

Employee financial stress = greater stress for your clients



In an era defined by relentless progress, one constant remains: Stress can be an inescapable companion. In fact, anxiety now ranks as the No. 1 mental health issue for the American workforce.¹

But one area in particular stands out: financial stress. In 2024, 86% of employees reported feeling increasingly anxious about their finances — up more than 10% from 2022 and a figure that has been climbing since the pandemic.²

While the causes of financial stress are wide and varied — inflation, stagnant wage growth, rising costs of education and home ownership — medical debt remains a leading cause of financial stress. Nearly 1 in 5 Americans have past-due medical bills, and that debt is a direct contributor to 62% of personal bankruptcies.³

Your clients' employees may be caught in this financial turmoil. That means your clients' business can suffer, even if it appears to be booming.

Employee financial stress doesn't stay at home

Financial stress may not be a mental illness, but it is a mental health issue, which makes it a factor in your clients' bottom line. It can impact employees on and off the clock, causing a ripple effect that can be difficult for businesses to manage.

Financial stress doesn't like to observe official visiting hours, showing up only when people peek at their bank accounts or pay bills. Instead, it can creep up when your clients need their employees' full attention: One-third of employees say that financial stress affects their focus at work. It's a time thief, too. Employees report spending 8.2 hours a week — more than a full workday — dealing with their financial issues while on the job.² And where presenteeism shows up, absenteeism does as well, with over one-third of employees admitting that they've missed work because of a financial problem.⁴

The connection between financial and physical health can also add up to higher costs for employers. It may not even be something your clients can fix by raising wages, as overall financial stability is what seems to be most crucial to physical health.⁵ Mental health plays a role here, too — financial stress can have a hand in triggering anxiety, depression⁶ and other mental health issues — with women and some minorities suffering the most.⁷ These physical and mental health issues can escalate into short- or long-term absences, potentially taking a productivity and financial toll on your clients.

But even if employees manage to avoid serious mental health concerns or physical ailments, seats may empty out regardless: Financially stressed employees are twice as likely as other employees to be looking for a new job.⁸ And when those employees do find new jobs — which is likely in today's strong labor market — your clients will absorb the costs. On average, turnover often costs organizations more than \$36,000 per employee.⁹



How you can help alleviate employee financial stress

You're in a position to help your clients sidestep this spiral, adding value to your services without your clients having to pay a hefty price tag. Among the solutions you can help provide:

- **Financial wellness programs:** Money management, financial coaching, financial literacy classes, retirement fund seminars — financial wellness programs such as these have a return on investment of up to \$6 for every dollar spent.¹⁰ Their returns come in other forms, too: 84% of employers report an uptick in employee retention since offering a financial wellness benefit.¹¹
- **Supplemental insurance:** Medical debt is particularly stressful, as it hits employees when they or their family members should be focused on health and recovery. Offering supplemental insurance can help your clients' workforce absorb unexpected medical costs. (Or, for that matter, expected medical costs — health insurance was never intended to cover everything.) Employees are aware of the financial protection offered by supplemental insurance; 9 in 10 employees believe the need for supplemental insurance is increasing, and more than half of employees are interested in purchasing at least one type of supplemental coverage.¹²
- **Wellness benefits:** Offering wellness benefits that support holistic well-being, such as fitness programs, nutritional support and discounts on alternative therapies, can help financially stressed employees stay resilient. Some supplemental insurance policies also pay policyholders for regular health screenings and annual cancer screenings — helping employees stay on top of their health checks.
- **Direct savings plans:** Nearly three-fourths of the American workforce has access to a retirement plan.¹³ But other forms of direct savings plans can also help with financial wellness. Student loan assistance, health savings accounts and flexible spending accounts help employees spend and save wisely. Depending on the program, they can have tax benefits for your clients, too.
- **Flexibility:** Supporting remote or hybrid work, encouraging PTO use and deploying creative flextime solutions can help ease employee stress, and even help alleviate some financial burden, such as flexible hours that help support child care needs.
- **Employee assistance programs:** Real-time, on-demand licensed professional counselors can help employees with short-term stressors and point them toward long-term help.
- **Digital mental health solutions:** There is currently a shortage of psychiatrists and other mental health professionals,¹⁴ but that doesn't mean employees have to be adrift. Adding access to digital mental health platforms can help give employees 24/7 access to mental health support.

Maybe your clients want to help alleviate their employees' financial stress out of empathy. Maybe they want to do so out of concern for their own bottom line. Most likely, it's both. And you have the resources to help — relieving not just employee financial stress but your clients' stress as well.

Learn how you can help change the story around financial stress. Talk with your Aflac benefits representative today.

¹ Forbes. "Anxiety Skyrockets To No. 1 Issue Among American Workers, New Study Shows." Published 3.27.24. [Accessed 7.1.25.](#)

² SoFi. "The Future of Workplace Financial Well-Being: 2024 Employer & Employee Perspectives." Published February 2024. [Accessed 7.1.25.](#)

³ CGAA. "What Percentage of Bankruptcies Are Caused by Medical Bills in the US." Published 12.9.24. [Accessed 7.1.25.](#)

⁴ PR Newswire. "97% of U.S. Workers Face Financial Stress, 40% Miss Work Because of It." Published 5.6.25. [Accessed 7.1.25.](#)

⁵ My Virtual Life Coach. "Financial Stability and Its Undeniable Impact on Happiness and Well-being." Published 4.14.25. [Accessed 7.1.25.](#)

⁶ BetterHelp. "Causes of Financial Stress: How They Can Affect Your Money And Your Mental Health." Published 2.13.25. [Accessed 7.1.25.](#)

⁷ Bankrate. "Most Americans are significantly stressed about money — here's how it varies by demographic." Published 10.14.24. [Accessed 7.1.25.](#)

⁸ Forbes. "Beyond Paychecks: The Employer's Role In Financial Wellness." Published 4.30.25. [Accessed 7.1.25.](#)

⁹ Express Employment Professionals. "One-Third of Companies Bracing for Higher Employee Turnover." Published 2.28.24. [Accessed 7.1.25.](#)

¹⁰ Best Money Moves. "Money Matters: The Unique ROI of Employee Financial Wellness." Published 6.5.24. [Accessed 7.1.25.](#)

¹¹ HR Brew. "The benefits of employers providing financial wellness strategies." Published 12.5.23. [Accessed 7.1.25.](#)

¹² Aflac. "Workplace benefits trends: executive summary 2024-2025." Published 2024. [Accessed 7.1.25.](#)

¹³ HarborLife. "28 Retirement Statistics You Should Know for 2025." Published 4.29.25. [Accessed 7.1.25.](#)

¹⁴ HRSA Health Workforce. "State of the Behavioral Health Workforce, 2024." Published November 2024. [Accessed 7.1.25.](#)

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