



EMPLOYEE BENEFITS

Brown & Brown High-Cost Claims Report, 2026

Executive Summary

April 21, 2026

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Introduction

The purpose of this report is to provide observations to employers on healthcare claimants exceeding \$25,000 in medical and prescription drug allowed claims spend within a year (high-cost claimants). To develop this analysis, Brown & Brown utilized its medical and prescription drug claims data for the incurred periods of calendar year 2023 and calendar year 2024, with claims runout paid through June of each respective following year.

Key Findings



70% of Per Member Per Month (PMPM) claim trend was attributed to high-cost claimant impact



Primary medical conditions driving high-cost claimant activity include cancer, musculoskeletal, circulatory and digestive



High-cost claimant prevalence increased 9.1%



Primary medications driving high-cost claimant activity include Humira Pen, Stelara, Dupixent and Skyrizi Pen



Average spend per high-cost claimant remained stable

Executive Summary

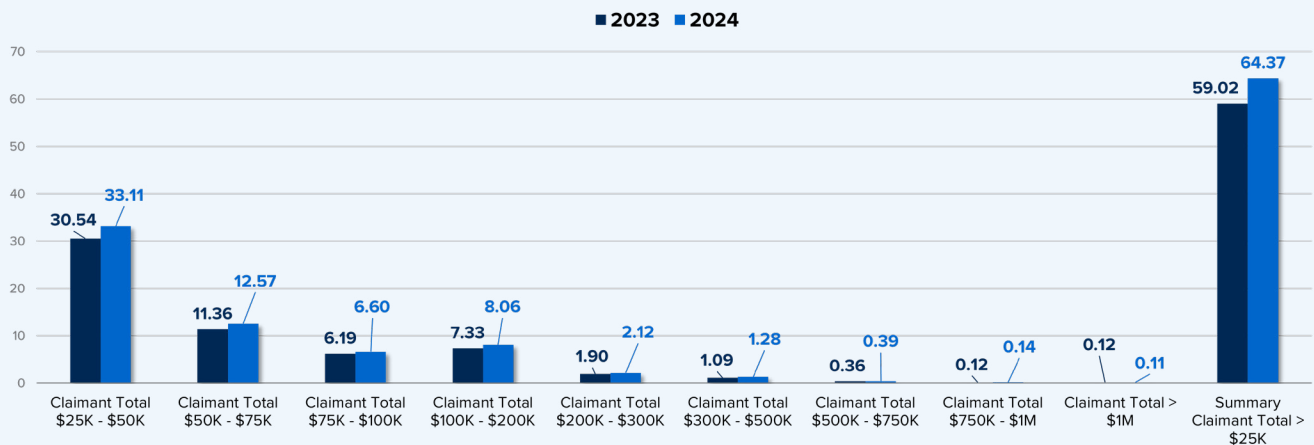
Medical and Prescription Drug PMPM Allowed Trend Driven By High-Cost Claimants (70.1%)

Brown & Brown's analysis found that 70.1% of changes in PMPM medical and prescription drug allowed spend was driven by high-cost claimants. The analysis also found a medical and prescription drug PMPM change in cost of \$51.96 between 2023 and 2024. Of that \$51.96 PMPM, \$36.42 PMPM is attributed to high-cost claimants.

High-Cost Claimant Count Increases Drove Medical and Drug Allowed Spend Increases

Between 2023 and 2024, the number of high-cost claimants per 1,000 members increased by 5.35 (+9.1%). Every high-cost claimant band in our analysis showed an increase in the number of claimants per 1,000 members with the exception of high-cost claimants over \$1 million.

Claimants per 1,000 Members for High-Cost Claimants



Cost Per High-Cost Claimant Remained Stable

The high-cost claimant average medical and prescription drug allowed spend remained steady, with an increase of just \$179 (+0.2%). The ratio of cost between medical and prescription drug remained stable.

Average Medical and Drug Allowed Spend Per High-Cost Claimant



Over Half of Medical Allowed Spend Attributable to Five ICD-10 Categories* In 2024

This analysis reviewed all ICD-10 categories associated with all high-cost claimants. The top five categories based on medical allowed dollars in 2024 were:

1. Health Status (Z00-Z99) (12.1% of medical allowed spend)
2. Neoplasms (C00-D49) (11.5%)
3. Musculoskeletal (M00-M99) (10.5%)
4. Circulatory System (I00-I99) (10.1%)
5. Digestive System (K00-K95) (7.6%)

A separate analysis of leading diagnostic ICD-10 categories found that most of the medical allowed cost associated with Health Status (Z00-Z99) is attributed to cancer patients. Neoplasms (C00–D49) would likely emerge as the leading category if Z-codes related to anti-neoplastic therapies such as chemotherapy and radiation were re-allocated to that group.

*ICD-10 codes are standardized alphanumeric codes used to classify and document medical diagnoses, conditions, and reasons for patient care.

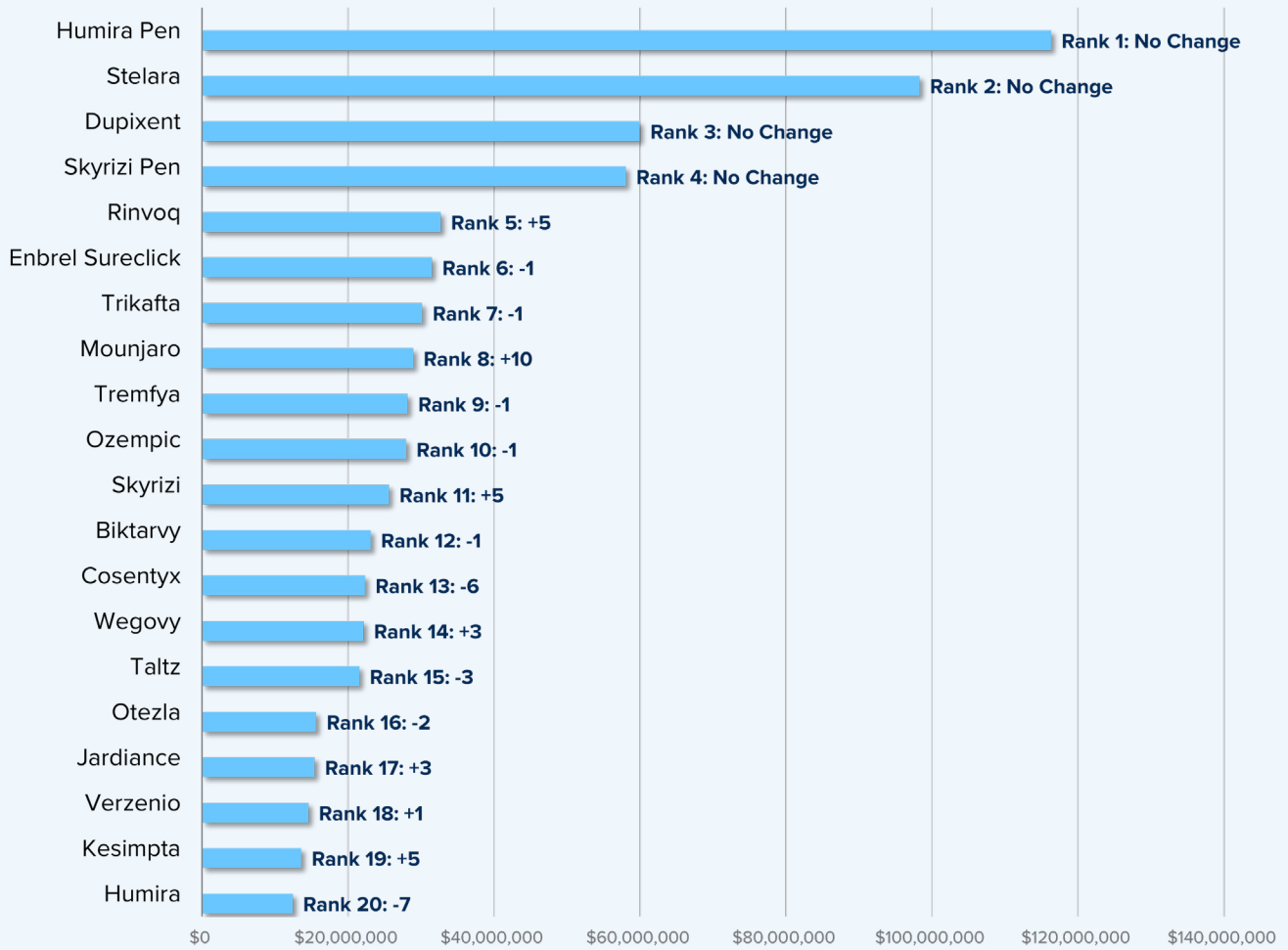
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Five Prescription Drugs Accounted for a Quarter Of High-Cost Claimant Prescription Drug Allowed Spend In 2024

Among high-cost claimants in 2024, the top five drugs by prescription drug allowed spend were Humira Pen, Stelara, Dupixent, Skyrizi Pen, and Rinvoq. These five drugs corresponded to \$365 million (25.6%) of prescription drug

allowed spend for high-cost claimants. The top four drugs maintained their relative rankings across 2023 and 2024, while Rinvoq moved from the 10th rank in 2023 to the 5th rank in 2024.

2024 Top Drugs for High-Cost Claimants By Prescription Drug Allowed Cost with Ranking Change from 2023



Summary of Data

| All Members | 2023 | 2024 | Absolute Change | % Change |
|----------------------|-----------------|------------------|-----------------|----------|
| Total Allowed Claims | \$9,018,162,783 | \$10,034,575,160 | \$1,016,412,378 | 11.3% |
| Member Months | 12,350,595 | 12,829,620 | 479,025 | 3.9% |
| PMPM Cost | \$730.18 | \$782.14 | \$51.96 | 7.1% |

| High-Cost Claimants | 2023 | 2024 | Absolute Change | % Change |
|----------------------|-----------------|-----------------|-----------------|----------|
| Total Allowed Claims | \$4,828,475,792 | \$5,483,041,180 | \$654,565,388 | 13.6% |
| PMPM Cost | \$390.95 | \$427.37 | \$36.42 | 9.3% |

Our review of high-cost claims began with compiling a total claims dataset of over \$9 billion in medical and drug allowed claims dollars in 2023 and over \$10 billion in 2024. Total member months in both years eclipse 12 million member months.

From the above data, we find that high-cost claimant medical and drug allowed PMPM trend of 9.3% is rising faster than overall medical and drug PMPM claims trend of 7.1%. In other words, we found that between 2023 and 2024, high-cost claimants trended at a higher rate than our overall dataset.

Additional detail on our data and methodology can be found in the [Data and Methodology](#) section.



Additional Insights

This document represents a portion of the full Brown & Brown High-Cost Claims Report, 2026. Within the full report, there are further detailed data exhibits and analysis diving deeper into the drivers of high-cost claimant counts and cost per high-cost claimant. The full report aims to provide additional insights into ways to measure and review high-cost claimant exposure.

Data and Methodology

Data for this project consisted of medical and prescription drug claim detail provided by Brown & Brown's proprietary Health Plan Intelligence (HPI) database as well as the HDMS database used by a Brown & Brown office.

Data provided for this work consisted of the following criteria:

- **Calendar Year 2023:** Incurred claims from 1/1/23-12/31/23 and paid from 1/1/23-6/30/24
- **Calendar Year 2024:** Incurred claims from 1/1/24-12/31/24 and paid from 1/1/24-6/30/25
- **Definition of a High-Cost Claimant:** Total medical and prescription drug allowed claims were higher than \$25,000 during the respective data period
- **Claimant Population:** Active & COBRA only
- No prescription drug rebates or stop loss reimbursements are applied in this analysis

Specific care was taken to apply consistent methodologies across the datasets. Totals and aggregate information was combined in aggregate, however, important decisions for combining the datasets were made at the following points:

- **Diagnosis Category:** The first three digits of the ICD-10 for all members were used to combine the datasets for common conditions
- **Drug Name:** Costs for each drug were combined at the nine-digit NDC level.
 - » Medi-Span was utilized to determine the name of the drug
 - » Where there were conflicts at the nine-digit NDC level, the name of the drug with the higher average cost was used

If you have additional questions on data and methodology, please contact your Brown & Brown representative.

Limitations and Disclosures

This report should not be relied on for any current or future advice. Actual employer or market results may vary from this dataset. This report aims to use historical data to provide general historical observations and should not be used for any other purpose. Employer-sponsors looking for specific advice should contact a Brown & Brown representative for more information.

The authors of this report are only responsible for the methods utilized to develop the findings of the prior report.

Healthcare claims are extremely volatile and results from one high-cost claim report to another may vary. Because of this volatility, it is important to continue to analyze changes in high-cost claimants from one year to another in order to remain informed. Other analyses may have findings which vary from this report's findings.

This report is intended only for employers interested in learning more about healthcare high-cost claimants during

the incurred periods of 2023 and 2024. Any use by an unintended audience, or reliance on this data for a different use case may not be appropriate. Please contact the authors of this report for consent prior to utilizing this report in an unauthorized way, or distributing this report to an audience that is not identified.

Data was provided to the authors by HDMS and HPI. We have reviewed the data for reasonability, but have not audited the data, and have relied on these resources for data accuracy.

The actuary involved in this work developed this report in compliance with the applicable standards as promulgated by the Actuarial Standards of Practice. He meets all of the Qualification Standards to develop this report.

This report was developed without the use of generative artificial intelligence models.

About the Authors



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