who held a bank

[82] Andrew Dunn, Necati Celik, Andrew Warren, & Wanjira Chege, "Financial Health Pulse 2022 U.S. Trends Report: Landmark Changes in Americans' Financial Health," Financial Health Network, September 2022.
[83] "2021 FDIC National Survey of Unbanked and Underbanked Households," FDIC, last updated July 2023.
[84] "What is Economic Inclusion?," FDIC, last updated October 2022.

account but also used nonbank credit, transaction products, or services at least once in the last 12 months – the underbanked.[85, 86]

In 2023 Pulse data, the financial health of those who were unbanked or underbanked was not as strong as those who were fully banked. Almost half (47%) of those who were unbanked and nearly a third (32%) of those who were underbanked were Financially Vulnerable, compared to just 1 in 10 (11%) fully banked people. This means that in addition to operating outside the formal financial sector, unbanked and underbanked people are facing considerable financial health challenges, with very high proportions reporting financial vulnerability.

Table 9. Unbanked and underbanked people are more often Financially Vulnerable.
Percentage of people categorized by banking status and financial health tier.

	Banked		Unbanked		Underbanked	
	2022	2023	2022	2023	2022	2023
Healthy	36%	35%	NA	NA	14%	14%
Coping	54%	54%	NA	NA	59%	54%*
Vulnerable	10%	11%	47%	47%	27%	32%*

*Note: * Statistically significant relative to 2022 ($p < 0.05$). NA reflects cells where the number of respondents was too small to report on with confidence. In 2023, 6,663 respondents were fully banked, 395 were unbanked, and 1,087 were underbanked. There were also 18 respondents who selected "banked," but it is unknown if they are underbanked. An additional 101 answered "Unknown" for their banked status. The last two categories were not included in our analysis. In 2022, 5,080 respondents were fully banked, 245 were unbanked, and 821 were underbanked. There were also 24 respondents who selected "banked," but it is unknown if they are underbanked. An additional 53 answered "Unknown" for their banked status. The last two categories were not included in our analysis.*

Between 2022 and 2023, we found no change in overall financial health for fully banked and unbanked people. In contrast, the share of people who were underbanked and Financially Vulnerable increased from 27% in 2022 to 32% in 2023. This shift toward vulnerability among those who were underbanked was driven by a decrease in the share who said that they had a manageable amount of debt. Perhaps the decrease in manageable debt loads among the underbanked population is related to their use of alternative credit products, which became more prevalent in the past year.[87]

[85] "2021 FDIC National Survey of Unbanked and Underbanked Households," FDIC, last updated July 2023.
[86] See Appendix A for more information on how we define these groups.
[87] Meghan Greene, Wanjira Chege, MK Falgout, & Necati Celik, "FinHealth Spend Report 2023: U.S. Household Spending on Financial Services Amid Historic Inflation and an Uncertain Economy," Financial Health Network, June 2023.

U.S. Financial Health by Household Income

Income alone does not determine financial health. After all, almost half of people in households with more than $100,000 in annual income are Financially Coping or Vulnerable. Even so, income and financial health are strongly associated. People living on lower incomes spend more of their income meeting basic needs, which makes it difficult to save and can have other negative downstream effects on financial health, including increased reliance on borrowing to meet short-term needs, difficulty making the payments on those debts or other bills, and difficulty affording insurance premiums.[88]

People with lower household incomes have had much lower levels of financial health throughout all Pulse surveys, a pattern observed again in 2023 (Table 10). In 2023, 35% of people in households with incomes under $30,000 were Financially Vulnerable – a 5 percentage point increase over 2022. People with household incomes between $60,000 and $99,999 also were more frequently Financially Vulnerable than the prior year.

Table 10. The percentage of those with incomes less than $30,000 and with incomes between $60,000-$99,999 who are Financially Vulnerable increased.

Percentage of people categorized by household income and financial health tier.

	Less than $30,000		$30,000-$59,999		$60,000-$99,999		$100,000 or more	
	2022	2023	2022	2023	2022	2023	2022	2023
Healthy	10%	10%	23%	21%	36%	33%	54%	52%
Coping	60%	55%*	60%	61%	57%	56%	41%	44%
Vulnerable	30%	35%*	16%	18%	7%	11%*	4%	4%

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 1,792 respondents reported incomes of less than $30,000, 1,864 reported incomes of between $30,000 and $59,999, 1,900 reported incomes of between $60,000 and $99,999, 2,691 reported incomes of $100,000 or more, and 17 respondents had missing values for income. In 2022, 1,444 respondents reported incomes of less than $30,000, 1,490 reported incomes of between $30,000 and $59,999, 1,596 reported incomes of between $60,000 and $99,999, 1,862 reported incomes of $100,000 or more, and 14 respondents had missing values for income. Figures are rounded to the nearest integer, so they may not total 100%.*

[88] Diane Whitmore Schanzenbach, Ryan Nunn, Lauren Bauer, & Megan Mumford, "Where Does All the Money Go: Shifts in Household Spending Over the Past 30 Years," The Hamilton Project.

Compared with 2022, people in households with incomes under $30,000 less frequently reported having a prime credit score and less frequently agreed that their household plans ahead financially. In addition, those with incomes between $60,000 and $99,999 increasingly reported spending less than their income and fewer had enough savings to cover three months of expenses or agreed that their household plans ahead financially (Table B9).

U.S. Financial Health by Net Worth

Typically measured as a household's total assets minus its debts, net worth reflects the accumulation of financial resources over time.[89] Policymakers and researchers often focus on how households can attain positive net worth and identify households which struggle to do so, finding deep disparities across age, race and ethnicity, and level of education.[90, 91, 92, 93, 94] Net worth plays a role in providing financial security, shielding households from income disruptions, and helping households afford unforeseen expenses.[95, 96] Furthermore, positive net worth is often correlated with access to better healthcare and quality education, making it easier to continue to work and find higher-paying employment opportunities, both of which contribute to financial health. Positive net worth is also associated with improved overall financial well-being of households.[97]

In 2023, the Trends Report provides insights on the relationship between net worth and financial health for the first time. We define net worth using a question new to the 2023 survey: We asked respondents to consider a scenario where they sell all their major possessions, turn all their major investments and other assets into cash, and pay all their debt, and then inquire whether they would have money left over or be in debt.[98] An individual had positive net worth holdings if they had money left over after selling all major possessions, while they had negative net worth if they

[89] Alexandra Killewald, Fabian T. Pfeffer, & Jared N. Schachner, "Wealth Inequality and Accumulation," Annual Review of Sociology, May 2017.
[90] Angela Fontes & Nicole Kelly, "Factors Affecting Wealth Accumulation in Hispanic Households: A Comparative Analysis of Stock and Home Asset Utilization," Hispanic Journal of Behavioral Sciences, September 2013.
[91] Cedric Herring & Loren Henderson, "Wealth Inequality in Black and White: Cultural and Structural Sources of the Racial Wealth Gap," Race and Social Problems, February 2016.
[92] Katherine Lucas McKay & Shehryar Nabi, "The New Wealth Agenda: A Blueprint for Building a Future of Inclusive Wealth," The Aspen Institute Financial Security Program, June 2023.
[93] Angela Hanks, Danyelle Solomon, & Christian E. Weller, "Systematic Inequality: How America's Structural Racism Helped Create the Black-White Wealth Gap," Center for American Progress, February 2018.
[94] Anshu Siripurapu, "The U.S. Inequality Debate," Council on Foreign Relations, last updated April 2022.
[95] Alexis Mann & Sara Chaganti, "The Importance of Wealth to Family Well-Being," John T. Gorman Foundation, Federal Reserve Bank of Boston.
[96] Jeanna Smialek & Ben Casselman, "In an Unequal Economy, the Poor Face Inflation Now and Job Loss Later," The New York Times, August 2022.
[97] Alexandra Killewald, Fabian T. Pfeffer, & Jared Schachner, "Wealth Inequality and Accumulation," Annual Review of Sociology, May 2017.
[98] In this hypothetical scenario, we specifically prompt respondents to think about their home and car when calculating their major possessions.

reported being in debt after selling all major possessions. Others reported that they did not know the balance of their debts and assets.

We found a strong relationship between net worth and financial health. People with positive net assets were very infrequently Financially Vulnerable (6%), while 48% of those in debt and 29% of those who didn't know their net assets were Financially Vulnerable. About two-fifths (42%) of people with positive net assets were Financially Healthy in comparison to just 3% of those in debt and 7% of those who didn't know their wealth holdings. In addition, those with positive net assets were more often Financially Coping than those with debt left over, but less often Financially Coping than those who did not know what their net assets would be (52% versus 49% and 64%, respectively).

People who had money left over had stronger financial health across all eight indicators when compared with those who were in debt (Table B10). These findings align with recent reports indicating that people burdened by debt often face considerable challenges in managing their household finances.[99, 100]

Table 11. People with negative or unknown net worth were more often Financially Vulnerable.

Percentage of people categorized by wealth status and financial health tier (2023).

	Have money left over	Be in debt	Don't know
Healthy	42%	3%*	7%*
Coping	52%	49%*	64%*
Vulnerable	6%	48%*	29%*

*Note: * Statistically significant relative to "Have money left over" ($p < 0.05$). There were 5,830 respondents who said they would have money left over, 1,129 who said they would be in debt, and 1,301 who said they did not know.*

[99] Margaret Talbot, "The Faces of Americans Living in Debt," The New Yorker, November 2020.
[100] Katherine Lucas McKay & Shehryar Nabi, "The New Wealth Agenda: A Blueprint for Building a Future of Inclusive Wealth," The Aspen Institute Financial Security Program, June 2023.

U.S. Financial Health by Housing Status

For the first time, the 2023 U.S. Trends Report explores how housing is related to financial health. Because of the considerable expense associated with buying a home and how homeownership contributes to wealth generation, purchasing a home is often viewed as a marker of financial well-being and a common financial goal.[101, 102, 103] Understanding the financial health of homeowners and renters adds nuance to existing understanding of how financial health intersects with other measures of Americans' financial lives.

We find that renters' lives were more financially precarious than homeowners. Specifically, three times as many renters were Financially Vulnerable compared to homeowners (30% versus 9%, respectively). Non-homeowners living rent-free were Financially Vulnerable even more often than renters (34% versus 30%, respectively).[104] In contrast, renters were less often Financially Healthy than those who owned their home (13% versus 39%, respectively). And renters were more often Coping than those who lived rent-free (57% versus 50%, respectively).

Between 2022 and 2023, financial vulnerability became more prevalent among renters and those living rent-free, but remained the same for homeowners. Specifically, the share of renters considered Financially Vulnerable increased by 4 percentage points, while the share of people living rent-free who were Financially Vulnerable grew by 9 percentage points.

The increase in financial vulnerability experienced by renters is driven by a decline in four financial health indicators: spending less than income, confidence in reaching their long-term goals, debt manageability, and planning ahead financially (Table B11). Financial health declines, especially around spending, may be a product of housing-related inflation, which peaked in March of 2023.[105] Inflation may also have had a greater impact on the financial health of renters who typically renew leases, often with new rental prices, annually. In addition, the ability to plan ahead financially, manage debt, and reach long-term goals may have been impacted by rising interest rates, since renters are often more reliant on credit cards than homeowners.[106] Those living rent-free also experienced decreases across multiple financial health indicators.[107]

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[101] Rebecca Leppert, "10 facts about U.S. renters during the pandemic," Pew Research Center, December 2022.
[102] "Economic Well-Being of U.S. Households in 2022," Board of Governors of the Federal Reserve System, May 2023.
[103] Alexandra Killewald & Brielle Bryan, "Does Your Home Make You Wealthy?," RSF: The Russell Sage Foundation Journal of the Social Sciences, October 2016.
[104] Those who live rent-free disproportionately reported living with parents and said they do so to receive financial help. They also were more often between the ages of 18 and 25 and lived in households with a total income of less than $30,000.
[105] "12-month percentage change, Consumer Price Index, selected categories," U.S. Bureau of Labor Statistics.
[106] "Credit card balances by housing status," Board of Governors of the Federal Reserve System, last updated November 2021.
[107] Please see Table B11 for the specific indicators that declined for those living rent-free.

Table 12. Renters and those living rent-free were more often Financially Vulnerable.
Percentage of people categorized by housing status and financial health tier.

	Own home		Rent home		Live rent-free	
	2022	2023	2022	2023	2022	2023
Healthy	39%	39%	15%	13%	17%	16%
Coping	52%	52%	59%	57%	60%	50%*
Vulnerable	9%	9%	26%	30%*	23%	34%*

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 5,323 were homeowners, 2,575 were renters, and 243 lived rent-free. Another 123 (1.5%) selected that they lived in another living arrangement, but there were too few in this group to report on their financial health with confidence. In 2022, there were 4,276 homeowners, 1,782 renters, and 239 who reported living rent-free.*

U.S. Financial Health by Entrepreneurship

Business equity is another way for U.S. households to build wealth. In 2019, 34% of nonfinancial assets of U.S. households came from the businesses they own.[108] In this year's Pulse survey, we explored the connection between entrepreneurship and financial health by identifying those who owned a business and comparing their financial health with those who did not own a business.[109]

Our results indicate that entrepreneurs were less frequently Financially Vulnerable and more frequently Financially Healthy than other employed people who are not business owners. While 15% of people who do not own a business were Financially Vulnerable in 2023, only 8% of business owners were Financially Vulnerable. More than a third (36%) of business owners were Financially Healthy, which is higher than the percentage of non-business owners who were Financially Healthy (28%).

[108] "Value of nonfinancial assets of all families, distributed by type of asset, 1989–2019 surveys," Board of Governors of the Federal Reserve System.
[109] For details on this survey question, please see Appendix A.

Table 13. Entrepreneurs are less frequently Financially Vulnerable.
Percentage of people categorized by business ownership and financial health tier (2023).

	Business owner	Not a business owner
Healthy	36%*	28%
Coping	56%	57%
Vulnerable	8%*	15%

*Note: * Statistically significant relative to "Not a business owner" ($p < 0.05$). In 2023, 625 respondents were business owners and 4,275 were not business owners.*

Looking at the eight indicators of financial health, we see that business owners more frequently had sufficient short-term savings, had confidence in their ability to meet long-term goals, had manageable or no debt, had prime credit scores, and agreed that their households plan ahead financially (Table B12).

U.S. Financial Health by Employment

Employment is an important foundation of financial health. Employment begets earnings and some employers also offer access to additional benefits that support financial health, such as health insurance and retirement plans. This year's report documents financial health across different dimensions of employment, including employment status and employer size. We focus on financial health gaps in 2023, since this is the first year we asked these specific employment questions. We anticipate that these will be important dimensions for considering financial health differences in the future.

U.S. Financial Health by Employment Status

First, our 2023 Trends Report describes the relationship between employment status and financial health. Our results indicate that in 2023, those who were unemployed, meaning that they were not working for pay and were looking for work, were Financially Vulnerable nearly three times as often as employed people who were doing some work for pay at the time of the survey (40% versus 14%, respectively).[110] Also, employed people were Financially Healthy four times more frequently than unemployed people (29% and 7%, respectively). This difference was seen in worse outcomes for unemployed people on all eight financial health indicators relative to employed people (Table B13).

[110] Including part-time work.

People who were not participating in the labor force, meaning that they were not working and were not searching for a job, were also less frequently Financially Vulnerable and more frequently Financially Healthy than those unemployed. This may be because most of the people who were not participating in the labor force in our 2023 data were retired, who generally have better financial health than non-retirees.[111]

Table 14. Unemployed people were more frequently Financially Vulnerable.
Percentage of people categorized by employment status and financial health tier (2023).

	Employed	Unemployed	Not in the labor force
Healthy	29%*	7%	36%*
Coping	57%	53%	48%*
Vulnerable	14%*	40%	15%*

*Note: * Statistically significant relative to unemployed ($p < 0.05$). In 2023, 4,902 respondents were employed, 577 were unemployed, and 2,779 were not in the labor force.*

U.S. Financial Health by Employer Size

In the U.S., 99% of businesses are businesses with fewer than 500 employees.[112] These businesses employ nearly half of the U.S. workforce and are a key driver of our economy.[113] But prior research has also shown that the incomes and benefits offered at businesses with fewer employees can be less generous, potentially influencing workers' financial health.[114, 115, 116] Thus, for the first time this year, we included questions to understand how an employer's size is related to their employees' financial health.

We find that there is a positive relationship between the size of the business people are employed in and their financial health (Table 15). People employed by businesses with fewer than 500 employees were more frequently Financially Vulnerable than those who worked in larger businesses. For instance, while only 9% of employees of businesses with 500 or more employees were Financially Vulnerable in 2023, 18% of employees working for businesses with less than 20 or 20 to 99

[111] In the 2023 survey, 57% of respondents who are not participating in the labor force were retired. People who were retired were more often Financially Healthy than those who were not retired but also not participating in the labor force (53% versus 13%, respectively).
[112] Stephanie Ferguson & Isabella Lucy, "Small Business Data Center," U.S. Chamber of Commerce, May 2023.
[113] Ibid.
[114] Walter Y. Oi & Todd L. Idson, "Firm size and wages," Handbook of Labor Economics, April 2005.
[115] "2022 Employer Health Benefits Survey," KFF, October 2022.
[116] Irena Dushi, Howard M. Iams, & Jules Lichtenstein, "Retirement Plan Coverage by Firm Size: An Update," Social Security Office of Retirement and Disability Policy, Social Security Bulletin, 2015.

employees were Financially Vulnerable. Similarly, 15% of those working at businesses with between 100 and 499 employees were Financially Vulnerable.

Looking across financial health indicators, employees of businesses with fewer than 100 employees had worse outcomes than employees of businesses with 500 or more employees in all eight indicators (Table B14). Compared to employees of businesses with more employees, those working for businesses with 100 to 499 employees had worse financial health on five of the eight financial health indicators.

Table 15. Employees' financial health increases in relation to the size of the business.
Percentage of people categorized by employer size and financial health tier (2023).

	Less than 20 employees	20 to 99 employees	100 to 499 employees	500 or more employees
Healthy	20%*	25%*	31%*	36%
Coping	61%*	57%	54%	55%
Vulnerable	18%*	18%*	15%*	9%

*Note: * Statistically significant relative to "500 or more employees" ($p < 0.05$). In 2023, 836 respondents worked at businesses with less than 20 employees, 759 worked at businesses with between 20 and 99 employees, 717 worked at businesses with between 100 and 499 employees, and 1,667 worked at businesses with 500 or more employees. Figures are rounded to the nearest integer, so they may not total 100%.*

U.S. Financial Health by Health Status

Research increasingly shows that financial health is closely intertwined with mental and physical health. In this year's report, we focus on three dimensions of health: self-rated overall health, self-rated mental health, and whether or not someone has a disability. For these three aspects of health, we report on financial health in 2023. We also share year-over-year changes in financial health for people with a disability relative to those without a disability.

U.S. Financial Health by Self-Rated Overall and Mental Health

The relationship between financial health and health – both mental and overall health – is complex. On one hand, financial circumstances may impact mental and overall health.[117, 118, 119, 120, 121, 122] On the other hand, physical and mental health may impact financial health if the cost of doctor's appointments and medications causes financial burdens, or if financially induced stress impairs financial decision-making.[123] This report cannot disentangle this complex relationship. Instead, for the first time, we document the relationship between financial health and mental and overall self-rated health.

Following previous work on self-rated health, we group people into three categories: those who reported that their health was "excellent" or "very good;" those who said that their health was "good;" and those who rated their health as either "fair" or "poor."[124] We use these groupings for both mental health and overall health. A forthcoming brief will explore the intersections between financial health and mental well-being in greater detail.

Our 2023 Pulse survey results illustrate the strong link between financial health and both self-rated mental health and self-rated overall health (Table 16). In 2023, over five times the share of people who rated their mental health as "fair" or "poor" were Financially Vulnerable as those who rated their mental health as "excellent" or "very good" (40% versus 7%, respectively). Those whose self-rated mental health was "good" were twice as often Financially Vulnerable as those whose self-rated mental health was "excellent" or "very good" (17% versus 7%, respectively). In contrast, people who rated their mental health as "excellent" or "very good" were more often Financially Healthy than those whose self-rated mental health was "good" or "fair" or "poor" (45% versus 19% and 7%, respectively).

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[117] Lawrence M. Berger, J. Michael Collins, & Laura Cuesta, "Household Debt and Adult Depressive Symptoms in the United States," Journal of Family and Economic Issues, May 2015.
[118] Thomas Richardson, Peter Elliott, & Ronald Roberts, "The relationship between personal unsecured debt and mental and physical health: a systematic review and meta-analysis," Clinical Psychology Review, September 2013.
[119] Rachel Thomson et al., "How do income changes impact on mental health and wellbeing for working-age adults? A systematic review and meta-analysis," The Lancet Public Health, June 2022.
[120] Giancarlo Pasquini & Scott Keeter, "At least four-in-ten U.S. adults have faced high levels of psychological distress during COVID-19 pandemic," Pew Research Center, December 2022.
[121] Piotr Bialowolski et al., "The role of financial conditions for physical and mental health. Evidence from a longitudinal survey and insurance claims data," Social Science & Medicine, July 2021.
[122] Thompson Zhuang et al., "Financial Distress Is Associated With Delay in Seeking Care for Hand Conditions," American Association for Hand Surgery, HAND, August 2019.
[123] John E. Grable et al., "The Moderating Effect of Generalized Anxiety and Financial Knowledge on Financial Management Behavior," Contemporary Family Therapy, November 2019.
[124] Marja Jylhä, "What is self-rated health and why does it predict mortality? Towards a unified conceptual model," Social Science & Medicine, June 2009.

We find a similar negative relationship between overall health and financial health. Over six times the share of those who rated their overall health as "fair" or "poor" were Financially Vulnerable as those whose overall health was "excellent" or "very good" (37% versus 6%, respectively). Those with "excellent" or "good" overall health were also more often Financially Healthy than those with "fair" or "poor" self-rated overall health.

Those with excellent or very good self-rated mental health were healthier across all eight indicators than those whose self-rated mental health was either good, fair, or poor. We find a similar pattern for self-rated overall health (Table B15).

Table 16. Financial health decreases in relation to self-rated mental and overall health. Percentage of people categorized by self-rated mental health, overall health, and financial health tier (2023).

	Self-rated mental health			Self-rated overall health		
	Excellent or very good	Good	Fair or poor	Excellent or very good	Good	Fair or poor
Healthy	45%	19%*	7%*	46%	21%*	12%*
Coping	48%	63%*	53%*	48%	61%*	51%
Vulnerable	7%	17%*	40%*	6%	18%*	37%*

*Note: * Statistically significant relative to "Excellent or very good" ($p < 0.05$). In 2023, 4,298 respondents said they had excellent/very good mental health, 2,543 said they had good mental health, and 1,422 said they had fair/poor mental health. Figures are rounded to the nearest integer, so they may not total 100%.*

U.S. Financial Health by Disability Status

Employment barriers, high expenses, and a patchwork social safety net make achieving financial health challenging for many people living with disabilities.[125] Consistently, research shows that people with disabilities are more frequently Financially Vulnerable than people without disabilities, a pattern we observed again in 2023 (Table 17).

[125] Andrew Warren, Wanjira Chege, Meghan Greene, & Lisa Berdie, "The Financial Health of People With Disabilities: Key Obstacles and Opportunities," Financial Health Network, August 2023.

New Research: The Financial Health of People With Disabilities

Read our new report on disabilities and financial health to learn more about the diverse financial health challenges this community faces; how intersectional identities drive different financial health experiences; and how financial service providers, employers, social service providers, and policymakers can better support the financial health of people with disabilities.

One silver lining to the disruptions wrought by COVID-19 is the increasing availability of remote work, which may have contributed to better employment outcomes for people with disabilities in the aftermath of the pandemic. During the early stages of the pandemic and through 2023, the employment rate decreased similarly for people with and without disabilities, but recovered more quickly for people with disabilities.[126, 127, 128] However, despite this recent progress, the financial health of people with disabilities and the disability financial health gap remained relatively unchanged between 2022 and 2023. While there was a small increase in the proportion of people without disabilities who were Financially Vulnerable, the share of people with disabilities categorized as Financially Vulnerable was still more than double the share of those without disabilities.

Table 17. People with disabilities continue to have lower financial health than people without disabilities.

Percentage of people categorized by disability status and financial health tier.

	People with disabilities		People without disabilities	
	2022	**2023**	**2022**	**2023**
Healthy	20%	19%	35%	33%
Coping	54%	53%	55%	54%
Vulnerable	26%	28%	11%	13%*

*Note: * Statistically significant relative to 2022 ($p < 0.05$). In 2023, 1,798 respondents had disabilities, 6,463 did not have disabilities, and 3 individuals had missing values for individual disability. In 2022, 1,665 respondents had disabilities, 4,714 did not have disabilities, and 27 individuals had missing values for individual disability.*

[126] Ari Ne'eman & Nicole Maestas, "How Has COVID-19 Impacted Disability Employment?," National Bureau of Economic Research, Nber Working Paper Series, November 2022.
[127] "Employment–population ratio for people with a disability increases to 21.3 percent in 2022," U.S. Bureau of Labor Statistics, The Economics Daily, February 2023.
[128] "Table A-6. Employment status of the civilian population by sex, age, and disability status, not seasonally adjusted," U.S. Bureau of Labor Statistics, Economic News Release, last updated August 2023.

There are many possible reasons why people with disabilities may not have experienced increased financial health, despite recent employment gains. For example, people with disabilities are much more likely to live on low household incomes than people without disabilities, and lower-income people may have faced more intense pressure from inflation, interest rates, and the retreat of government assistance between 2022 and 2023.[129] Additionally, the increased rate of employment among people with disabilities may have simply been too small to meaningfully improve overall financial health.

Conclusion

This year's findings show that the economic contradictions of the past year – low unemployment coinciding with reports of mass layoffs, high earnings matched by high interest rates and stubbornly high inflation, and the continued unwinding of pandemic-era benefits – have played out alongside a decline in financial health back to pre-pandemic levels. This decline in financial health was driven by a growing share of Financially Vulnerable Americans, and it was often historically disadvantaged populations who paid the price in terms of their financial health. This translated to widening financial health disparities across race and ethnicity and age.

The overall shift in financial health was mirrored in year-over-year declines in five of our eight financial health indicators, undermining all four pillars of financial health. One area of particular concern is the record-high share of Americans spending more than their income in 2023. With fewer Americans also reporting manageable amounts of debt, adequate short-term savings, confidence in meeting their long-term goals, and being able to plan ahead financially, our 2023 report raises concerns about the trajectory of financial health in the coming year.

All together, these findings paint a concerning picture of the financial lives of the most vulnerable Americans. In the coming months, lower inflation may offer some relief to consumers, but the return of interest rate increases, the resumption of federal student loan repayments, the continued financial impact of the housing shortage and the worsening climate crisis, among other trends, may further erode financial health. In the meantime, there is a continued, urgent need for researchers, employers, financial service providers, and policymakers to engage in systemic solutions to support consumers across all pillars of financial health. In particular, a renewed energy for identifying sources of financial health disparities and re-engaging in a sustained effort to address these sources could go a long way toward stemming the tide of increased vulnerability and improving financial health for all.

[129] Andrew Warren, Wanjira Chege, Meghan Greene, & Lisa Berdie, "The Financial Health of People With Disabilities: Key Obstacles and Opportunities," Financial Health Network, August 2023.

Appendices

Appendix A. Definitions of Demographic and Socioeconomic Variables

Race and Ethnicity

This report defines respondents' race and ethnicity using a single, multiselect question. This approach is consistent with the recommendations from the Census Bureau's 2015 National Content Test Research Study that recommends asking about race and ethnicity in a single survey question. By relying on a single question, this approach reduces the need for researchers to make determinations about the race and ethnicity of respondents. Respondents who select a single race or ethnicity are categorized by the group chosen. Respondents who select multiple categories are categorized into a group we call "Multiple races."

QB12. What is your race or ethnicity? Mark all boxes that apply. Note, you may report more than one group.

1. White
2. Hispanic, Latino, Spanish, or Latinx
3. Black or African American
4. Asian or Asian American
5. American Indian or Alaska Native
6. Middle Eastern or North African
7. Native Hawaiian or other Pacific Islander
8. Some other race or ethnicity (please specify):

The Pulse survey also has access to responses to a different race and ethnicity question that is consistent with the wording used in the Current Population Survey. When we compare the financial health of respondents using our measure to the financial health of respondents categorized using the CPS measure, we find that overall financial health is very similar, though we observe statistically significant increases in the share of Asians who are Financially Vulnerable when we use the CPS measure. Additional differences emerge when we compare findings for individual indicators.

Note: The Financial Health Network recognizes that language evolves and different communities identify using different terminology. Reflecting this diversity within the Latino/a/x community, as well as terminology used by cited sources, the following terms are used within this report, often interchangeably: Hispanic, Latino, and Latinx. By no means is this list exhaustive, and we anticipate continuing to evolve our terminology in future reports.

Table A1. 2023 sample composition by race and ethnicity.

Race or ethnicity	Unweighted count	Weighted percentage
White	5,663	68%
Hispanic, Latino, Spanish, or Latinx	1,162	15%
Black or African American	902	13%
Asian or Asian American	687	7%
American Indian or Alaska Native	225	2%
Middle Eastern or North African	77	1%
Native Hawaiian or other Pacific Islander	50	0.5%
Some other race or ethnicity	173	2%
Total	8,264	100%

Age

UAS panelists are asked to report their birthdate, which is then used to calculate respondents' age when they completed the quarterly My Household survey. We categorize age groups as follows:

- 18 - 25: Respondents between the ages of 18 and 25 years
- 26 - 35: Respondents between the ages of 26 and 35 years
- 36 - 49: Respondents between the ages of 36 and 49 years
- 50 - 64: Respondents between the ages of 50 and 64 years
- 65 and over: Respondents who are 65 years and over

Full question text and more information about My Household survey are available on the UAS website.

Table A2. 2023 sample composition by age group.

	Unweighted count	Weighted percentage
18 - 25	391	6.55%
26 - 35	1,216	19.12%
36 - 49	2,206	26.81%
50 - 64	2,365	24.76%
65 and over	2,074	22.63%
Skipped	12	0.13%
Total	8,264	100%

Household Composition

Household composition is defined using the gender question asked to UAS panelists as part of the quarterly My Household survey and the Pulse survey respondents' answer to the following question.

QD003. Do you live with your spouse, partner, or significant other?

1. Yes
2. No

Respondents who selected female and not living with a spouse, partner, or significant other were categorized under “single woman.” Respondents who selected male and not living with a spouse, partner, or significant other were categorized under “single man.” Respondents who selected either female or male and living with a spouse, partner, or significant other were categorized under “married or partnered individual.” In prior Trends Reports, we reported on gender using a survey question that had item responses for those who identified as non-binary, gender non-conforming, genderqueer, or another gender identity. These individuals comprise less than 1% of the 2023 sample and we could not report on their financial health separately. Most of those who identify as another gender identity were married or partnered and are those included in that category.

Table A3. 2023 sample composition by household composition.

	Unweighted count	Weighted percentage
Women, single	2,037	20%
Men, single	939	15%
Married or partnered individuals	5,285	65%
Skipped	3	0.06%
Total	8,264	100%

LGBTQIA+ Status

After consulting with our Diversity, Equity, and Inclusion committee as well as the Financial Health Network staff who identify as LGBTQIA+, we settled on the most diverse possible definition of the LGBTQIA+ status. We used three variables on gender and sexual identity to define the LGBTQIA+ status of a respondent:

QB10. How do you define your gender identity?

1. Man
2. Woman
3. Non-binary, gender non-conforming, or genderqueer
4. Other (please specify)

QB11. Do you identify as transgender?

1. Yes
2. No

QB09. How would you describe your sexual orientation?

1. Homosexual, gay or lesbian
2. Bisexual, pansexual or queer
3. Heterosexual or straight
4. Asexual
5. Some other description (please specify)

Respondents who identify as non-binary, gender non-conforming, genderqueer, transgender, or any gender identity other than “Man” or “Woman,” as well as those who identify as homosexual, gay, lesbian, bisexual, queer, asexual, or any sexual orientation other than heterosexual or straight, are defined as LGBTQIA+.

Table A4. 2023 sample composition by LGBTQIA+ status.

	Unweighted count	Weighted percentage
LGBTQIA+	869	11%
Non-LGBTQIA+	7,363	89%
Skipped	32	<0.1%
Total	8,264	100%

Country of Birth

UAS panelists are asked to report whether they were born in the United States as part of the quarterly My Household survey. Full question text and more information about the My Household survey are available on the UAS website.

Table A5. 2023 sample composition by country of birth.

	Unweighted count	Weighted percentage
Foreign-born	1,055	11%
U.S.-born	7,209	89%
Total	8,264	100%

Geographic Regions

UAS panelists are asked to report the state they reside as part of the quarterly My Household survey. Full question text and more information about the My Household survey are available on the UAS website. States were grouped into geographic regions as defined by the U.S. Census:

- Northeast: CT, ME, MA, NH, NJ, NY, PA, RI, VT
- Midwest: IL, IN, IA, KS, MI, MN, MO, ND, NE, OH, SD, WI
- South: AL, AR, DE, DC, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV
- West: AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY

Table A6. 2023 sample composition by Census regions.

	Unweighted count	Weighted percentage
Northeast	1,067	17.57%
Midwest	1,695	20.78%
South	2,456	38.08%
West	3,044	23.51%
Skipped	2	0.06%
Total	8,264	100%

Disability Status

Disability status is defined based on respondents' answers to six yes/no questions, modeled after the survey questions used by the U.S. Census Bureau.

QD138. Are you or anyone in your household deaf or does anyone have serious difficulty hearing?
QD139. Are you or anyone in your household blind or does anyone have serious difficulty seeing even when wearing glasses?
QD140. Because of a physical, mental, or emotional condition, do you or anyone in your household have serious difficulty concentrating, remembering, or making decisions?
QD141. Do you or anyone in your household have serious difficulty walking or climbing stairs?
QD142. Do you or anyone in your household have difficulty dressing or bathing?
QD143. Because of a physical, mental, or emotional condition, do you or anyone in your household have difficulty doing errands alone such as visiting a doctor's office or shopping?

If a respondent answers yes to any of the above, they are asked a follow-up question to determine which member(s) of the household have that disability. Those who select "myself" are categorized as having a disability.

Table A7. 2023 sample composition by disability status.

	Unweighted count	Weighted percentage
Disabled	1,798	77%
Non-disabled	6,463	23%
Skipped	3	0%
Total	8,264	100%

Banking Status

Banking status is defined using respondents' answers to the following questions.

QD046. Do you or anyone in your household have a checking or saving account?

1. Yes
2. No
3. Don't know

QD070_intro. In the past 12 months, did you or anyone in your household do any of the following activities at some place other than a bank or credit union?

QD070. Purchased a money order or cashier's check at a location that was not a bank or credit union.

1. Yes
2. No
3. Don't know

QD071. Cashed a check using a check-cashing service at a location that was not a bank or credit union.

1. Yes
2. No
3. Don't know

QD072. Sent money to friends or family living outside the U.S. at a location that was not a bank or credit union.

1. Yes
2. No
3. Don't know

QD073. Took out a payday loan or received a payday advance loan.

1. Yes
2. No
3. Don't know

QD074. Used a pawn shop loan.

1. Yes
2. No
3. Don't know

QD075. Used rent-to-own services.

1. Yes
2. No
3. Don't know

QD076. Took out a tax refund anticipation loan.

1. Yes
2. No
3. Don't know

Households were classified as "Fully banked" if they responded "Yes" to question QD046. Households were classified as "Unbanked" if they responded "No" to question QD046. Households were classified as "Underbanked" if they responded "Yes" to question QD046 and "Yes" to at least one of the questions QD070 to QD076. Households were classified as "Banked, unknown if underbanked" if they responded "Yes" to question QD046 and if they responded "Don't know" or did not respond to questions QD070 to QD076. Respondents were classified as "Unknown if banked" if they responded "Don't know" or did not respond to questions QD046 and QD070 to QD076.

Table A8. 2023 sample composition by banking status.

	Unweighted count	Weighted percentage
Fully banked	6,663	77.52%
Unbanked	395	6.57%
Underbanked	1,087	13.87%
Banked, unknown if underbanked	18	0.35%
Unknown if banked	101	1.69%
Total	8,264	100%

Household Income

UAS panelists are asked to report their total household income as part of their quarterly My Household survey. Participants are instructed to combine the income from all family members living in their house from the prior 12 months, including "money from jobs, net income from business, farm or rent, pensions, dividends, interest, Social Security payments and any other monetary income," and are presented with 16 income ranges. We condense those ranges to the four ranges presented in this report, which roughly correspond to quartiles of household income. Full question text and more information about the My Household survey are available on the UAS website.

Table A9. 2023 sample composition by household income.

	Unweighted count	Weighted percentage
Less than $30,000	1,792	26%
$30,000-$59,999	1,864	24%
$60,000-$99,999	1,900	23%
$100,000 or more	2,691	28%
Skipped	17	0%
Total	8,624	100%

Net Worth

In the 2023 Financial Health Pulse survey, we asked the following question to infer the respondent's net worth status. This was the first time we asked this question.

QD010. Suppose you and your household were to sell all your major possessions (your car, your home, etc), turn all your major investments and other assets into cash (including your mortgage, any other loans, medical debt, and credit cards), and pay all your debts. Would you have money left over or be in debt?

1. Have money left over
2. Be in debt
3. Don't know

Positive wealth was categorized as the ability to have money left over after selling all major possessions while negative wealth was categorized as being in debt.

Table A10. 2023 sample composition by wealth.

	Unweighted count	Weighted percentage
Have money left over	5,830	66%
Be in debt	1,129	15%
Don't know	1,301	19%
Skipped	4	0.04%
Total	8,264	100%

Housing Status

Housing is defined using respondents' answers to the following question.

QB105. Do you or your family own the place where you live, or do you pay rent, or do you live rent-free?

1. Own
2. Rent
3. Live rent-free
4. Other (please specify)

Table A11. 2023 sample composition by housing.

	Unweighted count	Weighted percentage
Own	5,323	63%
Rent	2,575	32%
Live rent-free	243	4%
Other	123	1%
Total	8,264	100%

Entrepreneurship

In the 2023 survey, we observe the nature of employment through four questions asked only to those who are currently working for pay:

[If the respondent is currently working for pay: QD120=1]
QD121_intro. Do the following specific employment situations apply to you? Think about all the income you've earned **in the past year**.

Table A12. 2023 sample composition by the type of jobs employed in.

	Unweighted count		Weighted percentage	
	Yes (1)	No (2)	Yes (1)	No (2)
QD121a. I earned income as an **independent contractor** or **consultant** or a **freelance worker**. This includes "gig" work where you receive a 1099 at tax time.	817	4,080	15%	85%
QD121b. I earned income from a business **I fully or partially own.**	625	4,275	12%	88%
QD121c. I earned income from an **"on-call"** position where I was only called in to work as-needed.	265	4,635	5%	95%
QD121d. I earned income from a limited time **temporary** job.	286	4,614	6%	94%

Respondents are defined as a "Business owner" if QD121b="Yes" or "Not a business owner" if QD121b="No."

Table A13. 2023 sample composition by entrepreneurship (employed only).

	Unweighted count	Weighted percentage
Business owner	625	12%
Not a business owner	4,275	88%
Skipped	2	0%
Total	4,902	100%

Employment Status

In the 2023 survey, we observe the employment status of respondents through this question:

QD120. Which of the following best describes your **current** employment status?

1. Working for pay
2. Not working for pay at all but looking for paid work
3. Not working for pay and NOT looking for paid work (e.g., retired, disabled, student, homemaker)

Respondents are “Employed” if QD120=1, “Unemployed” if QD120==2, and “Not in the labor force” if QD120==3.

Table A14. 2023 sample composition by employment.

	Unweighted count	Weighted percentage
Employed	4,902	59%
Unemployed	577	8%
Not in labor force	2,779	33%
Skipped	6	0%
Total	8,264	100%

Employer Size

The following question was asked for everyone employed:

[If the respondent is currently working for pay: QD120=1]

QD125. Thinking about the [if QD122=1 “**smallest”**] company or organization where you work, how many employees **other than yourself** work for the business? Please consider all employees who may work remotely or in different office locations from yourself.

1. No one else
2. 1 to 4 employees
3. 5 to 19 employees
4. 20 to 49 employees
5. 50 to 99 employees
6. 100 to 499 employees
7. 500 or more employees
8. Don’t know

We only defined employer size for people who are not business owners (QD121B=”No”).

Table A15. 2023 sample composition by employer size (employed and not a business owner only).

	Unweighted count	Weighted percentage
Less than 20 employees	836	20%
20 to 99 employees	759	18%
100 to 499 employees	717	17%
500 or more employees	1,667	38%
Don't know	295	7%
Skipped	1	0%
Total	4,275	100%

Overall Health

In the 2023 Financial Health Pulse survey, respondents were asked the following question to infer the respondent's overall health status. This was the second year we asked respondents to self-report their overall health.

QC002. Would you say **your health** in general is…

1. Excellent
2. Very good
3. Good
4. Fair
5. Poor

Respondents who selected "Excellent" and "Very good" were categorized as "Excellent or very good." Respondents who selected "Fair" or "Poor" were categorized as "Fair or poor."

Table A16. 2023 sample composition by overall health.

	Unweighted count	Weighted percentage
Excellent	741	9%
Very good	3,033	34%
Good	3,050	39%
Fair	1,179	15%
Poor	260	4%
Skipped	1	0%
Total	8,264	100%

Mental Health

In the 2023 Financial Health Pulse survey, we asked the following question to infer the respondent's mental health status. This was the first year we asked respondents to self-report their mental health.

QD202. Would you say **your mental well-being** in general is...

1. Excellent
2. Very good
3. Good
4. Fair
5. Poor

Respondents who selected "Excellent" and "Very good" were categorized as "Excellent or very good." Respondents who selected "Fair" or "Poor" were categorized as "Fair or poor."

Table A17. 2023 sample composition by mental health.

	Unweighted count	Weighted percentage
Excellent	1,314	15%
Very good	2,984	34%
Good	2,543	31%
Fair	1,129	15%
Poor	293	4%
Skipped	1	0%
Total	8,264	100%

Appendix B. Supplemental Findings on Changes in Financial Health Indicators for Different Demographic and Socioeconomic Groups

Race and Ethnicity

Table B1. Financial health indicators by race and ethnicity (2022-23).

Financial health indicator	Asian		Black		Latinx		White		Multiracial	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Spending less than income	66%	61%	45%	43%	46%	43%	52%	51%	55%	42%*
Pay all bills on time	82%	82%	52%	48%	66%	61%	75%	79%*	63%	62%
Have enough savings to cover at least three months of living expenses	75%	71%	49%	44%	54%	50%	61%	61%	56%	47%*
Are confident they are on track to meet long-term financial goals	55%	48%	29%	29%	37%	34%	42%	43%	39%	34%
Have manageable or no debt	84%	80%	63%	58%*	69%	63%*	76%	75%	68%	67%
Have a prime credit score	90%	85%*	47%	45%	67%	61%*	75%	77%*	68%	65%
Are confident their insurance policies will cover them in an emergency	66%	61%	49%	50%	51%	50%	60%	63%*	55%	54%
Agree with the statement: "My household plans ahead financially."	71%	70%	51%	45%*	55%	48%*	65%	64%	62%	54%*
Total	360	582	484	769	727	901	4,268	5,180	356	588

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Age

Table B2. Financial health indicators by age (2022-23).

Financial health indicator	18-25		26-35		36-49		50-64		65 and over	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Spending less than income	54%	47%	51%	44%*	47%	42%*	52%	52%	55%	58%
Pay all bills on time	66%	62%	64%	60%*	65%	65%	71%	74%	85%	88%*
Have enough savings to cover at least three months of living expenses	50%	46%	52%	46%*	50%	49%	58%	59%	78%	76%
Are confident they are on track to meet long-term financial goals	42%	36%	36%	33%	37%	32%*	36%	37%	56%	56%
Have manageable or no debt	72%	72%	67%	60%*	69%	64%	71%	71%	89%	88%
Have a prime credit score	70%	58%*	66%	62%*	67%	67%	68%	71%	83%	85%
Are confident their insurance policies will cover them in an emergency	47%	49%	51%	49%	55%	54%	56%	61%*	69%	73%*
Agree with the statement: "My household plans ahead financially."	64%	54%*	62%	54%*	57%	54%	61%	58%	70%	72%
Total	253	391	853	1,216	1,668	2,206	1,900	2,365	1,723	2,704

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Household Composition

Table B3. Financial health indicators by household composition (2022-23).

Financial health indicator	Women, single		Men, single		Married or partnered individuals	
	2022	2023	2022	2023	2022	2023
Spending less than income	42%	42%	54%	51%	53%	50%*
Pay all bills on time	63%	63%	71%	73%	73%	73%
Have enough savings to cover at least three months of living expenses	50%	47%	58%	57%	62%	60%
Are confident they are on track to meet long-term financial goals	31%	30%	39%	39%	44%	42%*
Have manageable or no debt	67%	65%	75%	75%	75%	72%
Have a prime credit score	59%	58%	66%	63%	75%	76%
Are confident their insurance policies will cover them in an emergency	49%	51%	51%	55%	61%	62%
Agree with the statement: "My household plans ahead financially."	53%	49%*	61%	56%*	65%	63%*
Total	1,480	2,037	722	939	4,202	5,285

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

LGBTQIA+ Status

Table B4. Financial health indicators by LGBTQIA+ status (2022-23).

Financial health indicator	LGBTQIA+		Non-LGBTQIA+	
	2022	2023	2022	2023
Spending less than income	45%	44%	52%	50%*
Pay all bills on time	59%	62%	72%	73%
Have enough savings to cover at least three months of living expenses	51%	48%	60%	58%
Are confident they are on track to meet long-term financial goals	36%	33%	41%	40%
Have manageable or no debt	70%	67%*	74%	72%
Have a prime credit score	64%	64%	72%	71%
Are confident their insurance policies will cover them in an emergency	46%	48%	59%	60%
Agree with the statement: "My household plans ahead financially."	59%	50%*	63%	61%*
Total	629	869	5,727	7,363

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Country of Birth

Table B5. Financial health indicators by country of birth (2022-23).

Financial health indicator	Foreign-born		U.S.-born	
	2022	2023	2022	2023
Spending less than income	52%	49%	51%	49%*
Pay all bills on time	70%	70%	71%	72%
Have enough savings to cover at least three months of living expenses	62%	60%	59%	57%*
Are confident they are on track to meet	45%	41%	40%	39%

long-term financial goals				
Have manageable or no debt	76%	71%*	73%	71%*
Have a prime credit score	75%	74%	70%	70%
Are confident their insurance policies will cover them in an emergency	53%	54%	58%	59%
Agree with the statement: "My household plans ahead financially."	64%	58%*	62%	59%*
Total	726	1,055	5,679	7,209

*Note: * Statistically significant difference relative to 2022 (p < 0.05).*

Geographic Region

Table B6. Financial health indicators by region (2022-23).

Financial health indicator	Northeast		Midwest		South		West	
	2022	2023	2022	2023	2022	2023	2022	2023
Spending less than income	54%	51%	51%	49%	51%	48%*	50%	48%
Pay all bills on time	74%	72%	72%	75%	68%	67%	71%	74%
Have enough savings to cover at least three months of living expenses	62%	61%	59%	56%	55%	54%	63%	59%
Are confident they are on track to meet long-term financial goals	41%	39%	45%	40%*	37%	38%	44%	40%*
Have manageable or no debt	76%	71%	72%	73%	73%	69%	75%	73%
Have a prime credit score	75%	74%	72%	72%	65%	65%	75%	75%
Are confident their insurance policies will	59%	63%*	63%	62%	53%	55%	57%	58%

cover them in an emergency								
Agree with the statement: "My household plans ahead financially."	63%	60%	61%	61%	61%	56%*	65%	61%*
Total	725	1,067	1,488	1,695	1,792	2,456	2,399	3,044

*Note: * Statistically significant difference relative to 2022 (p < 0.05).*

Disability Status

Table B7. Financial health indicators by disability status (2022-23).

Financial health indicator	Disabled		Non-disabled	
	2022	2023	2022	2023
Spending less than income	40%	39%	55%	52%*
Pay all bills on time	60%	61%	75%	74%
Have enough savings to cover at least three months of living expenses	49%	47%	62%	60%
Are confident they are on track to meet long-term financial goals	30%	28%	45%	43%*
Have manageable or no debt	46%	44%	57%	54%*
Have a prime credit score	57%	57%	76%	74%
Are confident their insurance policies will cover them in an emergency	48%	50%	60%	61%
Agree with the statement: "My household plans ahead financially."	50%	46%	67%	63%*
Total	1,665	1,798	4,714	6,463

*Note: * Statistically significant difference relative to 2022 (p < 0.05).*

Banking Status

Table B8. Financial health indicators by banking status (2022-23).

Financial health indicator	Banked		Unbanked		Underbanked	
	2022	2023	2022	2023	2022	2023
Spending less than income	55%	53%*	34%	33%	39%	37%
Pay all bills on time	78%	79%	32%	35%	48%	49%
Have enough savings to cover at least three months of living expenses	64%	63%	25%	26%	40%	43%
Are confident they are on track to meet long-term financial goals	46%	43%*	19%	20%	24%	26%
Have manageable or no debt	78%	76%	53%	50%	61%	55%*
Have a prime credit score	78%	79%	32%	29%	48%	48%
Are confident their insurance policies will cover them in an emergency	63%	64%	22%	27%	44%	49%*
Agree with the statement: "My household plans ahead financially."	68%	66%*	30%	24%	44%	45%
Total	5,080	6,663	245	395	821	1,087

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Household Income

Table B9. Financial health indicators by household income (2022-23).

Financial health indicator	< $30,000		$30,000-$59,999		$60,000-$99,999		$100,000+	
	2022	2023	2022	2023	2022	2023	2022	2023
Spending less than income	36%	33%	42%	43%	59%	53%*	68%	65%*
Pay all bills on time	51%	50%	65%	67%	79%	78%	89%	89%
Have enough savings to cover at least three months of living expenses	39%	37%	55%	55%	68%	61%*	75%	73%
Are confident they are on track to meet long-term financial goals	23%	22%	34%	31%	47%	43%	62%	58%*
Have manageable or no debt	39%	37%	53%	48%*	59%	56%	66%	66%
Have a prime credit score	47%	43%*	66%	67%	81%	80%	92%	91%
Are confident their insurance policies will cover them in an emergency	35%	38%	52%	53%	67%	66%	76%	76%
Agree with the statement: "My household plans ahead financially."	40%	36%*	58%	53%*	72%	66%*	81%	81%
Total	1,444	1,792	1,490	1,864	1,596	1,900	1,862	2,691

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Net Worth

Table B10. Financial health indicators by net worth (2023).

Financial health indicator	Have money left over	Be in debt	Don't know
Spending less than income	59%	26%*	33%*
Pay all bills on time	84%	39%*	52%*
Have enough savings to cover at least three months of living expenses	70%	26%*	36%*
Are confident they are on track to meet long-term financial goals	50%	15%*	20%*
Have manageable or no debt	83%	30%*	60%*
Have a prime credit score	84%	41%*	45%*
Are confident their insurance policies will cover them in an emergency	69%	35%*	39%*
Agree with the statement: "My household plans ahead financially."	73%	31%*	34%*
Total	5,830	1,129	1,301

*Note: * Statistically significant difference relative to "Have money left over" ($p < 0.05$).*

Housing Status

Table B11. Financial health indicators by housing status (2022-23).

Financial health indicator	Rent		Own		Live rent-free	
	2022	2023	2022	2023	2022	2023
Spending less than income	56%	55%	41%	38%*	50%	48%
Pay all bills on time	80%	81%	55%	55%	61%	52%*
Have enough savings to cover at least three months of living expenses	68%	67%	42%	40%	55%	40%*
Are confident they are on track to meet	48%	47%	28%	26%*	32%	28%

long-term financial goals						
Have manageable or no debt	79%	78%	63%	58%*	69%	60%*
Have a prime credit score	81%	82%	52%	51%	60%	43%*
Are confident their insurance policies will cover them in an emergency	65%	67%	44%	44%	45%	42%
Agree with the statement: "My household plans ahead financially."	71%	70%	48%	43%*	49%	37%*
Total	4,276	5,323	1,782	2,575	239	243

*Note: * Statistically significant difference relative to 2022 ($p < 0.05$).*

Entrepreneurship

Table B12. Financial health indicators by entrepreneurship (2023).

Financial health indicator	Business owner	Not a business owner
Spending less than income	51%	52%
Pay all bills on time	74%	73%
Have enough savings to cover at least three months of living expenses	65%*	55%
Are confident they are on track to meet long-term financial goals	43%*	38%
Have manageable or no debt	74%*	69%
Have a prime credit score	81%*	74%
Are confident their insurance policies will cover them in an emergency	60%	60%
Agree with the statement: "My household plans ahead financially."	67%*	62%
Total	625	4,275

*Note: * Statistically significant difference relative to "Not a business owner" ($p < 0.05$).*

Employment Status

Table B13. Financial health indicators by employment status (2023).

Financial health indicator	Employed	Unemployed	Not in the labor force
Spending less than income	52%*	30%	48%*
Pay all bills on time	73%*	42%	75%*
Have enough savings to cover at least three months of living expenses	56%*	38%	63%*
Are confident they are on track to meet long-term financial goals	39%*	21%	45%*
Have manageable or no debt	70%*	53%	78%*
Have a prime credit score	75%*	41%	70%*
Are confident their insurance policies will cover them in an emergency	60%*	34%	63%*
Agree with the statement: "My household plans ahead financially."	63%*	33%	59%*
Total	4,902	577	2,779

*Note: * Statistically significant difference relative to "Unemployed" ($p < 0.05$).*

Employer Size

Table B14. Financial health indicators by employer size (2023).

Financial health indicator	Less than 20 employees	20 to 99 employees	100 to 499 employees	500 or more employees
Spending less than income	49%*	50%*	55%	56%
Pay all bills on time	67%*	70%*	71%*	81%
Have enough savings to cover at least three months of living expenses	46%*	53%*	60%	62%
Are confident they are on track to	33%*	37%*	38%*	44%

meet long-term financial goals				
Have manageable or no debt	64%*	64%*	71%*	75%
Have a prime credit score	66%*	72%*	77%*	82%
Are confident their insurance policies will cover them in an emergency	52%*	59%*	63%	67%
Agree with the statement: "My household plans ahead financially."	57%*	62%*	61%*	70%
Total	836	759	717	1,667

*Note: * Statistically significant difference relative to "500 or more employees" (p < 0.05).*

Overall Health and Mental Health

Table B15. Financial health indicators by overall health (2023).

Financial health indicator	Excellent or very good	Good	Fair or poor
Spending less than income	59%	45%*	35%*
Pay all bills on time	83%	67%*	53%*
Have enough savings to cover at least three months of living expenses	69%	52%*	40%*
Are confident they are on track to meet long-term financial goals	56%	32%*	18%*
Have manageable or no debt	81%	67%*	58%*
Have a prime credit score	85%	66%*	45%*
Are confident their insurance policies will cover them in an emergency	74%	52%*	39%*
Agree with the statement: "My household plans ahead financially."	75%	54%*	37%*
Total	3,774	3,050	1,439

*Note: * Statistically significant difference relative to "Excellent or very good" (p < 0.05).*

Table B16. Financial health indicators by mental health (2023).

Financial health indicator	Excellent/Very Good	Good	Fair/Poor
Spending less than income	59%	44%*	30%*
Pay all bills on time	82%	68%*	48%*
Have enough savings to cover at least three months of living expenses	68%	51%*	37%*
Are confident they are on track to meet long-term financial goals	55%	28%*	16%*
Have manageable or no debt	82%	67%*	50%*
Have a prime credit score	82%	68%*	45%*
Are confident their insurance policies will cover them in an emergency	73%	50%*	36%*
Agree with the statement: "My household plans ahead financially."	73%	51%*	36%*
Total	4,298	2,543	1,422

*Note: * Statistically significant difference relative to "Excellent or very good" (p < 0.05).*