

# Memo

**To:** Management-Labor Advisory Committee

**From:** Kelli Borushko, Senior Economist, Central Services Division

**Date:** April 3, 2025

**Subject:** Comparison of Retroactive Reserve Reimbursements to Consumer Price Index

Following the [March 6, 2025, presentation](#) to the Management-Labor Advisory Committee (MLAC) on the status of the Workers' Benefit Fund (WBF), MLAC Co-Chair Scott Strickland asked for a comparison of average Retroactive Reserve reimbursement payments and inflation. The below table and figure show this relationship.

We show the percentage growth in average Retroactive Reserve payments and Consumer Price Index (CPI) for all urban consumers in the Western region from 2014 to 2023<sup>1</sup>, using 2014 as the base year. In the last ten years, the percent change in Retroactive Reserve payments has generally tracked with CPI, with the notable exception of 2020. This dip is a result of lower than normal payments from the Retroactive Reserve program to carriers in that year, due to temporary disruptions from the COVID-19 pandemic. Payments returned to historically consistent levels in 2021.

Calendar Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>CPI, All items - West urban</b>	0%	1%	3%	6%	10%	13%	15%	20%	29%	35%
<b>Retroactive Reserve payments</b>	0%	1%	6%	6%	12%	10%	-1%	18%	35%	44%

Table 1. Percent change in Consumer Price Index, All items – West urban region and Retroactive reserve average payments, indexed at calendar year 2014.

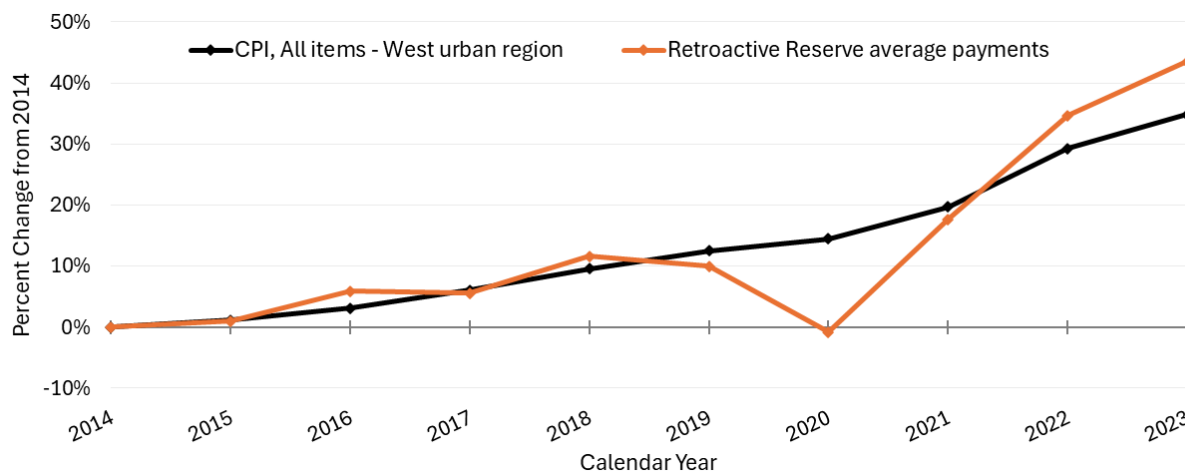


Figure 1. Percent change in Consumer Price Index, All items – West urban region and Retroactive reserve average payments, indexed at calendar year 2014.

<sup>1</sup> Western Information Office. (2025, March 12). *Consumer Price Index, West Region — February 2025*. U.S. Bureau of Labor Statistics. <https://data.bls.gov/timeseries/CUUR0400AA0>