FINANCIAL HEALTH NETWORK

Financial Health Pulse®

2025 U.S. Trends Report

Can Short-Term Gains Lead To Lasting Progress?

September 2025

How To Read This Report

Part 1: Executive Summary

Read this section for an overview of the most important trends in financial health among Americans over the past year and since the inception of the Pulse research initiative in 2018.

Part 2: 2025 Detailed Tables and Charts

Use the bookmarks in your PDF reader or the links in the table of contents below to easily navigate to the tables and charts you need, organized by topic.

In each of these sections, you will find:

- Charts comparing overall financial health between consumer groups.
- Charts showing year-over-year changes in financial health tiers across consumer groups.
- Tables showing year-over-year changes in each financial health indicator across consumer groups.

If you have questions about our findings or methodology or would like to partner on future research on a topic or community of interest, please reach out to pulse@finhealthnetwork.org.

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About the U.S. Trends Report

The U.S. Trends Report is the annual report of the Financial Health Pulse® research initiative conducted by the Financial Health Network. Using our annual Pulse survey data, the Trends Report documents year-over-year changes in financial health and disparities in financial health across different consumer groups living in the United States. To read additional Pulse research, please see https://finhealthnetwork.org/programs/financial-health-pulse.

Methodology in Brief

Defining Financial Health

Financial health is a holistic framework by which to understand financial lives. Financial health comes about when households are financially resilient in the face of setbacks and have the resources to pursue opportunities and thrive.

Measuring Financial Health With the FinHealth Score®

Based on this definition of financial health, the Financial Health Network developed its FinHealth Score®. The FinHealth Score is a composite measure of eight indicators that represent the four pillars of financial health – Spend, Save, Borrow, and Plan – and is designed to provide insight into specific aspects of financial lives (Figure 1).

Figure 1. 8 indicators of financial health.

The indicators are constructed based on responses to eight financial health survey questions. A numerical value is assigned to each of the possible responses of the eight financial health survey questions. For individuals who responded to all eight questions, we can calculate their FinHealth Score, which ranges from 0 to 100, by averaging their responses to the eight financial health survey questions.[1] Those with scores between 0 and 39 are considered "Financially Vulnerable," consumers with scores ranging between 40 and 79 are defined as "Financially Coping," and those with scores of 80 to 100 are "Financially Healthy" (Figure 2).

Figure 2. Defining financial health tiers using the FinHealth Score®.

[1] Please see the FinHealth Score methodology webpage for more information on how the Score was designed.

2025 Financial Health Pulse Data

Financial Health Pulse Data Collection

The Financial Health Pulse survey was fielded between April 11, 2025, and May 19, 2025, to panelists of the Understanding America Study (UAS), which is a nationally representative, probability-based internet panel administered by the University of Southern California's Dornsife Center for Economic and Social Research. Survey respondents answer questions about their household's finances as well as information about demographics, employment, health, and living arrangements.[2] For more details on the UAS and the Pulse data collection, including the field dates, number of respondents, cooperation rate, and margin of error, please see Appendix A.

Defining the Sample of the 2025 U.S. Trends Report

We conducted analyses on 7,425 households in which a self-identified financial decision-maker answered our eight financial health indicator questions and provided data that reached our quality standards.[3,4] For more detailed information on sample construction and analytic sample size, please see Appendix A.

Analysis Strategy in the 2025 U.S. Trends Report

In this report, we use our FinHealth Score and financial health indicators to identify trends in financial health between 2024 and 2025 and document how trends in financial health vary for different types of households.[5] Changes in FinHealth Score are expressed as changes in the share of the population classified as Healthy, Coping, and Vulnerable. In supplemental analyses not shown in this report, we verify these changes in terms of shifts in the distribution of the scores themselves. See Appendix A for an example. All findings presented in this report are descriptive statistics with survey weights applied so that the data are representative of households residing in the U.S. each year.[6]

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 or superscript. We also report statistically significant differences in financial health between different populations in 2025 to show overall financial health disparities. Percentages are rounded to the nearest integer; as a result, not all sum to 100%.

[2] This report occasionally relies on data collected from other surveys UAS panelists complete, including information on household income, country of birth, and place of residence. We also merge information from Census data to provide information on the geographies respondents reside in.

[3] We defined quality data as responses with enough demographic information provided to employ weighting procedures, responses that included answers to all eight of our financial health survey questions, responses from survey-takers who spent at least five minutes completing the survey, and responses in which over half of the survey questions were answered. Data that did not meet these quality standards were dropped from the sample. These standards were employed for the 2023 survey onwards.

[4] Across sections of this report, there are slight variations in sample sizes because of a small amount of missing information on specific variables. The number and percentage of missing information in Pulse is low, so we do not impute values when missingness occurs. The number and percentage of respondents with missing information on measures of demographic and socioeconomic characteristics are reported in all table notes.

[5] Please see Appendix B for definitions of each of these groups.

[6] Survey weights were developed using U.S. Census Current Population Survey benchmarks on gender, race, ethnicity, age, education, and Census region.

What's New in the 2025 U.S. Trends Report

New Consumer Groups

In addition to the two dozen disaggregations in the 2024 U.S. Trends Report, we have added analyses of financial health disparities across two new consumer groups in 2025:

- **Households who experienced natural disasters**
- **Workers in unions**

We have also updated our definition of urbanicity to be able to distinguish between urban, suburban, and rural households. For more information on this definition, see Appendix B.

Population Groups Without Trends

For some groups, we cannot report on financial health trends between 2024 and 2025 because the questions identifying these groups were either added or modified in the 2025 survey. For these groups, we report on financial health disparities in 2025 only:

- Households with an entrepreneur
- LGBTQ+ individuals
- Households who experienced natural disasters

Acknowledgements

The Financial Health Network is grateful to the members of the Financial Health Pulse Advisory Council for their thoughtful reviews and strategic guidance.

Ray Boshara
Center for Social Development

Steven Brown
Aspen Institute

Quentin Brummet
NORC at the University of Chicago

Mo Khalil
ANZ Banking Group Ltd.

Amelia Parnell
NASPA, Student Affairs Administrators in Higher Education

Manita Rao
AARP

Ramonia Rochester
National Disability Institute

Rachel Schneider
Canary

John Scott
Pew Charitable Trusts

Kenneth White
University of Arizona

Stephanie Rozelle Yates
University of Alabama at Birmingham

Tansel Yilmazer
The Ohio State University

The Financial Health Network is collaborating with USC's Dornsife Center for Economic and Social Research to field the study to its online panel, the Understanding America Study. We thank them for their partnership.

The report authors would also like to thank their colleagues at the Financial Health Network for their contributions to this report and its publication: Matt Bahl, Lisa Berdie, Necati Celik, Lindsay Ferguson, Hannah Gdalman, Sarah Gordon, Adeeb Mahmud, Dan Miller, Catherine New, David Silberman, Lindsey Taureck, and Chris Vo.

Our Funder

The Financial Health Pulse is supported by the Principal Foundation. The findings, interpretations, and conclusions expressed in this piece are those of the Financial Health Network and do not necessarily represent those of our funders or partners.

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About the Financial Health Pulse

Since 2018, the Financial Health Network has conducted the Financial Health Pulse® research initiative. The Financial Health Pulse combines probability-based, longitudinal survey data with administrative data as the basis for publications released throughout the year, with the goal of providing regular updates and actionable insights about the financial lives of Americans.

Executive Summary

The 2025 U.S. Trends Report arrives at a moment marked by uncertainty and change, and as a result, our data reveal a mixed picture: modest but fragile improvements in the short term paired with a lack of progress and deep-seated disparities over the long term. These signals underscore the urgent need for sustained and substantial attention and investment to prevent any backward slide – especially as economic and policy conditions shift – and to move from incremental change to transformative improvement.

Over the past five years, American households have weathered a volatile economy and policy landscape. The COVID-19 pandemic sparked major disruptions in the labor market, followed by a swift recovery. Unprecedented levels of government cash support and debt relief, pandemic shutdowns that restricted consumer spending, and new loan forbearance options from financial institutions temporarily boosted financial health for millions in COVID's wake.[7,8,9,10]

Soon after, however, inflation surged, making it increasingly difficult for households to save and manage spending. At the same time, rising interest rates made debt less manageable.[11]

Between spring 2024 and spring 2025, much of this turbulence eased. Inflation cooled from an annual rate of 3.4% to 2.3%, and workers' average hourly earnings outpaced price increases.[12,13] The unemployment rate increased only slightly, remaining below 4.5%.[14] In mid-April 2025 (the start of the Pulse survey's fielding period), the stock market was emerging from several days of intense volatility. By mid-May 2025, however, the S&P 500 had recovered and finished 12% higher than a year earlier.[15]

Still, many households remained under financial pressure. Interest rates on mortgages and credit cards stayed elevated.[16,17] Homeowners faced a second consecutive year of steep increases in insurance premiums.[18,19] Student loan borrowers faced the end of federal forbearance.[20,21] In anticipation of looming tariffs and economic policy uncertainty, consumer sentiment dropped sharply.[22]

7 "Most Stimulus Payments Were Saved or Applied to Debt," National Bureau of Economic Research, October 2020.

8 Jonah Danziger & Anthony Murphy, "How did federal stimulus recipients use their checks?", Federal Reserve Bank of Dallas, January 2022.

9 Aditya Aladangady, David Cho, Laura Feiveson, & Eugenio Pinto, "Excess Savings during the COVID-19 Pandemic," Federal Reserve, October 2022.

10 "Mortgage Servicing COVID-19 Pandemic Response Metrics: New Observations from Data Reported by Sixteen Servicers for May–December 2021," Consumer Financial Protection Bureau (CFPB), May 2022.

11 Kennan Cepa et. al, "Financial Health Pulse® 2023 U.S. Trends Report," Financial Health Network, September 2023.

12 "Consumer Price Index for All Urban Consumers: All Items in U.S. City Average," Federal Reserve Bank of St. Louis, July 2025.

13 "Average Hourly Earnings of All Employees, Total Private," Federal Reserve Bank of St. Louis, August 2025.

14 "Unemployment Rate," Federal Reserve Bank of St. Louis, August 2025.

15 "S&P 500," Federal Reserve Bank of St. Louis, August 2025.

16 "30-Year Fixed Rate Mortgage Average in the United States," Federal Reserve Bank of St. Louis, July 2025.

17 "Commercial Bank Interest Rate on Credit Card Plans, All Accounts," Federal Reserve Bank of St. Louis, July 2025.

18 Jason Woleben, "US homeowners rates rise by double digits for 2nd straight year in 2024," S&P Global Market Intelligence, January 2025.

19 Maggie Davis, "State of Home Insurance: 2025," LendingTree, June 2025.

20 Stacy Cowley, "Millions of Student Loan Borrowers Are Behind on Payments," New York Times, April 2025.

21 Daniel Mangrum & Crystal Wang, "Credit Score Impacts from Past Due Student Loan Payments," Federal Reserve Bank of New York, March 2025.

22 "University of Michigan: Consumer Sentiment," Federal Reserve Bank of St. Louis, August 2025.

Together, **these trends suggest continued challenges for many households between spring 2024 and spring 2025, and stability – or even modest improvement – for others**. Accordingly, 2025 Financial Health Pulse data reveal both encouraging results and several areas for concern. Between early 2024 and early 2025:

The share of households who were **Financially Vulnerable decreased modestly**, driven by improvements in saving and debt manageability among vulnerable populations.	Households expressed growing concern about **the sufficiency of their insurance coverage**.	Credit scores declined among **student loan borrowers**.

Reviewing 8 Years of Findings

This is the eighth annual Financial Health Pulse U.S. Trends Report. Taking a step back to review the full history of findings reveals minimal collective progress in the overall financial health of people in the United States.

From 2018 through 2025, **the share of households who were Financially Healthy, Coping, and Vulnerable has remained stubbornly persistent**. Even considering the modest gains over the past year, the data that follow are a sobering reminder of deep and persistent gaps in financial health by wealth, income, demographic identity, geography, employment status, and health.

When it comes to financial health, there are no guarantees. This report calls on industry stakeholders and policymakers to work together to build on gains, close longstanding gaps, and protect against the risks of retrenchment, especially as vulnerable populations face shifting economic conditions and imminent policy changes. Stakeholders should focus their efforts on limiting the damage from these threats and investing where they can so that vulnerable groups continue on a positive trajectory. At the same time, stakeholders must also act proactively to make tangible progress toward broad-based, durable financial health for all – ensuring that all households can not only withstand future shocks but share in economic opportunity.

Discover 8 Years of Financial Health Trends

Visit our interactive website to explore financial health indicators from 2018 through 2025. Track changes in households' savings, spending, borrowing, and planning over time – and dive deeper into 2025 disparities by comparing financial health across demographics and household characteristics.

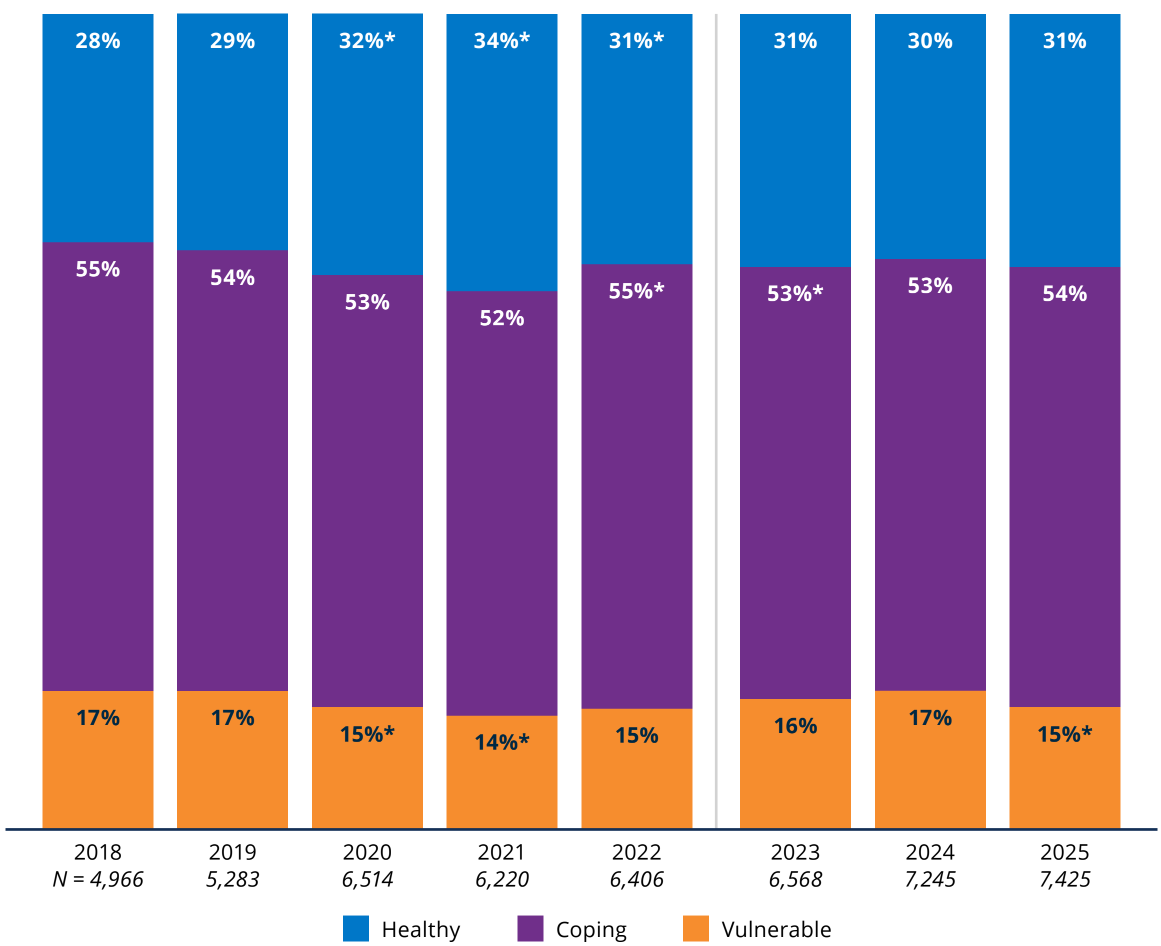
To explore the trends, visit finhealthnetwork.org/pulse-trends-2025-charts-and-methodologies.

Financial Health Challenges Remain Entrenched

Eight years of Pulse data now show that improvements in household financial health have proved fleeting. Between 2018 and 2025, the share of Financially Vulnerable households hovered between 14% and 17% each year (Figure ES1). The only time when the share of Financially Healthy households increased substantially was in 2020 and 2021 – years characterized by unprecedented levels of government assistance and restricted consumer spending at the height of the COVID-19 pandemic. The financial health gains from these interventions wore off quickly as the government ended much of this support. **Only 31% of households were Financially Healthy in spring 2025**, consistent with recent years and only slightly higher than prior to the pandemic.

Figure ES1. Previous nationwide improvements in financial health have been short-lived.

Percentage of households in each financial health tier, by year.



Notes: 2018-2022 were sampled and weighted at the individual level, and 2023-2025 were sampled and weighted at the household level. Percentage points may not sum to 100% due to rounding. See See Appendix A for more details.

* Statistically significant change from the prior year (p < .05).

A Modest Decrease in Financial Vulnerability, Driven by Debt Manageability and Savings Ability

Between 2024 and 2025, the share of households who were Financially Vulnerable declined from 17% to 15%, reversing the gradual increase in vulnerability from 2022 to 2024 (Figure ES1). This shift in financial vulnerability signals a small but real improvement in the financial resilience of American households. Our analysis shows that this progress was driven by an increase in the share of households spending less than their incomes and a decrease in the share reporting unmanageable debt.

Spending Relative to Income

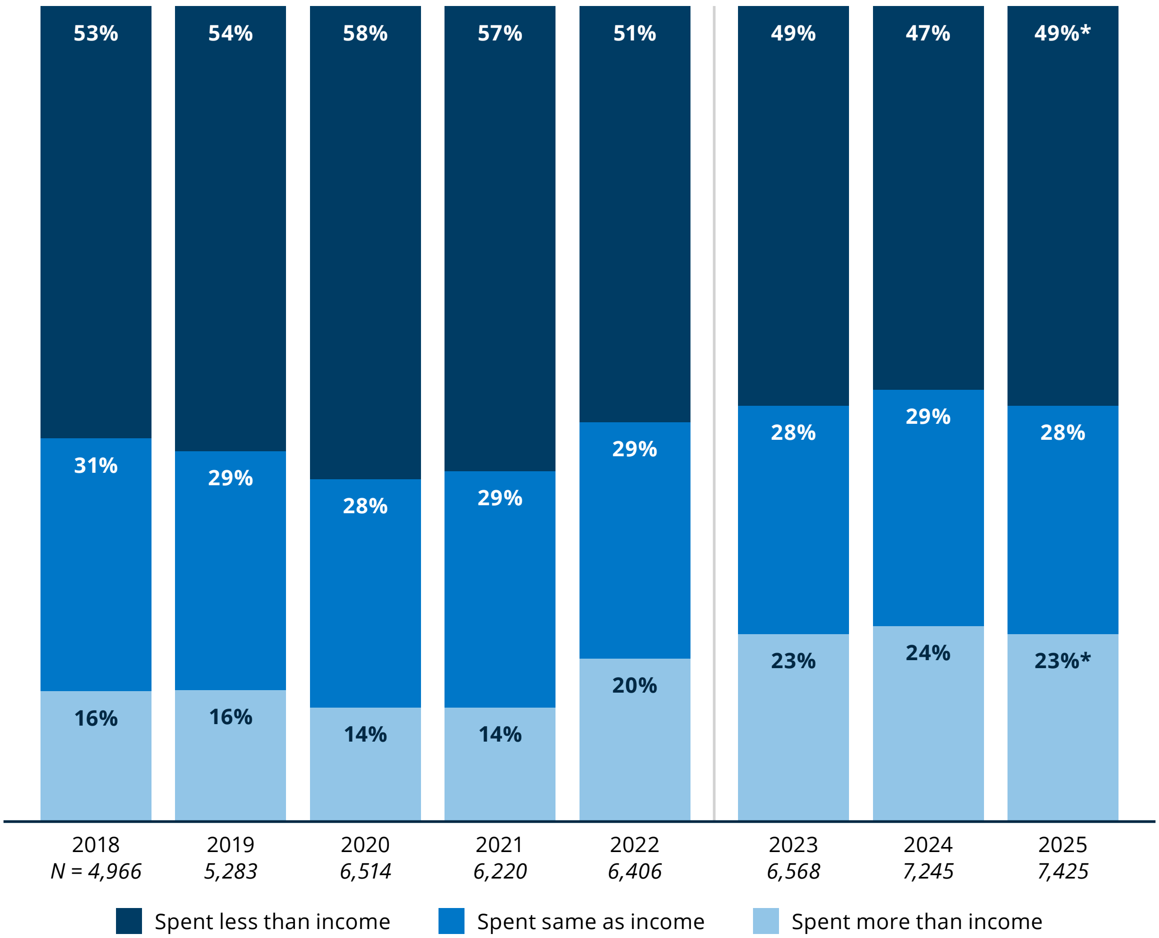
The percentage of households who spent less than their income over the past 12 months rose from 47% to 49%, while the percentage who spent more than their income declined from 24% to 23% (Figure ES2). This indicates that more households were able to save more of their incomes over late 2024 and early 2025 than in the prior year (Figure ES2).

Cooling inflation – combined with average wages rising faster than prices – likely assisted many households in their efforts to save over this period. However, the share of households spending more than they earned remained higher than levels seen between 2018 and 2021 – both during the pandemic, when savings were bolstered by government assistance and pandemic lockdowns, and even prior to the pandemic.[23,24]

[23] Holly Secon & Aylin Woodward, "A map of the US cities and states under lockdown — and those that are reopening," Business Insider, May 2020.
[24] "COVID-19 Timeline," Centers for Disease Control and Prevention, July 2024.

Figure ES2. Households saved more in the lead-up to 2025 than in the prior year, but less than in 2018-2021.

Percentage of households reporting that they spent less than, about the same as, or more than their income over the prior 12 months.



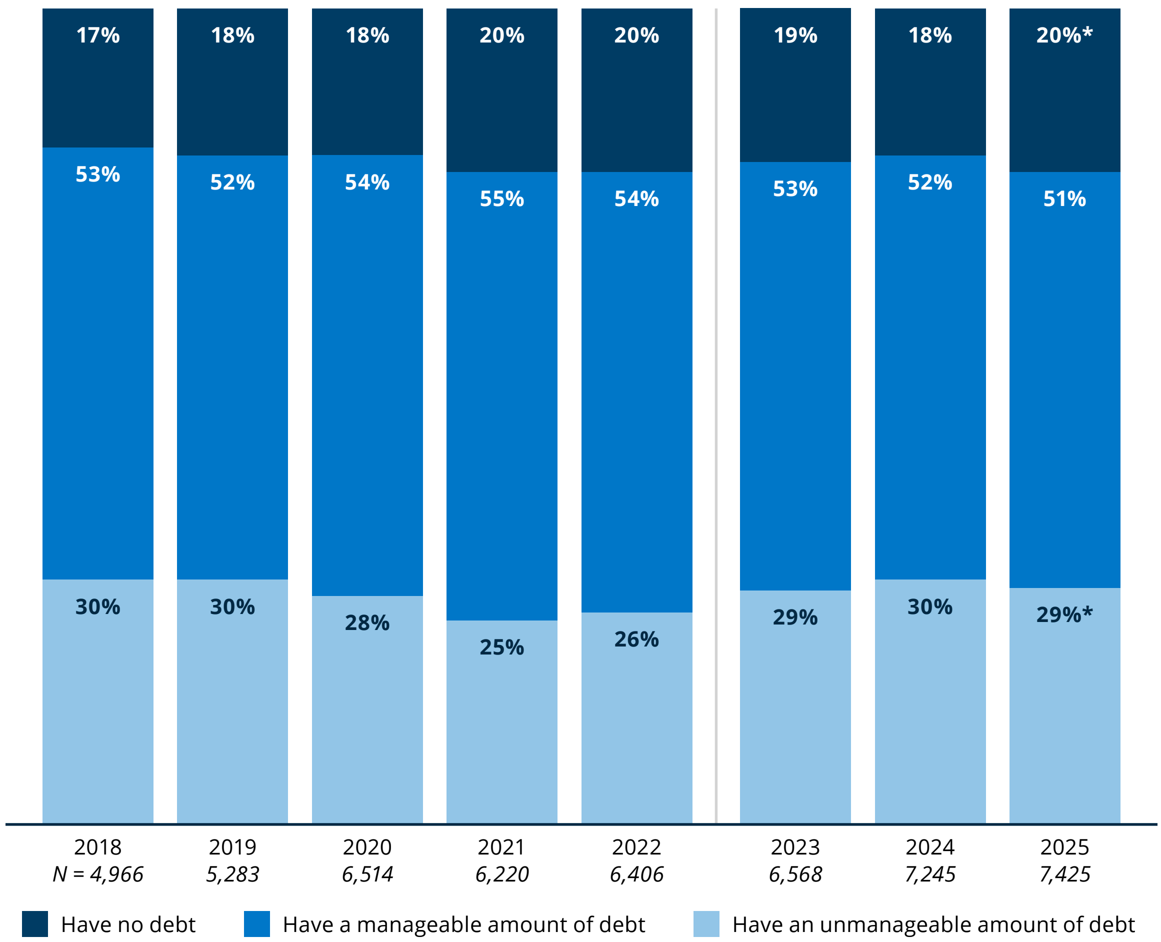
Notes: For full question text and variable definitions, see Appendix B. Percentages may not sum to 100% due to rounding.
* Statistically significant change from 2024 (p < .05)

Debt Manageability

Household debt manageability also improved slightly. The percentage of households reporting an unmanageable amount of debt decreased from 30% to 29% (Figure ES3). This overall increase in debt manageability was partly driven by a rise in the share of households reporting no debt at all: between 2024 and 2025, the percentage of households reporting having no debt increased from 18% to 20% (Figure ES3). There was no statistically significant change in the share reporting specifically having a manageable amount of debt.

Figure ES3. The share of households with unmanageable debt decreased.

Percentage of households reporting no debt, manageable debt, and unmanageable debt, by year.



Notes: For full question text and variable definitions, see Appendix B. Percentages may not sum to 100% due to rounding.
* Statistically significant change from 2024 (p < .05)

This increase in the share of debt-free households may be due, in part, to more people paying off outstanding credit card balances and auto loans. The share of households reporting having an auto loan decreased from 37% to 35%, and the share who reported carrying a revolving credit card balance fell from 36% to 34% (Table ES1).[25] For both auto loans and credit cards, interest rates remained high in 2024, which could be dissuading consumers from borrowing or encouraging some to pay off debts faster.[26,27,28]

We did not estimate any statistically significant changes in ownership of other types of debt, including student loans, small business loans, mortgages, home equity lines of credit, medical debt, personal loans, or loans from retirement plans.

Table ES1. The share of households with auto loans and revolving credit card debt decreased.

Percentage of households reporting holding auto debt and revolving credit card debt, between 2024 and 2025.

	2024	2025
Has an auto loan	37%	35%*
Carrying balance on a credit card	36%	34%*
N	7,238	7,419

Notes: Percentages are based on total households, not only households with cars or only households with credit cards.
* Statistically significant relative to 2024 ($p < .05$)

These results showing fewer concerns around debt may appear at odds with other data sources reporting elevated delinquency levels.[29] However, while delinquency rates for both auto loans and credit cards remain above 2022-2023 levels, recent credit bureau data indicates they began to stabilize and even decrease slightly over the course of 2024.[30] Recent research also suggests that still-elevated credit card delinquency rates may reflect the lingering effects of lenders loosening credit standards in the post-pandemic period, rather than increasing consumer insolvency.[31]

Together, these recent trends in saving and debt are a positive sign that a growing number of households were actively saving and fewer consumers were facing unmanageable debt in early 2025. Still, when viewed in the context of trends stretching back to 2018, it is clear that a substantial portion of the population continued to spend more than their income and struggle with debt – underscoring that the sharp post-pandemic improvements across these indicators were only temporary.

[25] Administrative data sources measure auto loan ownership differently and provide estimates that differ from our findings. For example, Equifax reports that the total number of auto loan accounts increased slightly between Q1 2024 and 2025, while TransUnion reports only a very slight decrease over this time period. The source of this discrepancy between administrative and survey data is not clear, and an important topic for future research.

[26] "Commercial Bank Interest Rate on Credit Card Plans, All Accounts," Federal Reserve Bank of St. Louis, July 2025.

[27] "Finance Rate on Consumer Installment Loans at Commercial Banks, New Autos 60 Month Loan," Federal Reserve Bank of St. Louis, July 2025.

[28] "Finance Rate on Consumer Installment Loans at Commercial Banks, New Autos 48 Month Loan," Federal Reserve Bank of St. Louis, July 2025.

[29] "Household Debt and Credit Report (Q2 2025)," Federal Reserve Bank of New York, August 2025.

[30] "TransUnion Analysis Uncovers Surprising Truth: Inflation-Adjusted Debt Growth Much Smaller Over the Last Five Years," TransUnion, May 2025.

[31] Scott Fulford & Christa Gibbs, "Credit card delinquencies are higher than in 2019 because lenders took on more risk," Consumer Financial Protection Bureau (CFPB), August 2024.

Lower-Income and Lower-Wealth Households Experienced Some Relief

Consistent with the finding of modestly reduced vulnerability, many populations with historically lower wealth and income levels showed signs of improvement across spending and debt manageability between 2024 and 2025.

The share of households spending less than their income increased among the following groups:

- Low- and moderate-income (LMI) households (36% to 38%)[32,33]
- Negative net worth households (19% to 24%)
- Renters (36% to 39%)
- Black households (35% to 43%)

Similarly, groups that became less likely to report having more debt than is manageable included:

- LMI households (39% to 35%)
- Negative net worth households (73% to 67%) and zero net worth households (53% to 45%)
- Households without any investments (44% to 40%)

As a result, **LMI households, negative net worth households, renters, those without investments, and Black households were all less likely to be Financially Vulnerable in 2025 than in 2024** (Table ES2).

Table ES2. Several lower-income and lower-wealth groups were less likely to be Financially Vulnerable in early 2025 than in early 2024.

Percentage of households who were Financially Vulnerable, by year.

	% Vulnerable in 2024	% Vulnerable in 2025
LMI households (<81% AMI)	26%	23%*
Negative net worth households	56%	48%*
Households without investments	34%	29%*
Renters	29%	26%*
Black households	29%	24%*

Notes: For full question text and variable definitions, see Appendix B.
* Statistically significant relative to 2024 ($p < .05$)

[32] For this analysis, we combine low- and moderate-income households together into a single group. In the full report, we report on each group separately.

[33] Our findings echo those of Wheat, Deadman, and Sullivan (JPMorganChase Institute, 2025), who find that over a similar time period, cash balance growth in Chase accounts for low-income households rebounded slightly faster than high-income households.

However, these improvements would need to continue for several years to close the gaps between these populations and higher-wealth and higher-income groups. For example, only 5% of upper-income households were Financially Vulnerable in 2025.[34] Significant racial and ethnic disparities in financial health persist as well.[35] In contrast to more vulnerable populations, higher-wealth and higher-income groups generally did not experience meaningful shifts in overall financial health or vulnerability between 2024 and 2025.

Consistent with the finding that more vulnerable groups experienced modest increases in financial health over the course of late 2024 and early 2025, we also find that fewer households reported experiencing material hardships. Material hardships are indicators of a household's inability to meet basic needs, including housing, utilities, food, and healthcare.[36] Financially Vulnerable households are much more likely to experience these hardships due to their limited savings and restricted access to credit.

Between 2024 and 2025, the percentage of households facing food insecurity, missing mortgage or rent payments, or missing utility bill payments each decreased by 1 to 2 percentage points (Table ES3). These decreases were especially pronounced among historically lower-wealth and lower-income populations. For example, the share of negative net worth households reporting food insecurity fell from 45% to 40%.[37]

Table ES3. Food, housing, and utility hardships were less common in early 2025 than in 2024.

Percentage of households experiencing material hardships in the last 12 months, by year.

	2024	2025
Worried food would run out before getting money to buy more	16%	15%*
Skipped paying rent or mortgage or paid late because you could not afford it	10%	9%*
Skipped paying a utility bill or paid it late because you did not have enough money	17%	15%*
N	7,132	7,289

Notes: Estimated changes in other material hardships, such as skipping medical or dental care, were not statistically significant.

[34] See full report, Figure 12.

[35] See full report, Figure 25.

[36] Tammy Ouellette, Nancy Burstein, David Long, & Erik Beecroft, "Measures of Material Hardship," Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, March 2004.

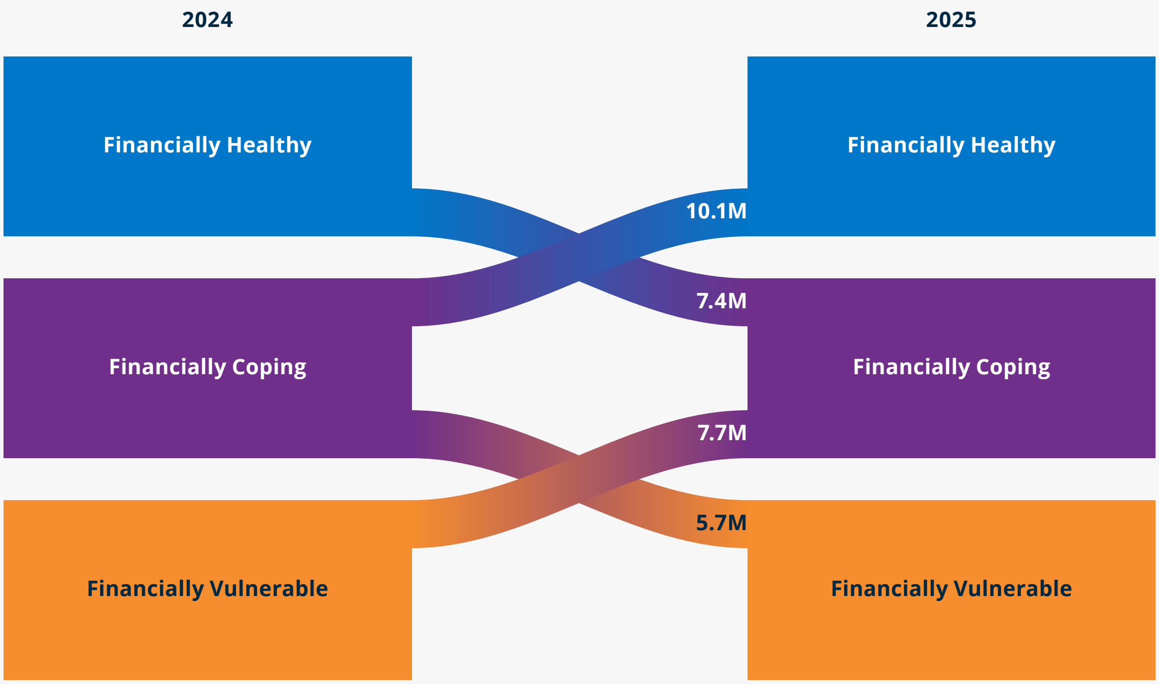
[37] Analysis of 2025 Pulse data available upon request.

Tracking Household Financial Health Over Time

The longitudinal structure of the Pulse survey allows us to see how the financial health of the same households changes year over year. Using a subset of households who responded to both the 2024 and 2025 surveys, we can estimate the number of households moving either up or down a financial health tier from one year to the next.

Between 2024 and 2025, we see that households were more likely to move up a tier than down a tier. For example, roughly 7.7 million households who were Financially Vulnerable in 2024 became Financially Coping in 2025, while about 5.7 million moved from Coping to Vulnerable, shrinking the estimated total Vulnerable population by 2 million households. **Overall, 31 million households – about 23% of the nation – moved up or down a tier**.

A household's change in financial health tier may represent only a small change in circumstances, nudging them across the threshold between any two tiers. Prior Pulse research has shown that these changes are sometimes short-lived, underscoring the dynamic nature of financial health.[38]



Notes: Estimates are rounded to the nearest 100,000 households and based on CPS estimates of the total number of households in the U.S. in May 2024. Because this analysis is done on a separate longitudinal sample, the estimates here differ slightly from the estimates in our cross-sectional analyses presented in the rest of the report. A small number of households moved from Vulnerable to Healthy or Healthy to Vulnerable. Due to small sample size, they are excluded from this figure.

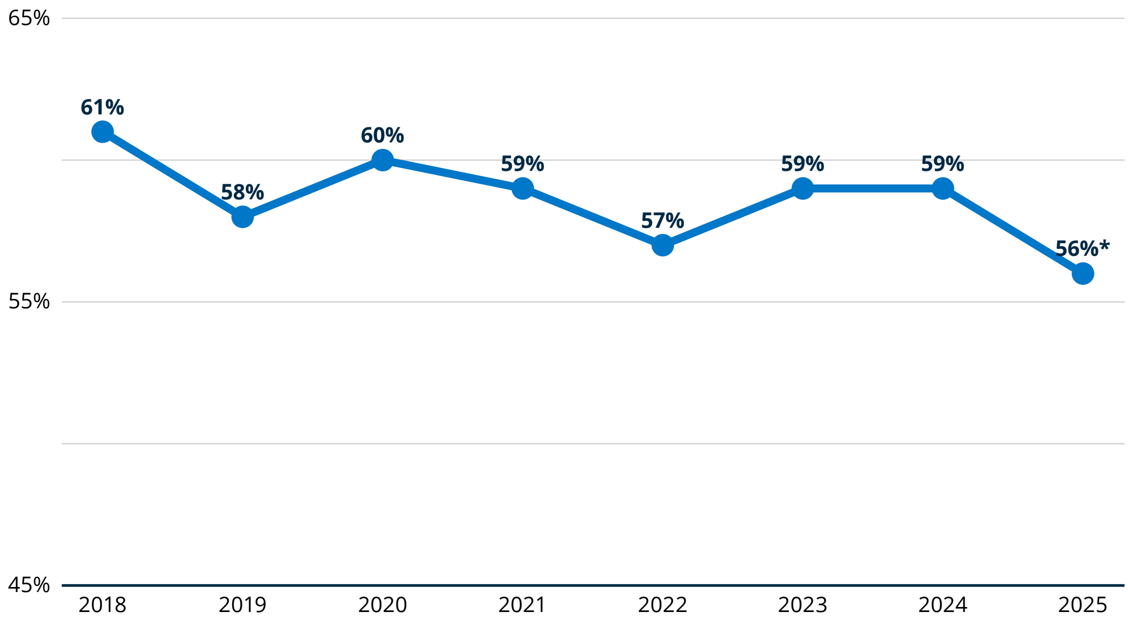
[38] Necati Celik & Kennan Cepa, "Once Financially Unhealthy, Always Financially Unhealthy?," Financial Health Network, April 2023.

Growing Concerns About Insurance

The overall decrease in financial vulnerability occurred despite a decline in insurance confidence. Between 2024 and 2025, the share of households who were at least moderately confident that their insurance policies were sufficient to cover them in an emergency fell from 59% to 56% (Figure ES4). This decline continues a gradual downward trend stretching back to at least 2018.

Figure ES4. Confidence in insurance coverage continued to decline.

Percentage reporting they are at least moderately confident their household's insurance policies will provide enough support in an emergency.



Notes: Labels are rounded to the nearest whole percentage point. For full question text and variable definitions, see Appendix B.
* Statistically significant relative to 2024 (p < .05)

While we cannot be sure which types of insurance products or coverage are driving this trend, the increasing frequency of natural disasters may be contributing to consumers' concerns about their homeowners and renters insurance.[39,40,41] It is not clear whether there's a causal relationship between natural disaster exposure and insurance confidence, but there is a correlation. Twelve percent of households reported experiencing a natural disaster or severe weather event over the past year.[42] Among those, 14% said they were not at all confident in their insurance coverage, compared with 7% of households who had not experienced a natural disaster (Table ES4).

[39] Meghan Greene & Lisa Berdie, "Strengthening Financial Health for Climate Resilience," Financial Health Network, November 2024.
[40] Nancy Walecki, "Tiny Climate Crises Are Adding Up to One Big Disaster," The Atlantic, November 2023.
[41] "The Impact of Climate Change on American Household Finances," U.S. Department of the Treasury, September 2023.
[42] Analysis of 2025 Pulse data available upon request.

Table ES4. Those who experienced natural disasters were less confident in their insurance.

Percentage reporting they are at least moderately confident their insurance policies would cover them in an emergency, by natural disaster experience.

Level of confidence in insurance coverage	Experienced a natural disaster or severe weather event in the last 12 months	Did not experience a natural disaster or severe weather event in the last 12 months
Moderately or very confident	52%*	58%
Not at all confident	14%*	7%
N	1,058	6,208

Notes: For full question text and variable definitions, see Appendix B.
* Statistically significant relative to those who did not experience a natural disaster ($p < .05$)

Natural disaster frequency is likely one factor pushing home insurance premiums higher. Industry data indicates that the average effective rate increase for homeowners insurance in 2024 was between 10% and 12%, marking the second consecutive year of steep rate hikes.[43,44] Pulse data shows that 43% of insured homeowners reported higher insurance costs over the past year.[45]

Gradually decreasing confidence in insurance could be due to households reducing their coverage in response to rising premiums or even being unable to get insurance coverage in high-risk markets.[46] In California, for example, a growing number of homeowners have resorted to the state's basic coverage option after failing to procure private insurer coverage.[47,48] Declining confidence may also reflect consumers' growing awareness of their vulnerability to disasters and lack of sufficient coverage.[49]

Homeowners insurance is not the only form of protection that has seen recent price increases. Year-over-year inflation in motor vehicle insurance peaked above 20% in early 2024, and only recently cooled to below 10%.[50,51]

Some evidence suggests consumers may be increasingly dissatisfied with their health insurance coverage as well. National surveys have shown gradually declining satisfaction with both healthcare coverage and quality since 2020, and a recent industry analysis found that prescription drug denials by private insurers increased steadily between 2016 and 2023.[52,53]

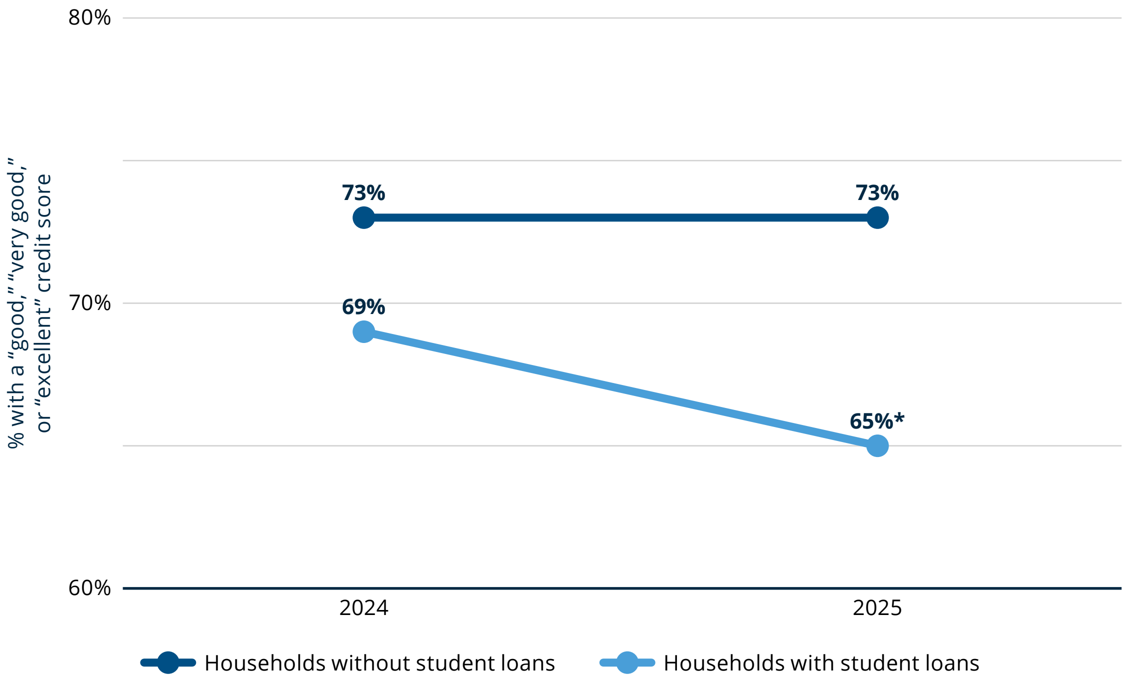
[43] Jason Woleben, "US homeowners rates rise by double digits for 2nd straight year in 2024," S&P Global Market Intelligence, January 2025.
[44] Maggie Davis, "State of Home Insurance: 2025," LendingTree, June 2025.
[45] Analysis of 2025 Pulse data available upon request.
[46] Arthur Fliegelman, "Wind, Fire, Water, Hail: What Is Going on In the Property Insurance Market and Why Does It Matter?," Office of Financial Research, December 2023.
[47] Nam Nguyen, "The Shrinking of the CA Private Insurance Market, and the Growing Reliance on the FAIR Plan," Climate and Energy Policy Program (CEPP), Stanford University, May 2025.
[48] "Key Statistics & Data," California Fair Plan Property Insurance, June 2025.
[49] J. Anthony Cookson, Emily Gallagher, & Philip Mulder, "Coverage Neglect in Homeowner's Insurance," March 2025.
[50] "Consumer Price Index for All Urban Consumers (CPI-U)," U.S. Bureau of Labor Statistics, August 2025.
[51] Megan Leonhardt, "Car Insurance Price Increases Are Set to Slow. Why Drivers Will Finally Get a Break," Barrons, October 2024.
[52] Megan Brenan, "View of U.S. Healthcare Quality Declines to 24-Year Low," Gallup, December 2024.
[53] Sarah Kliff, "Health Insurers Are Denying More Drug Claims, Data Shows," The New York Times, July 2025.

Student Loan Borrowers' Credit Scores Take a Hit

Student loan servicers resumed reporting late payments to credit bureaus early in 2025 after several years of forbearance.[54] As a result, credit scores for some student borrowers declined.[55] The percentage of households with student loans reporting that their credit score was "good," "very good," or "excellent" dropped from 69% to 65% (Figure ES5). There was no statistically significant change in credit scores among households without student loans.

Figure ES5. Credit scores dropped for some student loan borrowers.

Percentage reporting having a good or better credit score, by student loan ownership and year.



Notes: N = 1,512 households with student loans and 5,609 without in 2024. 1,476 households with student loans and 5,821 without in 2025.

* Statistically significant relative to 2024 (p < .05)

There were also no statistically significant changes in any other financial health indicators for student loan borrowers, including debt manageability and spending less than income. This may change as the Office of Federal Student Aid resumes collections activities on defaulted federal student loans, which could include wage garnishment and withholding Social Security payments or tax refunds.[56,57,58]

[54] Stacy Cowley, "Millions of Student Loan Borrowers Are Behind on Payments," The New York Times, April 2025.

[55] Daniel Mangrum & Crystal Wang, "Credit Score Impacts from Past Due Student Loan Payments," Federal Reserve Bank of New York, March 2025.

[56] "U.S. Department of Education to Begin Federal Student Loan Collections, Other Actions to Help Borrowers Get Back into Repayment," U.S. Department of Education, April 2025.

[57] Annie Ma, "Student loans in default to be referred to debt collection, Education Department says," Associated Press, April 2025.

[58] "Department of Education resumes student loan collections on defaulted loans," Economic Policy Institute, May 2025.

NEW INSIGHTS

Emerging Tools and Strategies To Manage Finances

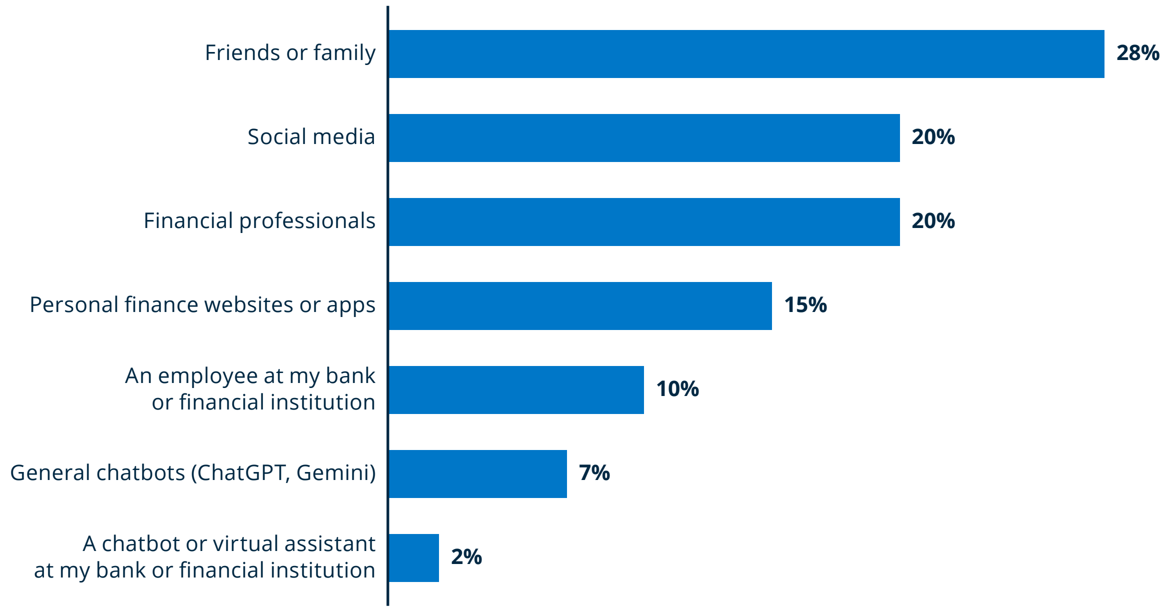
In each annual Pulse survey, we ask new questions on evolving topics in household finance. This year's data sheds light on the emerging tools and strategies consumers are using to manage their financial lives.

AI and Financial Advice

AI tools are still not widely used for financial advice, but adoption is growing. In early 2025, 7% of consumers reported using general AI chatbots (such as ChatGPT or Gemini) for financial advice – more than double the rate (3%) reported in 2024.[59] Friends and family, social media, financial advisors, websites or apps, and financial institution employees remain more common sources of advice than chatbots (Figure ES6).

Figure ES6. Friends and family, social media, and financial advisors remain more common sources of financial advice than AI tools.

Percentage reporting receiving financial advice from each source in the past 12 months.



Notes: Respondents could select more than one source of advice.

[59] Amber Jackson & Kennan Cepa, "What's Holding Back Consumers From Using AI Financial Tools?," Financial Health Network, April 2025.

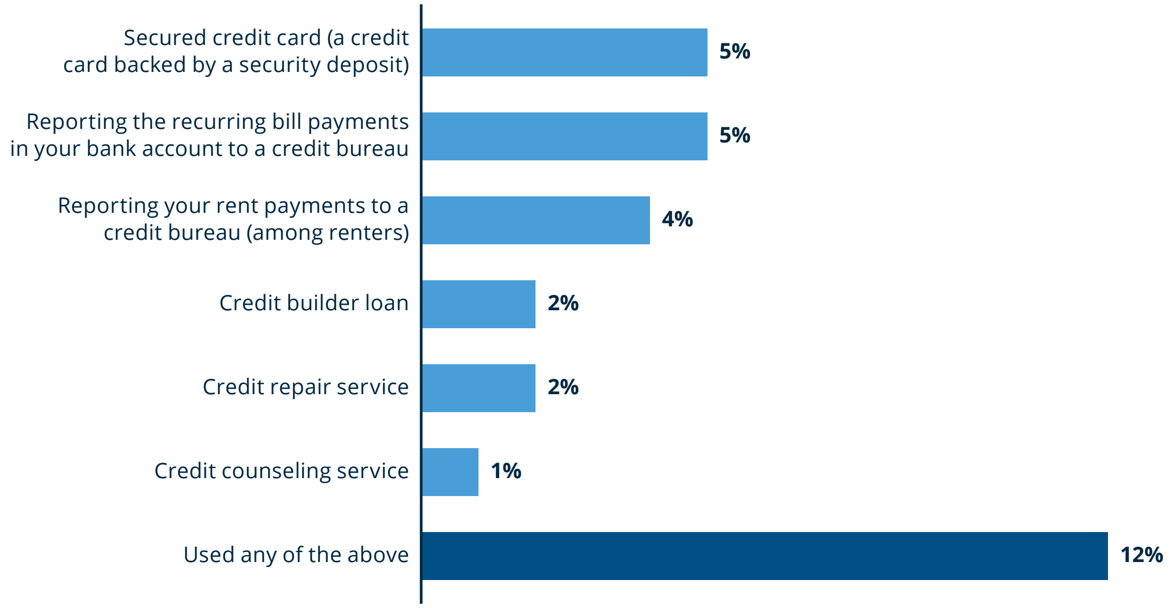
Credit Building

A growing number of products and services promising to improve credit scores for subprime and thin-file consumers have launched in recent years.[60,61] We asked about the use of credit-building tools for the first time in the 2025 Pulse survey and found that 12% of consumers reported using one or more credit-building products in the past 12 months (Figure ES7).

Secured credit cards are more commonly held than credit-building loans. Reporting bill or rent payments to a credit bureau is more common than using credit repair services. Consumers with lower incomes, those with lower credit scores, and Financially Vulnerable consumers are more likely to report using these services.[62]

Figure ES7. 12% of consumers used some form of credit-building product or service over the past year.

Percentage reporting use of each type of credit-building product in the past 12 months.



Notes: Respondents could select more than one product.

[60] Trey Waters, Hannah Gdalman, Necati Celik, & Heidi Johnson, "Financial Health Solutions: Credit Builder Loans and Rent Reporting," Financial Health Network, May 2025.

[61] Alexander Bruce & Simona M. Hannon, "An Overview of Credit-Building Products," Board of Governors of the Federal Reserve System, December 2024.

[62] Analysis of 2025 Pulse data available upon request.

Automated Savings

Automated savings strategies can help households build emergency savings by overcoming behavioral biases and saving time and energy.[63] While this approach has long been applied in retirement savings, policymakers have recently acknowledged its broader potential. The SECURE 2.0 Act, for example, allowed employers to automatically enroll employees in emergency savings programs.[64]

Pulse data show that around 31% of households currently use a system to automatically transfer money into a liquid savings account (excluding retirement accounts) on a regular basis. Higher-income households and Financially Healthy households are more likely to use automated savings tools, and households who report using automated savings tools are more likely to have higher savings balances (Table ES5).

Table ES5. Households using automatic savings tools have higher savings balances.

Percentage of households with more than $2,000 and/or more than 3 months of living expenses saved, by automatic savings adoption.

Savings indicator	Households with automated savings	Households without automated savings
More than $2,000 in their checking and savings accounts	76%*	63%
At least 3 months of living expenses saved	65%*	58%
N	2,331	4,385

Notes: 263 respondents said they did not know whether they had automated savings. The question was only asked to those who reported having a checking or savings account.

* Statistically significant relative to households without automated savings (p < .05)

[63] Alycia Chin, Heidi Johnson, & Brianna L. Middlewood, "Deepening our Understanding of Savings Automation in Retirement and Non-retirement Contexts," Pension Research Council of the Wharton School, University of Pennsylvania, March 2024.

[64] "FAQs: Pension-Linked Emergency Savings Accounts," Employee Benefits Security Administration.

CONCLUSION

Turning Modest Gains Into Meaningful Progress

After two years of rising distress, the past year's modest decrease in financial vulnerability signals that cooling inflation and a stable job market have given some struggling households breathing room in their budgets. It is noteworthy – and potentially reassuring – that **several lower-income and lower-wealth groups were less likely to be Financially Vulnerable in early 2025** than at the same time in 2024.

Despite this progress, however, the share of households who are Financially Healthy has not meaningfully increased since 2022. More than two-thirds of U.S. households remain Financially Unhealthy, and Pulse data highlight other areas for concern.

One major concern is a **decline in consumer confidence in insurance coverage**, underscoring a need for policies and industry solutions that make insurance more affordable and accessible. As natural disasters grow more frequent and severe, and millions of people face the loss of health insurance coverage in the coming years, insufficient coverage is likely to become an even more urgent concern across a variety of insurance types.[65] Beyond improving insurance access and affordability, policymakers and financial institutions can help households build resilience to extreme weather events and other threats. Both the public and private sectors have important roles to play in increasing transparency and preparation around risk.[66]

[65] Jared Ortaliza et. al, "How Will the One Big Beautiful Bill Act Affect the ACA, Medicaid, and the Uninsured Rate?," KFF, June 2025.
[66] Meghan Greene & Lisa Berdie, "Strengthening Financial Health for Climate Resilience," Financial Health Network, November 2024.

Another population that warrants special attention in the coming year is student loan borrowers. **Many struggling student loan borrowers have already seen their credit scores dip** as delinquencies are reported to credit bureaus. In the near future, the resumption of collections activities – along with administrative backlogs and confusion about income-driven repayment and Public Service Loan Forgiveness – may further strain borrowers' finances.[67] These findings emphasize the need for flexible repayment pathways and additional support for student loan borrowers.

Policymakers, the private sector, and community organizations must work together to ensure that the decrease in financial vulnerability between 2024 and 2025 continues to decline in 2026 and beyond. Recent modest improvements in financial health are threatened by looming disinvestment in public programs that support the most vulnerable populations. For example, forthcoming changes to Medicaid and SNAP are poised to reduce access to healthcare and nutritious food for millions.[68,69] Further, households still face significant uncertainty about the future of the economy due to the impact of other policies – such as tariffs – on the prices of essential goods.

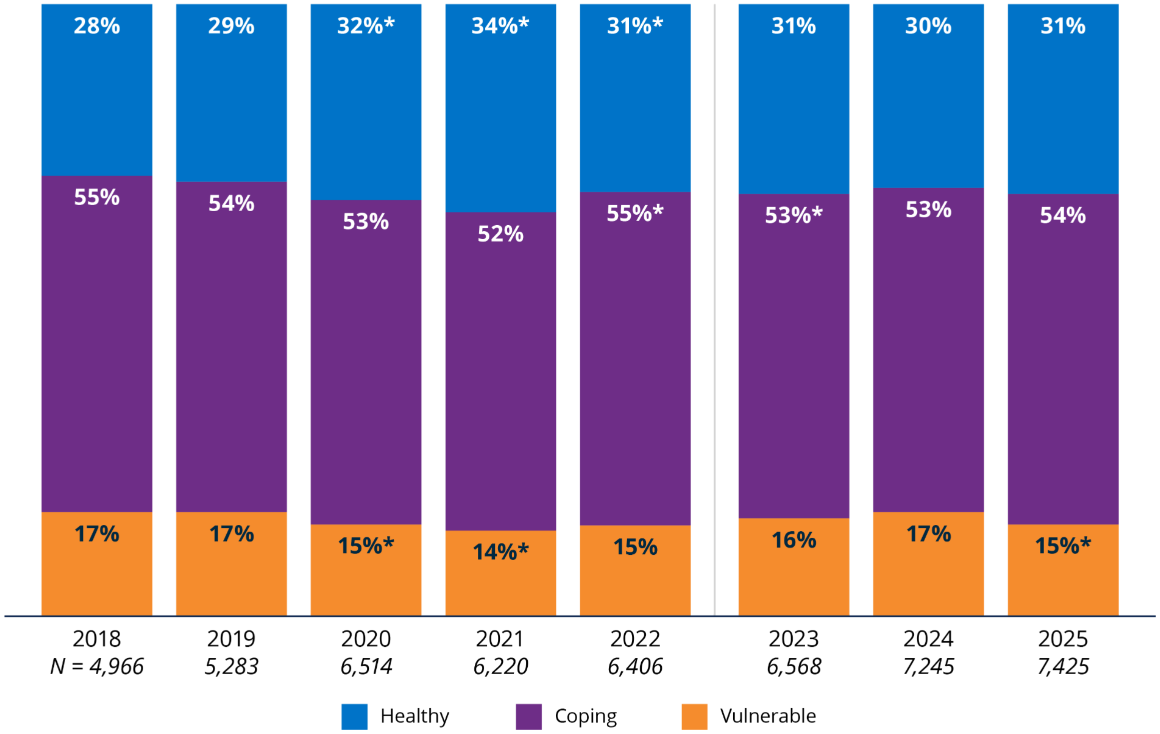
The past eight years of Financial Health Pulse data have made one thing clear: without substantial new investment in the financial health of the most vulnerable groups, meaningful progress is unlikely to last.

[67] Adam S. Minsky, "Big Update On Student Loan Repayment Plan Processing And PSLF Shows Uneven Progress," Forbes, June 2025.
[68] Jared Ortaliza et. al, "How Will the One Big Beautiful Bill Act Affect the ACA, Medicaid, and the Uninsured Rate?," KFF, June 2025.
[69] Phillip L. Swagel, "Potential Effects on the Supplemental Nutrition Assistance Program of Reconciliation Recommendations Pursuant to H. Con. Re. 14," Congressional Budget Office, May 2025.

2025 Detailed Tables and Charts

The State of U.S. Financial Health in 2025

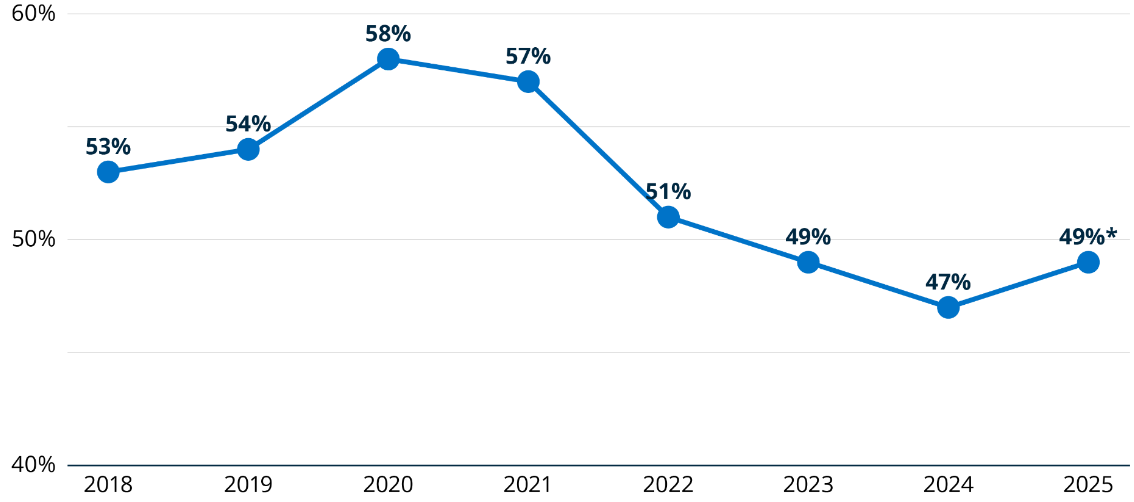
Figure 1. Fewer households were Financially Vulnerable in 2025 than in 2024.
Percentage in each financial health tier, by year.



Notes: 2018-2022 were sampled and weighted at the individual level, and 2023-2025 were sampled and weighted at the household level. Percentage points may not sum to 100% due to rounding. See methodology section for more details.
* Statistically significant relative to the prior year (p < .05)

Figure 2. The share of households who spent less than their income over the prior 12 months increased from 2024 to 2025, but remained below pre-pandemic levels.

Percentage of households spending less than their income, by year.

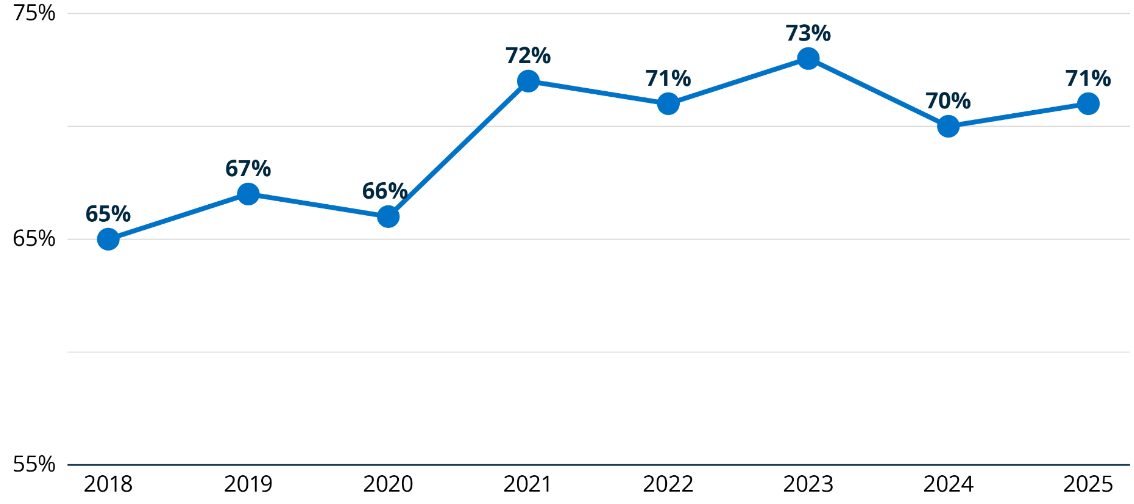


Notes: Labels are rounded to the nearest whole percentage point.

* Statistically significant relative to 2024 (p < .05)

Figure 3. The percentage of households paying all their bills on time remained higher than prior to the pandemic.

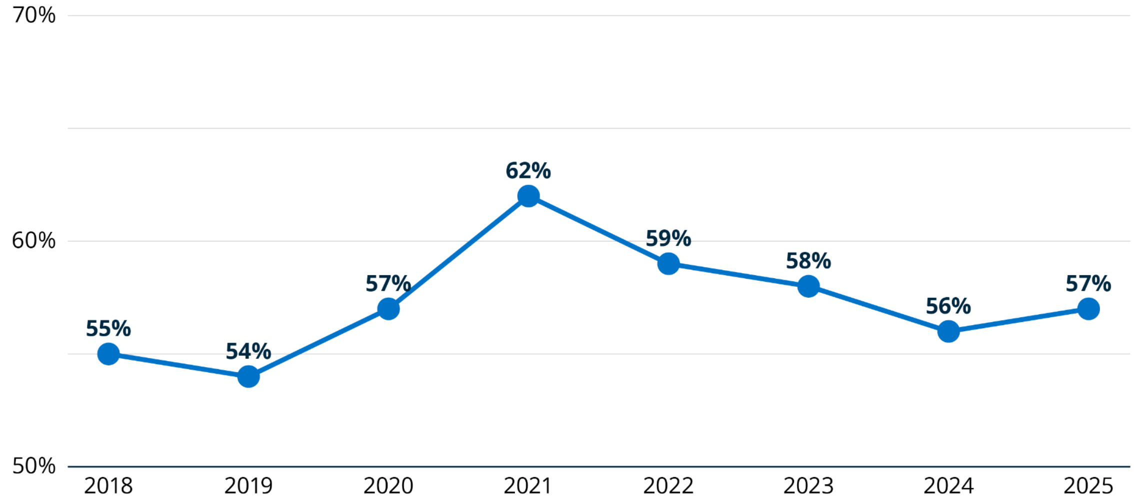
Percentage of households paying all bills on time over the past 12 months, by year.



Notes: Labels are rounded to the nearest whole percentage point.

Figure 4. The percentage of households with at least 3 months of savings held steady between 2024 and 2025, following 3 years of decline.

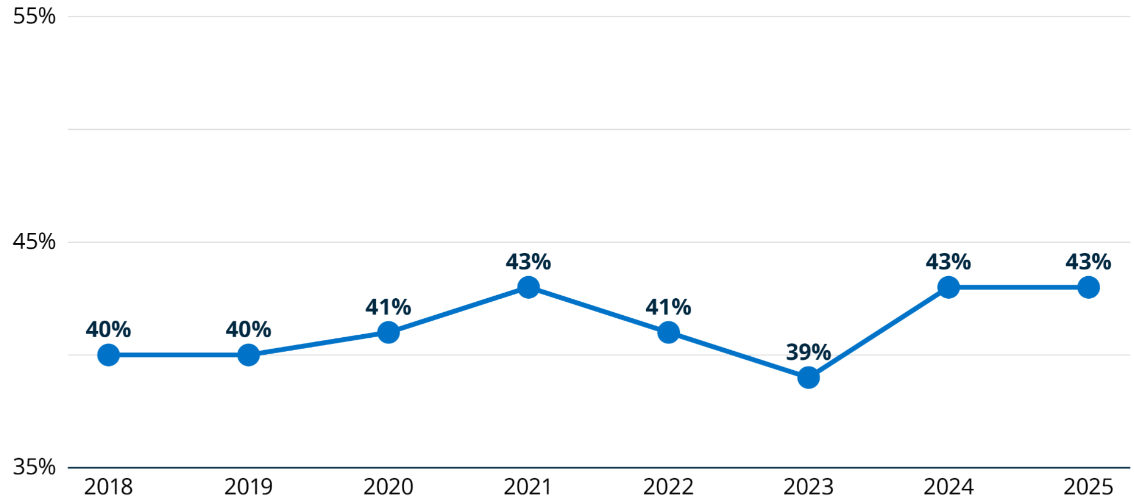
Percentage of households with enough savings to cover at least 3 months of living expenses, by year.



Notes: Labels are rounded to the nearest whole percentage point.

Figure 5. Confidence in long-term financial goals held roughly steady.

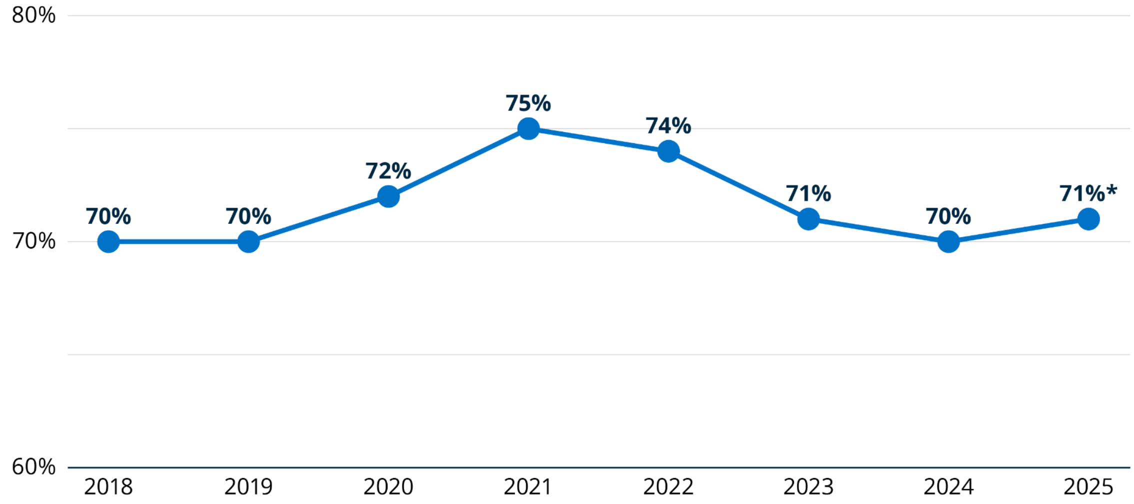
Percentage of households who were moderately or very confident they were on track to meet their long-term financial goals, by year.



Notes: Labels are rounded to the nearest whole percentage point.

Figure 6. The share of households with manageable debt or no debt ticked upward, after 3 years of steady decline.

Percentage of households who had a manageable amount of debt or no debt, by year.

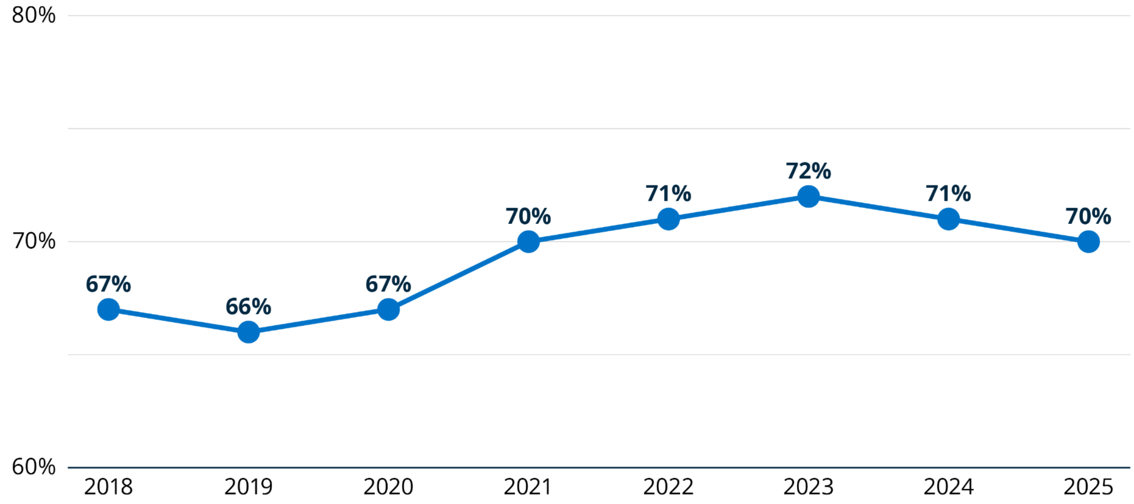


Notes: Labels are rounded to the nearest whole percentage point.

* Statistically significant relative to 2024 (p < .05)

Figure 7. Self-reported credit scores remained higher than pre-pandemic.

Share of households rating their credit scores as good, very good, or excellent, by year.

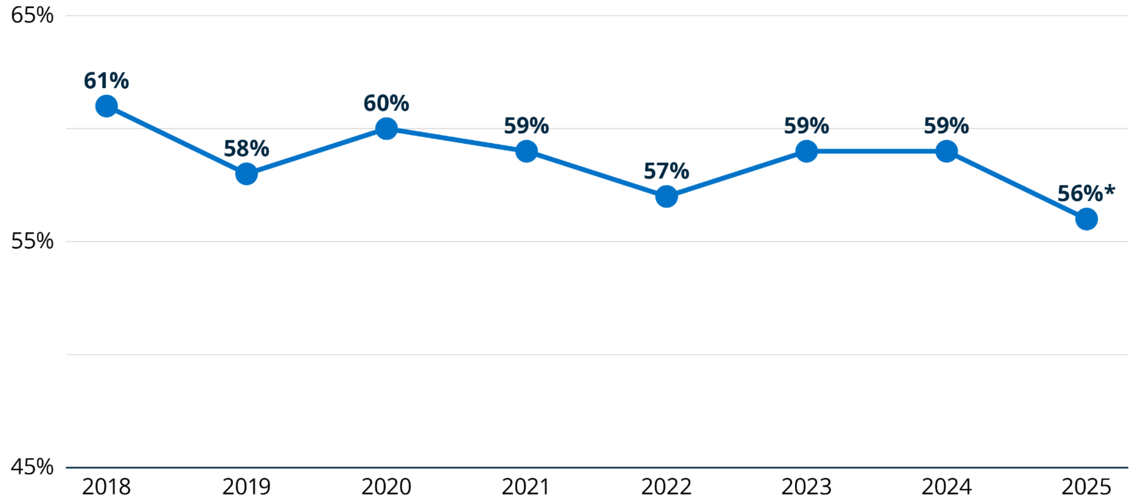


Notes: Labels are rounded to the nearest whole percentage point.

* Statistically significant relative to 2024 (p < .05)

Figure 8. Confidence in insurance coverage continued to decline.

Percentage of households reporting they were at least moderately confident their household's insurance policies will provide enough support in an emergency.

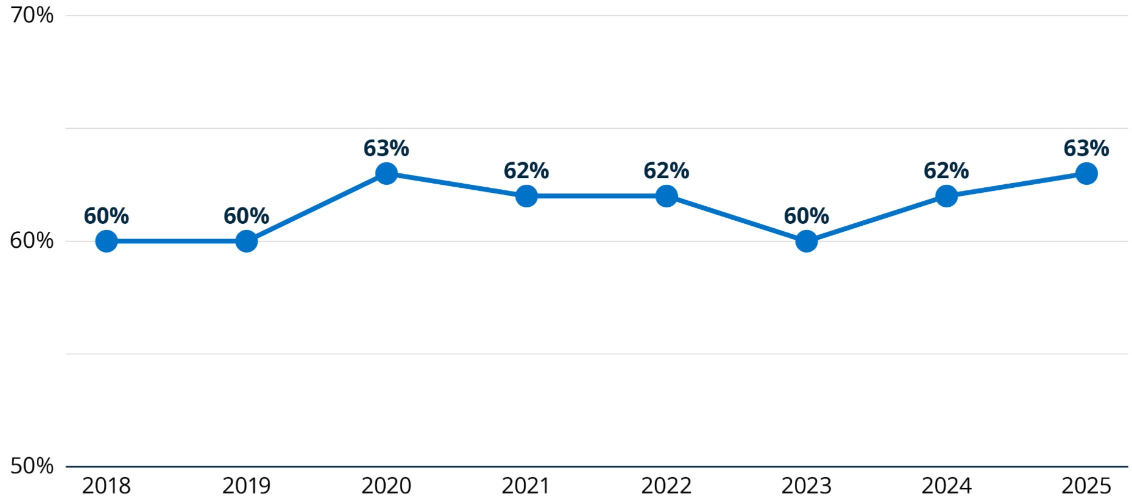


Notes: Labels are rounded to the nearest whole percentage point.

* Statistically significant relative to 2024 (p < .05)

Figure 9. The share of households planning ahead held roughly steady.

Percentage of households reporting they somewhat or strongly agreed that their household is planning ahead financially, by year.



Notes: Labels are rounded to the nearest whole percentage point.

Financial Health by Financial Characteristics

A household's financial health is directly shaped by its **income**, **debts**, **assets**, and **use of financial services**. Examining trends and disparities across these characteristics can help identify products or populations that may warrant greater attention from industry leaders and policymakers.

Financial health is strongly associated with both **income and wealth**. In 2025, around half of upper-income households and positive net worth households were Financially Healthy. In contrast, only 12% of low-income households (<50% AMI) and 3% of negative net worth households were Financially Healthy. A high income, however, does not guarantee financial health – 44% of upper-income households (>120% AMI) were Financially Coping.

Unsurprisingly, given the relationship between wealth and financial health, **homeowners tend to be healthier than renters**, **investors healthier than non-investors**, and **entrepreneurs healthier than non-business owners**. Likewise, households with credit card debt or student loan debt are typically more vulnerable than those without these debts. Access to banking services is also closely tied to financial health: unbanked and underbanked households were significantly less Financially Healthy than fully banked households.

Between 2024 and 2025, the percentage of low-income, negative net worth, renter, and non-investor households who were Financially Vulnerable all decreased (Figures 11,13,15,17). These improvements were often related to increases in the share of these households who:

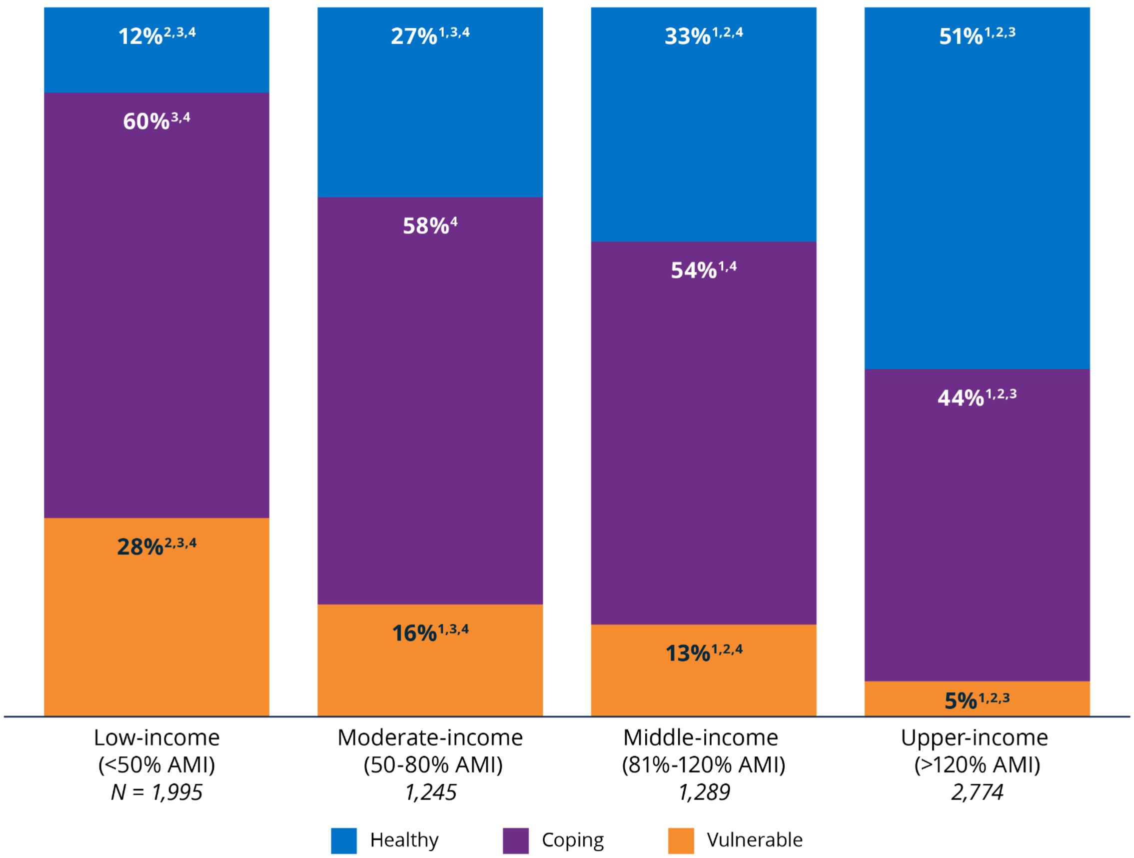
- Spent less than their income over the prior year
- Reported having no debt or a manageable amount of debt
- Agreed their household is planning ahead financially (Tables 1,2,3)

Declines in insurance confidence, however, were broadly experienced across households. For example, the shares of households with and without credit debt who were confident in their insurance coverage decreased (Table 3).

Household Income

Figure 10. Income was positively associated with financial health.

2025 percentages in each financial health tier, by household income as a percentage of AMI.



Notes: AMI is defined as the median household income for that respondent's Metropolitan Statistical Area (MSA), or county if the respondent does not live in an MSA. In 2025, 121 respondents had missing income or geographic information. Percentages may not sum to 100% due to rounding.

[1] Statistically significant relative to low income ($p < .05$).

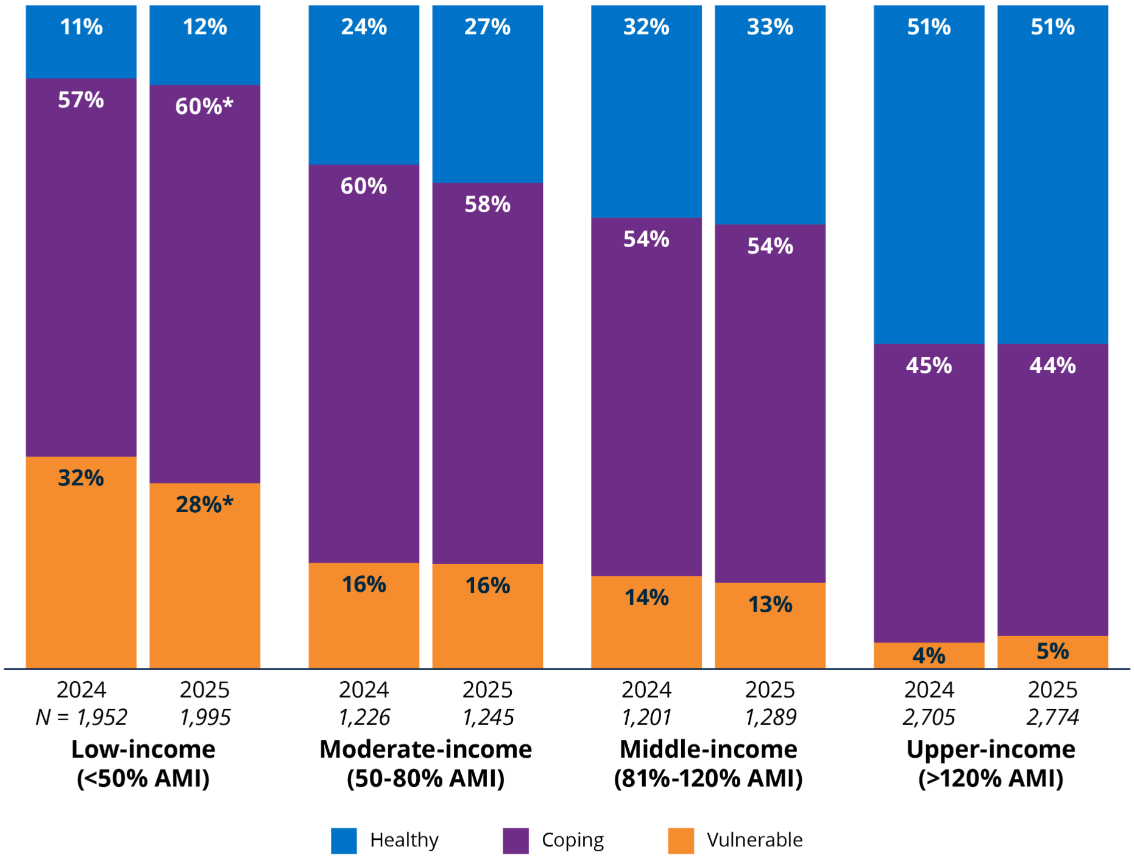
[2] Statistically significant relative to moderate income ($p < .05$).

[3] Statistically significant relative to middle income ($p < .05$).

[4] Statistically significant relative to upper income ($p < .05$).

Figure 11. The share of low-income households who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by household income as a percentage of AMI.



Notes: AMI is defined as the median household income for that respondent's Metropolitan Statistical Area (MSA), or county if the respondent does not live in an MSA. In 2024, there were 161 respondents with missing income or geographic information. In 2025, 121 respondents had missing income or geographic information. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 1. Low-income households experienced increases in debt manageability and planning indicators.

2024-2025 trends in each financial health indicator, by household income as a percentage of AMI.

Financial health indicator	Low-income (<50% AMI)		Moderate-income (50-80% AMI)		Middle-income (81%-120% AMI)		Upper-income (>120% AMI)	
	2024	2025	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	32%	35%	42%	45%	48%	50%	63%	63%
Paid all bills on time over prior 12 months	52%	53%	66%	70%	74%	73%	87%	87%
Have enough savings to cover at least 3 months of living expenses	39%	40%	52%	52%	59%	61%	73%	72%
Are confident they are on track to meet long-term financial goals	25%	27%	36%	39%	47%	43%	60%	59%
Have a manageable amount of debt or no debt	59%	63%*	67%	69%	67%	71%	82%	81%
Have a "good," "very good," or "excellent" credit score	47%	46%	68%	69%	78%	78%	91%	90%
Are confident their insurance policies will cover them in an emergency	41%	39%	55%	51%*	64%	60%	74%	74%
Agree their household plans ahead financially	38%	43%*	59%	61%	69%	67%	82%	81%
N	1,952	1,995	1,226	1,245	1,201	1,289	2,705	2,774

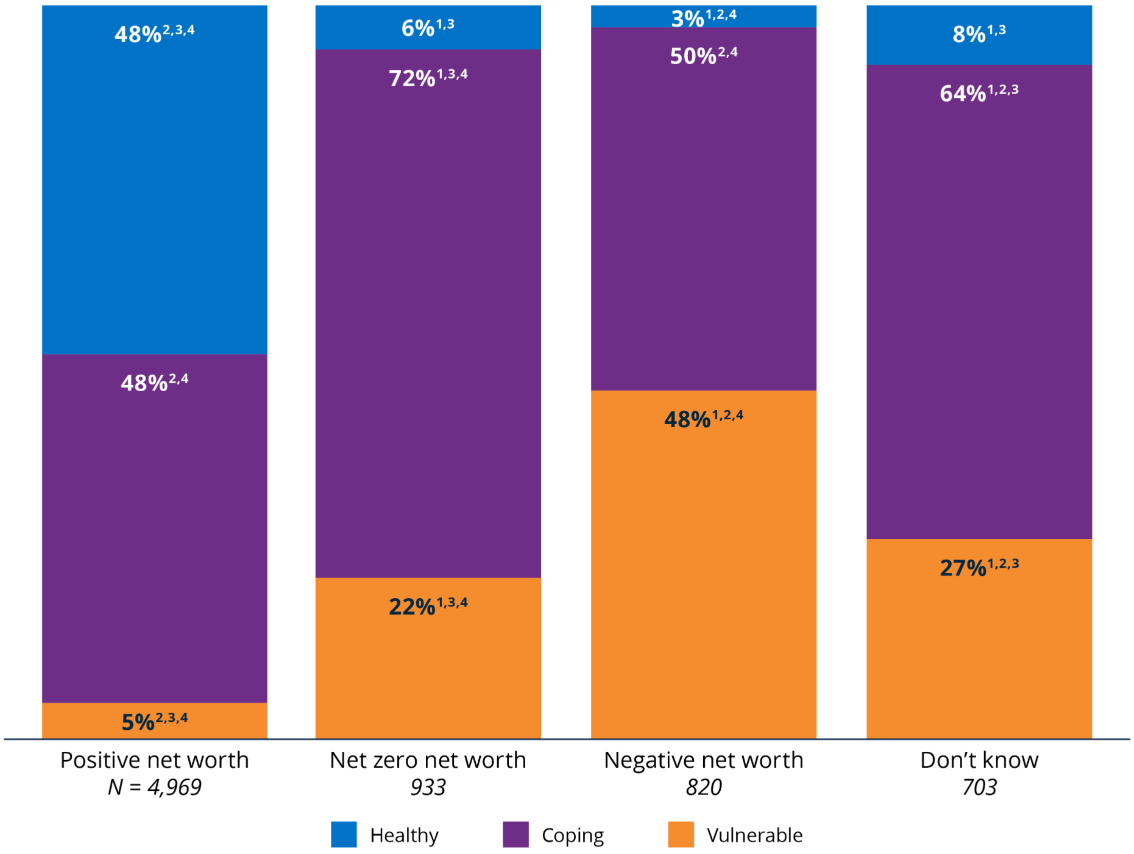
Notes: AMI is defined as the median household income for that respondent's Metropolitan Statistical Area (MSA), or county if the respondent does not live in an MSA. In 2024, there were 161 respondents with missing income or geographic information. In 2025, 121 respondents had missing income or geographic information. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 ($p < .05$).

Net Worth

Figure 12. Nearly half of households with positive net worth are Financially Healthy, compared with just 3% of those with negative net worth.

2025 percentages in each financial health tier, by net worth.



Notes: Categories are based on respondents reporting that after selling all their assets to pay all of their debts, they would have money left over, roughly break even, or would be in debt. See Appendix B for exact question wording. Two respondents had missing net worth. Percentages may not sum to 100% due to rounding.

[1] Statistically significant relative to positive net worth ($p < .05$).

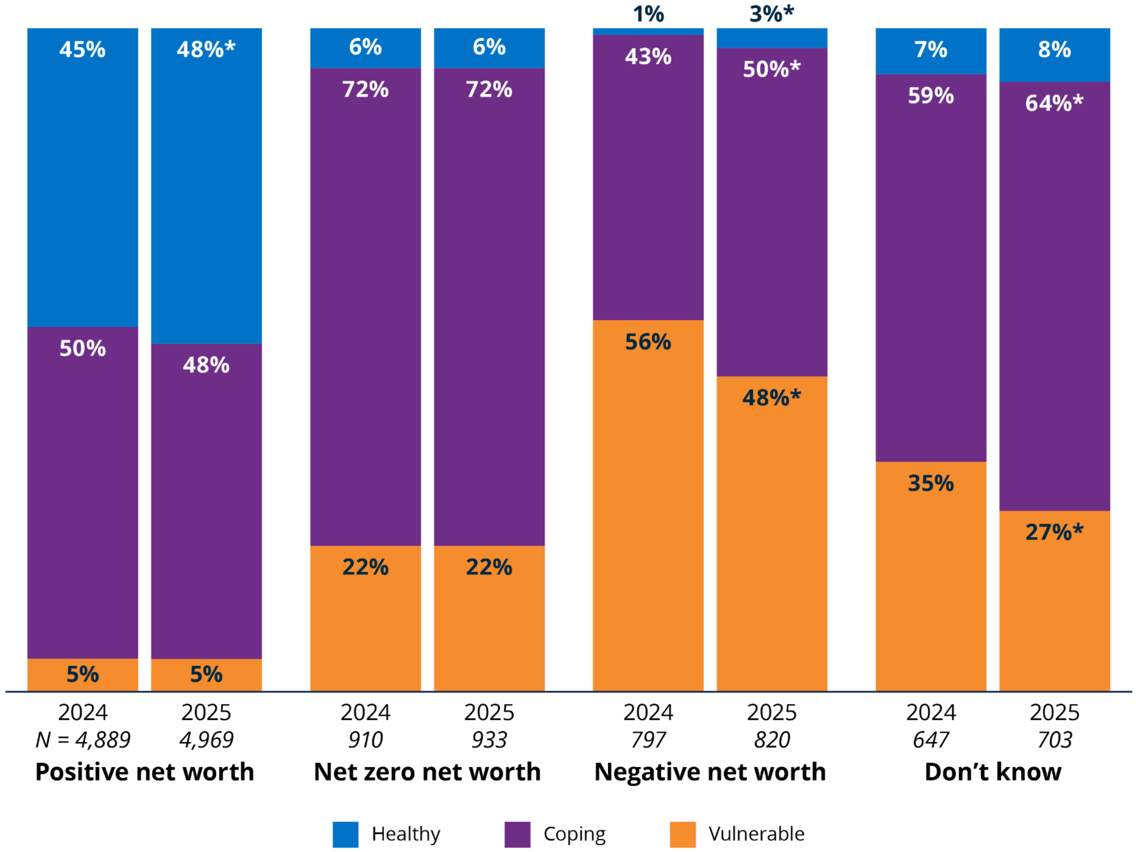
[2] Statistically significant relative to net zero net worth ($p < .05$).

[3] Statistically significant relative to negative net worth ($p < .05$).

[4] Statistically significant relative to "don't know" ($p < .05$).

Figure 13. The share of households with negative net worth who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by net worth.



Categories are based on respondents reporting that after selling all their assets to pay all of their debts, they would have money left over, roughly break even, or would be in debt. See Appendix B for exact question wording. Two respondents in 2024 and two respondents in 2025 had missing net worth. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 2. Households with negative net worth experienced increases in savings, bill payment, long-term confidence, debt manageability, and planning indicators.
2024-2025 trends in each financial health indicator, by net worth.

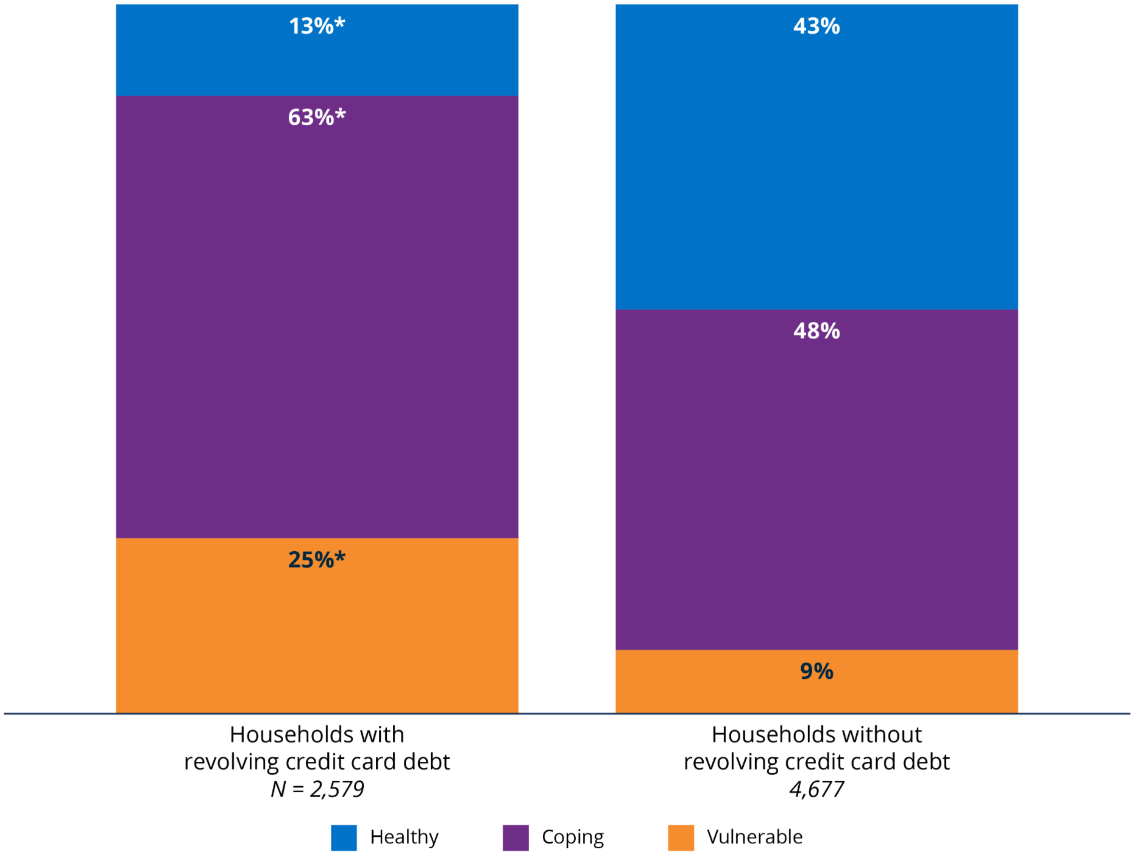
Financial health indicator	Positive net worth		Net zero net worth		Negative net worth		Don't know	
	2024	2025	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	59%	61%	30%	33%	19%	24%*	34%	36%
Paid all bills on time over prior 12 months	86%	86%	51%	53%	34%	38%*	44%	48%
Have enough savings to cover at least 3 months of living expenses	72%	73%	34%	37%	21%	22%	34%	33%
Are confident they are on track to meet long-term financial goals	56%	56%	26%	24%	10%	14%*	21%	27%*
Have a manageable amount of debt or no debt	84%	86%	47%	55%*	27%	33%*	60%	60%
Have a "good," "very good," or "excellent" credit score	87%	87%	57%	54%	35%	39%	39%	37%
Are confident their insurance policies will cover them in an emergency	71%	69%	48%	44%	30%	30%	34%	36%
Agree their household plans ahead financially	78%	79%	47%	44%	27%	34%*	29%	33%*
N	4,889	4,969	910	933	797	820	647	703

Categories are based on respondents reporting that after selling all their assets to pay all of their debts, they would have money left over, roughly break even, or would be in debt. See Appendix B for exact question wording. Two respondents in 2024 and two respondents in 2025 had missing net worth.
* Statistically significant relative to 2024 ($p < .05$).

Credit Card Debt

Figure 14. Households without revolving credit card debt were more likely to be Financially Healthy.

2025 percentages in each financial health tier, by revolving credit card debt ownership.

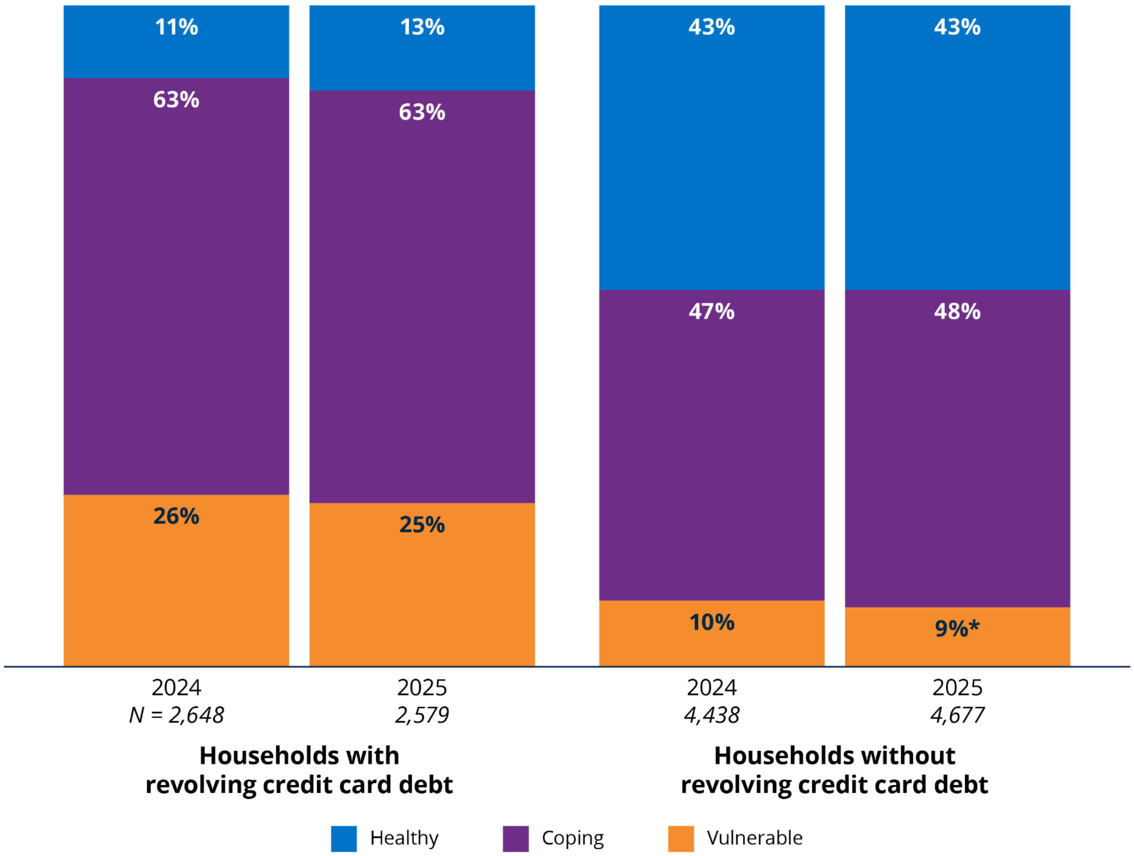


Notes: In 2025, 163 respondents responded "I don't know" and seven skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to households without credit card debt ($p < .05$).

Figure 15. The share of households without revolving credit card debt who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by revolving credit card debt ownership.



Notes: In 2024, 152 respondents responded "I don't know" and seven skipped the question. In 2025, 163 respondents responded "I don't know" and seven skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 3. Both households with and without revolving credit card debt were less confident in their insurance coverage in 2025 than in 2024.

2024-2025 trends in each financial health indicator, by revolving credit card debt ownership.

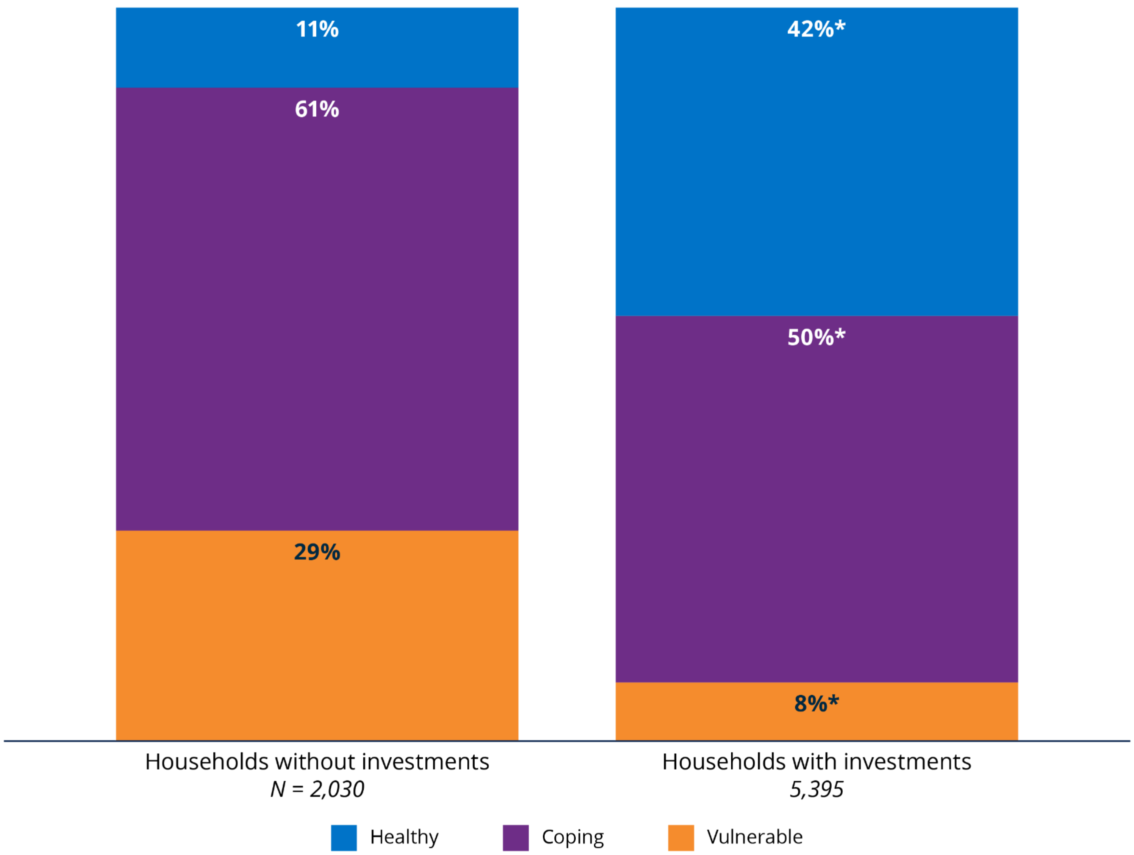
Financial health indicator	Households with revolving credit card debt		Households without revolving credit card debt	
	2024	2025	2024	2025
Spent less than income over prior 12 months	33%	34%	56%	58%
Paid all bills on time over prior 12 months	57%	57%	79%	80%
Have enough savings to cover at least 3 months of living expenses	37%	39%	69%	68%
Are confident they are on track to meet long-term financial goals	25%	25%	54%	54%
Have a manageable amount of debt or no debt	48%	49%	83%	84%
Have a "good," "very good," or "excellent" credit score	63%	62%	77%	76%
Are confident their insurance policies will cover them in an emergency	54%	50%*	63%	61%*
Agree their household plans ahead financially	50%	50%	71%	72%
N	2,648	2,579	4,438	4,677

Notes: In 2024, 152 respondents responded "I don't know" and seven skipped the question. In 2025, 163 respondents responded "I don't know" and seven skipped the question.

* Statistically significant relative to 2024 ($p < .05$).

Investment Ownership

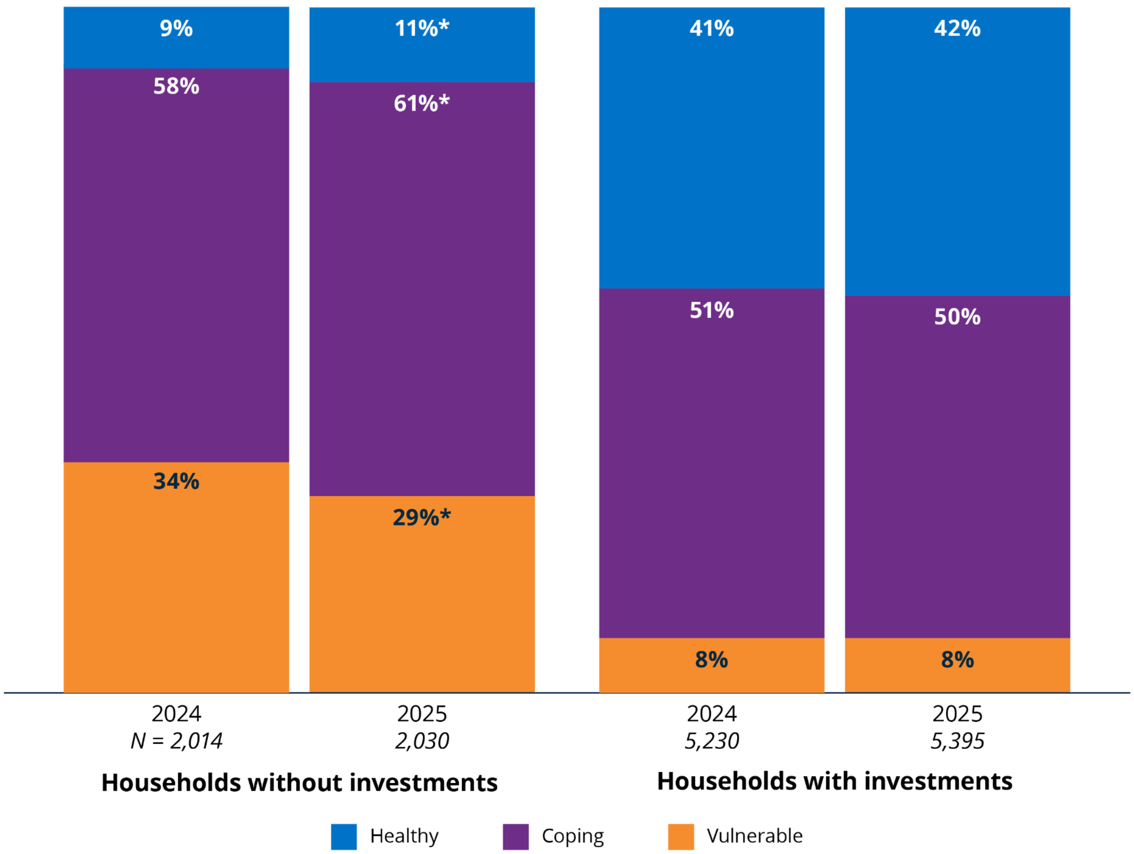
Figure 16. Households with investments were more likely to be Financially Healthy.
2025 percentages in each financial health tier, by investment ownership.



Notes: Investor households are defined as those with any retirement accounts or non-retirement investment accounts. For a detailed definition, see Appendix B. Two respondents in 2025 had a missing investor status. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to households without investments (p < .05).

Figure 17. The share of households without investments who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by investment ownership.



Notes: Investor households are defined as those with any retirement accounts or non-retirement investment accounts. For a detailed definition, see Appendix B. One respondent in 2024 had a missing investor status. Two respondents in 2025 had a missing investor status. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to 2024 (p < .05).

Table 4. The share of households without investments who had a manageable amount of debt or no debt increased.

2024-2025 trends in each financial health indicator, by investment ownership.

Financial health indicator	Households without investments		Households with investments	
	2024	2025	2024	2025
Spending is less than income over prior 12 months	32%	34%	55%	57%
Paid all bills on time over prior 12 months	49%	51%	81%	81%
Have enough savings to cover at least 3 months of living expenses	35%	37%	67%	68%
Are confident they are on track to meet long-term financial goals	23%	25%	53%	52%
Have a manageable amount of debt or no debt	56%	60%*	77%	77%
Have a "good," "very good," or "excellent" credit score	44%	44%	85%	84%
Are confident their insurance policies will cover them in an emergency	41%	38%	68%	66%*
Agree their household plans ahead financially	38%	41%*	75%	75%
N	2,014	2,030	5,230	5,395

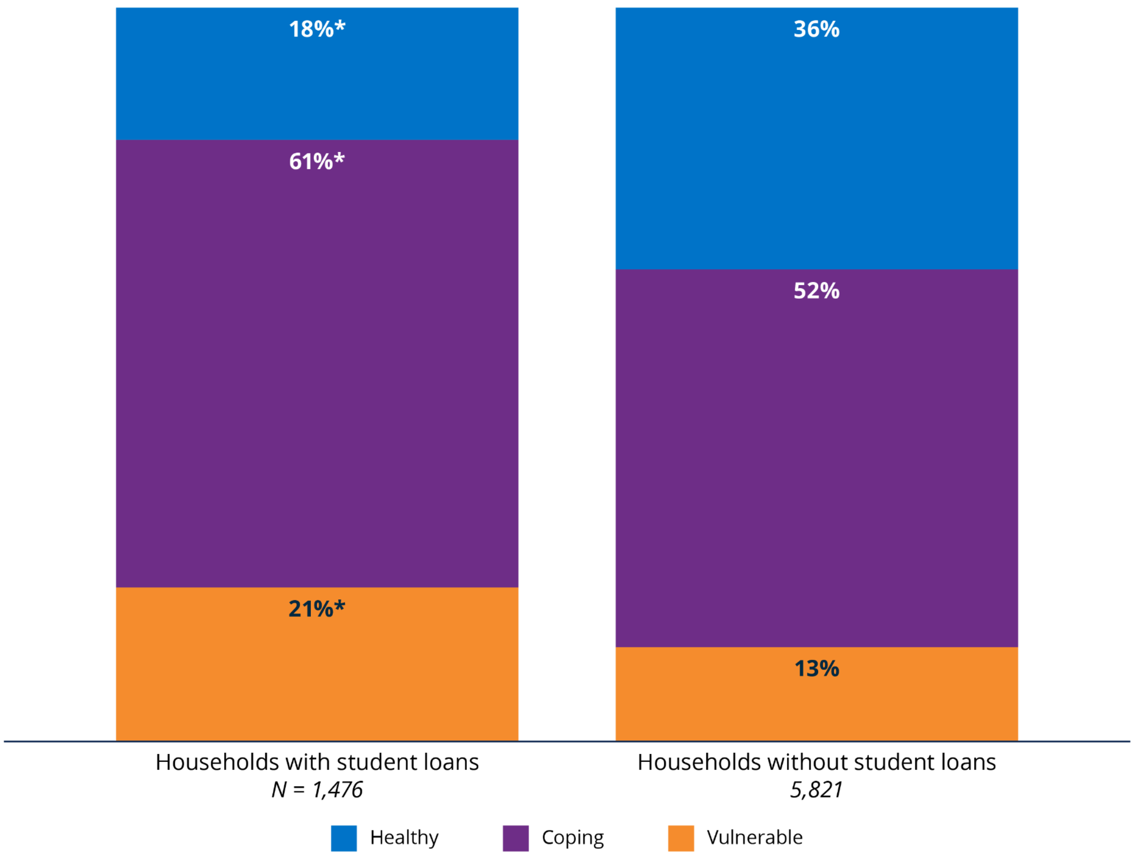
Notes: Investor households are defined as those with any retirement accounts or non-retirement investment accounts. For a detailed definition, see Appendix B. One respondent in 2024 had a missing investor status. Two respondents in 2025 had a missing investor status.

* Statistically significant relative to 2024 ($p < .05$).

Student Loan Ownership

Figure 18. Households without student loans were more likely to be Financially Healthy.

2025 percentages in each financial health tier, by student loan ownership.

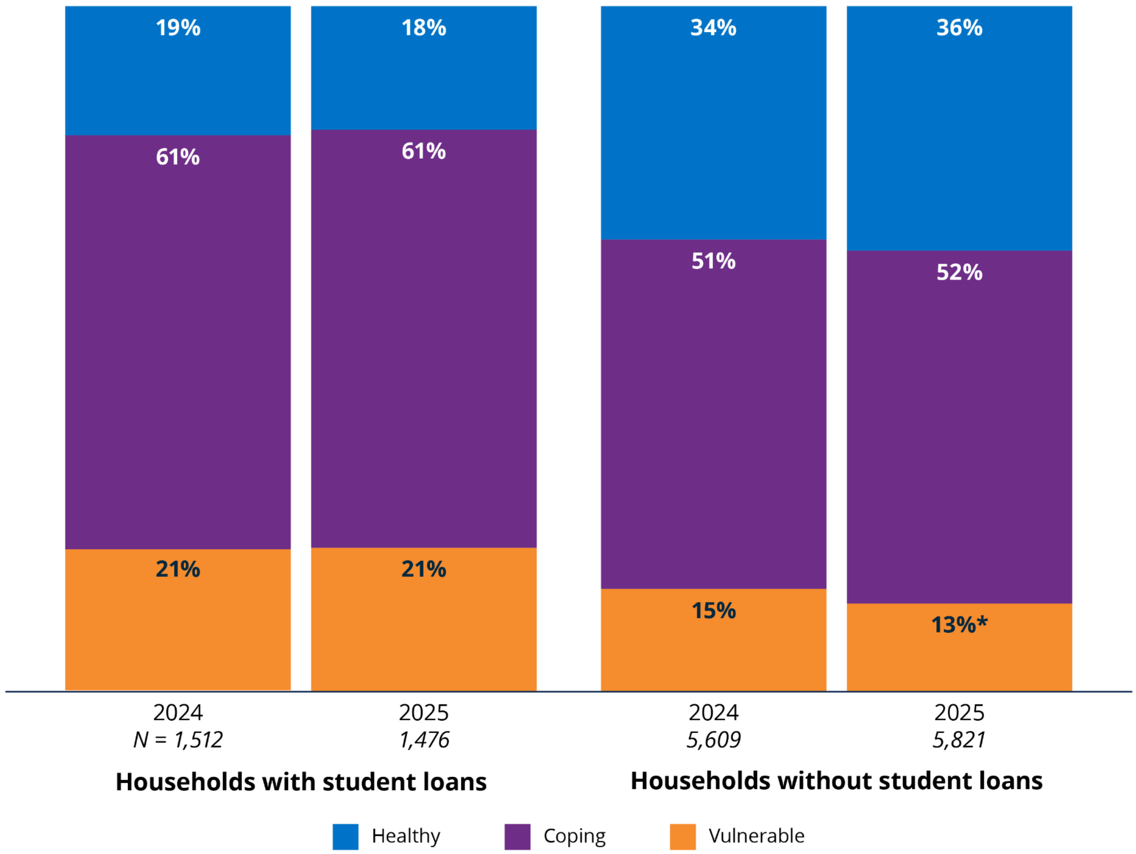


Notes: In 2025, 120 respondents reported not knowing whether their household had student loans, and nine respondents skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to households without student loans (p < .05).

Figure 19. The share of households without student loans who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by student loan ownership.



Notes: In 2024, 114 respondents reported not knowing whether their household had any student loans, and 10 respondents skipped the question. In 2025, 120 respondents reported not knowing whether their household had student loans, and 9 respondents skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 5. The share of households with student loans who reported having a "good" or better credit score decreased.

2024-2025 trends in each financial health indicator, by student loan ownership.

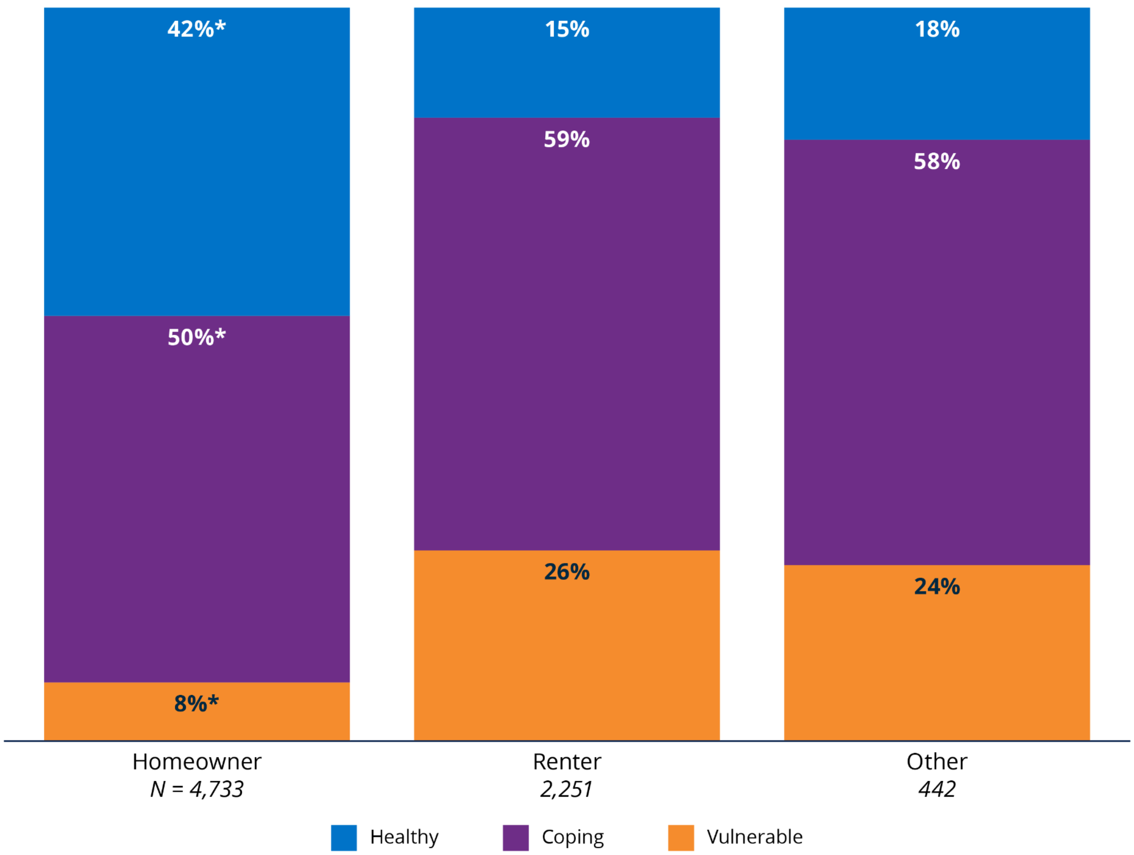
Financial health indicator	Households with student loans		Households without student loans	
	2024	2025	2024	2025
Spent less than income over prior 12 months	40%	43%	49%	51%
Paid all bills on time over prior 12 months	62%	61%	73%	74%
Have enough savings to cover at least 3 months of living expenses	46%	47%	60%	60%
Are confident they are on track to meet long-term financial goals	33%	34%	46%	46%
Have a manageable amount of debt or no debt	49%	50%	75%	77%
Have a "good," "very good," or "excellent" credit score	69%	65%*	73%	73%
Are confident their insurance policies will cover them in an emergency	55%	53%	61%	58%*
Agree their household plans ahead financially	61%	58%	64%	65%
N	1,512	1,476	5,609	5,821

Notes: In 2024, 114 respondents reported not knowing whether their household had any student loans, and 10 respondents skipped the question. In 2025, 120 respondents reported not knowing whether their household had student loans, and nine respondents skipped the question.

* Statistically significant relative to 2024 ($p < .05$).

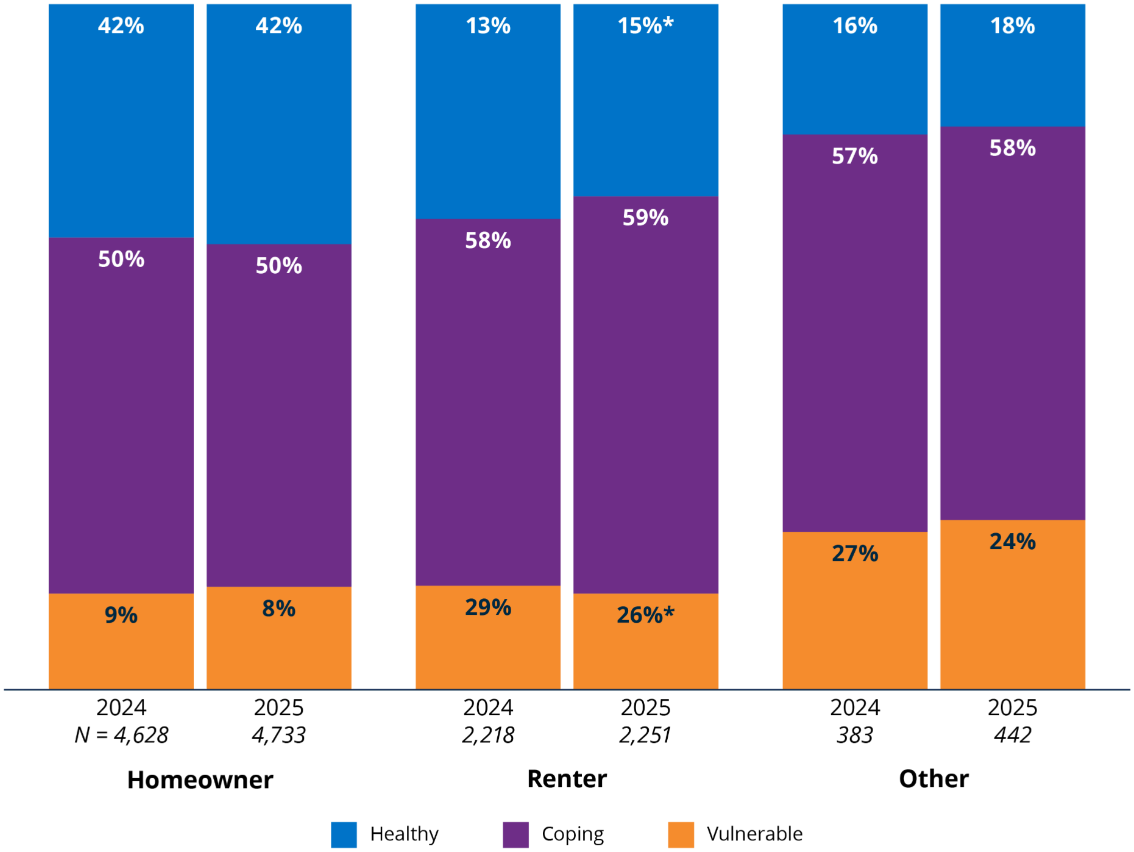
Homeownership

Figure 20. Homeowners were more likely to be Financially Healthy than renters.
2025 percentages in each financial health tier, by housing tenure.



Notes: One respondent had a missing housing tenure. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to renters (p < .05).

Figure 21. The share of renters who were Financially Vulnerable decreased.
2024-2025 trends in financial health tier, by housing tenure.



Notes: In 2024, 16 respondents had a missing housing tenure, and in 2025, one respondent had a missing housing tenure. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to 2024 (p < .05).

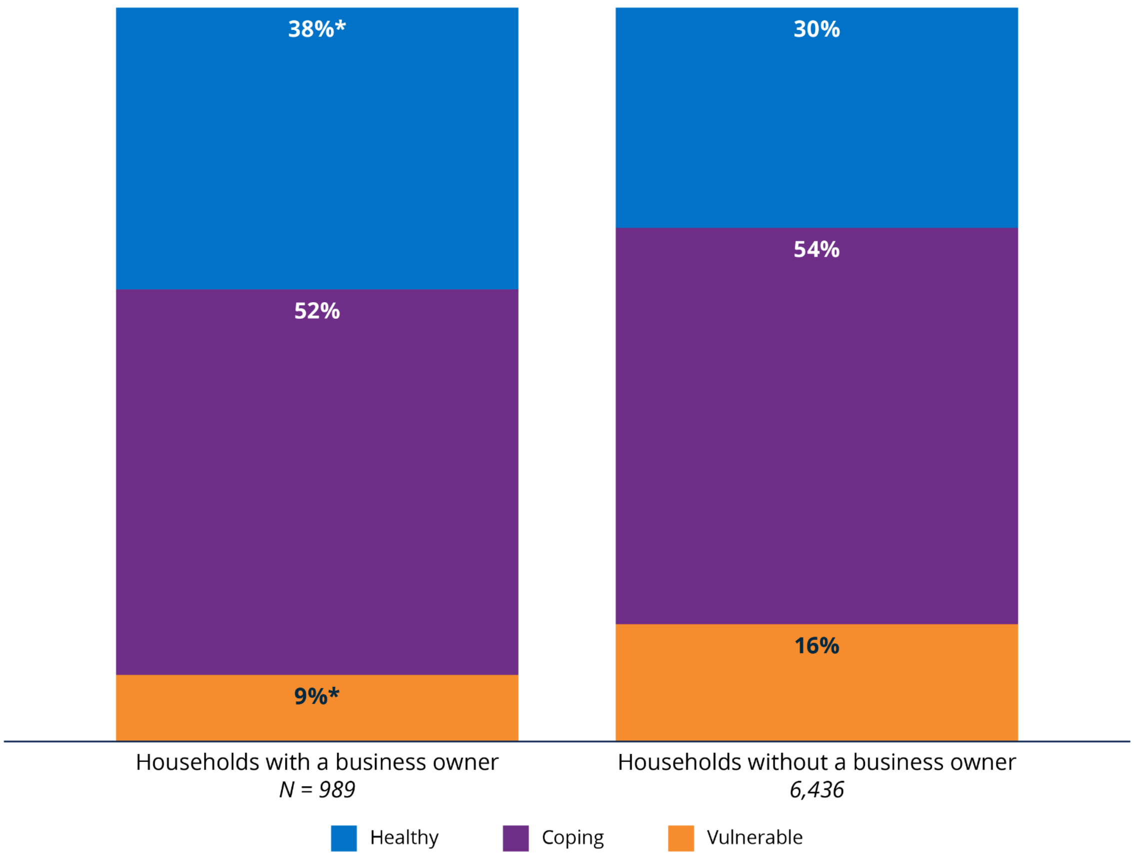
Table 6. Saving, long-term confidence, and planning indicators increased for renters.
2024-2025 trends in each financial health indicator, by housing tenure.

Financial health indicator	Homeowner		Renter		Other	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	54%	55%	36%	39%*	40%	43%
Paid all bills on time over prior 12 months	80%	81%	55%	56%	52%	55%
Have enough savings to cover at least 3 months of living expenses	67%	67%	40%	42%	45%	44%
Are confident they are on track to meet long-term financial goals	53%	52%	26%	29%*	33%	36%
Have a manageable amount of debt or no debt	77%	79%	57%	59%	62%	69%*
Have a “good,” “very good,” or “excellent” credit score	84%	83%	51%	51%	57%	58%
Are confident their insurance policies will cover them in an emergency	67%	65%	47%	44%	41%	44%
Agree their household plans ahead financially	74%	73%	45%	48%*	42%	50%*
N	4,628	4,733	2,218	2,251	383	442

Notes: In 2024, 16 respondents had a missing housing tenure, and in 2025, one respondent had a missing housing tenure.
* Statistically significant relative to 2024 (p < .05).

Entrepreneurship

Figure 22. Entrepreneur households were more likely to be Financially Healthy.
2025 percentages in each financial health tier, by business ownership.



Notes: Entrepreneur households are defined as those who reported at least one business owner in the household. Two respondents skipped the question about business ownership in the household. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to households without a business owner (p < .05).

Table 7. Entrepreneur households scored higher than non-entrepreneur households on 6 of 8 indicators.

2025 financial health indicators, by business ownership.

Financial health indicator	Households with a business owner	Households without a business owner
Spent less than income over prior 12 months	52%	48%
Paid all bills on time over prior 12 months	76%*	70%
Have enough savings to cover at least 3 months of living expenses	62%*	56%
Are confident they are on track to meet long-term financial goals	50%*	42%
Have a manageable amount of debt or no debt	73%	71%
Have a “good,” “very good,” or “excellent” credit score	82%*	69%
Are confident their insurance policies will cover them in an emergency	61%*	56%
Agree their household plans ahead financially	70%*	62%
N	989	6,436

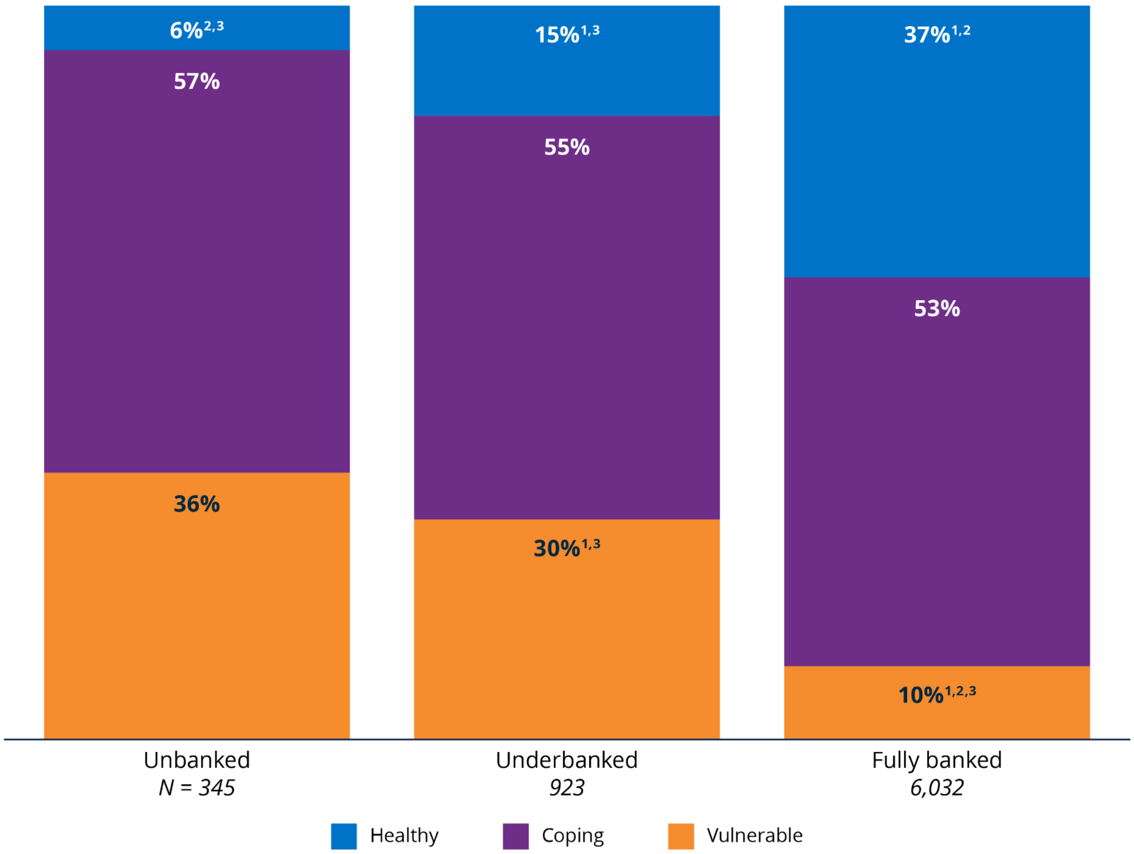
Notes: Entrepreneur households are defined as those who reported at least one business owner in the household. Two respondents skipped the question about business ownership in the household.

* Statistically significant relative to households without a business owner ($p < .05$).

Banking Status

Figure 23. Fully banked households were more likely to be Financially Healthy than both unbanked and underbanked households.

2025 percentages in each financial health tier, by banking status.



Notes: We follow the FDIC's definition of unbanked and underbanked. For more information on how this variable is coded, see Appendix B. In 2025, 127 respondents had a missing banking status. Percentages may not sum to 100% due to rounding.

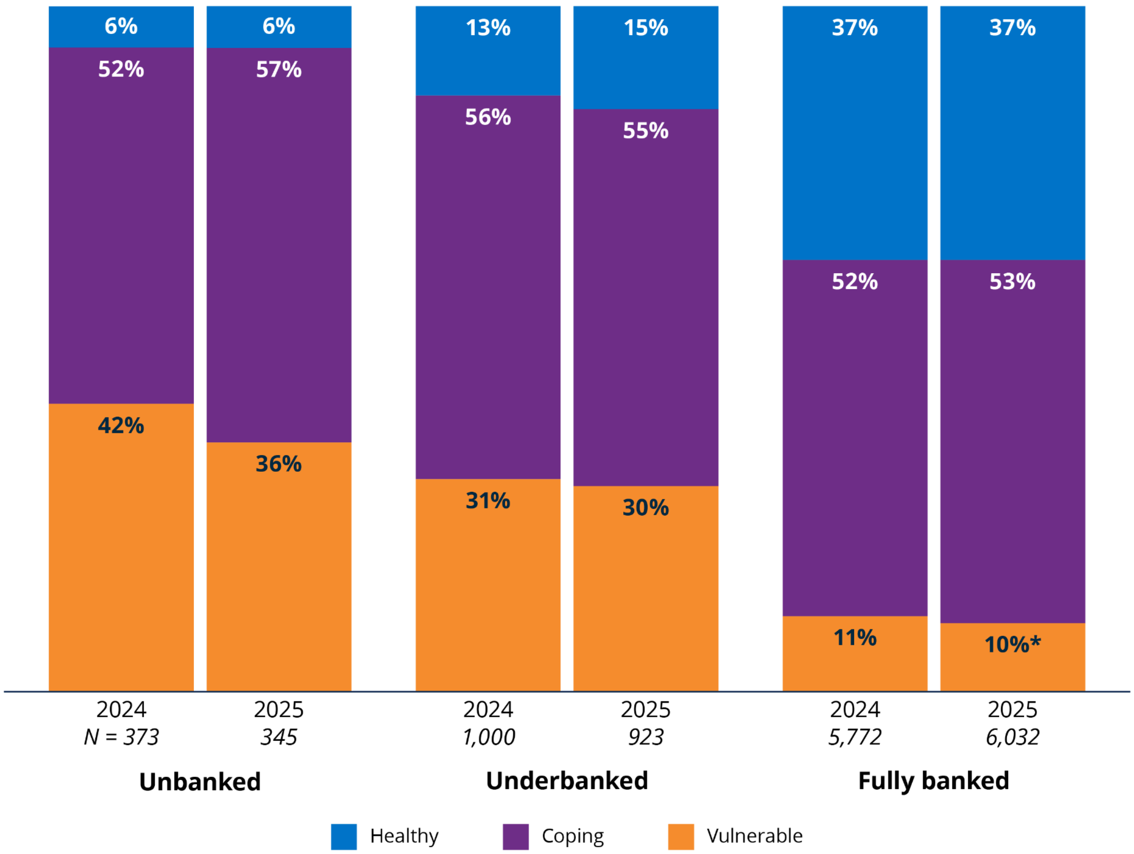
[1] Statistically significant relative to unbanked (p < .05).

[2] Statistically significant relative to underbanked (p < .05).

[3] Statistically significant relative to fully banked (p < .05).

Figure 24. The share of fully banked households who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by banking status.



Notes: We follow the FDIC's definition of unbanked and underbanked. For more information on how this variable is coded, see Appendix B. In 2024, 100 respondents had a missing banking status. In 2025, 127 respondents had a missing banking status. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 ($p < .05$).

Table 8. Fully banked households experienced an increase in debt manageability and a decrease in insurance confidence.

2024-2025 trends in each financial health indicator, by banking status.

Financial health indicator	Unbanked		Underbanked		Fully banked	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	30%	31%	33%	35%	52%	53%
Paid all bills on time over prior 12 months	34%	36%	49%	49%	79%	79%
Have enough savings to cover at least 3 months of living expenses	31%	30%	41%	40%	62%	63%
Are confident they are on track to meet long-term financial goals	25%	26%	25%	30%*	48%	47%
Have a manageable amount of debt or no debt	55%	55%	52%	52%	75%	77%*
Have a "good," "very good," or "excellent" credit score	33%	29%	50%	47%	80%	80%
Are confident their insurance policies will cover them in an emergency	32%	34%	48%	46%	65%	61%*
Agree their household plans ahead financially	28%	37%*	47%	44%	70%	70%
N	373	345	1,000	923	5,772	6,032

Notes: We follow the FDIC's definition of unbanked and underbanked. For more information on how this variable is coded, see Appendix B. In 2024, 100 respondents had a missing banking status. In 2025, 127 respondents had a missing banking status.

* Statistically significant relative to 2024 (p < .05).

The Financial Health of Demographic Groups

Longstanding research, including reports released by the Financial Health Network, demonstrates a strong relationship between many demographic characteristics and financial health.[70,71] The Financial Health Network disaggregates data across demographic groups to understand disparities and aid the development of more inclusive products and policies.

In 2025, we continued to see financial health gaps by race, age, household gender composition, country of birth, LGBTQ+ identity, and veteran status. Black and Latine household financial health continues to trail that of white and Asian households (Figure 25). Older households and veteran households tend to have stronger financial health than younger and non-veteran households, respectively (Figures 27,34). LGBTQ+ households struggled with high rates of financial vulnerability: only 21% were Financially Healthy and just 33% felt they were on track to reach their financial goals (Figure 33, Table 13).

Financial health improved for many demographic groups between 2024 and 2025. Black households, multiracial or multiethnic households, and single men were all less likely to be Financially Vulnerable in 2025 than in 2024. Additionally, adults ages 26 to 35 became more likely to be Financially Healthy (Figures 26,30,28). These improvements were often driven by increases in the shares of households who spent less than their income over the prior year.

However, confidence in insurance coverage decreased in 2025 for several groups, including white households, every age group above 35, and single women. Some of the lower confidence levels seen in specific demographics may be related to health insurance coverage. Older adults and single women interact with the healthcare system most frequently, and they may be especially attuned to the ongoing national conversation about Americans' negative experiences with medical insurance coverage.[72,73,74] Lack of adequate healthcare – and its relationship to financial health for women – is a longstanding and well-documented issue. These findings indicate that this problem is persisting and possibly getting worse.[75]

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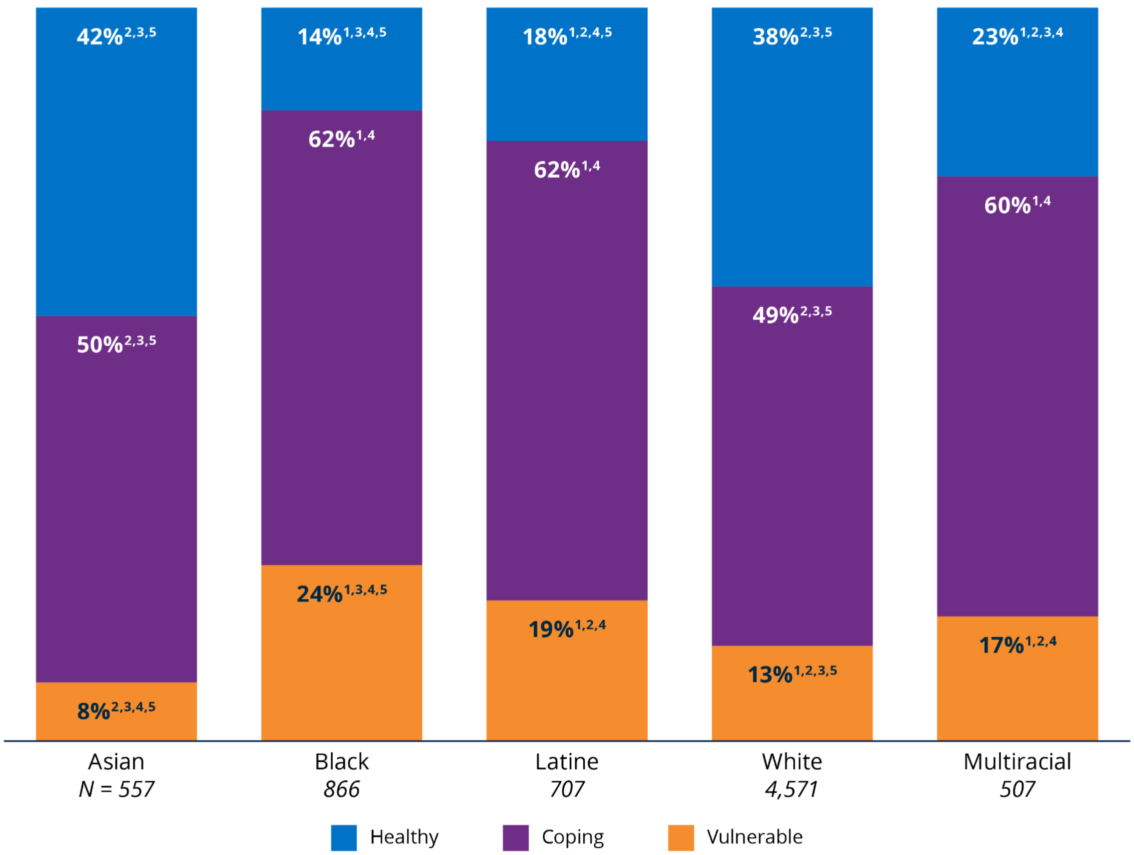
[70] Andrew Warren et al., "Financial Health Pulse® 2024 U.S. Trends Report," Financial Health Network, September 2024.
[71] Federal Reserve Board of Governors, "Economic Well-Being of U.S. Households in 2023," May 2024.
[72] Charles H. Jones & Mikael Dolsten, "Healthcare on the brink: navigating the challenges of an aging society in the United States," npj Aging, April 2024.
[73] Kulleni Gebreyes et. al, "What's causing US women to skip or delay medical care?" Deloitte Center for Health Solutions, September 2024.
[74] Karen Pollitz et. al, "KFF Survey of Consumer Experiences with Health Insurance," KFF, June 2023.
[75] Cassie Beisel, "The Cost of Being a Woman in the U.S. Health Care System: Still Too High," Society for Women's Health Research, April 2025.

Race and Ethnicity

Figure 25. Asian and white households were more likely to be Financially Healthy than Black and Latine households.

2025 percentages in each financial health tier, by race and ethnicity.



Notes: Percentage points may not sum to 100% due to rounding. In 2025, 23 respondents did not provide their race or ethnicity, and 195 selected a single other race not listed here. Due to small sample sizes, other races and ethnicities are not shown. See Appendix B for more information.

[1] Statistically significant relative to Asian (p < .05).

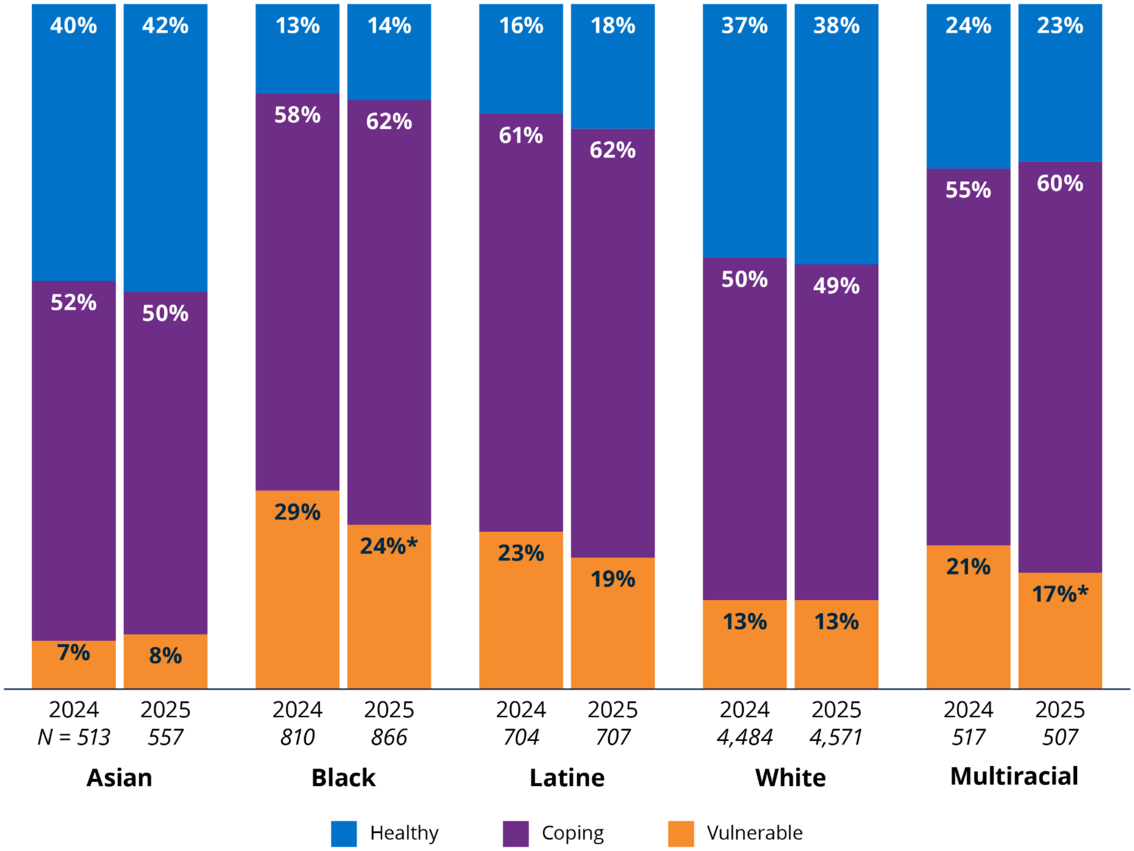
[2] Statistically significant relative to Black (p < .05).

[3] Statistically significant relative to Latine (p < .05).

[4] Statistically significant relative to white (p < .05).

[5] Statistically significant relative to Multiracial or Multiethnic (p < .05).

Figure 26. The share of Black households who were Financially Vulnerable decreased.
2024-2025 trends in financial health tier, by race and ethnicity.



Notes: Percentage points may not sum to 100% due to rounding. In 2024, 12 respondents had a missing race/ethnicity, and 205 respondents selected a single other race or ethnicity not listed here. Due to small sample sizes, other races and ethnicities are not shown. See Appendix B for more information.
* Statistically significant relative to 2024 (p < .05)

Table 9. The share of Black households who spent less than their income and reported planning ahead financially increased.

2024-2025 trends in each financial health indicator, by race and ethnicity.

Financial health indicator	Asian		Black		Latine		White		Multiracial or Multiethnic	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	59%	56%	35%	43%*	41%	43%	50%	51%	42%	44%
Paid all bills on time over prior 12 months	82%	80%	44%	47%	54%	60%*	78%	78%	64%	61%
Have enough savings to cover at least 3 months of living expenses	76%	72%	44%	46%	49%	51%	59%	60%	49%	52%
Are confident they are on track to meet long-term financial goals	53%	52%	31%	33%	35%	36%	46%	46%	36%	37%
Have a manageable amount of debt or no debt	76%	82%*	56%	55%	61%	65%	74%	76%	62%	64%
Have a "good," "very good," or "excellent" credit score	88%	88%	45%	42%	63%	61%	77%	77%	67%	65%
Are confident their insurance policies will cover them in an emergency	61%	58%	51%	49%	46%	46%	63%	61%*	56%	51%
Agree their household plans ahead financially	72%	69%	45%	51%*	49%	51%	68%	68%	57%	60%
N	513	557	810	866	704	707	4,484	4,571	517	507

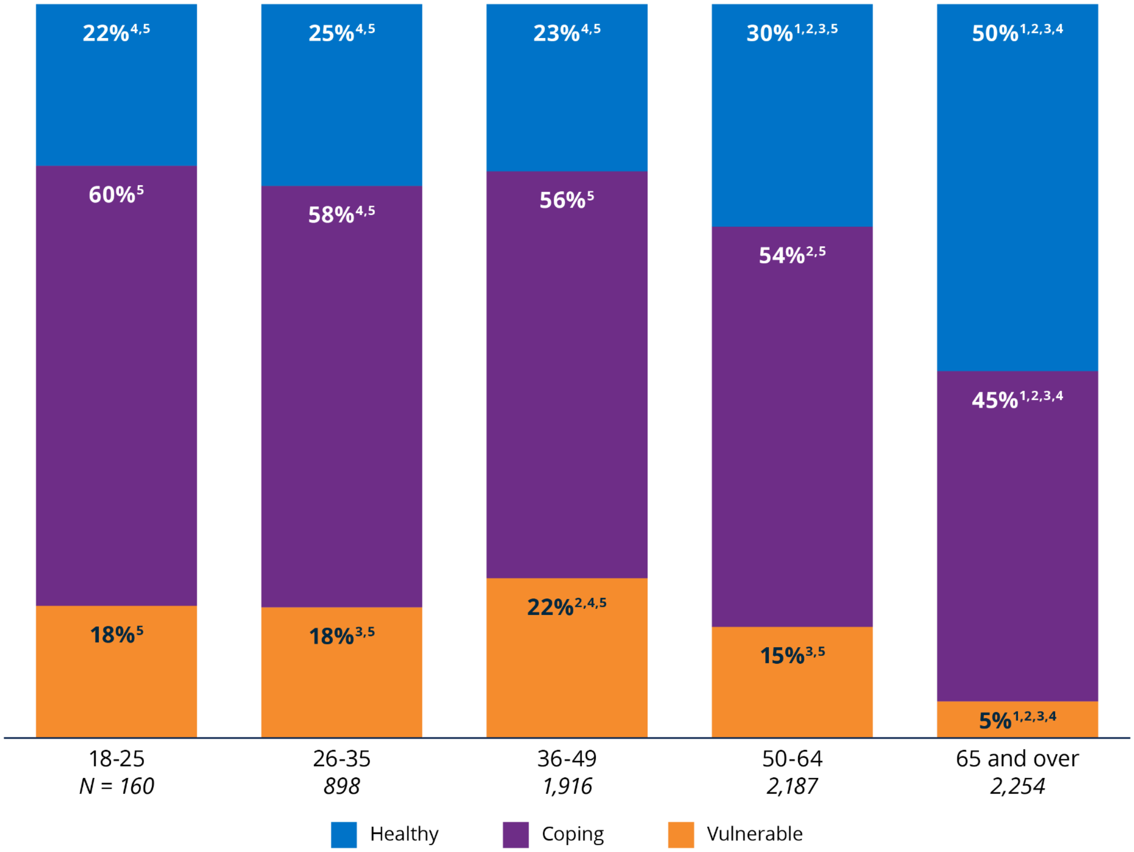
Notes: Percentage points may not sum to 100% due to rounding. In 2024, 12 respondents had a missing race/ethnicity, and 205 respondents selected a single other race or ethnicity not listed here. In 2025, 23 respondents had a missing race/ethnicity, and 195 selected a single other race not listed here. Due to small sample sizes, other races and ethnicities are not shown. See Appendix B for more information.

* Statistically significant relative to 2024 (p < .05)

Age

Figure 27. Older people were more likely to be Financially Healthy.

2025 percentages in each financial health tier, by age.



Notes: Percentage points may not sum to 100% due to rounding. In 2025, 11 respondents had a missing age.

[1] Statistically significant relative to 18-25 ($p < .05$).

[2] Statistically significant relative to 26-35 ($p < .05$).

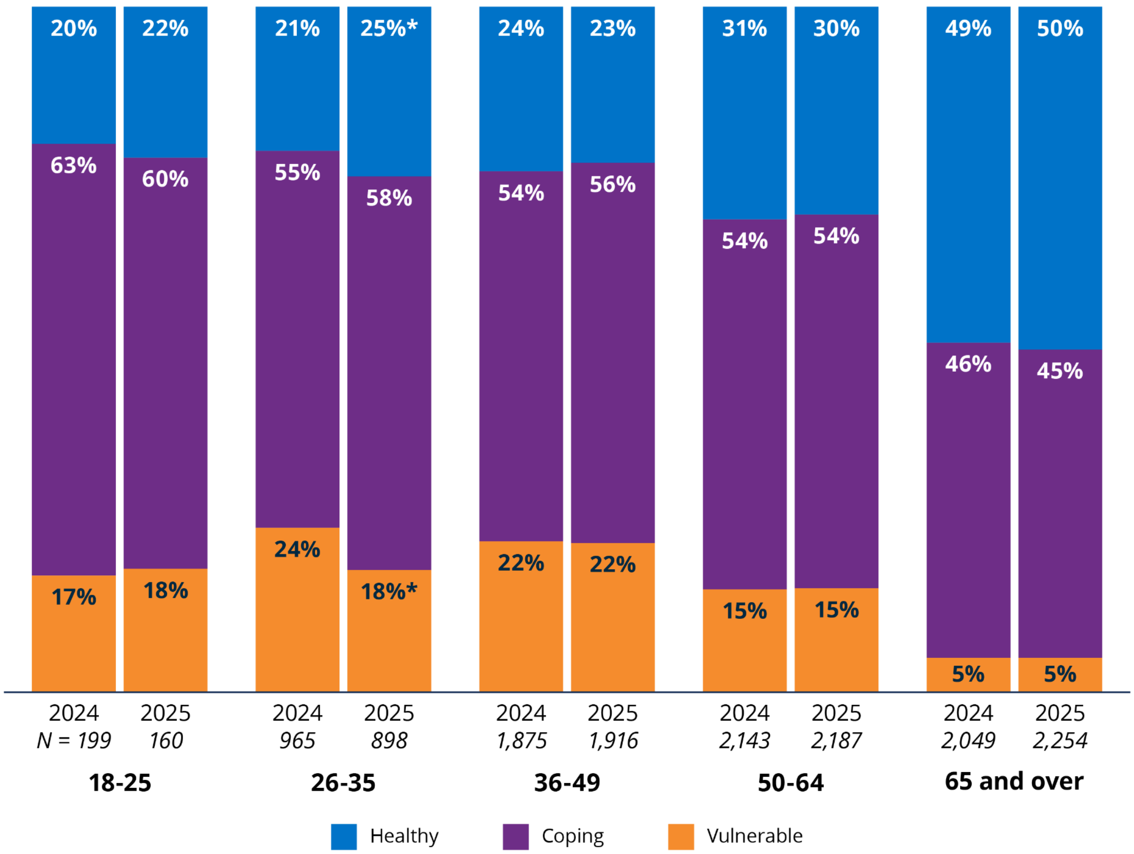
[3] Statistically significant relative to 36-49 ($p < .05$).

[4] Statistically significant relative to 50-64 ($p < .05$).

[5] Statistically significant relative to 65 and over ($p < .05$).

Figure 28. 26- to 35-year-olds became more likely to be Financially Healthy and less likely to be Financially Vulnerable.

2024-2025 trends in financial health tier, by age.



Notes: Percentage points may not sum to 100% due to rounding. In 2024, 14 respondents had a missing age. In 2025, 11 respondents had a missing age.

* Statistically significant relative to 2024 (p < .05).

Table 10. Age groups above 35 experienced decreases in insurance confidence between 2024 and 2025.

2024-2025 trends in each financial health indicator, by age.

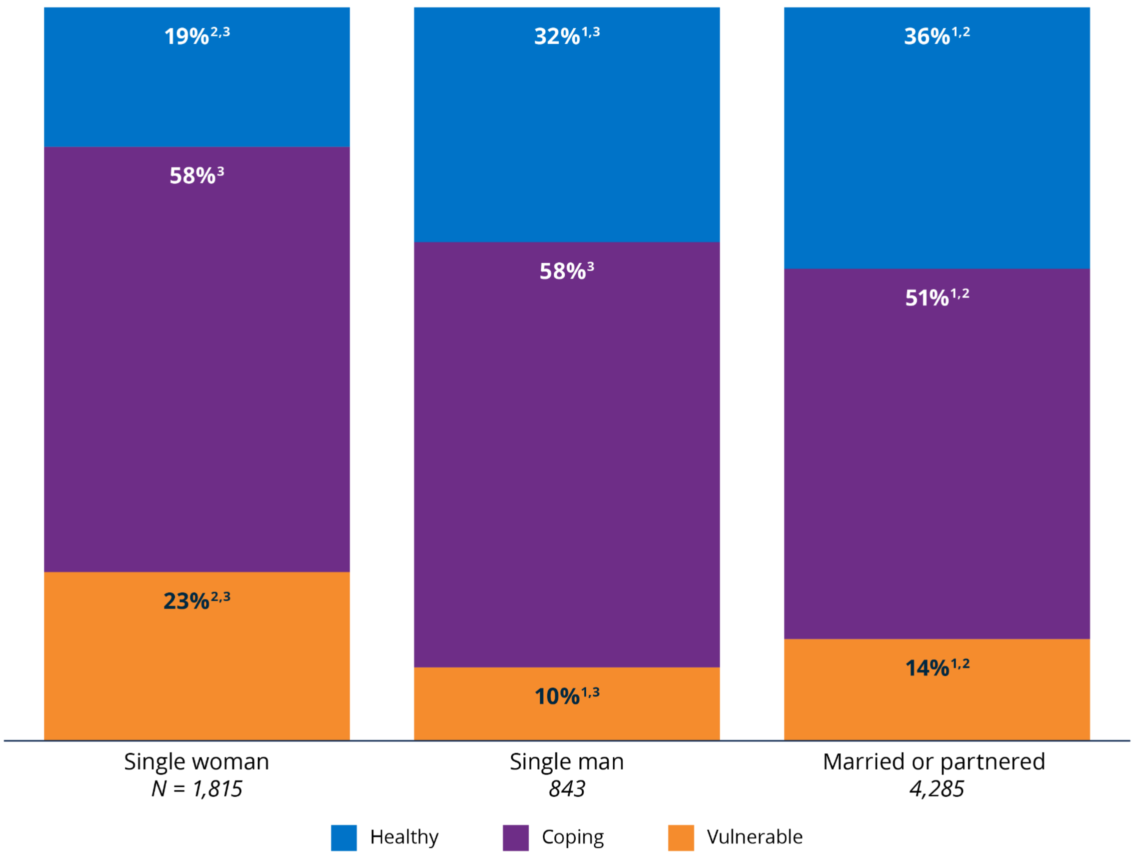
Financial health indicator	18-25		26-35		36-49		50-64		65 and over	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	43%	51%*	42%	49%*	41%	42%	51%	47%*	56%	57%
Paid all bills on time over prior 12 months	58%	56%	59%	64%*	63%	63%	73%	72%	87%	87%
Have enough savings to cover at least 3 months of living expenses	45%	46%	50%	51%	48%	47%	56%	55%	75%	76%
Are confident they are on track to meet long-term financial goals	34%	39%	36%	40%	36%	36%	41%	38%	60%	58%
Have a manageable amount of debt or no debt	65%	64%	59%	65%*	62%	63%	71%	71%	87%	88%
Have a “good,” “very good,” or “excellent” credit score	63%	65%	63%	65%	66%	63%	73%	70%	84%	84%
Are confident their insurance policies will cover them in an emergency	53%	48%	45%	50%*	56%	51%*	60%	56%*	73%	70%*
Agree their household plans ahead financially	58%	57%	56%	62%*	56%	56%	62%	61%	76%	75%
N	199	160	965	898	1,875	1,916	2,143	2,187	2,049	2,254

Notes: Percentage points may not sum to 100% due to rounding. In 2024, 14 respondents had a missing age. In 2025, 11 respondents had a missing age.

* Statistically significant relative to 2024 (p < .05).

Household Gender Composition

Figure 29. Partnered households were more likely to be Financially Healthy than single men, who were more likely to be Financially Healthy than single women.
2025 percentages in each financial health tier, by household gender composition.



Notes*:* Percentage points may not sum to 100% due to rounding. In 2024, two respondents had a missing household composition. Forty-six respondents who indicated “single, other gender” were excluded due to small sample size. In 2025, 437 respondents had a missing household composition due to a change in methodology regarding gender. See Appendix B for more information.

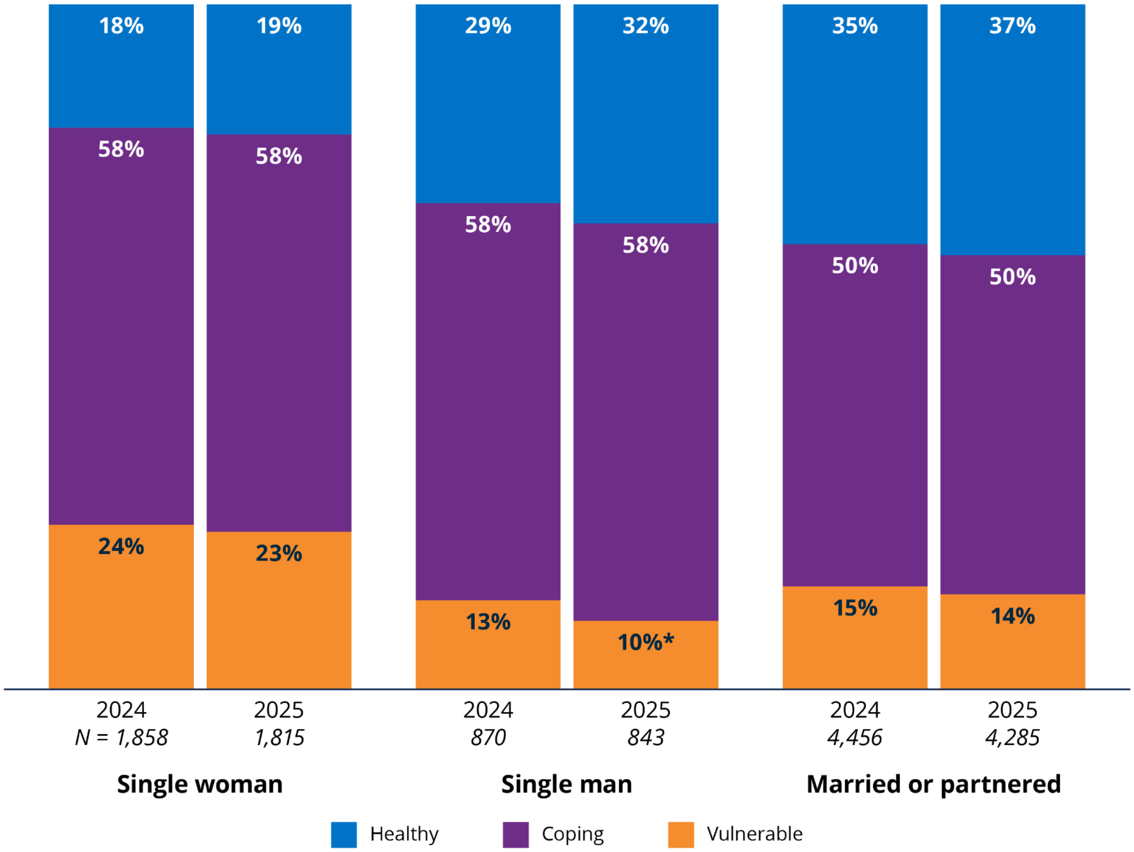
[1] Statistically significant relative to single women ($p < .05$).

[2] Statistically significant relative to single men ($p < .05$).

[3] Statistically significant relative to married or partnered ($p < .05$).

Figure 30. The share of single men who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by household gender composition.



Notes: Percentage points may not sum to 100% due to rounding. In 2024, two respondents had a missing household composition. Forty-six respondents who indicated "single, other gender" were excluded due to small sample size. In 2025, 437 respondents had a missing household composition due to a change in methodology regarding gender. See Appendix B for more information.

* Statistically significant relative to 2024 (p < .05).

Table 11. Single men experienced improvements across several indicators between 2024 and 2025.

2024-2025 trends in each financial health indicator, by household gender composition.

Financial health indicator	Single woman		Single man		Married or partnered	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	40%	41%	49%	54%*	49%	50%
Paid all bills on time over prior 12 months	61%	61%	75%	77%	72%	74%
Have enough savings to cover at least 3 months of living expenses	45%	45%	57%	62%*	60%	60%
Are confident they are on track to meet long-term financial goals	31%	32%	40%	45%*	47%	47%
Have a manageable amount of debt or no debt	63%	65%	75%	78%	70%	73%*
Have a “good,” “very good,” or “excellent” credit score	60%	57%	67%	68%	76%	76%
Are confident their insurance policies will cover them in an emergency	50%	45%*	58%	55%	62%	61%
Agree their household plans ahead financially	52%	50%	61%	66%*	66%	67%
N	1,858	1,815	870	843	4,456	4,285

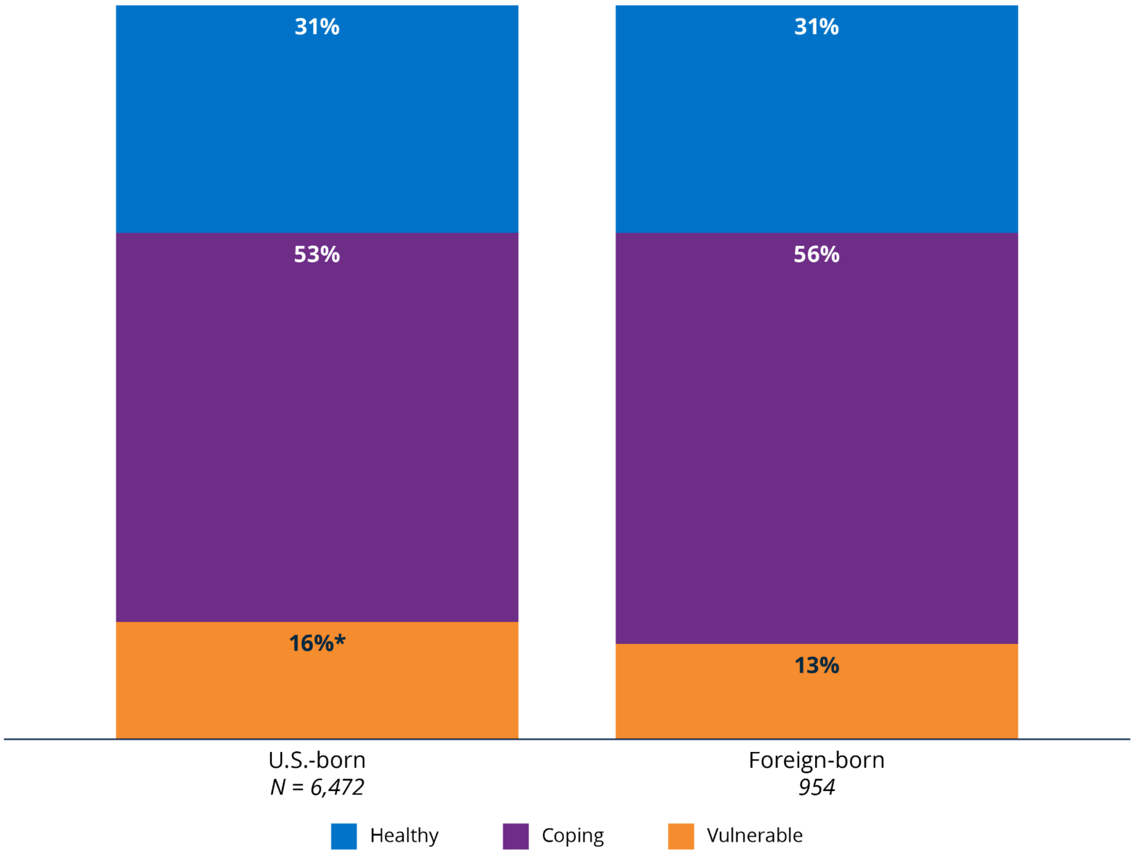
Notes*:* Percentage points may not sum to 100% due to rounding. In 2024, two respondents had a missing household composition. Forty-six respondents who indicated “single, other gender” were excluded due to small sample size. In 2025, 437 respondents had a missing household composition due to a change in methodology regarding gender. See Appendix B for more information.

* Statistically significant relative to 2024 ($p < .05$).

Country of Birth

Figure 31. People born in the U.S. were more likely to be Financially Vulnerable than those not born in the U.S.

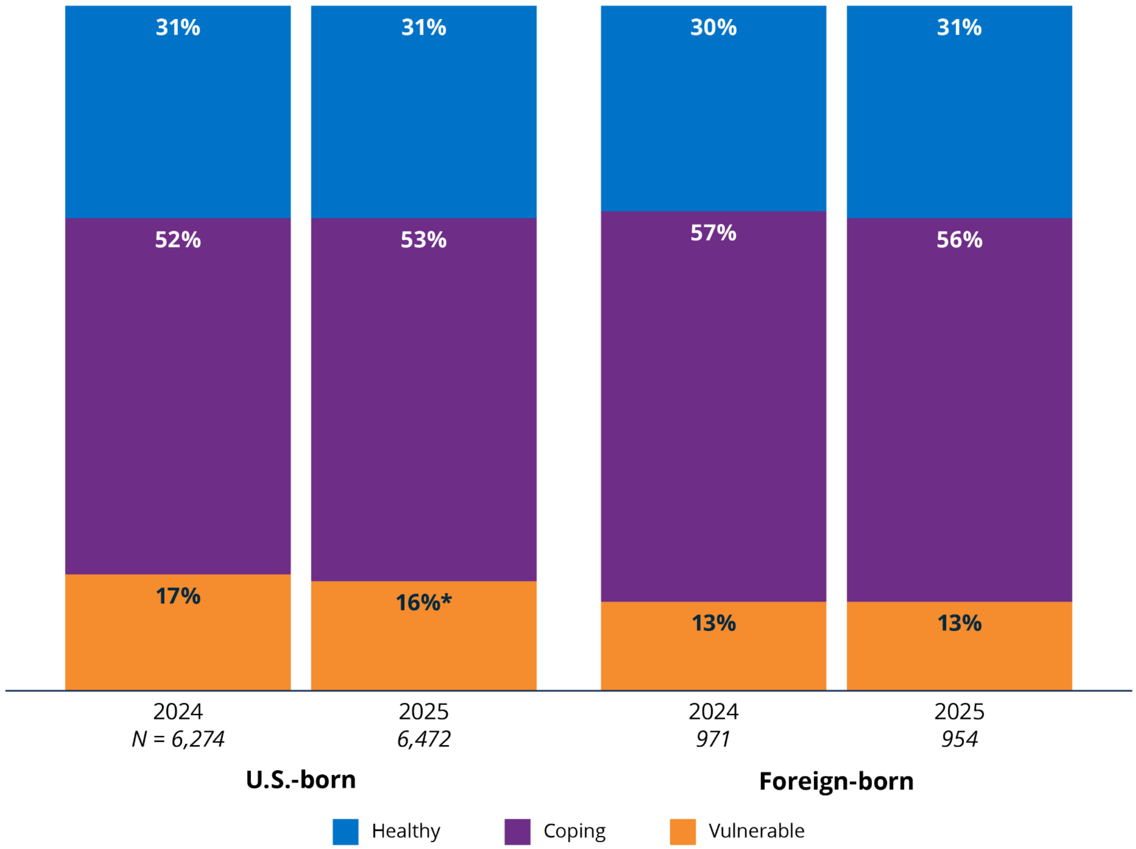
2025 percentages in each financial health tier, by country of birth.



Notes*:* Percentage points may not sum to 100% due to rounding.
*Statistically significant relative to those not born in the US (p < .05).

Figure 32. The share of people born in the U.S. who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by country of birth.



Notes: Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 12. The share of people born in the U.S. who were confident in their insurance coverage decreased.

2024-2025 trends in each financial health indicator, by country of birth.

Financial health indicator	U.S.-born		Foreign-born.	
	2024	2025	2024	2025
Spent less than income over prior 12 months	47%	49%	47%	50%
Paid all bills on time over prior 12 months	70%	71%	68%	70%
Have enough savings to cover at least 3 months of living expenses	55%	56%	63%	63%
Are confident they are on track to meet long-term financial goals	42%	43%	46%	45%
Have a manageable amount of debt or no debt	69%	71%	72%	76%
Have a "good," "very good," or "excellent" credit score	70%	69%	75%	78%
Are confident their insurance policies will cover them in an emergency	59%	57%*	56%	53%
Agree their household plans ahead financially	62%	63%	61%	60%
N	6,274	6,472	971	954

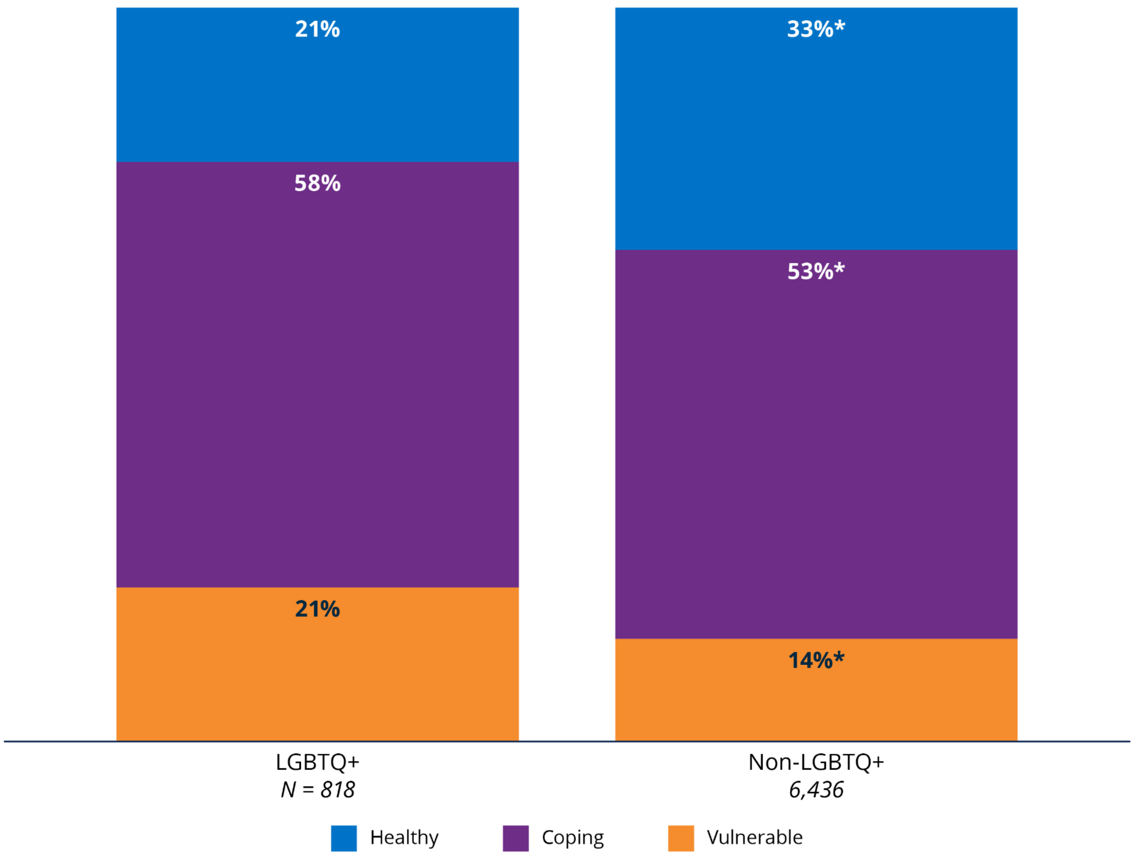
Notes: Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 ($p < .05$).

LGBTQ+ Status

Figure 33. LGBTQ+ households were less likely to be Financially Healthy than non-LGBTQ+ households.

2025 percentages in each financial health tier, by LGBTQ+ status.



Notes: Percentage points may not sum to 100% due to rounding. In 2025, 172 respondents had a missing LGBTQ+ status. In 2025, 88 participants who responded that they were "genderqueer," "gender non-conforming," "nonbinary," or "some other gender" were included in this group. Our survey question changed from 2024, therefore, 2024 data are not included in the analysis. See Appendix B for more information.

* Statistically significant relative to LGBTQ+ households ($p < .05$).

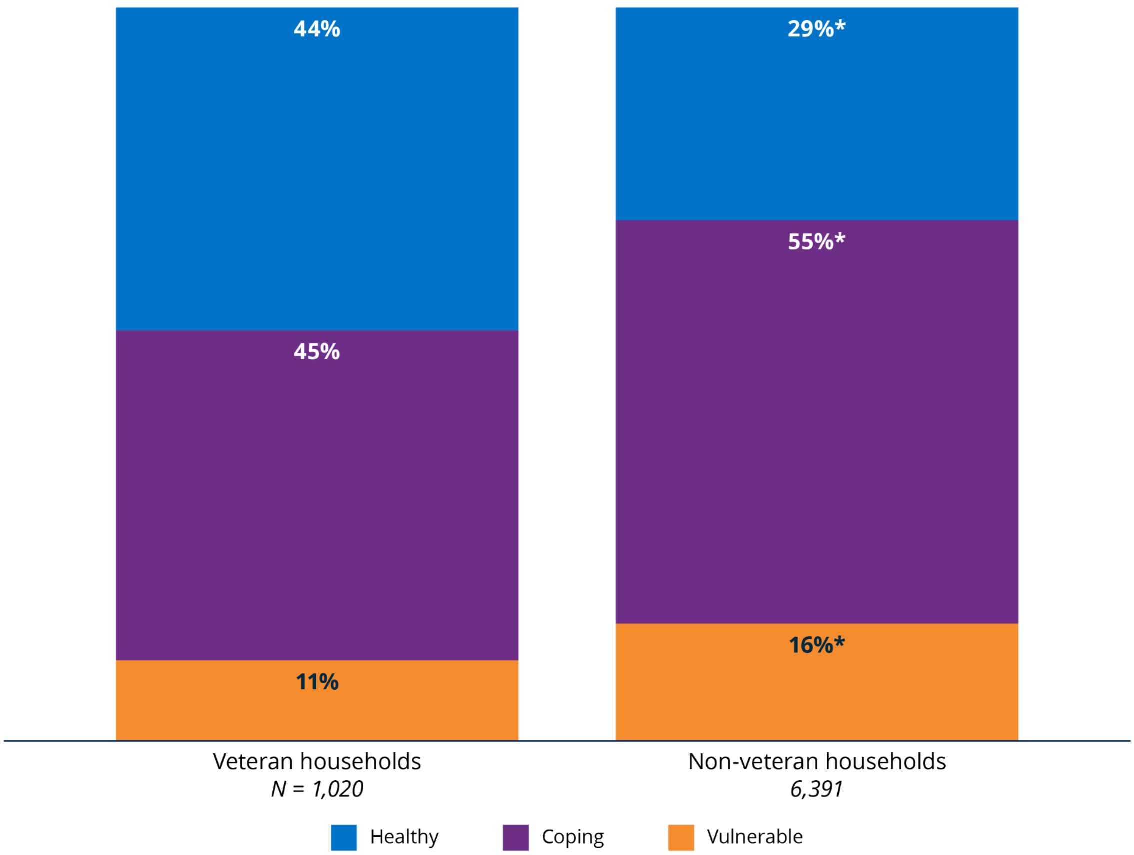
Table 13. LGBTQ+ households scored lower on most financial health indicators.
2025 financial health indicators, by LGBTQ+ status.

Financial health indicator	LGBTQ+	Non-LGBTQ+
Spent less than income over prior 12 months	47%	49%
Paid all bills on time over prior 12 months	60%	73%*
Have enough savings to cover at least 3 months of living expenses	49%	58%*
Are confident they are on track to meet long-term financial goals	33%	44%*
Have a manageable amount of debt or no debt	63%	73%*
Have a “good,” “very good,” or “excellent” credit score	62%	72%*
Are confident their insurance policies will cover them in an emergency	49%	58%*
Agree their household plans ahead financially	58%	64%*
N	818	6,436

Notes*:* Percentage points may not sum to 100% due to rounding. In 2025, 172 respondents had a missing LGBTQ+ status. In 2025, 88 participants who responded that they were “genderqueer,” “gender non-conforming,” “nonbinary,” or “some other gender” were included in this group. Our survey question changed from 2024, therefore, 2024 data are not included in the analysis. See Appendix B for more information.
* Statistically significant relative to LGBTQ+ households ($p < .05$).

Veteran Status

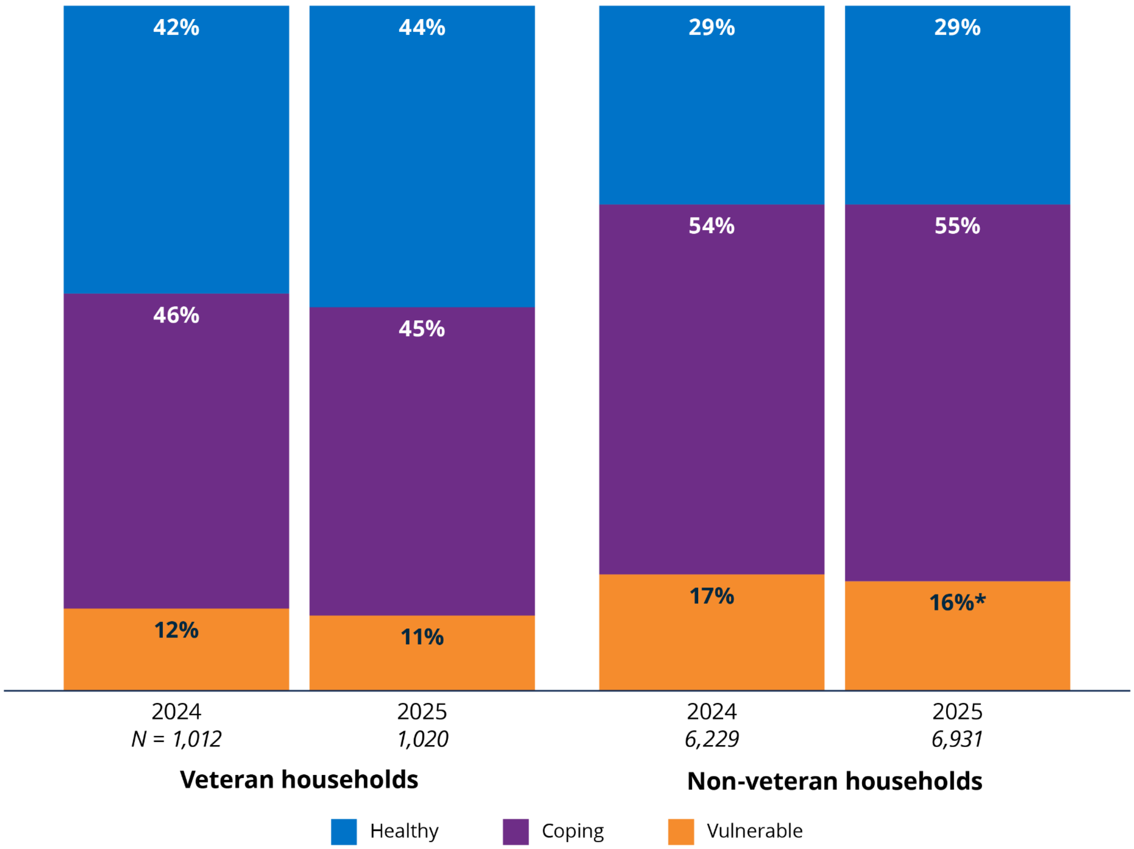
Figure 34. Households with a veteran were more likely to be Financially Healthy.
2025 percentages in each financial health tier, by veteran status.



Notes*:* Percentage points may not sum to 100% due to rounding. In 2025, 15 respondents had a missing veteran status.
*Statistically significant relative to veteran households (p < .05).

Figure 35. The share of non-veteran households who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by veteran status.



Notes*:* Percentage points may not sum to 100% due to rounding. In 2024, four respondents had a missing veteran status. In 2025, 15 respondents had a missing veteran status.

*Statistically significant relative to 2024 ($p < .05$).

Table 14. The share of veteran households who reported planning ahead financially increased.

2024-2025 trends in each financial health indicator, by veteran status.

Financial health indicator	Veteran		Non-veteran	
	2024	2025	2024	2025
Spent less than income over prior 12 months	55%	58%	46%	47%
Paid all bills on time over prior 12 months	78%	77%	69%	70%
Have enough savings to cover at least 3 months of living expenses	65%	66%	55%	55%
Are confident they are on track to meet long-term financial goals	53%	51%	41%	42%
Have a manageable amount of debt or no debt	77%	78%	68%	70%*
Have a "good," "very good," or "excellent" credit score	77%	77%	70%	69%
Are confident their insurance policies will cover them in an emergency	71%	67%	57%	55%*
Agree their household plans ahead financially	69%	74%*	61%	61%
N	1012	1020	6229	6391

Notes*:* Percentage points may not sum to 100% due to rounding. In 2024, four respondents had a missing veteran status. In 2025, 15 respondents had a missing veteran status.

* Statistically significant relative to 2024 (p < .05).

Financial Health Across Geography

Economic resources and opportunities are distributed unevenly across the U.S., frequently resulting in financial health gaps between residents of different regions and communities.[76,77,78] This imbalance is often driven by differences in policy environments, industry concentration, regional economic structures, availability of banking services, and the varying impacts of natural disasters.[79,80,81,82]

In 2025, households in **the South and rural areas** continued to be less Financially Healthy than their counterparts. Additionally, households who experienced natural disasters or severe weather events in the past 12 months were more likely to be Financially Vulnerable, less likely to report paying all their bills on time (69% vs. 72%), and less likely to report confidence in their insurance coverage (52% vs. 58%) than those who did not (Figure 40, Table 17).

While overall financial health remained steady between 2024 and 2025 for those living in the Northeast, South, and West**,** the share of Midwestern households who were Financially Healthy increased from 31% to 35% (Figure 37). The share of suburban households who were Financially Vulnerable decreased from 15% to 13% (Figure 39).

Despite these improvements, a variety of populations – including both suburban and urban households as well as those living in the West – experienced decreased confidence in their insurance coverage (Table 15,16). Homeowners in Western states, such as California, Utah, Arizona, Montana, and Colorado, have experienced some of the highest increases in home insurance premiums over the past five years, which could be one contributing factor to decreasing insurance confidence.[83]

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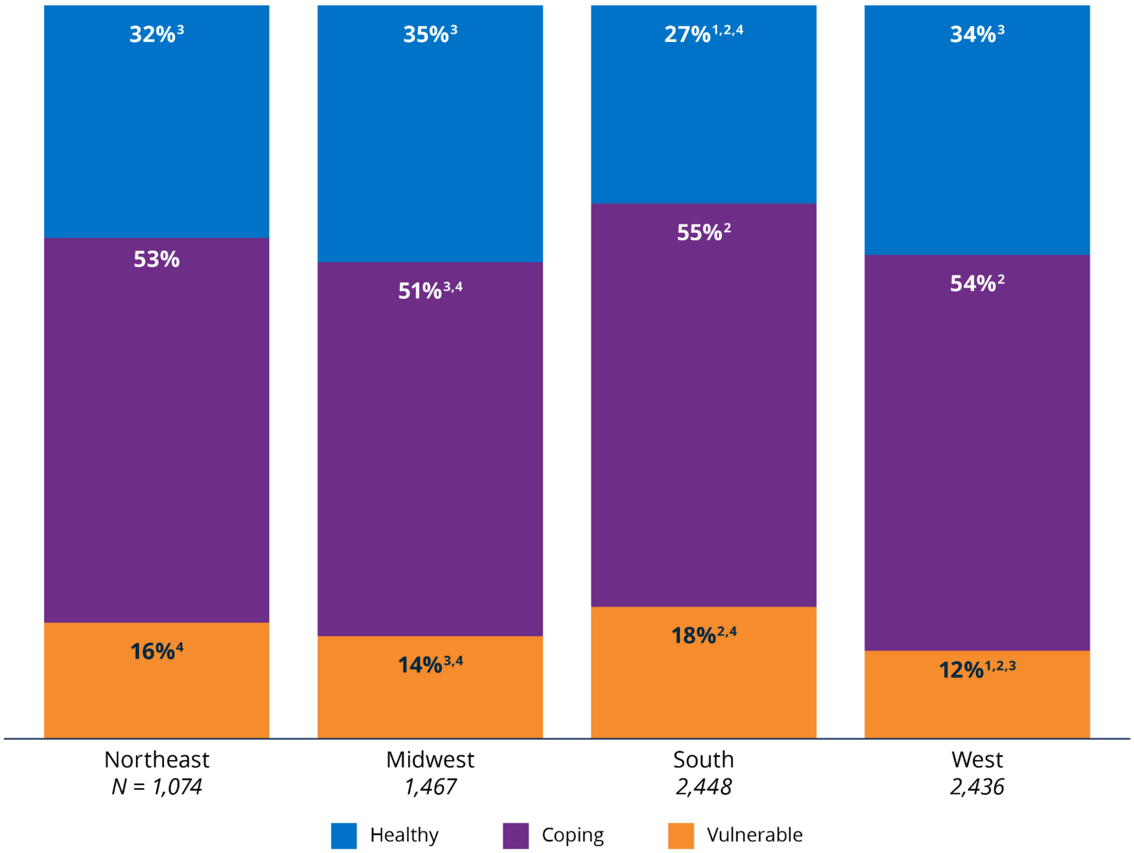
[76] Angela Fontes, Meghan Greene, Necati Celik, & Wanjira Chege, "Financial Health Pulse® 2022 Chicago Report," Financial Health Network, January 2023.
[77] Chandni Ohri, Necati Celik, Rob Levy, & Trey Waters, "Hawaii Financial Health Pulse: 2019 Survey Results," Financial Health Network, February 2020.
[78] Yipeng Su & Anna Morgan, "Promoting Rural Financial Well-Being and Inclusion: Aligning Strategies with Community Needs," Urban Institute, May 2024.
[79] Kerwin Kofi Charles, Erik Hurst, & Mariel Schwartz, "The Transformation of Manufacturing and the Decline in US Employment," National Bureau of Economic Research (NBER) Macroeconomics Annual, Volume 33, 2018.
[80] Jesús Fernández-Villaverde & Charles I. Jones, "Macroeconomic outcomes and COVID-19: A progress report," Brookings Institute, September 2020.
[81] Kennan Cepa, Necati Celik, & Wanjira Chege, "Pulse Points Spring 2024: Financial Health Challenges in Banking Deserts," Financial Health Network, May 2024.
[82] Kennan Cepa, Wanjira Chege, & Angela Fontes, "Pulse Points Summer 2023: Weathering Financial Setbacks From Natural Disasters," Financial Health Network, August 2023.
[83] Maggie Davis, "State of Home Insurance: 2025," LendingTree, June 2025.

Census Regions

Figure 36. Households in the South were less likely to be Financially Healthy than those in other regions.

2025 percentages in each financial health tier, by geographic region.



Notes: In 2025, one respondent did not provide their state of residence. Percentages may not sum to 100% due to rounding.

[1] Statistically significant relative to households residing in the Northeast ($p < .05$).

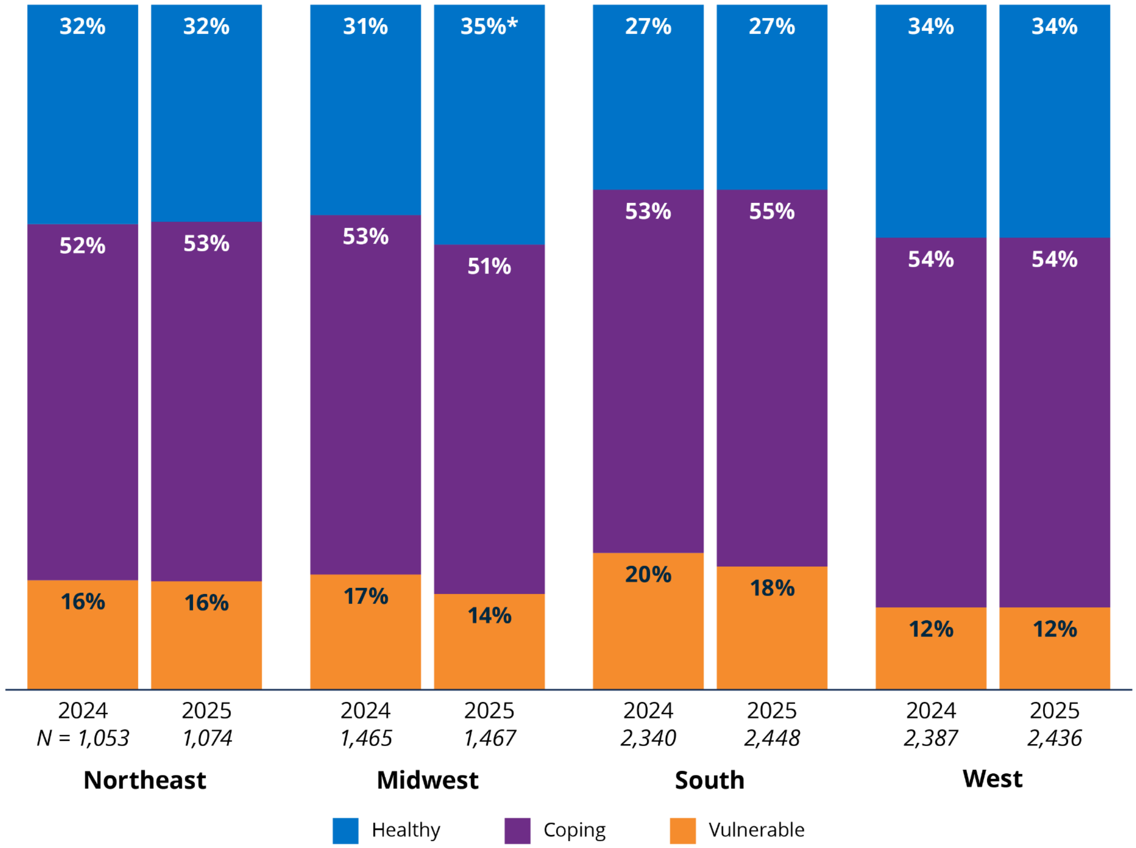
[2] Statistically significant relative to households residing in the Midwest ($p < .05$).

[3] Statistically significant relative to households residing in the South ($p < .05$).

[4] Statistically significant relative to households residing in the West ($p < .05$).

Figure 37. The share of households in the Midwest who were Financially Healthy increased.

2024-2025 trends in financial health tier, by geographic region.



Notes: In 2025, one respondent did not provide their state of residence. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 15. The share of households in the Midwest who reported spending less than their incomes increased.

2024-2025 trends in each financial health indicator, by geographic region.

Financial health indicator	Northeast		Midwest		South		West	
	2024	2025	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	50%	51%	45%	49%*	45%	48%*	50%	48%
Paid all bills on time over prior 12 months	70%	69%	72%	74%	66%	68%	76%	74%
Have enough savings to cover at least 3 months of living expenses	61%	59%	55%	56%	52%	52%	61%	63%
Are confident they are on track to meet long-term financial goals	45%	41%*	43%	45%	39%	41%	46%	46%
Have a manageable amount of debt or no debt	69%	70%	70%	72%	68%	71%*	72%	73%
Have a "good," "very good," or "excellent" credit score	72%	71%	72%	73%	66%	64%	78%	76%
Are confident their insurance policies will cover them in an emergency	59%	58%	63%	60%	56%	54%	60%	56%*
Agree their household plans ahead financially	61%	62%	64%	65%	59%	61%	67%	65%
N	1,053	1,074	1,465	1,467	2,340	2,448	2,387	2,436

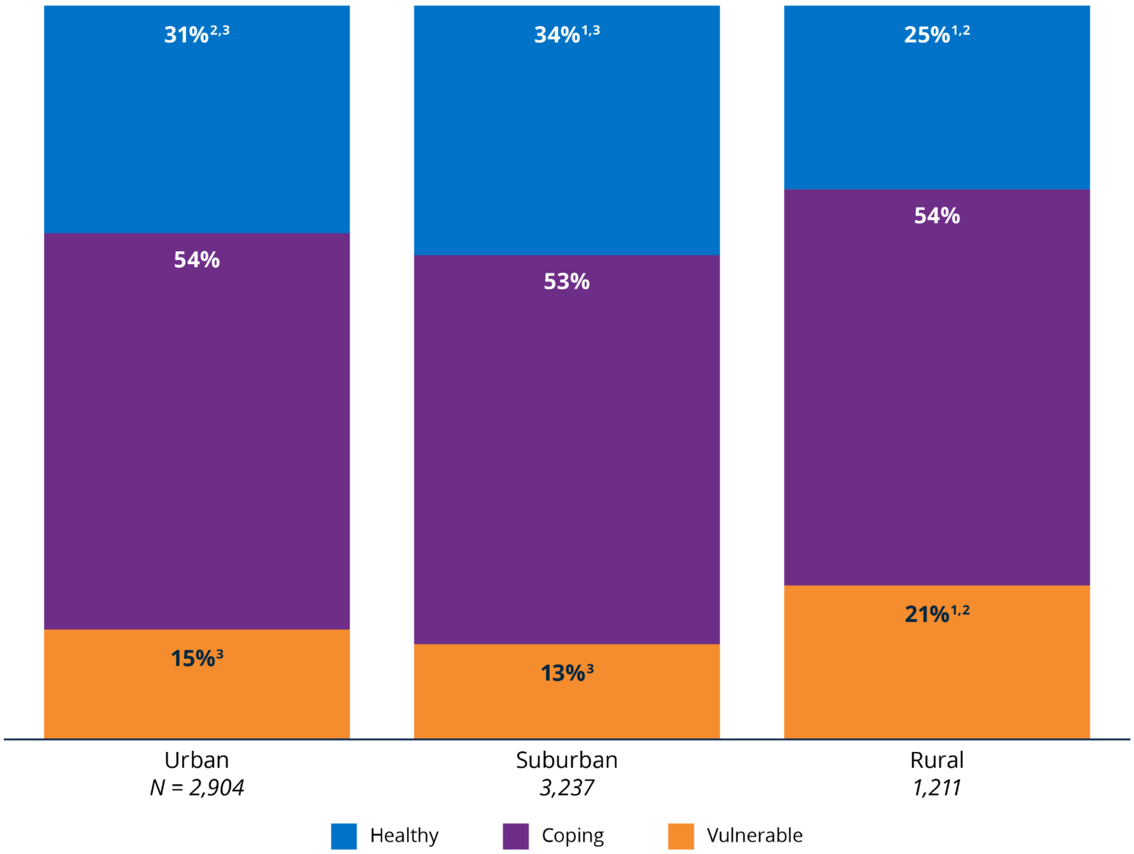
Notes: In 2025, one respondent did not provide their state of residence. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 ($p < .05$).

Urbanicity

Figure 38. Rural households were less likely to be Financially Healthy than those in urban and suburban areas.

2025 percentages in each financial health tier, by urbanicity.



Notes: There were 74 respondents in 2025 with missing geographic information at the county level. Percentages may not sum to 100% due to rounding.

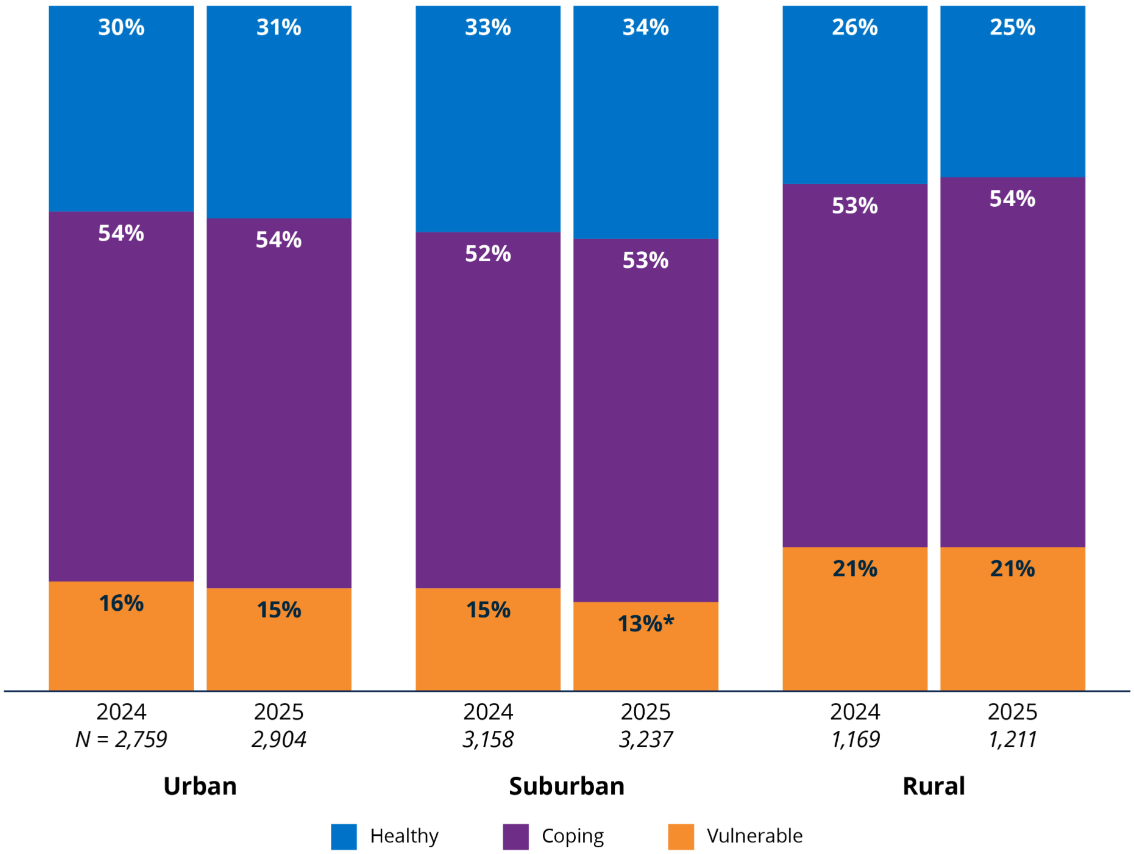
[1] Statistically significant relative to those residing in urban areas ($p < .05$).

[2] Statistically significant relative to those residing in suburban areas ($p < .05$).

[3] Statistically significant relative to those residing in rural areas ($p < .05$).

Figure 39. The share of suburban households who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by urbanicity.



Note: There were 159 respondents in 2024 and 74 respondents in 2025 with missing geographic information at the county level.

* Statistically significant relative to 2024 ($p < .05$).

Table 16. The share of suburban residents who had a manageable amount of debt or no debt increased.

2024-2025 trends in each financial health indicator, by urbanicity.

Financial health indicator	Urban		Suburban		Rural	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	47%	50%*	49%	50%	44%	44%
Paid all bills on time over prior 12 months	70%	69%	72%	73%	67%	68%
Have enough savings to cover at least 3 months of living expenses	58%	60%	58%	58%	50%	50%
Are confident they are on track to meet long-term financial goals	43%	42%	45%	46%	38%	35%
Have a manageable amount of debt or no debt	69%	70%	71%	73%*	68%	69%
Have a "good," "very good," or "excellent" credit score	70%	70%	74%	73%	64%	64%
Are confident their insurance policies will cover them in an emergency	56%	53%*	62%	60%*	54%	53%
Agree their household plans ahead financially	62%	62%	64%	66%	58%	56%
N	2,759	2,904	3,158	3,237	1,169	1,211

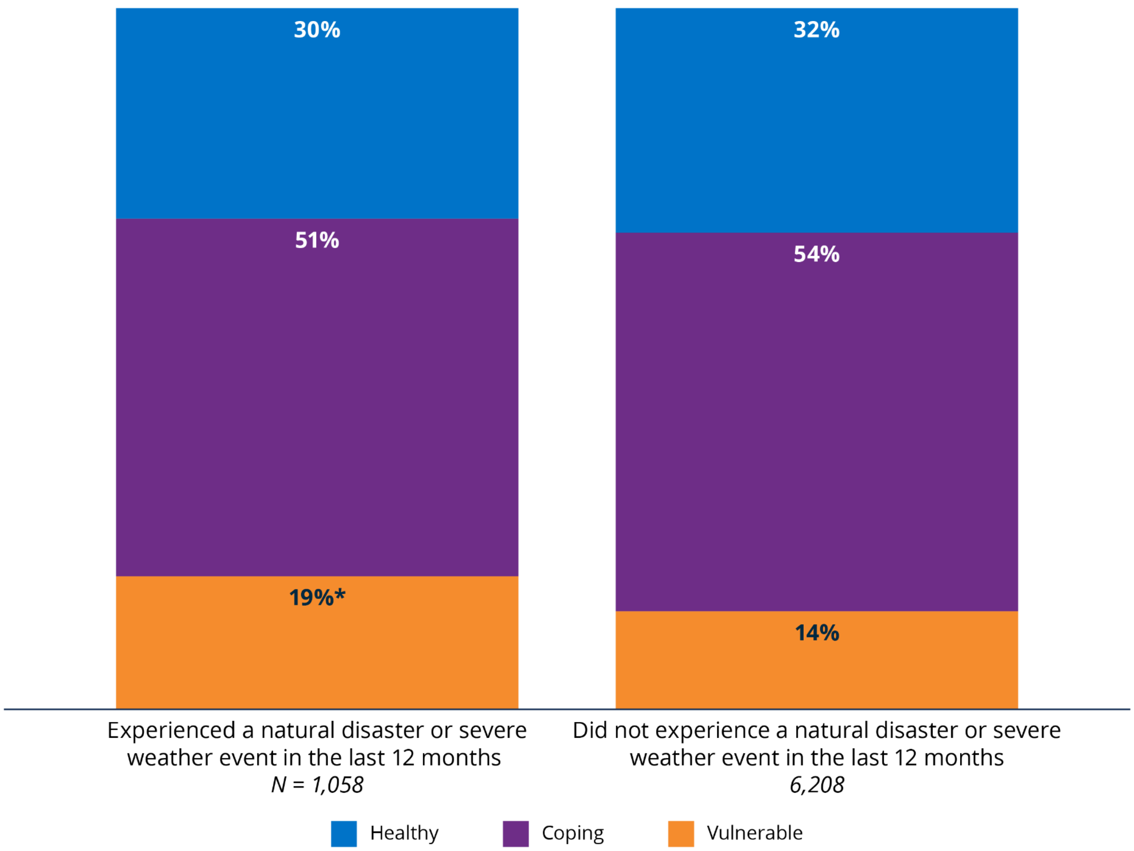
Note: There were 159 respondents in 2024 and 74 respondents in 2025 with missing geographic information at the county level.

* Statistically significant relative to 2024 (p < .05).

Natural Disaster Experience

Figure 40. Those who experienced a natural disaster in the last 12 months were more likely to be Financially Vulnerable.

2025 percentages in each financial health tier, by experience of a natural disaster or severe weather event.



Notes: 150 respondents responded "I don't know" and 10 skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to those who did not experience a natural disaster or severe weather event in the last 12 months ($p < .05$).

Table 17. Those who experienced a natural disaster in the last 12 months were less confident in their insurance.

2025 financial health indicators, by experience of a natural disaster or severe weather event.

Financial health indicator	Experienced a natural disaster or severe weather event in the last 12 months	Did not experience a natural disaster or severe weather event in the last 12 months
Spent less than income over prior 12 months	48%	49%
Paid all bills on time over prior 12 months	69%*	72%
Have enough savings to cover at least 3 months of living expenses	56%	58%
Are confident they are on track to meet long-term financial goals	41%	44%
Have a manageable amount of debt or no debt	71%	72%
Have a "good," "very good," or "excellent" credit score	69%	72%
Are confident their insurance policies will cover them in an emergency	52%*	58%
Agree their household plans ahead financially	62%	64%
N	1,058	6,208

Notes: 150 respondents responded "I don't know" and 10 skipped the question. Percentages may not sum to 100% due to rounding.

* Statistically significant relative to those who did not experience a natural disaster or severe weather event in the last 12 months ($p < .05$).

Financial Health by Employment Characteristics

Employment plays an important role in shaping the financial health of most U.S. households. In addition to providing income, jobs can offer benefits such as health insurance and retirement plans that support long-term financial health.

In 2025, employed individuals continued to report stronger financial health than those who were unemployed. However, certain types of employment were associated with lower financial health. Workers engaged in non-traditional employment (i.e., “gig” or contract work), those employed by firms with fewer than 100 employees, and those who did not belong to a union all had lower financial health than their counterparts.

Individuals not in the labor force – many of whom were retirees – had stronger financial health than those who were employed. This is likely due to the strong correlation between age and financial health.

Between 2024 and 2025, modest improvements in financial health were observed across a range of employment statuses and employer types. Several groups experienced either a decrease in the share who were Financially Vulnerable or an increase in the share who were Financially Healthy, including:

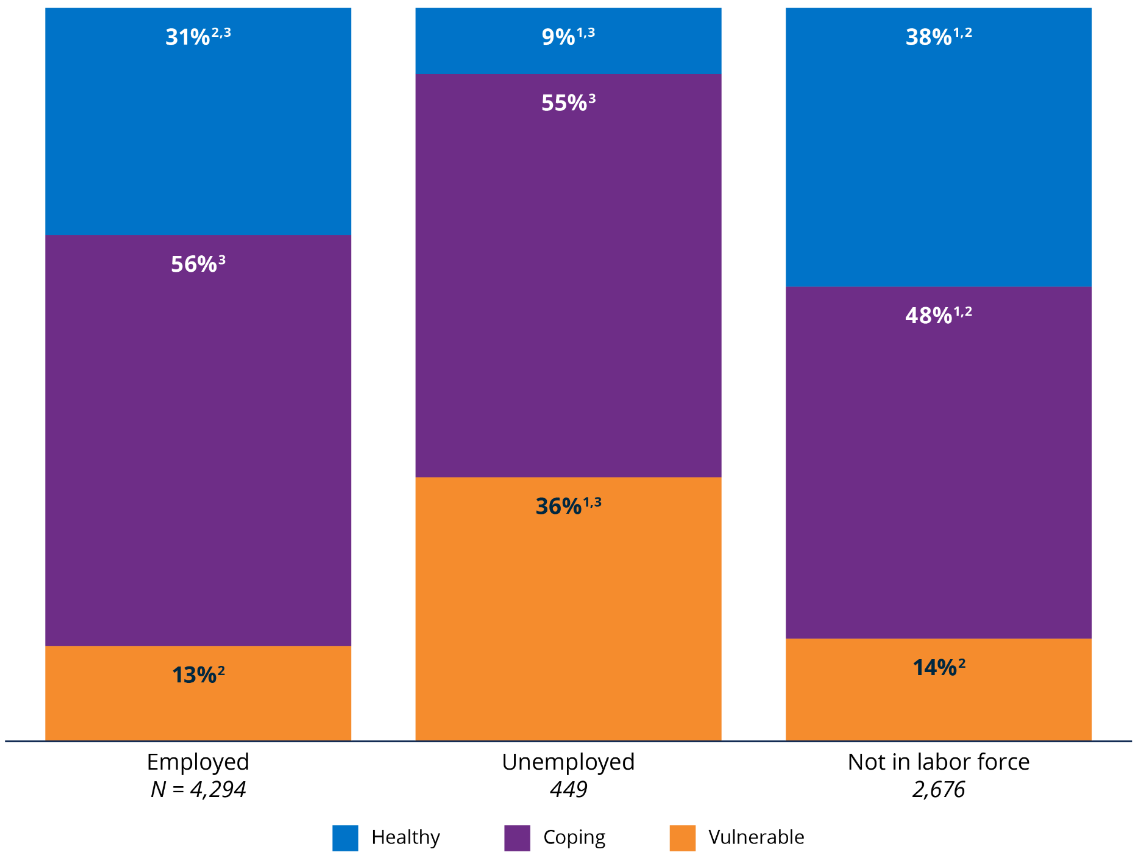
- Employed and unemployed individuals (Figure 42)
- Primary non-traditional workers (those with gig or contract work as their primary job) and traditional workers (Figure 44)
- Employees of small and medium businesses (Figure 46)

It is not immediately clear which financial health indicators were responsible for these broad improvements, as many of the estimated changes in specific indicators were not statistically significant. However, notable year-over-year increases included:

- The share of employed individuals who reported **manageable debt or no debt increased** (68% to 70%) (Table 18)
- The share of unemployed individuals who were **confident in their ability to meet long-term financial goals rose** (19% to 28%) (Table 18)
- The share of **primary non-traditional workers** with enough savings to cover three months of living expenses grew (43% to 53%) (Table 19)

Employment Status

Figure 41. Those not in the labor force were the most likely to be Financially Healthy.
2025 percentages in each financial health tier, by employment status.



Notes: In 2025, seven respondents had a missing employment status. Percentages may not sum to 100% due to rounding.

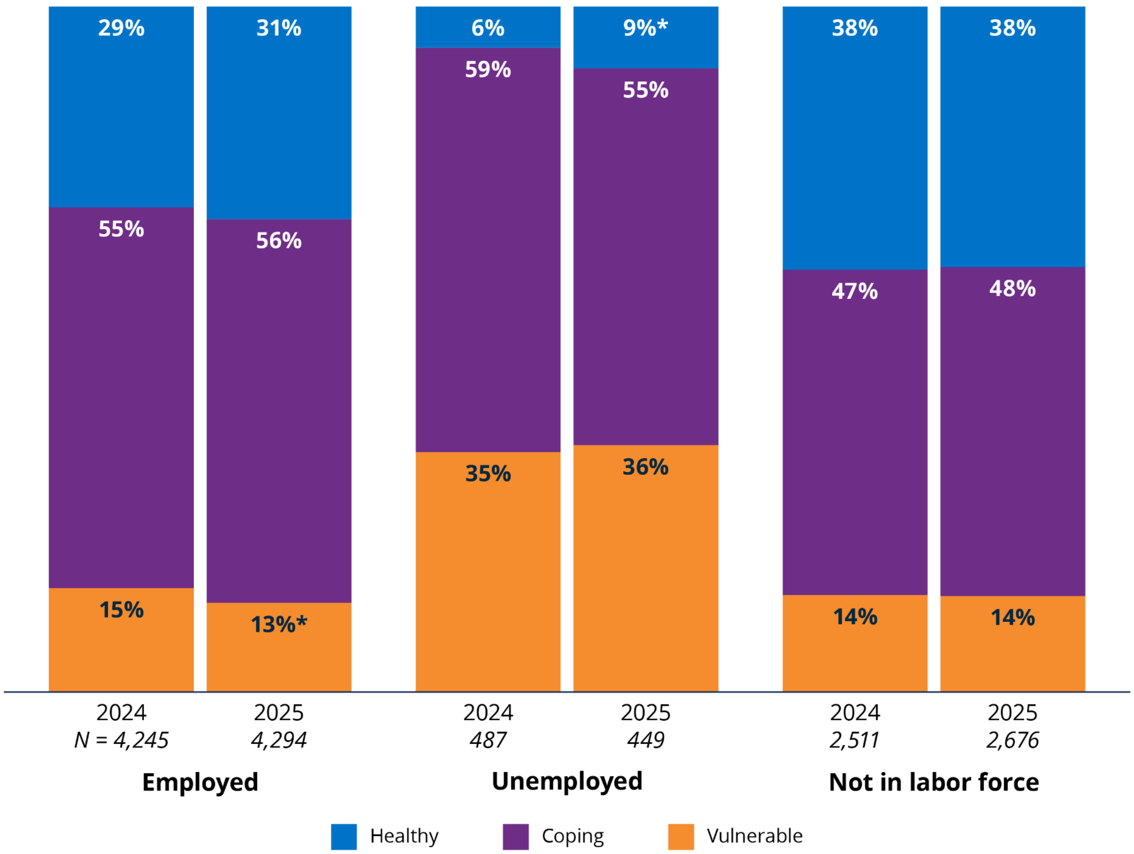
[1] Statistically significant relative to those who were employed ($p < .05$).

[2] Statistically significant relative to those who were unemployed ($p < .05$).

[3] Statistically significant relative to those who were not in the labor force ($p < .05$).

Figure 42. The share of employed individuals who were Financially Vulnerable declined.

2024-2025 trends in financial health tier, by employment status.



Notes: In 2024, two respondents had a missing employment status and in 2025, seven respondents had a missing employment status.

* Statistically significant relative to 2024 (p < .05).

Table 18. The share of employed individuals with a manageable amount of debt or no debt increased.

2024-2025 trends in each financial health indicator, by employment status.

Financial health indicator	Employed		Unemployed		Not in labor force	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	50%	51%	32%	36%	46%	47%
Paid all bills on time over prior 12 months	71%	71%	43%	42%	75%	76%
Have enough savings to cover at least 3 months of living expenses	56%	56%	33%	34%	63%	63%
Are confident they are on track to meet long-term financial goals	42%	42%	19%	28%*	49%	48%
Have a manageable amount of debt or no debt	68%	70%*	52%	53%	77%	79%
Have a "good," "very good," or "excellent" credit score	75%	74%	42%	38%	71%	70%
Are confident their insurance policies will cover them in an emergency	60%	58%	33%	32%	63%	59%*
Agree their household plans ahead financially	65%	66%	33%	36%	64%	64%
N	4,245	4,294	487	449	2,511	2,676

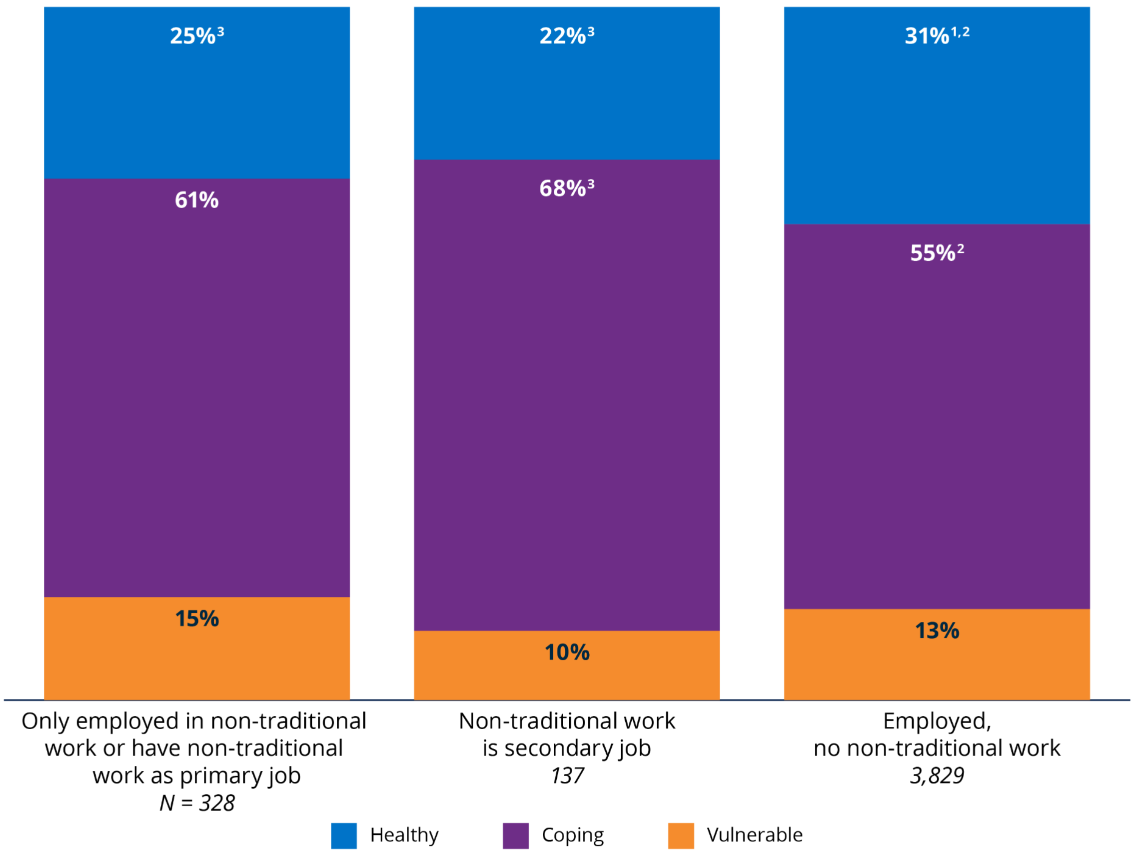
Notes: In 2024, two respondents had a missing employment status and in 2025, seven respondents had a missing employment status.

* Statistically significant relative to 2024 ($p < .05$).

Non-Traditional Workers

Figure 43. Non-traditional workers were less likely to be Financially Healthy than traditional employees.

2025 percentages in each financial health tier, by non-traditional employment status.



Notes: Those who were unemployed or not in the labor force were not included in this table. Percentages may not sum to 100% due to rounding.

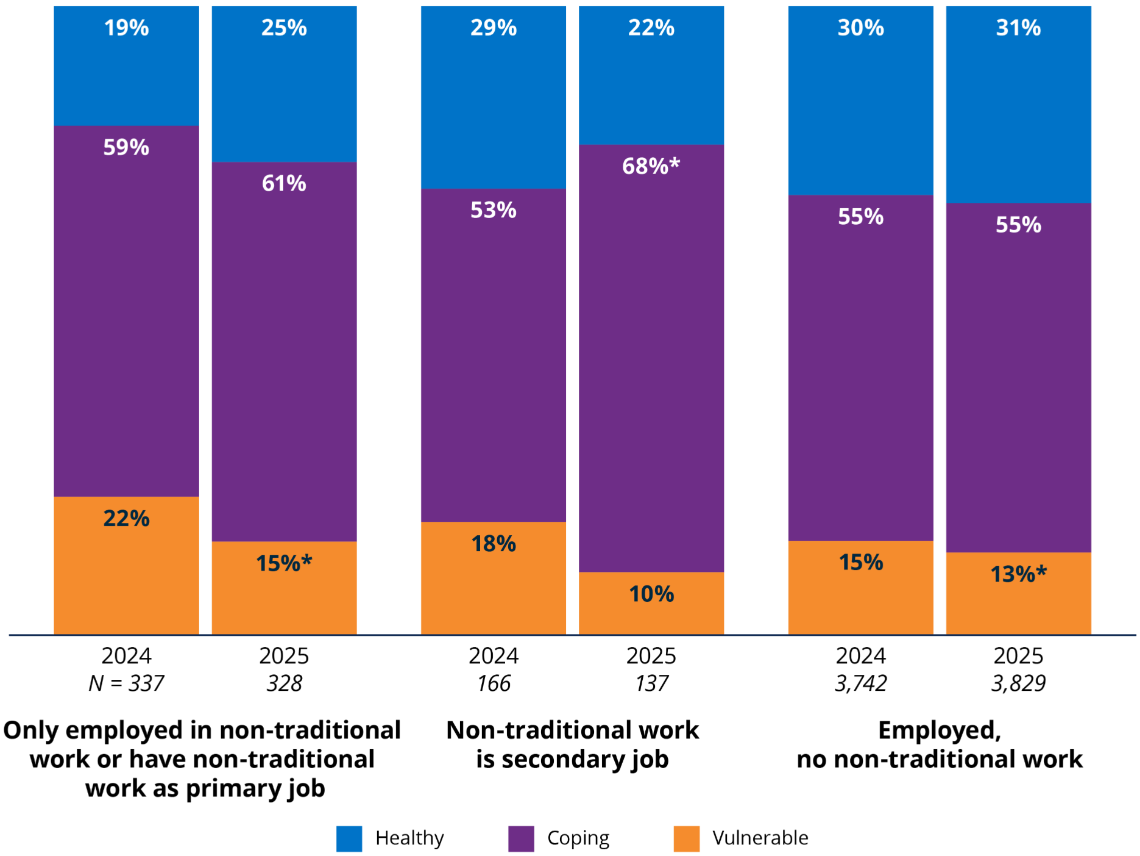
[1] Statistically significant relative to non-traditional work as a primary job ($p < .05$).

[2] Statistically significant relative to non-traditional work as a secondary job ($p < .05$).

[3] Statistically significant relative to no non-traditional work ($p < .05$).

Figure 44. The share of primary non-traditional workers who were Financially Vulnerable declined.

2024-2025 trends in financial health tier, by non-traditional employment status.



Notes: Those who were unemployed or not in the labor force were not included in this table.

* Statistically significant relative to 2024 (p < .05).

Table 19. The share of primary non-traditional workers who had enough savings to cover at least 3 months of expenses increased.

2024-2025 trends in each financial health indicator, by non-traditional employment status.

Financial health indicator	Only employed in non-traditional work or have non-traditional work as primary job		Non-traditional work is secondary job		Employed, no non-traditional work	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	38%	44%	38%	44%	51%	52%
Paid all bills on time over prior 12 months	58%	64%	63%	66%	72%	72%
Have enough savings to cover at least 3 months of living expenses	43%	53%*	53%	42%	57%	57%
Are confident they are on track to meet long-term financial goals	35%	42%	34%	44%	43%	42%
Have a manageable amount of debt or no debt	63%	70%	59%	60%	69%	70%
Have a "good," "very good," or "excellent" credit score	58%	66%*	83%	75%	76%	75%
Are confident their insurance policies will cover them in an emergency	45%	47%	57%	63%	61%	59%
Agree their household plans ahead financially	56%	60%	68%	67%	66%	66%
N	337	328	166	137	3,742	3,829

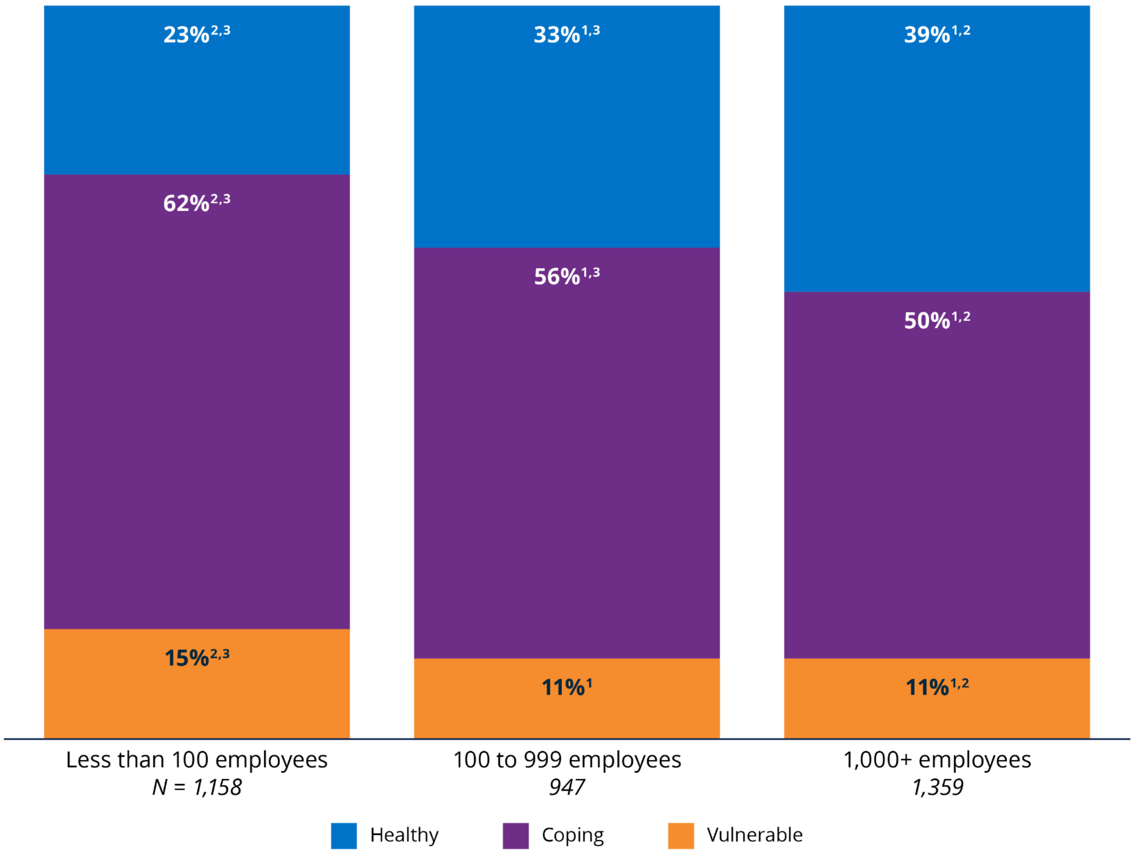
Notes: Those who were unemployed or not in the labor force were not included in this table.

* Statistically significant relative to 2024 (p < .05).

Employer Size

Figure 45. Employees of smaller businesses were less likely to be Financially Healthy than employees of larger businesses.

2025 percentages in each financial health tier, by employer size.



Notes: The 239 respondents who responded "I don't know" were omitted from this table. In addition, those who were unemployed or not in the labor force were not included in this table. Percentages may not sum to 100% due to rounding.

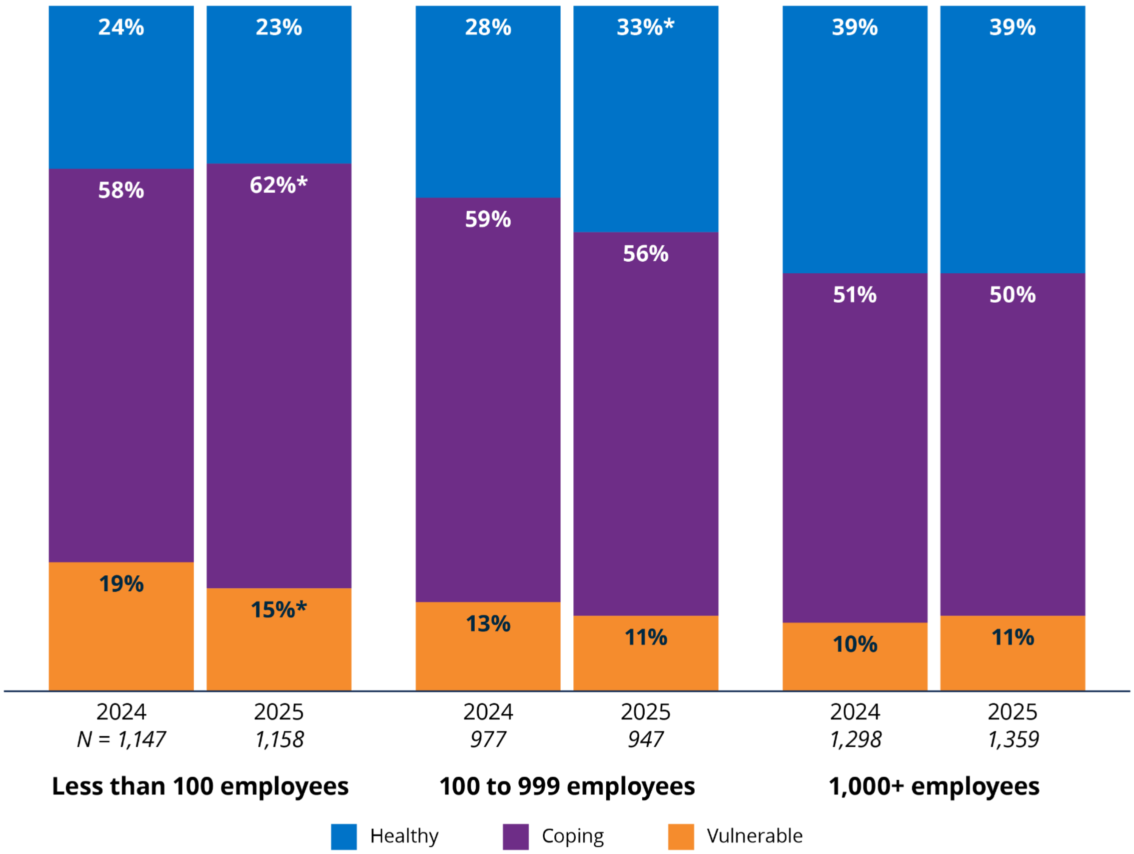
[1] Statistically significant relative to less than 100 employees ($p < .05$).

[2] Statistically significant relative to 100-999 employees ($p < .05$).

[3] Statistically significant relative to 1000+ employees ($p < .05$).

Figure 46. The share of employees of businesses with fewer than 100 employees who were Financially Vulnerable declined.

2024-2025 trends in financial health tier, by employer size.



Notes: In 2024, the 234 respondents who responded "I don't know" were omitted from this table. In 2025, the 239 respondents who responded "I don't know" were omitted from this table. In addition, in 2024 and 2025, those who were unemployed or not in the labor force were not included in this table.

* Statistically significant relative to 2024 ($p < .05$).

Table 20. There were no statistically significant changes in any specific financial health indicators by employer size.

2024-2025 trends in each financial health indicator, by employer size.

Financial health indicator	Less than 100 employees		100 to 999 employees		1,000+ employees	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	47%	48%	50%	53%	56%	57%
Paid all bills on time over prior 12 months	65%	65%	74%	73%	79%	79%
Have enough savings to cover at least 3 months of living expenses	54%	54%	55%	57%	62%	62%
Are confident they are on track to meet long-term financial goals	40%	38%	41%	42%	49%	48%
Have a manageable amount of debt or no debt	63%	65%	70%	69%	73%	75%
Have a “good,” “very good,” or “excellent” credit score	68%	68%	80%	77%	84%	82%
Are confident their insurance policies will cover them in an emergency	54%	52%	65%	63%	68%	67%
Agree their household plans ahead financially	59%	59%	68%	69%	76%	75%
N	1,147	1,158	977	947	1,298	1,359

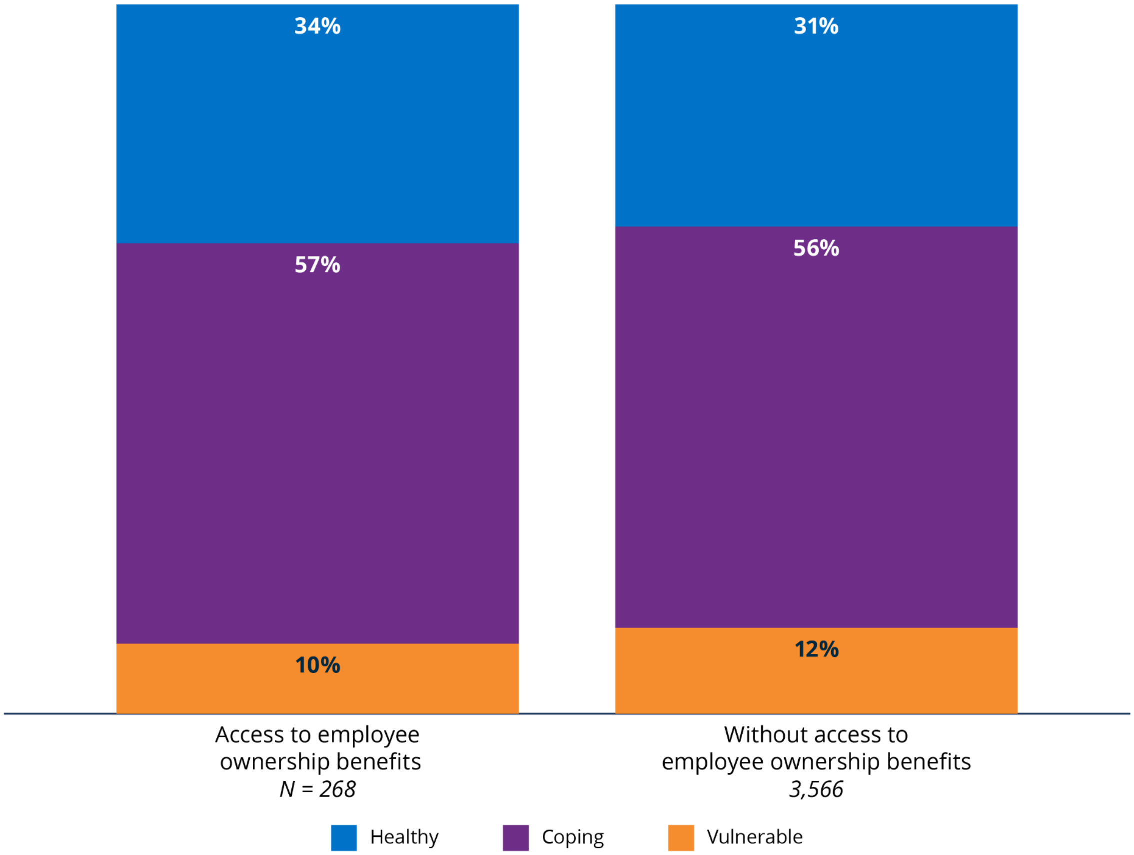
Notes: In 2024, the 234 respondents who responded “I don’t know” were omitted from this table. In 2025, the 239 respondents who responded “I don’t know” were omitted from this table. In addition, in 2024 and 2025, those who were unemployed or not in the labor force were not included in this table.

* Statistically significant relative to 2024 ($p < .05$).

Access to Employee Ownership Benefits

Figure 47. Employees with access to employee ownership benefits had similar levels of financial health as those without access.

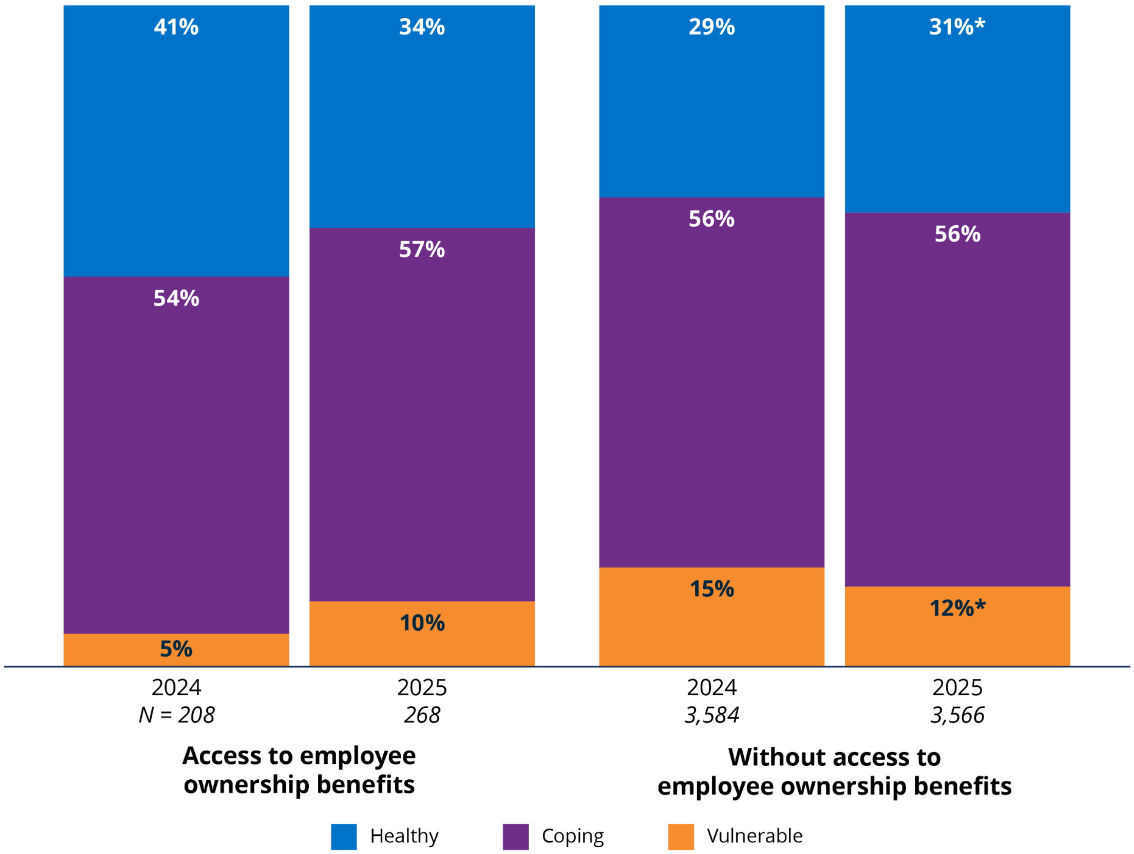
2025 percentages in each financial health tier, by access to employee ownership benefits.



Notes: The 217 respondents who responded "I don't know" were omitted from this table. An additional 243 respondents did not receive our question on Employee Stock Ownership Plans (ESOPs) and were not included in the analysis. In addition, those who were unemployed or not in the labor force were not included in this table. Percentages may not sum to 100% due to rounding.

Figure 48. The share of employees without access to employee ownership benefits who were Financially Healthy increased.

2024-2025 trends in financial health tier, by access to employee ownership benefits.



Notes: In 2024, the 200 respondents who responded “I don’t know” were omitted from this table. An additional 252 respondents who did not receive our question on ESOPs were not included in the analysis. In 2025, the 217 respondents who responded “I don’t know” were omitted from this table. An additional 243 respondents did not receive our question on ESOPs and were not included in the analysis. In addition, in 2024 and 2025, those who were unemployed or not in the labor force were not included in this analysis.

* Statistically significant relative to 2024 (p < .05).

Table 21. The share of employees without access to employee ownership benefits who had a manageable amount of debt or no debt increased.

2024-2025 trends in each financial health indicator, by access to employee ownership benefits.

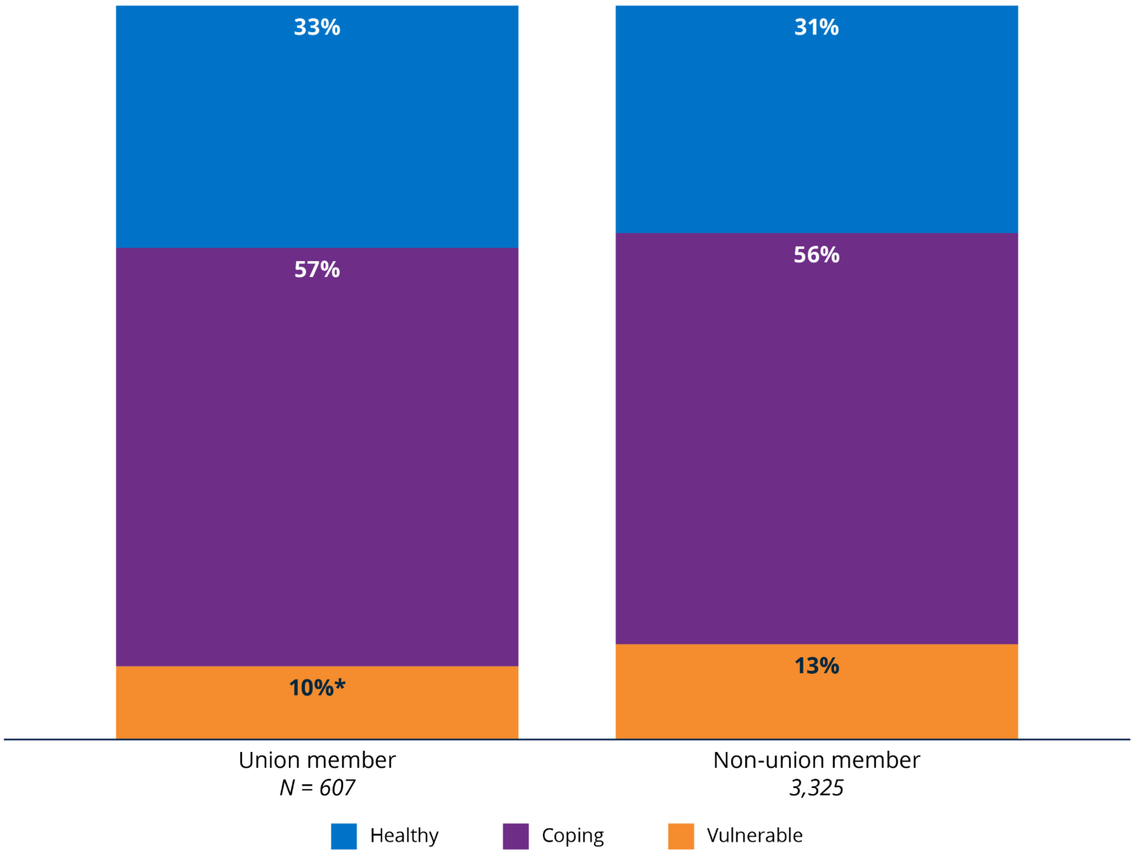
Financial health indicator	Access to employee ownership benefits		Without access to employee ownership benefits	
	2024	2025	2024	2025
Spent less than income over prior 12 months	52%	51%	50%	52%
Paid all bills on time over prior 12 months	82%	71%*	71%	73%
Have enough savings to cover at least 3 months of living expenses	62%	61%	55%	57%
Are confident they are on track to meet long-term financial goals	57%	50%	41%	42%
Have a manageable amount of debt or no debt	81%	73%*	67%	70%*
Have a "good," "very good," or "excellent" credit score	87%	79%*	75%	76%
Are confident their insurance policies will cover them in an emergency	72%	68%	61%	59%
Agree their household plans ahead financially	77%	72%	66%	68%
N	208	268	3,584	3,566

Notes: In 2024, the 200 respondents who responded "I don't know" were omitted from this table. An additional 252 respondents who did not receive our question on ESOPs were not included in the analysis. In 2025, the 217 respondents who responded "I don't know" were omitted from this table. An additional 243 respondents did not receive our question on ESOPs and were not included in the analysis. In addition, in 2024 and 2025, those who were unemployed or not in the labor force were not included in this analysis.
* Statistically significant relative to 2024 (p < .05).

Union Membership

Figure 49. Employees in unions were less likely to be Financially Vulnerable than non-union employees.

2025 percentages in each financial health tier, by union membership.



Notes: Asked to all respondents who were employees or non-traditional workers. In 2025, 119 participants responded "Don't know" and were excluded from analysis. Percentages may not sum to 100% due to rounding.
* Statistically significant relative to non-union members (p < .05).

Table 22. Employees in unions were more likely to pay all bills on time, have a "good" or better credit score, and be confident in their insurance coverage than non-union employees.

2025 financial health indicators, by union membership.

Financial health indicator	Union member	Non-union member
Spent less than income over prior 12 months	51%	52%
Paid all bills on time over prior 12 months	77%*	72%
Have enough savings to cover at least 3 months of living expenses	58%	57%
Are confident they are on track to meet long-term financial goals	45%	42%
Have a manageable amount of debt or no debt	74%	69%
Have a "good," "very good," or "excellent" credit score	83%*	74%
Are confident their insurance policies will cover them in an emergency	67%*	59%
Agree their household plans ahead financially	69%	67%
N	607	3,325

Notes: Asked to all respondents who were employees or non-traditional workers. In 2025, 119 participants responded "Don't know" and were excluded from analysis.
* Statistically significant relative to non-union members ($p < .05$).

Financial Health by Health and Disability

Mental, physical, and financial health are deeply interconnected. Previous Financial Health Network research has shown clear links between financial health and financial stress, which impacts mental health and psychological well-being.[84,85,86,87] Physical health also plays an important role, as medical conditions can disrupt employment and be expensive to treat.[88,89] Financial hardship can lead individuals to forgo needed health treatments, often resulting in worse long-term health outcomes.[90,91,92] Additionally, nearly 1 in 4 American adults has a disability, which has significant implications for their financial health.[93,94]

In 2025, financial health gaps remained wide between individuals in good health versus poor health, and between those with and without disabilities. Around half of individuals with excellent or very good physical and mental health were Financially Healthy in 2025, compared with only 12% of people with fair or poor overall health. The disparity was comparable for mental health: 37% of those with fair or poor mental health were Financially Vulnerable, compared with only 5% of those with excellent or very good mental health. Only 20% of people with a disability were Financially Healthy.

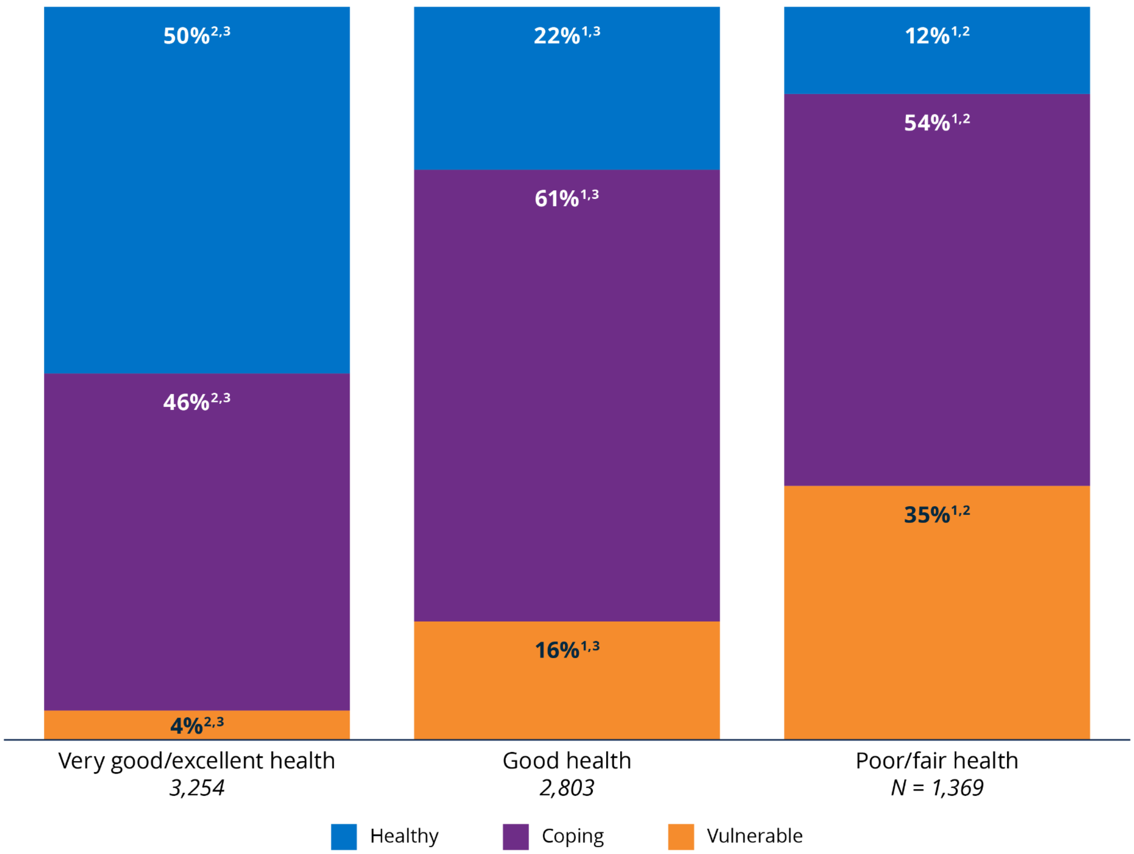
Between 2024 and 2025, improvements to financial health were observed among people at both ends of the mental and physical health spectrum. From 2024 to 2025, the share of people with excellent or very good overall health who were Financially Healthy increased by 3 percentage points (Figure 51). Significantly more of this group reported spending less than their income, being confident in their ability to reach their financial goals, having a manageable amount of debt, and

[84] Meghan Greene & Riya Patil, "Understanding the Mental-Financial Health Connection," Financial Health Network, October 2023.
[85] Andrew Warren, Wanjira Chege, Meghan Greene, & Lisa Berdie, "The Financial Health of People With Disabilities," Financial Health Network, August 2023.
[86] "Stress in America 2024: A nation in political turmoil," American Psychological Association, October 2024.
[87] "Connecting mental and financial wellbeing: Insights for employers," TIAA Institute, March 2024.
[88] "Financial Hardship Among People With Disabilities," United For ALICE, July 2022.
[89] Sungchul Park & Jim P. Stimpson, "Health Care Expenses and Financial Hardship Among Medicare Beneficiaries With Functional Disability," JAMA Network, June 2024.
[90] Xuesong Han et. al, "Medical financial hardship intensity and financial sacrifice associated with cancer in the United States," Cancer Epidemiology, Biomarkers & Prevention, February 2020.
[91] Stephen Y. Wang, Javier Valero-Elizondo, & Miguel Cainzos-Achirica, "Measures of Financial Hardship From Health Care Expenses Among Families With a Member With Atherosclerotic Cardiovascular Disease in the US," JAMA Health Forum, July 2022.
[92] Kulleni Gebreyes et. al, "What's causing US women to skip or delay medical care?," Deloitte Center for Health Solutions, September 2024.
[93] "CDC Data Shows Over 70 Million U.S. Adults Reported Having a Disability," Centers for Disease Control and Prevention, July 2024.
[94] Andrew Warren, Wanjira Chege, Meghan Greene, & Lisa Berdie, "The Financial Health of People With Disabilities," Financial Health Network, August 2023.

planning ahead financially than in 2024 (Table 23). Interestingly, participants with fair or poor overall health and mental health also demonstrated similar improvements (Table 24). In 2025, participants with disabilities reported better debt manageability than in 2024, but no significant differences were observed in confidence in insurance policies, which still remained under 50% (Table 25).

Self-Rated Overall Health

Figure 50. Overall health was positively associated with financial health.
2025 percentages in each financial health tier, by self-rated overall health.



Notes: Percentages may not sum to 100% due to rounding.

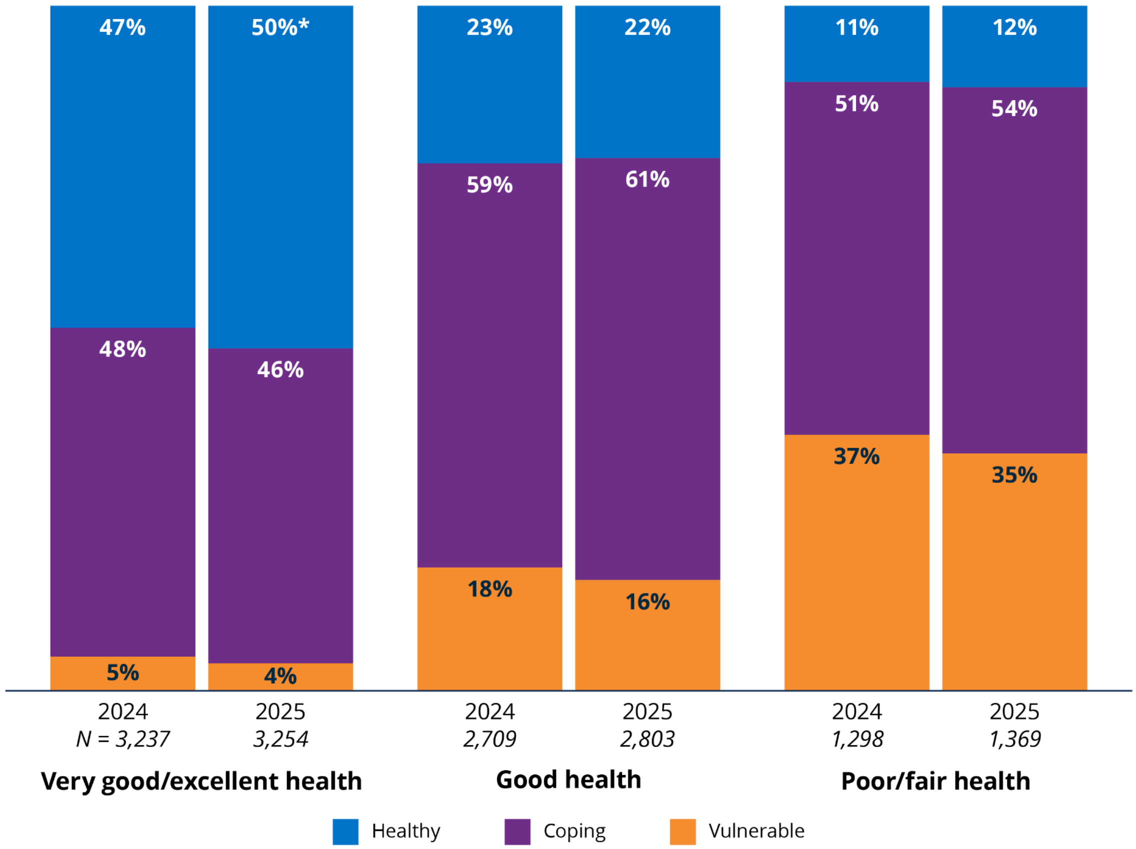
[1] Statistically significant relative to those who self-rated “excellent” or “very good” ($p < .05$).

[2] Statistically significant relative to those who self-rated “good” ($p < .05$).

[3] Statistically significant relative to those who self-rated “fair” or “poor” ($p < .05$).

Figure 51. The share of people in excellent or very good health who were Financially Healthy increased.

2024-2025 trends in financial health tier, by self-rated overall health.



Notes: Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Table 23. Several financial health indicators increased for those in excellent or very good health.

2024-2025 trends in each financial health indicator, by self-rated overall health.

Financial health indicator	Very good/excellent mental health		Good mental health		Poor/fair mental health	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	58%	61%*	45%	45%	29%	33%*
Paid all bills on time over prior 12 months	82%	83%	67%	68%	51%	52%
Have enough savings to cover at least 3 months of living expenses	69%	70%	52%	53%	39%	39%
Are confident they are on track to meet long-term financial goals	60%	63%*	36%	34%	20%	20%
Have a manageable amount of debt or no debt	80%	82%*	67%	68%	53%	56%
Have a "good," "very good," or "excellent" credit score	87%	86%	69%	68%	43%	43%
Are confident their insurance policies will cover them in an emergency	74%	73%	53%	49%*	38%	37%
Agree their household plans ahead financially	79%	81%*	58%	56%	36%	40%*
N	3,237	3,254	2,709	2,803	1,298	1,369

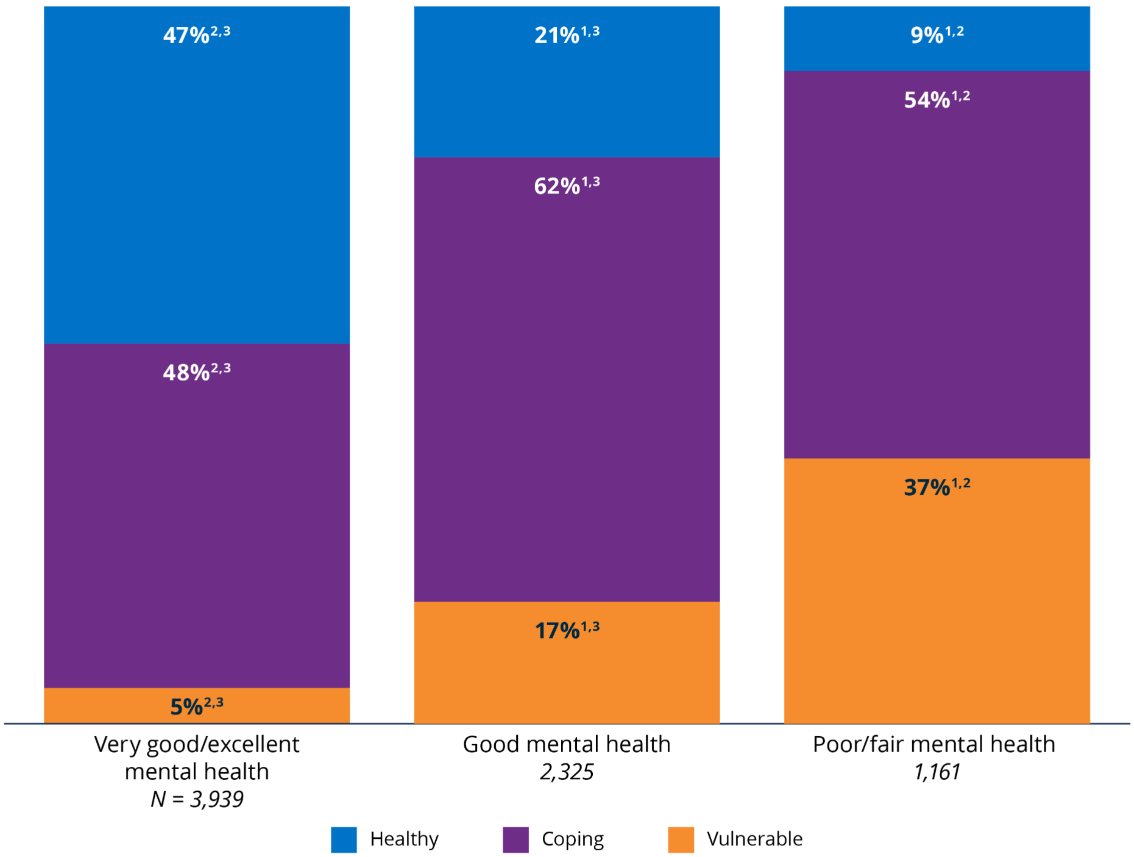
Notes: Percentages may not sum to 100% due to rounding.

* Statistically significant relative to 2024 (p < .05).

Self-Rated Mental Health

Figure 52. Mental health was positively associated with financial health.

2025 percentages in each financial health tier, by self-rated mental health.



Notes: Percentages may not sum to 100% due to rounding. In 2025, one participant was missing self-rated mental health.

Percentages may not sum to 100% due to rounding.

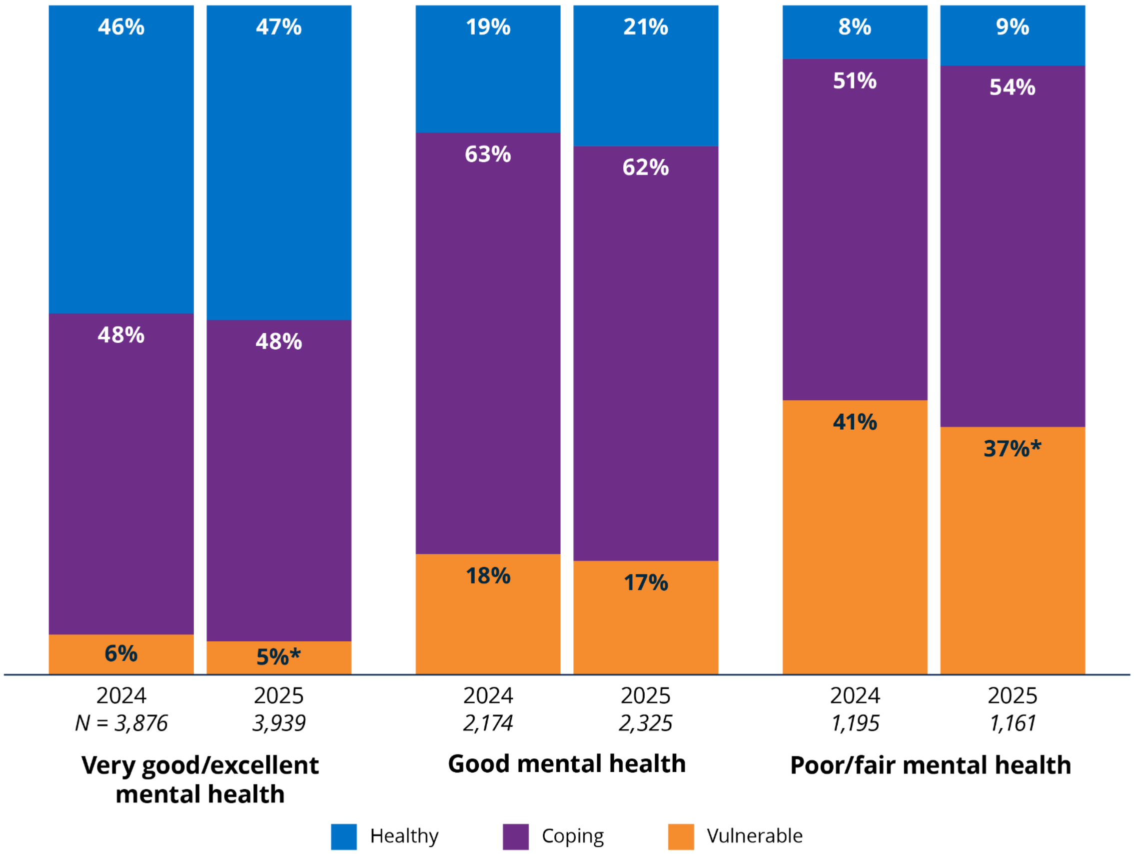
[1] Statistically significant relative to those who self-rated “excellent” or “very good” ($p < .05$).

[2] Statistically significant relative to those who self-rated “good” ($p < .05$).

[3] Statistically significant relative to those who self-rated “fair” or “poor” ($p < .05$).

Figure 53. The share of those who were in fair or poor health who were Financially Vulnerable decreased.

2024-2025 trends in financial health tier, by self-rated mental health.



Notes: Percentages may not sum to 100% due to rounding. In 2025, one participant was missing self-rated mental health.

* Statistically significant relative to 2024 (p < .05).

Table 24. Several financial health indicators increased for those in fair or poor mental health.

2024-2025 trends in each financial health indicator, by self-rated mental health.

Financial health indicator	Very good/excellent mental health		Good mental health		Poor/fair mental health	
	2024	2025	2024	2025	2024	2025
Spent less than income over prior 12 months	57%	59%	44%	42%	26%	33%*
Paid all bills on time over prior 12 months	81%	83%	66%	65%	48%	50%
Have enough savings to cover at least 3 months of living expenses	68%	69%	52%	52%	32%	33%
Are confident they are on track to meet long-term financial goals	59%	60%	32%	32%	17%	17%
Have a manageable amount of debt or no debt	81%	83%	67%	66%	44%	51%*
Have a "good," "very good," or "excellent" credit score	83%	83%	69%	66%*	43%	45%
Are confident their insurance policies will cover them in an emergency	73%	71%	51%	48%*	33%	34%
Agree their household plans ahead financially	76%	78%	57%	55%	34%	38%*
N	3,876	3,939	2,174	2,325	1,195	1,161

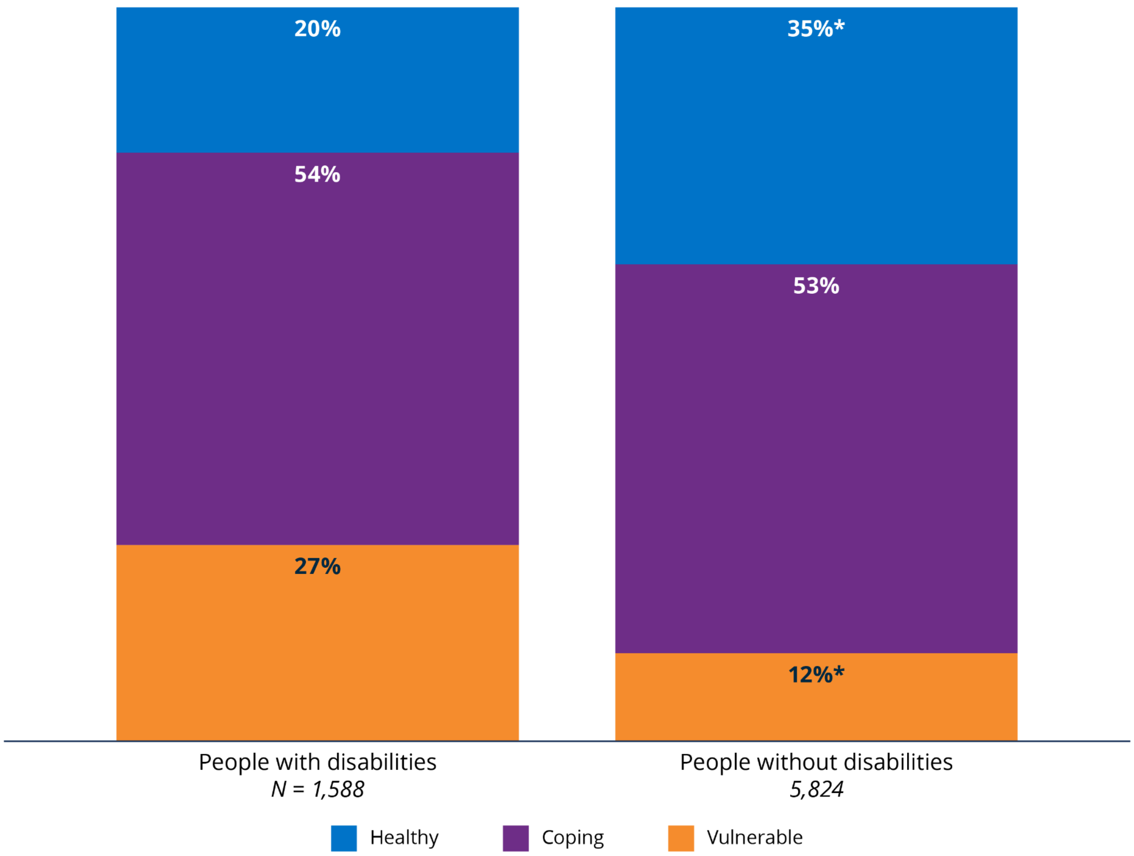
Notes: Percentages may not sum to 100% due to rounding. In 2025, one participant was missing self-rated mental health.

* Statistically significant relative to 2024 (p < .05).

Disability

Figure 54. People with disabilities were less likely to be Financially Healthy than those without disabilities.

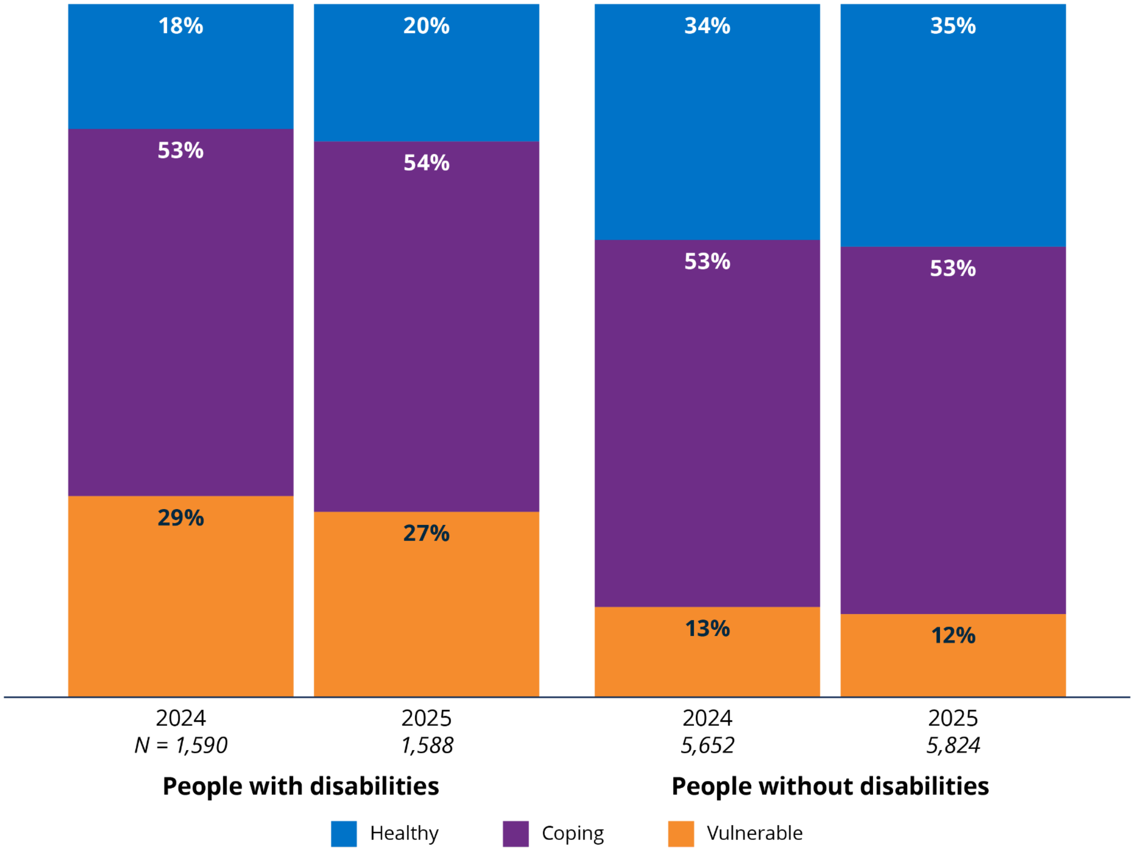
2025 percentages in each financial health tier, by disability status.



Notes: Percentages may not sum to 100% due to rounding. In 2025, 14 participants were missing disability.
* Statistically significant relative to those who have a disability (p < .05).

Figure 55. There were no statistically significant changes in financial health tiers by disability status.

2024-2025 trends in financial health tier, by disability status.



Notes: Percentages may not sum to 100% due to rounding. In 2025, 14 participants were missing disability.
* Statistically significant relative to 2024 (p < .05).

Table 25. The share of disabled people who had a manageable amount of debt or no debt increased.

2024-2025 trends in each financial health indicator, by disability status.

Financial health indicator	People with disabilities		People without disabilities	
	2024	2025	2024	2025
Spent less than income over prior 12 months	36%	36%	50%	52%*
Paid all bills on time over prior 12 months	58%	59%	74%	74%
Have enough savings to cover at least 3 months of living expenses	42%	45%	60%	60%
Are confident they are on track to meet long-term financial goals	30%	29%	46%	47%
Have a manageable amount of debt or no debt	57%	61%*	73%	74%
Have a "good," "very good," or "excellent" credit score	56%	55%	76%	75%
Are confident their insurance policies will cover them in an emergency	47%	48%	62%	59%*
Agree their household plans ahead financially	48%	50%	66%	67%
N	1,590	1,588	5,652	5,824

Notes: Percentages may not sum to 100% due to rounding. In 2025, 14 participants were missing disability.

* Statistically significant relative to 2024 (p < .05).

Appendices

Appendix A: Methodology

Since 2018, the Financial Health Pulse survey has been administered to the Understanding America Study (UAS) panel, a nationally representative, probability-based internet panel at the University of Southern California's Dornsife Center for Economic and Social Research. The UAS identifies respondents for its panel via address-based sampling. The 2023-2025 Financial Health Pulse surveys were fielded to one respondent randomly selected from each household in the panel. The 2018 through 2022 Pulse surveys were fielded to all UAS panelists, with the exception of those oversampled from Los Angeles County. All surveys are fielded in both English and Spanish, with the exception of the 2018 survey.

The 2025 Financial Health Pulse survey had a cooperation rate of 65.69%, with 7,905 respondents in total. After data cleaning, the analytic sample had 7,425 respondents (Table A1). The median respondent completed the survey in 21 minutes. Respondents received a $14 incentive for their participation in the survey.

Starting in 2023, the Financial Health Pulse began exploring a number of new methodological approaches, including:

- **Employing cleaning procedures to ensure data quality**. This involved dropping respondents who completed the survey in less than five minutes; answered less than half of the survey questions; had missing information on our eight financial health indicators; or had missing information on any of our key weighting parameters of age, race and ethnicity, gender, level of education, and Census region.
- **Collecting data at the household level**. We collaborated with USC to randomly identify one respondent per household for the final sample used in this report and to generate household-level weights. The 2024 U.S. Trends Report is the first Pulse study using household-level estimates instead of individual-level data.
- **Identifying household financial decision-makers**. Starting in 2023, we asked Pulse respondents "What part, if any, do you play in making financial decisions for your household?" In 2024 onwards, those who selected "Someone else in my household makes all the financial decisions" were screened out of the survey.

Table A1. Dates and sample sizes of Financial Health Pulse surveys (2018-2025).

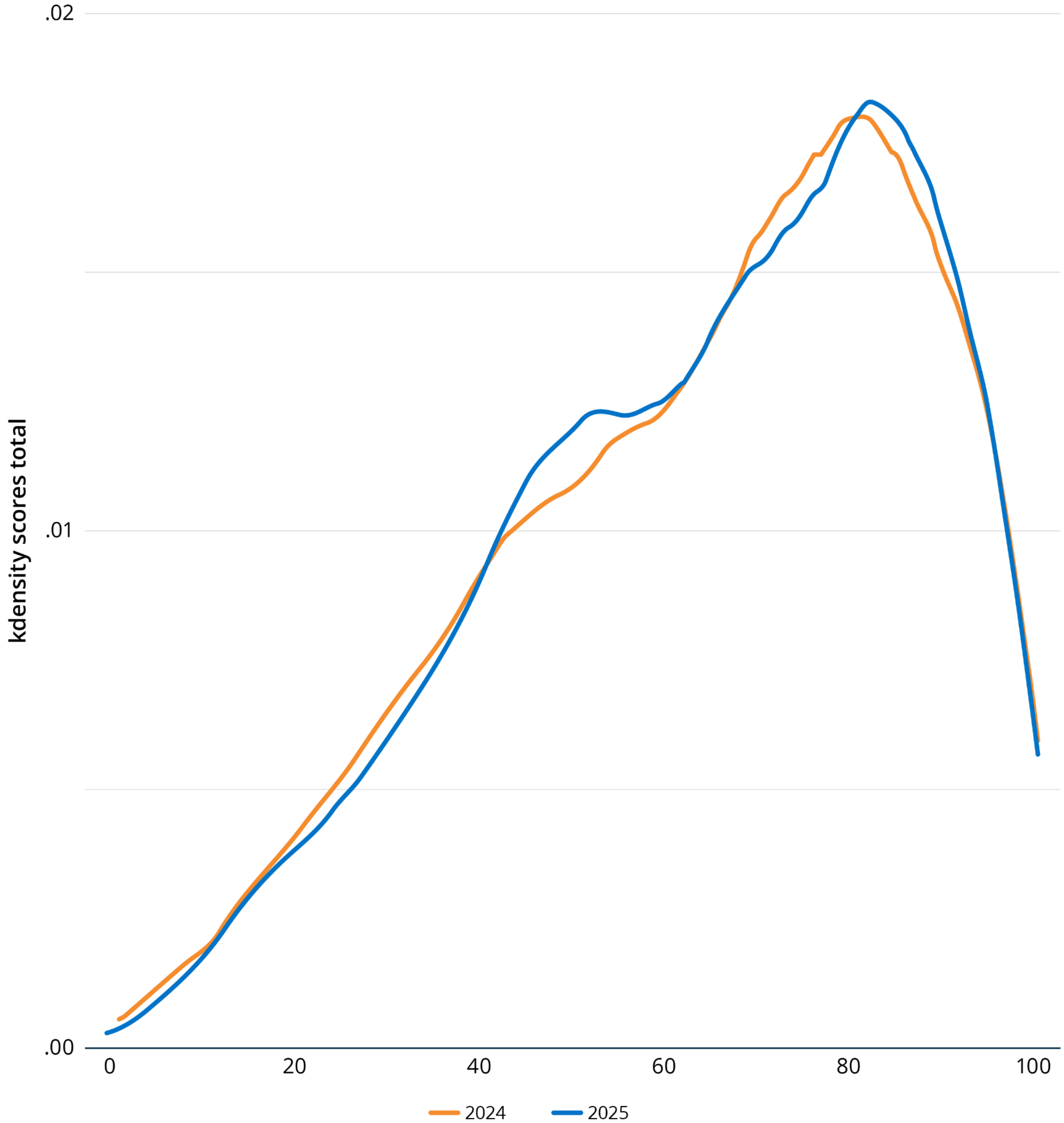
Year	Survey dates	Cooperation rate	Number of respondents	Analytic sample	Margin of error
2025	April 11 - May 19	65.69%	7.905	7,425	± 1.1%
2024	April 16 - May 30	65.67%	7,740	7,245	± 1.1%
2023	April 27 - June 11	69.57%	7,021	6,564	± 1.2%
2022	April 13 - May 15	70.71%	6,595	6,595	± 1.2%
2021	April 22 - May 22	71.84%	6,403	6,403	± 1.2%
2020	April 20 - May 7	77.14%	6,570	6,570	± 1.2%
2019	April 17 - June 15	79.16%	5,424	5,424	± 1.3%
2018	April 26 - July 4	82.93%	5,019	5,019	± 1.4%

Notes: Cooperation rate is the percentage of respondents who completed the survey among those invited. Starting in 2023, we implemented data cleaning procedures and we restricted the sample to respondents who identified themselves as financial decision-makers in their household. These changes cause the analytic sample to differ from the number of respondents in 2023 onward.

Table A2. FinHealth Score Distribution Change.

	2024	2025
Average (Mean)	64.30	64.67
10th percentile	30.63	32.50
25th percentile	48.13	48.75
Median	68.13	68.13
75th percentile	82.50	83.13
90th percentile	91.88	91.88

Figure A1. FinHealth Score Distribution Change, Kernel Density Estimates



Appendix B. Variable Definitions

Financial Health Indicators

Which of the following statements best describes how your household's total spending compared to total income, over the last 12 months?

1. Spending was much less than income
2. Spending was a little less than income
3. Spending was about equal to income
4. Spending was a little more than income
5. Spending was much more than income

Which of the following statements best describes how your household has paid its bills over the last 12 months?

My household has been financially able to:

1. Pay all of our bills on time
2. Pay nearly all of our bills on time
3. Pay most of our bills on time
4. Pay some of our bills on time
5. Pay very few of our bills on time

At your current level of spending, how long could you and your household afford to cover expenses, if you had to live only off the money you have readily available, without withdrawing money from retirement accounts or borrowing?

1. 6 months or more
2. 3-5 months
3. 1-2 months
4. 1-3 weeks
5. Less than 1 week

Thinking about your household's longer term financial goals such as saving for a vacation, starting a business, buying or paying off a home, saving up for education, putting money away for retirement, or making retirement funds last… How confident are you that your household is currently doing what is needed to meet your longer term goals?

1. Very confident
2. Moderately confident
3. Somewhat confident
4. Slightly confident
5. Not at all confident

Now thinking about all of your household's current debts, including mortgages, bank loans, student loans, money owed to people, medical debt, past-due bills, and credit card balances that are carried over from prior months…

As of today, which of the following statements describes how manageable your household debt is?

1. Have a manageable amount of debt
2. Have a bit more debt than is manageable
3. Have far more debt than is manageable
4. Do not have any debt

How would you rate your credit score? Your credit score is a number that tells lenders how risky or safe you are as a borrower.

1. Excellent
2. Very Good
3. Good
4. Fair
5. Poor
6. Don't know

Thinking about all of the types of personal and household insurance you and others in your household have, how confident are you that those insurance policies will provide enough support in case of an emergency?

1. Very confident
2. Moderately confident
3. Somewhat confident
4. Slightly confident
5. Not at all confident

To what extent do you agree or disagree with the following statement: “My household plans ahead financially.”

1. Agree strongly
2. Agree somewhat
3. Neither agree nor disagree
4. Disagree somewhat
5. Disagree strongly

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 use Census data to compare respondents' household income relative to their area median income (AMI) and categorize them as low, moderate, middle, or upper income. A respondent’s area is defined as their metropolitan statistical area (MSA). If the respondent does not live in an MSA, their area is defined as their county.

Low-income households have a household income below 50% of AMI; moderate-income households are between 50% and 80%; middle-income households are between 80% and 120%; and upper-income households are above 120%.

Net Worth

Net worth is defined using respondents' answers to the following 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 any financial assets such as your retirement accounts, savings, and checking accounts, etc.) and pay all your debts (including your mortgage, any other loans, medical debt, and credit cards). Would you have money left over or be in debt?

1. Have money left over
2. About break even
3. Be in debt
4. Don't know

Credit Card Debt

Outstanding credit card debt ownership is defined using respondents' answer to the following question.

Do you or anyone in your household currently have any of the following types of debt?

QD079. Outstanding credit card balances carried over from previous months

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

Investment Ownership

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

Do you or does anyone in your household have any of the following financial assets or accounts?

- QE048. Employer-provided retirement account or pension (such as 401k, 403(b) or Thrift Savings Plan (TSP)
- QE049. Individual retirement account not provided by an employer (such as traditional IRA, Roth IRA, Keogh, SEP, or other retirement fund)
- QE052a. Other non-retirement investment accounts that allow you to invest in the stock market (such as a traditional or online brokerage account, mutual fund, or annuity)

Households were defined as “Households with investments” if they responded “Yes” to at least one of the questions above. We acknowledge pensions may not be considered investments and that some respondents may categorize some of these account types differently, but we consider this variable to be a close proxy of having investments.

Student Loan Ownership

Student loan ownership is defined using respondents’ answers to the following question.

Do you or anyone in your household currently have any of the following types of debt?

QD079. Student loans

1. Yes
2. No
3. Don’t know

Homeownership

Homeownership is defined using respondents’ answers to the following questions.

QE105. Do you or someone in your household own the place where you live, either with or without a mortgage or loan?

1. Yes
2. No
3. Don’t know

QE105A. Do you or someone in your household rent the place where you live?

4. Yes
5. No
6. Don’t know

QE105A is not asked if a respondent answers “Yes” to QE105. Respondents who do not answer “Yes” to either question are coded as “Other.”

Entrepreneurship

Households are defined as “Entrepreneur households” if they report that anyone in their household owns a business, or if they characterize one of their jobs as working for a business they own. Entrepreneurship is defined using respondents’ answers to the following questions.

QF132. Do you [or anyone in your household] own a business?

1. Yes
2. No

Employed respondents are also asked:

QE121. Which of the following best describes your current job?

1. I am an employee (I receive a W-2 at tax time)
2. I am an independent contractor, 'gig' worker, freelancer, consultant, work odds jobs or have a side hustle (I receive a 1099 at tax time)
3. I work for a business that I own

If a respondent has more than one job, the same question is asked of each job and those who reported that they work for a business that they own for any of these jobs is coded as an entrepreneur.

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. In the last 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.
- QD071. Cashed a check using a check-cashing service at a location that was not a bank or credit union.
- QD072. Sent money to friends or family living outside the U.S. at a location that was not a bank or credit union.
- QD073. Took out a payday loan or received a payday advance loan.
- QD074. Used a pawn shop loan.
- QD075. Used rent-to-own services.
- QD076. Took out a tax refund anticipation loan.

- QE076. Took out an auto title loan, which is a loan that requires a borrower to provide the title of their car in exchange for borrowing money for a short period of time

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 QE076. Households were classified as “Fully banked” if they responded “Yes” to question QD046 and “No” to questions QD070 to QE076. 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 QE076. Respondents were classified as “Unknown if banked” if they responded “Don’t know” or did not respond to questions QD046 and QD070 to QE076.

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 Latine
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.

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

Household Gender Composition

Household gender composition is defined using respondents' answers to questions about both their gender identity and household composition.

QB10. How do you define your gender identity?

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

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

1. Yes
2. No

Respondents who selected "Woman" and not living with a spouse, partner, or significant other were categorized under "single woman." Respondents who selected "Man" and not living with a spouse, partner, or significant other were categorized under "single man." Respondents who reported living with a spouse or partner were categorized as "married or partnered" regardless of their gender identity. Respondents who selected non-binary, gender non-conforming, genderqueer, or another gender identity and not living with a spouse, partner, or significant other were categorized under "single other gender." These individuals were excluded from the report due to their small sample size.

In 2025, QB10 was not asked in the Pulse survey – instead, responses to this question from previous UAS surveys were used.

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.

LGBTQ+ Status

We used three variables on gender and sexual identity to define the LGBTQ+ 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, non-binary, two-spirit, agender, genderqueer, or genderfluid?

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, transgender, two-spirit, agender, genderqueer, genderfluid, or any other gender identity other than "Man" or "Woman," as well as those who identify as any sexual orientation other than heterosexual or straight, are defined as LGBTQ+.

In 2025, QB10, QB11, and QB09 were not asked in the Pulse survey – instead, responses to these questions from previous UAS surveys were used.

Veteran Status

Veteran status is defined using respondents' answers to the following question.

QE501. Are you or someone in your household a U.S. veteran?

1. Yes
2. No

Census 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

Urbanicity

We categorize households as urban, suburban, or rural depending on their county of residence, using urbanicity categories defined by the National Center for Health Statistics. Following the Pew Research Center, we code large central metro counties as urban, large fringe metro, medium metro, and small metro counties as suburban, and micropolitan and noncore counties as rural.

Natural Disaster Experience

Natural disaster experience is defined using respondents' answer to the following question.

QF021. In the past 12 months, did your household experience a natural disaster or severe weather event (for example, a wildfire, hurricane, flood, extreme temperatures, or other natural event)?

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

Employment Status

Employment status is defined using respondents' answers to the following 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.

Non-Traditional Workers

Respondents are considered non-traditional workers if they answer that they are “an independent contract, ‘gig’ worker, freelancer, consultant, work odd jobs, or have a side hustle (I receive a 1099 at tax time)” in any of the jobs they hold. Respondents are defined as “Primary non-traditional workers” if they report only having one job and it is in non-traditional work, report that their primary job is in non-traditional employment, or if they report that all of their jobs are in non-traditional employment, “Secondary non-traditional workers” if their primary job is in traditional work and their secondary job is non-traditional employment. Finally, those who are “Employed, no non-traditional work” do not select non-traditional work for any of their jobs.

Non-traditional workers are defined using respondents’ answers to the following question.

QE121. Which of the following best describes your current job?

1. I am an employee (I receive a W-2 at tax time)
2. I am an independent contractor, ‘gig’ worker, freelancer, consultant, work odds jobs or have a side hustle (I receive a 1099 at tax time)
3. I work for a business that I own

Employer Size

The following question was asked to every employed respondent:

QD125a. 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 9 employees
3. 10 to 24 employees
4. 25 to 99 employees
5. 100 to 499 employees
6. 500 or 999 employees
7. 1000 or more employees
8. Don’t know

We only defined employer size for people who were not business owners.

Access to Employee Ownership Benefits

Respondents who were employed were asked if they had access to two different employee ownership benefits (please see survey questions text below). Employed respondents are coded as having "access to employee ownership benefits" if they answered yes to working in a job that offers either type of employee ownership benefits.

Access to employee ownership benefits is defined using respondents' answers to the following questions.

QE134. Through your employer, do you have access to a type of benefit plan that lets employees own a part of the business, sometimes called an Employee Shared Ownership Plan (ESOP)?

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

QE135. Through your employer, are you a member of a worker cooperative, meaning that you own a portion of the company you work for and could participate in decision making about the company?

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

Union Membership

Union membership is defined using respondents' answer to the following question.

QD127. Are you a member of a labor union or of an employee association similar to a union?

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

The question was asked to every employed respondent or non-traditional worker.

Self-Rated Overall Health

Self-Rated overall health is defined using respondents' answer to the following question.

QC002. Would you say your health in general is…

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

Self-Rated Mental Health

Self-Rated mental health is defined using respondents' answer to the following question.

QC002. Would you say your mental well-being in general is…

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

Disability

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.

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