

dailypay.

Healthcare Workers Face Daunting Economic Challenges But Say DailyPay Can Help





Healthcare workers have faced innumerable challenges over the last few years. As these frontline heroes emerged from the devastating global pandemic in 2022, they were faced with the negative financial impact of skyrocketing inflation and an uncertain economy.

Two years later, inflation is still stubbornly high. As of June, the inflation rate in the United States was 3.3%, which is a 3.4% increase over the previous 12 months. To make matters worse, it's more and more expensive to put a roof over your head. Home prices rose 5.5% from February 2023 to February 2024 and U.S. rents have grown 30.4% since 2019, while overall wages have grown 20.2%.

It is no wonder that the majority (57%) of healthcare workers in the U.S. feel stressed about the state of their finances according to a new survey from [Harris Poll](#) and DailyPay. Who wouldn't be stressed with macroeconomic headwinds making it increasingly challenging to make ends meet?

Nearly half (49%) of those surveyed by Harris Poll say they find it challenging to pay bills on time. And what happens when bills can't be paid on time? Workers can fall into an endless cycle of debt and resort to suboptimal ways to stay financially afloat.

So how bad is it out there?

U.S. household debt grew by

\$800 million

from 2022 to 2023, including 16.6% growth in credit card debt. The debt crisis is pushing people to expensive options for liquidity.



According to the Consumer Finance Protection Bureau (CFPB), 12 million Americans use payday loans each year while over 1 in 4 (26.5%) of American households were charged an overdraft or non-sufficient fund fee in 2023.



Faced with these daunting economic challenges, an alarming 34% of healthcare workers say they ran out of money between paychecks in the past year. A quarter (25%) say they were unable to pay a bill in the past year.

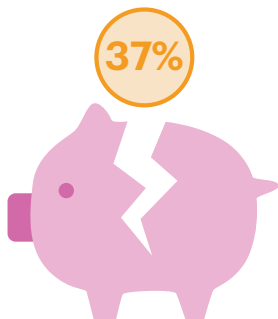


The Harris Poll survey finds that 1 in 6 healthcare workers say they had to get a second job or side hustle to make ends meet.

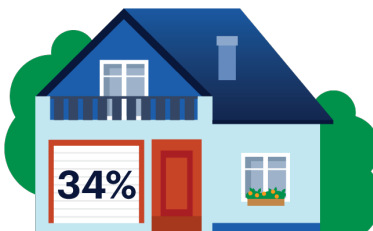
How might this impact the future?



The new Harris Poll also reveals the financial challenges of healthcare workers today could have a long-term negative impact on their finances.



Over a third (37%) of healthcare workers in the U.S. say they cannot adequately save enough for the future.



Thirty-four percent say they do not feel like they can save enough money to live comfortably in retirement.



More than a quarter (28%) say in the past year they have considered leaving their current job for one that pays more.

How does this impact the communities they serve?

The financial challenges have serious consequences for the healthcare system and the communities they serve.

According to the 2024 NSI National Health Care Retention & RN Staffing Report, when healthcare professionals leave their current position or leave the medical field entirely, the fallout can be both financially costly and disruptive to medical services.

The cost of turnover can have a profound impact on diminishing hospital margins and needs to be managed. [Research](#) shows the average cost of turnover for a bedside registered nurse is \$56,300, a 7.5% increase, resulting in the average hospital losing between \$4 million and \$6 million per year.

According to a report from Oracle, turnover rates for segments of the healthcare industry ranged from 94% at nursing homes to 65% for at-home care providers to 19.5% at hospitals.

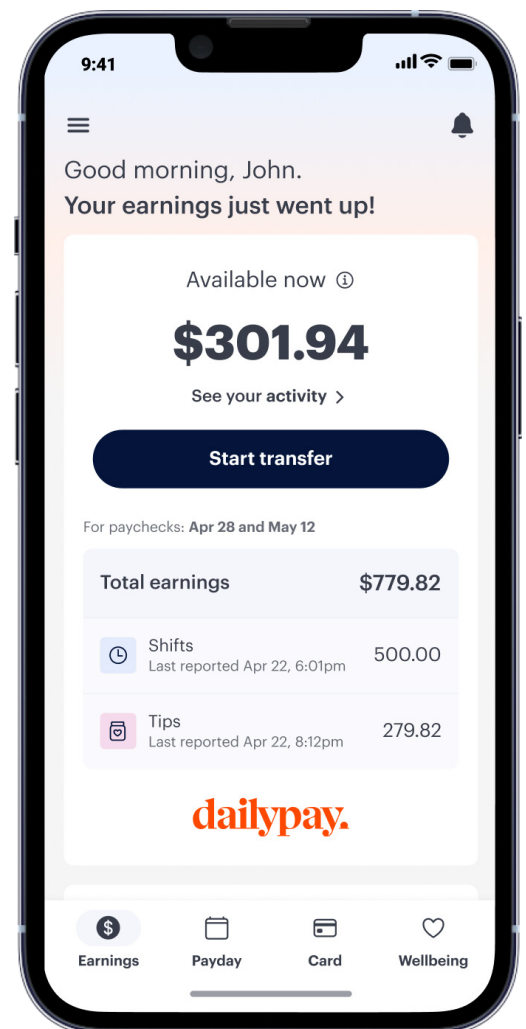
The cost of fewer working nurses can be tragic. A report from the American Association of Colleges of Nursing details how more nurses on the job equates to more lives saved. It literally can be a matter of life and death.

So what can healthcare companies do to curb turnover?

One effective way is offering meaningful benefits that can be truly impactful. Research from One Medical shows that 69% of all employees would choose one job over another because of access to better employee benefits, Glassdoor reports that 79% would prefer additional employee benefits over a salary increase.

Benefits matter. In particular, financial wellness benefits that support healthcare workers through these tough economic times.

One simple solution to help healthcare workers pay bills on time is the timing of their pay with the employer-offered financial wellness benefit of earned wage access. With earned wage access, employees are empowered to access their pay as they earn it to pay bills on time, spend, save, or invest on their own schedule.



Earned Wage Access Is a Proven Antidote to Expensive Financial Services

According to a survey from Arizent, healthcare workers from around the country noted that since they started using DailyPay, they either stopped or reduced how often they did the following:

82%	borrow money from friends/family
75%	pay overdraft fees
74%	use payday loans
72%	pay late fees on bills
64%	incur credit card interest charges

The study also shows that DailyPay helps employees better manage their finances:

82%	makes it easier to understand how much income they’ve earned each day
73%	helps them feel more confident managing their finances
66%	makes it easier to save a portion of their income
68%	helps them be more diligent about their spending

With an industry plagued with high employee turnover, the survey also revealed that healthcare employees with DailyPay look for another job less frequently and are more productive and engaged at work. In fact, among the healthcare workers surveyed:

56%	have stopped looking or reduced how often they look for a new job
56%	say DailyPay makes them feel more satisfied with their job
48%	say DailyPay makes them feel more motivated at work
42%	say they are more productive at work because they have DailyPay
42%	feel more engaged at work because they have DailyPay

Healthcare Workers See the Need to Be Paid More Frequently

With choice and control over their earned pay, healthcare workers can leverage earned wage access to make a positive impact on their financial lives.

The Harris Poll shows that the majority (82%) of healthcare workers in the U.S. say it would be helpful to be paid more frequently than twice per month while nearly half (48%) say that earned wage access would help their ability to balance their personal finances.



Conclusion

Healthcare workers, like most American workers, are facing unprecedented economic obstacles in paying bills on time and avoiding the vicious cycle of debt. We owe it to these frontline heroes who help keep our communities thriving with the right tools to help them on their financial wellness path to success. Earned wage access can be that solution that is proven to help workers pay bills on time while driving company loyalty and engagement.