

2025 Global Medical Trend Rates Report

Global Overview and Data Tables



About the Report

The 2025 Global Medical Trend Rates survey was conducted across 112 Aon locations that broker, administer or otherwise advise on employer-sponsored medical plans. The survey responses reflect the medical trend expectations of Aon professionals based on their interactions with clients and carriers represented in the portfolio of the firm's medical plan business in each location.

The trend rate figures shown in this report represent the percentage increases in medical plan unit costs, both insured and self-insured, that are anticipated to be required to address projected price inflation, technology advances in the medical field, plan utilization patterns and cost shifting from social programs in each covered location.

The medical trend rates provided are not meant to represent an overview of each location's healthcare costs as a whole, meaning care should be taken in interpreting the information presented here.



Executive Summary

The 2025 Global Medical Trend Rates Report publishes at what may be a macroeconomic inflection point, with global annual general inflation expected to decrease for the first time in four years. While inflation generally appears to be cooling, the impact of the period of remarkable inflationary conditions and economic volatility that has defined the post-pandemic world continues to be felt. This is especially true in parts of Latin America, Africa and the Middle East, where the economies continue to struggle with currency depreciation and hyperinflation.

While macroeconomic factors undoubtedly have a significant impact on medical trend in many locations, they are not the only influences. It is also important to highlight regional trends, the conditions driving the trend rate and the ways in which companies are mitigating the increases. Interestingly, this year we see variation not only within the regions but also amongst the regions in how the medical trend rate is moving, as compared to prior years in which we saw general conformity in the behavior of the medical trend rate change.

The global average medical trend rate for 2025 is expected to be 10.0 percent, just shy of the projected increase for 2024 of 10.1 percent, which was the highest increase forecasted in 10 years.

The second consecutive year of double-digit medical trend is the result of a mixed bag of changes in the expected medical trend rate across the regions, with three regions predicting an increase and the other two predicting a decrease, resulting in almost the same global trend rate as 2024.

- The two global regions with the highest projected medical trend rate increases versus last year are Asia-Pacific (APAC), at 11.1 percent (up 1.4 percent from 9.7 percent in 2024) and North America (comprised of Canada and the United States), at 8.8 percent (up 1.2 percent from 7.6 percent in 2024). It is worth noting that these were the two regions with the lowest increases from 2023 to 2024.
 - In APAC, the increase in trend is being driven by 50 to 100+ percent increases in trend rates versus last year in a few markets, namely New Zealand, Papua New Guinea, Thailand and Vietnam.
- Middle East and Africa (MEA), which is the only region with a projected increase in the annual general inflation rate, is projecting a medical trend rate of 15.5 percent (up from 15.1 percent in 2024). The increase in the medical trend rate is only half the increase in the annual general inflation rate, making MEA stand out as the only region whose medical trend rate net of inflation decreased.
 - A large projected increase in Nigeria and moderate increases in the majority of markets are offsetting the anticipated decrease expected in about one third of countries in MEA.
- Latin America and the Caribbean (LAC) has a projected medical trend rate of 10.7 percent (down from 11.7 percent in 2024) and is one of the two regions projecting a decrease in the medical trend rate this year. This decrease derives from over half the countries in the region projecting a decrease in the medical trend rate, and the overall one percent decrease for the region is in line with the decrease in the annual general inflation rate in the region.
- Another region benefitting from a lower annual general inflation rate is Europe, with a projected medical trend for 2025 of 8.9 percent, down from a double digit high of 10.4 percent in 2024. Roughly three out of every four countries surveyed in Europe are either projecting a lower or flat medical trend rate for 2025 as compared to 2024.



Conditions Behind the Trend Rate

The top medical conditions that are expected to drive medical plan costs in 2025 are the same as those that had the greatest impact on trend in 2024, with a slight change in the ordering, including:



1. Cardiovascular

Cardiovascular diseases, including disorders of the heart and blood vessels, are now the top medical condition anticipated to drive plan costs in 2025 (replacing cancer/tumor growth as the top condition). Collectively, they have been a top condition in every region, most negatively impacting claims in APAC, Europe and LAC regions. Over 25 countries reported this as the most impactful condition, including Argentina, Belgium and Costa Rica.



2. Cancer/Tumor Growth

Down from the leading condition last year, cancer/tumor growth is still a top five condition in every region with 21 countries reporting it as the most impactful condition, including Portugal, Turkey, Switzerland and Israel. The most common cancers are lung, breast, colon and rectum, and prostate cancers¹.

¹Source: [Worldwide cancer data | World Cancer Research Fund International \(wcrf.org\)](https://www.wcrf.org/)

Spotlight on Rising Healthcare Costs in the United Kingdom

Backdrop

Claims incidence levels under UK private medical schemes have shot up post-COVID-19, from an average of around 20 percent of the population to a level now approaching 33 percent based on information from insurers in the market. This rise comes with considerable claims and therefore premium cost, as more individuals use their private medical insurance (PMI) rather than the National Health Service (NHS). In addition, the current challenges with the NHS, namely the difficulties people are facing in getting access to treatment, and an observed worsening of health during the pandemic have resulted in people being in greater need of medical care at a time when the NHS is less equipped to help them.

Impact on UK Private Schemes

The vast majority of UK PMI schemes are therefore seeing increased usage and cost, at a level many have never seen before. This increase becomes even more challenging if there are also high-cost claims in addition to the general claims usage, and **cancer** claims are a key contributor in this area. **Cancer** costs can reach £300k-£400k per claimant in some cases, with insurers warning of isolated cases where the use of advanced therapies can put these costs at between £500k and £1 million. Meanwhile, the development of more complex and expensive treatments continues.



3. High Blood Pressure/Hypertension

High blood pressure and hypertension are leading risk factors for many other conditions and are continuously reported as top conditions driving adverse claims experience in MEA and increasingly in LAC, with 16 countries reporting it as the most impactful condition. South Africa, Philippines, Dominican Republic and Bulgaria are just some of the countries that consistently report this as their leading condition.

Risk Factors Contributing to the Leading Conditions

As mentioned above, hypertension is both a leading condition in and of itself and the leading risk factor for other conditions by a wide margin.

Beyond hypertension, although the leading conditions driving the trend rate – cardiovascular and cancer – are often associated with risk factors like poor nutrition, air pollution and excessive drug and alcohol use, it is **physical inactivity** and **poor stress management** that continue to round out the top three risk factors.

New in 2025, obesity has emerged as a top five global risk factor expected to drive future claims, replacing bad nutrition, driven by its prevalence in the U.S., Canada and LAC. This is particularly important this year, as many countries cite prescription drugs used for weight loss as leading factors in the increase in medical trend.

Spotlight on Prescription Drugs

United States: Specialty drugs remain the leading factor in spending, even though they represent just a small fraction of overall utilization. The demand for GLP-1 medications has skyrocketed. A surge in new drugs in the GLP-1 category is expected to drive up costs even further, adding 1 percent to the aggregate health care cost increase.

Canada: GLP-1 drugs add approximately 1.2 percent to the expected trend for 2025.

United Arab Emirates: The introduction of new, expensive medications, including treatments for chronic conditions and innovative therapies like GLP-1 drugs, continues to push costs higher.

Puerto Rico: Medical costs in Puerto Rico are expected to rise again in 2025 due in part to rising drug costs and widespread participation in specialty prescription drugs (particularly in Biologic Immunomodulators), as well as the emerging use of lifetime specialty medication for the treatment and cure of complex conditions.



What are leading employers doing to mitigate rising costs?

According to findings from the [2024 Global Benefits Trends Study](#), managing costs is one of the top three objectives for Global Benefits teams across all segments. Health and wellbeing costs have become an important concern for companies as year-over-year medical plan costs continue to rise. These rising rates often bring unexpected or unbudgeted cost increases and make affordability for employers and employees more difficult.

To mitigate these rising costs, at the global level clients are taking the following actions:

- One in three companies is actively considering **alternative global benefits financing arrangements**, taking advantage of market developments, with pooling, global underwriting and captives equally being considered.
- 35 percent of companies are prioritizing **data analysis of their disability and health claims data** to understand trends and support targeted and measurable interventions.
- Over half of clients surveyed globally noted that it was critical to integrate benefits with wellbeing.

At the local country level, companies looking to mitigate these increased costs are using a familiar set of strategies that are unchanged from last year but increasingly becoming more prevalent.



Wellbeing initiatives are again the leading mitigation strategy. These initiatives help to control costs in a couple of ways: by encouraging utilization of preventative care, they can avoid more expensive care down the road; and by keeping employees engaged in their wellbeing, they can reduce the stress that can exacerbate other health conditions.

Cost containment measures are aimed at reducing or controlling overuse, such as raising deductibles and copays and the use of referrals. They are expected to play an important role in 2025. More significant plan design changes — such as the use of flexible benefit plans to cap overall benefit costs, and access and delivery restrictions — are all measures designed to incentivize plan members to seek care in a cost-effective manner and are also expected to also continue to play a role in 2025.

Flexible benefit plans are increasingly used to mitigate medical costs at a global level, with around 60 percent of countries expected to use this initiative in 2025. Spain, South Africa and the U.S. already list this as one of their most important initiatives, but this is now the top mitigation factor in Canada and is gaining momentum in LAC countries. Apart from allowing employers a greater deal of cost control, flexible benefit plans often serve as an enabler of change in employees' behavior. These plans also work as a tool to deliver differentiated benefit packages that can attract and retain talent, while also offering adaptive benefits to meet individual needs and address company policies around diversity, equity, inclusion and belonging (DEIB) (which was cited by 60 percent of global companies as a critical trend).



As employer-sponsored medical plans become a larger part of total rewards spend, and pressure mounts to accurately forecast and manage costs, we hope you find the information in this report valuable as you plan your global budgets and benefits strategies for 2025 and beyond. For more information on how Aon can help an organization make better benefit decisions, please reach out to your Global Benefits team.

Aon is in the business of better decisions.

Kathryn Davis

Vice President, Global Benefits

Average Medical Trend Rates

Global/Region (Average percentage):

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Global	3.6	10.1	6.5	2.8	10.0	7.2
North America	2.3	7.6	5.3	2.0	8.8	6.8
Asia-Pacific	3.6	9.7	6.1	2.8	11.1	8.3
Europe	3.7	10.4	6.7	2.2	8.9	6.7
Latin America & Caribbean	4.1	11.7	7.6	3.0	10.7	7.7
Middle East & Africa	7.4	15.1	7.7	8.2	15.5	7.3

Source: Aon

- "General Inflation Rate" is the 2025 projected domestic general inflation published by the [International Monetary Fund \(IMF\) World Economic Outlook Database, April 2024](#).
- All information within this document is reported as of October 2024, with the 2024 individual country figures as per reported on the 2024 Global Medical Trend Rates report, with 2024 General Inflation figures being the IMF outlook released in April 2023. Download previous versions of this report on [our website](#).
- The IMF outlooks are considered the best available proxy for domestic inflation and were used across all countries except for Bermuda, where the best available proxy was the most recent domestic retail inflation as reported by the Bermuda central bank.
- "Net" indicates medical trend rates net of domestic general inflation rates. This report was developed in Q3 2024, and all commentary is based on the figures and predictions available at this time.
- The 2025 medical trend rate for the United States was obtained from Aon's Health Value Initiative database, as applicable to PPO plans, adjusted to reflect expected increases prior to any plan, program or carrier changes for cost containment.
- For Argentina, Lebanon, Turkey, Venezuela and Zimbabwe, we have excluded the 2025 medical trend rates from regional and global averages due to a prevailing hyperinflation environment.
- Algeria, Mongolia, Morocco, Pakistan, Sierra Leone and Taiwan were included in the tables below, but with no medical trend rate being reported.
- Russia has been removed from the Europe table below, as Aon is no longer providing services in Russia.
- An "n/a" represents rates that were not made available, or were not reported, by the respective sources.



Regional/Country (Average percentage):

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
North America	2.3	7.6	5.3	2.0	8.8	6.8
Canada	2.4	5.0	2.6	1.9	7.4	5.5
United States	2.3	8.0	5.7	2.0	9.0	7.0

Source: Aon

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Asia-Pacific	3.6	9.7	6.1	2.8	11.1	8.3
Australia	3.2	4.2	1.0	3.0	5.1	2.1
Bangladesh	6.5	10.0	3.5	6.1	10.0	3.9
China	2.2	7.9	5.7	2.0	8.0	6.0
Hong Kong	2.4	7.5	5.1	2.3	8.0	5.7
India	4.4	12.0	7.6	4.2	13.0	8.8
Indonesia	3.0	13.1	10.1	2.6	16.2	13.6
Japan	2.2	0.4	(1.8)	2.1	0.9	(1.2)
Kazakhstan	8.5	30.0	21.5	7.0	29.0	22.0
Malaysia	3.1	15.0	11.9	2.5	15.0	12.5
Mongolia	8.8	15.0	6.2	10.0	n/a	n/a
New Zealand	2.6	10.0	7.4	2.5	17.0	14.5
Pakistan	21.9	n/a	n/a	12.7	n/a	n/a
Papua New Guinea	4.9	4.9	0.0	4.8	12.0	7.2
Philippines	3.2	14.0	10.8	3.0	15.0	12.0
Singapore	3.5	13.0	9.5	2.5	14.0	11.5
South Korea	2.3	10.0	7.7	2.0	10.0	8.0
Taiwan	1.7	10.0	8.3	1.6	n/a	n/a
Thailand	2.0	9.1	7.1	1.2	14.3	13.1
Vietnam	4.3	6.7	2.4	3.4	12.9	9.5

Source: Aon

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Europe	3.7	10.4	6.7	2.2	8.9	6.7
Austria	3.0	5.0	2.0	2.8	3.0	0.2
Belgium	2.1	7.5	5.4	2.0	13.4	11.4
Bulgaria	2.2	22.0	19.8	2.7	23.0	20.3
Croatia	3.6	10.0	6.4	2.2	10.0	7.8
Cyprus	2.5	8.0	5.5	2.0	8.0	6.0
Czech Republic	5.8	5.8	0.0	2.0	2.0	0.0
Denmark	2.8	6.0	3.2	2.0	4.0	2.0
Estonia	4.1	20.0	15.9	2.5	20.0	17.5
Finland	2.5	6.0	3.5	1.9	5.0	3.1
France	2.5	5.0	2.5	1.8	4.5	2.7
Germany	3.1	10.5	7.4	2.0	7.8	5.8
Greece	2.9	8.0	5.1	2.1	10.0	7.9
Hungary	5.4	18.0	12.6	3.5	13.0	9.5
Ireland	3.2	12.0	8.8	2.0	12.0	10.0
Italy	2.6	6.0	3.4	2.0	6.0	4.0
Latvia	3.5	30.0	26.5	3.6	30.0	26.4
Lithuania	5.8	15.0	9.2	2.3	17.5	15.2
Luxembourg	3.1	2.5	(0.6)	3.1	6.5	3.4
Norway	2.8	8.0	5.2	2.6	8.0	5.4
Poland	6.1	10.0	3.9	5.0	10.0	5.0
Portugal	3.1	10.0	6.9	2.0	10.0	8.0
Romania	5.8	20.0	14.2	4.0	20.0	16.0
Serbia	5.3	20.0	14.7	3.1	20.0	16.9
Slovakia	4.3	11.0	6.7	3.9	2.1	(1.8)
Slovenia	4.5	13.3	8.8	2.0	3.7	1.7
Spain	3.2	6.0	2.8	2.4	8.0	5.6
Sweden	2.3	5.0	2.7	2.0	5.0	3.0
Switzerland	1.6	8.0	6.4	1.2	6.0	4.8
The Netherlands	4.2	5.1	0.9	2.1	4.6	2.5
Turkey	35.2	90.0	54.8	38.4	75.0	36.6
Ukraine	n/a	19.3	n/a	7.6	19.0	11.4
United Kingdom	3.0	15.0	12.0	2.0	17.0	15.0

Source: Aon

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Latin America & Caribbean	4.1	11.7	7.6	3.0	10.7	7.7
Argentina	60.1	98.0	37.9	59.6	61.0	1.4
Bahamas	3.4	10.0	6.6	2.2	12.0	9.8
Barbados	4.7	10.0	5.3	2.8	10.0	7.2
Bermuda	3.8	9.2	5.4	1.9	11.3	9.4
Bolivia	3.7	3.7	0.0	4.2	10.0	5.8
Brazil	4.8	14.1	9.3	3.0	12.9	9.9
Chile	4.0	5.0	1.0	3.0	7.5	4.5
Colombia	5.4	12.4	7.0	3.6	6.8	3.2
Costa Rica	3.6	12.0	8.4	2.9	12.0	9.1
Dominican Republic	4.3	8.0	3.7	4.0	5.4	1.4
Ecuador	1.5	15.0	13.5	1.5	12.4	10.9
El Salvador	2.1	25.0	22.9	1.7	20.0	18.3
Grenada	3.0	0.0	(3.0)	2.0	2.0	0.0
Guatemala	5.5	11.5	6.0	4.0	12.4	8.4
Honduras	5.3	10.0	4.7	4.1	13.0	8.9
Jamaica	5.0	7.0	2.0	5.0	9.9	4.9
Mexico	3.9	14.0	10.1	3.3	14.5	11.2
Nicaragua	5.0	25.0	20.0	4.0	8.0	4.0
Panama	2.2	10.0	7.8	2.0	2.0	0.0
Paraguay	4.1	9.0	4.9	4.0	6.0	2.0
Peru	2.4	8.9	6.5	2.0	3.6	1.6
Puerto Rico	2.2	7.3	5.1	2.3	4.8	2.5
Trinidad and Tobago	3.4	10.0	6.6	2.2	10.0	7.8
Uruguay	6.1	9.8	3.7	5.5	10.0	4.5
Venezuela	200.0	n/a	n/a	150.0	75.0	(75.0)

Source: Aon

	2024			2025		
	Annual General Inflation Rate	Annual Medical Trend Rates		Annual General Inflation Rate	Annual Medical Trend Rates	
		Gross	Net		Gross	Net
Middle East & Africa	7.4	15.1	7.7	8.2	15.5	7.3
Algeria	7.7	n/a	n/a	6.4	n/a	n/a
Angola	10.8	20.0	9.2	12.8	17.7	4.9
Bahrain	2.2	8.0	5.8	1.8	7.5	5.7
Botswana	5.2	12.0	6.8	4.5	8.5	4.0
Democratic Republic of the Congo	7.2	10.0	2.8	8.5	12.5	4.0
Egypt	18.0	29.0	11.0	25.7	31.0	5.3
Ethiopia	23.5	34.4	10.9	18.2	33.0	14.8
Ghana	22.2	35.0	12.8	11.5	20.0	8.5
Israel	3.1	10.0	6.9	2.5	11.0	8.5
Ivory Coast	1.8	15.0	13.2	3.0	16.0	13.0
Jordan	2.9	5.0	2.1	2.4	5.0	2.6
Kenya	5.6	12.5	6.9	5.5	13.0	7.5
Kuwait	2.6	9.5	6.9	2.7	9.0	6.3
Lebanon	n/a	n/a	n/a	n/a	50.0	n/a
Lesotho	5.5	9.0	3.5	5.4	9.0	3.6
Malawi	18.3	27.5	9.2	14.7	24.7	10.0
Mauritius	6.9	15.0	8.1	3.6	20.0	16.4
Morocco	2.8	n/a	n/a	2.5	n/a	n/a
Mozambique	6.5	10.0	3.5	5.5	10.0	4.5
Namibia	4.6	9.5	4.9	4.8	9.5	4.7
Nigeria	15.8	22.0	6.2	23.0	34.2	11.2
Qatar	2.7	8.5	5.8	2.4	8.5	6.1
Saudi Arabia	2.3	14.0	11.7	2.0	10.0	8.0
Senegal	2.0	10.0	8.0	2.0	10.0	8.0
Sierra Leone	25.9	n/a	n/a	21.7	n/a	n/a
South Africa	4.8	9.5	4.7	4.5	9.5	5.0
Sultanate of Oman	2.4	9.0	6.6	1.5	9.0	7.5
Swaziland	4.8	9.0	4.2	3.1	7.1	4.0
Tanzania	4.3	10.0	5.7	4.0	10.0	6.0
Tunisia	9.5	10.2	0.7	6.9	7.5	0.6
Uganda	6.4	10.5	4.1	4.9	8.0	3.1
United Arab Emirates	2.0	10.0	8.0	2.0	11.0	9.0
Zambia	7.7	17.0	9.3	7.8	15.4	7.6
Zimbabwe	134.6	n/a	n/a	554.7	30.0	(524.7)

Source: Aon



About Aon

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FP M24/020

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