



CCRC
Actuaries, LLC

STATE OF WEST VIRGINIA



PUBLIC EMPLOYEES INSURANCE AGENCY

Medical & Prescription Drugs Claims Trend Report

October 2007

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West Virginia Public Employees Insurance Agency Report of Independent Actuary Medical & Prescription Drugs Claims Trend Report

OVERVIEW

CCRC Actuaries, LLC (“CCRC Actuaries”) was engaged by the West Virginia Public Employees Insurance Agency (“PEIA”) to assist the Finance Board in the monitoring of plan experience for fiscal year ending June 30, 2007 on a quarterly basis and the forecasting of Fiscal Year 2008 through Fiscal Year 2012. This annual report to the Finance Board serves as the basis for projecting medical and drug claims into Fiscal Year 2008 and beyond. This report is intended for the sole use of the Finance Board, and any other use requires written approval by CCRC Actuaries.

CCRC Actuaries has reviewed the medical experience using Non-Medicare claims incurred and paid through August 2007 and Medicare claims incurred and paid through August 2007. Since July 1, 2000, Wells Fargo (formerly Acordia) has been the administrator of the plan’s medical claims and has provided reports. The analysis utilized claim data supplied from Wells Fargo as a primary source of data for this report.

Trends were developed by category for the 24-month, 36-month and the 48-month credible periods ending June 2007. Our analysis for medical claims do not include incurred claims for the months after June 2007, since the claim experience for these months is largely non-credible with substantial reserves as part of the projected monthly incurred amount. The claim information supplied by Wells Fargo for the purposes of this analysis was compared to PEIA’s general ledger system to ensure accuracy of aggregate reporting. In aggregate, the claim detail balances to the PEIA general ledger amounts.

It should be noted that effective July 2007, PEIA has contracted with Coventry Health Care to provide Medicare Advantage/Prescription Drug (MAPD) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Health Care has assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. In the future, we will not analyze Medicare claims experience. The results included in this report are for informational purposes only.

KEY FINDINGS - MEDICAL

- Overall, medical trends for Non-Medicare eligible coverages have remained low, continuing recent trends. Using the 24-month analysis, we observe a 7.2% utilization increase and a 2.0% unit cost decrease, resulting in an aggregate trend of 5.1%. The 36 and 48-month overall trends are similar to the 24-month analysis.

These results compare favorably to the 24-month trends calculated in Fiscal Years 2002 - 2006.

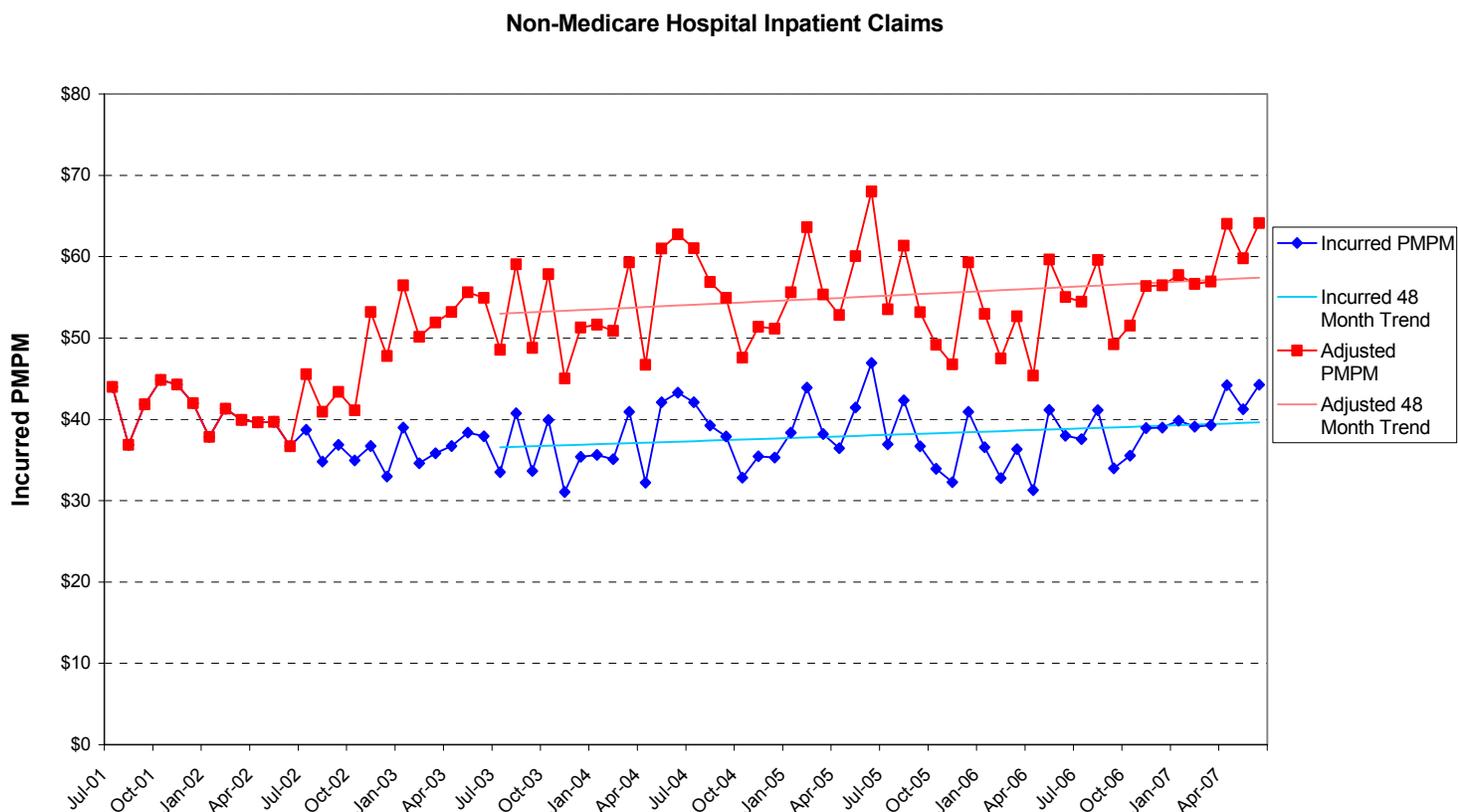
West Virginia PEIA Non-Medicare Total 24-Month Trend Analysis			
	<u>Utilization</u>	<u>Cost/Service</u>	<u>Total Trend</u>
2002	4.1%	3.6%	7.8%
2003	9.8%	-3.0%	6.5%
2004	11.7%	-6.8%	4.0%
2005	2.8%	-1.1%	1.7%
2006	2.9%	1.0%	4.0%
2007	7.2%	-2.0%	5.1%

- Fiscal Year 2007 Public Employees Insurance Agency and Retiree Health Benefit Trust Fund (RHBT) detail trends are shown in the following table:

Fiscal Year 2007 Claim Type	Medical	Drugs
PEIA – Active Local	15.6%	14.3%
<u>PEIA – State</u>	<u>3.8%</u>	<u>9.0%</u>
PEIA – Total	5.2%	9.6%
RHBT – Non-Medicare	1.8%	5.9%
<u>RHBT – Medicare</u>	<u>5.7%</u>	<u>5.8%</u>
RHBT – Total	4.5%	5.8%

- Under the 24-month analysis, the trends of Immunizations/Injections/Allergy in Physician Services and Appliances (Durable Medical Equipment) in Other Services greatly exceed aggregate total trend of 5.1%, with the trend of 35.3% and 20.3%, respectively. It should also be noted that Psychiatric/Substance Abuse in Hospital Outpatient shows –8.7% trend.

- The PEIA/Medicaid Hospital Bill resulted in a one-time 31% reduction in unit hospital cost in FY 2003. The red line in the chart below shows the expected impact if there was no PEIA/Medicaid Hospital Bill.

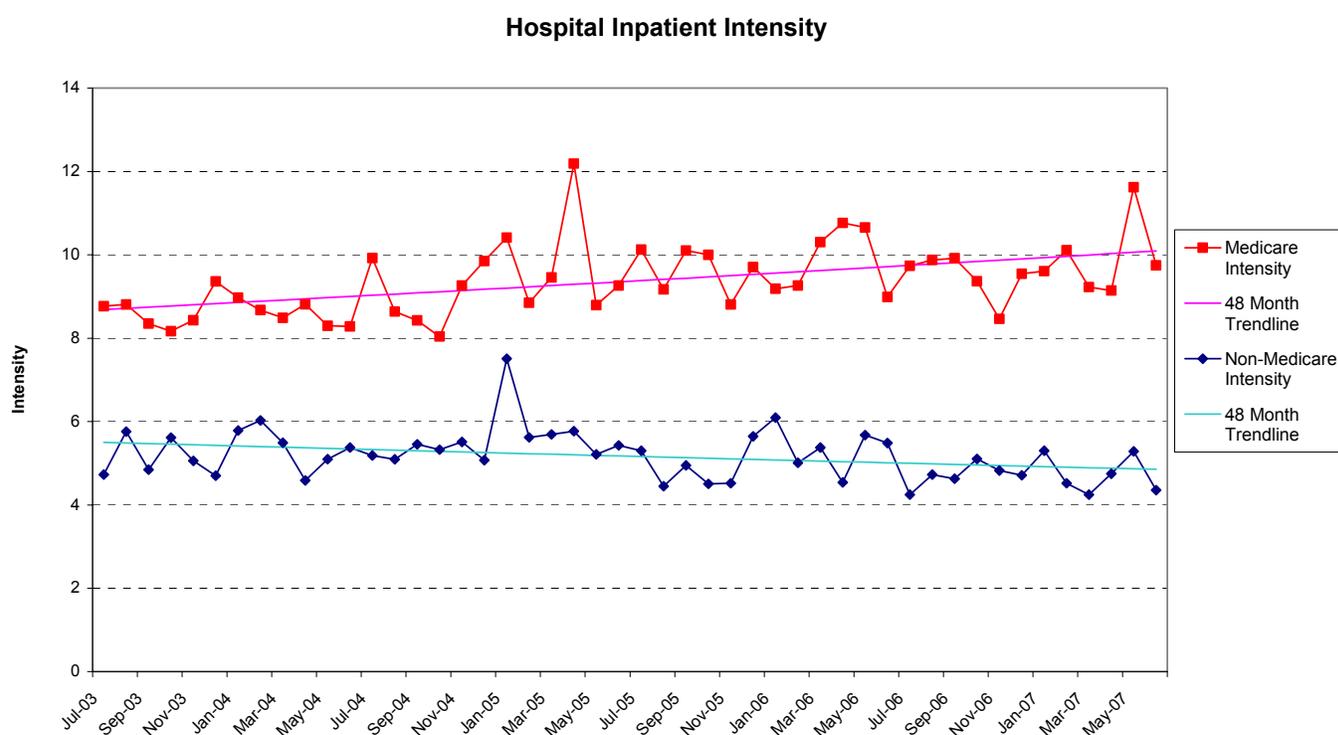


- Overall, medical trends for Medicare eligible coverages have slightly decreased from the levels observed in FY 2006. Using the 48-month analysis, we observe a 6.5% utilization decrease and a 0.4% unit cost increase, resulting in an aggregate trend of 6.9%, which is clearly the result of utilization decreases.

These results are similar to the trend calculated in Fiscal Year 2004, but lower than the trends calculated in Fiscal Years 2005 and 2006.

West Virginia PEIA Medicare Total 48-Month Trend Analysis			
	<u>Utilization</u>	<u>Cost/Service</u>	<u>Total Trend</u>
2004	6.9%	0.0%	6.9%
2005	9.0%	-0.3%	8.7%
2006	8.5%	-0.2%	8.3%
2007	6.5%	0.4%	6.9%

- Overall, Out-of-State services show slightly lower trends for Non-Medicare eligibles, with lower utilization increases for Out-of-State services. A comparison of Non-Medicare medical trends for In-State claims versus Out-of-State claims over the 24-month period analysis reveals an aggregate In-State trend of 7.4% and an Out-of-State trend of 5.4%. For In-State, while the cost per service has been lower, the utilization increase has more than offset the difference. For In-State, the cost per service for Non-Medicare charges trend was a -0.2%, while the Out-of-State was a 2.3%. The Out-of-State cost per service increase was fairly consistent for the major categories of Hospital Inpatient and Physician Services.
- A component of the cost per service trend for hospital inpatient is the length of stay, or intensity. Over the 48-month analysis, the intensity for Non-Medicare hospital stays has a trend of -3.1%, compared to -5.4% last year. The intensity for Medicare hospital stays has a trend of 3.9%, compared to -3.3% last year. These results contributed to the favorable trends that PEIA has seen in FY 2007.



The table below presents the Non-Medicare Hospital Inpatient trend using the intensity breakdown.

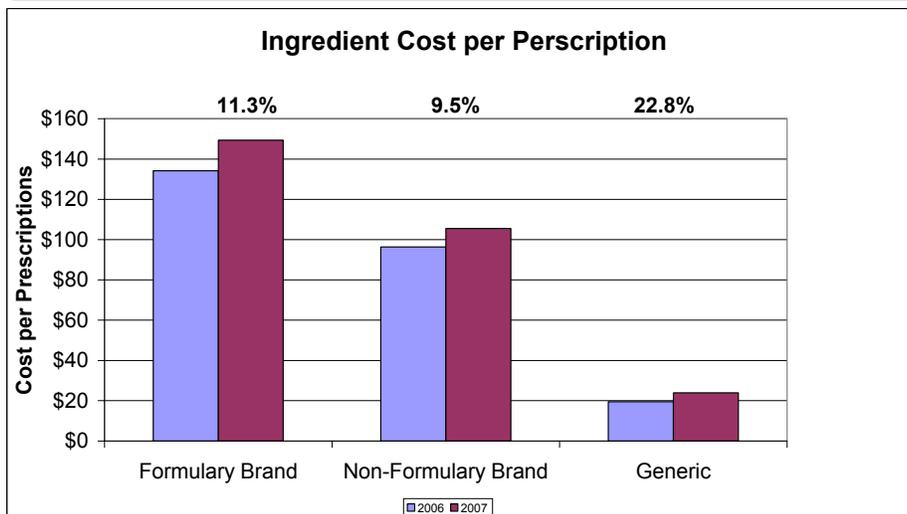
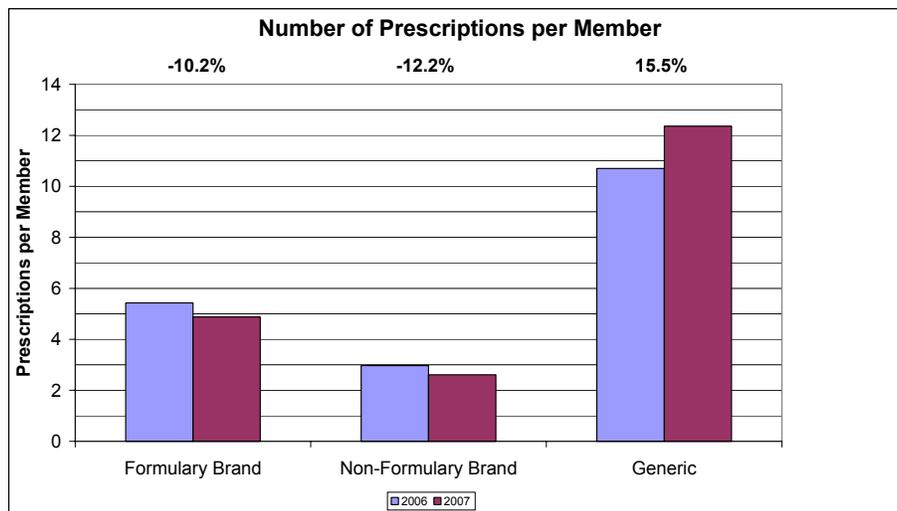
West Virginia PEIA Non-Medicare Hospital Inpatient Trend Analysis			
	<u>24-Month</u>	<u>36-Month</u>	<u>48-Month</u>
Visits	8.6%	2.0%	1.0%
Intensity	-4.0%	-6.2%	-3.1%
<u>Cost/Day</u>	<u>4.7%</u>	<u>6.7%</u>	<u>5.7%</u>
Total	9.2%	2.2%	3.4%

KEY FINDINGS - DRUG

- Overall, prescription drugs trends for Non-Medicare and Medicare eligible coverages have increased steadily. Using the 48-month analysis, we observe a 2.6% utilization increase and a 6.9% prescription cost increase, resulting in an aggregate trend of 9.7%. The 36-month and 48-month overall trends are higher than the 24-month analysis.

West Virginia PEIA Prescription Drugs Total 48-Month Trend Analysis			
	<u>Utilization</u>	<u>Cost/Prescription</u>	<u>Total Trend</u>
FY 2007	2.6%	6.9%	9.7%

- Total costs for Inflammation increased from \$944,901 in 2006 to \$6,565,314 in 2007. Total prescriptions increased from 1,520 in 2006 to 16,727 in 2007.
- An increase in the number of Generic Scripts per member compared to Formulary and Non-Formulary Brand drugs is a principle cause of the low drug trend.



METHODOLOGY

Wells Fargo provided allowed and paid claim information for Medicare and Non-Medicare eligibility from July 2001 through August 2007. This data set was analyzed on both the Medicare and Non-Medicare claims that were incurred from July 2003 through June 2007 for the 48-month credible period. This claim data was consolidated into 25 categories for Hospital Inpatient, Hospital Outpatient, Physician Services and Other. In addition, claim experience was analyzed based on the state of service as defined by Wells Fargo. Wells Fargo provides the information based on the location that the service was performed, rather than the billing location of the provider. CCRC Actuaries verified that the Wells Fargo information balanced in total to previously produced claim lag reports that PEIA personnel have balanced to the PEIA ledger accounts.

The trend analysis includes assumptions with respect to the completeness of the claim information to reflect and adjust for unreported claims. There was no adjustment to reflect the various reductions and changes in benefit design as affected by the Finance Board over the analysis period, such as the reduction in hospital inpatient reimbursement rates. In developing aggregate claim trends, individual claim categories were weighted by claims paid for each category over the last 24, 36 and 48 months, respectively depending on the analysis. The following chart summarizes the amount of allowed dollars by category for each paid fiscal year.

The calculated trends for utilization, unit cost and in aggregate were based on a least squares methodology in defining the regression trend line. We manually adjusted these trend lines where the results appeared to be less credible.

Consistent with prior reports, the trends published in this report for Non-Medicare coverages are based on the allowed amount for medical claims in order to neutralize the impact of deductibles and copayments that have a varying impact on paid amounts depending on the month of the year. Paid claim trends are higher over the study period, since cost-sharing provisions of the plan have essentially been unchanged over the four years period.

The trends published in this report for Medicare coverages are based on the paid amount for medical claims because the allowed amount is less reflective of PEIA's liability since the Medicare program is primary.

The trends published in this report for both Non-Medicare and Medicare coverages are based on the paid amount for drug claims because the allowed amount is less reflective of PEIA's liability since the Medicare program is primary.

A summary of the Non-Medicare data provided by Wells Fargo by Hospital Inpatient (HI), Hospital Outpatient (HO), Physician Services (PS), and Other Services (O) is detailed below.

<u>Non-Medicare Claims</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Hospital Inpatient	\$67,339,191	\$72,738,418	\$68,656,370	\$70,685,350
Hospital Outpatient	90,822,202	99,971,151	104,928,666	102,699,863
Physician Services	156,644,052	169,883,356	179,598,655	182,927,877
<u>Other Services</u>	<u>6,791,444</u>	<u>7,912,777</u>	<u>8,202,469</u>	<u>8,759,611</u>
Total	\$321,596,889	\$350,505,702	\$361,386,161	\$365,072,701

Certain categories in the data provided by Wells Fargo were consolidated to provide the following summary table for Non-Medicare claims.

<u>Non-Medicare Claims</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
HI Maternity	\$1,943,264	\$1,972,510	\$2,150,721	\$2,316,281
HI Medical/Surgical	63,200,525	68,650,978	64,675,437	66,262,227
HI Psychiatric/Substance Abuse	2,195,403	2,114,930	1,830,213	2,106,842
HO Emergency Room	11,869,079	14,021,359	14,966,135	15,250,275
HO Medical/Surgical	47,618,046	48,915,748	50,579,640	48,941,416
HO Other Services	30,811,737	36,363,105	38,654,588	37,854,337
HO Psychiatric/Substance Abuse	523,341	670,939	728,303	653,836
PS Ambulance	8,018,039	8,302,456	8,746,436	8,692,015
PS Durable Medical Equipment	4,667,985	5,043,093	4,920,342	4,939,567
PS Other Services	5,113,672	5,829,788	6,242,245	6,232,947
PS Anesthesia	3,328,004	3,693,827	3,846,082	4,219,838
PS Chemotherapy/Radiation	3,038,920	3,056,783	3,512,905	4,819,375
PS Consultations	9,222,373	9,235,380	9,567,544	9,277,794
PS Emergency Room	4,757,260	5,026,697	5,155,711	5,334,547
PS Immunizations/Allergy	10,695,005	11,270,221	12,439,858	12,415,149
PS Inpatient Surgery	2,410,084	2,751,988	2,974,248	3,128,232
PS Inpatient Visits	39,185,760	42,886,286	44,463,035	47,031,280
PS Lab & Pathology	27,025,422	30,423,418	32,125,121	30,998,244
PS Maternity	13,101,081	14,074,166	15,239,305	14,633,084
PS Office Visits	6,170,019	6,462,366	6,795,348	6,863,501
PS Other Services	15,761,465	17,382,079	18,585,420	19,551,627
PS Outpatient Surgery	4,148,963	4,444,809	4,985,056	4,790,676
O Psychiatric/Substance Abuse	1,636,056	1,844,434	2,160,958	2,036,107
O Radiology	3,257,376	3,664,091	4,303,939	4,841,991
O Therapy/Rehab	1,898,012	2,404,251	1,737,573	1,881,513

A summary of the Medicare data provided by Wells Fargo by Hospital Inpatient (HI), Hospital Outpatient (HO), Physician Services (PS), and Other (O) is detailed below.

Medicare Claims	FY 2004	FY 2005	FY 2006	FY 2007
Hospital Inpatient	\$12,016,956	\$12,633,759	\$13,273,251	\$14,056,418
Hospital Outpatient	10,501,828	11,334,447	12,354,351	12,524,033
Physician Services	16,002,634	18,058,515	19,621,253	19,298,526
<u>Other Services</u>	<u>2,055,228</u>	<u>2,446,377</u>	<u>2,947,397</u>	<u>3,937,849</u>
Total	\$40,576,645	\$44,473,098	\$48,196,252	\$49,816,826

COMPARISON (PAID VS. ALLOWED)

The trend analysis has been developed throughout the report on an allowed basis for Non-Medicare claims to neutralize the impact of deductibles and co-payments that have a varying impact on paid amounts depending on the month of the year. The employees’ annual deductible and cost sharing have not changed over the last five years. This has ultimately increased the paid trend that faces PEIA.

We have examined the trends utilizing paid claims as opposed to allowed claims. The following table summarizes the trends on a paid basis for the fiscal years ending 2004 through 2007 and on an allowed basis for Non-Medicare Medical claims. This exercise is important since interim trend updates throughout the years are based on a paid basis.

West Virginia PEIA Non-Medicare Medical Total Trend Analysis		
	<u>Paid Basis</u>	<u>Allowed Basis</u>
24-Month Trend	10.5%	5.1%
36-Month Trend	6.2%	4.7%
48-Month Trend	6.0%	5.1%

The calculated trends for utilization, unit cost and in aggregate were based on a least squares methodology in defining the regression trend line. We manually adjusted these trend lines where the results appeared to be less credible.

SUMMARY

The tables and sections that follow summarize the information and findings of the trend analysis. The tables and charts on the next several pages include separate analysis of utilization and unit cost trends for Non-Medicare and Medicare coverages. The charts show the breakdown between the 24, 36 and 48-month periods.

Recent experience has shown that both the Non-Medicare and Medicare medical claim trends are slightly lower than the levels projected in FY 2006 of 6.5%. Consequently, at this time we believe it is prudent and appropriate to slightly decrease current trend assumptions for both Non-Medicare and Medicare Medical, which are summarized in the table below.

Recent experience has shown that both Non-Medicare and Medicare drug claim trends are slightly lower than the levels assumed for FY 2006 of 12%. In addition, recent drug trends are slightly lower over the 48-month period of analysis. At this time we believe it is prudent and appropriate to retain current trend assumptions for both Non-Medicare and Medicare Prescription drugs, which are summarized in the table below.

	<i>Fiscal Year 2008 Trends</i>		
Claim Type	Previous Assumption	Updated Assumption	Change
Non-Medicare – Medical	6.5%	6.0%	- 0.5 %
Medicare – Medical	6.5%	6.0%	-0.5 %
Non-Medicare – Prescription drugs	12.0%	12.0%	0.0 %
Medicare – Prescription drugs	12.0%	12.0%	0.0 %

We will continue to monitor the claim trend experience and incorporate changes as necessary throughout the fiscal year based on the relatively volatile nature of recent trend experience at PEIA.

West Virginia PEIA Non-Medicare Total Study Period of July 2003 to June 2007

Trends Summary - Excludes Drugs

	24 Month Trends Summary				36 Month Trends Summary				48 Month Trends Summary			
	Utilization	Cost / Service	Total Trend	Weight	Utilization	Cost / Service	Total Trend	Weight	Utilization	Cost / Service	Total Trend	Weight
HOSPITAL INPATIENT												
Maternity	14.5%	0.4%	15.0%	0.6%	5.3%	5.8%	11.4%	0.6%	4.9%	2.0%	7.0%	0.6%
Medical / Surgical	8.3%	0.1%	8.4%	18.0%	1.5%	0.2%	1.7%	18.5%	-0.4%	2.4%	2.0%	18.8%
Psychiatric / Substance Abuse	-0.4%	15.4%	14.9%	0.5%	-1.3%	2.1%	0.8%	0.6%	0.2%	-3.1%	-2.9%	0.6%
TOTAL	8.2%	0.6%	8.9%	19.2%	1.5%	0.4%	1.9%	19.7%	-0.2%	2.3%	2.0%	20.0%
HOSPITAL OUTPATIENT												
Emergency Room	5.2%	-0.4%	4.7%	4.2%	3.3%	2.5%	6.0%	4.1%	3.5%	4.8%	8.5%	4.0%
Medical / Surgical	16.5%	-8.0%	7.2%	13.7%	6.7%	-2.4%	4.1%	13.8%	2.4%	0.5%	2.9%	14.0%
Other Services	3.7%	-1.7%	2.0%	10.5%	2.7%	1.4%	4.2%	10.5%	3.4%	3.8%	7.3%	10.3%
Psychiatric / Substance Abuse	-7.4%	-1.4%	-8.7%	0.2%	-2.6%	3.3%	0.6%	0.2%	4.4%	2.7%	7.2%	0.2%
TOTAL	9.9%	-4.5%	5.0%	28.6%	4.7%	-0.2%	4.4%	28.6%	2.9%	2.3%	5.3%	28.5%
PHYSICIAN SERVICES												
Anesthesia	5.2%	1.7%	7.0%	2.4%	5.8%	-0.4%	5.4%	2.4%	5.6%	-1.7%	3.8%	2.4%
Chemotherapy / Radiation	11.4%	-7.6%	2.9%	1.4%	2.7%	-2.5%	0.1%	1.4%	-1.8%	2.4%	0.6%	1.4%
Consultations	1.6%	2.4%	4.0%	1.7%	2.2%	2.9%	5.2%	1.7%	3.2%	3.6%	6.8%	1.7%
Emergency Room	8.3%	5.1%	13.8%	1.1%	5.9%	2.8%	8.9%	1.1%	4.1%	3.8%	8.1%	1.1%
Immunizations / Injections / Allergy	7.1%	26.4%	35.3%	1.1%	14.3%	14.7%	31.1%	1.1%	7.4%	10.4%	18.5%	1.0%
Inpatient Surgery	0.5%	2.9%	3.4%	2.6%	-0.8%	4.1%	3.3%	2.6%	-0.5%	1.9%	1.4%	2.7%
Inpatient Visits	4.4%	1.5%	6.0%	1.4%	-0.3%	4.0%	3.7%	1.4%	-0.6%	4.0%	3.4%	1.4%
Lab & Pathology	7.2%	-1.2%	5.9%	3.4%	5.7%	1.5%	7.3%	3.4%	4.6%	1.5%	6.2%	3.3%
Maternity	11.7%	-1.7%	9.8%	0.8%	5.4%	2.9%	8.5%	0.8%	5.0%	3.9%	9.1%	0.8%
Office Visits	6.8%	-7.5%	-1.2%	12.6%	4.4%	2.8%	7.3%	12.5%	3.4%	3.9%	7.5%	12.4%
Other Services	6.5%	-7.5%	-1.5%	8.7%	5.1%	-3.2%	1.7%	8.7%	4.5%	0.1%	4.5%	8.6%
Outpatient Surgery	3.1%	-1.8%	1.3%	4.1%	3.2%	0.6%	3.8%	4.1%	3.7%	1.0%	4.7%	4.1%
Psychiatric / Substance Abuse	5.2%	-1.1%	4.0%	1.9%	3.5%	0.6%	4.1%	1.9%	2.2%	1.3%	3.5%	1.9%
Radiology	1.5%	7.0%	8.6%	5.2%	2.2%	5.4%	7.6%	5.2%	3.1%	4.3%	7.6%	5.1%
Therapies	-7.7%	5.7%	-2.4%	1.3%	0.5%	3.2%	3.7%	1.3%	4.3%	0.3%	4.6%	1.3%
TOTAL	5.1%	-1.7%	3.2%	49.9%	3.9%	1.7%	5.7%	49.4%	3.4%	2.4%	5.9%	49.3%
OTHER												
Ambulance	9.3%	-9.2%	-0.8%	0.6%	10.9%	-3.1%	7.5%	0.6%	6.5%	2.3%	9.0%	0.5%
Appliances (DME)	14.8%	6.1%	21.8%	1.3%	12.8%	6.7%	20.3%	1.2%	11.6%	4.8%	16.9%	1.1%
Other Services	10.7%	8.7%	20.3%	0.5%	13.3%	-17.1%	-6.1%	0.6%	17.3%	-15.3%	-0.6%	0.6%
TOTAL	12.6%	2.8%	15.7%	2.3%	12.5%	-1.5%	10.8%	2.3%	11.8%	-0.8%	10.9%	2.3%
GRAND TOTAL	7.2%	-2.0%	5.1%	100.0%	3.9%	0.8%	4.7%	100.0%	2.7%	2.3%	5.1%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of July 2005 to June 2007
24 Month Trends Summary - Excludes Drugs**

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	18.2%	2.7%	21.4%	-13.8%	13.3%	-2.4%	14.5%	0.4%	15.0%	0.6%	0.8%	0.6%
Medical / Surgical	9.8%	2.7%	12.7%	0.3%	4.3%	4.6%	8.3%	0.1%	8.4%	13.1%	33.1%	18.0%
Psychiatric / Substance Abuse	1.3%	15.0%	16.5%	-3.5%	-2.7%	-6.2%	-0.4%	15.4%	14.9%	0.6%	0.5%	0.5%
TOTAL	9.8%	3.2%	13.3%	-0.1%	4.4%	4.3%	8.2%	0.6%	8.9%	14.2%	34.4%	19.2%
HOSPITAL OUTPATIENT												
Emergency Room	5.7%	-0.7%	4.9%	-0.4%	3.7%	3.4%	5.2%	-0.4%	4.7%	4.5%	2.9%	4.2%
Medical / Surgical	16.5%	-8.8%	6.2%	16.5%	-6.7%	8.7%	16.5%	-8.0%	7.2%	13.7%	14.5%	13.7%
Other Services	4.0%	-1.5%	2.4%	-0.6%	1.2%	0.6%	3.7%	-1.7%	2.0%	11.0%	9.1%	10.5%
Psychiatric / Substance Abuse	-5.4%	4.3%	-1.4%	-28.5%	2.6%	-26.6%	-7.4%	-1.4%	-8.7%	0.2%	0.1%	0.2%
TOTAL	10.0%	-4.7%	4.8%	8.6%	-2.8%	5.5%	9.9%	-4.5%	5.0%	29.4%	26.6%	28.6%
PHYSICIAN SERVICES												
Anesthesia	5.8%	1.9%	7.8%	0.6%	3.2%	3.7%	5.2%	1.7%	7.0%	2.6%	1.9%	2.4%
Chemotherapy / Radiation	13.4%	-10.3%	1.7%	1.1%	4.5%	5.7%	11.4%	-7.6%	2.9%	1.4%	1.3%	1.4%
Consultations	2.7%	2.5%	5.3%	-5.6%	3.1%	-2.6%	1.6%	2.4%	4.0%	1.9%	1.0%	1.7%
Emergency Room	9.2%	5.3%	15.0%	-2.7%	6.9%	4.0%	8.3%	5.1%	13.8%	1.3%	0.5%	1.1%
Immunizations / Injections / Allergy	6.9%	30.4%	39.3%	9.4%	10.4%	20.7%	7.1%	26.4%	35.3%	1.2%	0.7%	1.1%
Inpatient Surgery	2.7%	3.0%	5.8%	-8.6%	7.7%	-1.6%	0.5%	2.9%	3.4%	2.4%	3.1%	2.6%
Inpatient Visits	4.6%	-0.4%	4.2%	3.1%	9.7%	13.1%	4.4%	1.5%	6.0%	1.5%	1.2%	1.4%
Lab & Pathology	2.6%	-3.3%	-0.7%	13.5%	-0.7%	12.7%	7.2%	-1.2%	5.9%	2.3%	6.7%	3.4%
Maternity	18.4%	-5.1%	12.4%	-27.1%	33.0%	-3.1%	11.7%	-1.7%	9.8%	1.0%	0.4%	0.8%
Office Visits	7.2%	4.7%	12.3%	2.6%	1.5%	4.1%	6.8%	-7.5%	-1.2%	15.1%	5.0%	12.6%
Other Services	6.7%	-7.3%	-1.0%	4.5%	-7.7%	-3.5%	6.5%	-7.5%	-1.5%	9.7%	5.7%	8.7%
Outpatient Surgery	3.1%	-1.8%	1.2%	3.7%	-2.1%	1.5%	3.1%	-1.8%	1.3%	4.3%	3.5%	4.1%
Psychiatric / Substance Abuse	5.5%	-1.1%	4.3%	2.3%	-0.8%	1.4%	5.2%	-1.1%	4.0%	2.3%	0.5%	1.9%
Radiology	1.8%	7.1%	9.0%	-0.8%	7.8%	6.9%	1.5%	7.0%	8.6%	5.4%	4.4%	5.2%
Therapies	-7.4%	5.7%	-2.2%	-12.1%	7.3%	-5.6%	-7.7%	5.7%	-2.4%	1.6%	0.4%	1.3%
TOTAL	5.4%	1.3%	6.8%	2.8%	1.7%	4.6%	5.1%	-1.7%	3.2%	54.2%	36.1%	49.9%
OTHER												
Ambulance	17.3%	-8.4%	7.4%	-38.6%	39.2%	-14.6%	9.3%	-9.2%	-0.8%	0.6%	0.5%	0.6%
Appliances (DME)	18.4%	-1.8%	16.3%	-0.9%	35.2%	34.0%	14.8%	6.1%	21.8%	1.0%	1.8%	1.3%
Other Services	11.3%	8.6%	20.8%	8.1%	10.3%	19.2%	10.7%	8.7%	20.3%	0.6%	0.5%	0.5%
TOTAL	16.2%	-0.8%	15.3%	-6.4%	31.6%	23.2%	12.6%	2.8%	15.7%	2.2%	2.8%	2.3%
GRAND TOTAL	7.6%	-0.2%	7.4%	3.1%	2.3%	5.4%	7.2%	-2.0%	5.1%	100.0%	100.0%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of July 2004 to June 2007**

36 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	5.9%	4.1%	10.3%	-0.8%	13.3%	12.4%	5.3%	5.8%	11.4%	0.6%	0.7%	0.6%
Medical / Surgical	2.9%	0.5%	3.4%	-5.7%	5.3%	-0.8%	1.5%	0.2%	1.7%	13.1%	34.3%	18.5%
Psychiatric / Substance Abuse	-2.2%	2.7%	0.4%	-8.5%	-22.5%	-29.0%	-1.3%	2.1%	0.8%	0.6%	0.5%	0.6%
TOTAL	2.8%	0.8%	3.6%	-5.7%	5.0%	-0.9%	1.5%	0.4%	1.9%	14.2%	35.5%	19.7%
HOSPITAL OUTPATIENT												
Emergency Room	3.8%	2.3%	6.2%	-2.2%	6.6%	4.2%	3.3%	2.5%	6.0%	4.5%	2.9%	4.1%
Medical / Surgical	6.3%	-4.4%	1.7%	10.0%	1.0%	11.2%	6.7%	-2.4%	4.1%	13.7%	14.0%	13.8%
Other Services	2.9%	1.3%	4.3%	0.1%	3.8%	3.9%	2.7%	1.4%	4.2%	11.0%	9.0%	10.5%
Psychiatric / Substance Abuse	-2.1%	4.6%	2.4%	-8.9%	5.8%	-3.6%	-2.6%	3.3%	0.6%	0.2%	0.1%	0.2%
TOTAL	4.6%	-1.1%	3.4%	5.1%	2.6%	7.9%	4.7%	-0.2%	4.4%	29.4%	26.0%	28.6%
PHYSICIAN SERVICES												
Anesthesia	6.3%	-0.4%	5.8%	2.4%	1.2%	3.6%	5.8%	-0.4%	5.4%	2.6%	1.9%	2.4%
Chemotherapy / Radiation	3.1%	-5.6%	-2.7%	0.6%	8.4%	9.1%	2.7%	-2.5%	0.1%	1.4%	1.2%	1.4%
Consultations	3.0%	2.9%	6.0%	-3.3%	4.1%	0.7%	2.2%	2.9%	5.2%	1.9%	1.0%	1.7%
Emergency Room	6.8%	3.0%	10.0%	-4.2%	4.5%	0.0%	5.9%	2.8%	8.9%	1.3%	0.5%	1.1%
Immunizations / Injections / Allergy	14.2%	13.7%	29.9%	14.9%	20.0%	37.9%	14.3%	14.7%	31.1%	1.2%	0.6%	1.1%
Inpatient Surgery	1.0%	4.1%	5.1%	-7.7%	7.7%	-0.6%	-0.8%	4.1%	3.3%	2.4%	3.2%	2.6%
Inpatient Visits	1.2%	2.4%	3.6%	-9.2%	13.4%	2.9%	-0.3%	4.0%	3.7%	1.5%	1.2%	1.4%
Lab & Pathology	3.4%	0.2%	3.6%	9.0%	2.0%	11.2%	5.7%	1.5%	7.3%	2.3%	6.5%	3.4%
Maternity	6.7%	1.9%	8.8%	-2.2%	11.7%	9.2%	5.4%	2.9%	8.5%	1.0%	0.4%	0.8%
Office Visits	4.6%	2.7%	7.5%	2.2%	3.6%	5.9%	4.4%	2.8%	7.3%	15.1%	4.9%	12.5%
Other Services	5.3%	-3.2%	1.9%	3.8%	-2.4%	1.2%	5.1%	-3.2%	1.7%	9.7%	5.7%	8.7%
Outpatient Surgery	3.0%	0.6%	3.7%	4.7%	-0.3%	4.4%	3.2%	0.6%	3.8%	4.3%	3.4%	4.1%
Psychiatric / Substance Abuse	3.8%	0.5%	4.4%	0.1%	0.7%	0.8%	3.5%	0.6%	4.1%	2.3%	0.5%	1.9%
Radiology	2.5%	5.3%	7.9%	-0.3%	7.0%	6.7%	2.2%	5.4%	7.6%	5.4%	4.4%	5.2%
Therapies	1.2%	3.3%	4.6%	-9.9%	3.3%	-6.9%	0.5%	3.2%	3.7%	1.6%	0.4%	1.3%
TOTAL	4.2%	1.5%	5.8%	2.1%	3.4%	5.6%	3.9%	1.7%	5.7%	54.2%	35.8%	49.4%
OTHER												
Ambulance	13.9%	-2.5%	11.0%	-6.7%	10.3%	2.9%	10.9%	-3.1%	7.5%	0.6%	0.5%	0.6%
Appliances (DME)	15.8%	1.2%	17.2%	0.7%	27.5%	28.4%	12.8%	6.7%	20.3%	1.0%	1.7%	1.2%
Other Services	13.6%	-20.1%	-9.2%	11.9%	-5.2%	6.1%	13.3%	-17.1%	-6.1%	0.6%	0.5%	0.6%
TOTAL	14.7%	-5.4%	8.5%	1.4%	18.0%	19.7%	12.5%	-1.5%	10.8%	2.2%	2.7%	2.3%
GRAND TOTAL	4.3%	0.5%	4.8%	0.1%	4.2%	4.3%	3.9%	0.8%	4.7%	100.0%	100.0%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of July 2003 to June 2007**

48 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	5.6%	3.4%	9.2%	2.8%	3.9%	6.8%	4.9%	2.0%	7.0%	0.5%	0.8%	0.6%
Medical / Surgical	0.0%	-0.7%	-0.7%	-2.8%	6.0%	3.0%	-0.4%	2.4%	2.0%	13.4%	34.6%	18.8%
Psychiatric / Substance Abuse	1.2%	-3.6%	-2.4%	-4.4%	-6.5%	-10.6%	0.2%	-3.1%	-2.9%	0.6%	0.6%	0.6%
TOTAL	0.3%	-0.7%	-0.4%	-2.7%	5.8%	2.9%	-0.2%	2.3%	2.0%	14.5%	36.0%	20.0%
HOSPITAL OUTPATIENT												
Emergency Room	3.7%	4.1%	8.0%	1.8%	8.7%	10.7%	3.5%	4.8%	8.5%	4.4%	2.7%	4.0%
Medical / Surgical	1.8%	-1.1%	0.7%	7.1%	2.3%	9.6%	2.4%	0.5%	2.9%	14.0%	14.0%	14.0%
Other Services	3.4%	2.8%	6.3%	3.7%	7.3%	11.2%	3.4%	3.8%	7.3%	10.8%	8.7%	10.3%
Psychiatric / Substance Abuse	5.6%	4.4%	10.2%	-8.7%	5.7%	-3.5%	4.4%	2.7%	7.2%	0.2%	0.1%	0.2%
TOTAL	2.7%	1.2%	3.9%	5.3%	4.7%	10.3%	2.9%	2.3%	5.3%	29.5%	25.5%	28.5%
PHYSICIAN SERVICES												
Anesthesia	5.5%	-1.6%	3.8%	6.1%	-2.7%	3.3%	5.6%	-1.7%	3.8%	2.6%	1.9%	2.4%
Chemotherapy / Radiation	-2.6%	0.9%	-1.7%	2.7%	6.6%	9.5%	-1.8%	2.4%	0.6%	1.5%	1.2%	1.4%
Consultations	3.6%	3.6%	7.3%	0.3%	4.1%	4.4%	3.2%	3.6%	6.8%	1.9%	1.0%	1.7%
Emergency Room	4.6%	4.1%	8.8%	-1.4%	3.5%	2.1%	4.1%	3.8%	8.1%	1.3%	0.5%	1.1%
Immunizations / Injections / Allergy	7.2%	9.0%	16.8%	9.6%	18.1%	29.5%	7.4%	10.4%	18.5%	1.2%	0.5%	1.0%
Inpatient Surgery	0.4%	1.7%	2.2%	-4.1%	4.0%	-0.3%	-0.5%	1.9%	1.4%	2.4%	3.3%	2.7%
Inpatient Visits	-0.3%	3.3%	2.9%	-2.5%	7.8%	5.1%	-0.6%	4.0%	3.4%	1.5%	1.2%	1.4%
Lab & Pathology	1.3%	0.0%	1.2%	9.5%	2.0%	11.7%	4.6%	1.5%	6.2%	2.3%	6.3%	3.3%
Maternity	5.2%	3.7%	9.1%	3.0%	5.8%	8.9%	5.0%	3.9%	9.1%	1.0%	0.4%	0.8%
Office Visits	3.6%	2.9%	6.6%	1.4%	4.6%	6.1%	3.4%	3.9%	7.5%	15.0%	5.0%	12.4%
Other Services	4.5%	0.2%	4.7%	4.4%	-0.7%	3.6%	4.5%	0.1%	4.5%	9.6%	5.8%	8.6%
Outpatient Surgery	3.4%	1.2%	4.5%	5.8%	-0.4%	5.3%	3.7%	1.0%	4.7%	4.3%	3.5%	4.1%
Psychiatric / Substance Abuse	2.5%	1.2%	3.8%	-1.1%	1.1%	0.0%	2.2%	1.3%	3.5%	2.3%	0.6%	1.9%
Radiology	3.3%	4.3%	7.7%	1.9%	5.2%	7.3%	3.1%	4.3%	7.6%	5.3%	4.4%	5.1%
Therapies	4.6%	0.4%	5.1%	0.1%	-1.2%	-1.1%	4.3%	0.3%	4.6%	1.6%	0.4%	1.3%
TOTAL	3.4%	2.0%	5.5%	3.5%	2.7%	6.2%	3.4%	2.4%	5.9%	53.9%	35.9%	49.3%
OTHER												
Ambulance	6.5%	0.6%	7.1%	6.8%	12.9%	20.6%	6.5%	2.3%	9.0%	0.6%	0.5%	0.5%
Appliances (DME)	13.0%	2.4%	15.7%	5.8%	14.3%	20.9%	11.6%	4.8%	16.9%	1.0%	1.6%	1.1%
Other Services	18.8%	-18.4%	-3.0%	10.4%	-2.0%	8.2%	17.3%	-15.3%	-0.6%	0.6%	0.5%	0.6%
TOTAL	12.8%	-3.8%	8.6%	6.9%	10.8%	18.5%	11.8%	-0.8%	10.9%	2.1%	2.6%	2.3%
GRAND TOTAL	2.9%	1.3%	4.2%	1.8%	4.5%	6.4%	2.7%	2.3%	5.1%	100.0%	100.0%	100.0%

**West Virginia PEIA Medicare Total
Study Period of July 2003 to June 2007**

24 Month Trends Summary - Excludes Drugs

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
Hospital Inpatient	4.6%	5.2%	10.0%	27.9%
Hospital Outpatient	15.6%	-7.6%	6.9%	25.4%
Physician Services	1.2%	5.9%	7.2%	39.7%
Other	22.7%	11.3%	36.6%	7.0%
<hr/>				
TOTAL	7.3%	2.7%	10.2%	100.0%

36 Month Trends Summary - Excludes Drugs

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
Hospital Inpatient	2.0%	4.6%	6.7%	28.0%
Hospital Outpatient	11.7%	-4.3%	6.9%	25.4%
Physician Services	4.6%	1.1%	5.8%	40.0%
Other	18.7%	8.2%	28.5%	6.5%
<hr/>				
TOTAL	6.6%	1.2%	7.9%	100.0%

48 Month Trends Summary - Excludes Drugs

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
Hospital Inpatient	1.3%	3.3%	4.7%	28.4%
Hospital Outpatient	10.3%	-3.7%	6.2%	25.5%
Physician Services	5.4%	1.0%	6.5%	39.9%
Other	20.6%	0.9%	21.7%	6.2%
<hr/>				
TOTAL	6.5%	0.4%	6.9%	100.0%

**West Virginia PEIA Non-Medicare and Medicare Prescription Drugs Total
Study Period of July 2003 to June 2007**

24 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
Non-Medicare	5.2%	4.5%	9.9%	61.2%
Medicare	2.3%	4.3%	6.8%	38.8%
TOTAL	4.1%	4.4%	8.7%	100.0%

36 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
Non-Medicare	3.4%	6.5%	10.1%	61.2%
Medicare	1.3%	6.6%	8.1%	38.8%
TOTAL	2.6%	6.6%	9.3%	100.0%

48 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
Non-Medicare	3.3%	6.7%	10.2%	61.3%
Medicare	1.6%	7.2%	8.8%	38.7%
TOTAL	2.6%	6.9%	9.7%	100.0%

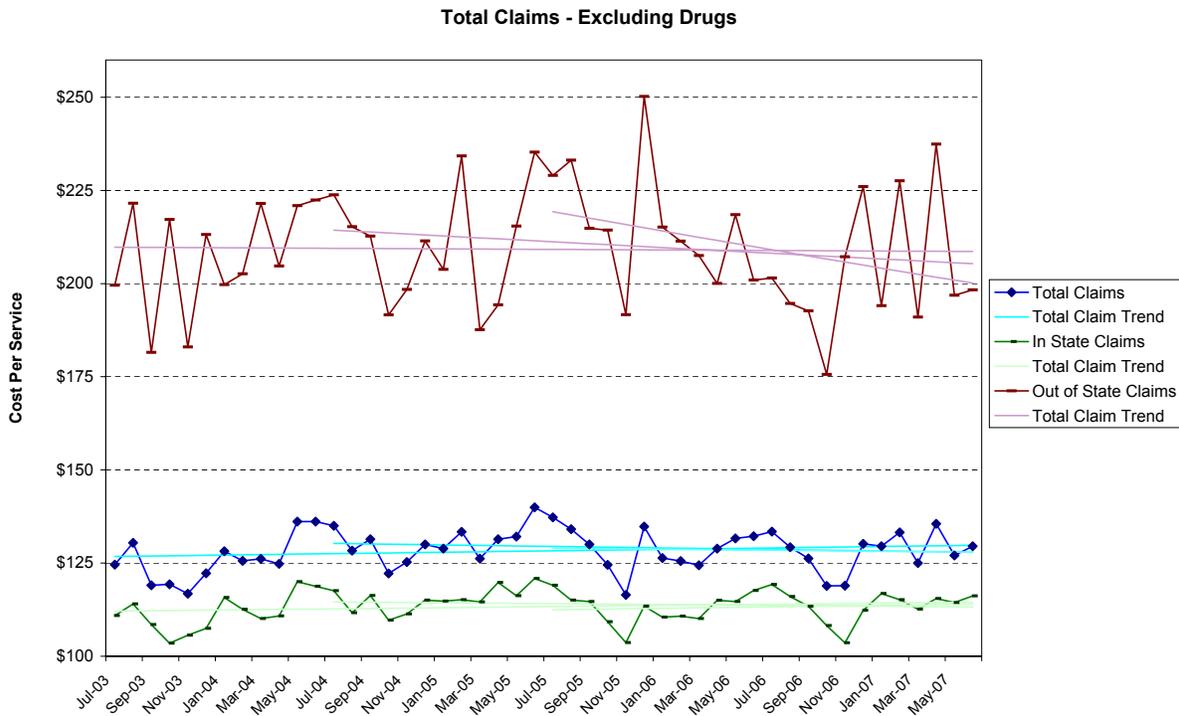
Appendix A

NON-MEDICARE CLAIMS
Excluding Drugs
GRAND TOTAL

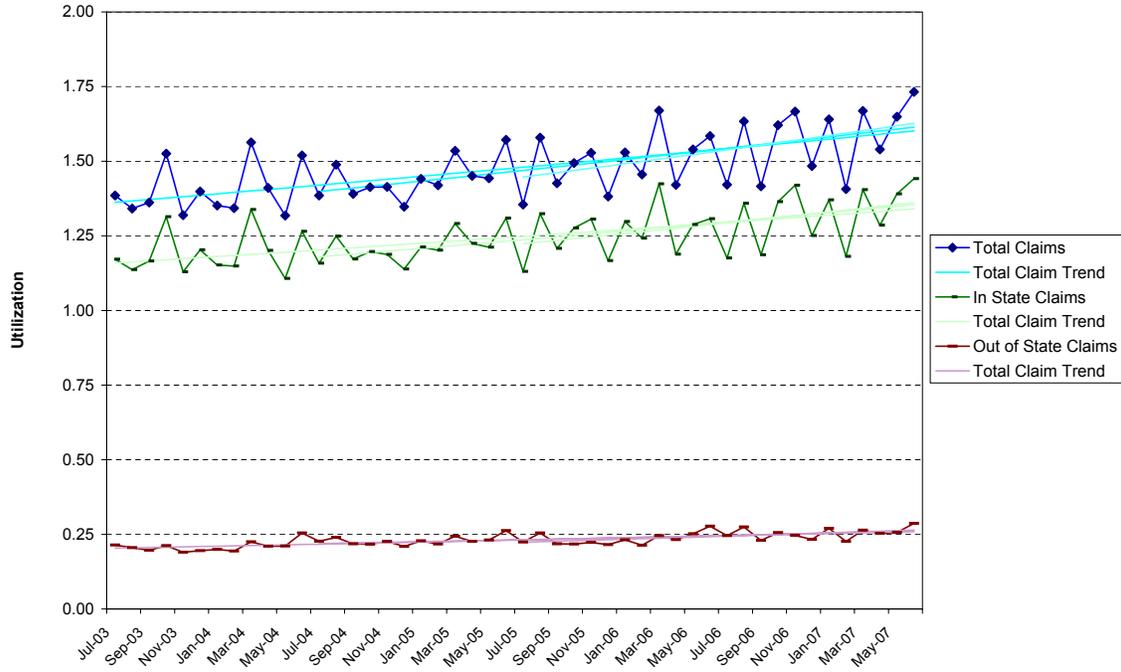
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
7.2%	-2.0%	5.1%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.9%	0.8%	4.7%

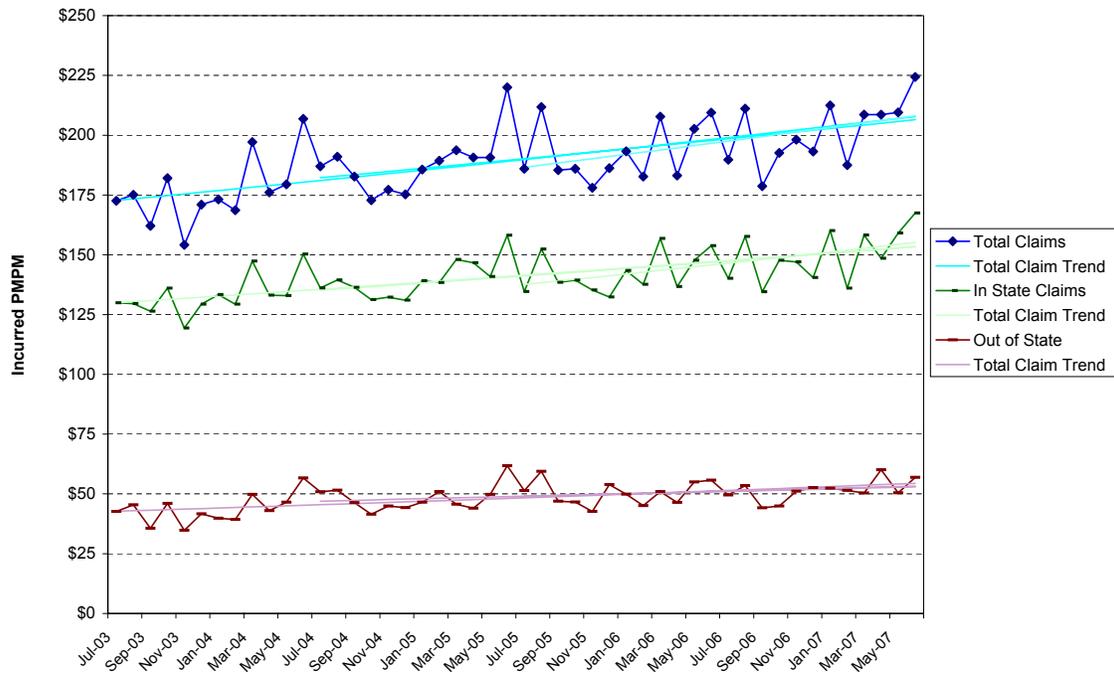
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	2.3%	5.1%



Total Claims - Excluding Drugs



Total Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

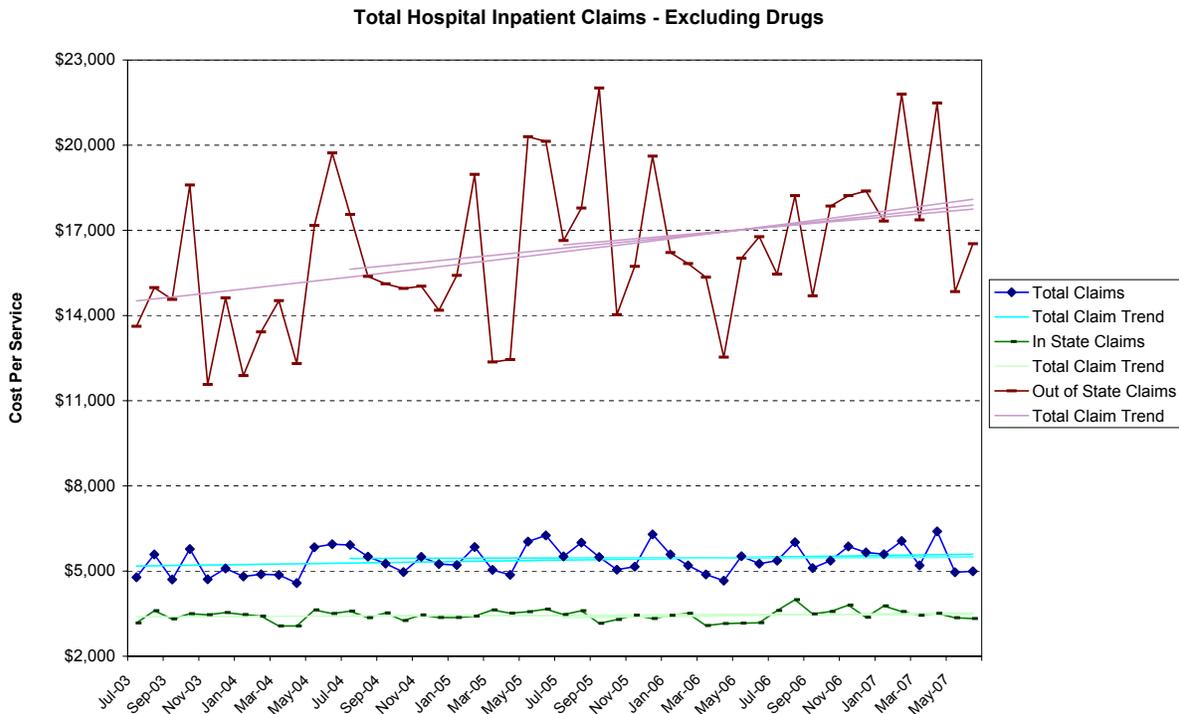
HOSPITAL INPATIENT

TOTAL

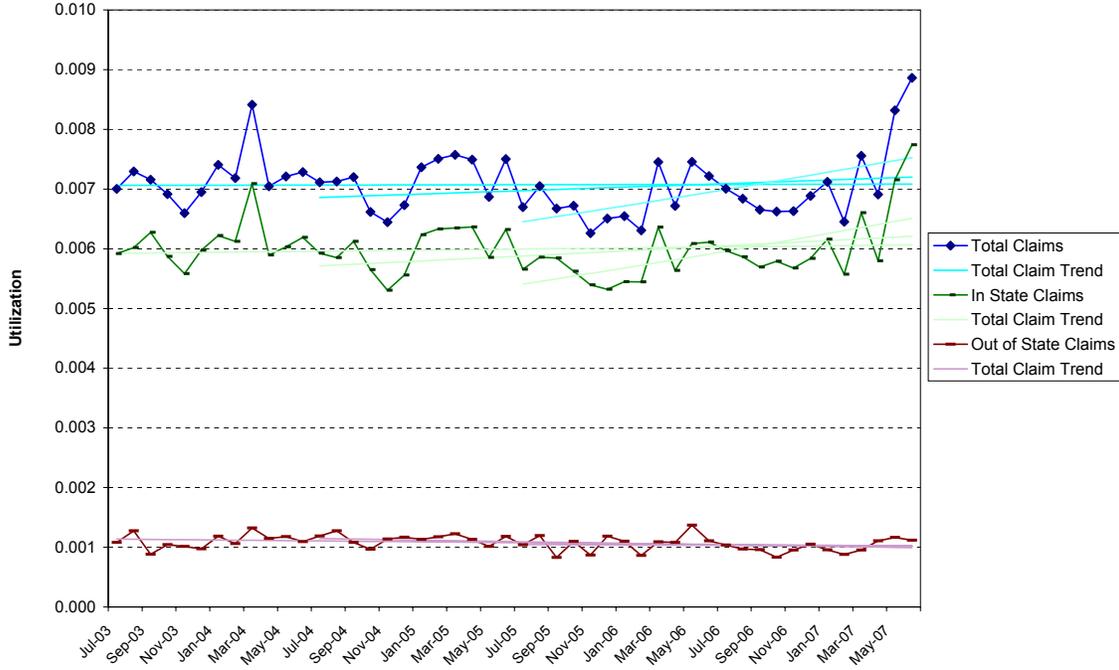
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.2%	0.6%	8.9%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.5%	0.4%	1.9%

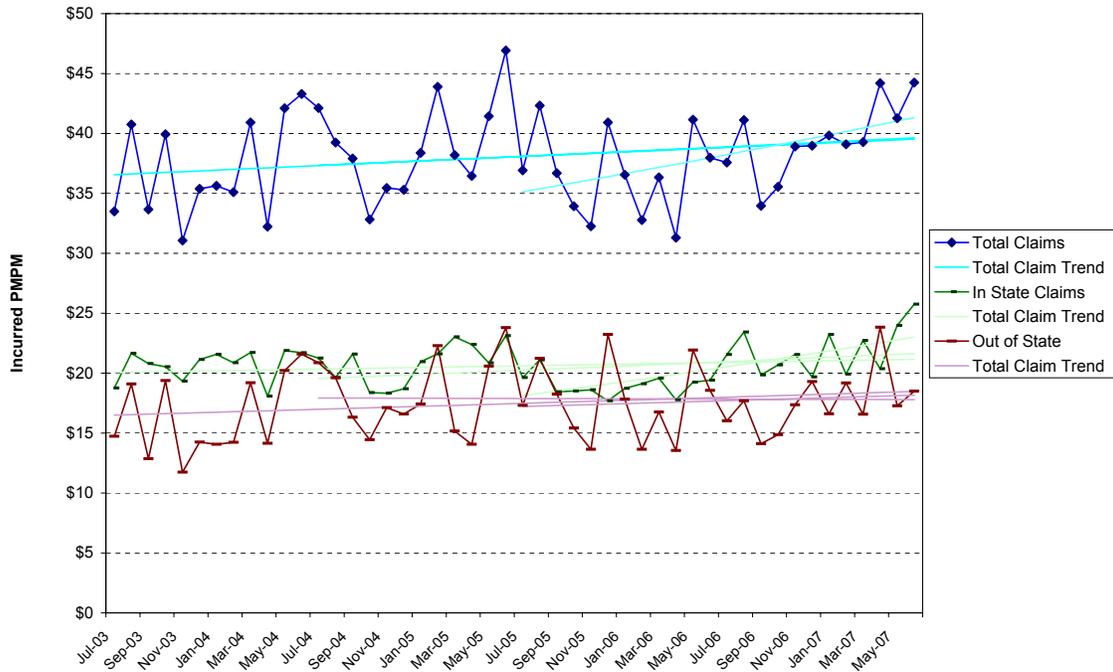
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	2.3%	2.0%



Total Hospital Inpatient Claims - Excluding Drugs



Total Hospital Inpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

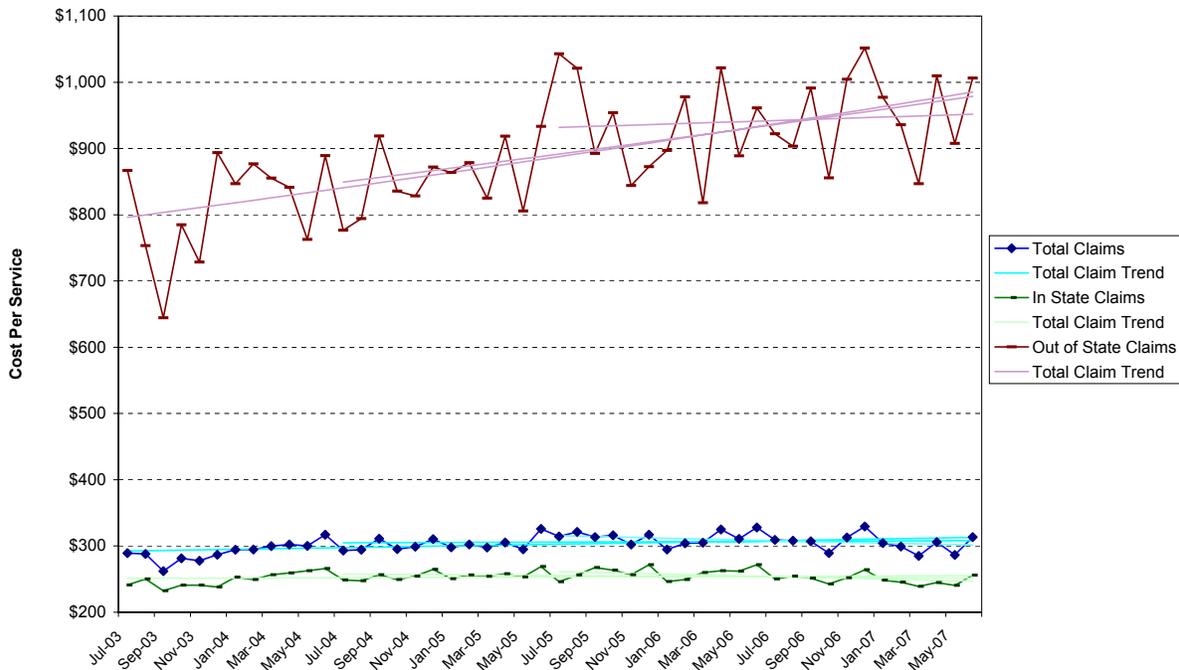
TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
9.9%	-4.5%	5.0%

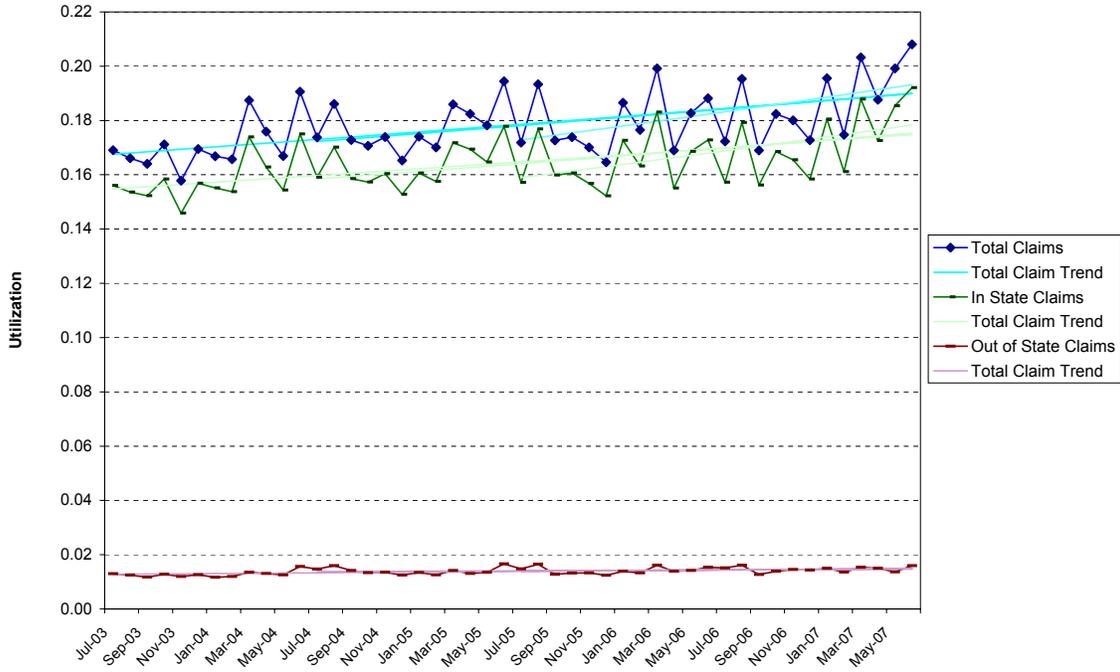
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.7%	-0.2%	4.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.9%	2.3%	5.3%

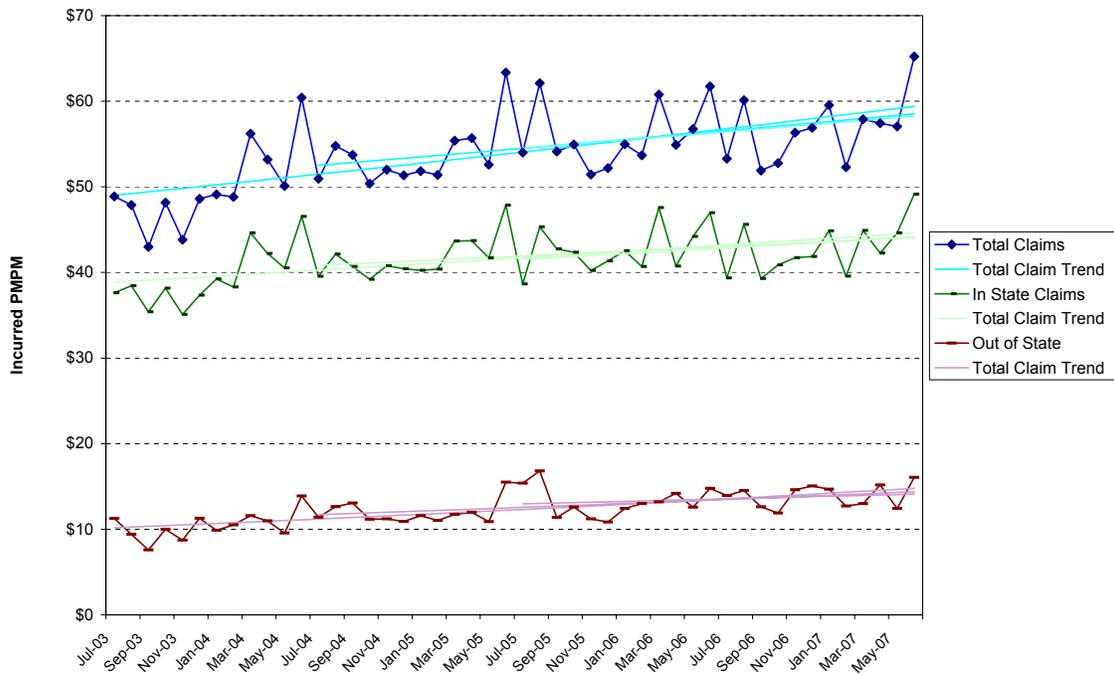
Total Hospital Outpatient Claims - Excluding Drugs



Total Hospital Outpatient Claims - Excluding Drugs



Total Hospital Outpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

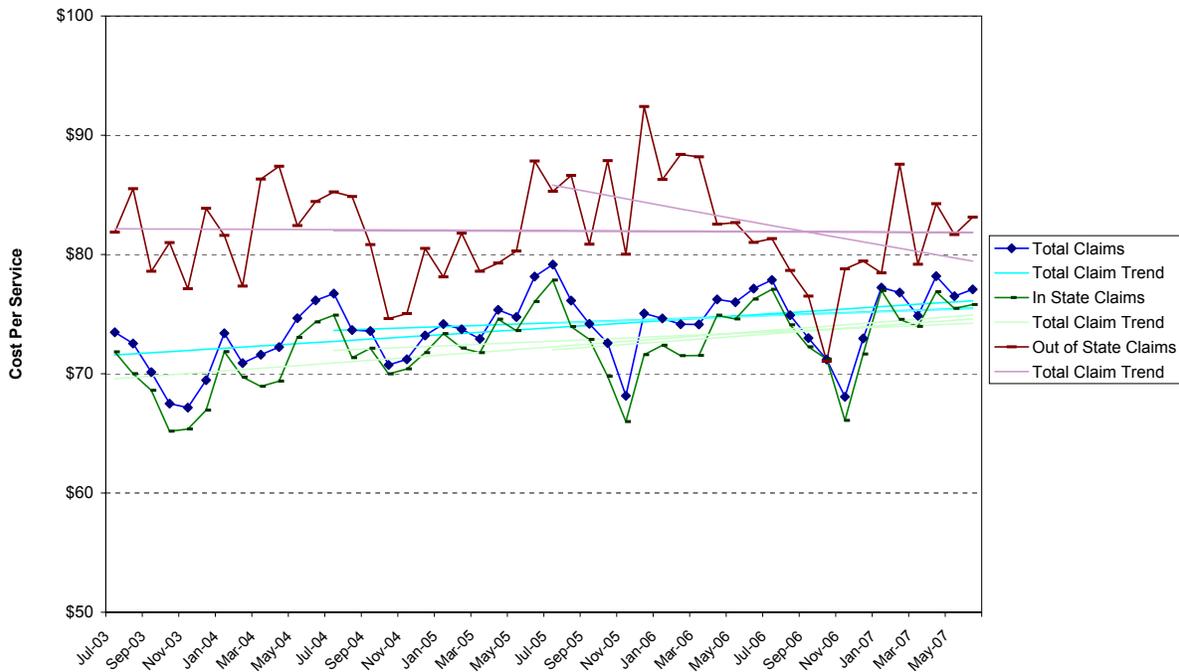
TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.1%	-1.7%	3.2%

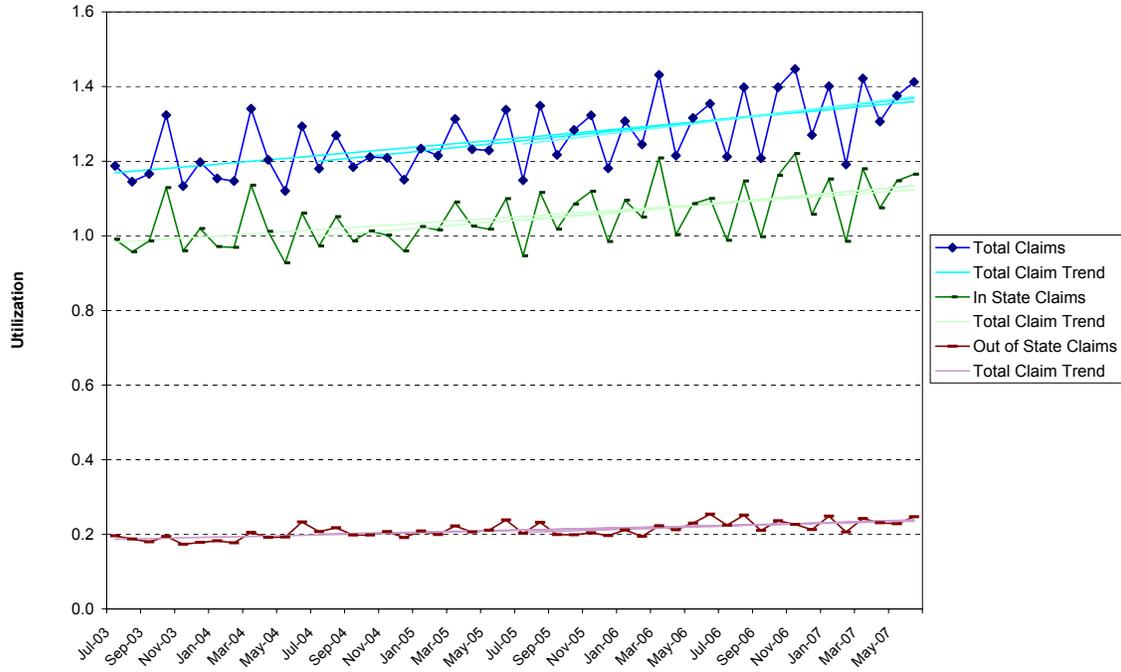
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.9%	1.7%	5.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.4%	2.4%	5.9%

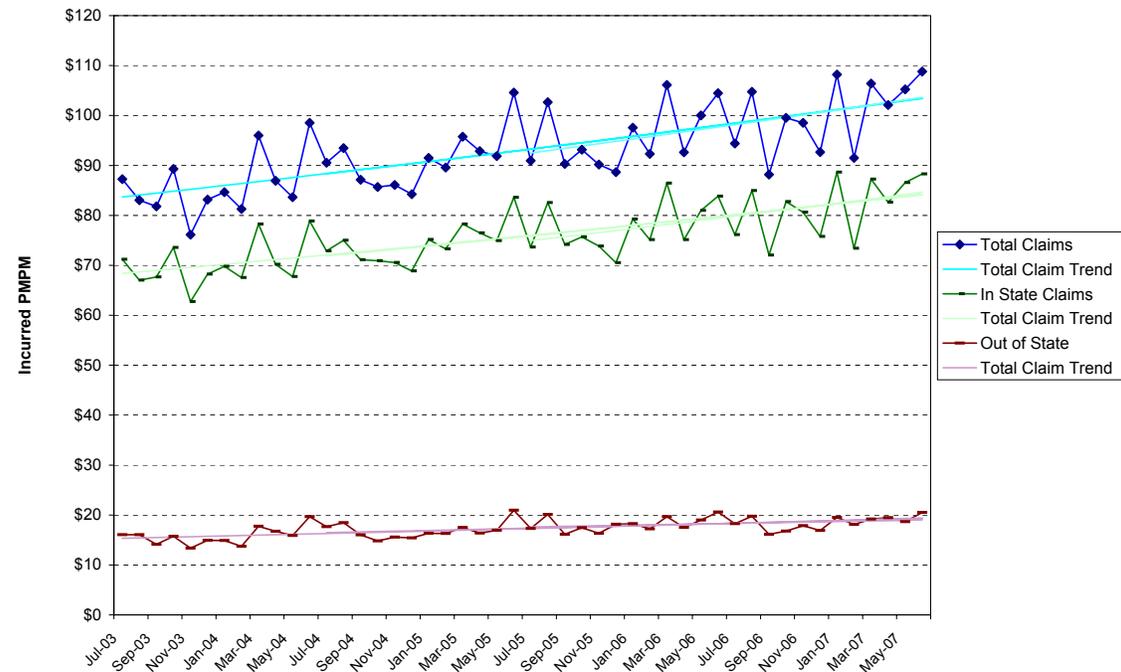
Total Physician Services Claims - Excluding Drugs



Total Physician Services Claims - Excluding Drugs



Total Physician Services Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

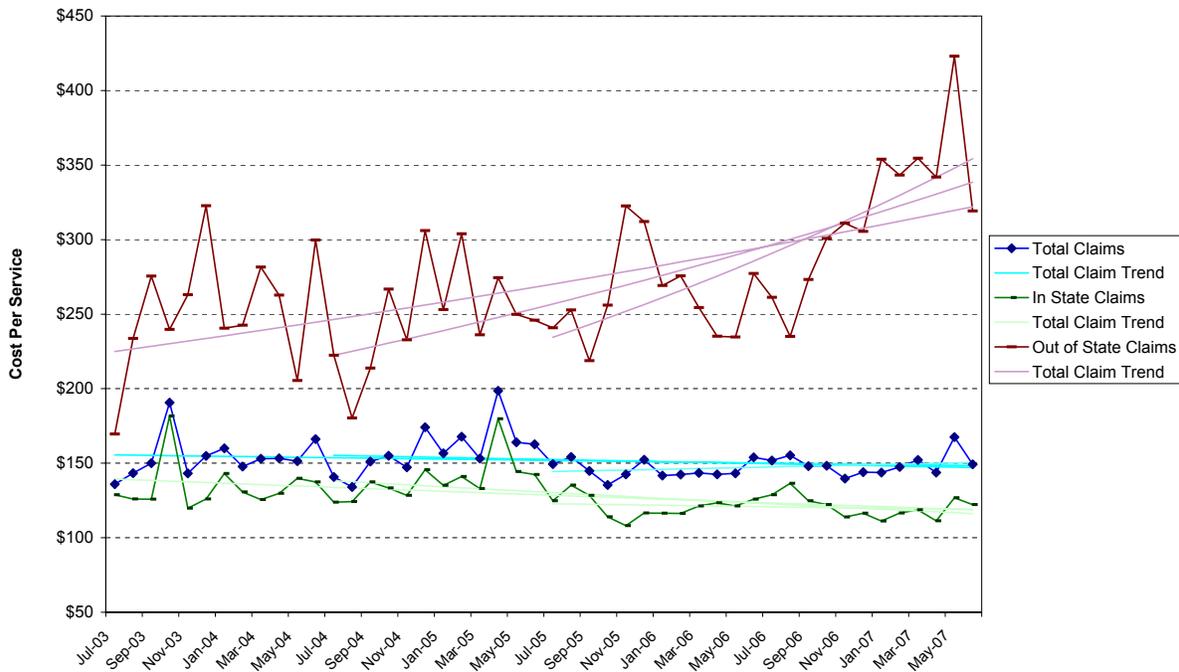
TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
12.6%	2.8%	15.7%

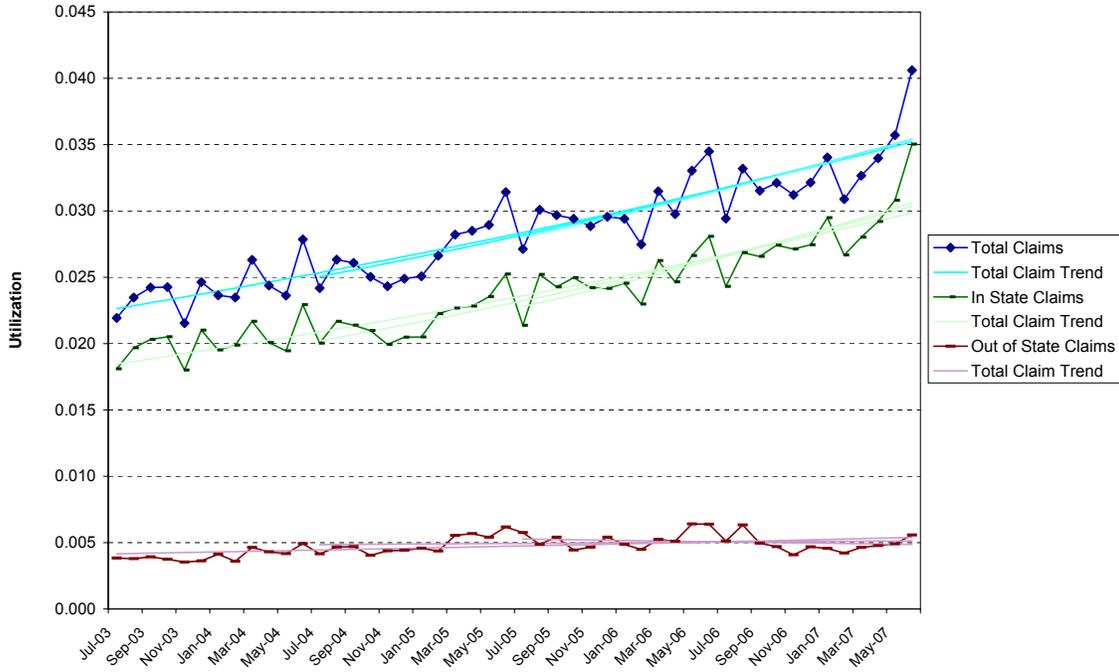
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
12.5%	-1.5%	10.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.8%	-0.8%	10.9%

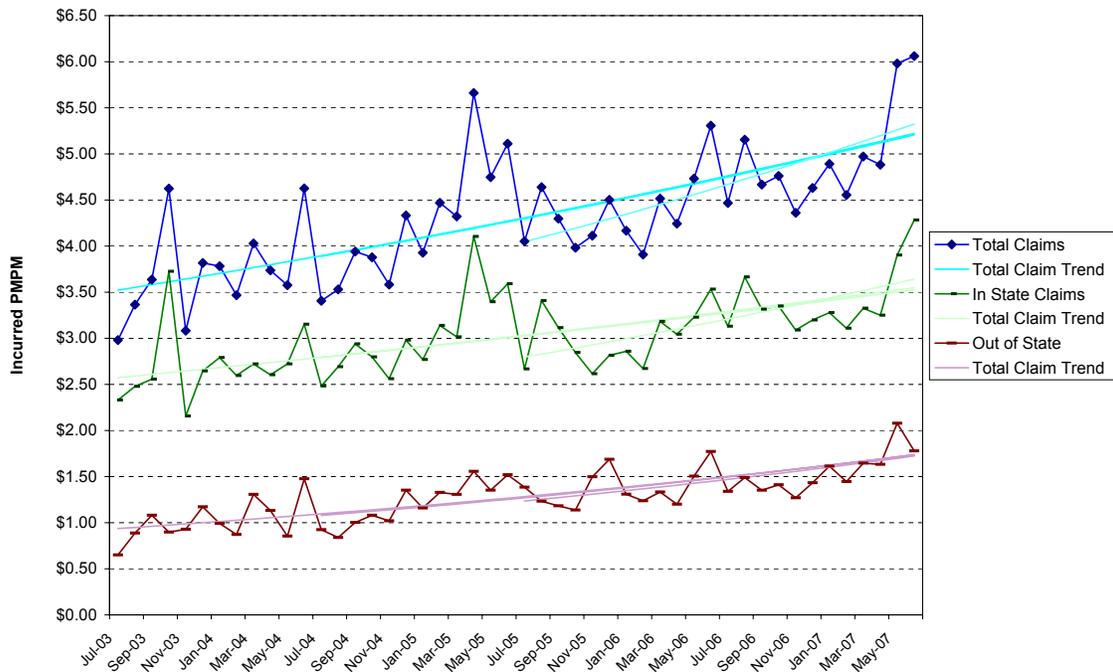
Total Other Claims - Excluding Drugs



Total Other Claims - Excluding Drugs



Total Other Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

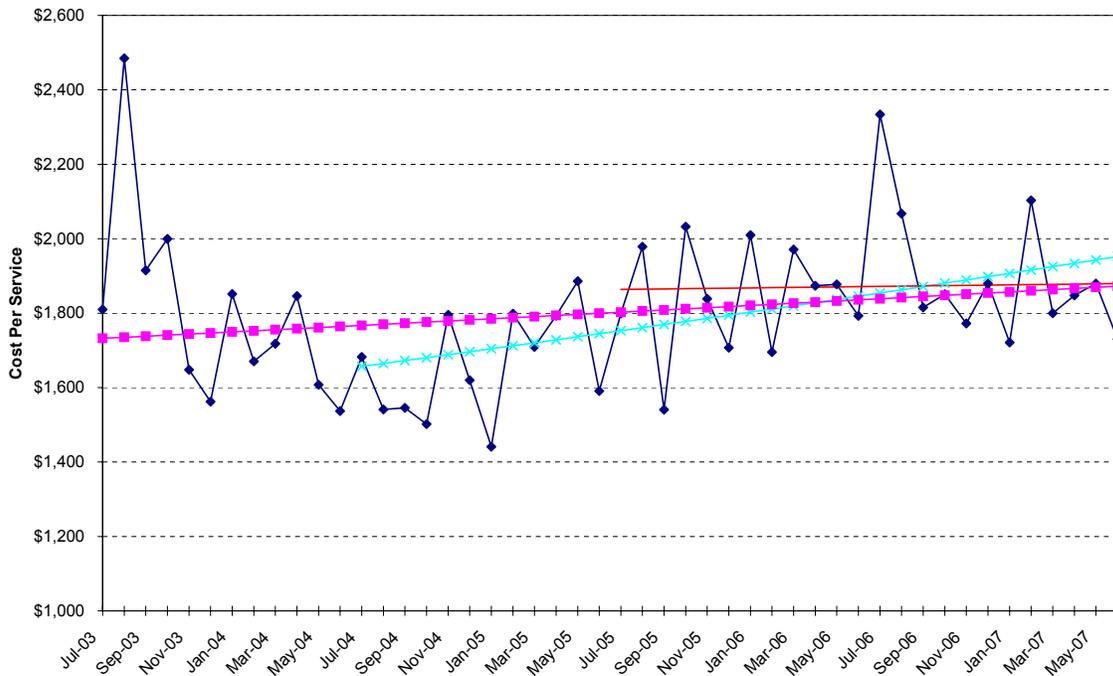
Maternity

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
14.5%	0.4%	15.0%

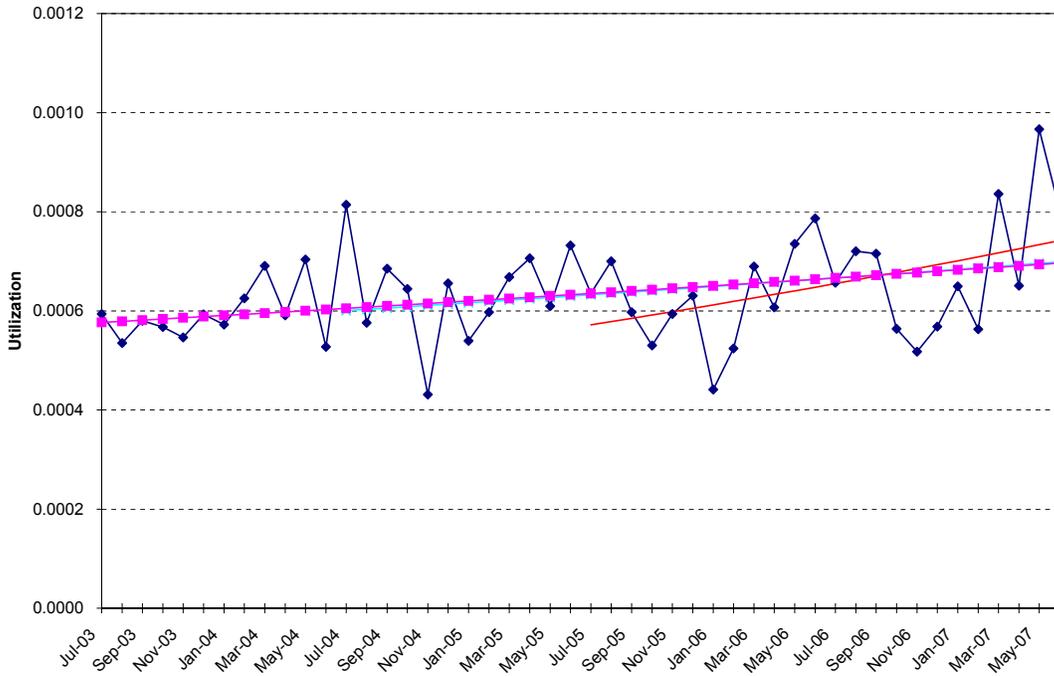
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.3%	5.8%	11.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.9%	2.0%	7.0%

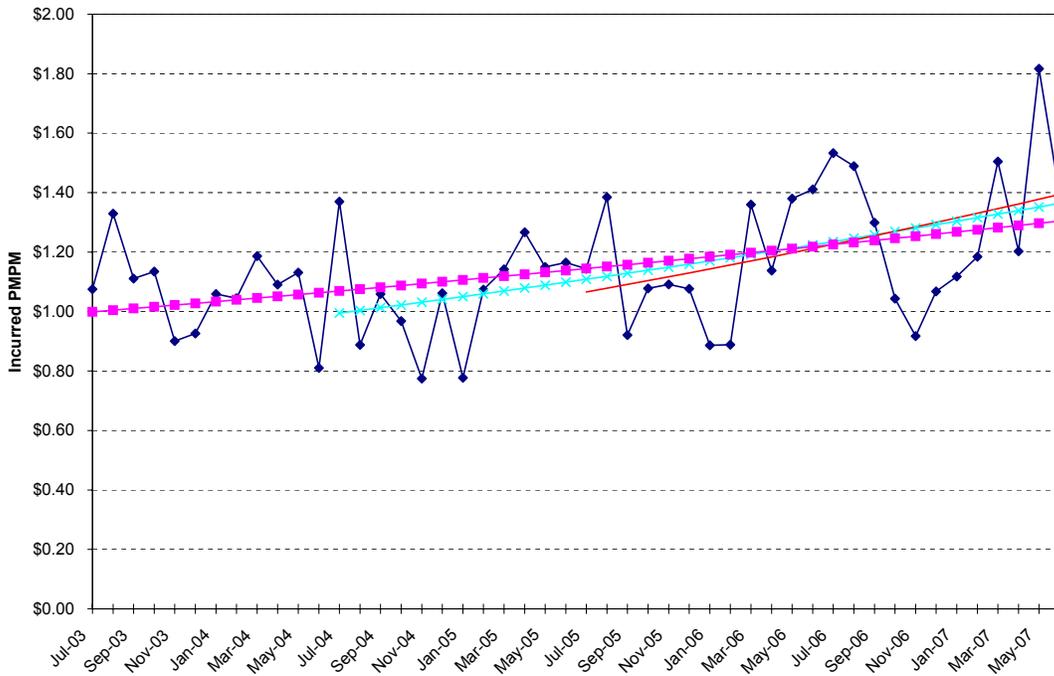
Hospital Inpatient - Maternity



Hospital Inpatient - Maternity



Hospital Inpatient - Maternity



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

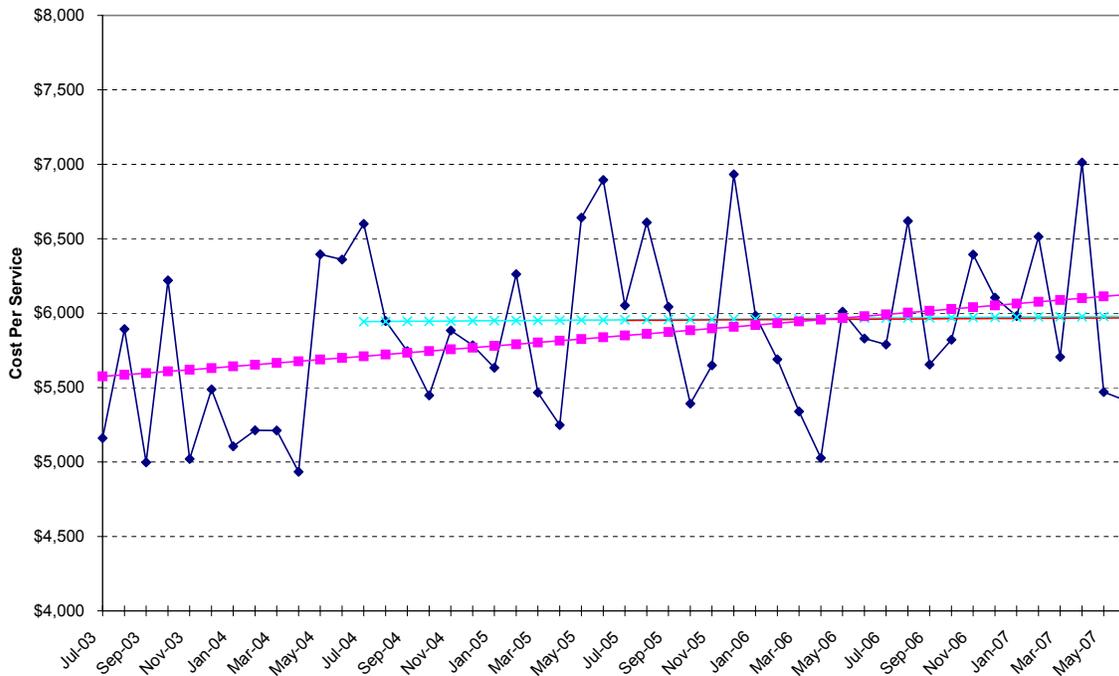
Medical / Surgical

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.3%	0.1%	8.4%

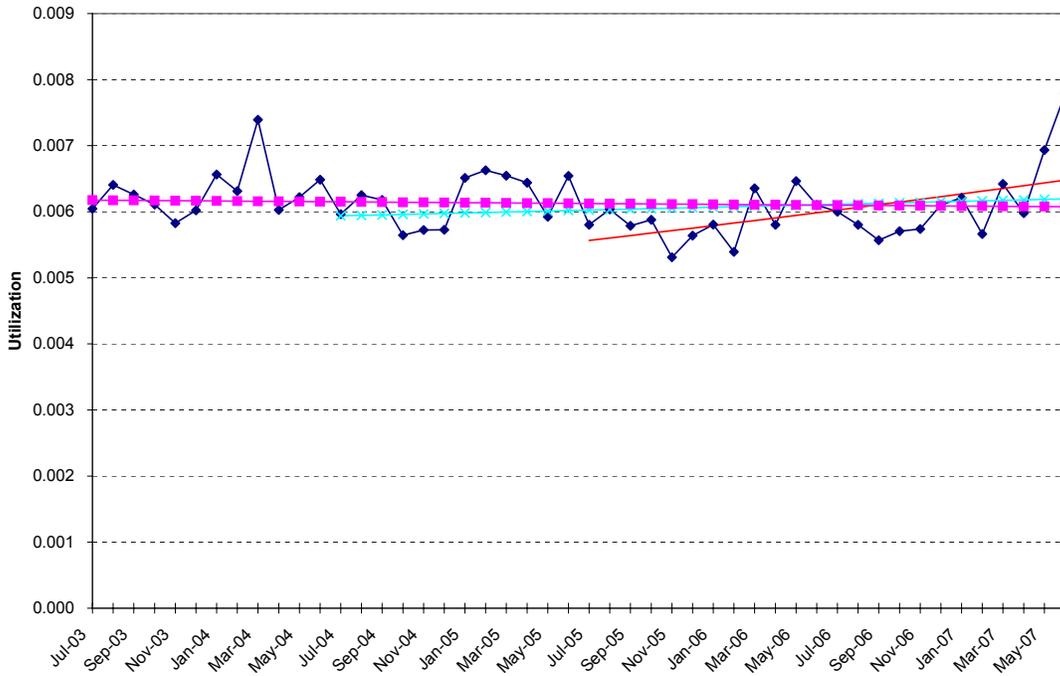
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.5%	0.2%	1.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.4%	2.4%	2.0%

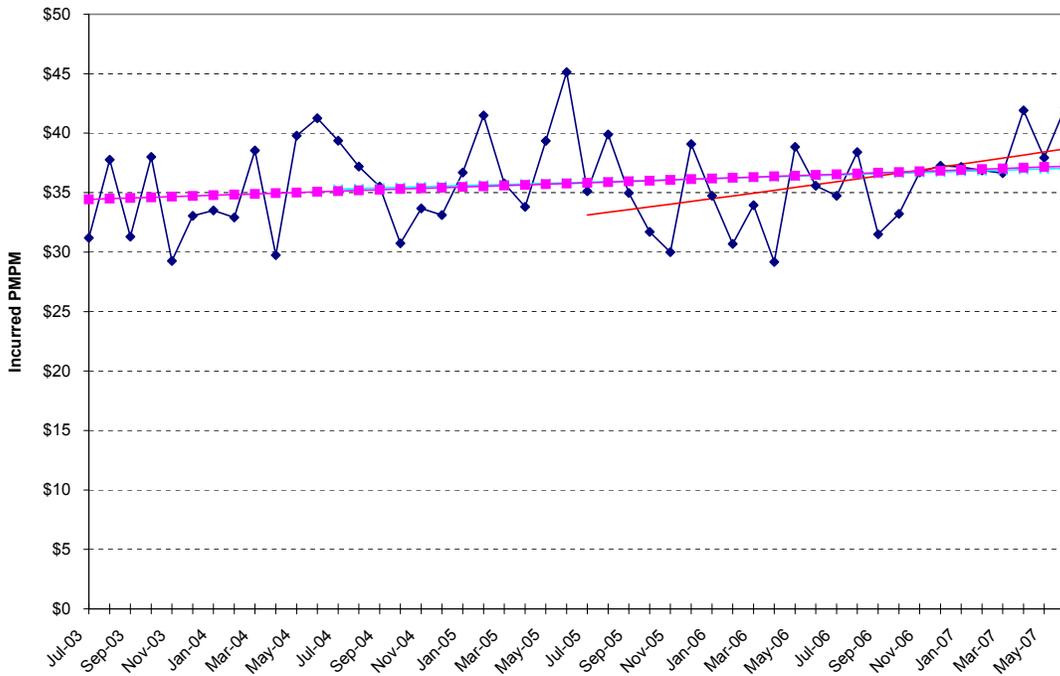
Hospital Inpatient - Medical / Surgical



Hospital Inpatient - Medical / Surgical



Hospital Inpatient - Medical / Surgical



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

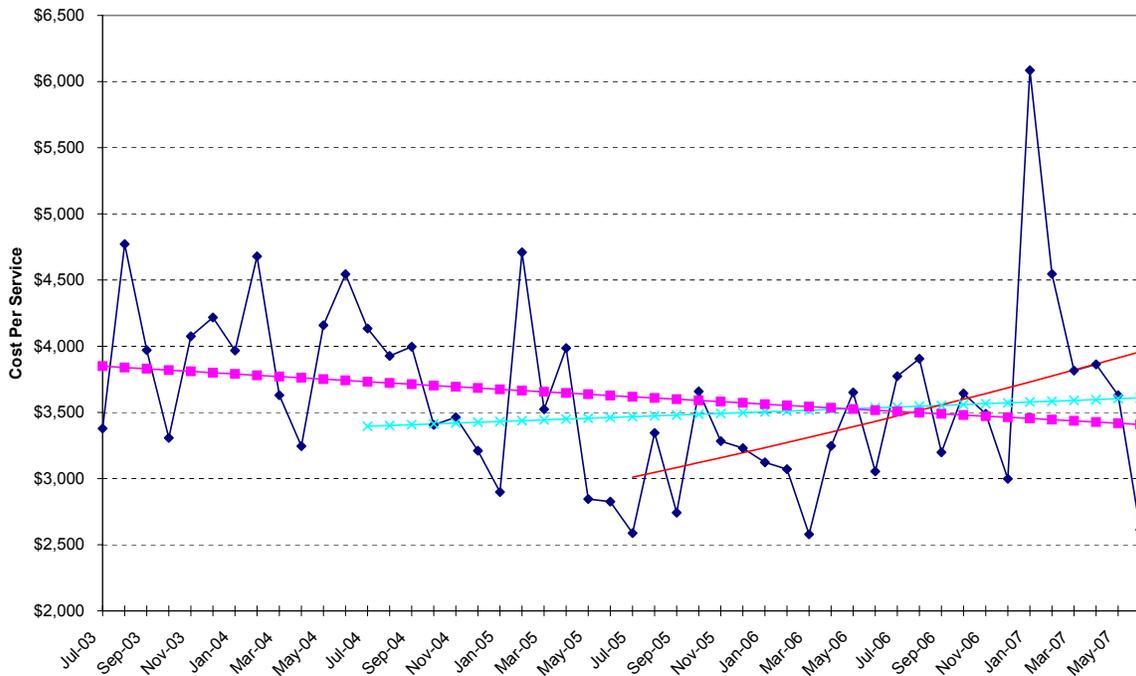
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.4%	15.4%	14.9%

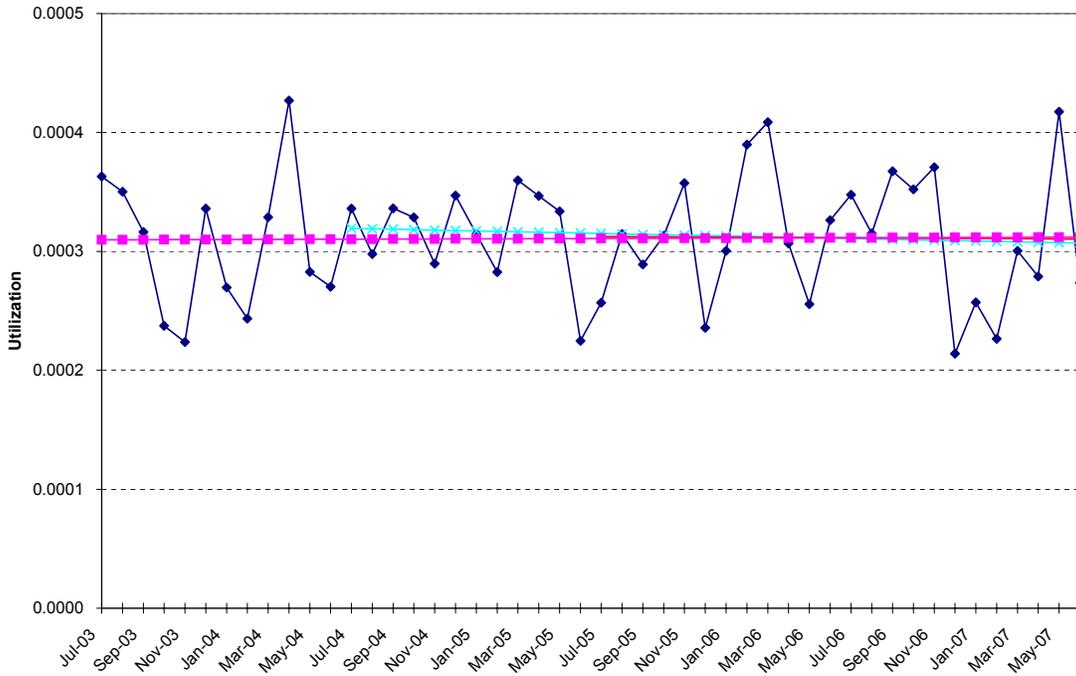
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.3%	2.1%	0.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.2%	-3.1%	-2.9%

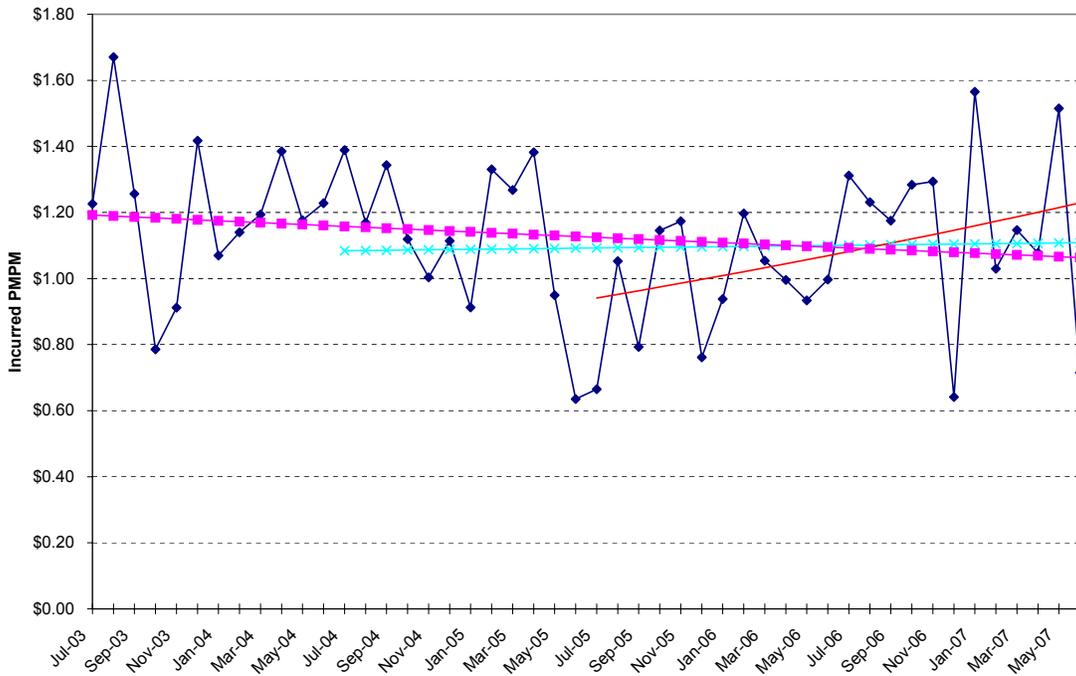
Hospital Inpatient - Psychiatric / Substance Abuse



Hospital Inpatient - Psychiatric / Substance Abuse



Hospital Inpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

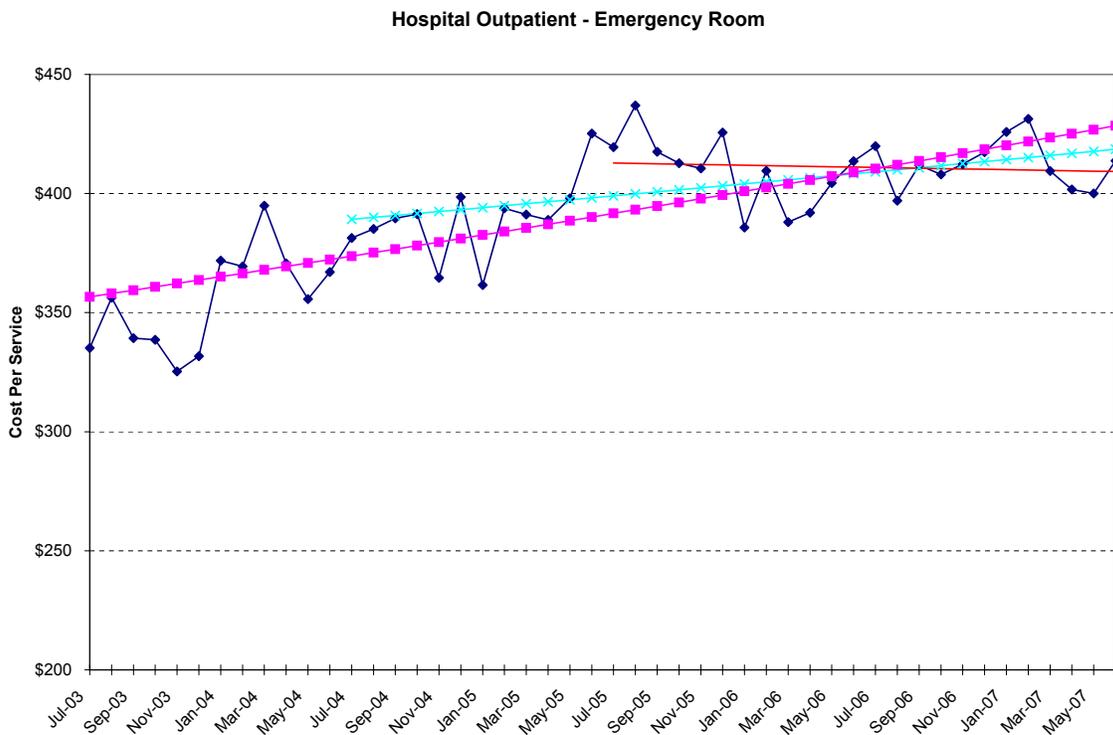
HOSPITAL OUTPATIENT

Emergency Room

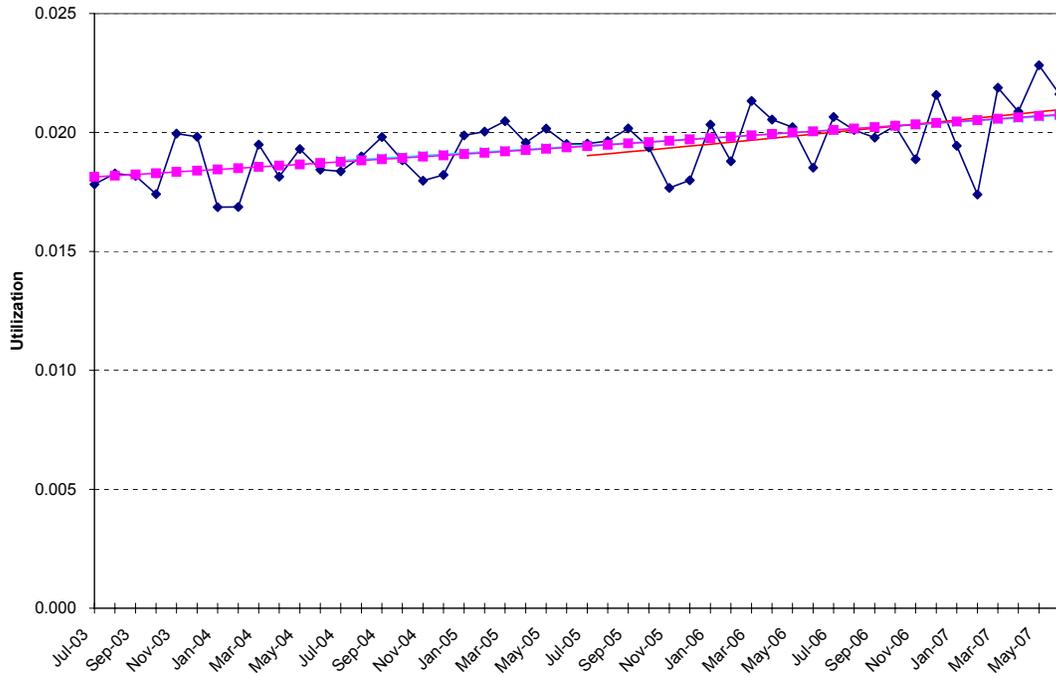
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.2%	-0.4%	4.7%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.3%	2.5%	6.0%

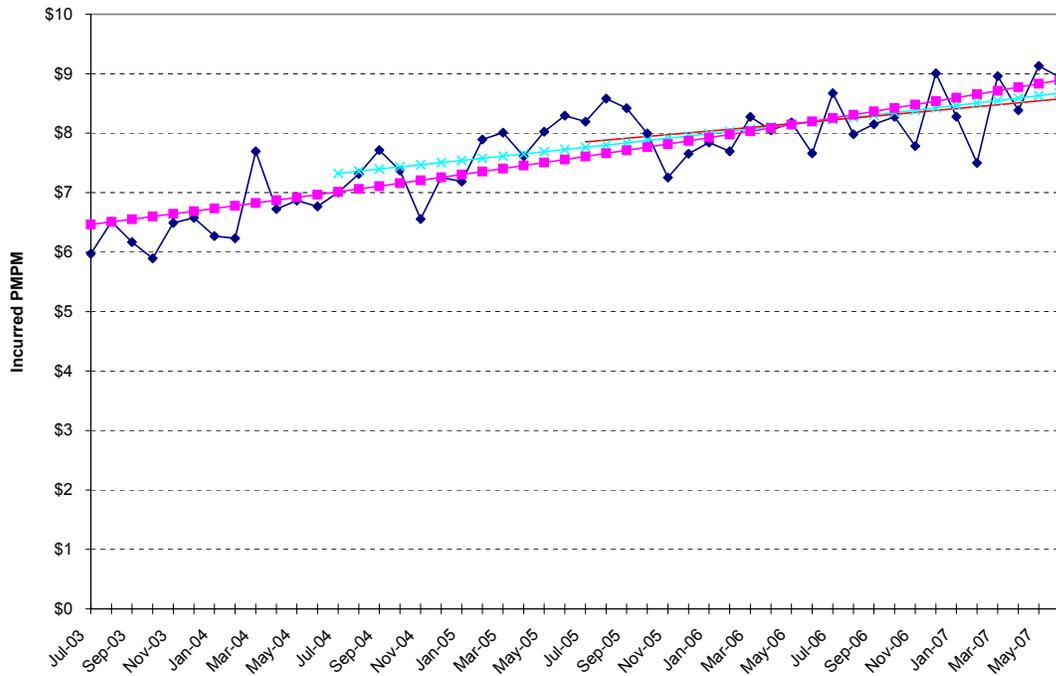
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.5%	4.8%	8.5%



Hospital Outpatient - Emergency Room



Hospital Outpatient - Emergency Room



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

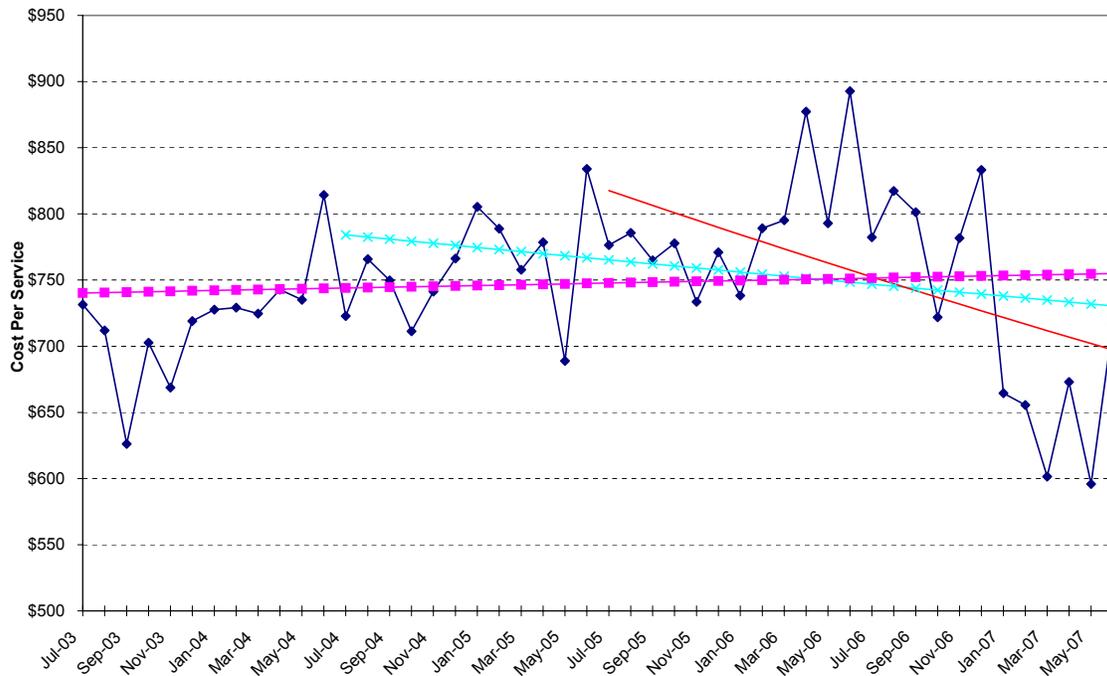
Medical / Surgical

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
16.5%	-8.0%	7.2%

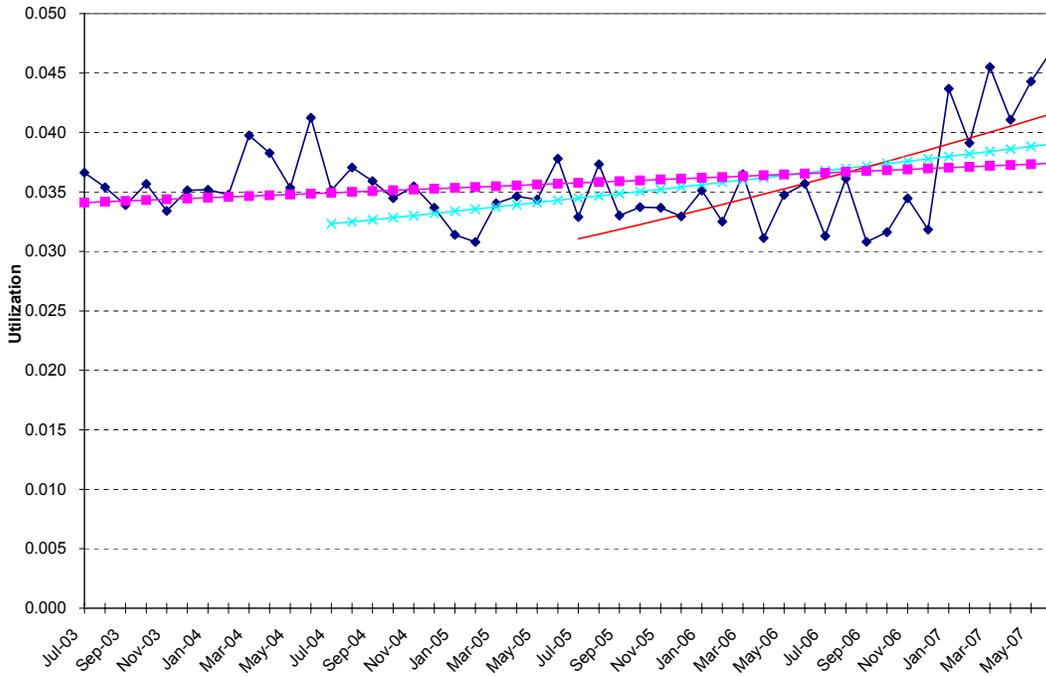
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.7%	-2.4%	4.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.4%	0.5%	2.9%

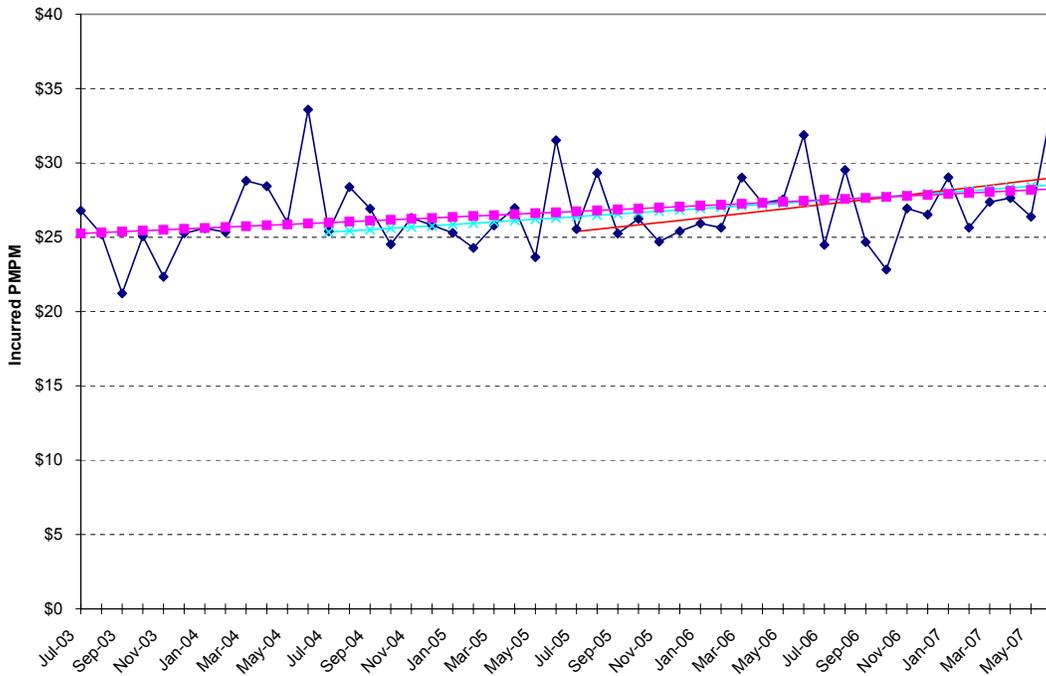
Hospital Outpatient - Medical / Surgical



Hospital Outpatient - Medical / Surgical



Hospital Outpatient - Medical / Surgical



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

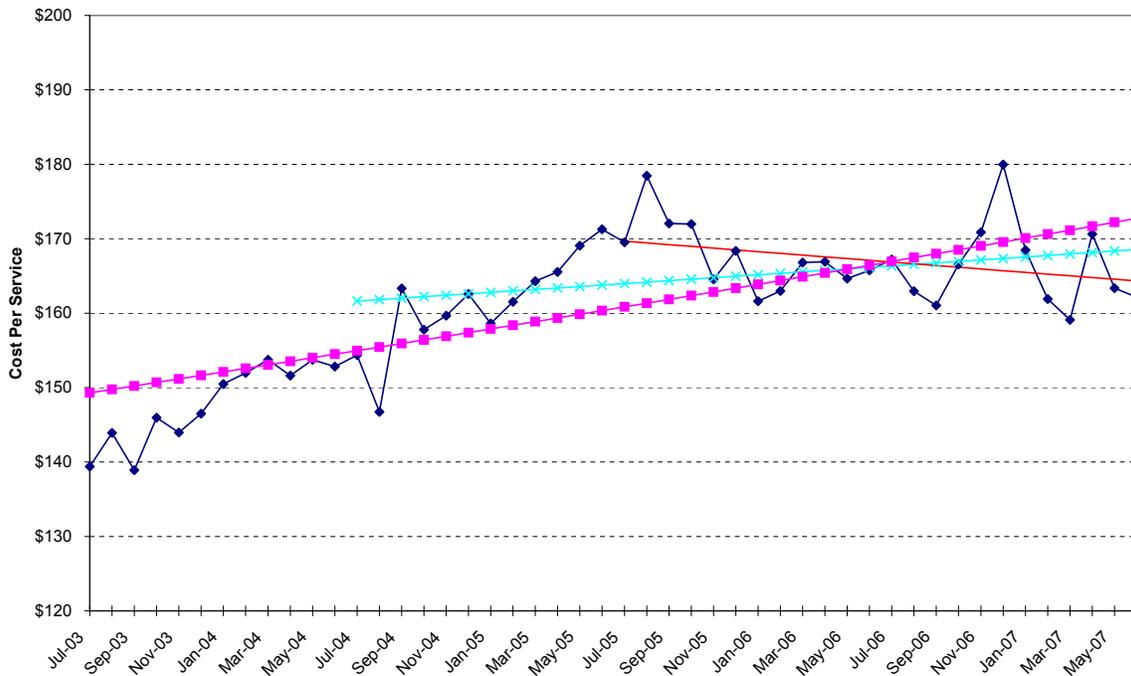
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.7%	-1.7%	2.0%

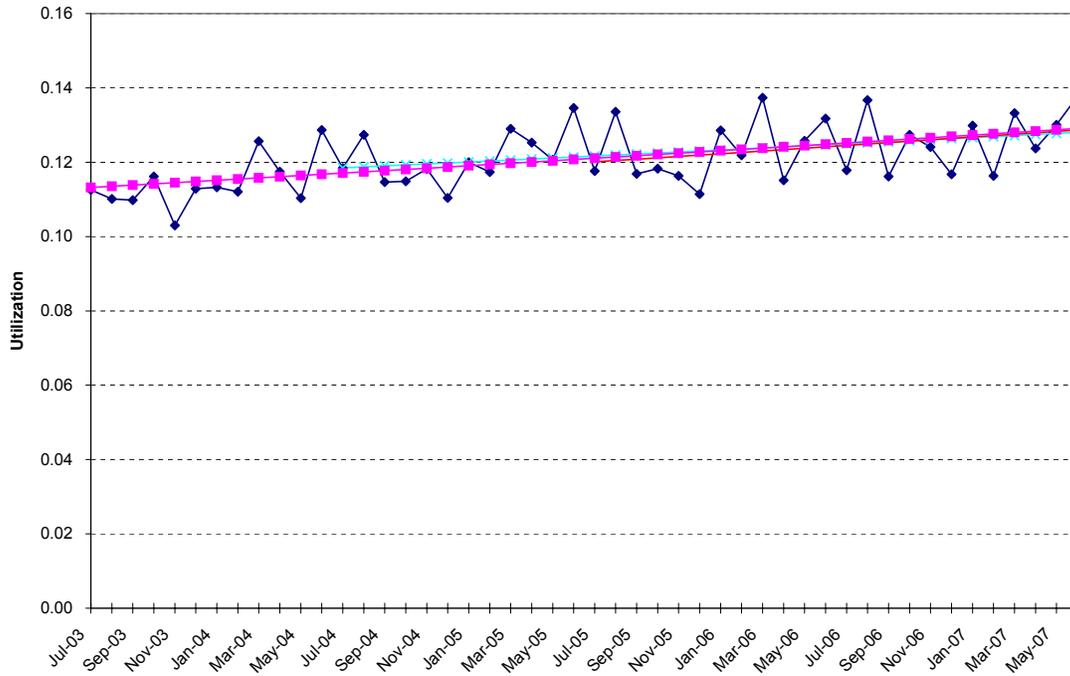
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	1.4%	4.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.4%	3.8%	7.3%

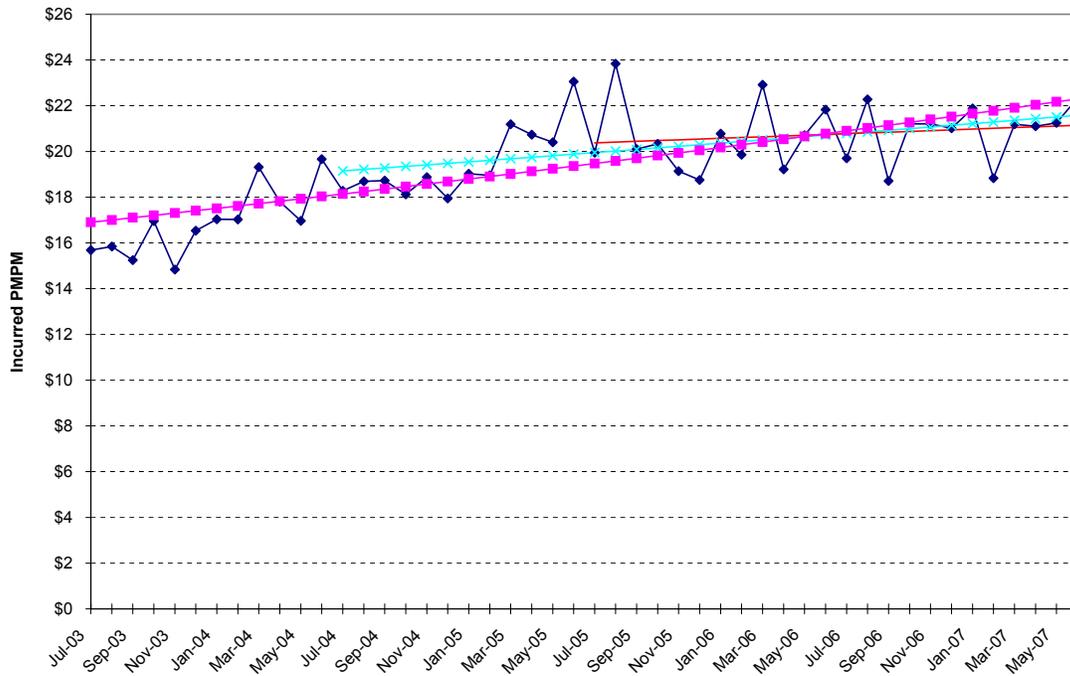
Hospital Outpatient - Other Services



Hospital Outpatient - Other Services



Hospital Outpatient - Other Services



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

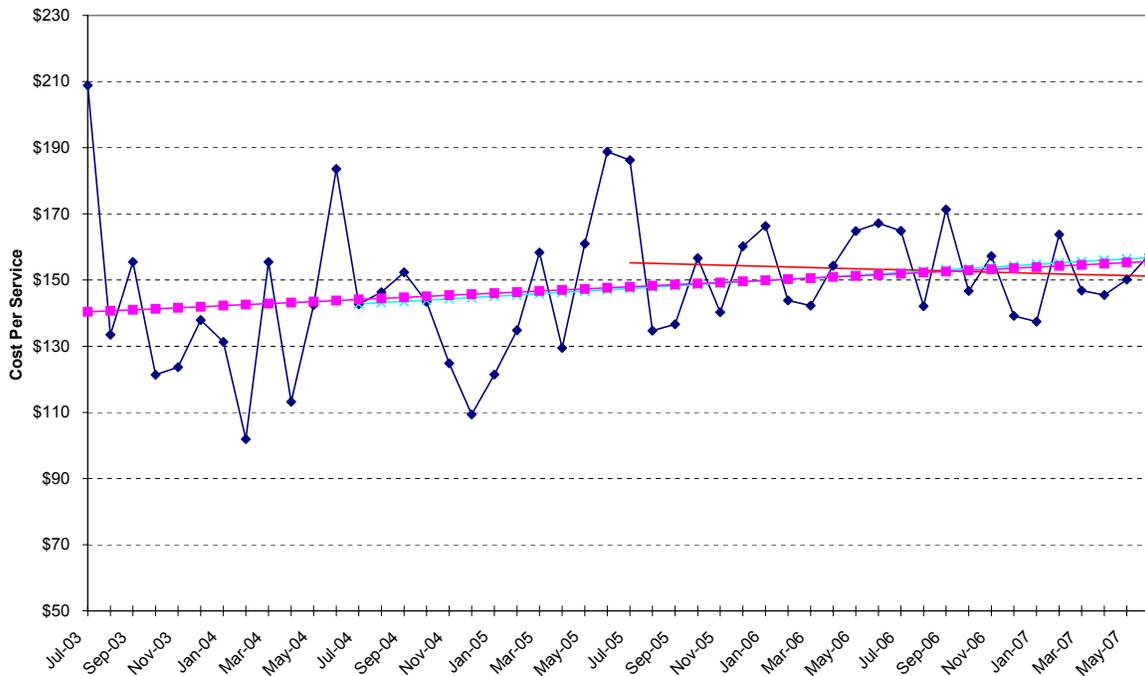
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-7.4%	-1.4%	-8.7%

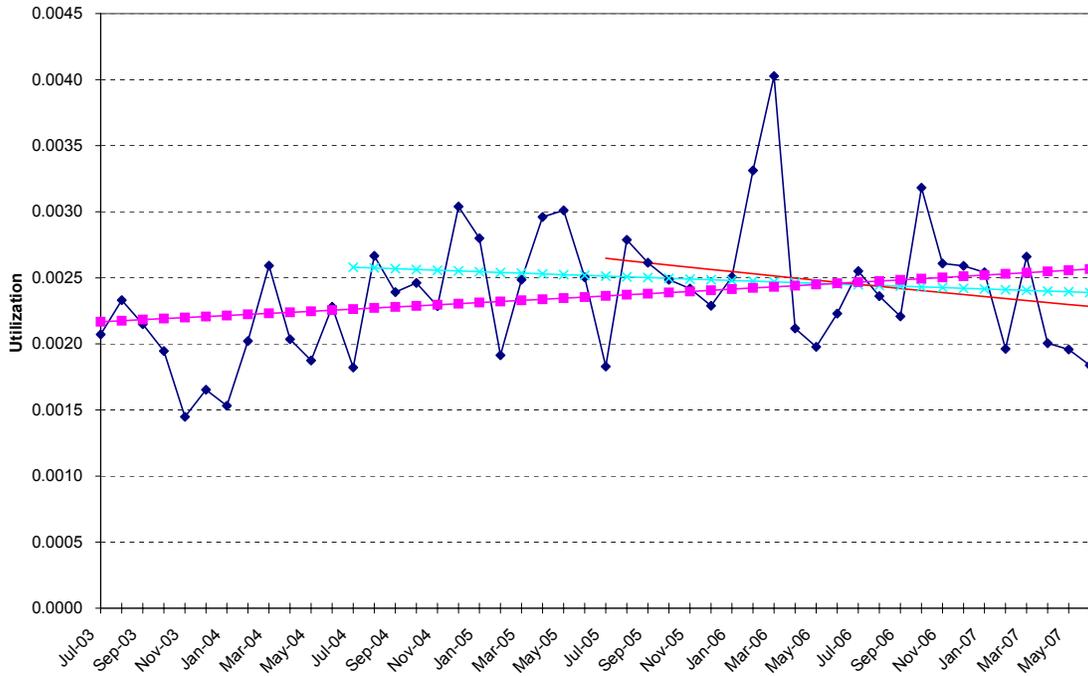
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-2.6%	3.3%	0.6%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.4%	2.7%	7.2%

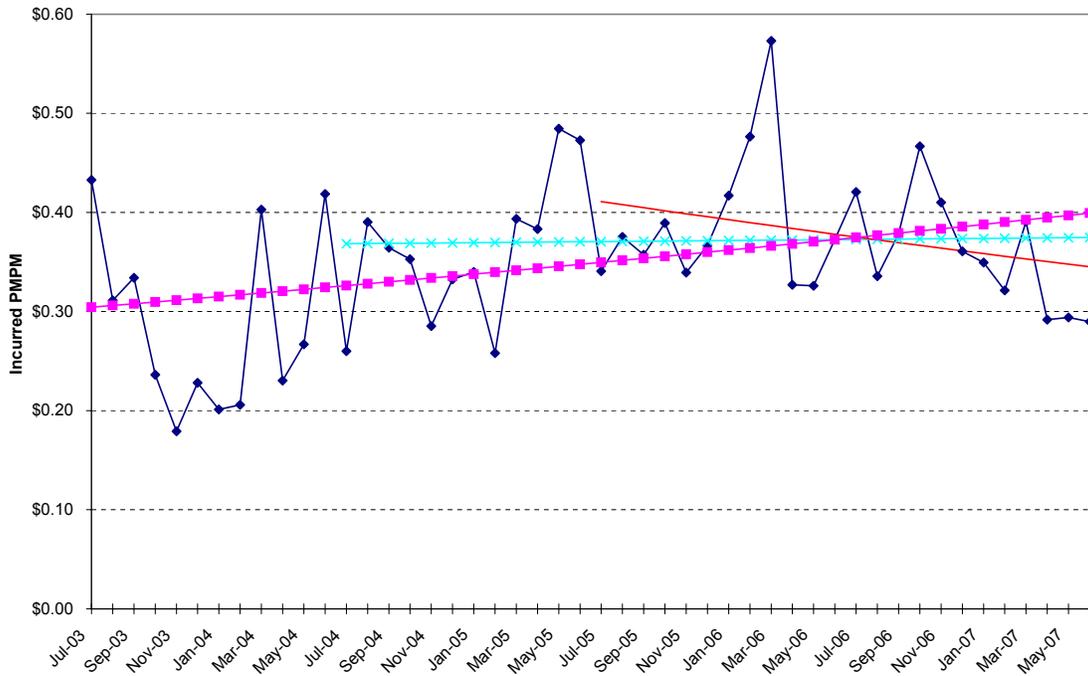
Hospital Outpatient - Psychiatric / Substance Abuse



Hospital Outpatient - Psychiatric / Substance Abuse



Hospital Outpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

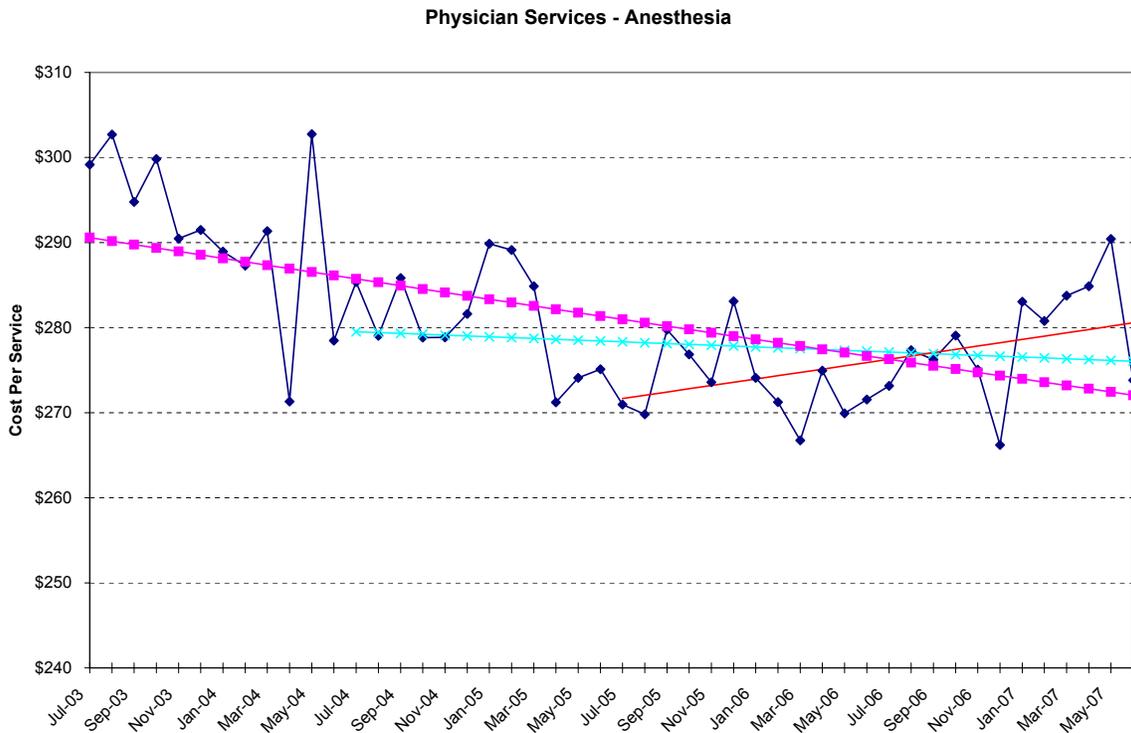
PHYSICIAN SERVICES

Anesthesia

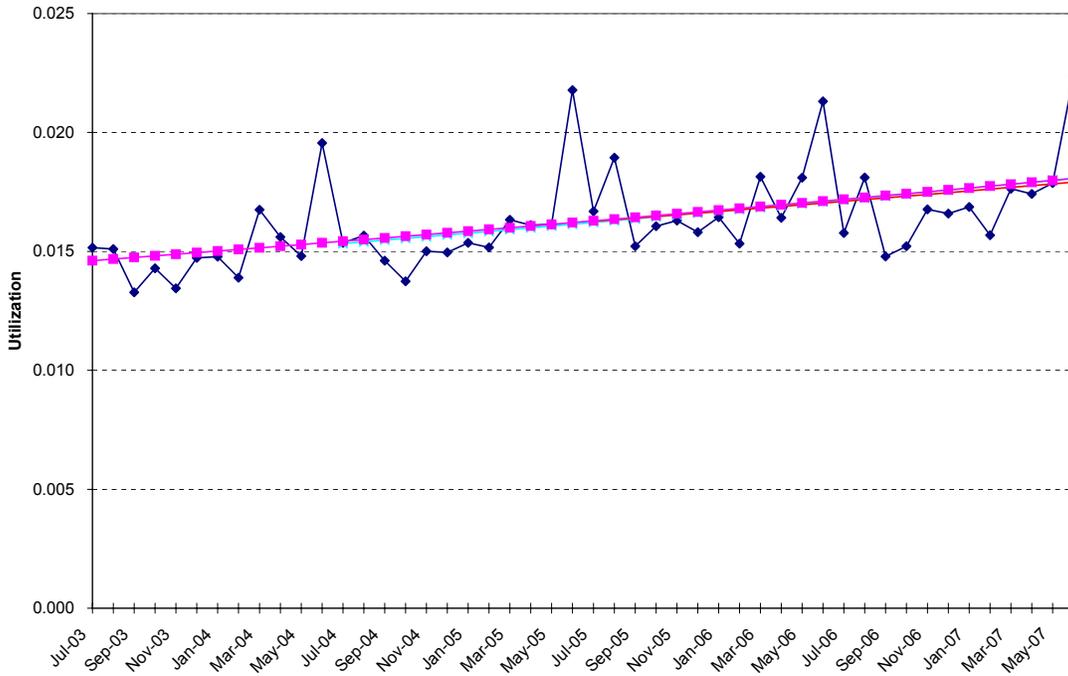
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.2%	1.7%	7.0%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.8%	-0.4%	5.4%

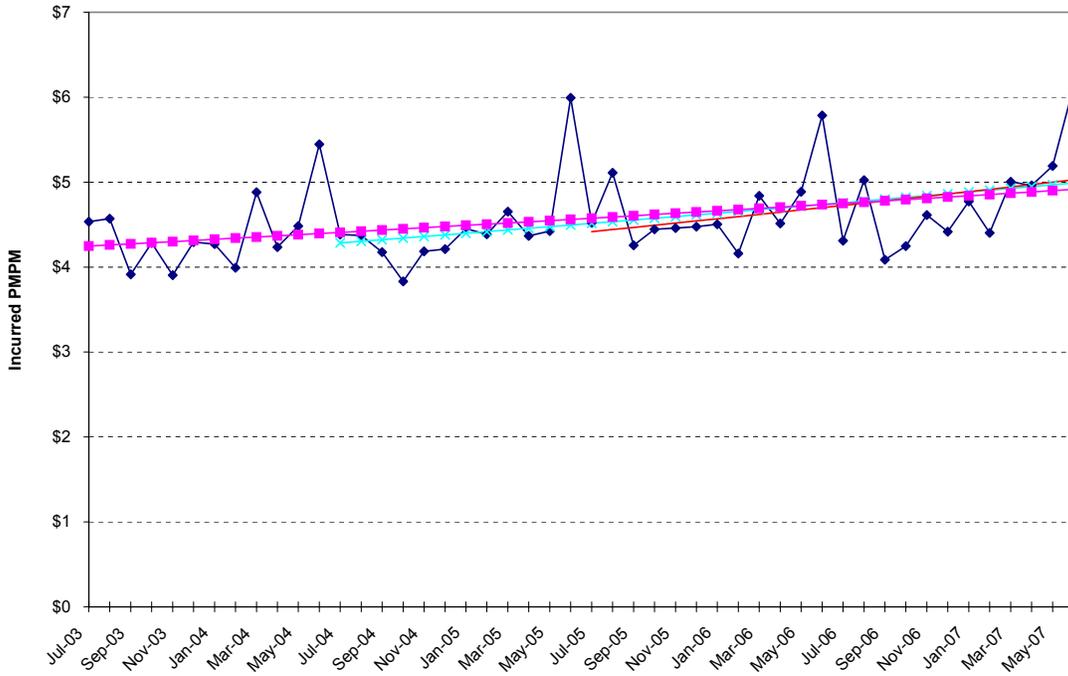
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.6%	-1.7%	3.8%



Physician Services - Anesthesia



Physician Services - Anesthesia



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

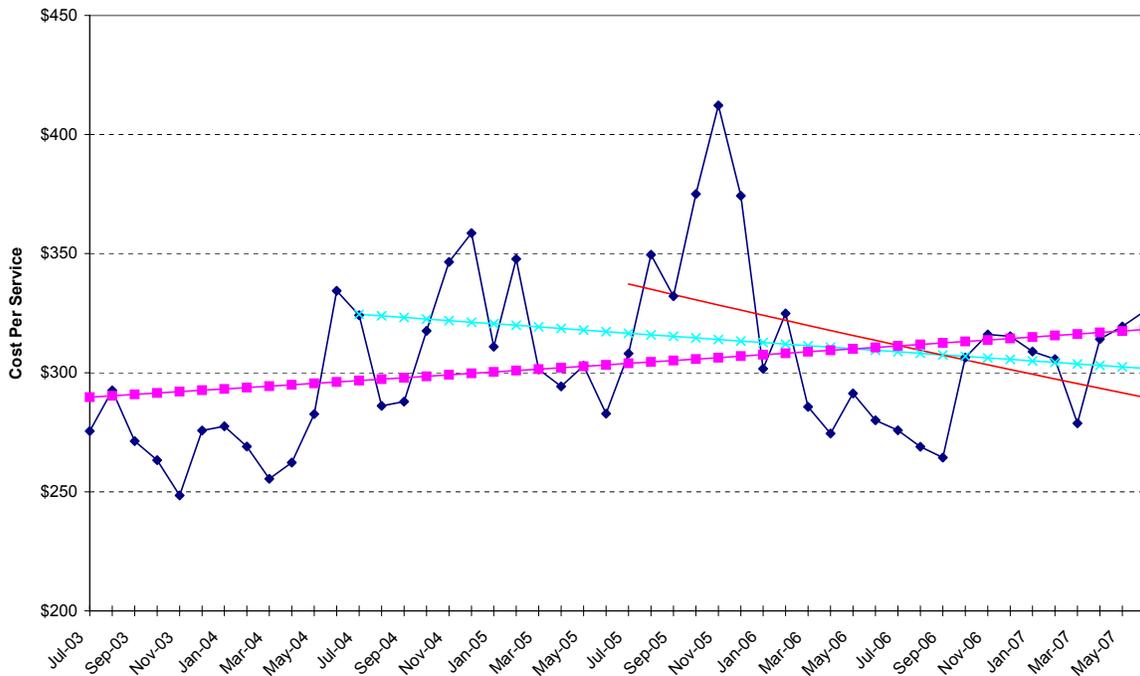
Chemotherapy / Radiation

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.4%	-7.6%	2.9%

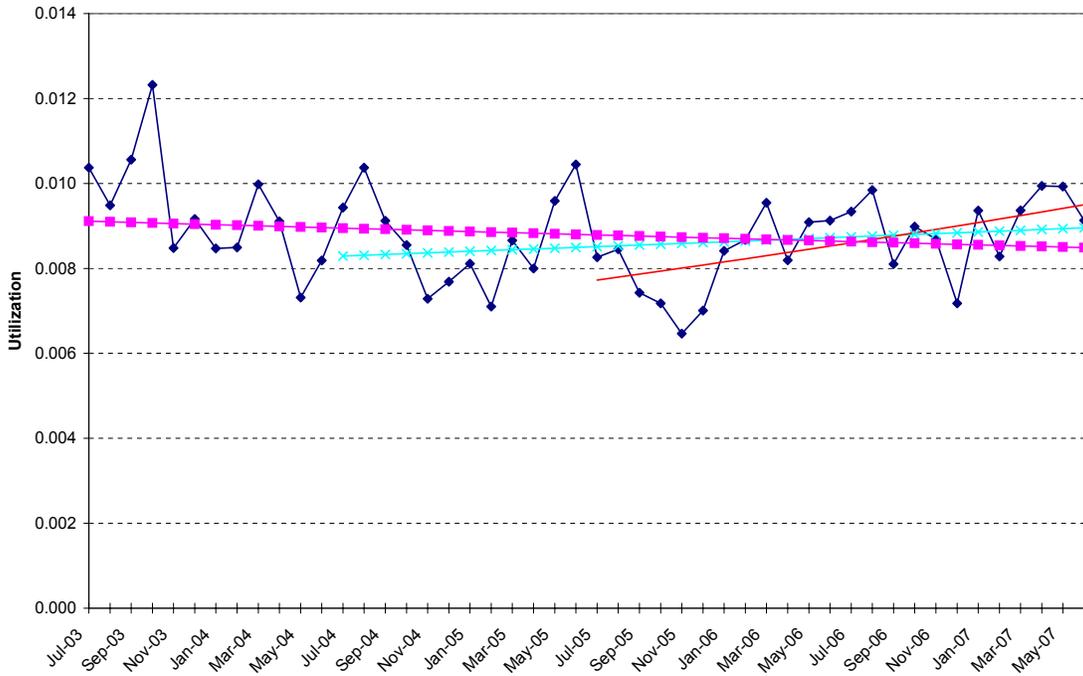
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	-2.5%	0.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.8%	2.4%	0.6%

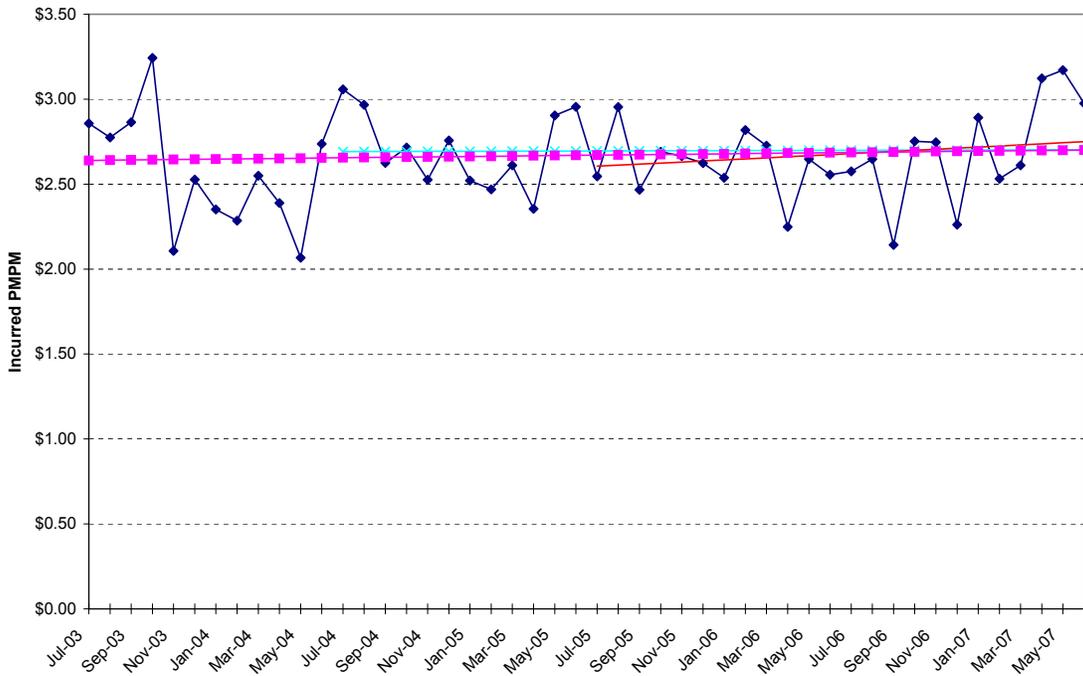
Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

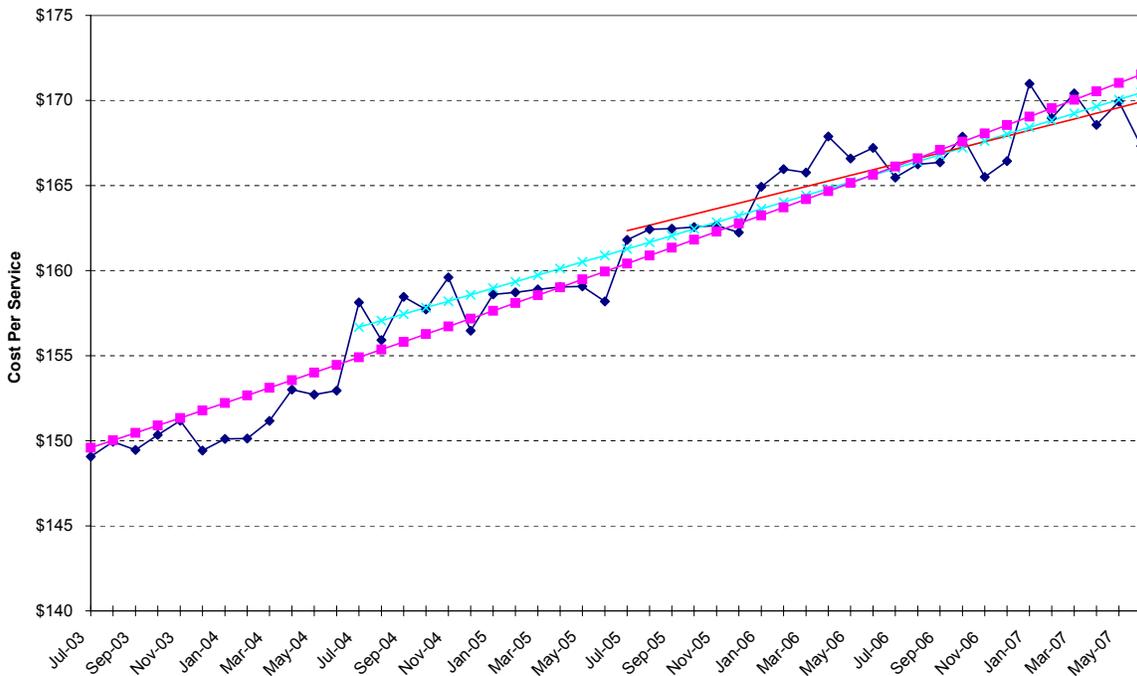
Consultations

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.6%	2.4%	4.0%

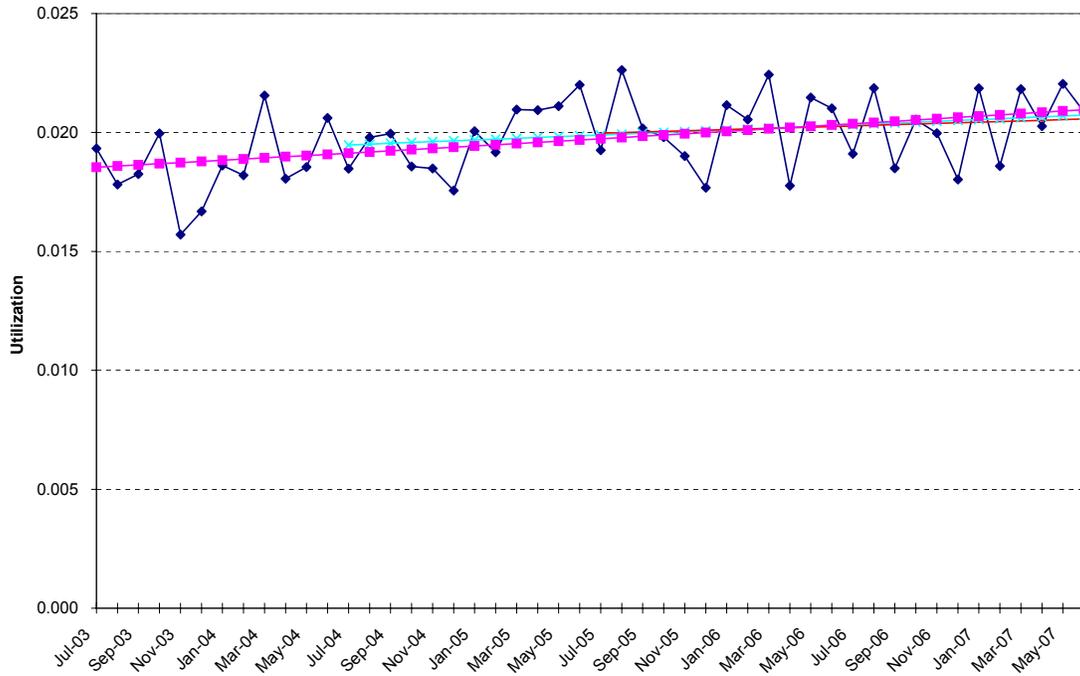
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	2.9%	5.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.2%	3.6%	6.8%

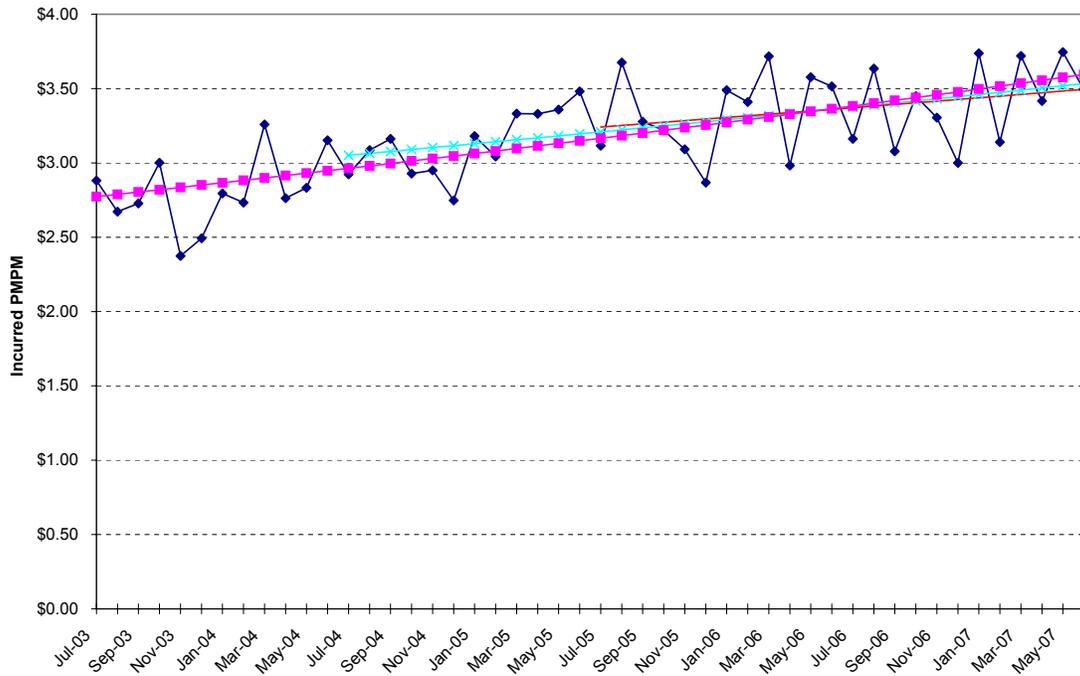
Physician Services - Consultations



Physician Services - Consultations



Physician Services - Consultations



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

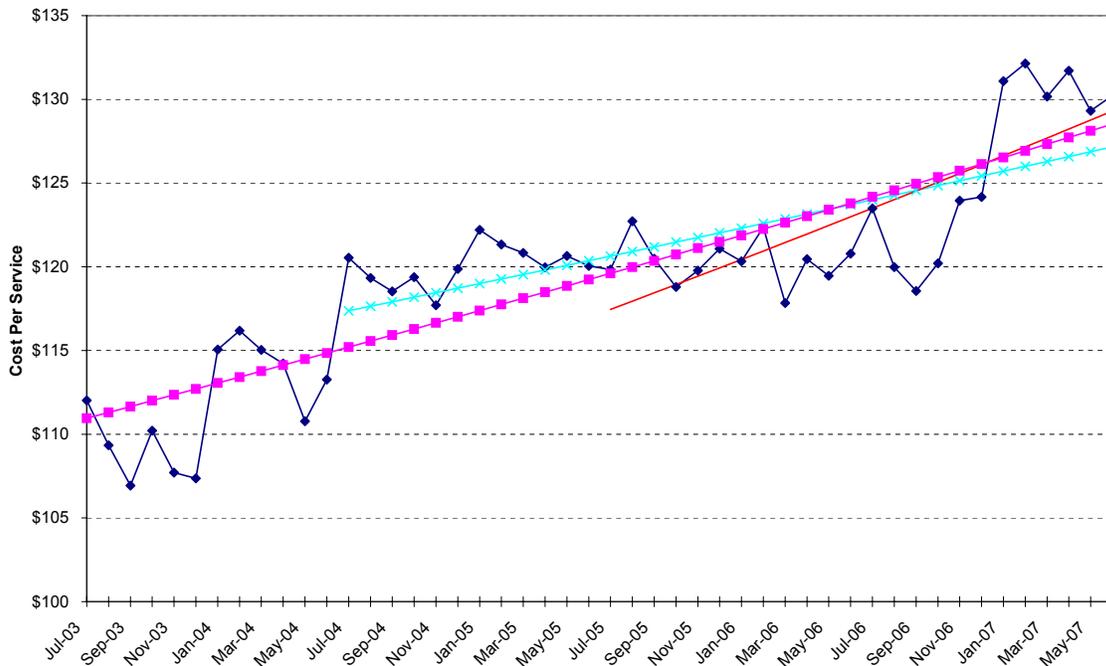
Emergency Room

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.3%	5.1%	13.8%

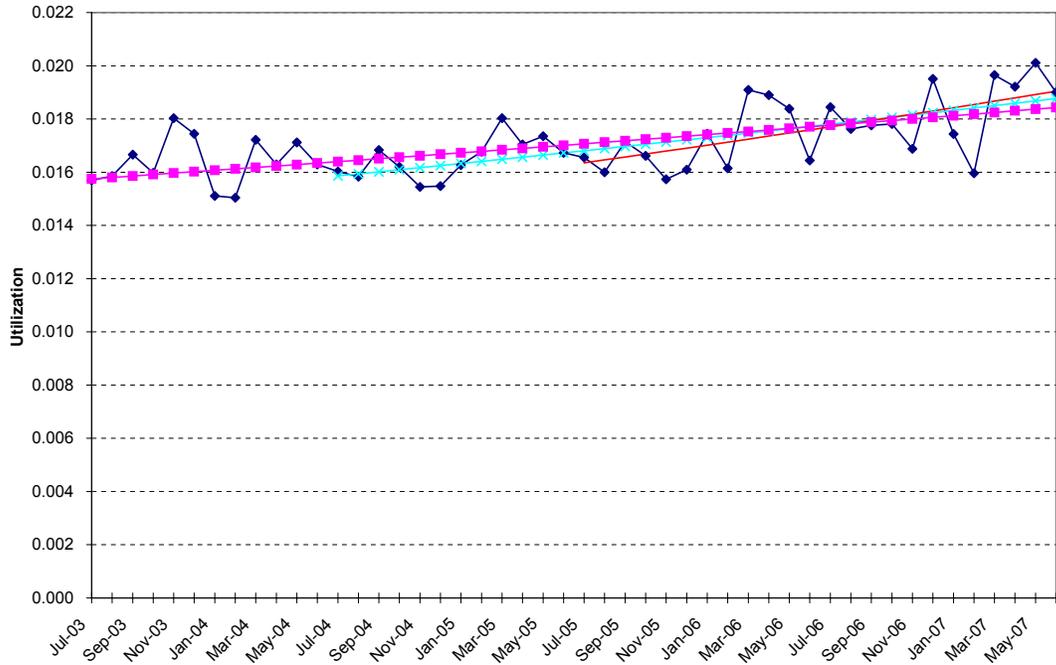
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.9%	2.8%	8.9%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.1%	3.8%	8.1%

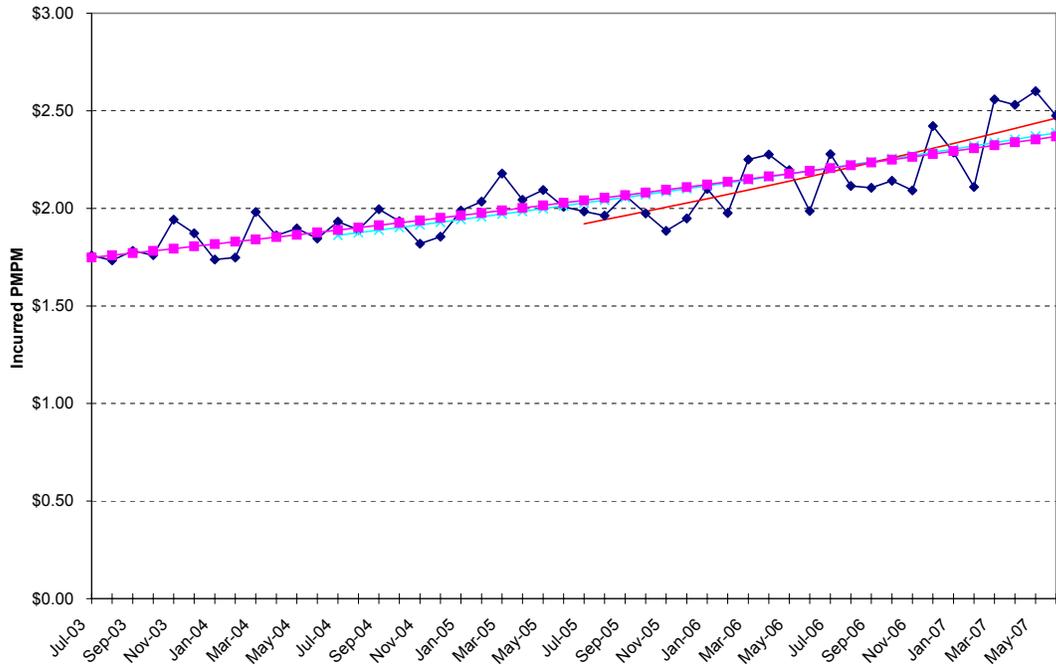
Physician Services - Emergency Room



Physician Services - Emergency Room



Physician Services - Emergency Room



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

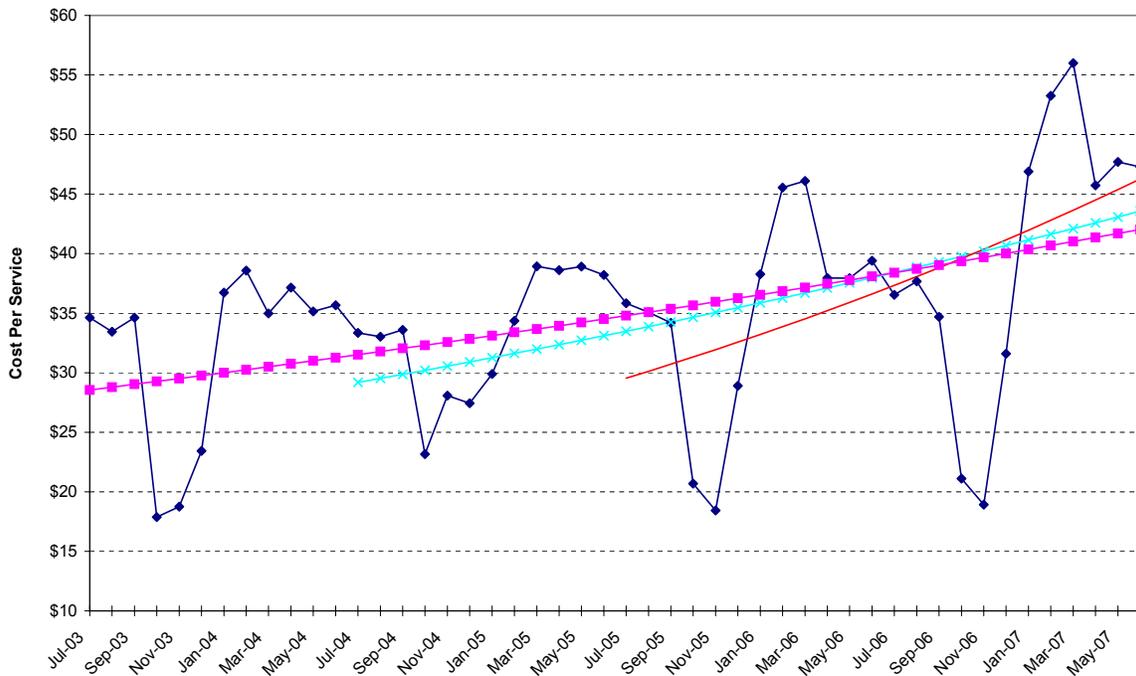
Immunizations / Injections / Allergy

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
7.1%	26.4%	35.3%

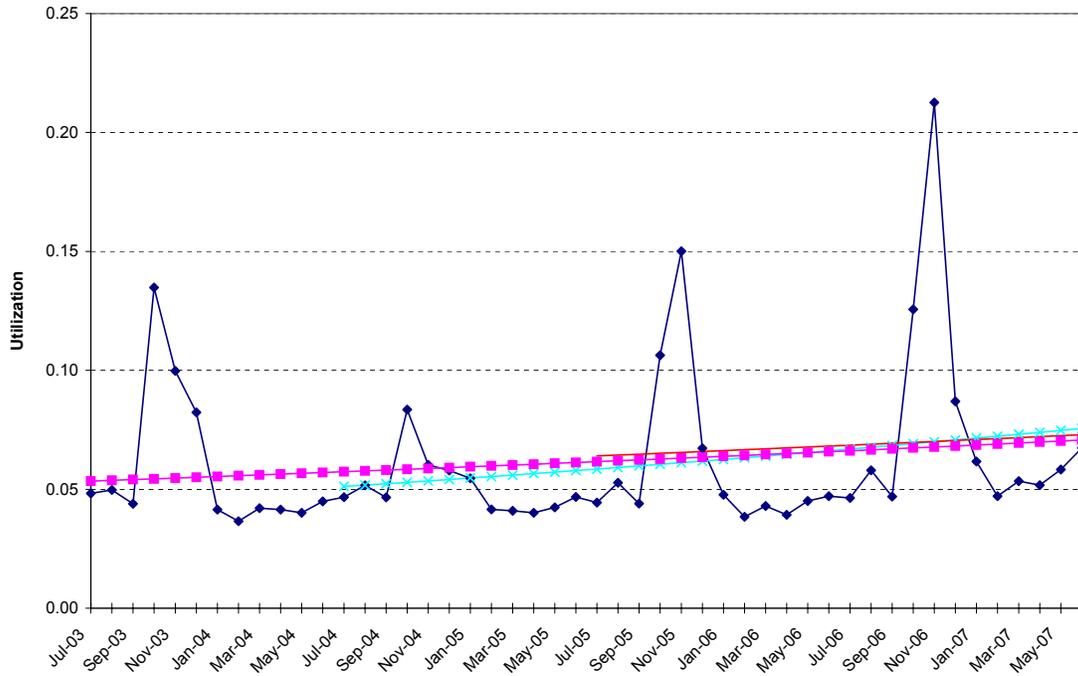
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
14.3%	14.7%	31.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
7.4%	10.4%	18.5%

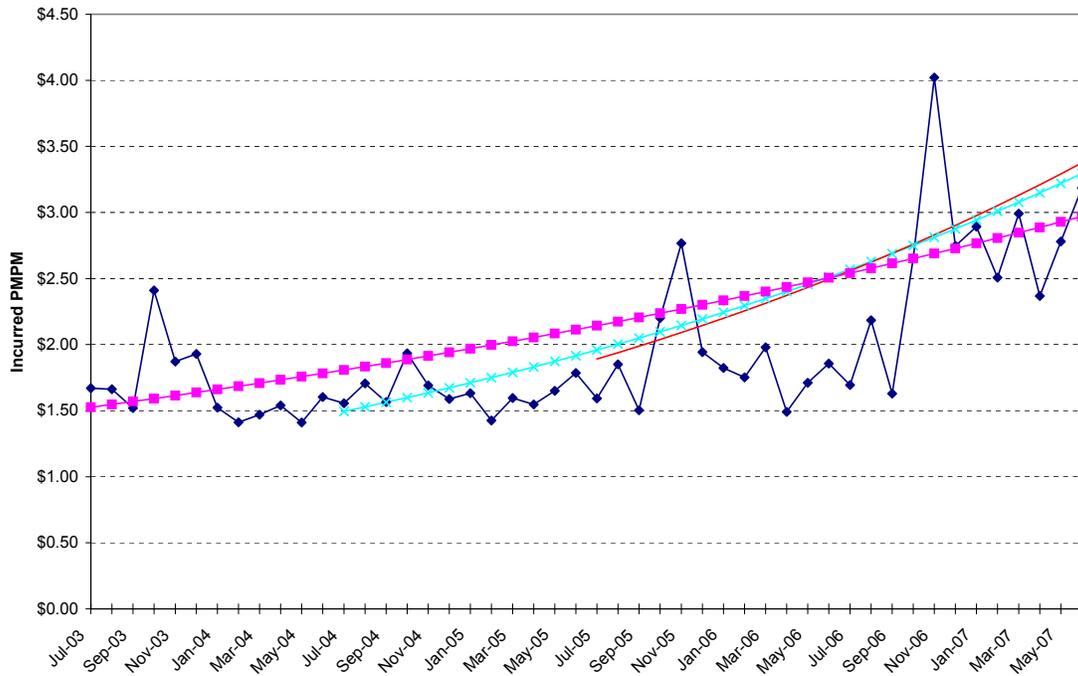
Physician Services - Immunizations / Allergy



Physician Services - Immunizations / Allergy



Physician Services - Immunizations / Allergy



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

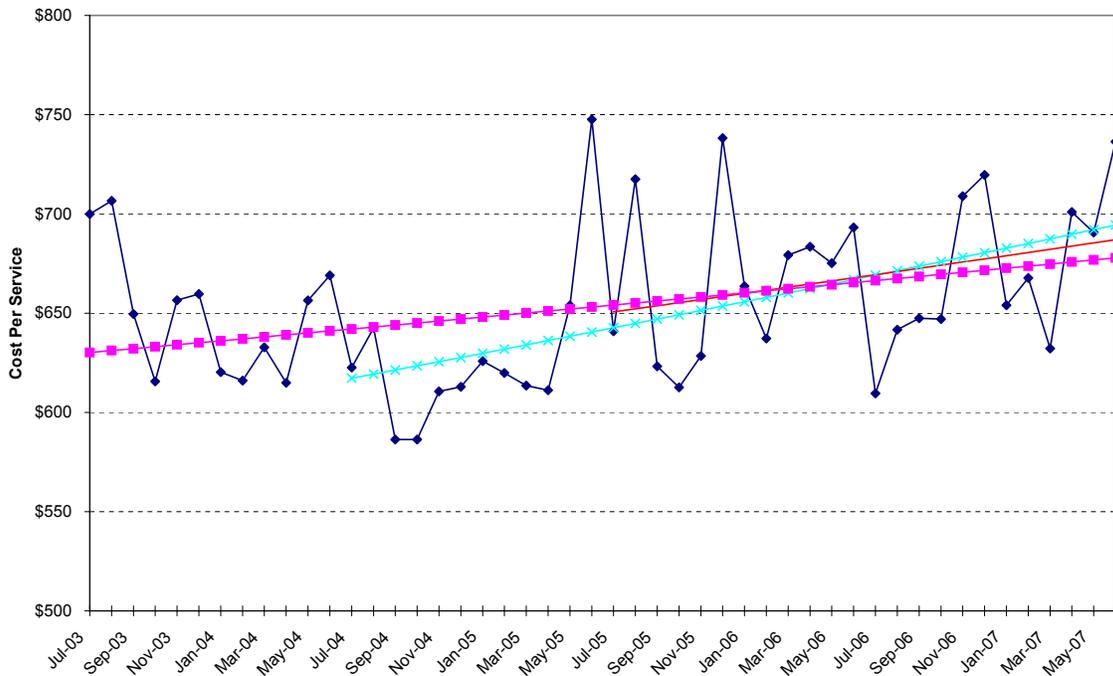
Inpatient Surgery

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.5%	2.9%	3.4%

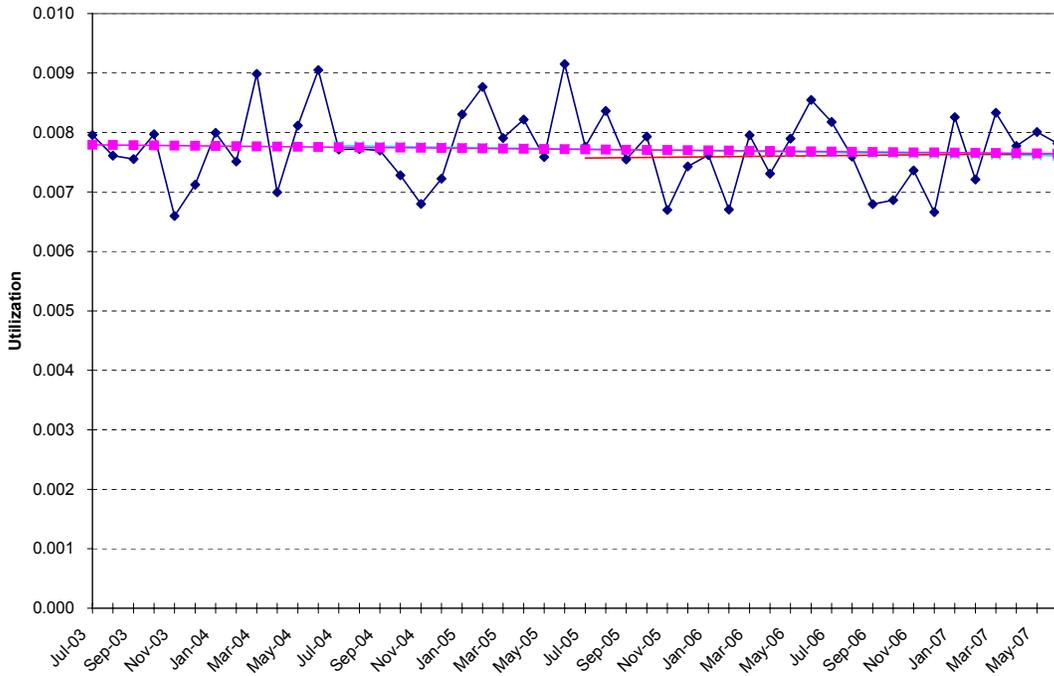
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.8%	4.1%	3.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.5%	1.9%	1.4%

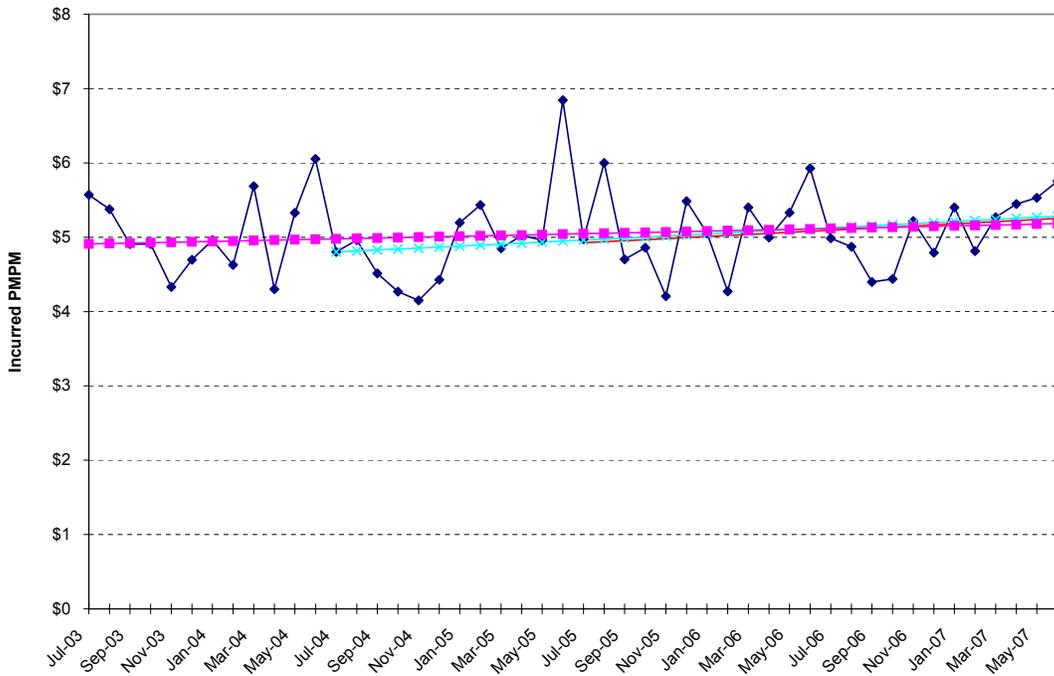
Physician Services - Inpatient Surgery



Physician Services - Inpatient Surgery



Physician Services - Inpatient Surgery



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

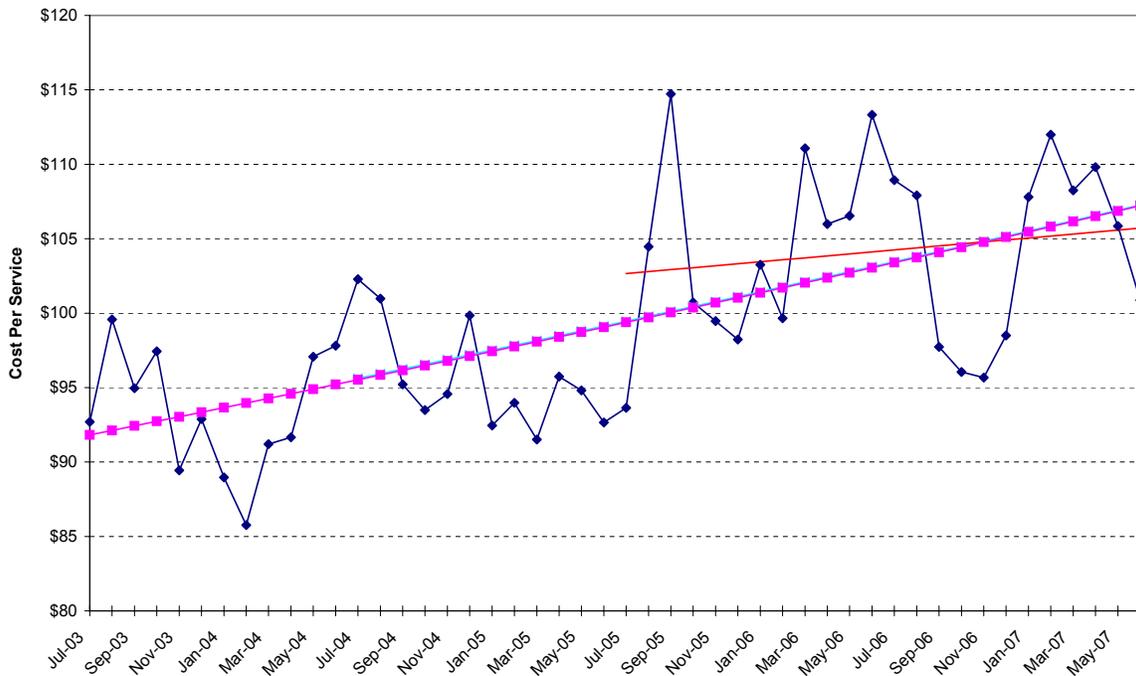
Inpatient Visits

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.4%	1.5%	6.0%

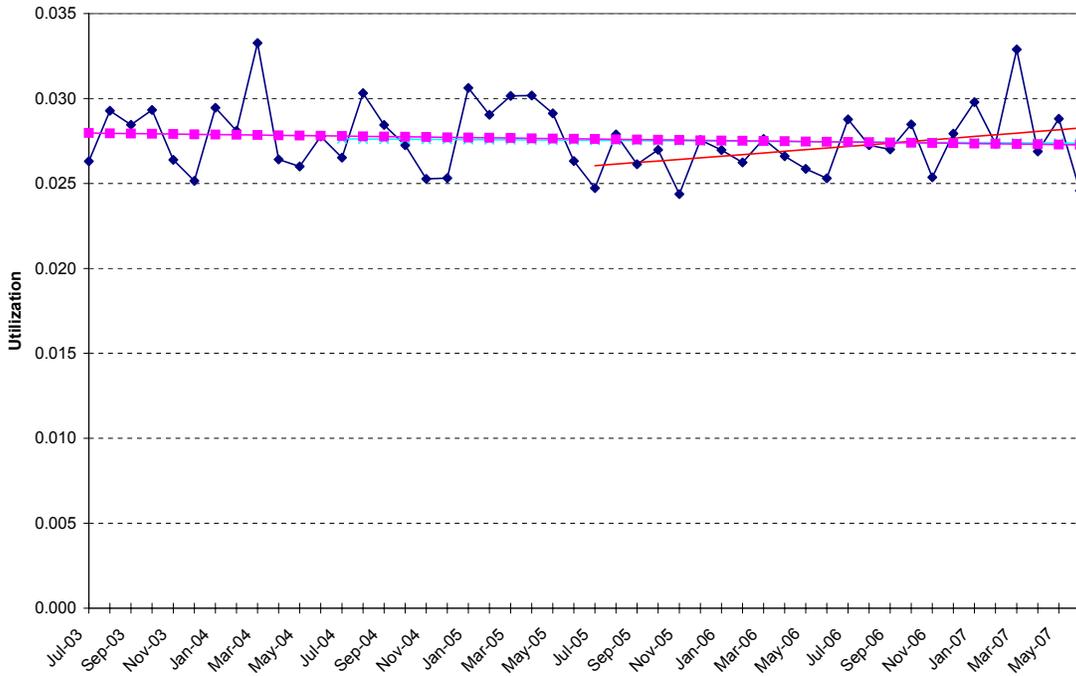
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.3%	4.0%	3.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.6%	4.0%	3.4%

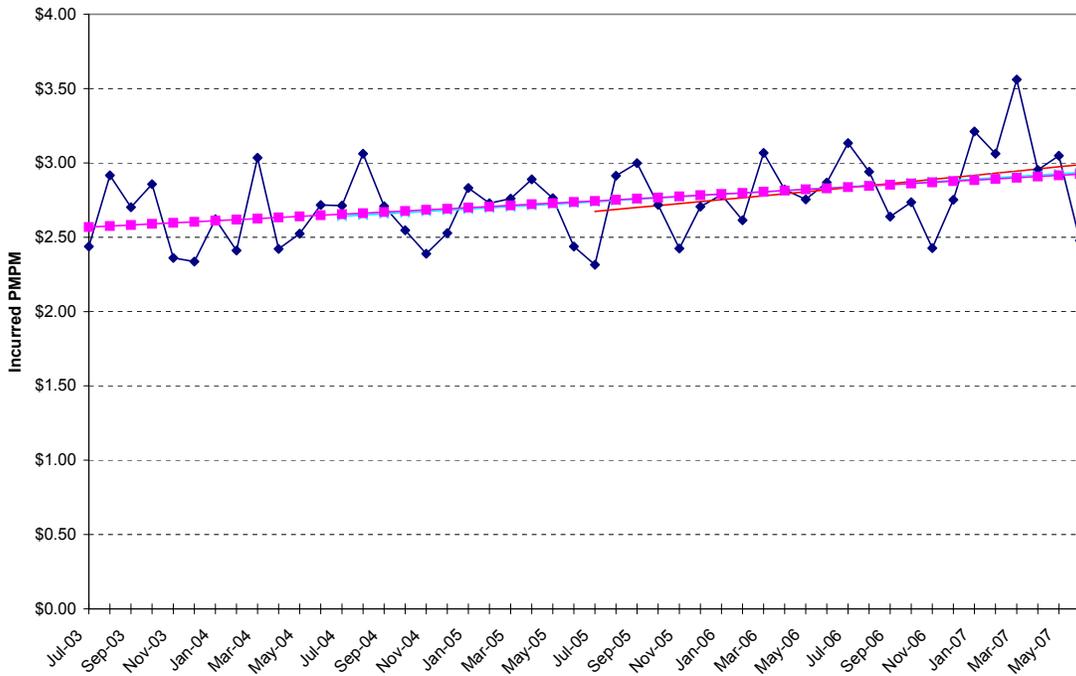
Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

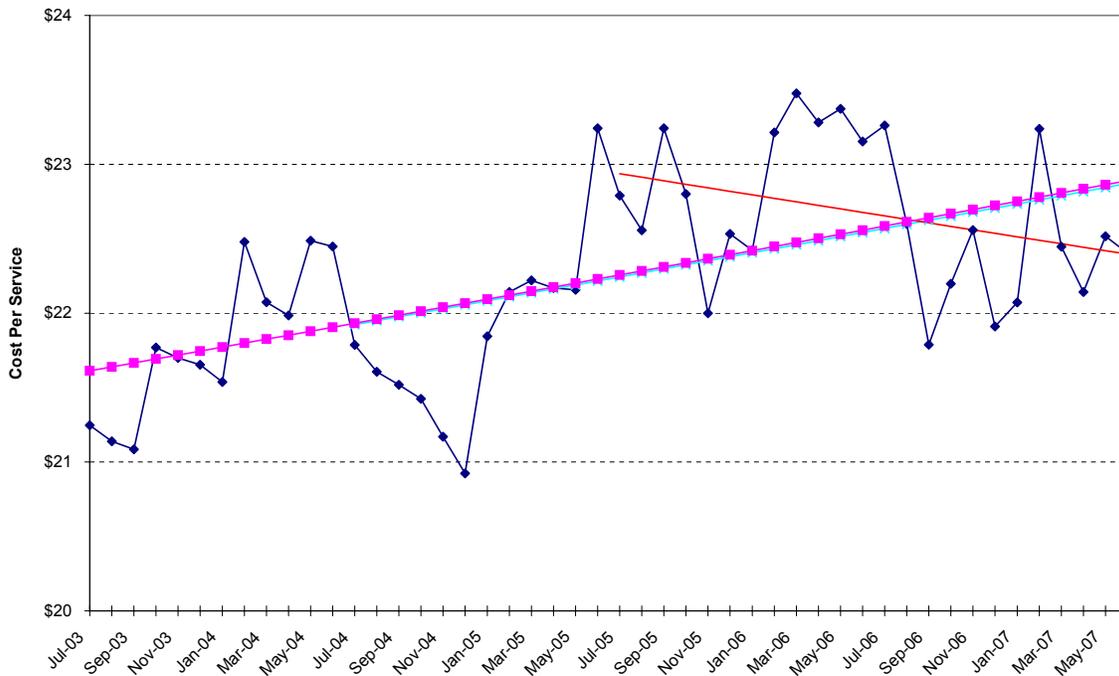
Lab & Pathology

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
7.2%	-1.2%	5.9%

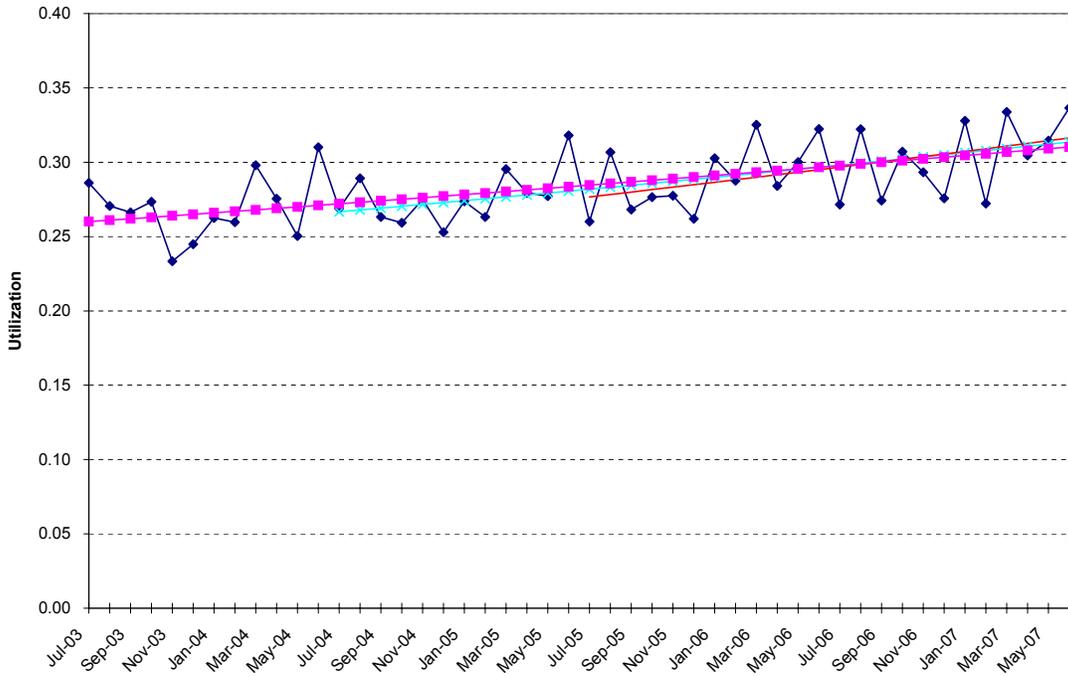
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.7%	1.5%	7.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.6%	1.5%	6.2%

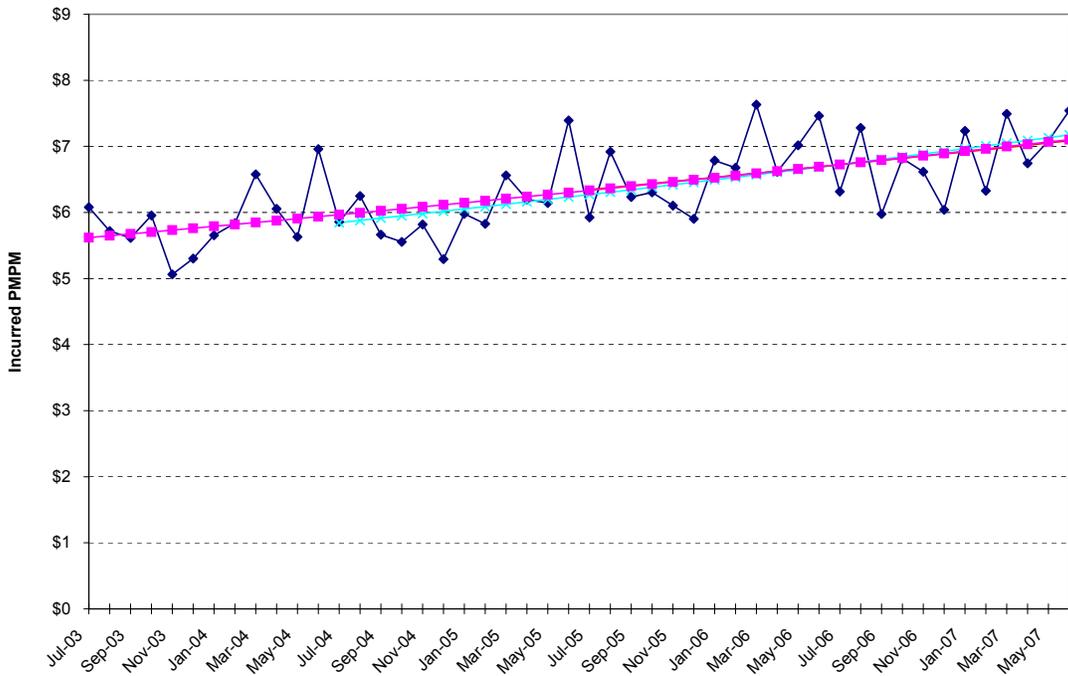
Physician Services - Lab & Pathology



Physician Services - Lab & Pathology



Physician Services - Lab & Pathology



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

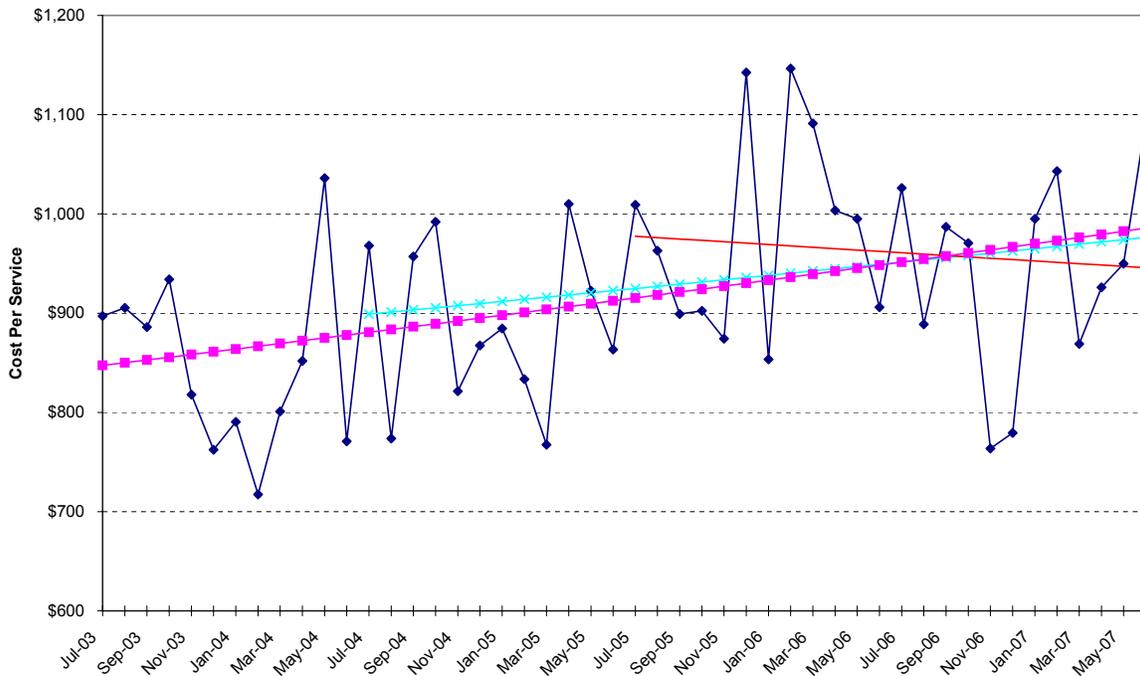
Maternity

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.7%	-1.7%	9.8%

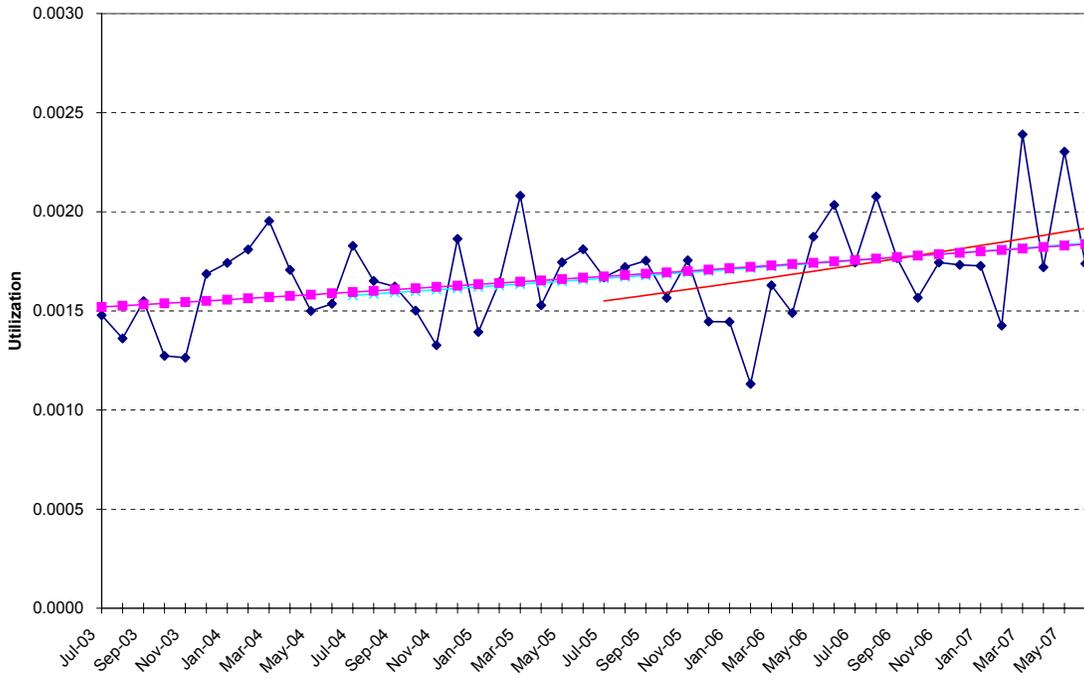
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.4%	2.9%	8.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.0%	3.9%	9.1%

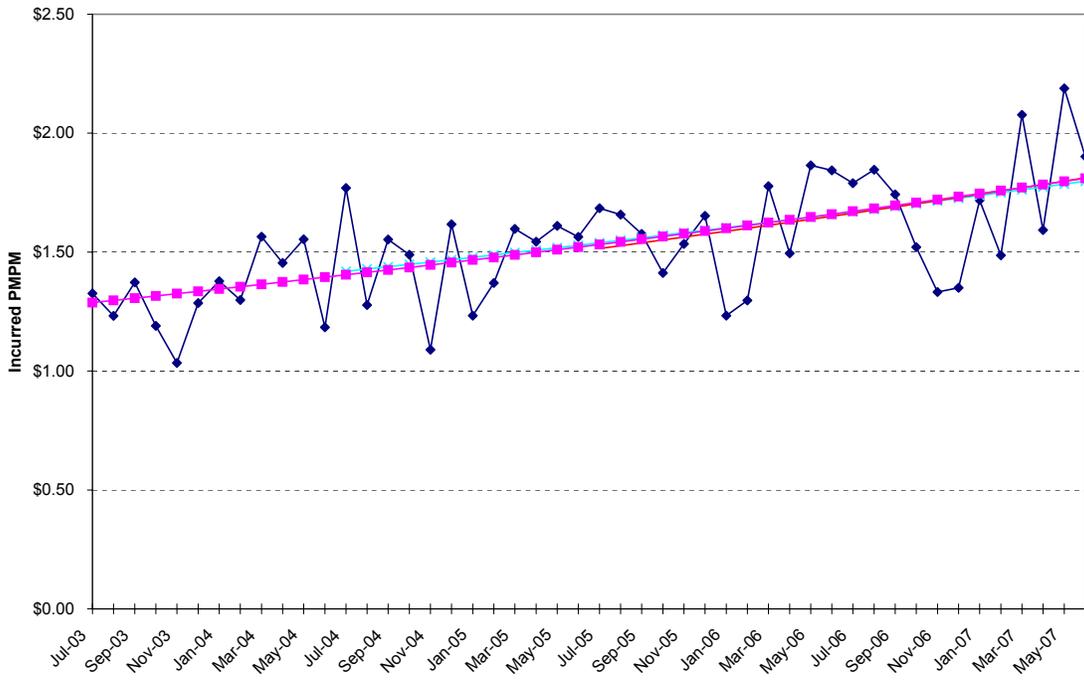
Physician Services - Maternity



Physician Services - Maternity



Physician Services - Maternity



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

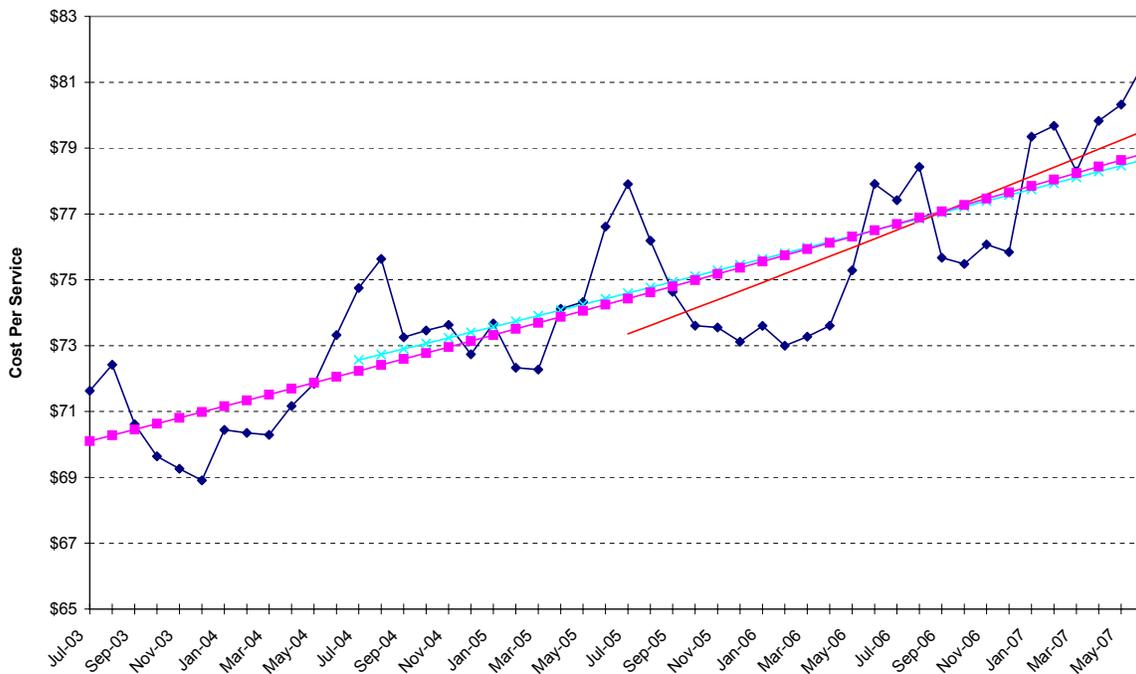
Office Visits

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.8%	-7.5%	-1.2%

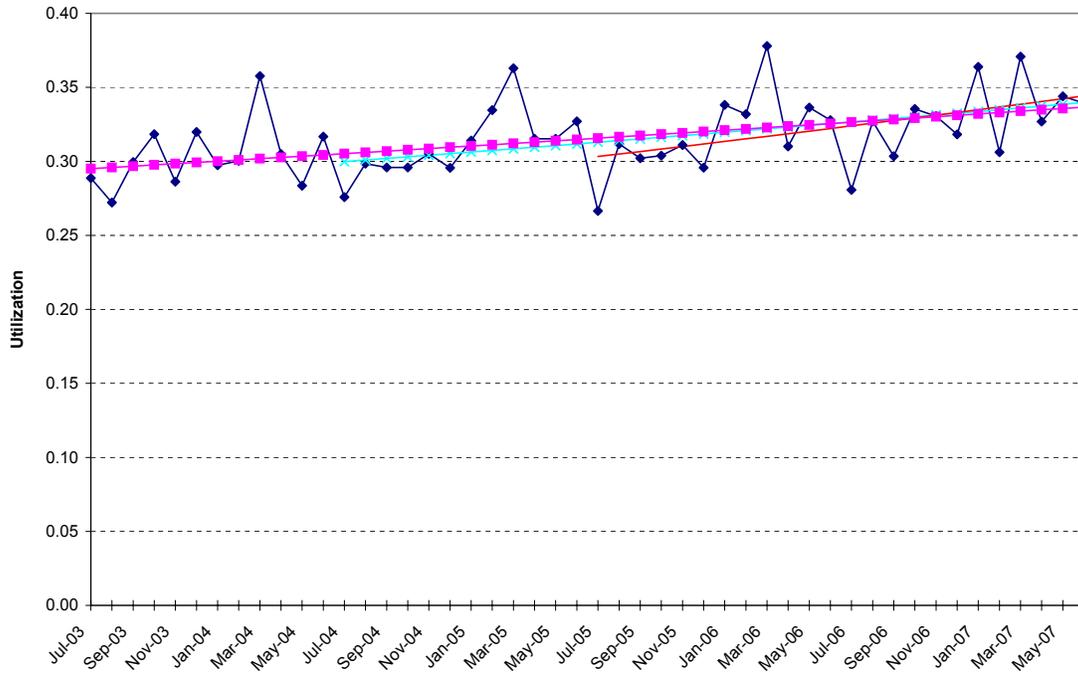
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.4%	2.8%	7.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.4%	3.9%	7.5%

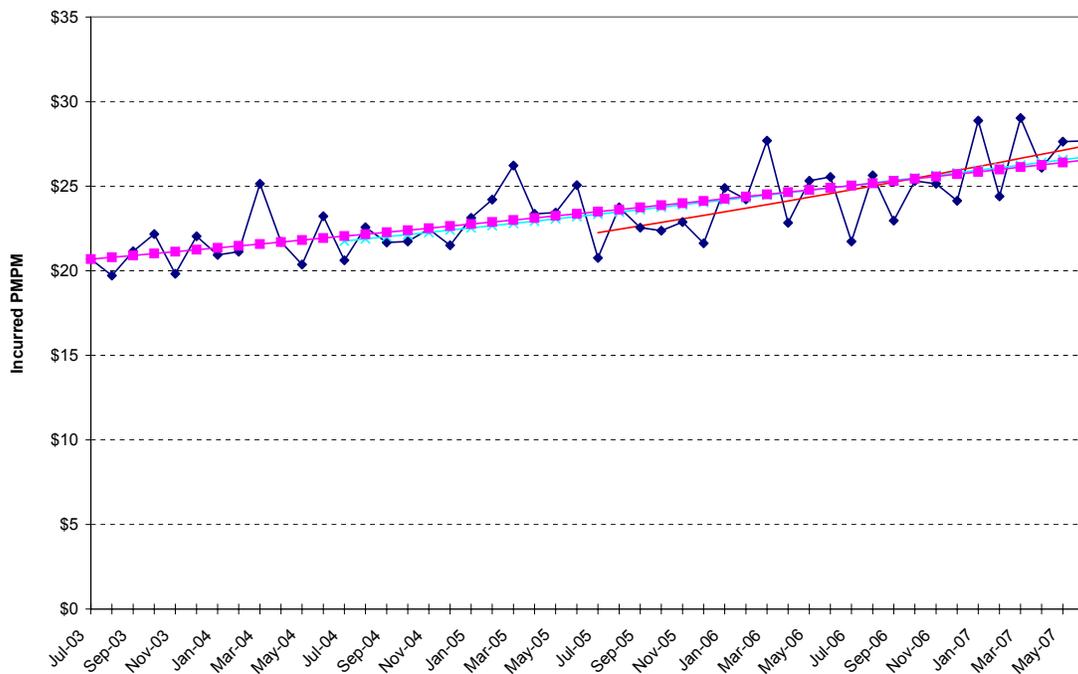
Physician Services - Office Visits



Physician Services - Office Visits



Physician Services - Office Visits



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

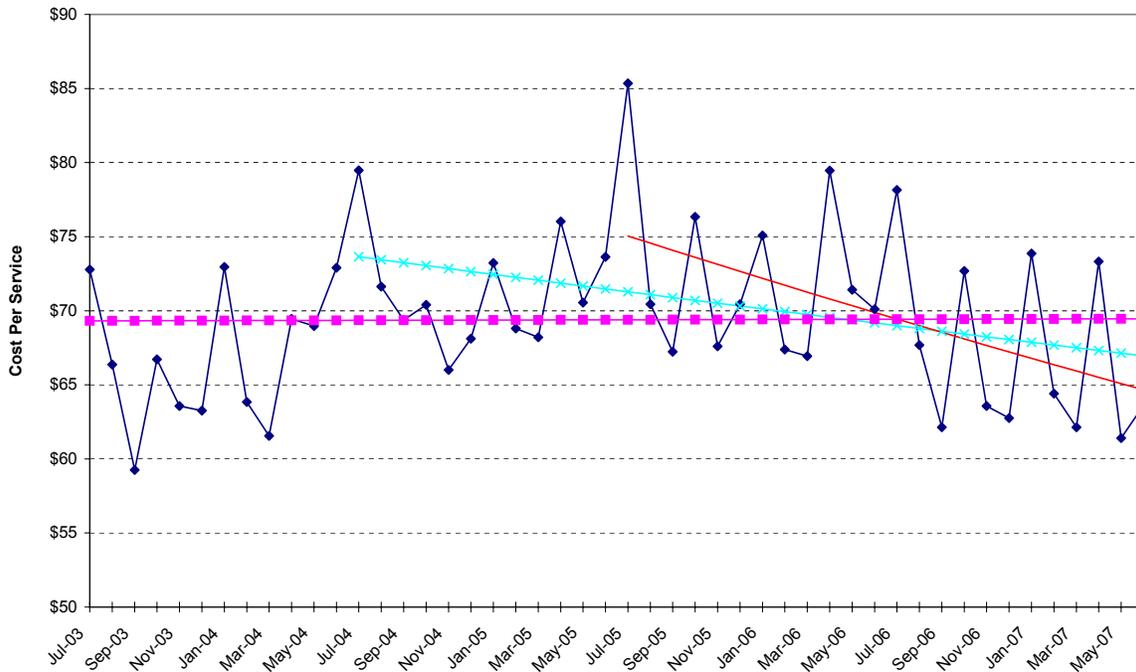
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.5%	-7.5%	-1.5%

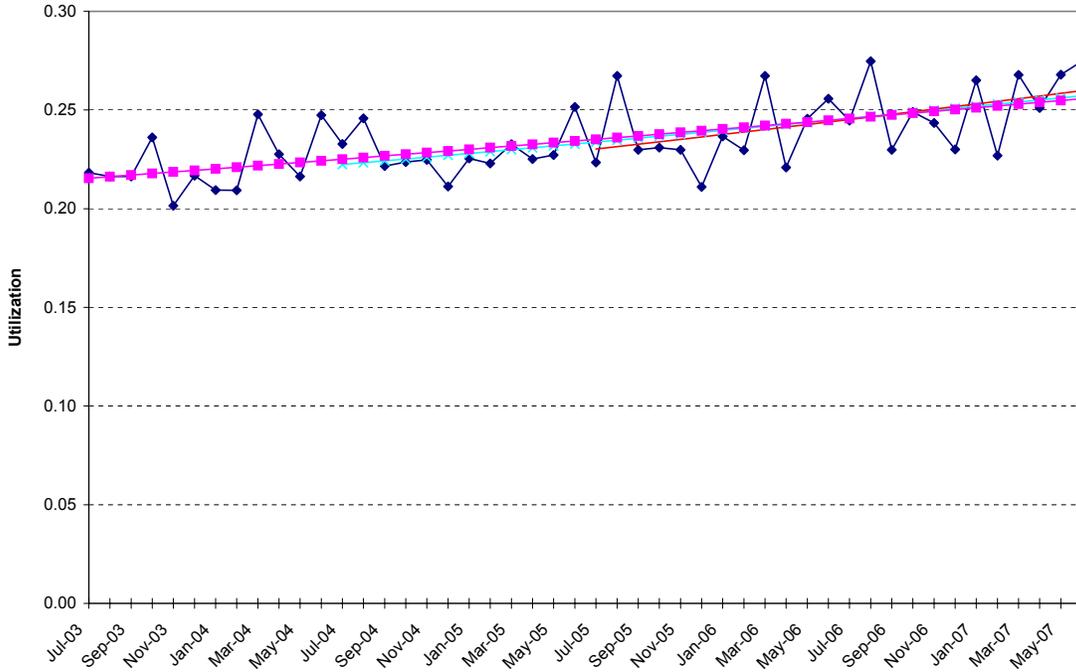
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.1%	-3.2%	1.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.5%	0.1%	4.5%

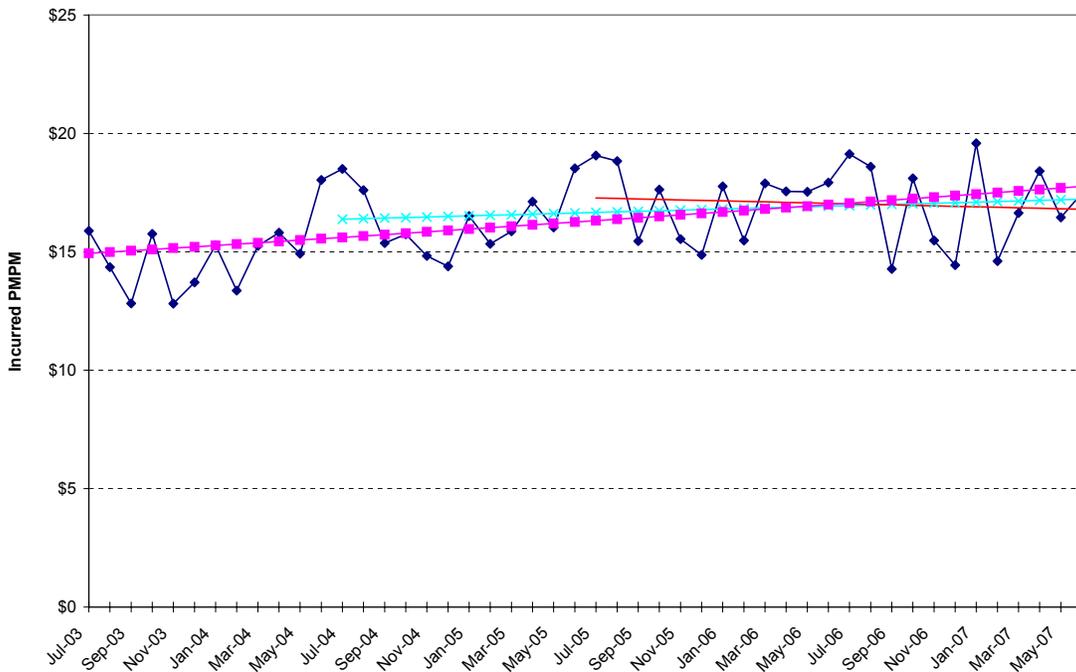
Physician Services - Other Services



Physician Services - Other Services



Physician Services - Other Services



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

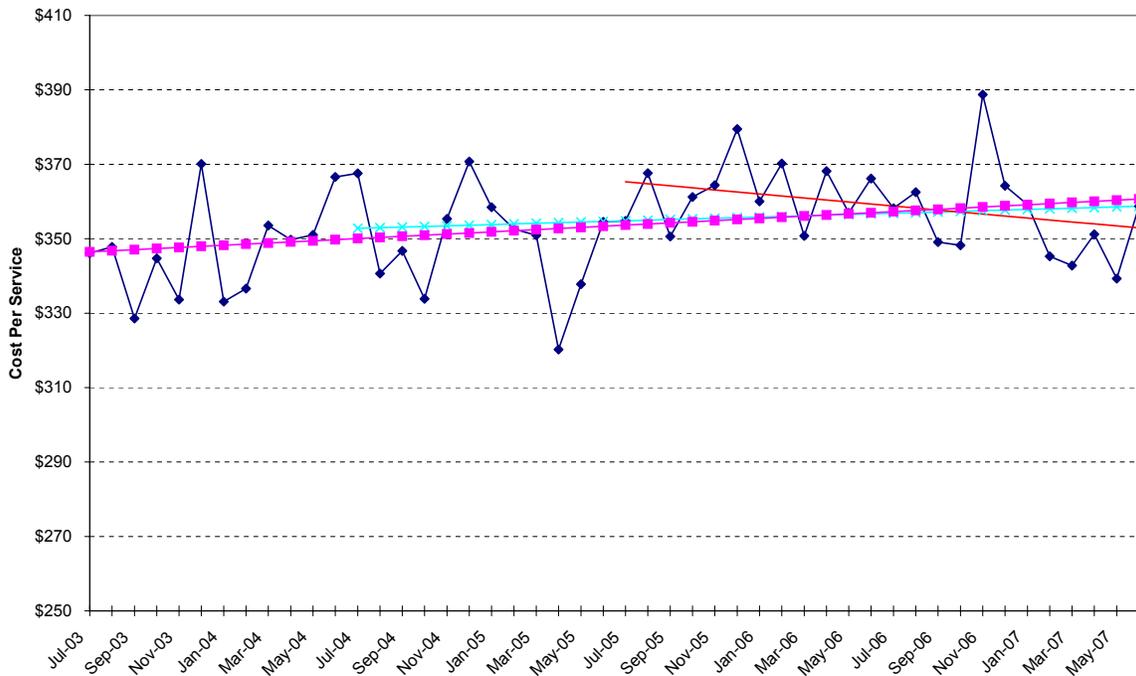
Outpatient Surgery

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.1%	-1.8%	1.3%

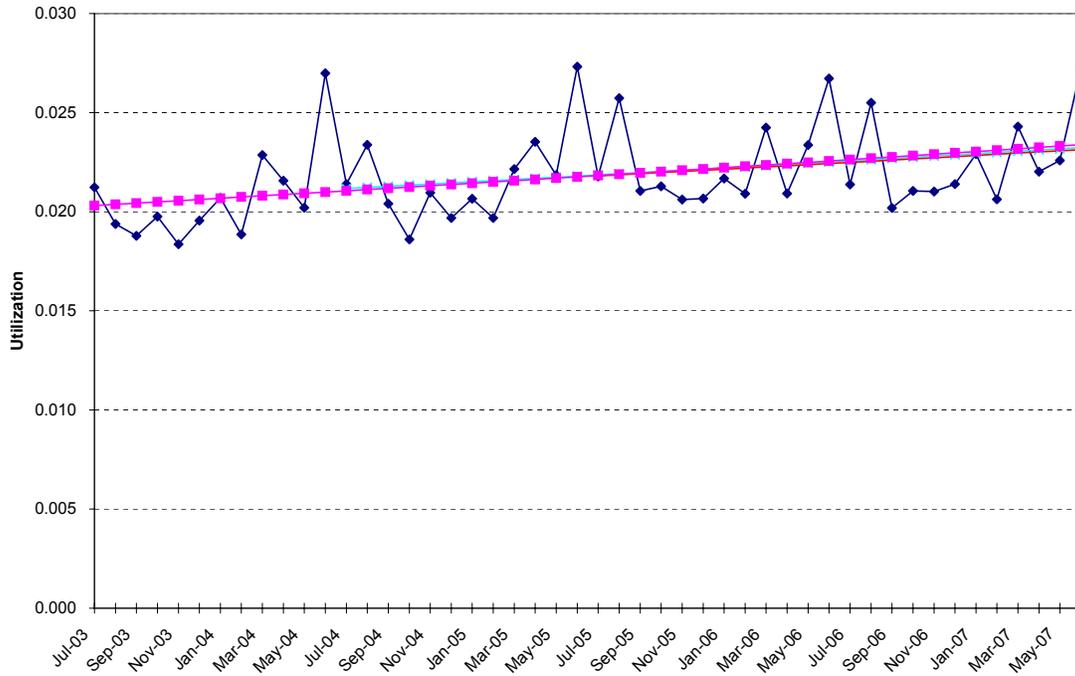
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.2%	0.6%	3.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.7%	1.0%	4.7%

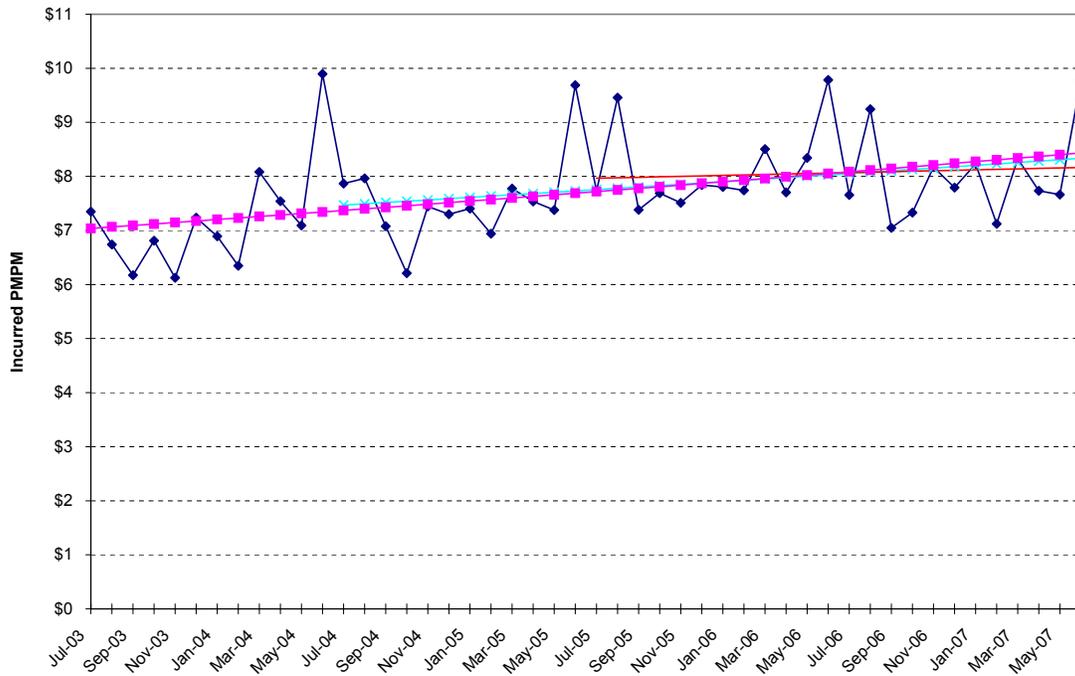
Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery



NON-MEDICARE CLAIMS
Excluding Drugs

PHYSICIAN SERVICES

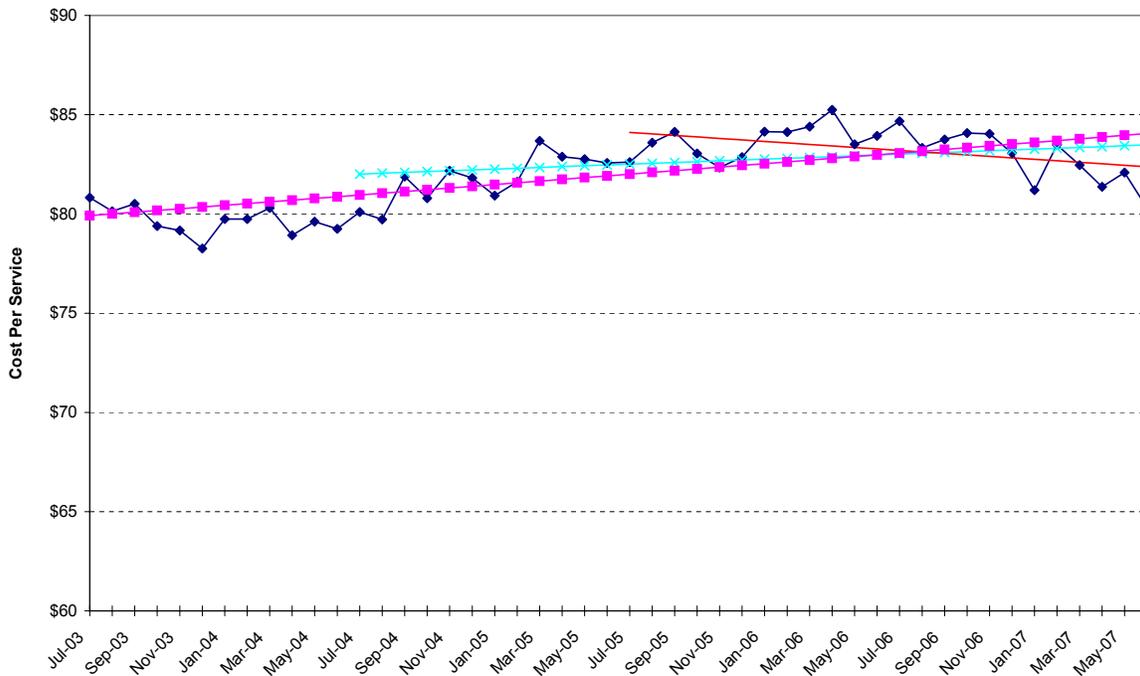
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.2%	-1.1%	4.0%

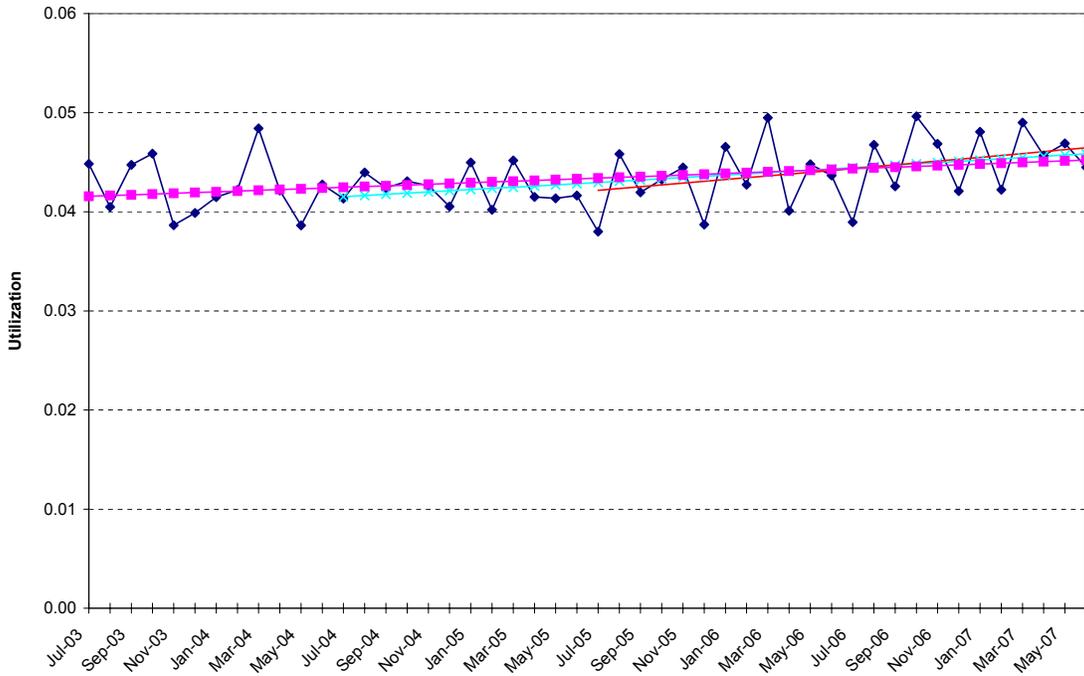
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.5%	0.6%	4.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	1.3%	3.5%

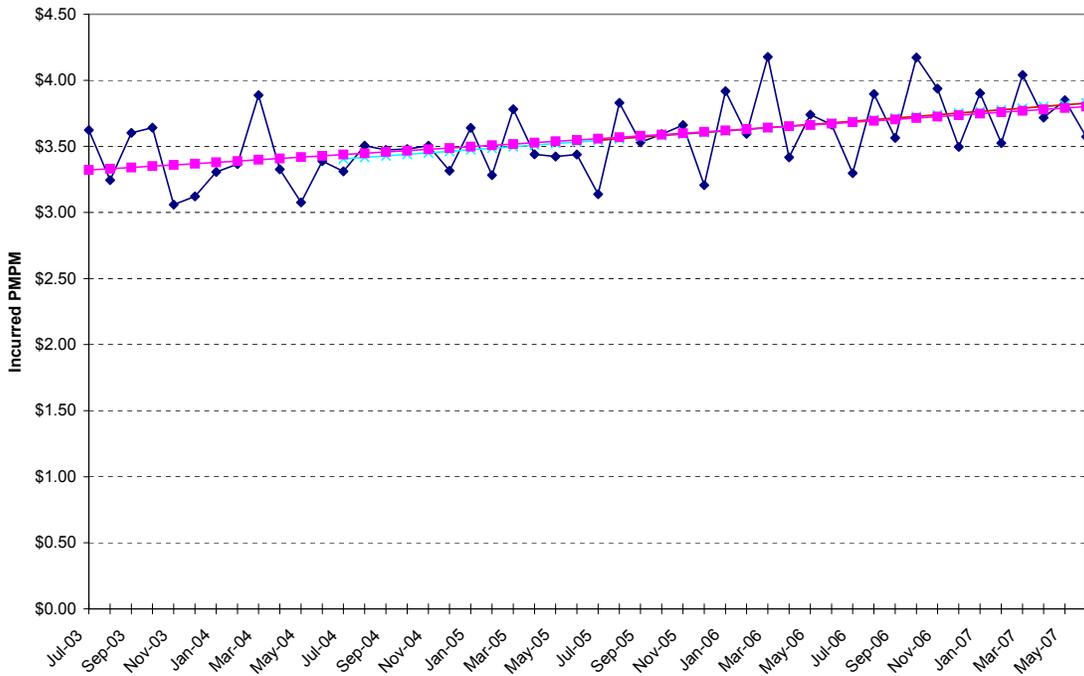
Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

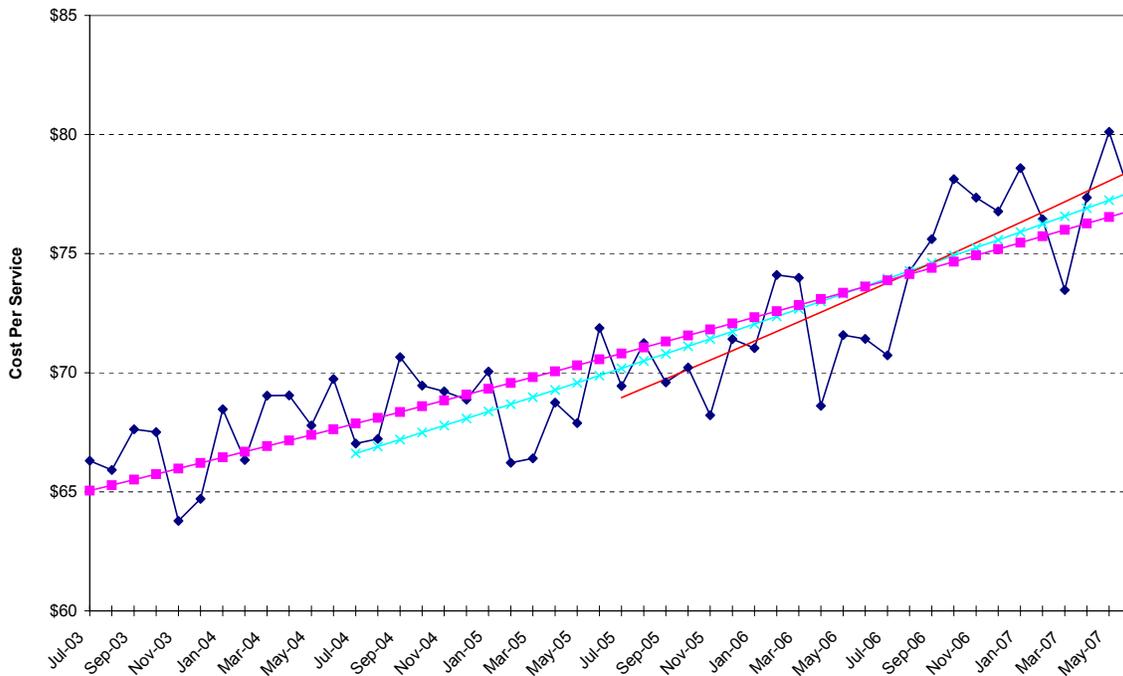
Radiology

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.5%	7.0%	8.6%

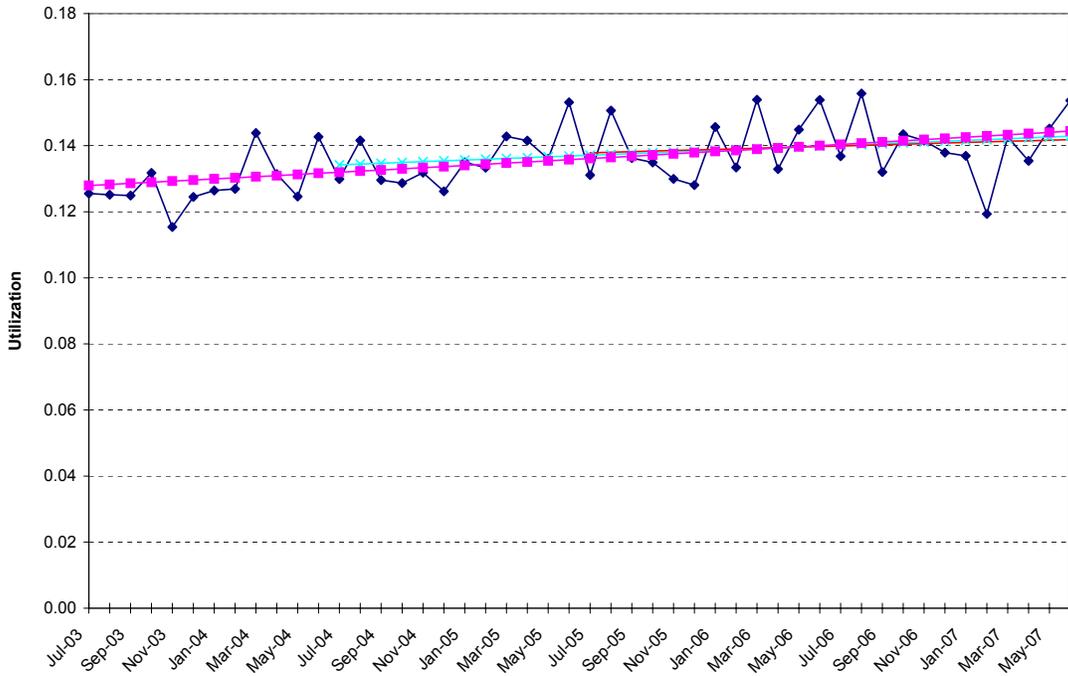
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	5.4%	7.6%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.1%	4.3%	7.6%

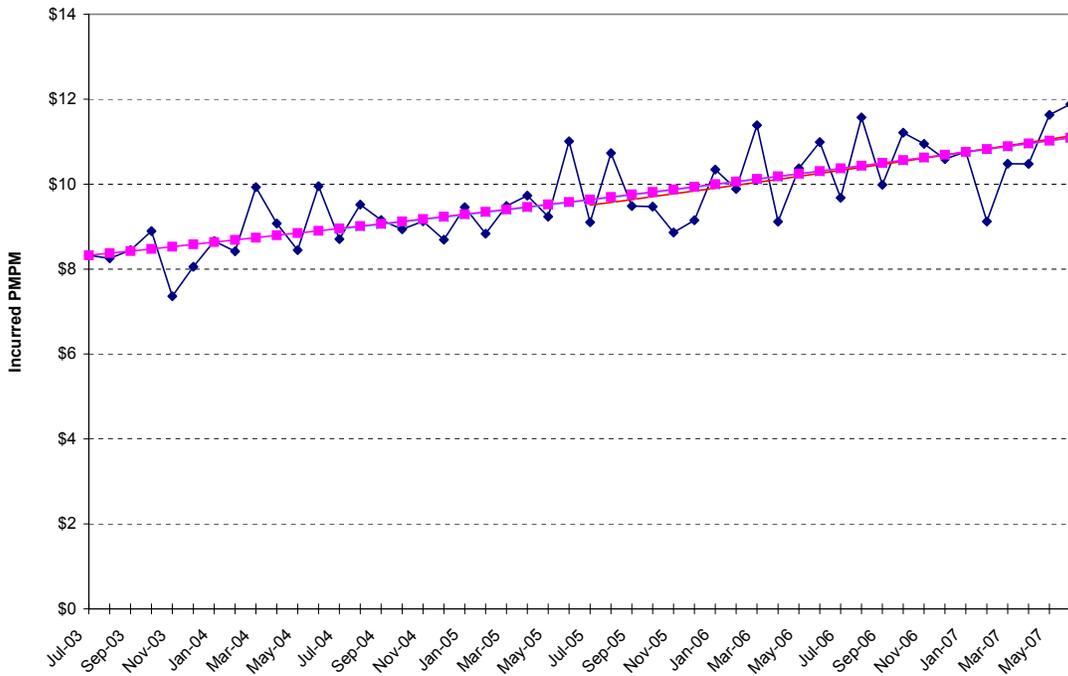
Physician Services - Radiology



Physician Services - Radiology



Physician Services - Radiology



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

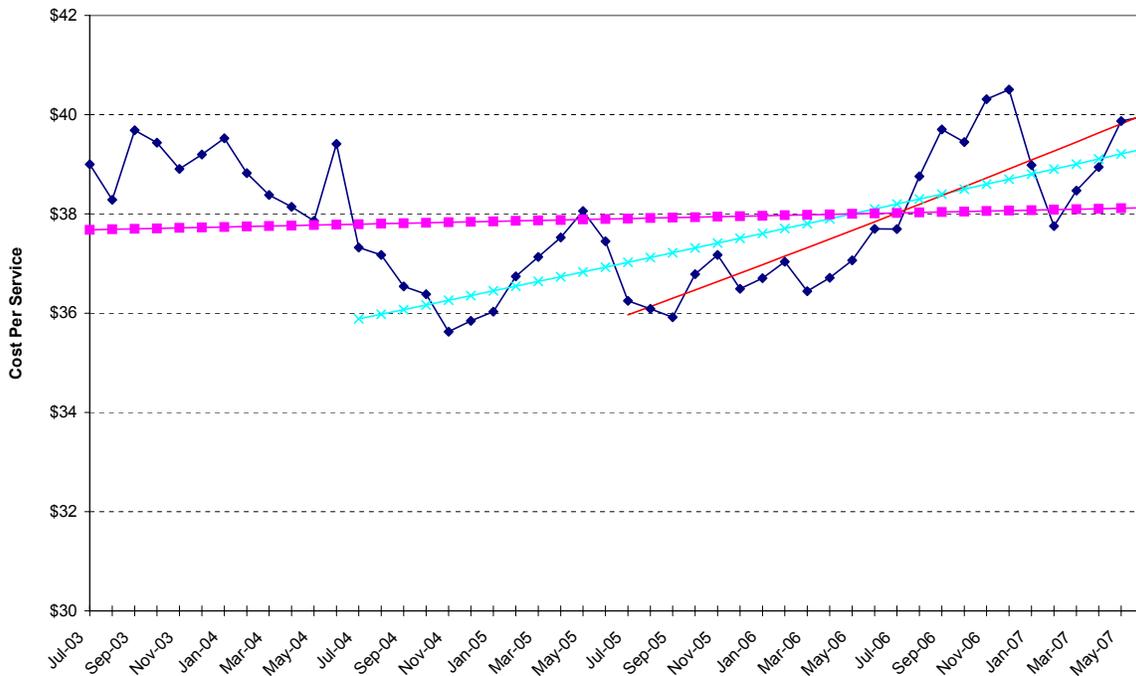
Therapies

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-7.7%	5.7%	-2.4%

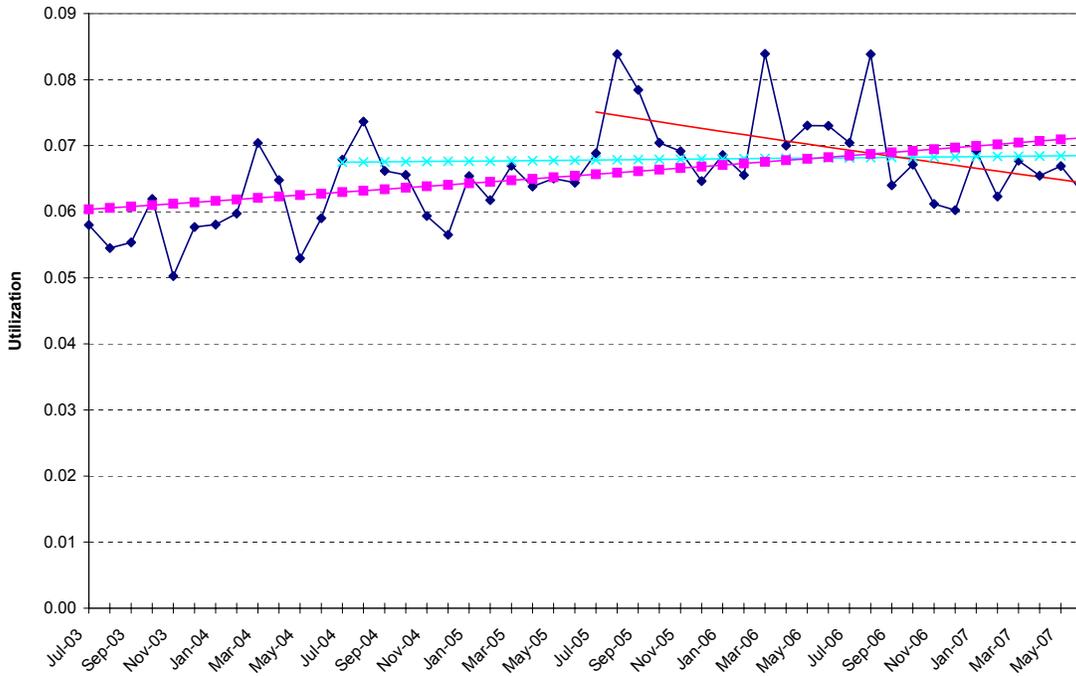
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.5%	3.2%	3.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.3%	0.3%	4.6%

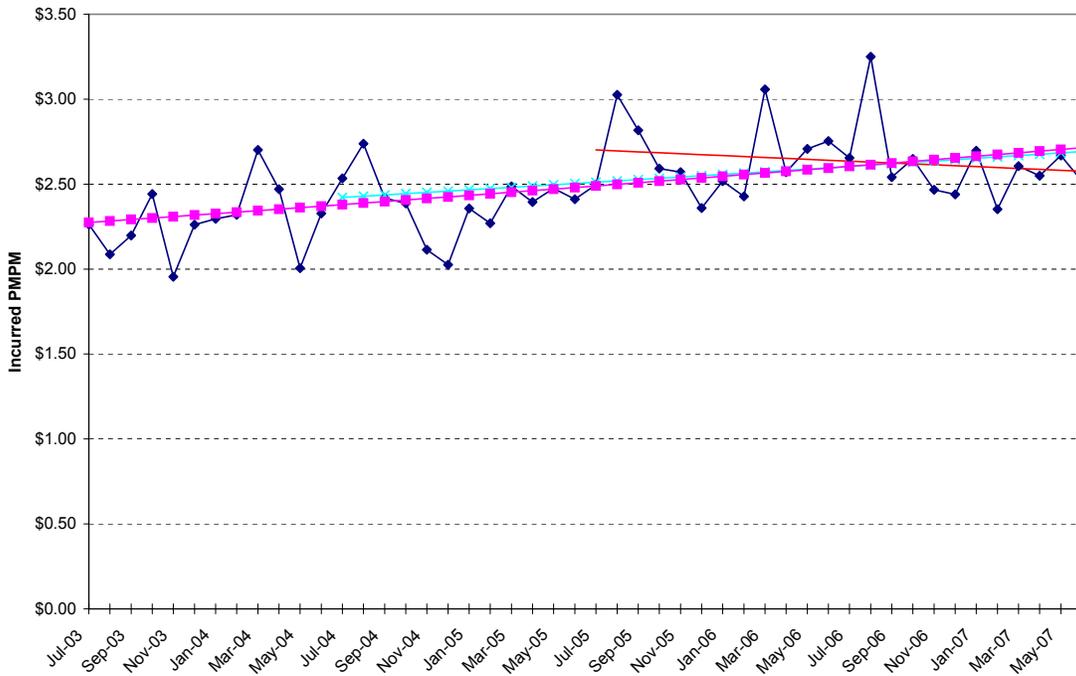
Physician Services - Therapies



Physician Services - Therapies



Physician Services - Therapies



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

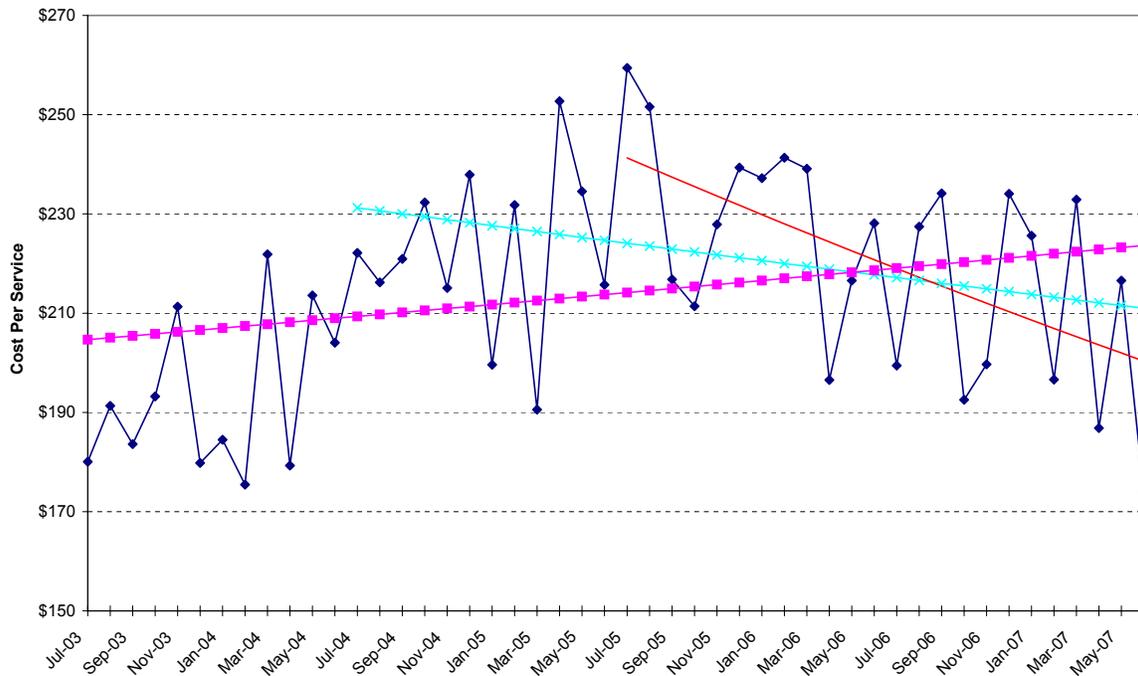
Ambulance

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
9.3%	-9.2%	-0.8%

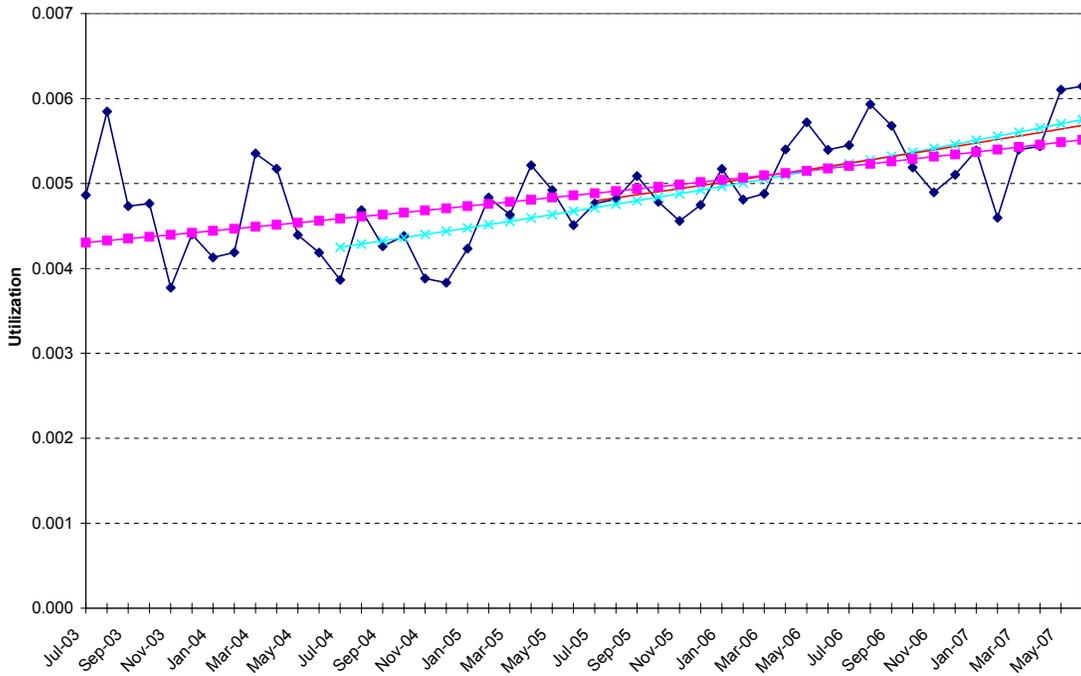
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
10.9%	-3.1%	7.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.5%	2.3%	9.0%

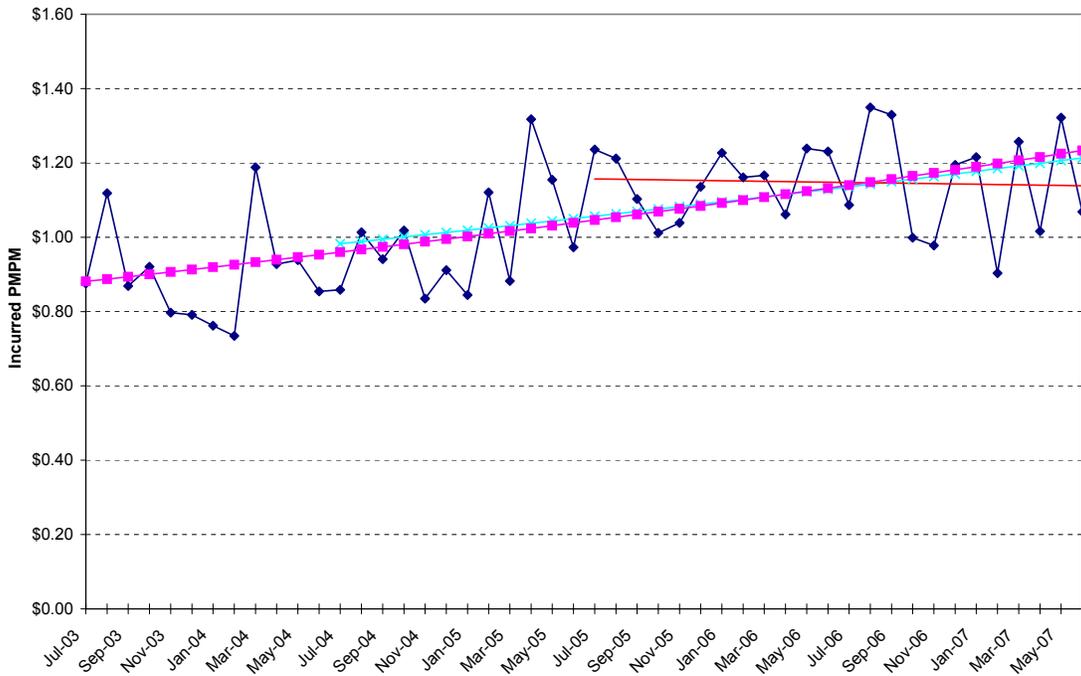
Other - Ambulance



Other - Ambulance



Other - Ambulance



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

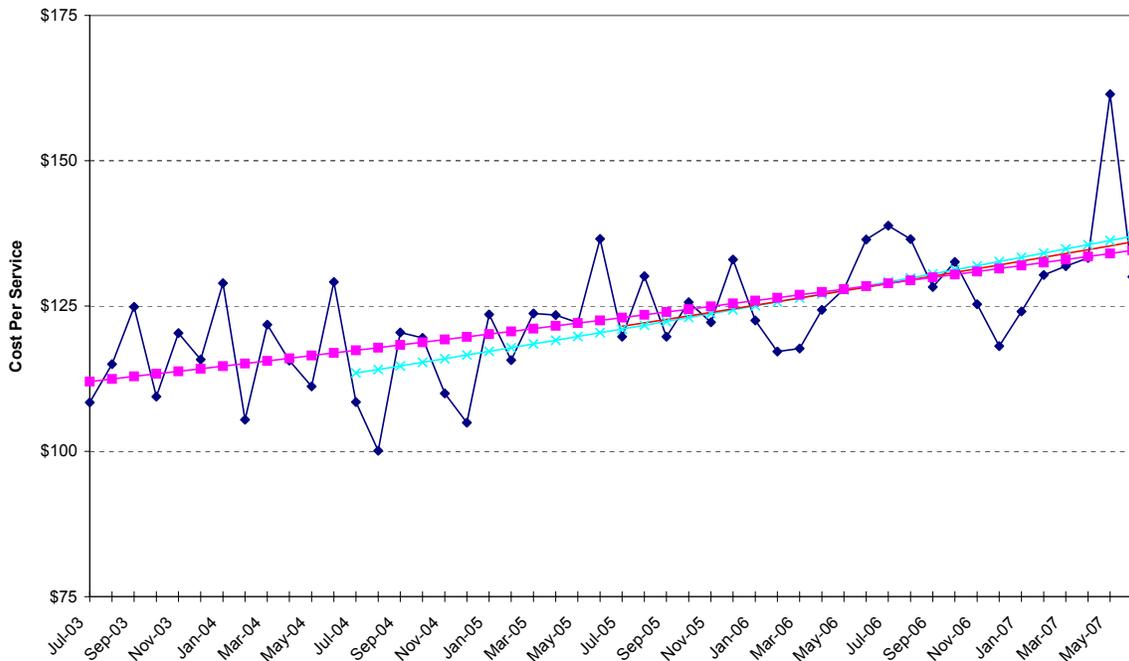
Appliances (DME)

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
14.8%	6.1%	21.8%

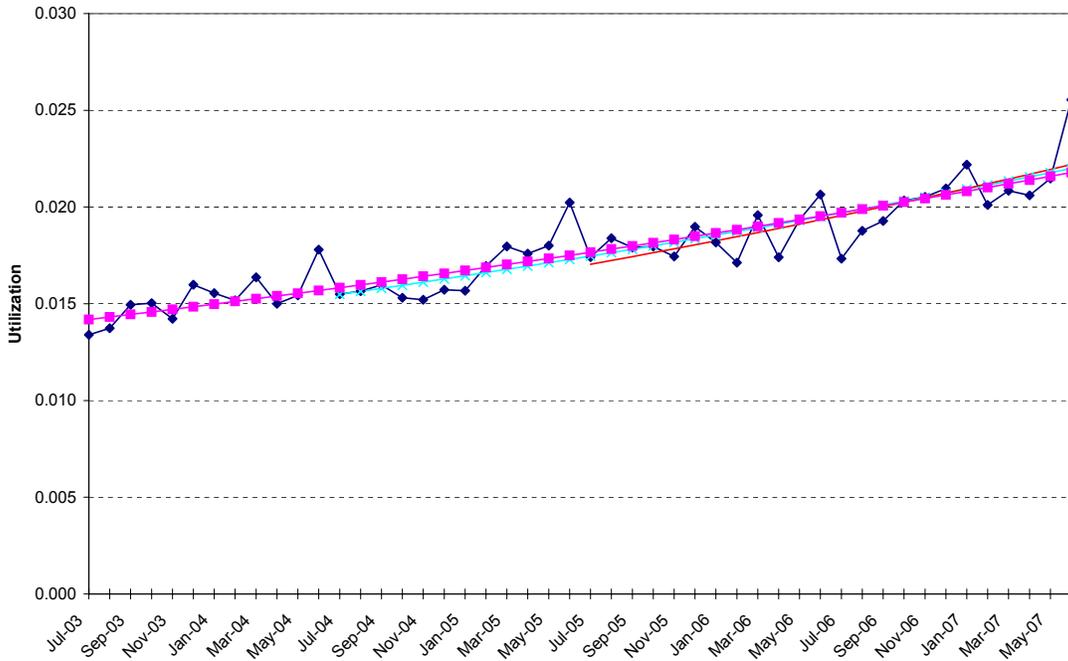
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
12.8%	6.7%	20.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.6%	4.8%	16.9%

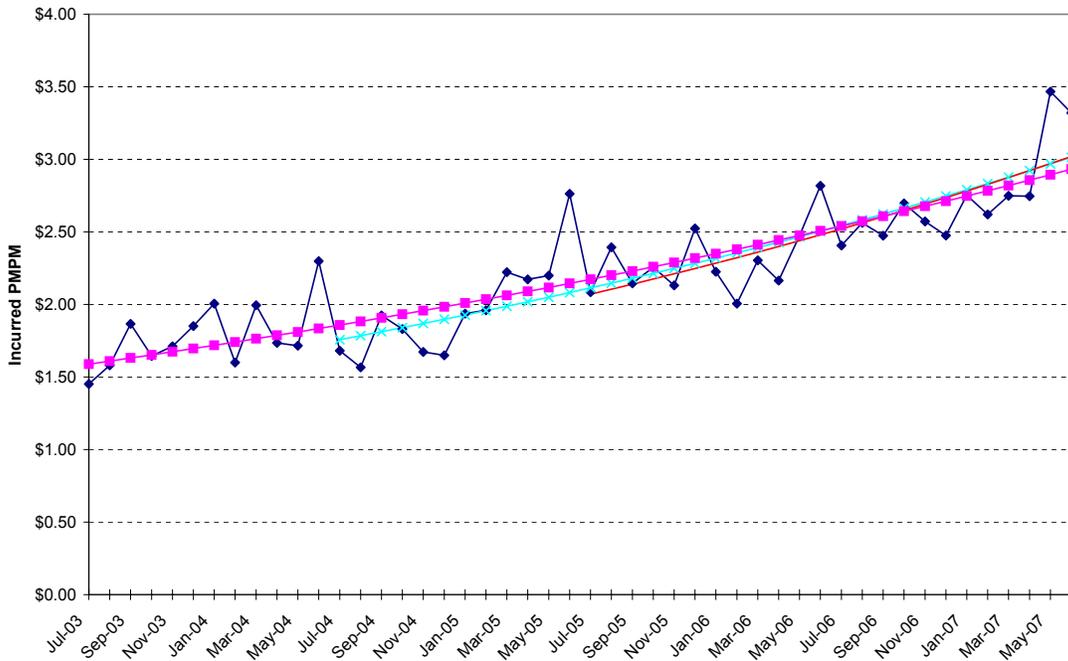
Other - Appliances (DME)



Other - Appliances (DME)



Other - Appliances (DME)



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

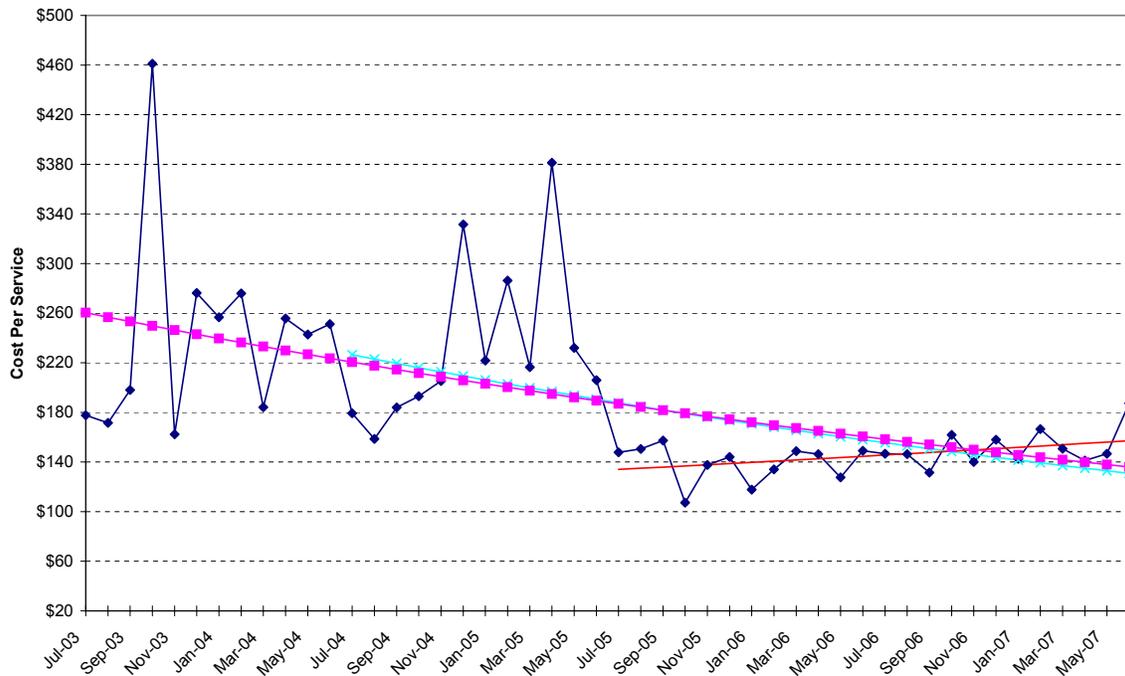
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
10.7%	8.7%	20.3%

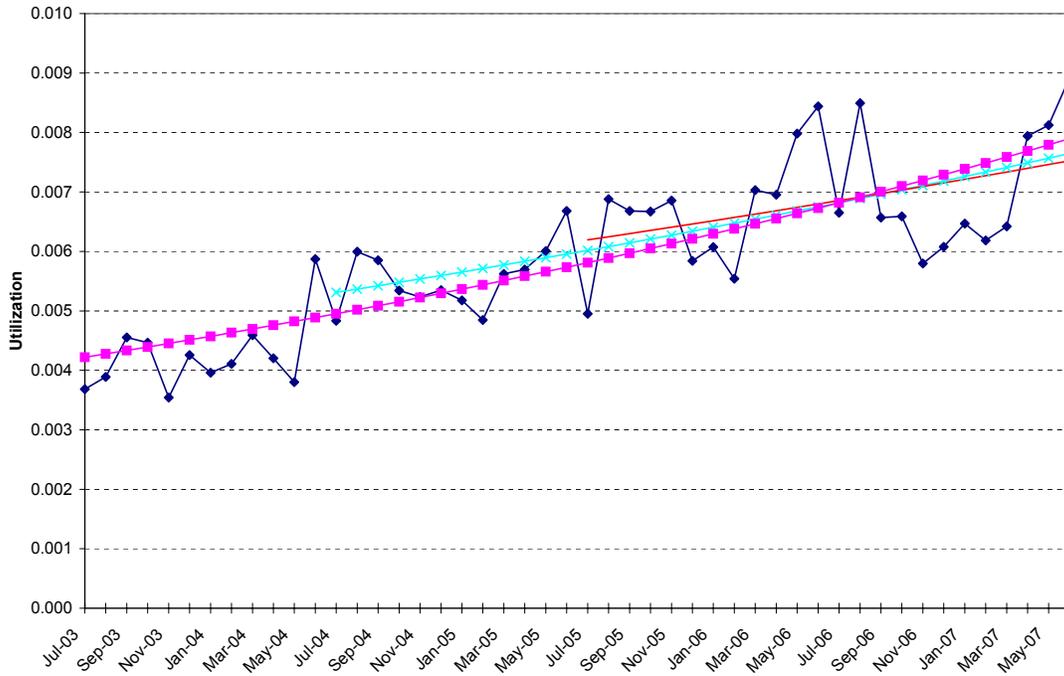
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
13.3%	-17.1%	-6.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
17.3%	-15.3%	-0.6%

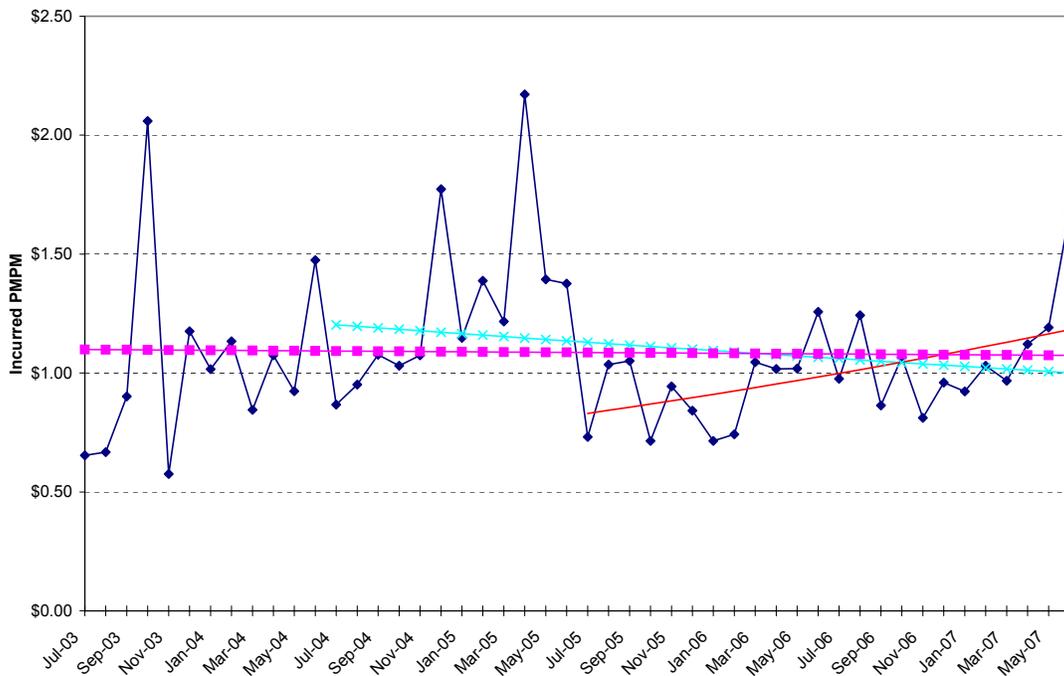
Other - Other Services



Other - Other Services



Other - Other Services



Appendix B

MEDICARE CLAIMS - Excluding Drugs

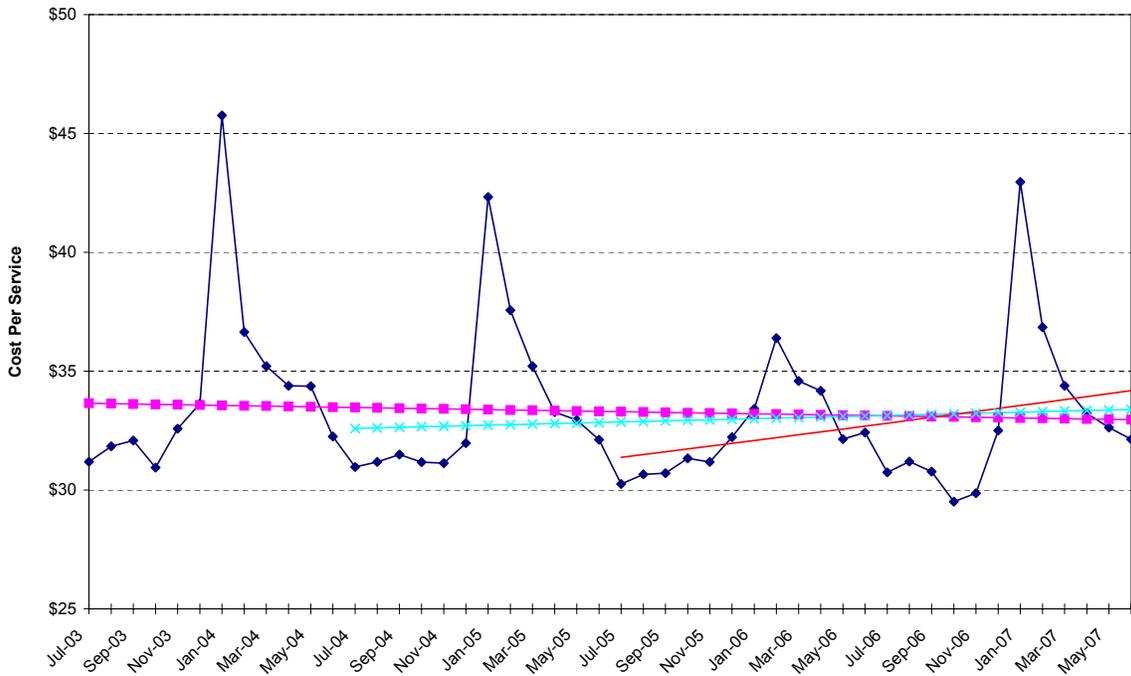
Total Claims

Trends Summary

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	7.3%	2.7%	10.2%	100.0%
36-Month Trend	6.6%	1.2%	7.9%	100.0%
48-Month Trend	6.5%	0.4%	6.9%	100.0%

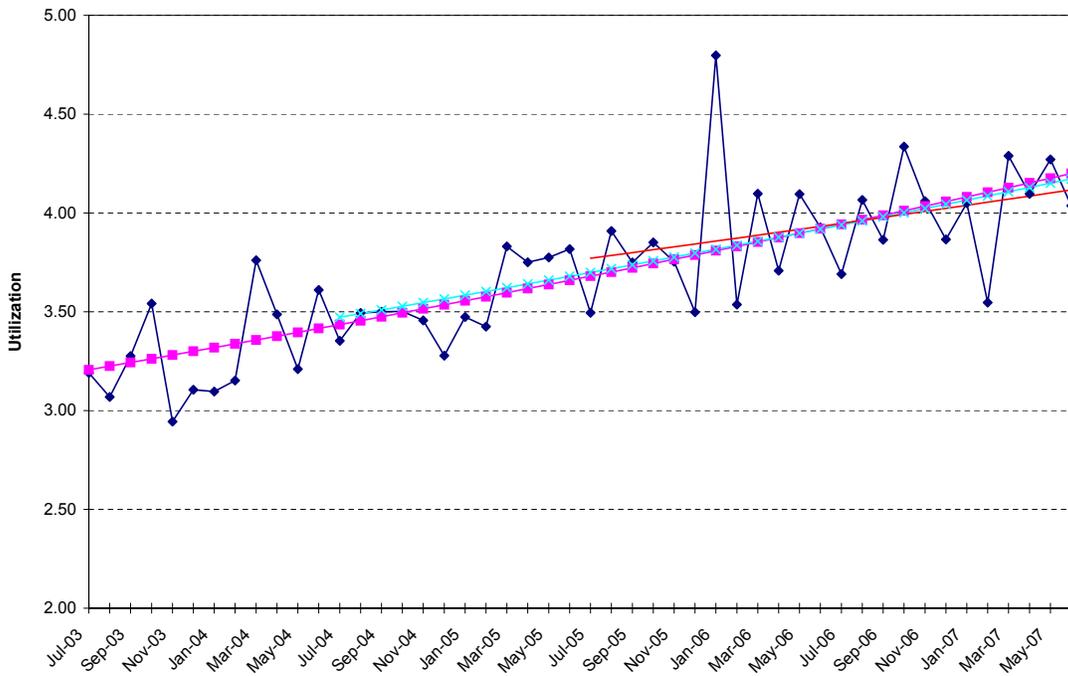
Medicare

Total Claims - Excluding Drugs



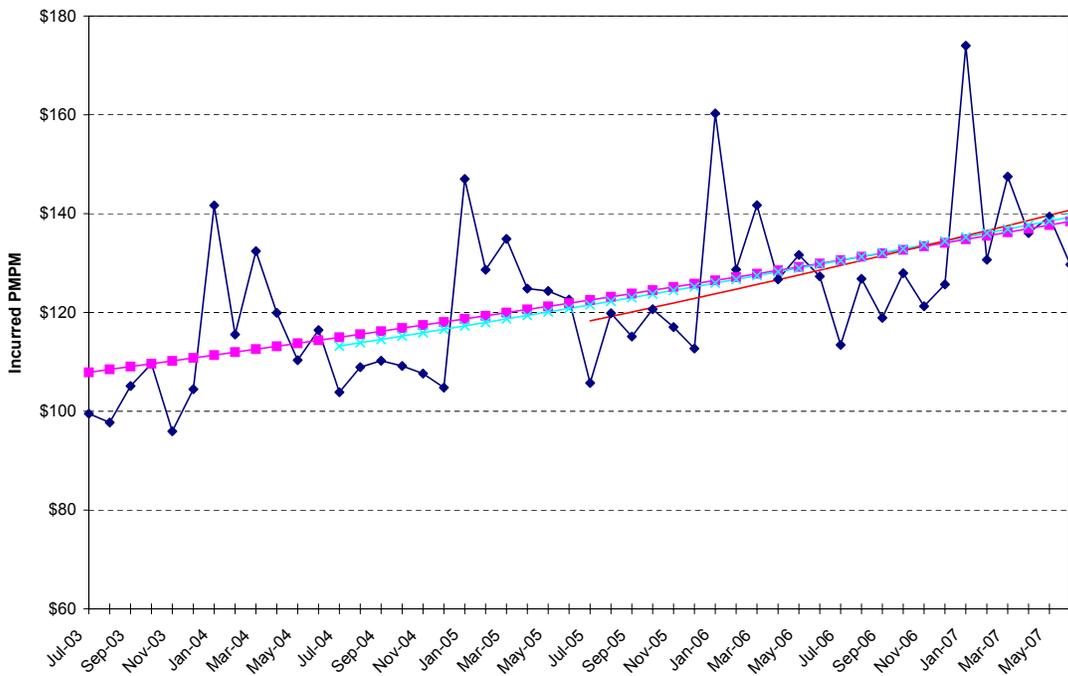
Medicare

Total Claims - Excluding Drugs



Medicare

Total Claims - Excluding Drugs



MEDICARE CLAIMS - Excluding Drugs

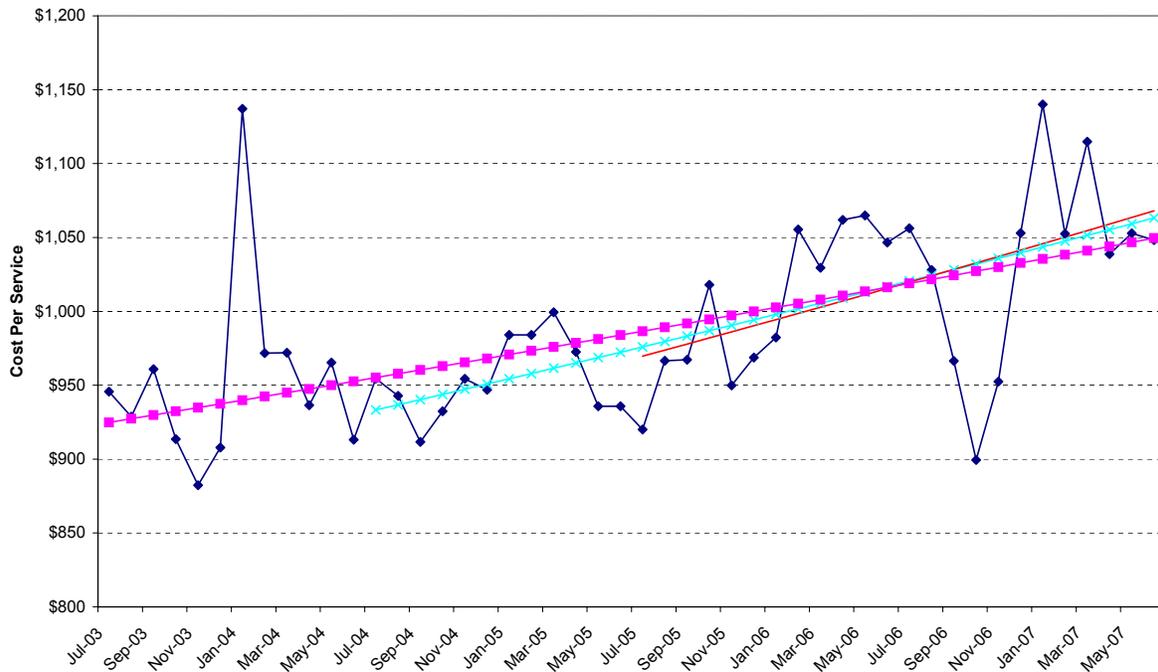
Hospital Inpatient

Trends Summary

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	4.6%	5.2%	10.0%	27.9%
36-Month Trend	2.0%	4.6%	6.7%	28.0%
48-Month Trend	1.3%	3.3%	4.7%	28.4%

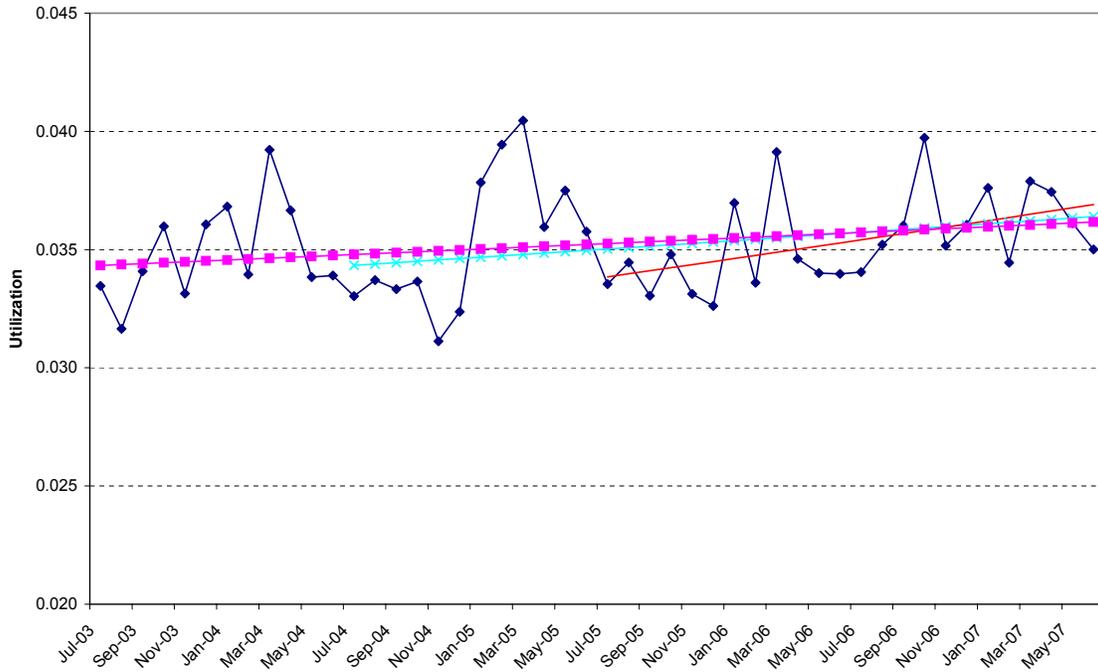
Medicare

Hospital Inpatient - Total



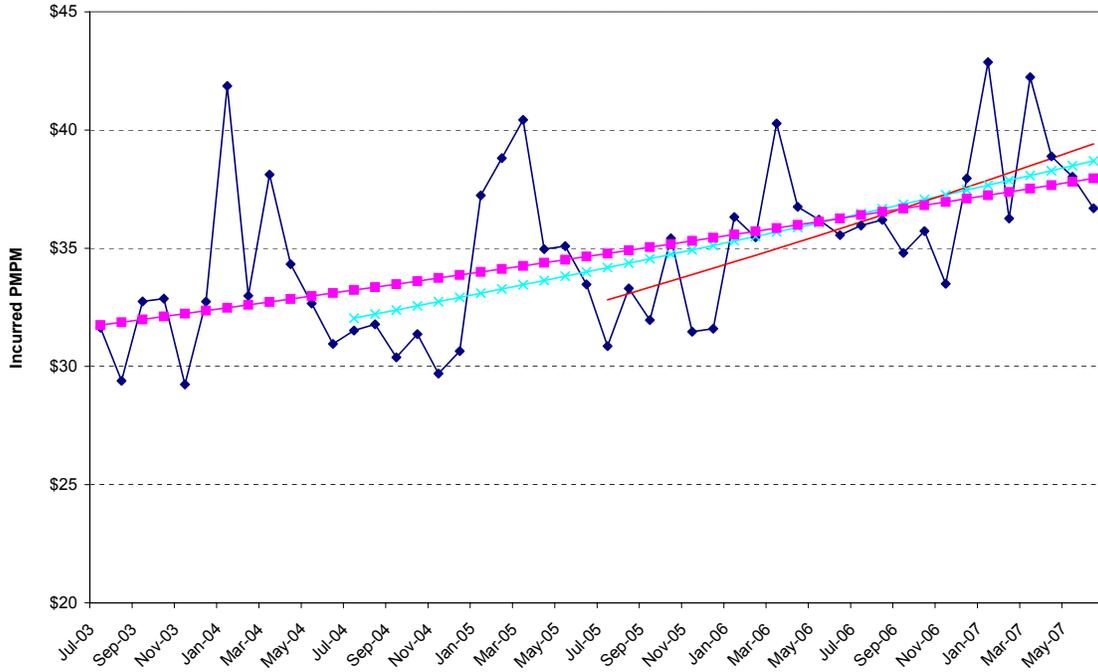
Medicare

Hospital Inpatient - Total



Medicare

Hospital Inpatient - Total



MEDICARE CLAIMS - Excluding Drugs

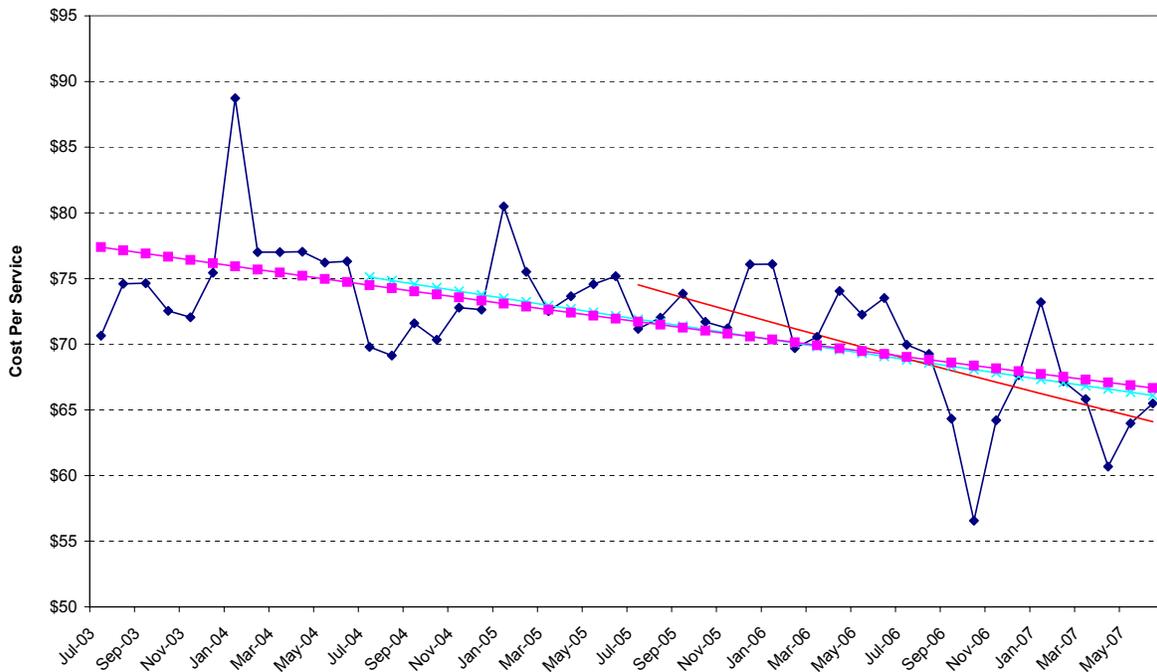
Hospital Outpatient

Trends Summary

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	15.6%	-7.6%	6.9%	25.4%
36-Month Trend	11.7%	-4.3%	6.9%	25.4%
48-Month Trend	10.3%	-3.7%	6.2%	25.5%

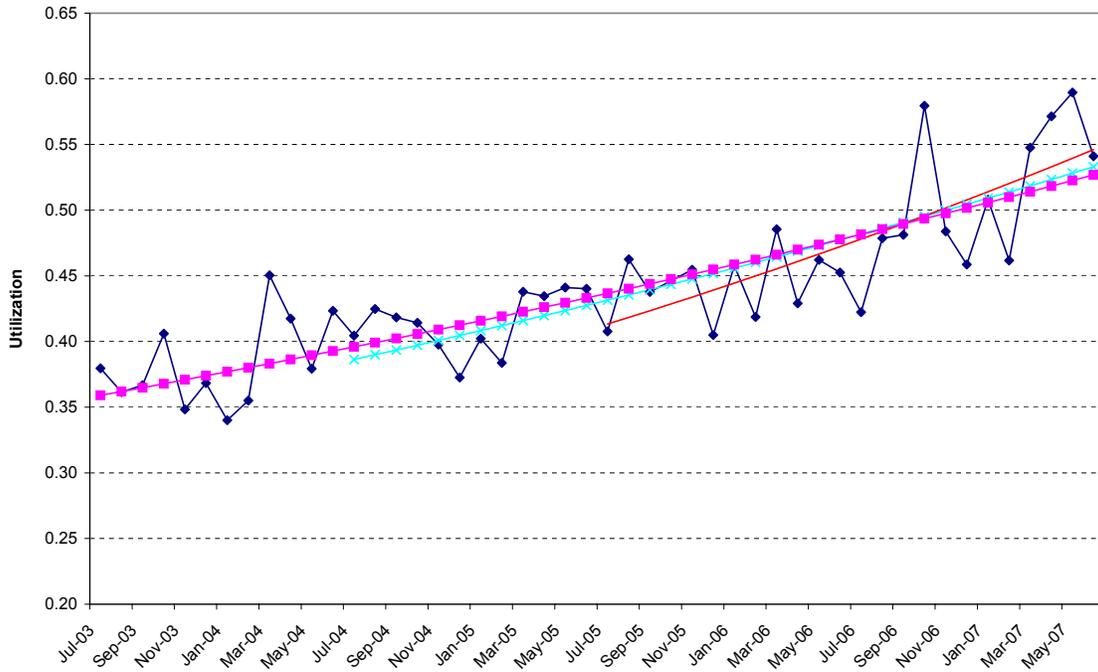
Medicare

Hospital Outpatient - Total



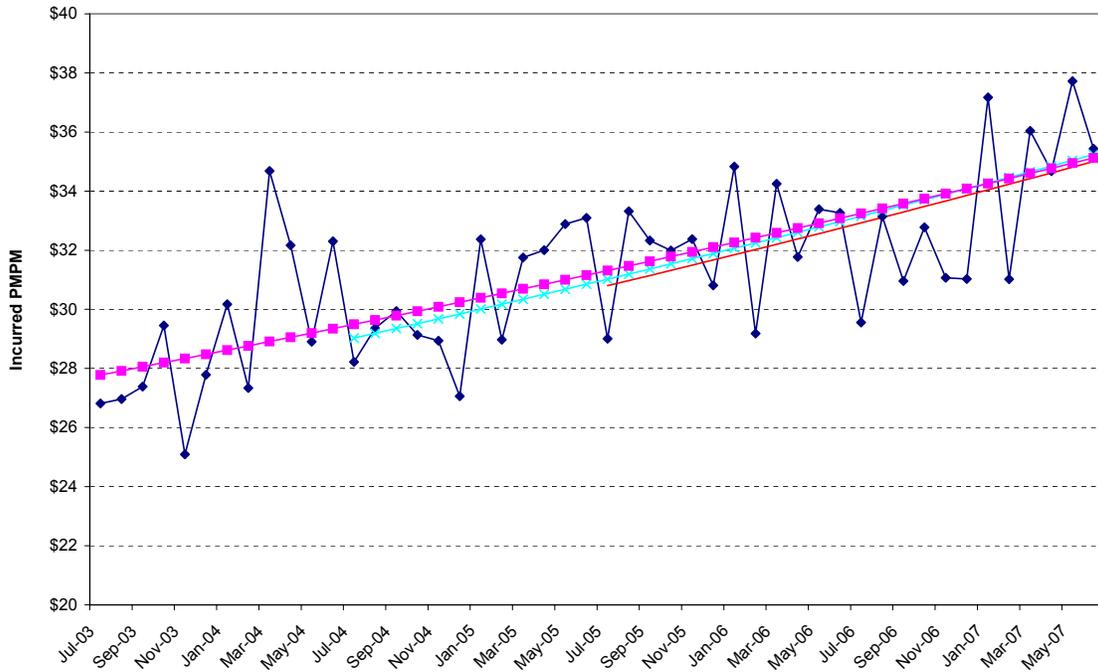
Medicare

Hospital Outpatient - Total



Medicare

Hospital Outpatient - Total



MEDICARE CLAIMS - Excluding Drugs

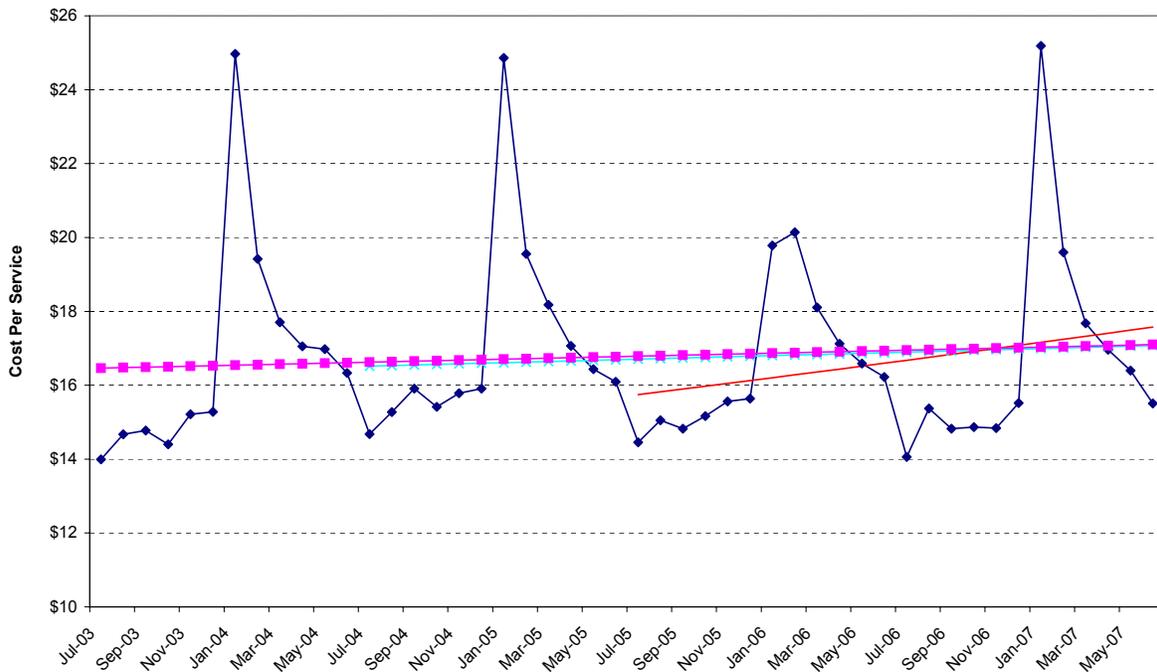
Physician Services

Trends Summary

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	1.2%	5.9%	7.2%	39.7%
36-Month Trend	4.6%	1.1%	5.8%	40.0%
48-Month Trend	5.4%	1.0%	6.5%	39.9%

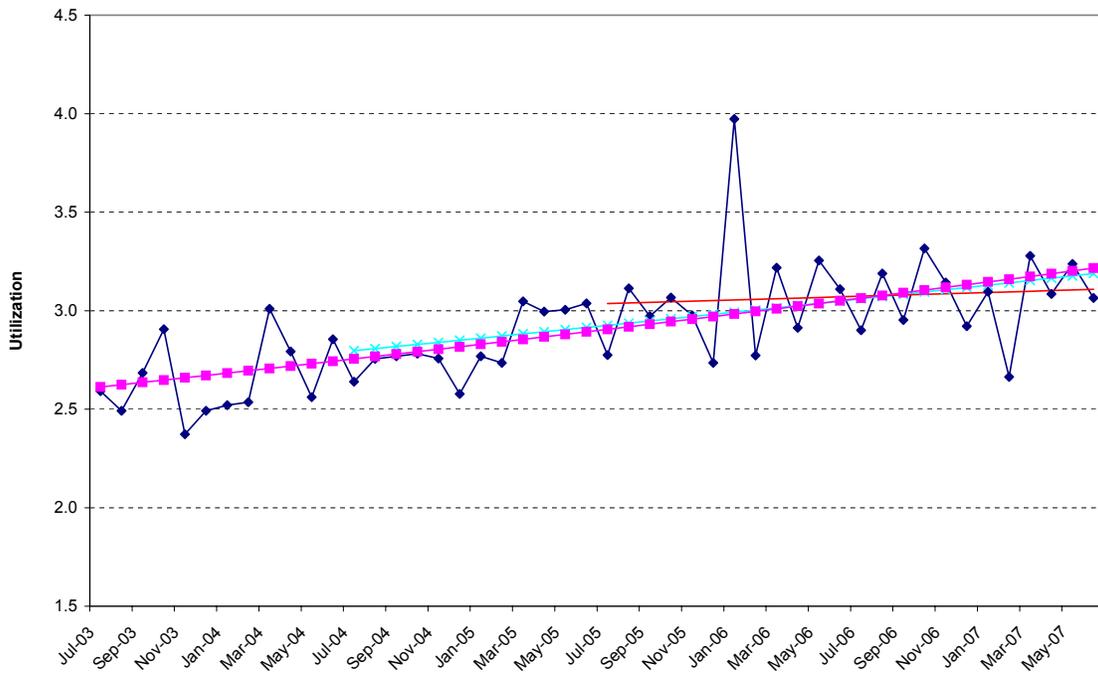
Medicare

Physician Services - Total



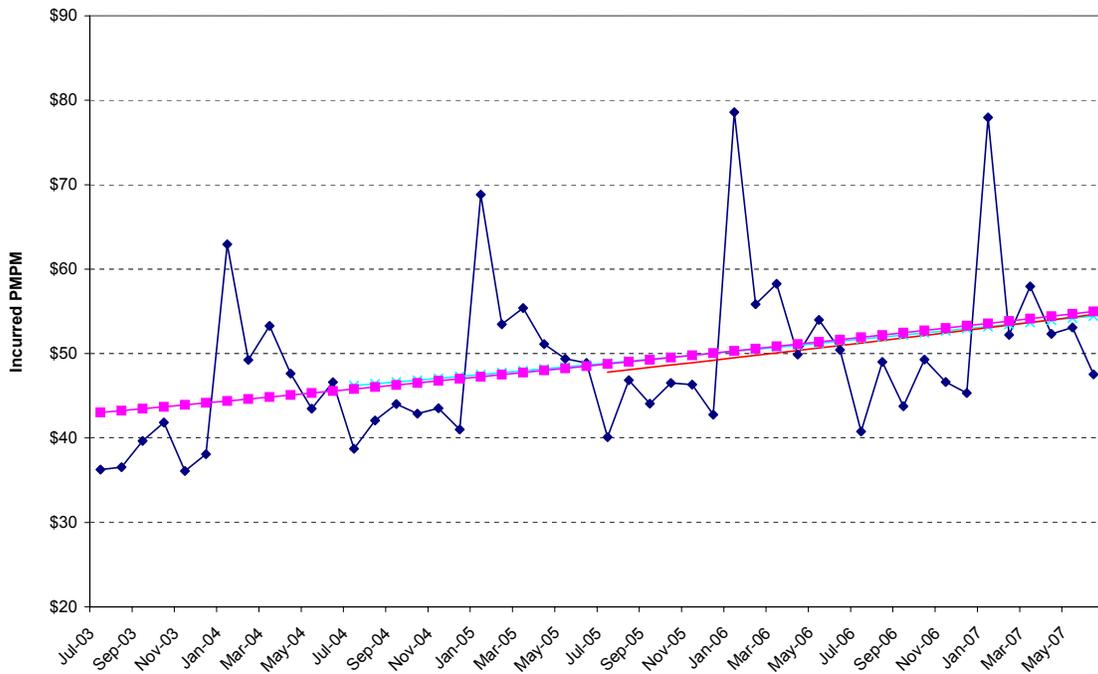
Medicare

Physician Services - Total



Medicare

Physician Services - Total



MEDICARE CLAIMS - Excluding Drugs

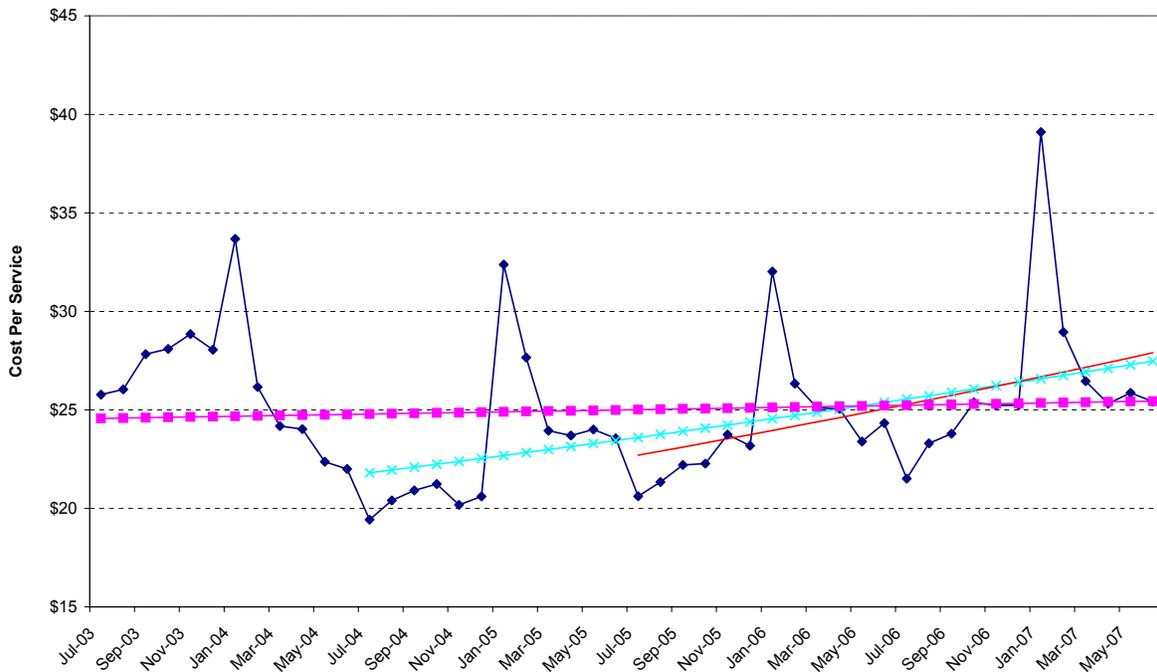
Other Services

Trends Summary

	<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	22.7%	11.3%	36.6%	7.0%
36-Month Trend	18.7%	8.2%	28.5%	6.5%
48-Month Trend	20.6%	0.9%	21.7%	6.2%

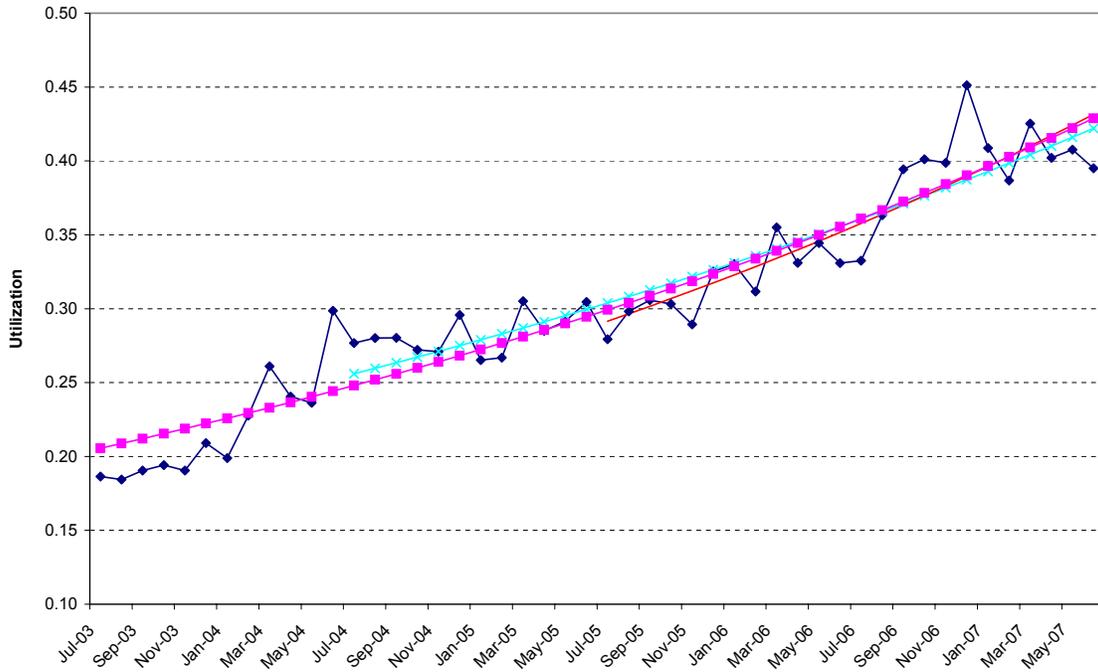
Medicare

Other - Total



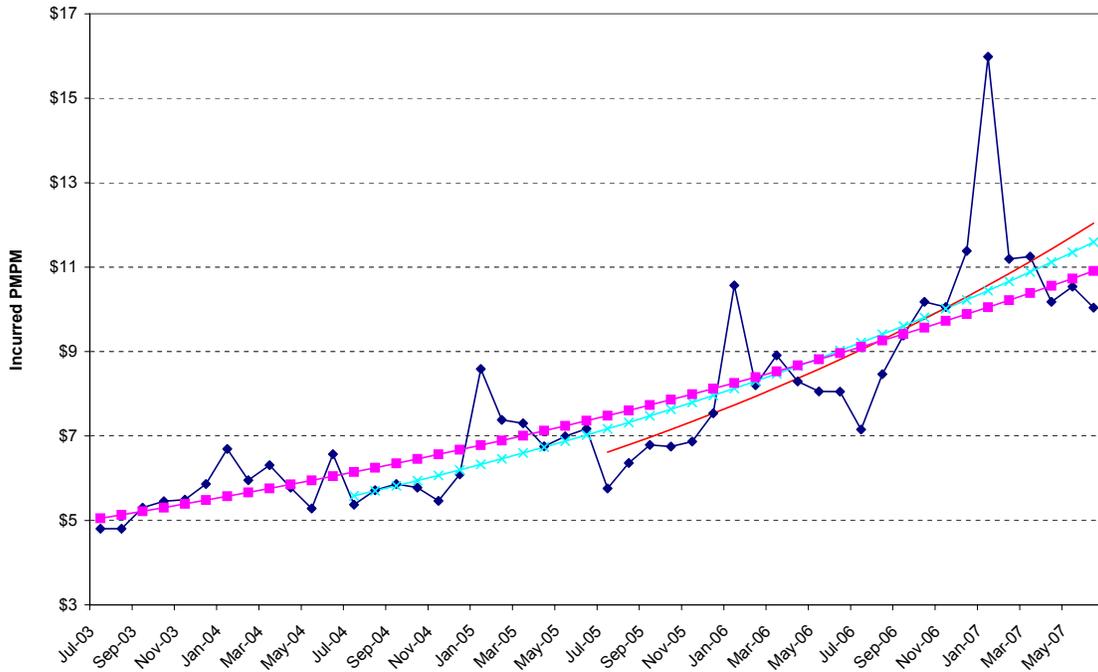
Medicare

Other - Total



Medicare

Other - Total

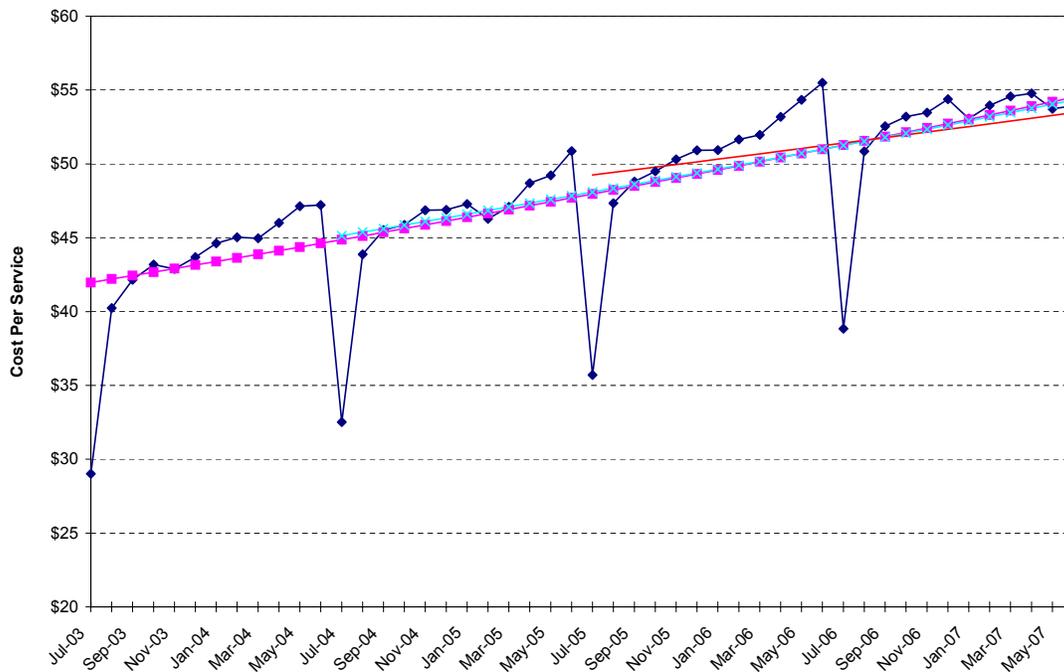


Appendix C

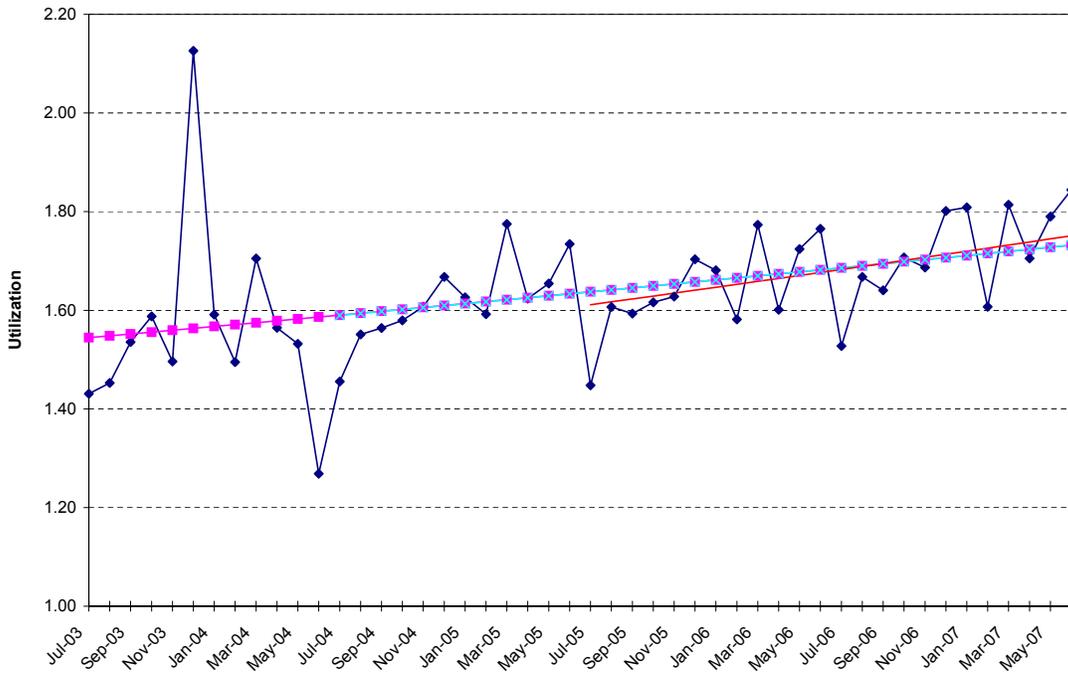
Non-Medicare & Medicare Drugs

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	4.1%	4.4%	8.7%	100.0%
36-Month Trend	2.6%	6.6%	9.3%	100.0%
48-Month Trend	2.6%	6.9%	9.7%	100.0%

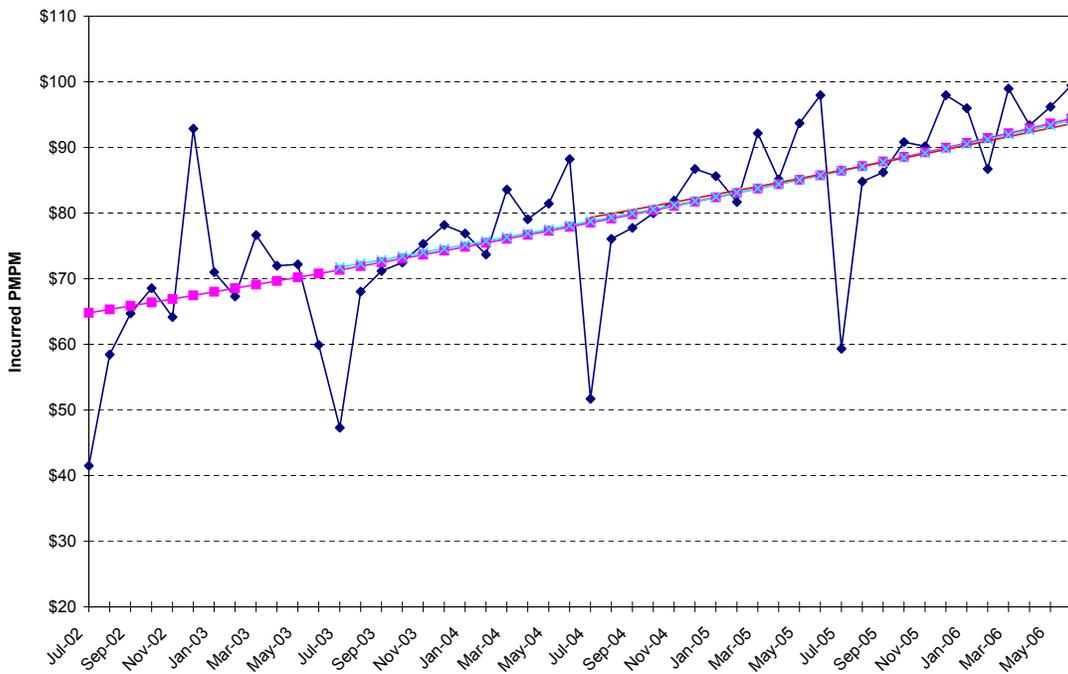
Total Prescription Drugs



Total Prescription Drugs

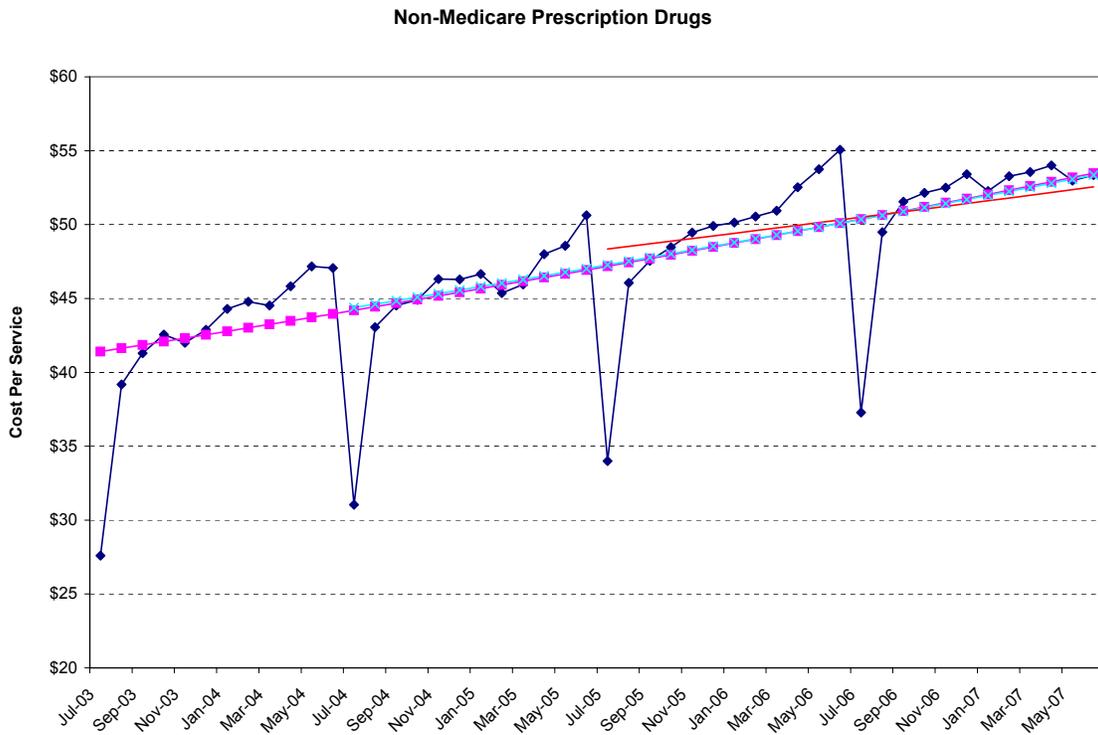


Total Prescription Drugs

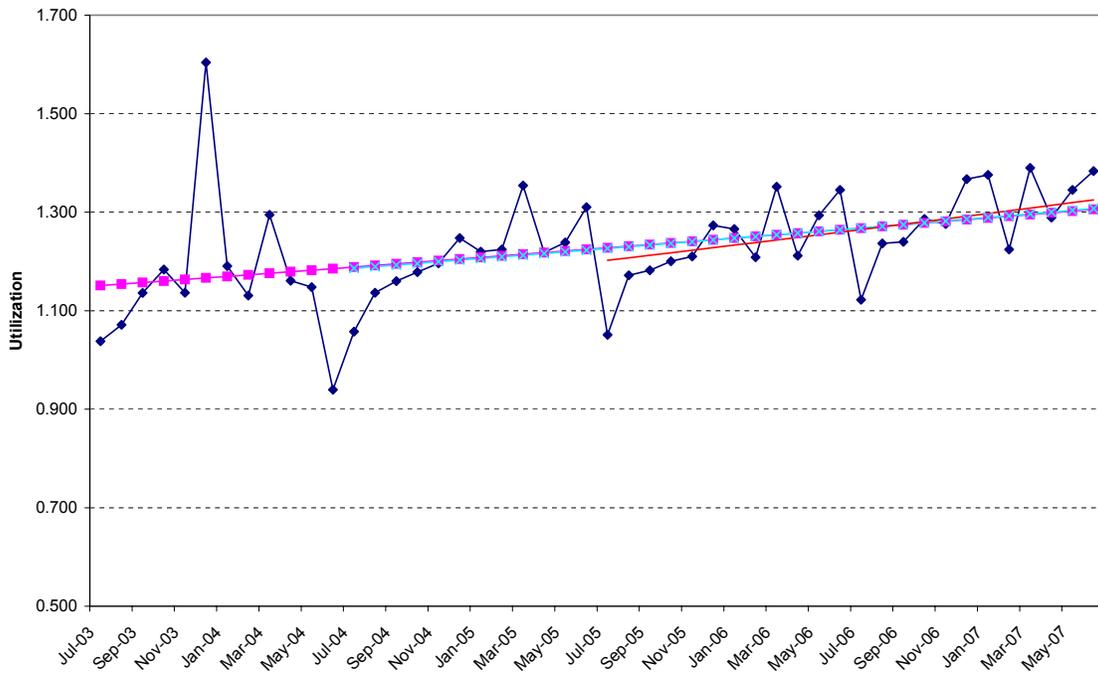


Non-Medicare

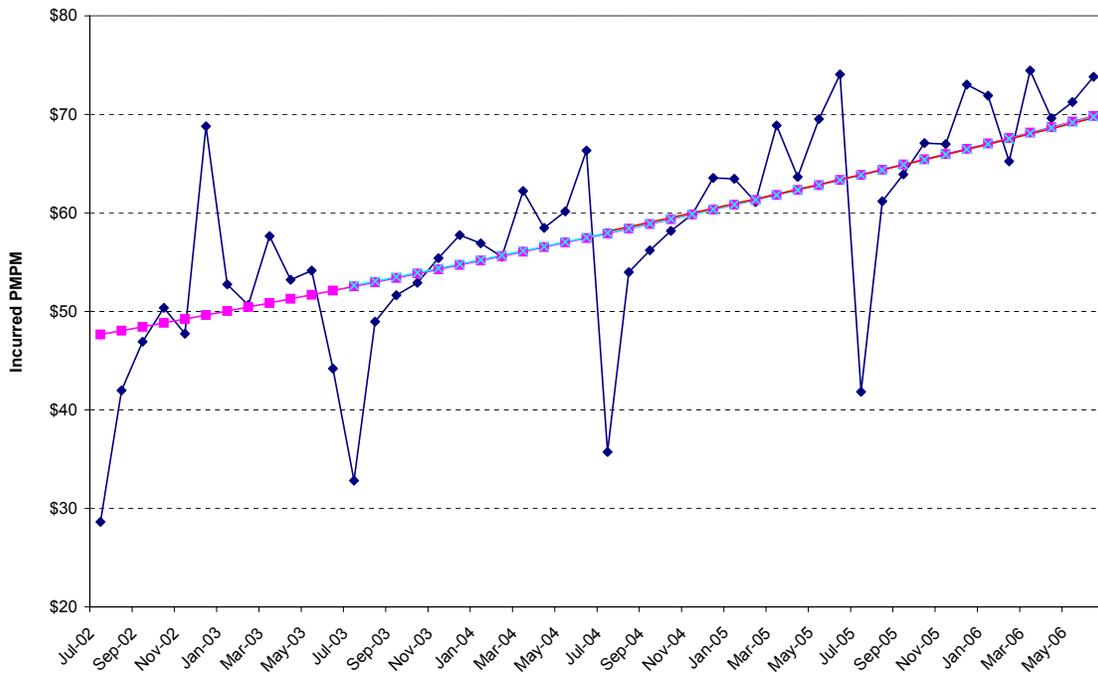
	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	5.2%	4.5%	9.9%	61.2%
36-Month Trend	3.4%	6.5%	10.1%	61.2%
48-Month Trend	3.3%	6.7%	10.2%	61.3%



Non-Medicare Prescription Drugs



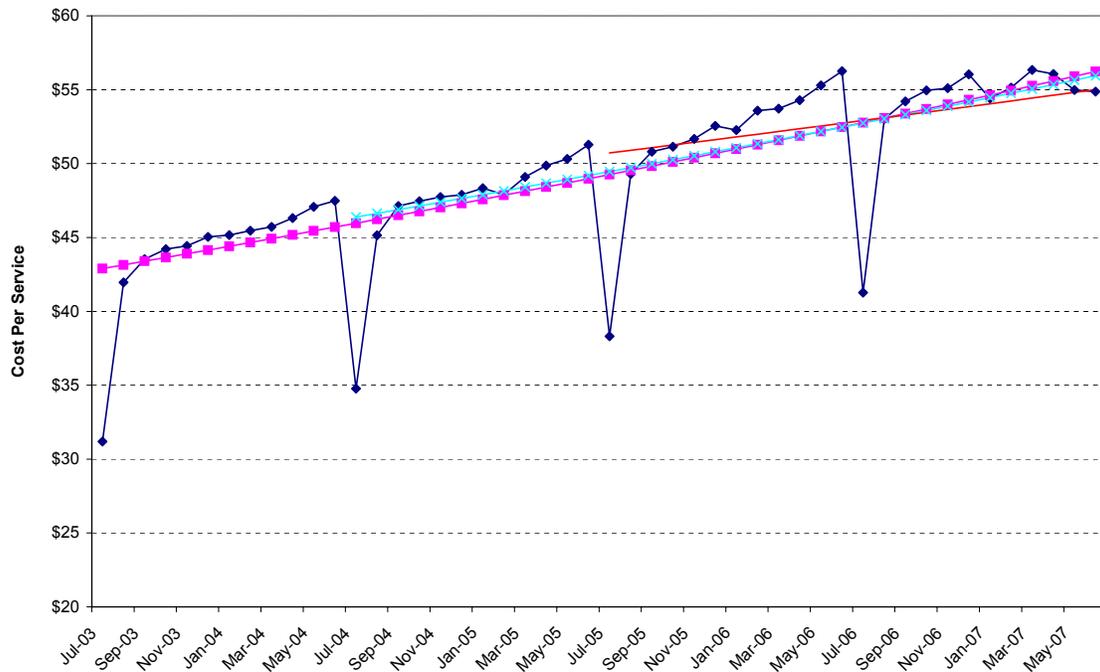
Non-Medicare Prescription Drugs



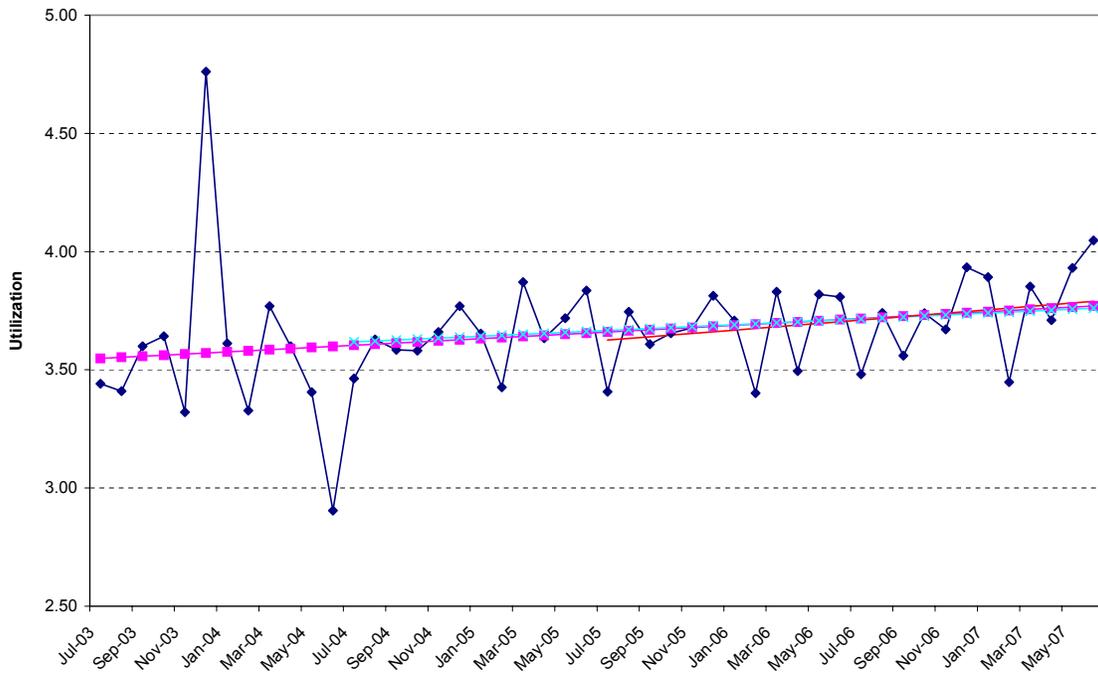
Medicare

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	2.3%	4.3%	6.8%	38.8%
36-Month Trend	1.3%	6.6%	8.1%	38.8%
48-Month Trend	1.6%	7.2%	8.8%	38.7%

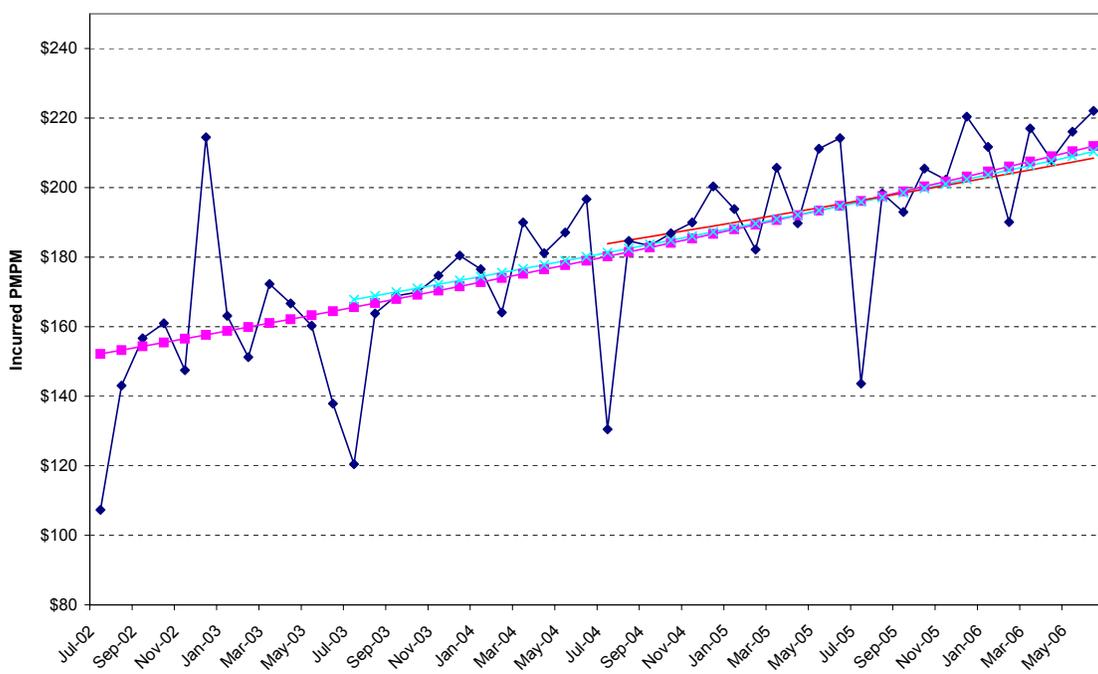
Medicare Prescription Drugs



Medicare Prescription Drugs



Medicare Prescription Drugs



Appendix D – Analysis of Top Forty Drug Indicators

CCRC Actuaries reviewed the individual prescription data items for Fiscal Years 2006 and 2007. A total of 3,770,024 scripts were written for over 3,000 different kinds of prescriptions in 2007. The prescriptions were grouped by indicator codes, providing a basis to develop the fiscal year 2007 trend by indicator code. The top 40 indicator codes were analyzed, which accounted for 95.6% of PEIA's prescription drug expenditures.

The following charts summarize the utilization and cost per service for formulary and non-formulary drugs for each indicator code.

Top Five Increases in Drug Trends

Ingredient Cost Increase

Indication	2006 Total Ingredient Cost	2007 Total Ingredient Cost	Total Increase
Inflammation	\$944,901	\$6,565,314	\$5,620,412
Diabetes	18,287,397	22,159,145	3,871,748
High Blood Press/Heart Disease	24,273,525	26,140,140	1,866,615
Asthma	11,015,863	12,751,858	1,735,995
Parkinsons Disease	104,863	1,688,892	1,584,029

Prescription Utilization Increase

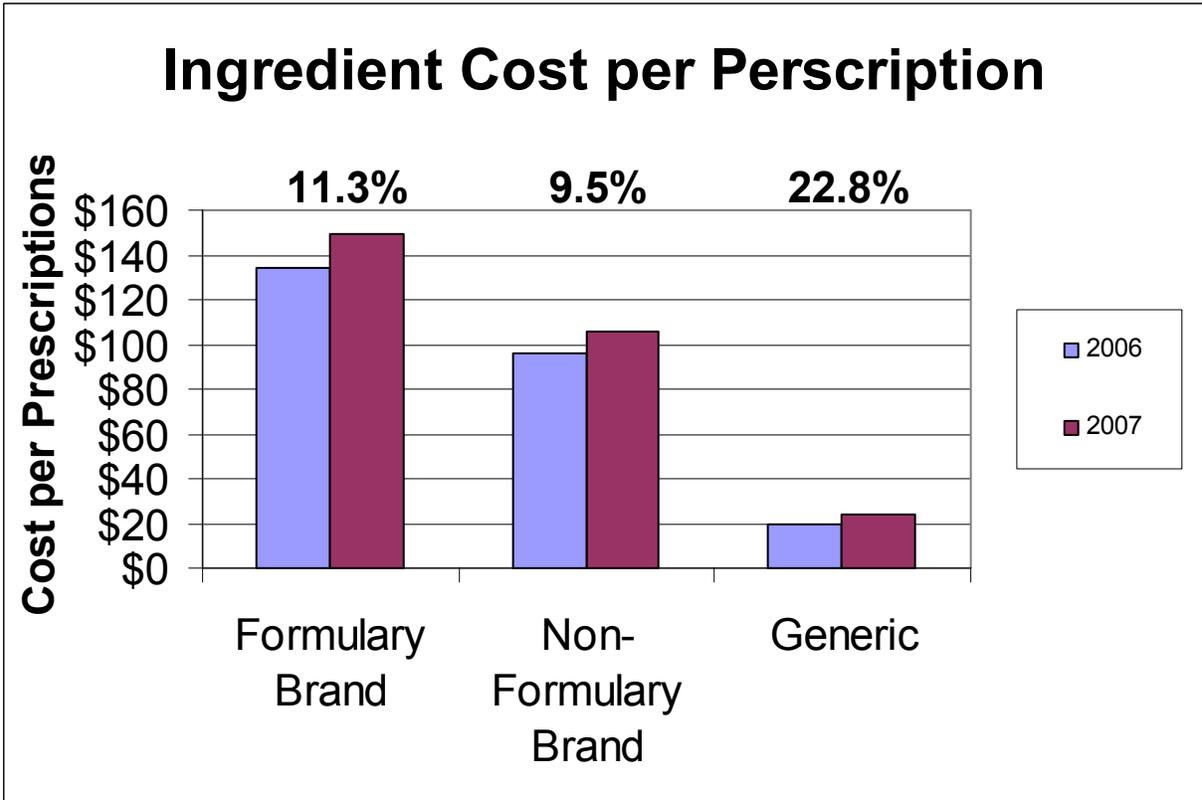
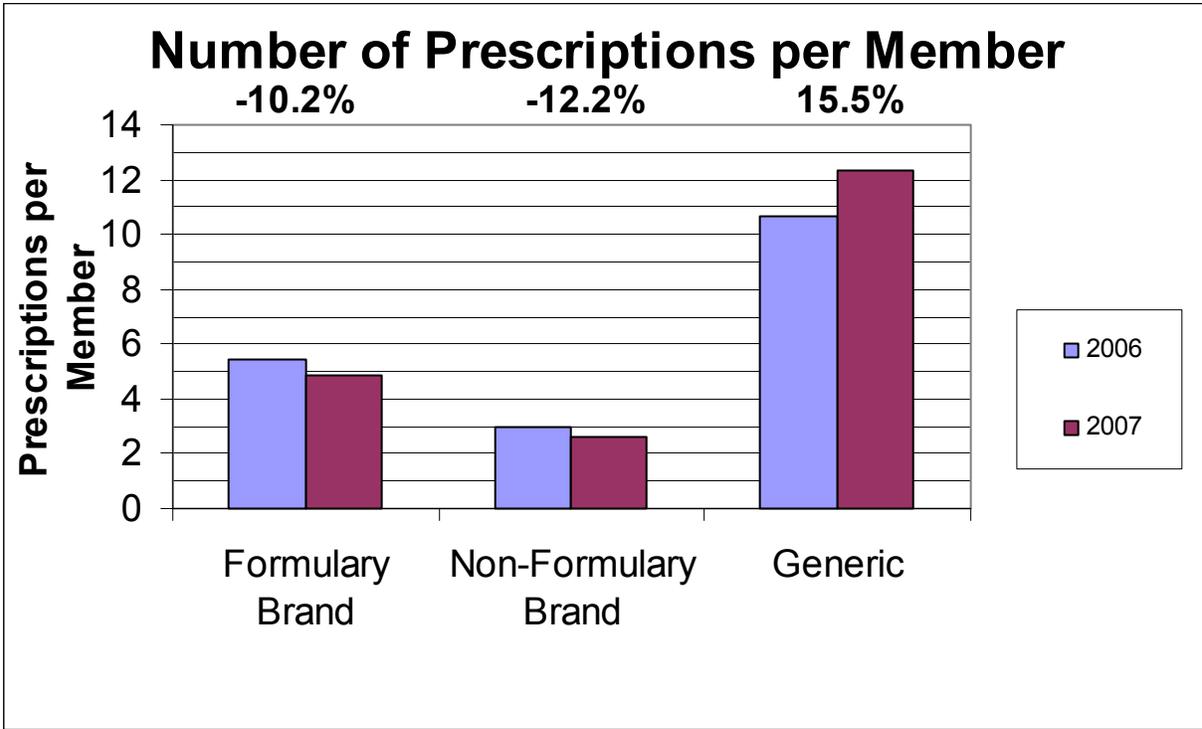
Indication	2006 Prescriptions	2007 Prescriptions	Utilization Increase
Parkinsons Disease	1,520	16,727	998.8%
Antidotes/Addiction	52	111	113.3%
Inflammation	5,453	10,141	85.8%
Enzyme Deficiencies	817	1,321	61.6%
Iron Toxicity	17	24	41.1%

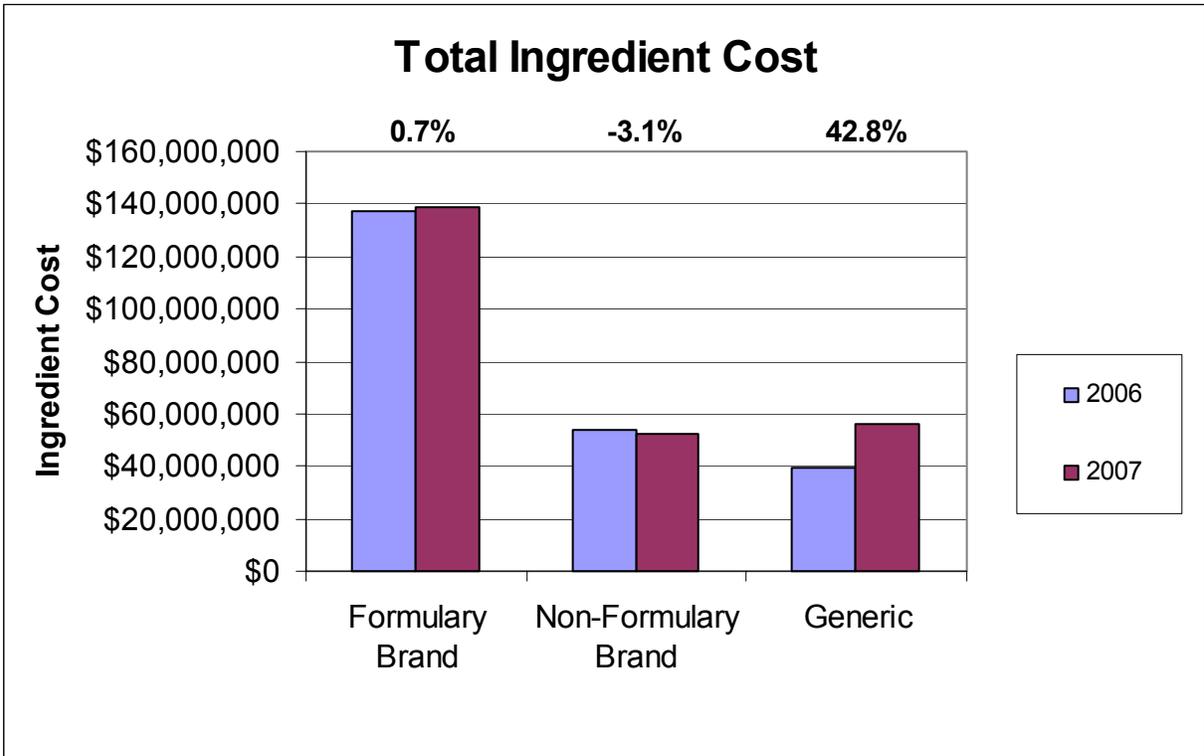
Ingredient Cost Per Prescription Increase

Indication	2006 Ingredient Cost Per Prescription	2007 Ingredient Cost Per Prescription	2006 Ingredient Cost Per Prescription Increase
Inflammation	\$173.28	\$647.40	273.6%
Parkinsons Disease	68.99	100.97	46.4%
Topical Antiseptics	26.89	37.61	39.8%
Gout	6.66	8.55	28.2%
Malaria	20.16	24.71	22.6%

<u>Rank</u>	<u>Indicator</u>	<u>Number of Prescriptions</u>	<u>Cost Per Prescription</u>	<u>Program Costs</u>	<u>Formulary Percent (cost)</u>	<u>Formulary Percent (Scripts)</u>
1	HIGH BLOOD CHOLESTEROL	265,145	\$112.79	\$29,905,604	79.6%	84.0%
2	HIGH BLOOD PRESS/HEART DISEASE	593,551	44.04	26,140,140	76.0%	88.5%
3	DIABETES	236,730	93.61	22,159,145	93.2%	96.4%
4	ULCER DISEASE	199,049	82.23	16,367,480	23.2%	58.2%
5	DEPRESSION	253,909	59.56	15,122,819	93.1%	96.4%
6	ASTHMA	110,151	115.77	12,751,858	95.9%	94.9%
7	INFECTIONS	274,431	32.63	8,954,679	81.7%	94.3%
8	SEIZURES	82,293	101.47	8,350,503	85.7%	88.8%
9	BONE CONDITIONS	58,002	135.87	7,880,959	88.9%	87.3%
10	INFLAMMATION	10,141	647.40	6,565,314	98.3%	95.8%
11	BLOOD MODIFYING	42,093	151.98	6,397,349	97.6%	96.9%
12	ALLERGIES	123,933	50.69	6,282,605	64.0%	71.9%
13	CANCER	14,903	394.67	5,881,777	97.9%	99.5%
14	URINARY DISORDERS	50,488	104.85	5,293,815	70.7%	75.0%
15	SEVERE PAIN	185,490	28.19	5,229,009	81.4%	97.3%
16	PAIN	100,219	40.16	4,024,908	46.6%	85.7%
17	MENTAL DISORDERS	22,279	179.48	3,998,564	90.0%	93.3%
18	SLEEP DISORDERS	51,688	70.79	3,659,039	60.5%	68.7%
19	MENTAL/NEURO DISORDERS	23,429	151.21	3,542,669	87.5%	84.6%
20	HORMONAL SUPPLEMENTATION	49,721	65.76	3,269,788	76.4%	80.9%
21	MULTIPLE SCLEROSIS	2,100	1,510.16	3,171,327	100.0%	100.0%
22	SKIN DISORDERS	39,545	72.62	2,871,641	70.0%	80.7%
23	ATTENTION DISORDERS	23,326	118.35	2,760,697	90.3%	89.5%
24	CONTRACEPTIVES	51,353	40.98	2,104,312	63.9%	72.9%
25	BLOOD CELL DEFICIENCY	1,254	1,650.22	2,069,380	95.9%	93.2%
26	MIGRAINE HEADACHES	15,236	125.14	1,906,624	70.3%	70.9%
27	VIRAL INFECTIONS	11,883	159.69	1,897,540	41.7%	41.5%
28	GLAUCOMA	28,875	64.90	1,874,031	61.7%	68.0%
29	PARKINSONS DISEASE	16,727	100.97	1,688,892	97.0%	98.5%
30	THYROID DISORDERS	116,228	14.51	1,686,927	51.9%	68.8%
31	ANTICOAGULANT	32,799	47.66	1,563,193	86.3%	86.7%
32	PAIN/CRAMPS	36,856	38.31	1,412,076	98.1%	99.4%
33	GI DISORDERS	18,261	74.27	1,356,176	87.9%	95.1%
34	COUGH AND COLD	54,082	24.92	1,347,672	38.0%	68.5%
35	TRANSPLANT	4,066	330.60	1,344,220	94.2%	92.0%
36	ANXIETY	115,813	10.27	1,189,356	92.7%	99.1%
37	VITAMINS AND MINERALS	53,516	19.47	1,041,945	84.8%	92.2%
38	ACNE/SKIN CONDITIONS	10,116	99.11	1,002,632	39.2%	43.2%
39	FLUID RETENTION	120,498	8.10	976,552	95.9%	99.2%
40	GROWTH DEFICIENCY	342	2,729.52	933,496	81.4%	80.1%
	<u>All Other Indicators</u>	<u>269,503</u>	<u>40.04</u>	<u>10,789,774</u>	<u>77.5%</u>	<u>89.1%</u>
	Grand Total	3,770,024	\$65.45	\$246,766,490	78.9%	86.9%

Rank	Indicator	Scripts	Formulary		Non-Formulary		
			Ingredient Cost	Cost Per Script	Scripts	Ingredient Cost	Cost Per Script
1	HIGH BLOOD CHOLESTEROL	222,838	\$23,799,012	\$106.80	42,307	\$6,106,593	\$144.34
2	HIGH BLOOD PRESS/HEART DISEASE	525,345	19,876,416	37.83	68,206	6,263,724	91.84
3	DIABETES	228,317	20,659,573	90.49	8,413	1,499,572	178.24
4	ULCER DISEASE	115,779	3,798,930	32.81	83,270	12,568,551	150.94
5	DEPRESSION	244,686	14,085,447	57.57	9,223	1,037,373	112.48
6	ASTHMA	104,547	12,223,275	116.92	5,604	528,583	94.32
7	INFECTIONS	258,882	7,320,292	28.28	15,549	1,634,387	105.11
8	SEIZURES	73,040	7,158,298	98.01	9,253	1,192,205	128.85
9	BONE CONDITIONS	50,640	7,007,677	138.38	7,362	873,283	118.62
10	INFLAMMATION	9,720	6,452,279	663.81	421	113,034	268.49
11	BLOOD MODIFYING	40,787	6,245,536	153.13	1,306	151,813	116.24
12	ALLERGIES	89,076	4,023,576	45.17	34,857	2,259,029	64.81
13	CANCER	14,834	5,760,767	388.35	69	121,010	1,753.76
14	URINARY DISORDERS	37,841	3,740,730	98.85	12,647	1,553,085	122.80
15	SEVERE PAIN	180,422	4,254,377	23.58	5,068	974,632	192.31
16	PAIN	85,841	1,874,349	21.84	14,378	2,150,559	149.57
17	MENTAL DISORDERS	20,794	3,598,957	173.08	1,485	399,607	269.10
18	SLEEP DISORDERS	35,516	2,212,701	62.30	16,172	1,446,338	89.43
19	MENTAL/NEURO DISORDERS	19,810	3,101,457	156.56	3,619	441,212	121.92
20	HORMONAL SUPPLEMENTATION	40,203	2,499,350	62.17	9,518	770,437	80.95
21	MULTIPLE SCLEROSIS	2,100	3,171,327	1,510.16	0	0	N/A
22	SKIN DISORDERS	31,921	2,011,150	63.00	7,624	860,491	112.87
23	ATTENTION DISORDERS	20,871	2,492,807	119.44	2,455	267,891	109.12
24	CONTRACEPTIVES	37,414	1,345,007	35.95	13,939	759,305	54.47
25	BLOOD CELL DEFICIENCY	1,169	1,984,879	1,697.93	85	84,502	994.14
26	MIGRAINE HEADACHES	10,797	1,341,086	124.21	4,439	565,538	127.40
27	VIRAL INFECTIONS	4,932	791,824	160.55	6,951	1,105,716	159.07
28	GLAUCOMA	19,634	1,156,756	58.92	9,241	717,274	77.62
29	PARKINSONS DISEASE	16,471	1,638,782	99.50	256	50,110	195.74
30	THYROID DISORDERS	79,981	874,881	10.94	36,247	812,046	22.40
31	ANTICOAGULANT	28,449	1,348,884	47.41	4,350	214,308	49.27
32	PAIN/CRAMPS	36,623	1,385,702	37.84	233	26,374	113.19
33	GI DISORDERS	17,362	1,192,091	68.66	899	164,085	182.52
34	COUGH AND COLD	37,048	511,877	13.82	17,034	835,796	49.07
35	TRANSPLANT	3,742	1,266,205	338.38	324	78,015	240.79
36	ANXIETY	114,748	1,102,881	9.61	1,065	86,476	81.20
37	VITAMINS AND MINERALS	49,348	883,386	17.90	4,168	158,560	38.04
38	ACNE/SKIN CONDITIONS	4,374	393,393	89.94	5,742	609,239	106.10
39	FLUID RETENTION	119,580	936,251	7.83	918	40,302	43.90
40	GROWTH DEFICIENCY	274	759,468	2,771.78	68	174,027	2,559.22
	<u>All Other Indicators</u>	<u>239,995</u>	<u>8,362,838</u>	<u>34.85</u>	<u>29,508</u>	<u>2,426,936</u>	<u>82.25</u>
	Grand Total	3,275,751	\$194,644,471	\$59.42	494,273	\$52,122,018	\$105.45





HIGH BLOOD CHOLESTEROL

In FY 2007, this indicator category was number one in cost to PEIA with expenditure of \$29,905,604, which accounted for 12.1% of total expenditures. Formulary expenditures were \$23,799,012 or 79.6% of High Blood Cholesterol expenditures. Total ingredient cost had a -6.9% trend.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2006	2007	Growth	2006	2007	Growth	2006	2007	Growth
SIMVASTATIN	Y	GEN	515	65,804	12677.5%	\$152.69	\$82.72	-45.8%	\$78,634	\$5,442,994	6822.0%
LIPITOR ¹	N	SSB	77,946	33,766	-56.7%	137.08	142.77	4.2%	10,684,636	4,820,708	-54.9%
VYTORIN	Y	SSB	23,327	36,254	55.4%	118.84	132.26	11.3%	2,772,079	4,794,866	73.0%
CRESTOR	Y	SSB	22,282	35,089	57.5%	127.31	135.50	6.4%	2,836,796	4,754,517	67.6%
ZETIA	Y	SSB	22,496	22,065	-1.9%	115.47	128.82	11.6%	2,597,538	2,842,496	9.4%
<u>Subtotals</u>											
Generic	Y	GEN	19,971	98,224	391.8%	\$49.32	\$70.50	42.9%	\$985,028	\$6,925,176	603.0%
Formulary Brand	Y	Brand	161,592	124,614	-22.9%	138.46	135.41	-2.2%	22,373,953	16,873,836	-24.6%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>60,187</u>	<u>42,307</u>	<u>-29.7%</u>	<u>145.51</u>	<u>144.34</u>	<u>-0.8%</u>	<u>8,757,713</u>	<u>6,106,593</u>	<u>-30.3%</u>
Total			241,750	265,145	9.7%	\$132.85	\$112.79	-15.1%	\$32,116,695	\$29,905,604	-6.9%
Trends Adjusted for Exposure					9.7%			-15.1%			-6.9%

¹ Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

HIGH BLOOD PRESS/HEART DISEASE

In FY 2006, this indicator category was second in cost to PEIA with expenditure of \$26,140,140, which accounted for 10.6% of total expenditures. Formulary expenditures were \$19,876,416 or 76.0% of High Blood Pressure/Heart Disease expenditures. Total expenditures had a 7.7% trend.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2006	2007	Growth	2006	2007	Growth	2006	2007	Growth
COREG	Y	SSB	12,774	13,880	8.7%	\$136.92	\$151.74	10.8%	\$1,749,046	\$2,106,091	20.4%
TOPROL XL ¹	Y	SSB	50,163	44,630	-11.0%	42.47	46.86	10.3%	2,130,526	2,091,448	-1.8%
LOTREL ¹	Y	SSB	16,781	15,566	-7.2%	118.64	130.54	10.0%	1,990,954	2,031,967	2.1%
DIOVAN HCT	Y	SSB	10	18,112	181020.0%	142.62	112.12	-21.4%	1,426	2,030,778	142286.8%
DIOVAN	Y	SSB	19,843	20,086	1.2%	89.48	98.74	10.4%	1,775,502	1,983,389	11.7%
<u>Subtotals</u>											
Generic	Y	GEN	346,041	391,153	13.0%	\$15.94	\$19.88	24.7%	\$5,516,178	\$7,777,588	41.0%
Formulary Brand	Y	Brand	160,566	134,192	-16.4%	80.17	90.16	12.5%	12,872,876	12,098,828	-6.0%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>70,435</u>	<u>68,206</u>	<u>-3.2%</u>	<u>83.54</u>	<u>91.84</u>	<u>9.9%</u>	<u>5,884,472</u>	<u>6,263,724</u>	<u>6.4%</u>
Total			577,042	593,551	2.9%	\$42.07	\$44.04	4.7%	\$24,273,525	\$26,140,140	7.7%
Trends Adjusted for Exposure					2.9%			4.7%			7.7%

¹ Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

DIABETES

In FY 2006, this indicator category was third in cost to PEIA with expenditure of \$22,159,145, which accounted for 9.0% of total expenditures. Formulary expenditures were \$20,659,573 or 93.2% of Diabetes expenditures. Total expenditures had a 21.2% trend.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2006	2007	Growth	2006	2007	Growth	2006	2007	Growth
ACTOS	Y	SSB	16,504	18,232	10.5%	\$214.54	\$234.19	9.2%	\$3,540,741	\$4,269,721	20.6%
AVANDIA	Y	SSB	20,511	17,282	-15.7%	189.45	211.64	11.7%	3,885,755	3,657,605	-5.9%
LANTUS ¹	Y	SSB	9,554	10,914	14.2%	131.70	154.02	16.9%	1,258,262	1,680,929	33.6%
ASCENSIA CONTOUR ¹	Y	SSB	9,403	13,230	40.7%	102.45	112.04	9.4%	963,295	1,482,245	53.9%
BYETTA ¹	Y	SSB	2,281	6,026	164.2%	177.97	190.47	7.0%	405,954	1,147,763	182.7%
<u>Subtotals</u>											
Generic	Y	GEN	94,243	101,037	7.2%	\$24.91	\$25.62	2.9%	\$2,347,734	\$2,588,873	10.3%
Formulary Brand	Y	Brand	105,222	127,280	21.0%	133.49	141.98	6.4%	14,045,797	18,070,700	28.7%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>21,983</u>	<u>8,413</u>	<u>-61.7%</u>	<u>86.15</u>	<u>178.24</u>	<u>106.9%</u>	<u>1,893,866</u>	<u>1,499,572</u>	<u>-20.8%</u>
Total			221,448	236,730	6.9%	\$82.58	\$93.61	13.3%	\$18,287,397	\$22,159,145	21.2%
Trends Adjusted for Exposure					6.9%			13.3%			21.2%

¹ Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

ULCER DISEASE

In FY 2006, this indicator category was fourth in cost to PEIA with expenditure of \$16,367,480, which accounted for 6.6% of total expenditures. Formulary expenditures were \$3,798,930 or 23.2% of Ulcer Disease expenditures. Total expenditures had an 8.4% trend.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2006	2007	Growth	2006	2007	Growth	2006	2007	Growth
NEXIUM	N	SSB	31,884	34,897	9.4%	\$144.12	\$151.55	5.2%	\$4,595,187	\$5,288,781	15.1%
PREVACID	N	SSB	30,410	28,134	-7.5%	144.34	154.02	6.7%	4,389,483	4,333,077	-1.3%
OMEPRAZOLE	Y	GEN	58,908	85,679	45.4%	44.16	37.88	-14.2%	2,601,368	3,245,829	24.8%
PROTONIX	N	SSB	9,838	9,855	0.2%	116.79	123.30	5.6%	1,148,994	1,215,080	5.8%
ACIPHEX	N	SSB	6,285	6,232	-0.8%	146.77	156.73	6.8%	922,461	976,759	5.9%
<u>Subtotals</u>											
Generic	Y	GEN	87,372	114,503	31.1%	\$34.91	\$32.25	-7.6%	\$3,049,951	\$3,692,908	21.1%
Formulary Brand	Y	Brand	9,054	1,276	-85.9%	133.89	83.09	-37.9%	1,212,205	106,022	-91.3%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>74,783</u>	<u>83,270</u>	<u>11.3%</u>	<u>142.80</u>	<u>150.94</u>	<u>5.7%</u>	<u>10,678,918</u>	<u>12,568,551</u>	<u>17.7%</u>
Total			171,209	199,049	16.3%	\$87.27	\$82.23	-5.8%	\$14,941,074	\$16,367,480	9.5%
Trends Adjusted for Exposure					16.2%				-5.8%	9.5%	

¹ Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

DEPRESSION

In FY 2006, this indicator category was fifth in cost to PEIA with expenditure of \$15,122,819, which accounted for 6.1% of total expenditures. Formulary expenditures were \$14,085,447 or 93.1% of Depression expenditures. Total expenditures had a 37.3% trend.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2006	2007	Growth	2006	2007	Growth	2006	2007	Growth
EFFEXOR XR	Y	SSB	28,126	27,113	-3.6%	\$117.69	\$127.31	8.2%	\$3,310,014	\$3,451,812	4.3%
LEXAPRO	Y	SSB	26,504	25,251	-4.7%	83.01	96.03	15.7%	2,200,147	2,424,740	10.2%
CYMBALTA	Y	SSB	9,818	15,942	62.4%	117.80	130.79	11.0%	1,156,571	2,085,071	80.3%
SERTRALINE HCL ¹	Y	GEN	0	25,793	N/A	NA	60.32	N/A	0	1,555,769	N/A
WELLBUTRIN XL ¹	Y	SSB	14,036	9,033	-35.6%	124.65	148.91	19.5%	1,749,522	1,345,061	-23.1%
<u>Subtotals</u>											
Generic	Y	GEN	137,281	167,384	21.9%	\$22.69	\$28.63	26.2%	\$3,115,103	\$4,792,972	53.9%
Formulary Brand	Y	Brand	81,136	77,302	-4.7%	106.54	120.21	12.8%	8,644,097	9,292,475	7.5%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>32,855</u>	<u>9,223</u>	<u>-71.9%</u>	<u>101.46</u>	<u>112.48</u>	<u>10.9%</u>	<u>3,333,599</u>	<u>1,037,373</u>	<u>-68.9%</u>
Total			251,272	253,909	1.0%	\$60.07	\$59.56	-0.8%	\$15,092,799	\$15,122,819	0.2%
Trends Adjusted for Exposure					1.0%			-0.8%			0.2%

¹ Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary