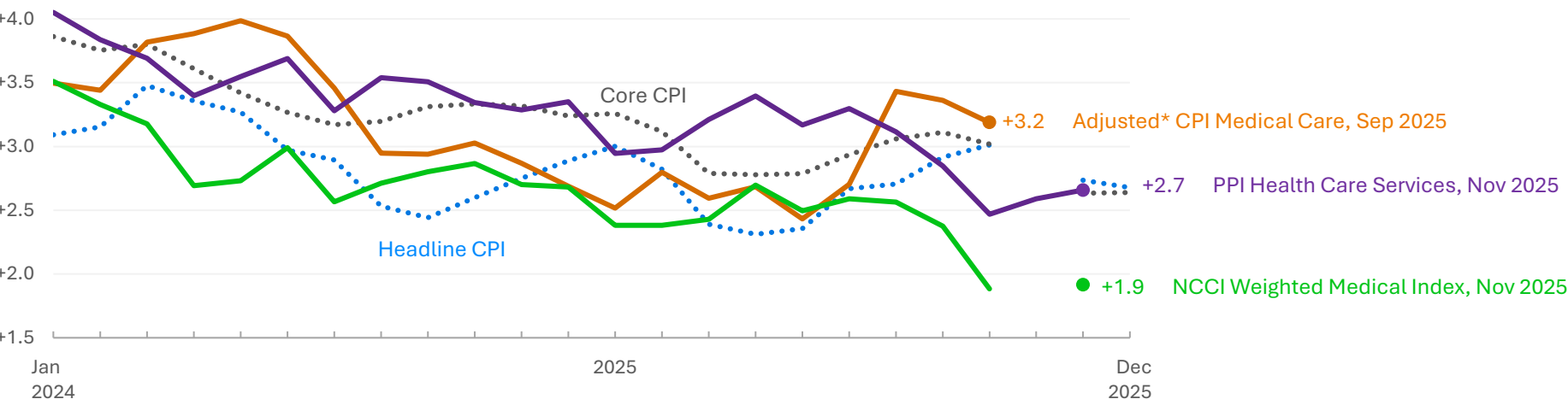




Aggregate Measures of General and Medical Inflation

Year-Over-Year Change, Percent



Inflation Aggregates (y/y %)	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Headline CPI	2.7	2.7	2.9	3.0	---	2.7	2.7
Core CPI	2.9	3.1	3.1	3.0	---	2.6	2.6

1

Medical Inflation Aggregates (y/y %)	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Adjusted* CPI Medical Care	2.7	3.4	3.4	3.2	---	---	---
PPI Health Care Services	3.3	3.1	2.8	2.5	2.6	2.7	---
NCCI WC Weighted Medical Index	2.6	2.6	2.4	1.9	---	1.9	---

2

Averages

	1-Year	3-Year	5-Year	2015-19
Headline CPI	2.7	3.3	4.5	1.6
Core CPI	2.9	3.7	4.2	2.0

Averages

	1-Year	3-Year	5-Year	2015-19
Adjusted* CPI Medical Care	2.9	3.1	2.9	2.4
PPI Health Care Services	3.0	3.2	3.1	1.6
NCCI WC Weighted Medical Index	2.4	2.7	2.6	1.2

Technical Note: Data collection in the fourth quarter of 2025 was impacted by the government shutdown, limiting available data.

1 Following the missing month of data, both headline and core inflation decelerated into the end of the year. While this deceleration was good news on the surface, it was almost entirely accounted for by “[a dodgy CPI rent reading](#)”. Because of the way rent is calculated, the missing data will not be corrected until April 2026, which is when we will likely see an increase in the 12-month change in prices.

Inflation in 2025 was led by energy services. Electricity prices increased 6.7% during the year, while piped gas prices increased 10.8%. Food prices also increased 3.1% during the year, led by a 4.1% increase in prices for food away from home (restaurants). Tariff effects on inflation were moderate, with core goods prices increasing 1.4% in 2025, compared to a 0.5% decline in 2024.

2 Detailed data was more heavily impacted by the shutdown, leaving a difficult-to-decipher trend in medical prices to end the year.

Details on Page 2.

*Adjusted Medical CPI removes CPI Health Insurance from CPI Medical Care

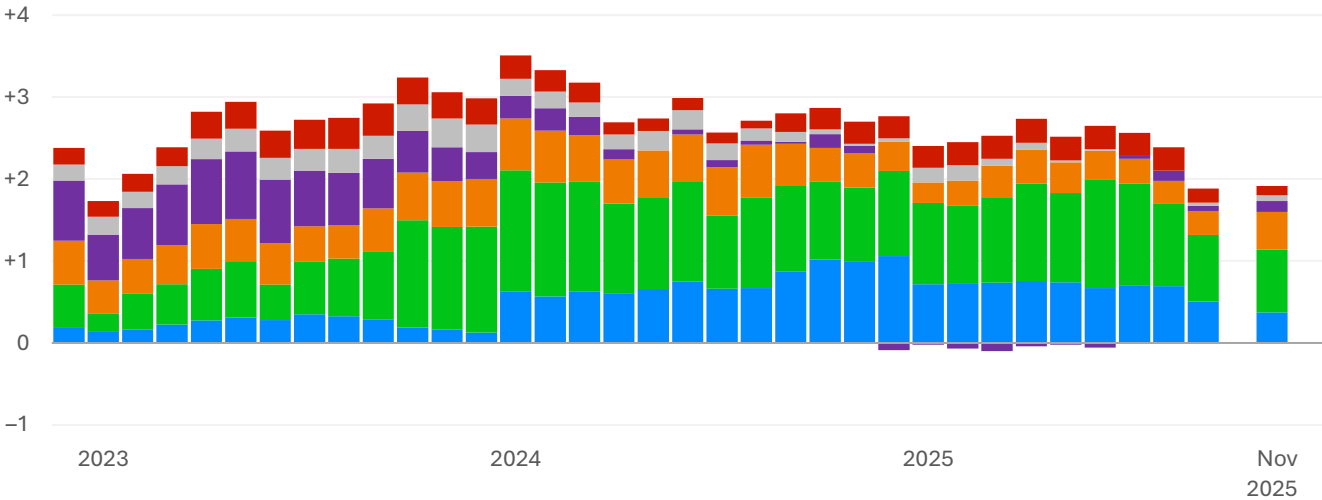
Sources: US Bureau of Labor Statistics and NCCI’s Medical Data Call; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point



NCCI MEDICAL INFLATION INSIGHTS

Workers Compensation Weighted Medical Price Index (WCWMI)

Component Contributions to the Year-Over-Year Change, Percent



- +1.9 WCWMI, Nov 2025
- +0.1 Other
- +0.1 CPI Medicinal Drugs
- +0.1 CPI Medical Equipment and Supplies
- +0.5 PPI Hospital Inpatient Care
- +0.8 PPI Hospital Outpatient Care
- +0.4 PPI Physician Care

Medical Care Details (y/y %)		Jun	Jul	Aug	Sep	Oct	Nov	Dec
100%	NCCI WC Weighted Medical Index	2.6	2.6	2.4	1.9	---	1.9	---
39%	PPI Physician Care	1.7	1.8	1.8	1.3	0.9	1.0	---
28%	PPI Hospital Outpatient Care	4.7	4.4	3.6	2.9	2.5	2.7	---
12%	PPI Hospital Inpatient Care	3.0	2.5	2.3	2.4	3.8	3.9	---
8%	CPI Medical Equipment and Supplies	-0.7	0.4	1.5	0.8	---	1.6	1.5
7%	CPI Medicinal Drugs	0.3	0.0	-0.2	0.6	---	1.0	1.5
6%	Other*	4.8	4.7	4.7	2.8	2.1	1.9	---

*Other is represented as long-term care (PPI Home and Hospice Care and PPI Nursing Home Care)

Sources: US Bureau of Labor Statistics and NCCI's Medical Data Call; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point

Averages				
1-Year	3-Year	5-Year	2015-19	
2.4	2.7	2.6	1.2	1
1.6	1.4	1.7	0.5	
3.6	3.4	3.4	1.7	2
2.9	3.9	3.7	2.1	
0.2	3.2	2.4	0.3	3
1.0	2.4	1.7	2.2	
4.0	4.2	3.4	1.9	

- Due to missing data inputs, we were only able to calculate the WCWMI for November, which showed a similar 12-month change in prices as September. December data will be published later this month, while October data will remain missing.
- Price growth for medical services, on net, moderated in the first two months of the fourth quarter. Price growth for physician care and hospital outpatient care continued to slow while price growth for inpatient care returned closer to its longer-term trend.

Healthcare affordability has been a popular issue in the news and has been a target of both political parties. This increased scrutiny on the industry may help keep price growth contained in early 2026.
- The medical categories most susceptible to tariffs did see a moderate increase in the pace of price growth to end the year; however, the overall pace of growth remains below longer-term averages. Further price pressures on these categories from tariffs may be offset by other executive orders or congressional acts to lower drug prices.