

Brief

From Insight to Impact: The Next Phase of Financial Health Measurement

Updates to the FinHealth Score[®] and Definitions

MARCH 2026

Executive Summary

Since the Financial Health Network introduced a new framework for measuring consumer financial health a decade ago, the field has grown and matured considerably. In light of the wealth of new research, practical experience, and tools developed since the Financial Health Network created the original FinHealth Score[®], we've embarked on an effort to review, validate, and update our financial health definitions and measurement frameworks to ensure they remain meaningful, relevant, and actionable.

We have reviewed academic and industry literature; consulted researchers, subject matter experts, and practitioners across disciplines and sectors; and tested alternate versions of the FinHealth Score with consumers. This process reaffirmed the validity of our existing metrics and tools. It also pointed to needed refinements and important opportunities for future exploration. Based on feedback from this process, we have clarified our definition of financial health and updated the survey questions that comprise our FinHealth Score. This brief outlines our changes and our roadmap for continued exploration.

Defining Financial Health

We have developed a new definition of financial health that will inform and guide the Financial Health Network's body of work and stakeholder engagement. This framework distinguishes between the broader concept of financial health and the components of being Financially Healthy.

Financial health is the state of a household's finances.

A Financially Healthy household is:

- Able to meet current financial needs and obligations
- On track to meet future financial needs and obligations
- Able to absorb and recover from unexpected expenses or drops in income

Measuring Financial Health

We have made modest but important adjustments to several of the questions used to measure financial health, with an emphasis on clarity for both respondents and organizations deploying the Score. This includes updating the name of the fourth pillar of our measurement framework from "Plan" to "Plan and Protect."

Table 1. Updated financial health indicators.

Spend	<ol style="list-style-type: none"> 1. Spending relative to income 2. On-time bill payment
Save	<ol style="list-style-type: none"> 3. Liquid savings levels 4. Progress on long-term savings goals
Borrow	<ol style="list-style-type: none"> 5. Debt manageability 6. Credit score
Plan and Protect	<ol style="list-style-type: none"> 7. Adequacy of insurance coverage 8. Planning ahead financially

From Insight to Impact

The revised financial health definition focuses on observable conditions, strengthening the link between what financial health is and how we measure it. The refreshed FinHealth Score questions and response options improve clarity and are more objective, with a narrow focus on the measurable realities of household financial life. Together, these updates make our definition and measurement tools simpler, more concrete, and more user-friendly—ensuring the FinHealth Score remains a rigorous, actionable, and trustworthy tool to help our partners across the field understand and improve financial health.

While this effort marks the first major change to the FinHealth Score since its creation, our goal is not to replace the existing Score, but to clarify, update, and refine it. We intentionally restricted refinements to areas where we have clear motivation for a change. This is an evolution in measurement, rather than a dramatic transformation.

Moving forward, we will continue exploring opportunities to advance financial health measurement, including hybrid models incorporating administrative data that may represent a more substantive transformation. This publication marks not the end, but the beginning of a data-driven, consultative inquiry into opportunities to strengthen our tools, processes, and definitions, with the ultimate aim of developing resources that support improved financial health for all. We welcome open dialogue and collaboration to jointly push the boundaries of financial health measurement.

Note: Organizations seeking to implement the FinHealth Score® in software or digital products should contact [Attune](#), the exclusive technology partner for FinHealth Score® implementation.

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Introduction: A Field Matures

The financial health movement was founded in part on the realization that simple access to financial products and services is not enough to create real and lasting change in people's financial lives. Financial inclusion by itself does not necessarily lead to enhanced economic security, mobility, or prosperity.

By most measures, access to financial services has increased steadily over the past 15 years. When the Federal Deposit Insurance Corporation (FDIC) first conducted its national survey of unbanked and underbanked households in 2009, it estimated that 7.6% of households were unbanked.¹ By 2023, that number had dropped to 4.2%.² Yet other measures of household financial circumstances have shown more mixed progress. For example, in the midst of the long tail of the 2008-09 global financial crisis and recession, the Federal Reserve's 2014 Survey of Household Economics and Decisionmaking found that 60% of U.S. adults said they were either "doing okay" financially or "living comfortably." That percentage increased to 74% in 2017 and then stalled; in 2024, 73% of adults reported the same.³

In short, financial inclusion was not resulting in financial progress.⁴

That recognition is also integral to our work at the Financial Health Network, which was built, in part, on the belief that **what is measured matters**.

We first outlined an integrated approach to measuring financial health in 2015 through the FinHealth Score. Since 2018, we have tracked financial health through the annual Financial Health Pulse[®] survey, which identifies macro-level trends and reveals deep, persistent disparities across populations.⁵ Our measurement work has influenced national and global narratives about financial health challenges, shed light on the complex factors that shape individual and household financial health, and defined goals that financial services firms and policymakers should pursue to improve consumer outcomes.⁶

But the Financial Health Network was also built as a learning organization. We have embraced a test-and-learn approach to financial health measurement, iterating on the foundations of the FinHealth Score over time. While we strongly believe that what is measured matters, we also believe

¹ Federal Deposit Insurance Corporation, "[2009 FDIC National Survey of Unbanked and Underbanked Households](#)," 2009.

² Federal Deposit Insurance Corporation, "[2023 FDIC National Survey of Unbanked and Underbanked Households](#)," 2023.

³ Federal Reserve, "[Federal Reserve Survey of Household Economics and Decisionmaking \(2013-2024\)](#)," accessed January 2026. You can find similar patterns in other surveys, as well as in non-self-reported data; for example, the poverty rate in the United States has hovered between 10-15% over the past 45 years. See Emily A. Shrider & Christina Bijou, "[Poverty in the United States: 2024](#)," United States Census Bureau, September 2025.

⁴ For more on the evolution of the financial health field, see Meghan Greene & Angela Fontes, "[Financial Health Frontiers: Shaping the Future of Financial Health](#)," Financial Health Network, May 2024.

⁵ "[Financial Health Pulse](#)," Financial Health Network, accessed January 2026.

⁶ Heidi Johnson, Jennifer Tescher, & Riya Patil, "[Measurement for Systems Change: Lessons From the Financial Health Pulse](#)," Financial Health Network, February 2024.

that **we must measure what matters**—that is, we must ensure that the data we use are accurate, relevant, meaningful, and actionable.

Since we first started measuring financial health, we have learned a great deal about collecting, interpreting, and evaluating financial health outcomes. The variables shaping financial health and what it means to be Financially Healthy have evolved dramatically. Over the past 10 years, the practice of measuring financial health has evolved from a relatively niche idea to a robust, widely embraced, and data-driven movement. Sources of financial health data have grown and diversified, with a variety of longstanding survey efforts like the Federal Reserve’s Survey of Household Economics and Decisionmaking or the FINRA Foundation’s triennial National Financial Capability Study, as well as newer efforts like the CFPB’s Making Ends Meet or the Federal Reserve Bank of Philadelphia’s Labor, Income, Finances, and Expectations (LIFE) surveys that further expand our data about people’s day-to-day financial practices and experiences.^{7,8,9,10} Today, there is so much data that initiatives like the Black Wealth Data Center and the Urban Institute’s Financial Well-Being Data Catalog have emerged to help organize it all.^{11,12}

Across these collective efforts, the field has aligned around the importance of measuring not only access, knowledge, or perception, but actual *outcomes*: whether people can pay their bills, build savings, weather a shock, access credit, manage debt, and so on. This orientation toward outcomes—and the disparities in outcomes among different communities—has generated a much clearer picture of the factors shaping financial health. Today, we know much more than we did a decade ago about earnings instability, expense shocks, liquidity buffers, short-term credit use, debt management, the link between emergency savings and long-term stability, pathways to wealth-building, and the role of insurance in promoting resilience. We also know more about financial health inequities across geography and demography, including race, ethnicity, disability status, gender, and other identity and community characteristics.

The past 10 years have also seen the emergence of shared measurement frameworks like the FinHealth Score. The Score has been widely adopted and adapted by a variety of companies, community organizations, nonprofits, policymakers, and researchers to baseline, benchmark, and track financial health over time. The global market research firm J.D. Power integrated the FinHealth Score methodology into its Financial Health and Advice Program, leveraging it to provide banks with deep, real-time insights into the products and services customers need for better financial health.¹³ Others are using the Score to evaluate impact: Habitat for Humanity, for example, surveys its new homeowners on housing outcomes and financial health improvements.^{14,15} Financial institutions

⁷ [“Survey of Household Economics and Decisionmaking,”](#) Federal Reserve, accessed January 2026.

⁸ [“The National Financial Capability Study,”](#) FINRA Investor Education Foundation, accessed January 2026.

⁹ [“Making Ends Meet Survey Data,”](#) Consumer Financial Protection Bureau (CFPB), August 2025.

¹⁰ [“Labor, Income, Finances, and Expectations \(LIFE\) Survey,”](#) Federal Reserve Bank Philadelphia, November 2025.

¹¹ [“Black Wealth Data Center,”](#) Black Wealth Data Center, accessed January 2026.

¹² [“Financial Well-Being Catalog,”](#) Urban Institute, accessed January 2026.

¹³ Marisa Walster, [“What the Financial Health Network and J.D. Power Know: Data Can Guide the Way for Financial Institutions to Improve Financial Health for Customers,”](#) Financial Health Network, December 2021.

¹⁴ [“Impact,”](#) Habitat for Humanity, accessed January 2026.

¹⁵ [“The Transformative Power of Financial Health Measurement,”](#) Financial Health Network, September 2023.

have embedded financial health measurement into their strategy, insights practice, product development, and, in some cases, key performance indicators. Here, banks and credit unions leverage both survey-based methods and, increasingly, administrative data sources like account, transactional, and credit data. ING Netherlands, for example, has made improving customers' financial health a pillar of its strategy and adapted the FinHealth Score framework into a transactional data scorecard to measure and assess the relative impact of the bank's products on customer financial health.¹⁶ ING's framework echoes the Vital Signs framework released by the U.S. Office of the Comptroller of the Currency (OCC) in 2024 to equip banks to monitor customer financial health through three transactional data metrics: positive cash flow, liquidity buffers, and on-time payments.¹⁷

As the field matures, financial health has also gone global, as evidenced by the adoption of financial health by the United Nations as a priority area and strategic goal for sustainable development.¹⁸ The advocacy of the U.N. Secretary-General's Special Advocate for Financial Health Queen Máxima of the Netherlands has energized global financial health measurement, aligning stakeholders internationally around shared definitions and progress toward a measurement framework.^{19,20} In 2025, the World Bank's Global Findex database—a key benchmark for financial inclusion—added new survey questions to capture financial health.²¹

With these shifts in mind, the Financial Health Network embarked on a process to update and refine our definitions of financial health and the metrics we use to evaluate them. This brief outlines the near-term changes to our financial health definitions and survey instrument, which will help us more concretely measure what matters most.

This work is just the beginning. Our approach to measuring financial health will continue to evolve as we develop forward-looking plans that push the envelope on financial health measurement, utilizing new data and analytical methods. While tools and approaches may change, our goal stays the same: to equip providers, policymakers, and researchers with the tools to understand, address, and enhance financial health for all.

¹⁶ Michael J. Hsu, "[EMERGE 2025 Reflection: Game On! ING Trailblazes with Innovative Financial Health Measurement](#)," Financial Health Network, September 2025.

¹⁷ "[Keynote Address: Financial Health Vital Signs](#)," Financial Health Network, June 2024.

¹⁸ "[Queen Máxima Appointed UN Secretary-General's Special Advocate for Financial Health](#)," United Nations Secretary-General's Special Advocate for Financial Health, September 2024.

¹⁹ Silvia Storchi & Karina Broens Nielsen, "[Three Principles to Guide Financial Health Measurement](#)," CGAP, January 2025.

²⁰ "[G20 Policy Note on Financial Well-Being](#)," United Nations Secretary-General's Special Advocate for Financial Health, January 2025.

²¹ Karina Broens Nielsen, Patrick Spaven, David Symington, & Peter McConaghy, "[Measuring Financial Health: Findex Broadens Its Scope](#)," CGAP, August 2025.

Evolving Financial Health Measurement

For over a year, researchers at the Financial Health Network worked to validate, test, and expand our financial health measurement horizons.

Our extensive review and consultation process included the following activities.²²

- **Conducting a detailed literature review** of academic, industry, and policy research on financial health and well-being, with a focus on comparable survey instruments.
- **Interviewing more than a dozen researchers, subject matter experts, and practitioners**—including many who actively use Financial Health Network measurement resources in different settings and for different purposes—who shared recommendations and allowed us to test the “face validity” of alternative questions.
- **Leading a roundtable discussion with Financial Health Network Member organizations** to understand their experiences measuring financial health, as well as conducting dedicated feedback sessions at EMERGE Financial Health in 2024 and 2025.
- **Identifying and testing alternative FinHealth Score questions with consumers** in two ways:
 - With J.D. Power, we tested a set of alternative questions using a large, nonrepresentative sample of financial services consumers, oriented to understand how alternative questions might perform in an applied industry setting focused on benchmarking consumer financial health.
 - With NORC at the University of Chicago, we conducted a split-sample test of original and revised questions, using a nationally representative sample to understand how questions might perform in a research setting focused on measuring population-level financial health.

Through this process, we reaffirmed many of our core hypotheses about measurement while identifying areas for growth and improvement. We heard, for example, that **good data still matters**—and in fact, perhaps matters even more today. Financial health data offer an important complement to policy-oriented macroeconomic statistics like GDP growth and industry measures like customer satisfaction or engagement.^{23,24} These data allow us to move beyond headline averages to understand differences across communities, including gaps in opportunity and outcomes by race, ethnicity, gender, generation, geography, and more. At a time when trust in information is fragile and the reliability of data is threatened, having clear, credible, and consistent financial health metrics is more than a technical necessity—it’s a foundation for effective action and shared understanding.

We also reaffirmed that **surveys remain an important tool for evaluating and tracking financial health**. Straightforward, simple, and replicable surveys enable broad applicability, comparability, and interpretation. Consistent metrics allow organizations to “speak the same language,” facilitating

²² See Appendix B for a more complete discussion of our process.

²³ See also: Jennifer Tescher & David Silberman, “[Measuring the Financial Health of Americas](#),” Brookings Institute, May 2021.

²⁴ See also: Genevieve Melford, “[It’s Time to Connect Financial Security and Economic Policy](#),” Aspen Institute, June 2025.

benchmarking and driving alignment around what works. We also identified exciting opportunities to further expand measurement using administrative or transactional data, such as account data from financial institutions or credit data from credit bureaus.

Fundamentally, our research and consultations **validated the simplicity and usability of the FinHealth Score as a measurement instrument** while **reinforcing the rigor, relevance, and value of the four pillars that underpin it**. In brief:

- **Spend:** Positive cash flow—also known as “slack”—and on-time bill payment are two of the most widely acknowledged foundational measures of a household’s ability to meet short-term financial needs. Spending less money than one brings in not only signifies a household can meet ongoing expenses without the need to dip into savings or turn to credit to make ends meet, but also indicates an ability to set money aside in the form of savings. Paying all bills on time demonstrates effective cash flow management and signals that a household can reliably meet financial commitments as they come due. Paying bills on time also reduces the costs of late payments and helps households avoid costly credit or other alternatives to cover shortfalls.
- **Save:** Short-term liquid savings are essential for financial resilience. Without sufficient emergency savings, expense and income shocks have an outsized effect on one’s ability to meet financial needs and obligations in the near term, forcing difficult trade-offs and costly borrowing while subverting efforts for longer-term planning. Meanwhile, progress toward long-term savings goals is a strong indicator of overall savings ability. It captures elements of asset accumulation that support future financial health and wealth-building.
- **Borrow:** Unmanageable debt burdens undermine financial health and exacerbate financial vulnerability by straining monthly finances, diverting income and savings, and generating borrowing cycles leading to higher credit costs, asset forfeiture, and other long-lasting impacts. On the other hand, credit is often necessary both for short-term liquidity and long-term investment. A good credit score opens the door to more accessible and affordable credit and is often essential for obtaining necessities like housing and transportation. Keeping debt affordable and under control directly supports both short-term stability—by keeping repayment obligations manageable—and long-term financial health by preventing credit costs from eroding one’s ability to save and invest for the future.
- **Plan and Protect:** Adequate insurance coverage shields households from losses and expenses caused by emergencies that might otherwise exhaust savings or drive them into debt. Insurance is therefore a critical support for financial resilience, but it is also important for protecting assets that can provide a foundation for the future. Like holding adequate insurance, planning ahead can support resilience and promote longer-term security and progress. Planning for expected or unexpected expenses makes those costs less disruptive when they arise, and households that actively plan are more likely to be able to set aside money for future priorities. The ability to plan financially is also a forward-facing behavioral signal of capacity and control—both of which are undermined by financial stress. The very act of planning signals that a person has the space to think beyond immediate needs.

A Refreshed Vision for Financial Health Measurement

While this process affirmed the validity of much of our measurement approach, we also gathered feedback that suggested additional improvements. We heard that there is a need for a standardized and consistent plain-language definition of financial health and what it means to be “Financially Healthy.” We also heard that the survey questions we use to measure financial health through the FinHealth Score could be revised to improve the clarity and specificity of our metrics, helping users transform the data they generate into actionable insights.

Our New Definition of Financial Health

Standardizing our definition of financial health—and what it means to be Financially Healthy—across our body of work allows us to speak with a unified voice. This new definition is intended to be simpler, more accessible, more measurable, and more actionable, tying the conceptual foundation of financial health directly to how we measure and improve it.

Financial health is the state of a household's finances.

A Financially Healthy household is...

- Able to meet current financial needs and obligations
- On track to meet future financial needs and obligations
- Able to absorb and recover from unexpected expenses or drops in income

This updated definition offers several advantages.

- **It's clearer and more concrete.** The new definition is focused on clear, measurable conditions: meeting needs, staying on track, and absorbing shocks. Each element maps to observable financial outcomes, making it easier for partners and practitioners to operationalize.
- **It's accessible.** Plain language means this definition is friendly to and can be used across a variety of audiences. It is intended to promote adoption beyond research settings while remaining rigorous and specific. It also aligns intuitively with how most people think about what it means to be Financially Healthy, as well as with definitions of financial health and well-being from peer organizations.
- **It centers the household as the unit of analysis.** Financial health reflects how households function, not just individual actions or perceptions. The new definition thus reflects how people actually manage money and strengthens analytic consistency across the Financial Health Network's data assets.
- **It distinguishes between the present, future, and unexpected.** The three-part structure reflects key temporal dimensions of financial life: day-to-day, long-term, and resilience. This

framing makes the definition easier to translate into indicators and interventions.²⁵

- **It clearly links definition and measurement.** The FinHealth Score should be a practical expression of the definition, not a separate construct. The three elements of the new definition are specific, measurable financial health outcomes with a clear throughline to the FinHealth Score pillars and indicators.
- **It allows for evolution and comparability.** As the forces shaping financial health change and our understanding evolves, our measurement approach needs to be adaptable across contexts and over time. Defining financial health as a “state” (rather than a “framework” or ideal condition) allows for change and comparability. This also positions the Financial Health Network to explore future measurement approaches leveraging both survey data and administrative data, without redefining the core idea.

We also reaffirmed the value of the four-pillar financial health framework underlying this revised definition. We refined the fourth pillar to acknowledge the independent importance of protection via adequate insurance coverage and created plain-language pillar definitions to more clearly describe what positive financial health outcomes look like under each of our pillars.

Spend	Save	Borrow	Plan and Protect
1. Spending relative to income 2. On-time bill payment	3. Liquid savings levels 4. Progress on long-term savings goals	5. Debt manageability 6. Credit score	7. Adequacy of insurance coverage 8. Planning ahead financially
Financially Healthy spending means that households are spending within their means—that they have the income or cash flow to support their spending and are able to meet their financial needs and obligations, including paying their bills on time.	Financially Healthy saving means households are able to build up and maintain short-term liquid savings and make progress towards their long-term savings goals, such as retirement.	Financially Healthy borrowing means that households are able to manage their debt effectively and have a good or excellent credit score, ensuring that they are able to borrow at reasonable rates when they need to.	Financially Healthy planning and protection means that households have adequate insurance coverage to protect them in case of emergencies and that they are intentionally planning for the future.

²⁵ Note: While this definition does not directly include future-facing or aspirational elements, it does not preclude us from studying how this more focused understanding of financial health is related to wealth, opportunity, freedom, prosperity, etc. But this way we avoid using terms that themselves require definitions in our definition of financial health.

The Refreshed FinHealth Score

Based on our research and expert feedback, we developed a set of alternative survey questions and evaluated them in two tests conducted in partnership with J.D. Power and NORC at the University of Chicago. This dual-vendor approach was selected to test questions across a variety of settings, mirroring the diverse uses of the FinHealth Score.

The original FinHealth Score questions performed well in these tests, with relatively high comprehension and confidence scores and low completion time. However, we identified several opportunities to enhance existing questions, leading us to make modest but important adjustments to the FinHealth Score survey instrument. These included emphasizing timeframes, adjusting wording to enhance comprehension, providing relevant examples to aid recall, aligning response options with a 5-point scale, and, in one instance, breaking a complex question into two components.

The changes were made to further improve accuracy and objectivity, clarity and interpretability for both respondents and partners, and ultimately actionability—the ability to connect data to meaningful interventions by financial service providers, employers, and other Score users. This evolution keeps the FinHealth Score aligned with today's financial realities while preserving its strength as a straightforward, outcomes-based metric that produces comparable results.

No survey is ever perfect, and there are always trade-offs. For example, adding detail or examples to a question might enhance clarity but result in more complexity and increased response time. All surveys yield self-reported data that is, to some degree, subjective, but good survey design allows us to minimize noise and increase accuracy (that is, fidelity to the underlying idea that the question is attempting to capture). Ultimately, which version of a question is “better” often depends on the intended function and context of the survey. Is this survey being used to produce population-level estimates as part of a longer research instrument fielded to a probability-based online panel? Or is this a survey that will be given to bank customers attending a financial education workshop or community members served by a local nonprofit and used to measure the impacts of products or programming?

In our choices, we have attempted to balance the many different use cases and contexts for the FinHealth Score. We have sought to prioritize both accuracy and actionability, threading the needle between questions that are more usable in applied contexts while maintaining and, where possible, increasing rigor. Finally, where we did not see a clear motivation to change a question, we opted not to do so to minimize confusion and simplify change management with our stakeholders. Thus, these changes represent an enhancement, not a wholesale transformation, of the Score.

Table 1: Revised FinHealth Score indicator questions.

Spend	<p>Indicator 1: Spending relative to income</p> <p>Thinking about the last 12 months, how did your household’s total spending compare to total income (after taxes)?</p> <ol style="list-style-type: none"> 1. Spent much less than income 2. Spent a little less than income 3. Spent about the same as income 4. Spent a little more than income 5. Spent much more than income
	<p>Indicator 2: On-time bill payment</p> <p>Thinking about the past 12 months, how often was your household able to pay all bills on time?</p> <p>Please include all of the bills your household must regularly pay, such as rent or mortgage, utilities, car payments, insurance, and other loan payments.</p> <ol style="list-style-type: none"> 1. Always 2. Most of the time 3. About half of the time 4. Less than half of the time 5. Rarely or never
Save	<p>Indicator 3: Liquid savings levels</p> <p>At your current level of spending, how long could your household afford to cover expenses if you had to live only off the money you have readily available, without borrowing, selling something, or withdrawing from retirement savings?</p> <ol style="list-style-type: none"> 1. 6 months or more 2. 3-5 months 3. 1-2 months 4. Less than 1 month but more than 1 week 5. Less than 1 week

Indicator 4: Progress on long-term savings goals

Thinking about your household's long-term savings, how would you describe your progress toward meeting your savings goals?

Long-term savings include money set aside for retirement, education, investments, and saving for a home or other major purchase. Do NOT include regular checking accounts, everyday savings, or emergency cash in your response.

1. Ahead of schedule
2. About on track
3. A little behind
4. Moderately behind
5. Far behind

Borrow**Indicator 5: Debt manageability**

- a. Does your household currently have any debt or outstanding loans?

Please include mortgage or home equity loans, auto loans, student loans, personal loans, medical debt, credit card balances carried over from prior months, past-due or unpaid bills, and money owed to other people.

1. Yes
2. No

- b. Thinking about your household's current debt or outstanding loans, how manageable is your household's overall debt right now?

1. Completely manageable
2. Mostly manageable
3. Somewhat manageable
4. Barely manageable
5. Not at all manageable

	<p>Indicator 6: Credit score</p> <p>Your credit score is a number that tells lenders how risky or safe you are as a borrower. How would you rate your credit score?</p> <ol style="list-style-type: none"> 1. Excellent 2. Very good 3. Good 4. Fair 5. Poor 6. Don't know
Plan	<p>Indicator 7: Adequacy of insurance coverage</p> <p>Thinking about all the insurance policies you and others in your household might have, how well protected do you feel your household is today in case of a major expense or loss?</p> <p>Please consider all insurance coverage needed to protect against the financial costs of unexpected events, such as car accidents, property damage, illness, other medical emergencies, or death. Please answer the question to the best of your ability even if your household has no insurance.</p> <ol style="list-style-type: none"> 1. Very well protected 2. Mostly protected 3. Somewhat protected 4. A little protected 5. Not at all protected
	<p>Indicator 8: Planning ahead financially</p> <p>To what extent do you agree or disagree with the following statement: "My household plans ahead financially."</p> <ol style="list-style-type: none"> 1. Agree strongly 2. Agree somewhat 3. Neither agree nor disagree 4. Disagree somewhat 5. Disagree strongly

For further details on question evolution, see Appendix A. For details on testing, see Appendix B.

The Next Phase of Financial Health Measurement

We are now taking steps to operationalize these new indicators and definitions. In the immediate term, we expect to roll out the revised FinHealth Score survey and scoring methodology in the 2026 Financial Health Pulse, to be fielded in spring 2026. Attune, the platform born and incubated at the Financial Health Network that supports financial institutions to improve member and employee financial health, will also begin deploying the revised FinHealth Score survey and scoring methodology in 2026.²⁶

These rollouts will allow large-scale analysis of results, including an evaluation of how responses translate between original and new questions, disparate scoring impacts for subgroups, and additional opportunities for improvement. With this added validation and testing, we expect to roll out the refreshed Score in the Financial Health Pulse 2026 U.S. Trends Report before finalizing a new scoring rubric, including updated financial health tiers, and publishing a revised user guide to accompany new benchmark data later in 2026.

Current users of the FinHealth Score can rest assured that the original score is still valid. Above all, our testing and research through this process have reaffirmed its validity and coherence. We also recognize that most users adapt the Score to align with their organizational needs and concerns. We welcome continued collaboration to learn how organizations are deploying the Score and the insights and challenges that arise during its use.

The changes described in this brief represent the start of the next phase of innovation in financial health measurement and the reinvigoration of a dialogue with our community of financial health champions and practitioners. Our research and conversations have revealed real opportunities at the leading edge of financial health measurement. We are exploring opportunities to push the boundaries of financial health measurement through several possible initiatives for the future.

The Future of Financial Health Measurement

We have outlined several potential avenues for the next phase of financial health measurement, including:

- **Advancing the FinHealth Score through rigorous refinement.** Our ongoing research continues to surface new ways to strengthen our survey-based methodology. Future work could include in-depth qualitative testing of questions, large-scale pilots to evaluate response patterns across populations, and advanced statistical methods—like cluster analysis—to create meaningful new financial health tiers and consumer segments. These enhancements would make the Score even more precise, equitable, and actionable for users across sectors.
- **Pioneering a hybrid model that combines survey and transactional data.** We envision a “balanced scorecard” approach that integrates self-reported outcomes with behavioral indicators drawn from administrative or transactional data. With guidance from a

²⁶ [“Attune for the Workplace,”](#) Financial Health Network, accessed February 2026.

cross-disciplinary expert council and pilot partners in the financial services industry, this model would test a next-generation framework capable of delivering complementary insights, industry relevance, and real-time applicability. It could unlock new value for both research and practice.

- **Designing an impact measurement framework.** From financial institutions to employers to nonprofits, one of the most common uses of the FinHealth Score is impact evaluation: How do we know if we're moving the needle on financial health? We aim to help our partners answer that question with greater precision. By designing an impact measurement tool that more readily detects shifts in financial health outcomes and pinpoints the drivers behind them, we can equip organizations to better assess the effectiveness of financial products, programs, and interventions—and to tell a clearer story about what improves financial health, for whom, in what situation, and why.

In the first decade of the FinHealth Score, we learned not only the value of measurement, but also the importance of continued learning and evolution. As we continue to explore the frontiers of financial health measurement, our commitment is to lead measurement innovation transparently, collaboratively, and continuously, ensuring the FinHealth Score remains the industry standard for measuring and improving financial health for all.

Appendices

Appendix A: Changes to Financial Health Definitions, Indicators, Score Questions, and Response Options

Defining Financial Health

Prior Definition

Financial health is a composite measurement of an individual's financial life that assesses whether people are spending, saving, borrowing, and planning in ways that will enable them to be resilient and pursue opportunities.

Individuals who are Financially Healthy are able to manage their day-to-day expenses, absorb financial shocks, and progress toward meeting their long-term financial goals.

Updated Definition

Financial health is the state of a household's finances.

A Financially Healthy household is able to meet current financial needs and obligations, is on track to meet future financial needs and obligations, and is able to absorb and recover from unexpected expenses or drops in income.

Measuring Financial Health

Changes to the eight indicator questions and corresponding response options that comprise the FinHealth Score include:

- Standardizing all items to 5-point response scales with balanced midpoint options.
- Simplifying language and changing to active voice to improve readability and reduce cognitive load.
- Adding clear timeframes ("Thinking about the last 12 months...") and examples to improve recall and reduce interpretation differences.
- On item #2 (on-time bill payment), switching from proportion-based ("pay most bills") to frequency-based ("always/most of the time") response options, making it easier for respondents to estimate and more intuitive for partners to interpret.
- On item #4 (long-term savings), reframing from an estimate of "confidence in meeting long-term goals" to an estimate of current progress toward long-term savings goals. This reduces optimism bias and is less perceptual and more objective.
- On item #5 (debt manageability), restructuring the question into two parts—a simple debt screener followed by a graded manageability question—to clarify confusion around "no debt" responses and ensure a true midpoint.
- On item #7 (insurance coverage), revising from "confidence" to "adequacy of protection" using a five-point "how well protected" scale to reduce subjectivity and align with how households assess risk coverage.

One additional note on questions #7 and #8: We considered a wide range of alternatives for the “Plan” pillar and the final two questions of the Score. These alternatives included:

- Splitting the insurance question into two different questions, one focused on health insurance and a second encompassing all other kinds of insurance.
- Replacing question #8 with an entirely different question to better align with the other questions of the score.
- Removing question #8 entirely and moving forward with a 7-question survey.

We chose not to split the insurance question into two because our tests revealed evidence that answers to these two questions moved in parallel in most cases. Having two separate insurance questions would therefore not provide more or different information than a single question.

When we started this exercise, we felt strongly that question #8 would be changed or removed. This question is conceptually different from the others in the Score in that it does not, strictly speaking, measure a financial health outcome, but an input. It might be analogous to a doctor asking if someone smokes or exercises rather than measuring their blood pressure. It is also vaguer than other questions, in that it does not account for the range of interpretations of what “planning” means to different people. However, our conversations with subject matter experts and industry professionals, alongside test results, reshaped our perspective on this question in surprising ways.

First, while this question has not shown itself to be particularly useful in tracking changes over time, we found that excluding indicator 8 from Score calculation results in a marginal increase in the share of Financially Healthy households and a marginal decrease in Financially Coping and Financially Vulnerable households, suggesting that responses to this question are capturing some aspect of financial life for more vulnerable households. This ultimately requires more research to understand.

Importantly, this question also offers a useful point of intervention for practitioners. When an individual or group of respondents answers that they do not plan ahead financially, it provides a clear opportunity for support within the zone of control of many financial institutions and service delivery nonprofits.

In short, question #8 continues to capture meaningful variation among vulnerable households and offers actionable insights for practitioners. In the absence of a clearly improved alternative, we decided we lack a true motivation to change the question. However, we decided to rename the fourth pillar to “Plan and Protect” to better reflect its combined focus on preparedness, insurance coverage, and long-term resilience.

Pillar: Spend

Indicator #1: Spending relative to income	
Original question	Revised question
<p>Which of the following statements best describes how your household's total spending compared to total income, over the last 12 months?</p> <ol style="list-style-type: none"> 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 	<p>Thinking about the last 12 months, how did your household's total spending compare to total income (after taxes)?</p> <ol style="list-style-type: none"> 1. Spent much less than income 2. Spent a little less than income 3. Spent about the same as income 4. Spent a little more than income 5. Spent much more than income

Indicator #2: On-time bill payment	
Original question	Revised question
<p>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:</p> <ol style="list-style-type: none"> 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 	<p>Thinking about the past 12 months, how often was your household able to pay all bills on time?</p> <p>Please include all of the bills your household must regularly pay, such as rent or mortgage, utilities, car payments, insurance, and other loan payments.</p> <ol style="list-style-type: none"> 1. Always 2. Most of the time 3. About half of the time 4. Less than half of the time 5. Rarely or never

Pillar: Save

Indicator #3: Liquid savings levels	
Original question	Revised question
<p>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?</p> <ol style="list-style-type: none"> 1. 6 months or more 2. 3-5 months 3. 1-2 months 4. 1-3 weeks 5. Less than 1 week 	<p>At your current level of spending, how long could your household afford to cover expenses if you had to live only off the money you have readily available, without borrowing, selling something, or withdrawing from retirement savings?</p> <ol style="list-style-type: none"> 1. 6 months or more 2. 3-5 months 3. 1-2 months 4. Less than 1 month but more than 1 week 5. Less than 1 week

Indicator #4: Progress on long-term savings goals	
Original question	Revised question
<p>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?</p> <ol style="list-style-type: none"> 1. Very confident 2. Moderately confident 3. Somewhat confident 4. Slightly confident 5. Not at all confident 	<p>Thinking about your household's long-term savings, how would you describe your progress toward meeting your savings goals?</p> <p>Long-term savings include money set aside for retirement, education, investments, and saving for a home or other major purchase. Do NOT include regular checking accounts, everyday savings, or emergency cash in your response.</p> <ol style="list-style-type: none"> 1. Ahead of schedule 2. About on track 3. A little behind 4. Moderately behind 5. Far behind

Pillar: Borrow

Indicator #5: Debt manageability	
Original question	Revised question
<p>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?</p> <ol style="list-style-type: none"> 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 	<p>Does your household currently have any debt or outstanding loans?</p> <p>Please include mortgage or home equity loans, student loans, personal loans, medical debt, credit card balances carried over from prior months, past-due or unpaid bills, and money owed to other people.</p> <ol style="list-style-type: none"> 1. Yes 2. No <p>5b. Thinking about your household's current debt or outstanding loans, how manageable is your household's overall debt right now?</p> <ol style="list-style-type: none"> 1. Completely manageable 2. Mostly manageable 3. Somewhat manageable 4. Barely manageable 5. Not at all manageable

Note: An alternative version of this question is available to those who would prefer to ask a single question, rather than a two-part question. This alternative version includes "no debt" as a sixth response option.

Alternative revised question for item #5
<p>5. Thinking about your household's current debt and outstanding loans, how manageable is your household's overall debt right now?</p> <p>Please include mortgage or home equity loans, student loans, personal loans, medical debt, credit card balances carried over from prior months, past-due or unpaid bills, and money owed to other people.</p> <ol style="list-style-type: none"> 1. Completely manageable 2. Mostly manageable 3. Somewhat manageable 4. Barely manageable

5. Not at all manageable
6. My household does not have any debt or outstanding loans right now.

Indicator #6: Credit score

Original question	Revised question
<p>Your credit score is a number that tells lenders how risky or safe you are as a borrower. How would you rate your credit score?</p> <ol style="list-style-type: none"> 1. Excellent 2. Very good 3. Good 4. Fair 5. Poor 6. Don't know 	<p><i>No change</i></p>

Pillar: Plan and Protect

Indicator #7: Adequacy of insurance coverage

Original question	Revised question
<p>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?</p> <ol style="list-style-type: none"> 1. Very confident 2. Moderately confident 3. Somewhat confident 4. Slightly confident 5. Not at all confident 6. No one in my household has insurance 	<p>Thinking about all the insurance policies you and others in your household might have, how well protected do you feel your household is today in case of a major expense or loss?</p> <p>Please consider all insurance coverage needed to protect against the financial costs of unexpected events, such as car accidents, property damage, illness, other medical emergencies, or death. Please answer the question to the best of your ability even if your household has no insurance.</p> <ol style="list-style-type: none"> 7. Very well protected 8. Mostly protected 9. Somewhat protected 10. A little protected 11. Not at all protected

Indicator #8: Planning ahead financially	
Original question	Revised question
<p>To what extent do you agree or disagree with the following statement: "My household plans ahead financially."</p> <ol style="list-style-type: none"> 1. Agree strongly 2. Agree somewhat 3. Neither agree nor disagree 4. Disagree somewhat 5. Disagree strongly 	<p><i>No change</i></p>

Appendix B: Process for Revising the FinHealth Score

Secondary Research and Input Sessions

We launched the FinHealth Score in 2015 on a deep foundation of research and experimentation. In the decade since the first launch of our score, the Financial Health Network’s research team recognized that research and learnings on financial health measurement have advanced considerably.

We began our review by exploring more than 10 years of published research on financial well-being and financial health across areas like:

- Academic research, industry reporting, nonprofit initiatives, and government research
- Initiatives to study financial well-being and its various aspects
- Other major survey initiatives that include financial health measurement

We also launched a series of informational interviews with experts in financial health, survey design, impact measurement, and financial services delivery. We are grateful for the thoughtful input and feedback of the following individuals:

- Andy Bandyopadhyay, Attune
- Joshua Caraballo, National Endowment for Financial Education (NEFE)
- Korinne Chiu, Habitat for Humanity International
- J. Michael Collins, University of Wisconsin-Madison
- Mathieu Despard, University of North Carolina, Chapel Hill
- Thea Garon, Urban Institute
- Amy Hartman and Wendy Krnavek, Credit Human
- Bjorn Larson, Thrivent
- Alison Omens, JUST Capital
- Helen Robb, H&R Block
- David Silberman, independent policy and research advisor
- Evelyn Stark, ideas42
- Martin Vallen, BECU
- Jennifer White, J.D. Power
- Kaori Yamada, U.S. Bank
- Justine Zinkin, Neighborhood Trust Financial Partners

We also solicited feedback and input during several sessions with financial institutions, including a roundtable discussion with Financial Health Network members in August 2024 and during sessions at our EMERGE Financial Health conference in 2024 and 2025.^{27,28,29}

Testing and Validating Financial Health Score Questions

Building on our literature review and feedback conversations, we crafted alternate versions of each indicator question. We then piloted these questions through two tests: with the AmeriSpeak

²⁷ [“Measuring a New Era of Financial Health”](#) Financial Health Network, June 2024.

²⁸ [“Beyond the Business: Measuring the Financial Health of Entrepreneurs and Consumers,”](#) Financial Health Network, June 2025

²⁹ [“Frontiers in Measurement: Utilizing Survey and Transaction Data,”](#) Financial Health Network, June 2025.

Omnibus panel, run by NORC at the University of Chicago, and with J.D. Power’s Polaris panel, which is fielded monthly.

NORC Testing

The NORC survey leveraged the AmeriSpeak Omnibus panel, a bi-weekly, probability-based panel designed to be representative of the U.S. household population aged 18 and up. Data were weighted to the latest Current Population Survey (CPS) from the U.S. Census Bureau and were balanced by sex, age, education, race/ethnicity, and region. Questions were tested in English, with about 90% of the responses collected online and about 10% by phone. For more information, visit AmeriSpeak.norc.org.

Field dates	September 25-29, 2025
Total invites	7,259
Total completes	1,120
Completion rate	15.4%
Design effect	1.95
Margin of error	4.09%

The NORC survey deployed a split test approach, in which a portion of the respondents received the original financial health indicator questions, while others received the updated versions. For the first six indicator questions, the sample was split in half (half test and half control); for the Plan pillar, we further split the groups and tested multiple potential options. These included 1) an alternative insurance question, 2) a set of two insurance questions that distinguished between health insurance and other kinds of insurance, and 3) a net worth question. These were tested against our original measures of insurance and ability to plan ahead. All questions were evaluated by a NORC survey design methodologist, who provided input on both original and test questions. After each question, respondents were asked two follow-up questions: one checking for ease of understanding and one for respondent confidence in their answer. We also utilized timers to calculate median response time for each question. After evaluating test results, in some cases, we made additional tweaks to question wording.

J.D. Power Testing

We randomly split the participants of the 2025 U.S. Financial Health and Advice Satisfaction panel by JD Power (N = 4,001) into four groups of roughly equal size to test alternate questions. The survey was fielded from September 19 through September 24, 2025, to U.S. residents age 18 or older with no other screening criteria. J.D. Power works with its panel vendor to balance the sample in terms of gender and age distribution as much as they can without any hard quotas or sample weighting.

The J.D. Power panelists were randomly assigned to receive test questions for one of the four pillars (Spend, Save, Borrow, Plan). Respondents received test questions for their assigned pillar, as well as the original questions for all eight questions that J.D. Power uses to construct their version of the FinHealth Score. After each question, respondents were asked, “How easy or difficult was the question above to understand?”

This approach was selected to understand whether responses to updated questions would differ meaningfully from the original ones *for the same people*. Its design allowed us to analyze respondent preference in question wording, as well as review within-respondent response patterns to the original and revised questions.

Synthesizing Datasets and Updating Indicators

Following test results, the Financial Health Network research team analyzed scoring patterns across both original and alternative questions to understand implications for the FinHealth Score and tiering. We also reviewed timing results and user self-reported comprehension and confidence. We synthesized this quantitative data with the input received through the expert consultation process to arrive at updated questions and metrics that best ensure question clarity and applicability.