

Out-of-Pocket Pain From High-Deductible Plans Means Skimping on Care

More people face tough choices as they weigh monthly premium costs against deductibles.

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David Garza sometimes feels as if he doesn't have health insurance now that he pays so much to treat his type 2 diabetes.

His monthly premium payment of \$435 for family coverage is roughly the same as the insurance at his previous job. But the policy at his current job carries an annual deductible of \$4,000, which he must pay out-of-pocket for his family's care until he reaches that amount each year.

"Now everything is full price," said the 53-year-old, who works at a warehouse just south of Dallas-Fort Worth. "That's been a little bit of a struggle."

To reduce his costs, Garza switched to a lower-cost diabetes medication, and he no longer wears a continuous glucose monitor to check his blood sugar. Since he started his job nearly two years ago, he said, his blood sugar levels have inched upward from an A1c of 7% or less, the target goal, to as high as 14% at his most recent doctor visit in November.

"My A1c is through the roof because I'm not on, technically, the right medication like before," Garza said. "I'm having to take something that I can afford."

Plans with high deductibles — the amount that patients must pay for most medical care before insurance starts pitching in — have become increasingly common. In 2024, [half of private-industry employees](#) participating in medical care plans were offered this type of insurance, up from 38% in 2015, according to federal data. Such plans are also offered through the Affordable Care Act marketplace.

With [ACA marketplace premiums for next year increasing](#) and many of the subsidies to help people pay for them poised to expire at year's end, more people face tough choices as they weigh monthly premium costs against deductibles. To afford insurance at all, people may opt for a plan with low premium payments but with a high deductible, gambling that they won't have any medical crises.

But high-deductible plans pose a particular challenge for those with chronic conditions, such as the [38 million Americans](#) who live with type 1 or type 2 diabetes. Adults with diabetes who are involuntarily switched to a high-deductible plan, compared with adults on other types of insurance, face an 11% higher risk of being hospitalized with a heart attack, a 15% higher risk of hospitalization for a stroke, and [more than double the likelihood](#) that they'll go blind or develop end-stage kidney disease, according to a study published in 2024.

"All of these complications are preventable," said [Rozalina McCoy](#), the study's lead author.

Care vs. Cost

The initial rationale behind such high-deductible plans was to encourage people to become wiser health care shoppers, said McCoy, an associate professor of medicine at the University of Maryland School of Medicine in Baltimore. And they can be a good fit, proponents say, for people who don't use a lot of medical care or who have cash on hand for a health crisis.

But while people with an excruciating earache will seek care, McCoy said, those with unhealthy blood sugar levels might not feel as urgent a need to seek treatment — despite the potential long-term damage — given the acute financial pain.

"You have no symptoms until it's too late," she said. "At that point, the damage is irreversible."

Overall, medical care for people with diabetes costs insurers and patients an average of [\\$12,022 annually to treat](#) the disease, according to an analysis. Type 2 diabetes, the more common form, is diagnosed when the body can no longer process or produce enough insulin to adequately regulate blood sugars. With type 1, the body can't produce insulin. Those with the disease may end up on the financial hook not just for insulin and other types of medication but for related equipment.

Mallory Rogers, whose 6-year-old daughter, Adeline, has type 1, calculates that it costs roughly \$1,200 a month for insulin, a pump, and a continuous glucose monitor. That figure doesn't include the cost of emergency supplies needed in case Adeline's technology malfunctions. Those include another type of insulin, blood-testing strips, and a nasal spray that's nearly \$600 for a two-pack of vials — supplies that must be replaced once a year or more frequently.

"If she doesn't have insulin, it would become an emergency situation within two hours," said Rogers, a technology consultant who lives in Sanford, Florida. Rogers has been saving for the coming year when her daughter moves to the high-deductible health plan offered by Rogers' employer, which has a \$3,300 deductible for family coverage.

Taxing Decisions

Many insurance plans carry increasingly high deductibles. But to be defined as a high-deductible health plan — and thus be eligible to offer a health savings account — a plan's deductible for 2026 must be [at least \\$1,700 for an individual and \\$3,400 for a family](#), according to IRS rules.

Health savings accounts enable people to squirrel away money that can be rolled over from year

to year to be used for eligible medical expenses, including prior to meeting a deductible. Such accounts, available through a plan or employer, can provide tax benefits. The contributions are limited to \$4,400 individually and \$8,750 for a family in 2026, and employers may contribute toward that total. Rogers' employer pays \$2,000 spread out over the year, and Garza's contributes \$1,200.

Rogers recognizes that she's fortunate to have accumulated \$7,000 so far in her health savings account to prepare for her daughter's insurance shifting to Rogers' plan.

"Adding a financial burden to an already very stressful medical condition, it hurts my heart," she said, reflecting on those who can't similarly stockpile. "Nobody asks to have diabetes, type 1 or type 2."

The median deductible for employer health insurance plans was \$2,750 in 2024, but deductibles can run \$5,000 or higher, said George Huntley, CEO of both the [Diabetes Leadership Council](#) and [Diabetes Patient Advocacy Coalition](#).

When deductibles are too high, Huntley said, routine maintenance is what patients skimp on: "You don't take the drug that you're supposed to take to maintain your blood glucose. You ration your insulin, if that's your scenario. You take pills every other day."

Garza knows he should do more to control his blood sugar, but financial realities complicate the equation. His previous health plan covered a newer class of diabetes medication, called a GLP-1 agonist, for \$25 a month. He wasn't charged for his remaining medications, which included blood pressure and cholesterol drugs, or his continuous glucose monitor.

With his new insurance, he pays \$125 monthly for insulin and several other medications. He doesn't see his endocrinologist for checkups more than twice a year.

"He wants to see me every three months," Garza said. "But I told him it's not possible at \$150 a pop."

Plus, he typically needs lab testing before each visit, an additional \$111.

In 2026, the deductible for a "silver"-level plan on the marketplace will average \$5,304 without cost-sharing reductions, according to an analysis from KFF, a health think tank that includes KFF Health News. For a ["bronze"-level plan, it will be \\$7,476](#). An annual visit and some preventive screenings, such as a mammogram, would be covered free of cost to the patient.

Moreover, people [comparing plan options](#), whether through their employer or the marketplace, should figure out their annual out-of-pocket maximum, which still applies after the deductible is met, Huntley said.

Garza's family policy requires him to pay 20% until he reaches \$10,000, for example.

Given Garza's high blood sugar levels, his doctor prescribed a fast-acting form of insulin to take as needed with meals, which costs an additional \$79 monthly. He planned to fill it in December, when he's responsible for only 20% of the cost after he has hit his deductible but not yet reached his out-of-pocket maximum.

Garza likes his job despite its health plan, saying he's never missed a day of work, even recently when he had a stomach bug. As of late 2025, he remained conflicted about whether to sign up for health insurance when his company's enrollment period rolls around in mid-2026.

He worries that dropping insurance would place his family too much at risk if a major medical crisis struck. Still, he pointed out, he could then use the money he now spends on monthly premiums to directly pay for care to better manage his diabetes.

"I'm just stuck, to be honest with you," he said.

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