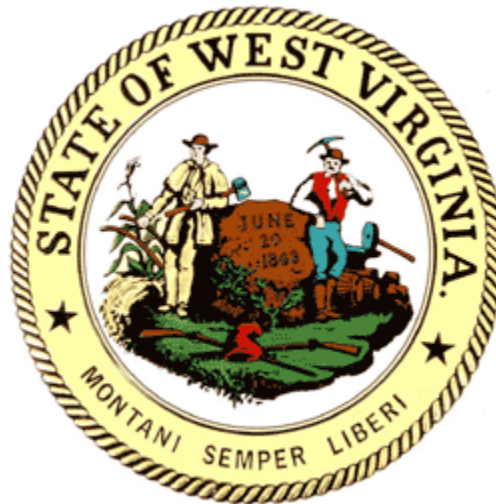


# **STATE OF WEST VIRGINIA**



## **PUBLIC EMPLOYEES INSURANCE AGENCY**

**Fiscal Year 2017**

### **Detailed Medical and Prescription Drugs Claim Trend Report**

*December 2017*

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# **West Virginia Public Employees Insurance Agency Report of Independent Actuary**

## **Fiscal Year 2017 Detailed Medical & Prescription Drugs Claim Trend Report**

### **OVERVIEW**

Continuing Care Actuaries was engaged by the West Virginia Public Employees Insurance Agency (“PEIA”) to assist the Finance Board in monitoring the plan experience for fiscal year ending June 30, 2017 on a quarterly basis and the forecasting of Fiscal Years 2018 through 2022. This annual trend report to the Finance Board generally serves as the basis for projecting medical and drugs claims through Fiscal Year 2022 in the development of the Financial Plan to be approved the PEIA Finance Board in December 2017. This report is intended for the sole use of the Finance Board and management team. Any other use requires written approval by Continuing Care Actuaries.

Continuing Care Actuaries has collected and reviewed the medical and drugs claims experience using Allowed Non-Medicare claims incurred and paid through August 2017. Effective July 1, 2012, West Virginia Retiree Health Benefit Trust Fund (“Trust Fund” or “RHBT”) had contracted with Humana to provide a Medicare Advantage Plan (“Humana MAPD”) benefit to Medicare-eligible retired employees and their Medicare-eligible dependents. Under this arrangement, Humana has assumed the financial risk of providing comprehensive medical and drugs coverage with limited copayments. Non-Medicare retirees will continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option.

While the majority of Medicare coverages are transferred to Humana, all newly eligible Medicare enrollees are initially covered by the RHBT on a secondary self-insured basis with Medicare being the primary coverage. These Medicare coverages are transferred on the following January from a self-insured secondary basis by RHBT to the Humana MAPD plan. While Continuing Care Actuaries monitors the cost trends of these Medicare coverages, for the purposes of this report we have not reviewed the Medicare claims experience in this report due to relatively small number of these coverages and the resulting lack of credibility of Medicare claims where RHBT is secondary.

Since July 1, 2000, HealthSmart Holding Inc. (“HealthSmart”), has been the administrator of the plan’s medical claims and has provided reports for both medical and prescription drugs claims. The analysis utilized claim data supplied from HealthSmart as a primary source of claims data for this report and PEIA has separately provided enrollment information.

Trends were developed by category for the 24-month, 36-month and 48-month credible periods ending June 2017. Our analysis for medical claims do not include incurred claims for the months after June 2017, 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 HealthSmart for the purposes of this analysis was compared to PEIA’s general ledger system to ensure accuracy of aggregate reporting. In an effort to assure accuracy, the claim information provided by HealthSmart and used in this analysis was reconciled and balanced to the PEIA general ledger amounts as of August 2017.

## **KEY FINDINGS - MEDICAL**

- The 24-month, 36-month and 48-month methodologies resulted in similar observed utilization and unit cost trends, and we chose the 24-month as the methodology that is most likely to produce accurate future trends and will allow PEIA to develop a Financial Plan that will reasonably result in long term financial solvency over the five year projection period. It is noteworthy the overall medical trend decreased from 7.9% in last year's analysis to 2.8% in Fiscal Year 2017 using a 24-month study period. Using the 24-month analysis, PEIA experienced an 3.9% utilization increase and a -1.1% unit cost decrease, resulting in an aggregate trend of 2.8%. The 36-month shows a lower trend of 2.4% and 48-month shows a higher trend of 4.1% respectively.

These results compare similarly to the 24-month trend calculated since Fiscal Year 2002.

| <b>West Virginia PEIA Non-Medicare Total<br/>24-Month Trend Analysis-Allowed Claims</b> |                    |                     |                    |
|---|--------------------|---------------------|--------------------|
|   | <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%               |
| 2008  | 2.9%               | 3.9%                | 6.9%               |
| 2009  | 2.5%               | 2.6%                | 5.1%               |
| 2010  | 2.5%               | 1.8%                | 4.4%               |
| 2011  | 4.2%               | 3.5%                | 7.8%               |
| 2012  | 5.1%               | 0.1%                | 5.3%               |
| 2013  | 2.6%               | -1.6%               | 0.9%               |
| 2014  | -0.4%              | 4.5%                | 4.1%               |
| 2015  | 0.7%               | 5.6%                | 6.3%               |
| 2016  | 8.6%               | -0.7%               | 7.9%               |
| 2017  | 3.9%               | -1.1%               | 2.8%               |

- Overall PEIA and RHBT Fiscal Year 2017 24-month detail trends are summarized below. Note that these trend have not been adjusted for changes in benefit design:

| <b>Fiscal Year 2017<br/>Claim Type</b> | <b>Medical</b> | <b>Drugs</b> |
|--|----------------|--------------|
| PEIA – Active Local                    | 6.5%           | 17.8%        |
| PEIA – State                           | 2.0%           | 15.0%        |
| PEIA – Total                           | 2.8%           | 15.5%        |
| RHBT – Non-Medicare                    | 2.6%           | 48.7%        |
| Grand Total                            | 2.7%           | 20.4%        |

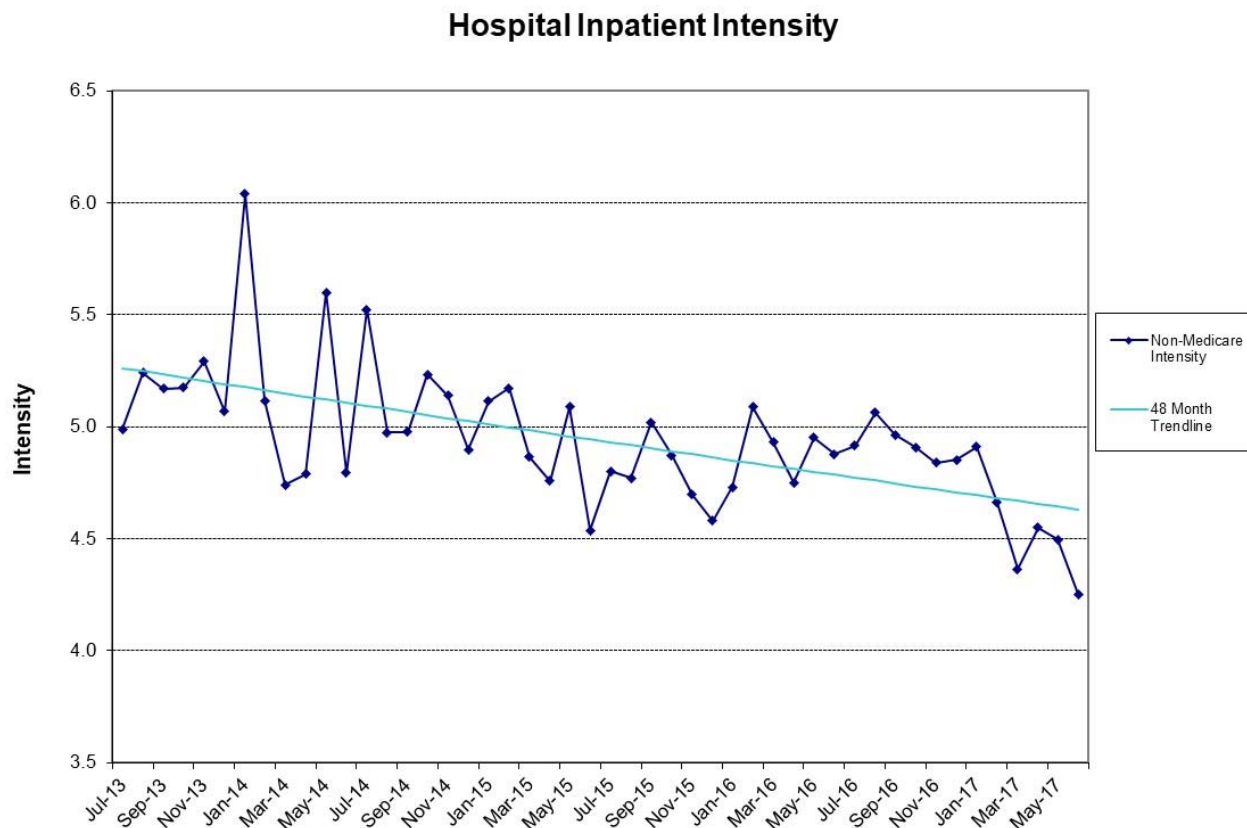
- Overall, In-State services show higher trends than Out-of-State services for Non-Medicare coverages in the 24-month analysis, with higher trend increases for all four categories: HI, HO, PS and O provided in the In-State. A comparison of Non-Medicare medical trends for In-State claims versus Out-of-State claims over the 24-month period analysis reveals an aggregate In-State trend of 6.7% and an Out-of-State trend of -6.5%..

Both the In-State utilization trend and the cost per service trend have been higher compared to Out-of-State. The In-State utilization trend for Non-Medicare was 5.2%, while the Out-of-State trend was -5.2%. The In-State cost per service trend for Non-Medicare was 1.5%, while the Out-of-State trend was -1.3%.

Within the In-State medical categories, the 3 highest trend subcategories were observed for Physician Services' Lab & Pathology, Physician Services' Outpatient Surgery, and Other' Other Services categories which experienced unfavorable upward trends of 12.4%, 12.2% and 82.8%, respectively.

- Using the 24-month analysis, Hospital Inpatient services ("HI") represent approximately 19% of all medical services and experienced a total trend of 3.4%. The overall trend was the product of a 1.8% increase in utilization and a 1.6% increase in unit cost. It is noteworthy that In-State HI claims showed a 5.5% overall trend, while Out-of-State HI claims experienced a -3.6% overall trend.
- Using the 24-month analysis, Hospital Outpatient services ("HO") represent approximately 34% of all medical services and experienced a total trend of 0.4%. The overall trend was the product of a 5.5% increase in utilization and a -4.9% reduction in unit cost. It is noteworthy that In-State HO claims showed a 5.5% overall trend, while Out-of-State HO claims experienced a -12.8% overall trend.
- Using the 24-month analysis, Physician Services ("PS") represent approximately 43% of all medical services and experienced a total trend of 3.5%. The overall trend was the product of a 3.6% increase in utilization of these services and a 0.0% increase in unit cost. It is noteworthy that In-State PS claims showed a 6.2% overall trend, while Out-of-State PS claims experienced a -5.8% overall trend.
- Using the 24-month analysis, Other services ("O"), which are services that are principally Durable Medical Services and Ambulance, represent only 4% of all medical services and experienced the least favorable trend of the broader claim categories with a total trend of 11.5%. The overall trend was the product of a 2.1% increase in utilization of these services and a 9.2% increase in unit cost. It is noteworthy that In-State O claims showed a 26.9% overall trend, while Out-of-State O claims experienced a -0.9% overall trend.
- As noted above, the Out-of-State trends were more favorable than the In-State trends. This is contrary to the trend reports produced in the past.

- A component of the cost per service trend for hospital inpatient is the length of stay, or intensity. The chart below shows the average length of stay by number of days over the last four years. Over the 48-month analysis, the intensity for Non-Medicare hospital stays has an annual trend of -3.9%, which compares favorably to -1.4% last year. The lower intensity of hospital visits has contributed to our recent favorable medical trends, as illustrated in the chart below.



The table below presents the overall Non-Medicare Hospital Inpatient trend showing the three components of visits, days per visit, and cost per day.

| <b>West Virginia PEIA Non-Medicare<br/>Hospital Inpatient Trend Analysis</b> |                 |                 |                 |
|--|-----------------|-----------------|-----------------|
|  | <u>24-Month</u> | <u>36-Month</u> | <u>48-Month</u> |
| Visits   | -3.9%           | -1.5%           | -1.5%           |
| Intensity  | -5.2%           | -4.6%           | -3.9%           |
| <u>Cost/Day</u>  | <u>13.5%</u>    | <u>5.9%</u>     | <u>7.8%</u>     |
| Total  | 3.4%            | -0.6%           | 2.0%            |

Continuing Care Actuaries has included an additional analysis of utilization and cost on an incurred basis over the last 12 months. This analysis can be found on Page 14 and analyzes the distribution of services based on services provided in West Virginia and services provided elsewhere.

In the 12-month period ending June 2017, approximately 81.8% of medical services were provided in the State of West Virginia and 18.2% of services were provided outside the State. From a cost perspective 70.9% of allowed charges were incurred in the State of West Virginia and 29.1% of allowed charges were provided outside the State, illustrating the higher cost and intensity of out-of-state service.

By major medical category, approximately 85.7% of Hospital Inpatient services were provided in the State of West Virginia representing approximately 45.3% of the total allowed charges for Hospital Inpatient. Conversely, approximately 14.3% of Hospital Inpatient services were provided out of the State of West Virginia and those charges represented 54.7% of the total allowed charges for Hospital Inpatient.

By major medical category, approximately 93.3% of Hospital Outpatient services were provided in the State of West Virginia representing approximately 74.6% of the total allowed charges for Hospital Outpatient. Conversely, approximately 6.7% of Hospital Outpatient services were provided out of the State of West Virginia and those charges represented 25.4% of the total allowed charges for Hospital Outpatient.

By major medical category, approximately 81.3% of Physician Services were provided in the State of West Virginia representing approximately 80.4% of the total allowed charges for Physician Services. Conversely, approximately 18.7% of Physician Services were provided out of the State of West Virginia and those charges represented 19.6% of the total allowed charges for Physician Services.

By major medical category, approximately 52.1% of Other Services were provided in the State of West Virginia representing approximately 59.9% of the total allowed charges for Other Services. Conversely, approximately 47.9% of Other Services were provided out of the State of West Virginia and those charges represented 40.1% of the total allowed charges for Other Services.

### **KEY FINDINGS - DRUGS**

Overall, prescription drugs trends for Non-Medicare coverages have increased significantly compared to 2.6% last year. Using the 24-month analysis, we observed a -2.0% utilization decrease and a 17.8% prescription cost increase, resulting in an aggregate trend of 15.5%. The 24-month overall trend is higher than both the 36-month and 48-month analysis, reflecting the emergence of prescription drug costs and specialty drugs.

| <b>West Virginia PEIA Prescription Drugs Total<br/>24-Month Trend Analysis-Allowed Claims</b> |                    |                          |                    |
|---|--------------------|--------------------------|--------------------|
|   | <u>Utilization</u> | <u>Cost/Prescription</u> | <u>Total Trend</u> |
| FY 2017   | -2.0%              | 17.8%                    | 15.5%              |

## **METHODOLOGY**

HealthSmart provided allowed and paid claim information for Non-Medicare and Medicare eligibility from July 2001 through August 2017. This data set was analyzed on Non-Medicare claims that were incurred from July 2013 through June 2017 for the 48-month credible period. This claim data was consolidated into 24 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 HealthSmart. HealthSmart provides the information based on the location that the service was performed, rather than the billing location of the provider. Continuing Care Actuaries verified that the HealthSmart 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 medical claims are based on the allowed amount 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 had minimal changes over the four year period.

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

| <b><u>Non-Medicare Claims</u></b> | <b><u>FY 2014</u></b> | <b><u>FY 2015</u></b> | <b><u>FY 2016</u></b> | <b><u>FY 2017</u></b> |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Hospital Inpatient                | \$109,502,055         | \$120,015,620         | \$114,395,418         | \$109,751,127         |
| Hospital Outpatient               | 183,918,167           | 199,194,256           | 210,944,905           | 193,064,799           |
| Physician Services                | 234,084,604           | 248,399,943           | 259,164,990           | 245,560,589           |
| Other Services                    | 19,484,784            | 23,046,752            | 21,514,053            | 20,822,384            |
| <b>Total</b>                      | <b>\$546,989,610</b>  | <b>\$590,656,571</b>  | <b>\$606,019,365</b>  | <b>\$569,198,898</b>  |



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

| <b><u>Non-Medicare Claims</u></b> | <b><u>FY 2014</u></b> | <b><u>FY 2015</u></b> | <b><u>FY 2016</u></b> | <b><u>FY 2017</u></b> |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| HI Maternity                      | \$3,828,243           | \$4,902,662           | \$3,418,111           | \$2,902,140           |
| HI Medical/Surgical               | 100,801,487           | 110,988,356           | 107,679,659           | 104,197,888           |
| HI Psychiatric/Substance Abuse    | 4,872,324             | 4,124,601             | 3,297,648             | 2,651,098             |
| HO Emergency Room                 | 29,839,385            | 33,759,878            | 31,239,952            | 29,631,604            |
| HO Medical/Surgical               | 92,194,470            | 97,537,847            | 106,579,594           | 97,268,632            |
| HO Other Services                 | 59,684,150            | 65,657,587            | 70,105,514            | 64,534,480            |
| HO Psychiatric/Substance Abuse    | 2,200,163             | 2,238,944             | 3,019,845             | 1,630,083             |
| PS Anesthesia                     | 11,500,310            | 12,102,641            | 12,526,900            | 11,879,114            |
| PS Chemotherapy/Radiation         | 3,964,967             | 3,482,537             | 3,900,335             | 3,486,961             |
| PS Emergency Room                 | 5,774,024             | 6,509,378             | 6,517,718             | 6,018,439             |
| PS Immunizations/Allergy          | 7,272,392             | 7,793,779             | 8,475,885             | 8,728,211             |
| PS Inpatient Surgery              | 8,561,825             | 8,692,985             | 8,251,956             | 7,780,780             |
| PS Inpatient Visits               | 6,851,786             | 6,748,557             | 6,770,864             | 6,811,610             |
| PS Lab & Pathology                | 17,115,684            | 18,775,524            | 18,896,886            | 16,935,258            |
| PS Maternity                      | 4,319,809             | 5,446,495             | 5,014,619             | 4,417,821             |
| PS Office Visits                  | 66,856,370            | 67,264,250            | 68,016,679            | 67,151,601            |
| PS Other Services                 | 49,549,802            | 56,967,989            | 66,450,685            | 60,049,161            |
| PS Outpatient Surgery             | 16,802,728            | 18,148,953            | 18,282,748            | 17,612,078            |
| PS Psychiatric/Substance Abuse    | 12,008,982            | 12,730,376            | 13,416,274            | 12,738,190            |
| PS Radiology                      | 15,261,530            | 14,988,802            | 13,622,989            | 12,995,153            |
| PS Therapy/Rehab                  | 8,244,396             | 8,747,677             | 9,020,450             | 8,956,211             |
| O Ambulance                       | 3,609,996             | 4,361,883             | 4,605,762             | 4,598,826             |
| O Durable Medical Equipment       | 8,382,415             | 8,884,684             | 9,032,376             | 8,588,799             |
| O Other Services                  | 7,492,373             | 9,800,185             | 7,875,915             | 7,634,759             |

### **TREND COMPARISON USING ALLOWED VERSUS PAID METHODOLOGY**

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 for medical expenses have not changed materially over the last six years.

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 2014 through 2017 and on an allowed basis for Non-Medicare medical claims. This exercise is important since interim monthly trend updates provided to PEIA throughout the year are based on paid claims.

**West Virginia PEIA Non-Medicare Medical  
Total Trend Analysis**

|                | <u>Paid Basis</u> | <u>Allowed Basis</u> |
|----------------|-------------------|----------------------|
| 24-Month Trend | 6.1%              | 2.8%                 |
| 36-Month Trend | 2.6%              | 2.4%                 |
| 48-Month Trend | 4.0%              | 4.1%                 |

**TOP 5 CATEGORIES**

The following tables give detail on the top 5 increases by utilization, cost per service, and cost per capita. Notably, O-Appiances (DME) experienced the highest increase in utilization. O-Other Services experienced the highest increase in cost per service and in cost per capita.

| <b>Top 5 Highest Percentage in Utilization Increases</b> |                     |                     |                  |
|--|---------------------|---------------------|------------------|
|  | <b>2016 Average</b> | <b>2017 Average</b> | <b>Top 5</b>     |
| <b>Category</b>  | <b>Utilization</b>  | <b>Utilization</b>  | <b>Highest %</b> |
| O-Appiances (DME)  | 0.03309             | 0.03810             | 15.2%            |
| HO-Other Services  | 0.12978             | 0.14667             | 13.0%            |
| PS-Outpatient Surgery                                    | 0.02506             | 0.02719             | 8.5%             |
| PS-Office Visits   | 0.32257             | 0.34614             | 7.3%             |
| PS-Lab & Pathology                                       | 0.34755             | 0.36872             | 6.1%             |

| <b>Top 5 Highest Percentage in Cost / Service Increases</b> |                       |                       |                  |
|---|-----------------------|-----------------------|------------------|
|   | <b>2016 Average</b>   | <b>2017 Average</b>   | <b>Top 5</b>     |
| <b>Category</b>   | <b>Cost / Service</b> | <b>Cost / Service</b> | <b>Highest %</b> |
| O-Other Services  | \$221.64              | \$295.91              | 33.5%            |
| PS-Immunizations / Injections / Allergy                     | 41.94                 | 48.83                 | 16.4%            |
| PS-Radiology  | 48.52                 | 53.90                 | 11.1%            |
| O-Ambulance   | 367.08                | 397.12                | 8.2%             |
| HI-Maternity  | 2,558.50              | 2,737.56              | 7.0%             |

| <b>Top 5 Highest Percentage in Cost / Capita Increases</b> |                      |                      |                  |
|--|----------------------|----------------------|------------------|
|  | <b>2016 Average</b>  | <b>2017 Average</b>  | <b>Top 5</b>     |
| <b>Category</b>  | <b>Cost / Capita</b> | <b>Cost / Capita</b> | <b>Highest %</b> |
| O-Other Services   | \$3.37               | \$4.13               | 22.6%            |
| PS-Office Visits   | 30.92                | 33.94                | 9.8%             |
| PS-Outpatient Surgery                                      | 8.25                 | 8.98                 | 8.9%             |
| PS-Therapies   | 4.13                 | 4.50                 | 8.9%             |
| PS-Anesthesia  | 5.68                 | 6.06                 | 6.6%             |

## **SUMMARY**

The following tables and sections 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 coverages. The charts show the breakdown between the different study periods and for In-State and Out-of-State charges.

Recent experience has shown that the Non-Medicare medical claim trends are lower than the current trend assumption of 7.5% for FY 2018. However, the 48-Month trend has reflected a more modest 4.1% trend. Consequently, at this time we believe it is appropriate to keep the FY 2018 medical claim trend assumption for Non-Medicare medical as 7.5%. Recent experience has also shown that Non-Medicare drugs claim trends are higher than the current trend assumption. We also expect specialty drug costs, which currently account for approximately 30% of PEIA drug spend, and grew by more than 50% this past year, to double in the next four to five years. We believe it is appropriate to keep the FY 2018 drugs claim trend assumption to 11.5% for Non-Medicare drugs.

The update of the trend assumptions for FY 2018 is shown below.

|  | <b>Fiscal Year 2018 Trends</b> |                           |               |
|--|--------------------------------|---------------------------|---------------|
| <b>Claim Type</b>                        | <b>Previous Assumption</b>     | <b>Updated Assumption</b> | <b>Change</b> |
| <b>Non-Medicare – Medical</b>            | 7.5%                           | 7.5%                      | 0.0%          |
| <b>Non-Medicare – Prescription Drugs</b> | 11.5%                          | 11.5%                     | 0.0%          |

In the past, claim trends for the financial plan included a 0.5% margin in future years. It should be noted that we have assumed the medical and drugs claim trends for the financial projection will increase by 0.5% in FY 2019 and in each successive fiscal year. 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.

Respectfully,



Dave Bond, F.S.A., F.C.A., M.A.A.A.

Managing Partner



Chris Borcik, F.S.A., F.C.A., M.A.A.A.

Principal

**West Virginia PEIA Non-Medicare Total  
Study Period of July 2013 to June 2017  
(Allowed Claims)**

**Trends Summary - Excludes Drugs**

|                                      | <b>24 Month Trends Summary</b> |                       |                    |               | <b>36 Month Trends Summary</b> |                       |                    |               | <b>48 Month Trends Summary</b> |                       |                    |               |
|--------------------------------------|--------------------------------|-----------------------|--------------------|---------------|--------------------------------|-----------------------|--------------------|---------------|--------------------------------|-----------------------|--------------------|---------------|
|                                      | <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Weight</u> | <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Weight</u> | <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Weight</u> |
| <b>HOSPITAL INPATIENT</b>            |                                |                       |                    |               |                                |                       |                    |               |                                |                       |                    |               |
| Maternity                            | -21.0%                         | 7.0%                  | <b>-15.4%</b>      | 0.5%          | -20.8%                         | 0.2%                  | <b>-20.6%</b>      | 0.6%          | -9.4%                          | 1.3%                  | <b>-8.3%</b>       | 0.7%          |
| Medical / Surgical                   | 2.9%                           | 1.6%                  | <b>4.6%</b>        | 17.9%         | 4.8%                           | -4.0%                 | <b>0.6%</b>        | 18.2%         | 2.3%                           | 0.7%                  | <b>3.0%</b>        | 18.3%         |
| Psychiatric / Substance Abuse        | -13.2%                         | -3.8%                 | <b>-16.5%</b>      | 0.5%          | -20.8%                         | 1.1%                  | <b>-19.9%</b>      | 0.6%          | -18.3%                         | 2.0%                  | <b>-16.6%</b>      | 0.6%          |
| <b>TOTAL</b>                         | <b>1.8%</b>                    | <b>1.6%</b>           | <b>3.4%</b>        | <b>19.0%</b>  | <b>3.3%</b>                    | <b>-3.7%</b>          | <b>-0.6%</b>       | <b>19.4%</b>  | <b>1.2%</b>                    | <b>0.8%</b>           | <b>2.0%</b>        | <b>19.6%</b>  |
| <b>HOSPITAL OUTPATIENT</b>           |                                |                       |                    |               |                                |                       |                    |               |                                |                       |                    |               |
| Emergency Room                       | -3.8%                          | 0.7%                  | <b>-3.1%</b>       | 5.2%          | -3.3%                          | -0.7%                 | <b>-4.1%</b>       | 5.4%          | -1.6%                          | 2.4%                  | <b>0.8%</b>        | 5.4%          |
| Medical / Surgical                   | 4.0%                           | -2.3%                 | <b>1.6%</b>        | 17.4%         | 6.7%                           | -2.0%                 | <b>4.6%</b>        | 17.1%         | 5.3%                           | 0.2%                  | <b>5.6%</b>        | 17.0%         |
| Other Services                       | 13.0%                          | -10.9%                | <b>0.7%</b>        | 11.5%         | 9.3%                           | -4.9%                 | <b>3.9%</b>        | 11.4%         | 6.8%                           | -0.6%                 | <b>6.1%</b>        | 11.3%         |
| Psychiatric / Substance Abuse        | -19.9%                         | -18.9%                | <b>-35.1%</b>      | 0.4%          | -10.0%                         | -1.1%                 | <b>-10.9%</b>      | 0.4%          | -3.7%                          | 0.2%                  | <b>-3.5%</b>       | 0.4%          |
| <b>TOTAL</b>                         | <b>5.5%</b>                    | <b>-4.9%</b>          | <b>0.4%</b>        | <b>34.5%</b>  | <b>5.8%</b>                    | <b>-2.7%</b>          | <b>2.9%</b>        | <b>34.2%</b>  | <b>4.6%</b>                    | <b>0.3%</b>           | <b>4.9%</b>        | <b>34.1%</b>  |
| <b>PHYSICIAN SERVICES</b>            |                                |                       |                    |               |                                |                       |                    |               |                                |                       |                    |               |
| Anesthesia                           | 6.0%                           | 0.6%                  | <b>6.6%</b>        | 2.1%          | 5.0%                           | -0.3%                 | <b>4.7%</b>        | 2.1%          | 4.4%                           | 0.4%                  | <b>4.8%</b>        | 2.1%          |
| Chemotherapy / Radiation             | -7.0%                          | -1.6%                 | <b>-8.5%</b>       | 0.6%          | -1.8%                          | 3.0%                  | <b>1.1%</b>        | 0.6%          | -1.0%                          | 0.1%                  | <b>-1.0%</b>       | 0.6%          |
| Emergency Room                       | -3.8%                          | -1.9%                 | <b>-5.6%</b>       | 1.1%          | -1.6%                          | -0.3%                 | <b>-1.9%</b>       | 1.1%          | 1.3%                           | 1.3%                  | <b>2.7%</b>        | 1.1%          |
| Immunizations / Injections / Allergy | -20.7%                         | 16.4%                 | <b>-7.6%</b>       | 1.5%          | -8.8%                          | 9.3%                  | <b>-0.3%</b>       | 1.4%          | -4.3%                          | 7.8%                  | <b>3.2%</b>        | 1.4%          |
| Inpatient Surgery                    | 4.4%                           | 1.1%                  | <b>5.6%</b>        | 1.4%          | 4.4%                           | -5.1%                 | <b>-0.9%</b>       | 1.4%          | 2.4%                           | -2.3%                 | <b>0.1%</b>        | 1.4%          |
| Inpatient Visits                     | -1.3%                          | 4.7%                  | <b>3.4%</b>        | 1.2%          | -2.2%                          | 5.1%                  | <b>2.7%</b>        | 1.2%          | -2.6%                          | 4.6%                  | <b>1.8%</b>        | 1.2%          |
| Lab & Pathology                      | 6.1%                           | -3.1%                 | <b>2.8%</b>        | 3.1%          | 3.9%                           | -3.7%                 | <b>0.1%</b>        | 3.1%          | 3.4%                           | -0.6%                 | <b>2.8%</b>        | 3.1%          |
| Maternity                            | -2.5%                          | -10.5%                | <b>-12.7%</b>      | 0.8%          | -1.2%                          | -7.7%                 | <b>-8.8%</b>       | 0.8%          | 4.5%                           | -3.9%                 | <b>0.4%</b>        | 0.8%          |
| Office Visits                        | 7.3%                           | 2.3%                  | <b>9.8%</b>        | 11.5%         | 3.1%                           | 1.3%                  | <b>4.5%</b>        | 11.5%         | 2.0%                           | 1.0%                  | <b>3.0%</b>        | 11.6%         |
| Other Services                       | 6.1%                           | -7.5%                 | <b>-1.9%</b>       | 10.8%         | 5.5%                           | 1.0%                  | <b>6.5%</b>        | 10.4%         | 5.1%                           | 4.3%                  | <b>9.6%</b>        | 10.1%         |
| Outpatient Surgery                   | 8.5%                           | 0.4%                  | <b>8.9%</b>        | 3.1%          | 7.2%                           | -2.9%                 | <b>4.1%</b>        | 3.1%          | 5.6%                           | -0.7%                 | <b>4.9%</b>        | 3.1%          |
| Psychiatric / Substance Abuse        | -5.2%                          | 5.5%                  | <b>0.1%</b>        | 2.2%          | -2.8%                          | 5.5%                  | <b>2.6%</b>        | 2.2%          | -0.2%                          | 4.5%                  | <b>4.3%</b>        | 2.2%          |
| Radiology                            | -6.6%                          | 11.1%                 | <b>3.8%</b>        | 2.3%          | -3.8%                          | 0.5%                  | <b>-3.3%</b>       | 2.4%          | -1.6%                          | -1.8%                 | <b>-3.3%</b>       | 2.5%          |
| Therapies                            | 5.8%                           | 2.9%                  | <b>8.9%</b>        | 1.5%          | 4.3%                           | 1.2%                  | <b>5.6%</b>        | 1.5%          | 3.8%                           | 1.8%                  | <b>5.7%</b>        | 1.5%          |
| <b>TOTAL</b>                         | <b>3.6%</b>                    | <b>0.0%</b>           | <b>3.5%</b>        | <b>43.0%</b>  | <b>2.7%</b>                    | <b>0.6%</b>           | <b>3.4%</b>        | <b>42.7%</b>  | <b>2.6%</b>                    | <b>1.7%</b>           | <b>4.3%</b>        | <b>42.7%</b>  |
| <b>OTHER</b>                         |                                |                       |                    |               |                                |                       |                    |               |                                |                       |                    |               |
| Ambulance                            | -5.5%                          | 8.2%                  | <b>2.3%</b>        | 0.8%          | 0.5%                           | 4.2%                  | <b>4.8%</b>        | 0.8%          | 0.5%                           | 8.8%                  | <b>9.4%</b>        | 0.7%          |
| Appliances (DME)                     | 15.2%                          | -11.7%                | <b>1.7%</b>        | 1.5%          | 12.1%                          | -8.6%                 | <b>2.6%</b>        | 1.5%          | 8.4%                           | -3.5%                 | <b>4.6%</b>        | 1.5%          |
| Other Services                       | -8.2%                          | 33.5%                 | <b>22.6%</b>       | 1.3%          | -9.8%                          | 9.3%                  | <b>-1.4%</b>       | 1.4%          | -7.2%                          | 12.2%                 | <b>4.2%</b>        | 1.4%          |
| <b>TOTAL</b>                         | <b>2.1%</b>                    | <b>9.2%</b>           | <b>11.5%</b>       | <b>3.6%</b>   | <b>1.2%</b>                    | <b>1.0%</b>           | <b>2.3%</b>        | <b>3.7%</b>   | <b>0.8%</b>                    | <b>5.1%</b>           | <b>5.9%</b>        | <b>3.7%</b>   |
| <b>GRAND TOTAL</b>                   | <b>3.9%</b>                    | <b>-1.1%</b>          | <b>2.8%</b>        | <b>100.0%</b> | <b>3.8%</b>                    | <b>-1.3%</b>          | <b>2.4%</b>        | <b>100.0%</b> | <b>3.0%</b>                    | <b>1.1%</b>           | <b>4.1%</b>        | <b>100.0%</b> |

**West Virginia PEIA Non-Medicare Total  
Study Period of July 2015 to June 2017  
(Allowed Claims)**

**24 Month Trends Summary - Excludes Drugs**

|                                      | <b>In State</b>    |                       |                    | <b>Out of State</b> |                       |                    | <b>Total</b>       |                       |                    | <b>In State</b> | <b>Out of State</b> | <b>Total</b>  |
|--------------------------------------|--------------------|-----------------------|--------------------|---------------------|-----------------------|--------------------|--------------------|-----------------------|--------------------|-----------------|---------------------|---------------|
|                                      | <b>Utilization</b> | <b>Cost / Service</b> | <b>Total Trend</b> | <b>Utilization</b>  | <b>Cost / Service</b> | <b>Total Trend</b> | <b>Utilization</b> | <b>Cost / Service</b> | <b>Total Trend</b> | <b>Weight</b>   | <b>Weight</b>       | <b>Weight</b> |
| <b>HOSPITAL INPATIENT</b>            |                    |                       |                    |                     |                       |                    |                    |                       |                    |                 |                     |               |
| Maternity                            | -21.2%             | 5.0%                  | -17.3%             | -19.9%              | 0.5%                  | -19.4%             | -21.0%             | 7.0%                  | -15.4%             | 0.6%            | 0.7%                | 0.5%          |
| Medical / Surgical                   | 4.3%               | 1.9%                  | 6.3%               | -4.5%               | 2.0%                  | -2.6%              | 2.9%               | 1.6%                  | 4.6%               | 11.2%           | 33.2%               | 17.9%         |
| Psychiatric / Substance Abuse        | 15.0%              | -5.4%                 | 8.7%               | -65.7%              | 25.7%                 | -56.9%             | -13.2%             | -3.8%                 | -16.5%             | 0.5%            | 0.6%                | 0.5%          |
| <b>TOTAL</b>                         | <b>3.6%</b>        | <b>1.7%</b>           | <b>5.5%</b>        | <b>-5.8%</b>        | <b>2.3%</b>           | <b>-3.6%</b>       | <b>1.8%</b>        | <b>1.6%</b>           | <b>3.4%</b>        | <b>12.3%</b>    | <b>34.4%</b>        | <b>19.0%</b>  |
| <b>HOSPITAL OUTPATIENT</b>           |                    |                       |                    |                     |                       |                    |                    |                       |                    |                 |                     |               |
| Emergency Room                       | -2.7%              | 0.3%                  | -2.4%              | -13.9%              | 9.9%                  | -5.4%              | -3.8%              | 0.7%                  | -3.1%              | 5.9%            | 4.2%                | 5.2%          |
| Medical / Surgical                   | 5.5%               | 2.8%                  | 8.4%               | -9.4%               | -4.5%                 | -13.4%             | 4.0%               | -2.3%                 | 1.6%               | 17.6%           | 16.4%               | 17.4%         |
| Other Services                       | 14.6%              | -8.7%                 | 4.7%               | -9.7%               | -2.6%                 | -12.0%             | 13.0%              | -10.9%                | 0.7%               | 12.2%           | 9.7%                | 11.5%         |
| Psychiatric / Substance Abuse        | 6.7%               | -5.4%                 | 1.0%               | -45.7%              | -3.0%                 | -47.4%             | -19.9%             | -18.9%                | -35.1%             | 0.2%            | 0.9%                | 0.4%          |
| <b>TOTAL</b>                         | <b>7.2%</b>        | <b>-1.6%</b>          | <b>5.5%</b>        | <b>-11.1%</b>       | <b>-1.9%</b>          | <b>-12.8%</b>      | <b>5.5%</b>        | <b>-4.9%</b>          | <b>0.4%</b>        | <b>35.8%</b>    | <b>31.1%</b>        | <b>34.5%</b>  |
| <b>PHYSICIAN SERVICES</b>            |                    |                       |                    |                     |                       |                    |                    |                       |                    |                 |                     |               |
| Anesthesia                           | 7.3%               | 0.4%                  | 7.7%               | -2.7%               | 5.7%                  | 2.9%               | 6.0%               | 0.6%                  | 6.6%               | 2.3%            | 1.6%                | 2.1%          |
| Chemotherapy / Radiation             | 1.9%               | -6.8%                 | -4.9%              | -32.7%              | 19.3%                 | -19.8%             | -7.0%              | -1.6%                 | -8.5%              | 0.5%            | 0.9%                | 0.6%          |
| Emergency Room                       | -2.1%              | -2.6%                 | -4.7%              | -20.4%              | 14.5%                 | -8.9%              | -3.8%              | -1.9%                 | -5.6%              | 1.3%            | 0.6%                | 1.1%          |
| Immunizations / Injections / Allergy | -21.2%             | 16.5%                 | -8.2%              | -12.2%              | 12.6%                 | -1.2%              | -20.7%             | 16.4%                 | -7.6%              | 1.9%            | 0.5%                | 1.5%          |
| Inpatient Surgery                    | 5.3%               | -1.5%                 | 3.7%               | 0.9%                | 9.6%                  | 10.6%              | 4.4%               | 1.1%                  | 5.6%               | 1.4%            | 1.2%                | 1.4%          |
| Inpatient Visits                     | -2.0%              | 4.0%                  | 1.9%               | 1.9%                | 6.4%                  | 8.4%               | -1.3%              | 4.7%                  | 3.4%               | 1.3%            | 0.9%                | 1.2%          |
| Lab & Pathology                      | 10.7%              | 1.6%                  | 12.4%              | 1.9%                | -5.3%                 | -3.5%              | 6.1%               | -3.1%                 | 2.8%               | 1.8%            | 5.8%                | 3.1%          |
| Maternity                            | -9.6%              | -3.5%                 | -12.7%             | 42.5%               | -40.6%                | -15.3%             | -2.5%              | -10.5%                | -12.7%             | 1.1%            | 0.3%                | 0.8%          |
| Office Visits                        | 8.3%               | 2.7%                  | 11.2%              | -3.1%               | 2.1%                  | -1.1%              | 7.3%               | 2.3%                  | 9.8%               | 14.8%           | 4.2%                | 11.5%         |
| Other Services                       | 7.4%               | -5.0%                 | 2.0%               | -5.7%               | -8.6%                 | -13.8%             | 6.1%               | -7.5%                 | -1.9%              | 11.4%           | 8.6%                | 10.8%         |
| Outpatient Surgery                   | 10.3%              | 1.7%                  | 12.2%              | -2.3%               | -0.6%                 | -2.9%              | 8.5%               | 0.4%                  | 8.9%               | 3.5%            | 2.1%                | 3.1%          |
| Psychiatric / Substance Abuse        | 5.3%               | 0.7%                  | 6.0%               | -49.7%              | 19.6%                 | -39.8%             | -5.2%              | 5.5%                  | 0.1%               | 2.8%            | 0.8%                | 2.2%          |
| Radiology                            | -5.7%              | 12.4%                 | 6.1%               | -14.2%              | 12.1%                 | -3.8%              | -6.6%              | 11.1%                 | 3.8%               | 2.7%            | 1.6%                | 2.3%          |
| Therapies                            | 6.5%               | 3.0%                  | 9.6%               | -2.8%               | -2.2%                 | -4.9%              | 5.8%               | 2.9%                  | 8.9%               | 2.1%            | 0.2%                | 1.5%          |
| <b>TOTAL</b>                         | <b>5.0%</b>        | <b>1.1%</b>           | <b>6.2%</b>        | <b>-5.2%</b>        | <b>-0.6%</b>          | <b>-5.8%</b>       | <b>3.6%</b>        | <b>0.0%</b>           | <b>3.5%</b>        | <b>49.0%</b>    | <b>29.5%</b>        | <b>43.0%</b>  |
| <b>OTHER</b>                         |                    |                       |                    |                     |                       |                    |                    |                       |                    |                 |                     |               |
| Ambulance                            | -4.0%              | 12.7%                 | 8.2%               | -20.3%              | 0.5%                  | -19.9%             | -5.5%              | 8.2%                  | 2.3%               | 0.9%            | 0.4%                | 0.8%          |
| Appliances (DME)                     | -23.2%             | -6.2%                 | -28.0%             | 65.8%               | -27.0%                | 21.0%              | 15.2%              | -11.7%                | 1.7%               | 0.8%            | 3.1%                | 1.5%          |
| Other Services                       | -7.6%              | 97.8%                 | 82.8%              | -12.2%              | -35.4%                | -43.3%             | -8.2%              | 33.5%                 | 22.6%              | 1.2%            | 1.4%                | 1.3%          |
| <b>TOTAL</b>                         | <b>-10.8%</b>      | <b>42.3%</b>          | <b>26.9%</b>       | <b>36.3%</b>        | <b>-27.3%</b>         | <b>-0.9%</b>       | <b>2.1%</b>        | <b>9.2%</b>           | <b>11.5%</b>       | <b>3.0%</b>     | <b>4.9%</b>         | <b>3.6%</b>   |
| <b>GRAND TOTAL</b>                   | <b>5.2%</b>        | <b>1.5%</b>           | <b>6.7%</b>        | <b>-5.2%</b>        | <b>-1.3%</b>          | <b>-6.5%</b>       | <b>3.9%</b>        | <b>-1.1%</b>          | <b>2.8%</b>        | <b>100.0%</b>   | <b>100.0%</b>       | <b>100.0%</b> |

**West Virginia PEIA Non-Medicare Total  
Study Period of July 2014 to June 2017  
(Allowed Claims)**

**36 Month Trends Summary - Excludes Drugs**

|                                      | In State     |                |              | Out of State |                |              | Total       |                |              | In State      | Out of State  | Total         |
|--------------------------------------|--------------|----------------|--------------|--------------|----------------|--------------|-------------|----------------|--------------|---------------|---------------|---------------|
|                                      | Utilization  | Cost / Service | Total Trend  | Utilization  | Cost / Service | Total Trend  | Utilization | Cost / Service | Total Trend  | Weight        | Weight        | Weight        |
| <b>HOSPITAL INPATIENT</b>            |              |                |              |              |                |              |             |                |              |               |               |               |
| Maternity                            | -20.1%       | 5.6%           | -15.6%       | -25.1%       | -0.6%          | -25.6%       | -20.8%      | 0.2%           | -20.6%       | 0.6%          | 0.8%          | 0.6%          |
| Medical / Surgical                   | 5.7%         | 0.8%           | 6.6%         | 0.1%         | 1.5%           | 1.6%         | 4.8%        | -4.0%          | 0.6%         | 11.2%         | 33.4%         | 18.2%         |
| Psychiatric / Substance Abuse        | -13.5%       | -1.6%          | -14.9%       | -31.1%       | 8.9%           | -24.9%       | -20.8%      | 1.1%           | -19.9%       | 0.5%          | 0.6%          | 0.6%          |
| <b>TOTAL</b>                         | <b>3.7%</b>  | <b>1.0%</b>    | <b>4.7%</b>  | <b>-1.0%</b> | <b>1.6%</b>    | <b>0.5%</b>  | <b>3.3%</b> | <b>-3.7%</b>   | <b>-0.6%</b> | <b>12.3%</b>  | <b>34.9%</b>  | <b>19.4%</b>  |
| <b>HOSPITAL OUTPATIENT</b>           |              |                |              |              |                |              |             |                |              |               |               |               |
| Emergency Room                       | -2.7%        | -0.3%          | -3.0%        | -9.4%        | 3.4%           | -6.3%        | -3.3%       | -0.7%          | -4.1%        | 5.9%          | 4.3%          | 5.4%          |
| Medical / Surgical                   | 7.5%         | 1.5%           | 9.1%         | -0.1%        | -5.3%          | -5.4%        | 6.7%        | -2.0%          | 4.6%         | 17.6%         | 16.1%         | 17.1%         |
| Other Services                       | 10.2%        | -2.7%          | 7.3%         | -3.9%        | -2.3%          | -6.2%        | 9.3%        | -4.9%          | 3.9%         | 12.2%         | 9.6%          | 11.4%         |
| Psychiatric / Substance Abuse        | 2.2%         | -0.6%          | 1.7%         | -22.1%       | 10.0%          | -14.3%       | -10.0%      | -1.1%          | -10.9%       | 0.2%          | 0.8%          | 0.4%          |
| <b>TOTAL</b>                         | <b>6.7%</b>  | <b>-0.2%</b>   | <b>6.5%</b>  | <b>-3.2%</b> | <b>-2.8%</b>   | <b>-5.9%</b> | <b>5.8%</b> | <b>-2.7%</b>   | <b>2.9%</b>  | <b>35.8%</b>  | <b>30.8%</b>  | <b>34.2%</b>  |
| <b>PHYSICIAN SERVICES</b>            |              |                |              |              |                |              |             |                |              |               |               |               |
| Anesthesia                           | 5.7%         | 0.2%           | 6.0%         | 0.2%         | 0.7%           | 0.9%         | 5.0%        | -0.3%          | 4.7%         | 2.3%          | 1.6%          | 2.1%          |
| Chemotherapy / Radiation             | -1.2%        | -8.5%          | -9.6%        | -3.7%        | 28.3%          | 23.5%        | -1.8%       | 3.0%           | 1.1%         | 0.5%          | 0.8%          | 0.6%          |
| Emergency Room                       | -0.6%        | -0.5%          | -1.1%        | -12.0%       | 8.8%           | -4.2%        | -1.6%       | -0.3%          | -1.9%        | 1.3%          | 0.6%          | 1.1%          |
| Immunizations / Injections / Allergy | -9.0%        | 9.4%           | -0.5%        | -5.2%        | 7.4%           | 1.8%         | -8.8%       | 9.3%           | -0.3%        | 1.9%          | 0.4%          | 1.4%          |
| Inpatient Surgery                    | 5.4%         | -0.4%          | 5.0%         | 0.7%         | -14.4%         | -13.8%       | 4.4%        | -5.1%          | -0.9%        | 1.4%          | 1.3%          | 1.4%          |
| Inpatient Visits                     | -3.7%        | 3.6%           | -0.2%        | 5.4%         | 7.0%           | 12.8%        | -2.2%       | 5.1%           | 2.7%         | 1.3%          | 0.8%          | 1.2%          |
| Lab & Pathology                      | 6.2%         | 1.0%           | 7.3%         | 2.0%         | -6.3%          | -4.5%        | 3.9%        | -3.7%          | 0.1%         | 1.8%          | 5.8%          | 3.1%          |
| Maternity                            | -5.1%        | -4.7%          | -9.5%        | 26.6%        | -17.7%         | 4.2%         | -1.2%       | -7.7%          | -8.8%        | 1.1%          | 0.3%          | 0.8%          |
| Office Visits                        | 3.7%         | 1.8%           | 5.6%         | -2.9%        | -0.6%          | -3.5%        | 3.1%        | 1.3%           | 4.5%         | 14.8%         | 4.2%          | 11.5%         |
| Other Services                       | 6.4%         | 2.0%           | 8.6%         | -2.7%        | 2.7%           | -0.1%        | 5.5%        | 1.0%           | 6.5%         | 11.4%         | 8.2%          | 10.4%         |
| Outpatient Surgery                   | 8.0%         | 0.3%           | 8.3%         | 2.1%         | -11.3%         | -9.4%        | 7.2%        | -2.9%          | 4.1%         | 3.5%          | 2.2%          | 3.1%          |
| Psychiatric / Substance Abuse        | 4.5%         | 1.6%           | 6.2%         | -30.9%       | 20.6%          | -16.7%       | -2.8%       | 5.5%           | 2.6%         | 2.8%          | 0.8%          | 2.2%          |
| Radiology                            | -3.1%        | 2.9%           | -0.3%        | -9.2%        | -3.5%          | -12.3%       | -3.8%       | 0.5%           | -3.3%        | 2.7%          | 1.7%          | 2.4%          |
| Therapies                            | 4.6%         | 2.1%           | 6.8%         | 0.8%         | -15.0%         | -14.4%       | 4.3%        | 1.2%           | 5.6%         | 2.1%          | 0.3%          | 1.5%          |
| <b>TOTAL</b>                         | <b>3.6%</b>  | <b>1.7%</b>    | <b>5.3%</b>  | <b>-1.9%</b> | <b>-0.8%</b>   | <b>-2.7%</b> | <b>2.7%</b> | <b>0.6%</b>    | <b>3.4%</b>  | <b>49.0%</b>  | <b>29.1%</b>  | <b>42.7%</b>  |
| <b>OTHER</b>                         |              |                |              |              |                |              |             |                |              |               |               |               |
| Ambulance                            | 1.0%         | 9.8%           | 10.9%        | -4.2%        | -14.7%         | -18.3%       | 0.5%        | 4.2%           | 4.8%         | 0.9%          | 0.4%          | 0.8%          |
| Appliances (DME)                     | -3.5%        | -8.9%          | -12.2%       | 31.7%        | -6.4%          | 23.3%        | 12.1%       | -8.6%          | 2.6%         | 0.8%          | 2.9%          | 1.5%          |
| Other Services                       | -9.1%        | 52.9%          | 39.0%        | -14.3%       | -23.7%         | -34.5%       | -9.8%       | 9.3%           | -1.4%        | 1.2%          | 1.9%          | 1.4%          |
| <b>TOTAL</b>                         | <b>-4.4%</b> | <b>22.2%</b>   | <b>16.9%</b> | <b>12.3%</b> | <b>-13.3%</b>  | <b>-2.6%</b> | <b>1.2%</b> | <b>1.0%</b>    | <b>2.3%</b>  | <b>3.0%</b>   | <b>5.2%</b>   | <b>3.7%</b>   |
| <b>GRAND TOTAL</b>                   | <b>4.5%</b>  | <b>1.5%</b>    | <b>6.1%</b>  | <b>-1.3%</b> | <b>-1.2%</b>   | <b>-2.5%</b> | <b>3.8%</b> | <b>-1.3%</b>   | <b>2.4%</b>  | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

**West Virginia PEIA Non-Medicare Total  
Study Period of July 2013 to June 2017  
(Allowed Claims)**

**48 Month Trends Summary - Excludes Drugs**

|                                      | In State           |                       |                    | Out of State       |                       |                    | Total              |                       |                    | In State      | Out of State  | Total         |
|--------------------------------------|--------------------|-----------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|-----------------------|--------------------|---------------|---------------|---------------|
|                                      | <u>Utilization</u> | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Utilization</u> | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Utilization</u> | <u>Cost / Service</u> | <u>Total Trend</u> | <u>Weight</u> | <u>Weight</u> | <u>Weight</u> |
| <b>HOSPITAL INPATIENT</b>            |                    |                       |                    |                    |                       |                    |                    |                       |                    |               |               |               |
| Maternity                            | -9.1%              | 4.8%                  | <b>-4.8%</b>       | -11.3%             | -0.8%                 | <b>-12.0%</b>      | -9.4%              | 1.3%                  | <b>-8.3%</b>       | 0.6%          | 0.9%          | 0.7%          |
| Medical / Surgical                   | 2.8%               | 0.3%                  | <b>3.1%</b>        | -0.4%              | 6.0%                  | <b>5.6%</b>        | 2.3%               | 0.7%                  | <b>3.0%</b>        | 11.4%         | 33.1%         | 18.3%         |
| Psychiatric / Substance Abuse        | -14.9%             | 1.2%                  | <b>-13.9%</b>      | -24.4%             | 9.6%                  | <b>-17.1%</b>      | -18.3%             | 2.0%                  | <b>-16.6%</b>      | 0.6%          | 0.7%          | 0.6%          |
| <b>TOTAL</b>                         | <b>1.4%</b>        | <b>0.6%</b>           | <b>2.0%</b>        | <b>-1.1%</b>       | <b>5.9%</b>           | <b>4.7%</b>        | <b>1.2%</b>        | <b>0.8%</b>           | <b>2.0%</b>        | <b>12.6%</b>  | <b>34.7%</b>  | <b>19.6%</b>  |
| <b>HOSPITAL OUTPATIENT</b>           |                    |                       |                    |                    |                       |                    |                    |                       |                    |               |               |               |
| Emergency Room                       | -1.4%              | 1.7%                  | <b>0.2%</b>        | -3.3%              | 6.5%                  | <b>3.0%</b>        | -1.6%              | 2.4%                  | <b>0.8%</b>        | 5.9%          | 4.2%          | 5.4%          |
| Medical / Surgical                   | 5.7%               | 1.5%                  | <b>7.3%</b>        | 2.2%               | -1.0%                 | <b>1.2%</b>        | 5.3%               | 0.2%                  | <b>5.6%</b>        | 17.5%         | 16.0%         | 17.0%         |
| Other Services                       | 7.4%               | 0.4%                  | <b>7.8%</b>        | -1.2%              | 1.6%                  | <b>0.4%</b>        | 6.8%               | -0.6%                 | <b>6.1%</b>        | 12.0%         | 9.6%          | 11.3%         |
| Psychiatric / Substance Abuse        | 1.8%               | -1.1%                 | <b>0.7%</b>        | -9.7%              | 7.2%                  | <b>-3.1%</b>       | -3.7%              | 0.2%                  | <b>-3.5%</b>       | 0.2%          | 0.8%          | 0.4%          |
| <b>TOTAL</b>                         | <b>5.0%</b>        | <b>1.2%</b>           | <b>6.3%</b>        | <b>0.1%</b>        | <b>1.1%</b>           | <b>1.1%</b>        | <b>4.6%</b>        | <b>0.3%</b>           | <b>4.9%</b>        | <b>35.7%</b>  | <b>30.6%</b>  | <b>34.1%</b>  |
| <b>PHYSICIAN SERVICES</b>            |                    |                       |                    |                    |                       |                    |                    |                       |                    |               |               |               |
| Anesthesia                           | 5.0%               | 0.5%                  | <b>5.5%</b>        | 0.6%               | 2.0%                  | <b>2.6%</b>        | 4.4%               | 0.4%                  | <b>4.8%</b>        | 2.3%          | 1.6%          | 2.1%          |
| Chemotherapy / Radiation             | -2.3%              | -4.9%                 | <b>-7.1%</b>       | 3.3%               | 7.3%                  | <b>10.8%</b>       | -1.0%              | 0.1%                  | <b>-1.0%</b>       | 0.6%          | 0.8%          | 0.6%          |
| Emergency Room                       | 1.7%               | 1.0%                  | <b>2.7%</b>        | -2.3%              | 6.5%                  | <b>4.0%</b>        | 1.3%               | 1.3%                  | <b>2.7%</b>        | 1.3%          | 0.6%          | 1.1%          |
| Immunizations / Injections / Allergy | -4.3%              | 8.0%                  | <b>3.3%</b>        | -3.0%              | 5.6%                  | <b>2.4%</b>        | -4.3%              | 7.8%                  | <b>3.2%</b>        | 1.8%          | 0.4%          | 1.4%          |
| Inpatient Surgery                    | 2.0%               | -0.2%                 | <b>1.9%</b>        | 3.9%               | -7.4%                 | <b>-3.8%</b>       | 2.4%               | -2.3%                 | <b>0.1%</b>        | 1.5%          | 1.4%          | 1.4%          |
| Inpatient Visits                     | -3.3%              | 3.6%                  | <b>0.2%</b>        | 1.0%               | 6.2%                  | <b>7.3%</b>        | -2.6%              | 4.6%                  | <b>1.8%</b>        | 1.3%          | 0.8%          | 1.2%          |
| Lab & Pathology                      | 4.8%               | 1.7%                  | <b>6.5%</b>        | 2.2%               | -1.8%                 | <b>0.3%</b>        | 3.4%               | -0.6%                 | <b>2.8%</b>        | 1.8%          | 5.9%          | 3.1%          |
| Maternity                            | 2.5%               | -2.8%                 | <b>-0.4%</b>       | 19.5%              | -6.2%                 | <b>12.1%</b>       | 4.5%               | -3.9%                 | <b>0.4%</b>        | 1.1%          | 0.3%          | 0.8%          |
| Office Visits                        | 2.4%               | 1.2%                  | <b>3.5%</b>        | -1.4%              | 0.5%                  | <b>-0.9%</b>       | 2.0%               | 1.0%                  | <b>3.0%</b>        | 15.0%         | 4.3%          | 11.6%         |
| Other Services                       | 5.8%               | 5.6%                  | <b>11.7%</b>       | -0.6%              | 4.1%                  | <b>3.5%</b>        | 5.1%               | 4.3%                  | <b>9.6%</b>        | 11.0%         | 8.2%          | 10.1%         |
| Outpatient Surgery                   | 6.1%               | 0.4%                  | <b>6.5%</b>        | 2.6%               | -3.1%                 | <b>-0.6%</b>       | 5.6%               | -0.7%                 | <b>4.9%</b>        | 3.5%          | 2.2%          | 3.1%          |
| Psychiatric / Substance Abuse        | 4.4%               | 1.9%                  | <b>6.4%</b>        | -16.8%             | 16.0%                 | <b>-3.4%</b>       | -0.2%              | 4.5%                  | <b>4.3%</b>        | 2.8%          | 0.9%          | 2.2%          |
| Radiology                            | -1.3%              | -0.9%                 | <b>-2.3%</b>       | -3.6%              | -3.2%                 | <b>-6.7%</b>       | -1.6%              | -1.8%                 | <b>-3.3%</b>       | 2.8%          | 1.8%          | 2.5%          |
| Therapies                            | 4.0%               | 2.2%                  | <b>6.2%</b>        | 1.6%               | -5.0%                 | <b>-3.5%</b>       | 3.8%               | 1.8%                  | <b>5.7%</b>        | 2.1%          | 0.3%          | 1.5%          |
| <b>TOTAL</b>                         | <b>3.1%</b>        | <b>2.2%</b>           | <b>5.3%</b>        | <b>0.0%</b>        | <b>1.1%</b>           | <b>1.2%</b>        | <b>2.6%</b>        | <b>1.7%</b>           | <b>4.3%</b>        | <b>48.8%</b>  | <b>29.4%</b>  | <b>42.7%</b>  |
| <b>OTHER</b>                         |                    |                       |                    |                    |                       |                    |                    |                       |                    |               |               |               |
| Ambulance                            | 0.8%               | 11.8%                 | <b>12.7%</b>       | -2.8%              | -0.1%                 | <b>-2.9%</b>       | 0.5%               | 8.8%                  | <b>9.4%</b>        | 0.9%          | 0.4%          | 0.7%          |
| Appliances (DME)                     | 1.4%               | -5.3%                 | <b>-4.0%</b>       | 16.3%              | 0.9%                  | <b>17.4%</b>       | 8.4%               | -3.5%                 | <b>4.6%</b>        | 0.8%          | 2.9%          | 1.5%          |
| Other Services                       | -8.0%              | 43.3%                 | <b>31.8%</b>       | -2.3%              | -16.8%                | <b>-18.7%</b>      | -7.2%              | 12.2%                 | <b>4.2%</b>        | 1.1%          | 2.0%          | 1.4%          |
| <b>TOTAL</b>                         | <b>-2.5%</b>       | <b>19.3%</b>          | <b>16.3%</b>       | <b>7.9%</b>        | <b>-5.8%</b>          | <b>1.7%</b>        | <b>0.8%</b>        | <b>5.1%</b>           | <b>5.9%</b>        | <b>2.9%</b>   | <b>5.3%</b>   | <b>3.7%</b>   |
| <b>GRAND TOTAL</b>                   | <b>3.4%</b>        | <b>2.1%</b>           | <b>5.6%</b>        | <b>0.1%</b>        | <b>2.4%</b>           | <b>2.4%</b>        | <b>3.0%</b>        | <b>1.1%</b>           | <b>4.1%</b>        | <b>100.0%</b> | <b>100.0%</b> | <b>100.0%</b> |

**West Virginia PEIA Non-Medicare Total  
Study Period of July 2016 to June 2017  
(Allowed Claims)**

**12 Month Summary - Excludes Drugs**

|                                      | Number of Visits |                     |                  |                   |                       | Total Allowed Cost |                     |                    |                   |                       |
|--------------------------------------|------------------|---------------------|------------------|-------------------|-----------------------|--------------------|---------------------|--------------------|-------------------|-----------------------|
|                                      | <u>In State</u>  | <u>Out of State</u> | <u>Total</u>     | <u>In State %</u> | <u>Out of State %</u> | <u>In State</u>    | <u>Out of State</u> | <u>Total</u>       | <u>In State %</u> | <u>Out of State %</u> |
| <b>HOSPITAL INPATIENT</b>            |                  |                     |                  |                   |                       |                    |                     |                    |                   |                       |
| Maternity                            | 950              | 119                 | 1,069            | 88.9%             | 11.1%                 | 1,785,073          | 1,137,238           | 2,922,311          | 61.1%             | 38.9%                 |
| Medical / Surgical                   | 8,988            | 1,521               | 10,509           | 85.5%             | 14.5%                 | 46,155,538         | 58,433,316          | 104,588,854        | 44.1%             | 55.9%                 |
| Psychiatric / Substance Abuse        | 349              | 74                  | 423              | 82.5%             | 17.5%                 | 2,029,279          | 647,232             | 2,676,511          | 75.8%             | 24.2%                 |
| <b>TOTAL</b>                         | <b>10,287</b>    | <b>1,713</b>        | <b>12,001</b>    | <b>85.7%</b>      | <b>14.3%</b>          | <b>49,969,891</b>  | <b>60,217,786</b>   | <b>110,187,676</b> | <b>45.3%</b>      | <b>54.7%</b>          |
| <b>HOSPITAL OUTPATIENT</b>           |                  |                     |                  |                   |                       |                    |                     |                    |                   |                       |
| Emergency Room                       | 38,830           | 3,542               | 42,372           | 91.6%             | 8.4%                  | 22,191,289         | 7,441,657           | 29,632,946         | 74.9%             | 25.1%                 |
| Medical / Surgical                   | 102,866          | 9,676               | 112,542          | 91.4%             | 8.6%                  | 72,069,237         | 25,373,737          | 97,442,974         | 74.0%             | 26.0%                 |
| Other Services                       | 276,010          | 15,435              | 291,444          | 94.7%             | 5.3%                  | 49,022,515         | 15,517,381          | 64,539,896         | 76.0%             | 24.0%                 |
| Psychiatric / Substance Abuse        | 5,498            | 1,968               | 7,466            | 73.6%             | 26.4%                 | 815,070            | 809,908             | 1,624,979          | 50.2%             | 49.8%                 |
| <b>TOTAL</b>                         | <b>423,203</b>   | <b>30,621</b>       | <b>453,824</b>   | <b>93.3%</b>      | <b>6.7%</b>           | <b>144,098,110</b> | <b>49,142,684</b>   | <b>193,240,795</b> | <b>74.6%</b>      | <b>25.4%</b>          |
| <b>PHYSICIAN SERVICES</b>            |                  |                     |                  |                   |                       |                    |                     |                    |                   |                       |
| Anesthesia                           | 41,008           | 5,402               | 46,410           | 88.4%             | 11.6%                 | 9,208,095          | 2,705,210           | 11,913,306         | 77.3%             | 22.7%                 |
| Chemotherapy / Radiation             | 8,650            | 2,186               | 10,835           | 79.8%             | 20.2%                 | 1,934,055          | 1,551,695           | 3,485,750          | 55.5%             | 44.5%                 |
| Emergency Room                       | 36,562           | 2,784               | 39,347           | 92.9%             | 7.1%                  | 4,952,535          | 1,055,709           | 6,008,243          | 82.4%             | 17.6%                 |
| Immunizations / Injections / Allergy | 204,190          | 13,941              | 218,131          | 93.6%             | 6.4%                  | 7,878,535          | 819,345             | 8,697,880          | 90.6%             | 9.4%                  |
| Inpatient Surgery                    | 9,061            | 2,236               | 11,297           | 80.2%             | 19.8%                 | 5,622,637          | 2,176,137           | 7,798,774          | 72.1%             | 27.9%                 |
| Inpatient Visits                     | 48,219           | 9,643               | 57,862           | 83.3%             | 16.7%                 | 5,151,960          | 1,651,442           | 6,803,402          | 75.7%             | 24.3%                 |
| Lab & Pathology                      | 352,307          | 366,111             | 718,418          | 49.0%             | 51.0%                 | 7,350,544          | 9,616,681           | 16,967,224         | 43.3%             | 56.7%                 |
| Maternity                            | 3,842            | 960                 | 4,802            | 80.0%             | 20.0%                 | 3,830,732          | 569,586             | 4,400,318          | 87.1%             | 12.9%                 |
| Office Visits                        | 633,541          | 54,353              | 687,895          | 92.1%             | 7.9%                  | 60,209,902         | 7,061,522           | 67,271,424         | 89.5%             | 10.5%                 |
| Other Services                       | 562,114          | 54,882              | 616,996          | 91.1%             | 8.9%                  | 46,666,213         | 13,396,643          | 60,062,856         | 77.7%             | 22.3%                 |
| Outpatient Surgery                   | 46,977           | 6,793               | 53,770           | 87.4%             | 12.6%                 | 14,190,071         | 3,475,305           | 17,665,376         | 80.3%             | 19.7%                 |
| Psychiatric / Substance Abuse        | 121,800          | 11,605              | 133,405          | 91.3%             | 8.7%                  | 11,750,958         | 982,841             | 12,733,799         | 92.3%             | 7.7%                  |
| Radiology                            | 221,807          | 24,163              | 245,970          | 90.2%             | 9.8%                  | 10,384,999         | 2,632,793           | 13,017,792         | 79.8%             | 20.2%                 |
| Therapies                            | 171,441          | 11,613              | 183,054          | 93.7%             | 6.3%                  | 8,545,841          | 429,308             | 8,975,148          | 95.2%             | 4.8%                  |
| <b>TOTAL</b>                         | <b>2,461,518</b> | <b>566,674</b>      | <b>3,028,192</b> | <b>81.3%</b>      | <b>18.7%</b>          | <b>197,677,077</b> | <b>48,124,217</b>   | <b>245,801,295</b> | <b>80.4%</b>      | <b>19.6%</b>          |
| <b>OTHER</b>                         |                  |                     |                  |                   |                       |                    |                     |                    |                   |                       |
| Ambulance                            | 10,622           | 842                 | 11,464           | 92.7%             | 7.3%                  | 4,030,797          | 550,115             | 4,580,912          | 88.0%             | 12.0%                 |
| Appliances (DME)                     | 25,508           | 50,874              | 76,383           | 33.4%             | 66.6%                 | 2,511,658          | 6,059,361           | 8,571,019          | 29.3%             | 70.7%                 |
| Other Services                       | 24,172           | 3,701               | 27,873           | 86.7%             | 13.3%                 | 5,951,938          | 1,770,114           | 7,722,051          | 77.1%             | 22.9%                 |
| <b>TOTAL</b>                         | <b>60,302</b>    | <b>55,417</b>       | <b>115,719</b>   | <b>52.1%</b>      | <b>47.9%</b>          | <b>12,494,392</b>  | <b>8,379,591</b>    | <b>20,873,983</b>  | <b>59.9%</b>      | <b>40.1%</b>          |
| <b>GRAND TOTAL</b>                   | <b>2,959,301</b> | <b>657,213</b>      | <b>3,616,513</b> | <b>81.8%</b>      | <b>18.2%</b>          | <b>404,239,471</b> | <b>165,864,278</b>  | <b>570,103,748</b> | <b>70.9%</b>      | <b>29.1%</b>          |



**West Virginia PEIA Non-Medicare Prescription Drugs Total  
Study Period of July 2013 to June 2017  
(Paid Claims)**

**24 Month Trends Summary**

|                     | <b><u>Utilization</u></b> | <b><u>Cost / Prescription</u></b> | <b><u>Total Trend</u></b> |
|---------------------|---------------------------|-----------------------------------|---------------------------|
| <b>Non-Medicare</b> | -2.0%                     | 17.8%                             | <b>15.5%</b>              |

**36 Month Trends Summary**

|                     | <b><u>Utilization</u></b> | <b><u>Cost / Prescription</u></b> | <b><u>Total Trend</u></b> |
|---------------------|---------------------------|-----------------------------------|---------------------------|
| <b>Non-Medicare</b> | -0.1%                     | 9.5%                              | <b>9.4%</b>               |

**48 Month Trends Summary**

|                     | <b><u>Utilization</u></b> | <b><u>Cost / Prescription</u></b> | <b><u>Total Trend</u></b> |
|---------------------|---------------------------|-----------------------------------|---------------------------|
| <b>Non-Medicare</b> | 0.9%                      | 7.7%                              | <b>8.7%</b>               |

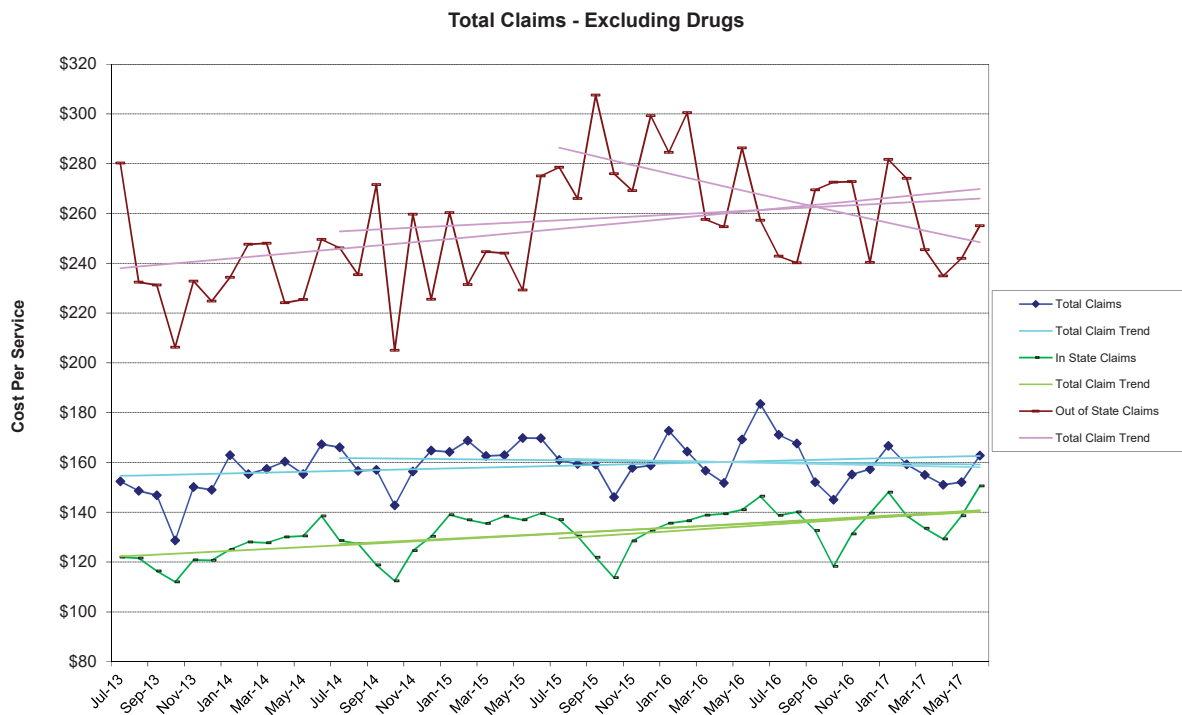
# Appendix A

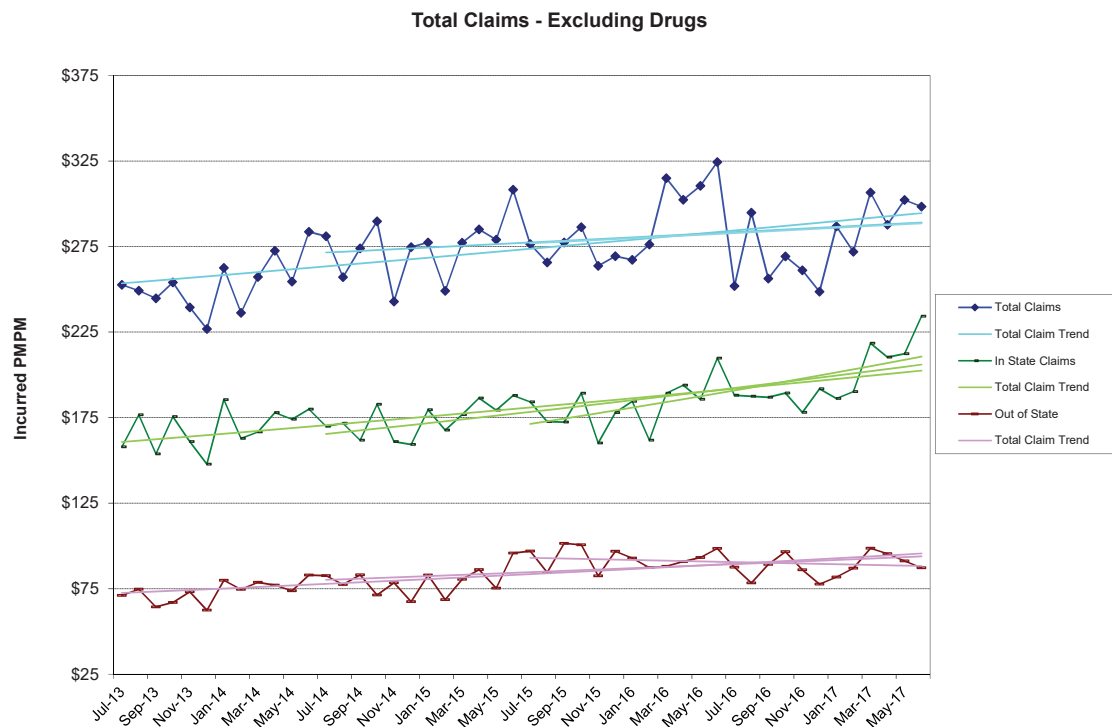
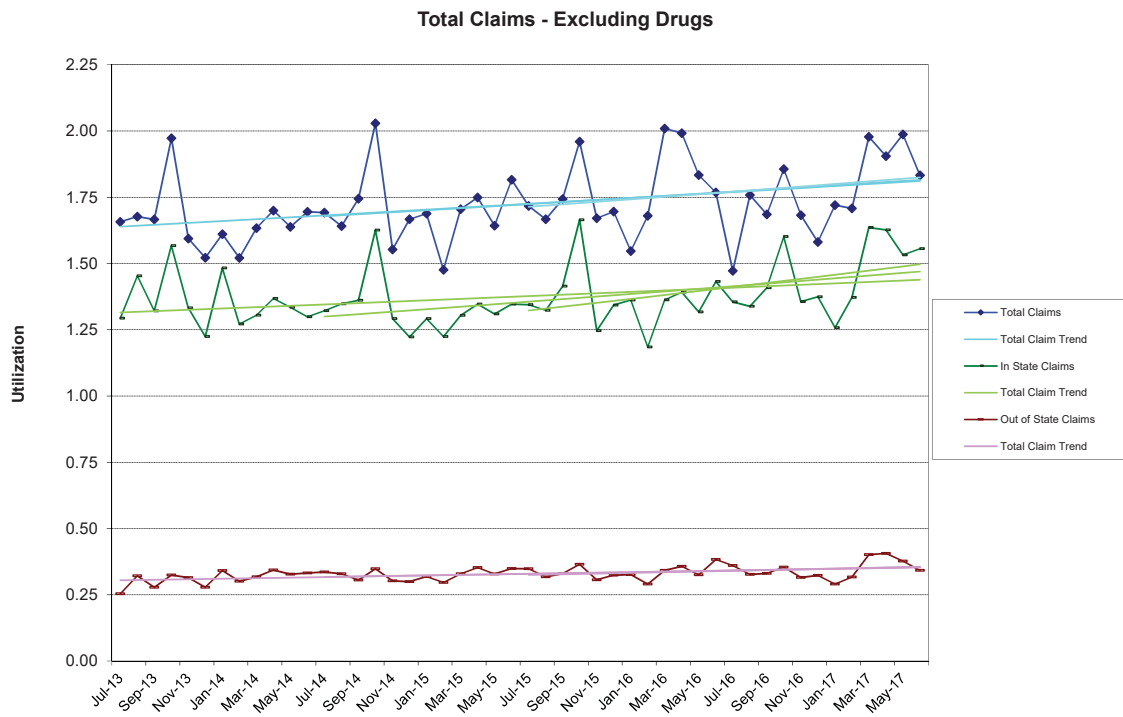
**NON-MEDICARE CLAIMS**  
**Excluding Drugs**  
**GRAND TOTAL**

| 24-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.9%                    | -1.1%                 | <b>2.8%</b>        |

| 36-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.8%                    | -1.3%                 | <b>2.4%</b>        |

| 48-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.0%                    | 1.1%                  | <b>4.1%</b>        |





**NON-MEDICARE CLAIMS**  
Excluding Drugs

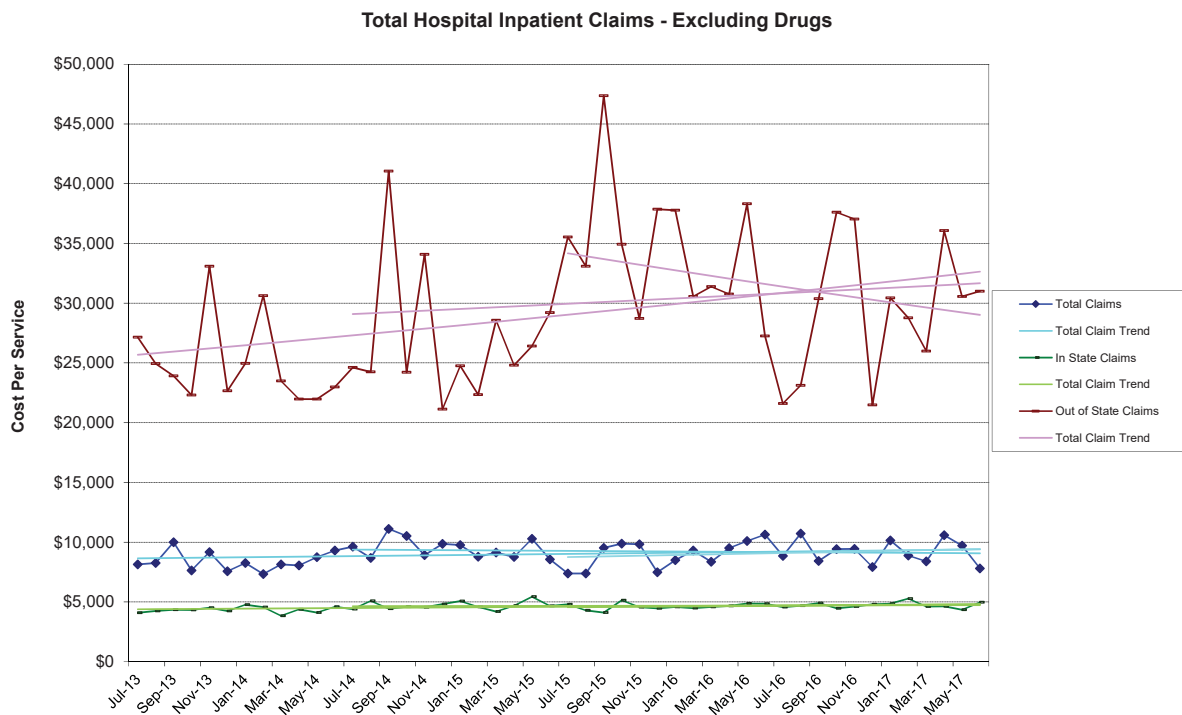
**HOSPITAL INPATIENT**

TOTAL

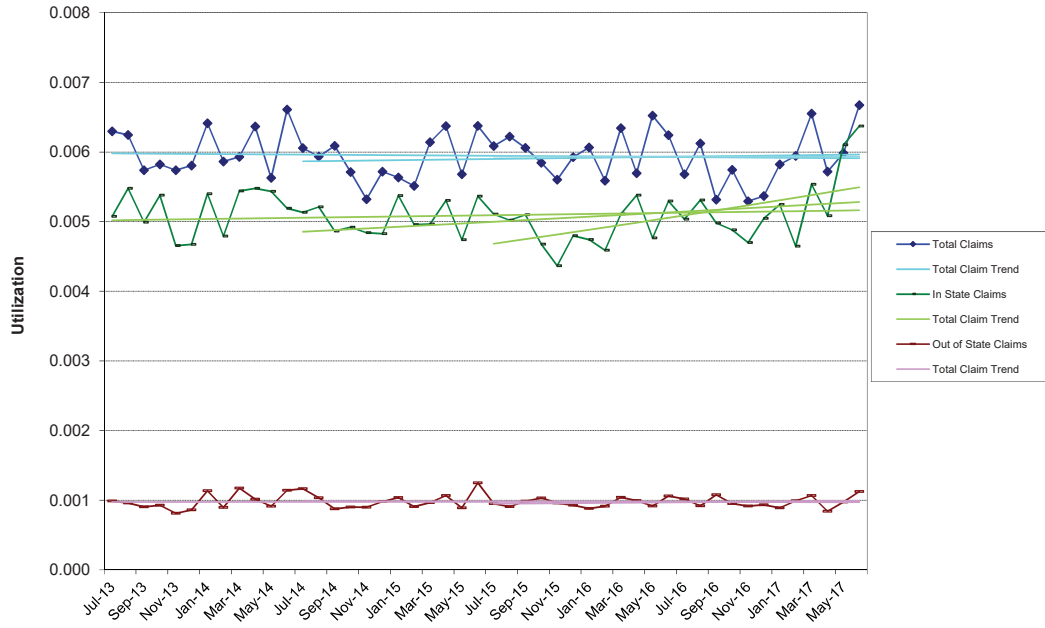
| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 1.8%                           | 1.6%                  | <b>3.4%</b>        |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.3%                           | -3.7%                 | <b>-0.6%</b>       |

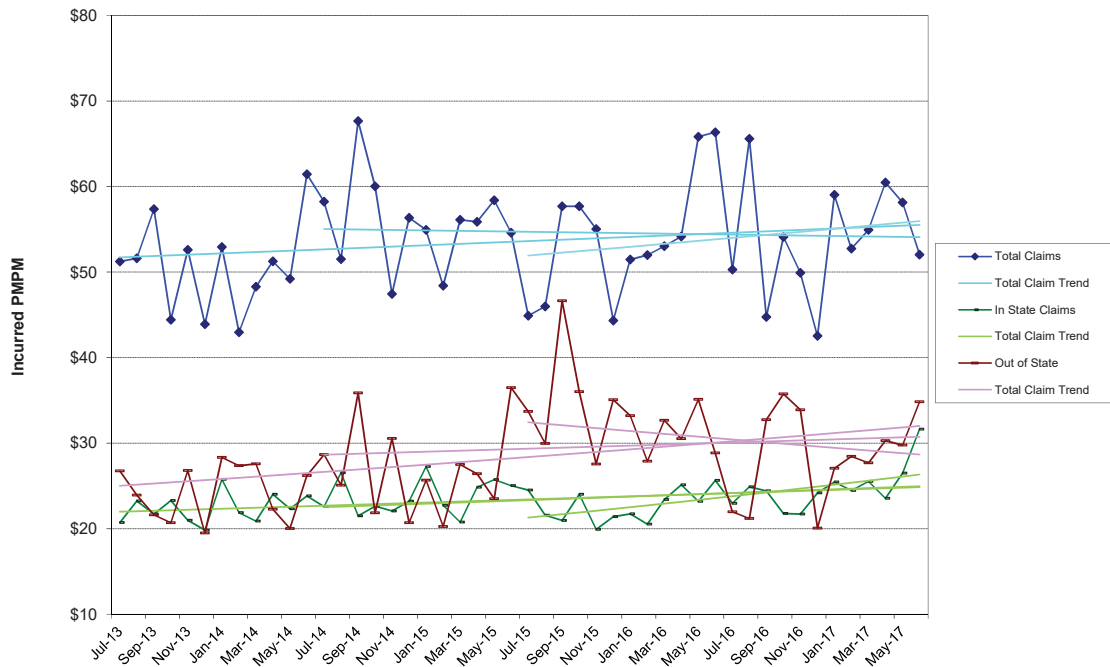
| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 1.2%                           | 0.8%                  | <b>2.0%</b>        |



Total Hospital Inpatient Claims - Excluding Drugs



Total Hospital Inpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS**  
Excluding Drugs

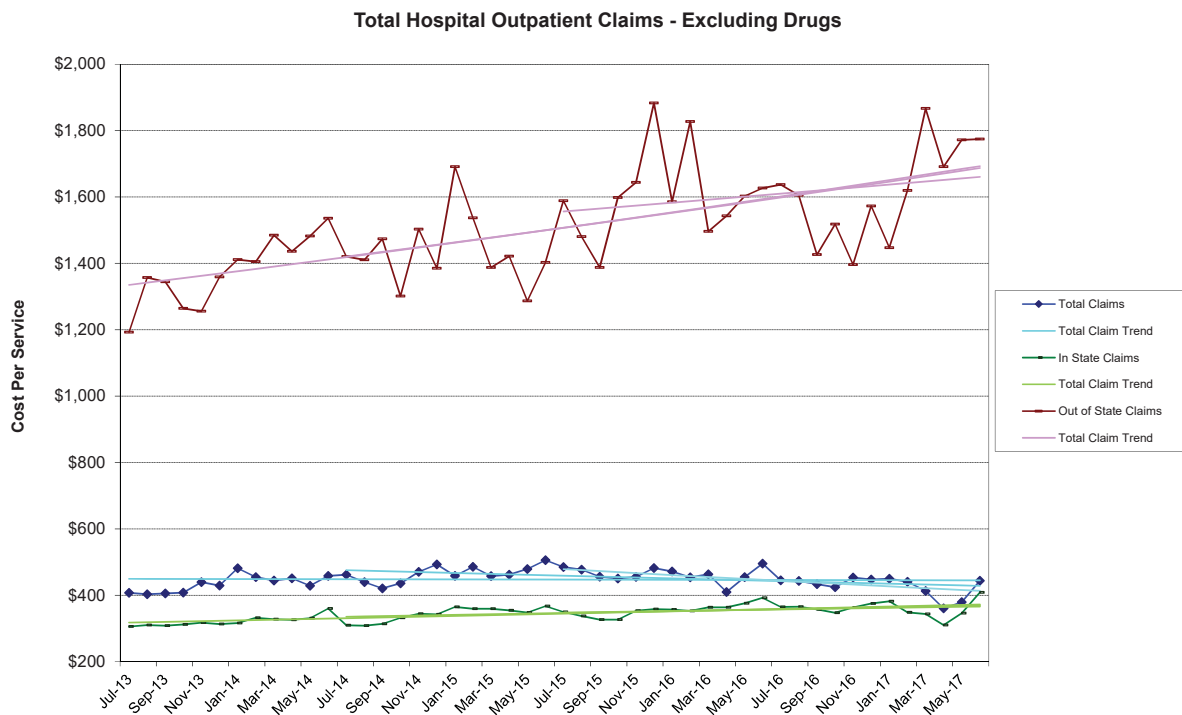
**HOSPITAL OUTPATIENT**

TOTAL

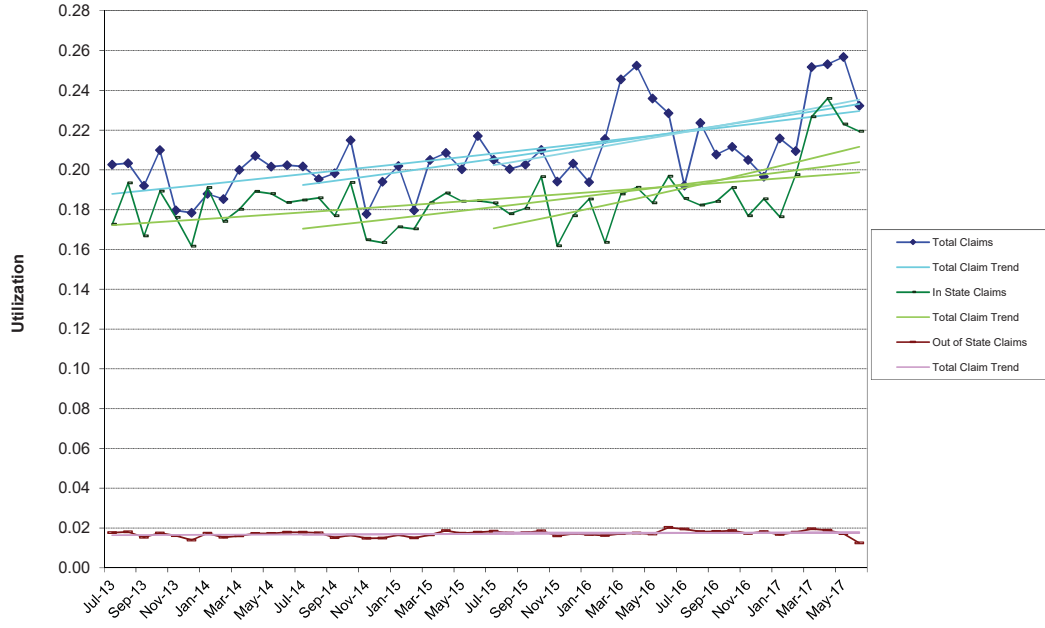
| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.5%                           | -4.9%                 | <b>0.4%</b>        |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.8%                           | -2.7%                 | <b>2.9%</b>        |

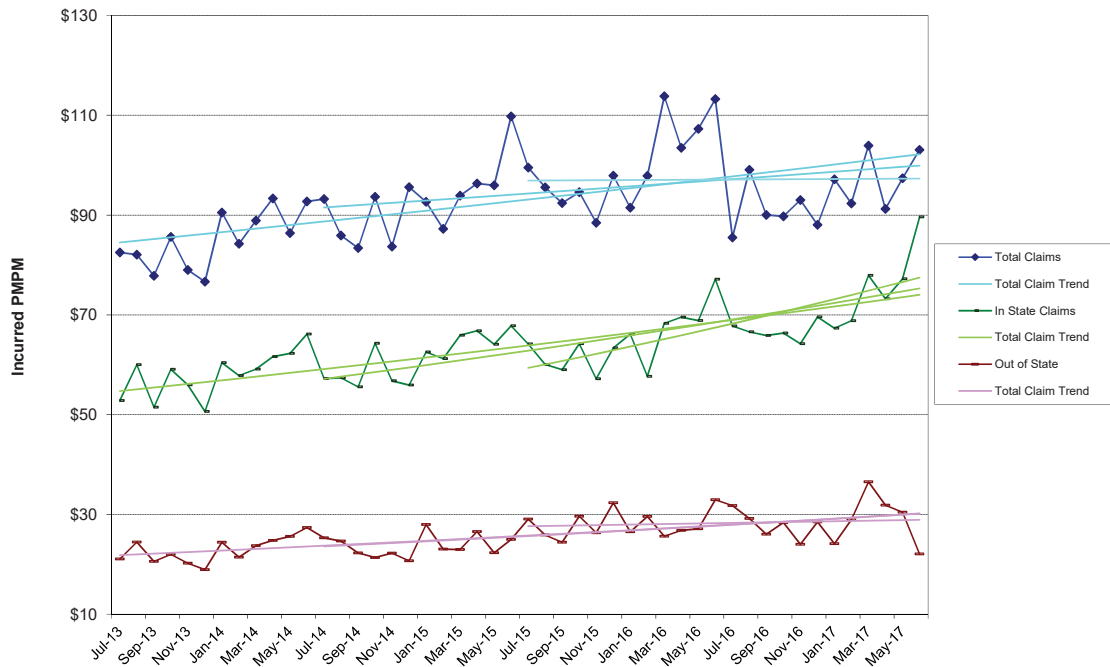
| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.6%                           | 0.3%                  | <b>4.9%</b>        |



Total Hospital Outpatient Claims - Excluding Drugs



Total Hospital Outpatient Claims - Excluding Drugs





**NON-MEDICARE CLAIMS**  
Excluding Drugs

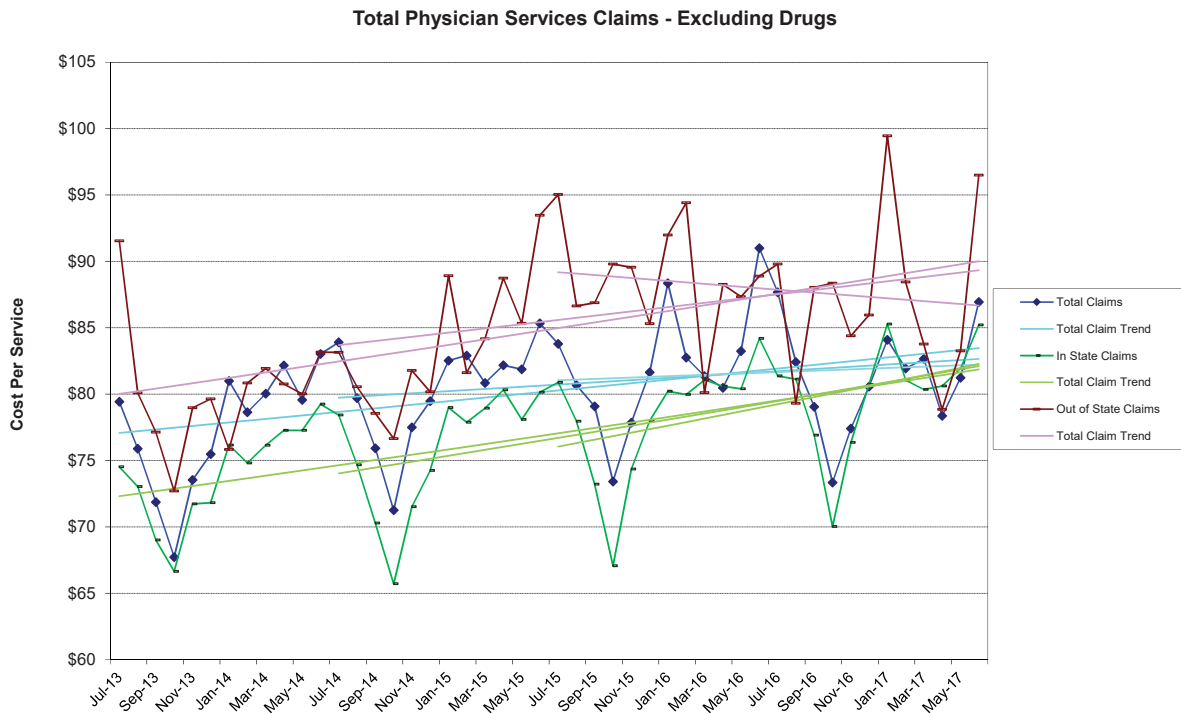
**PHYSICIAN SERVICES**

TOTAL

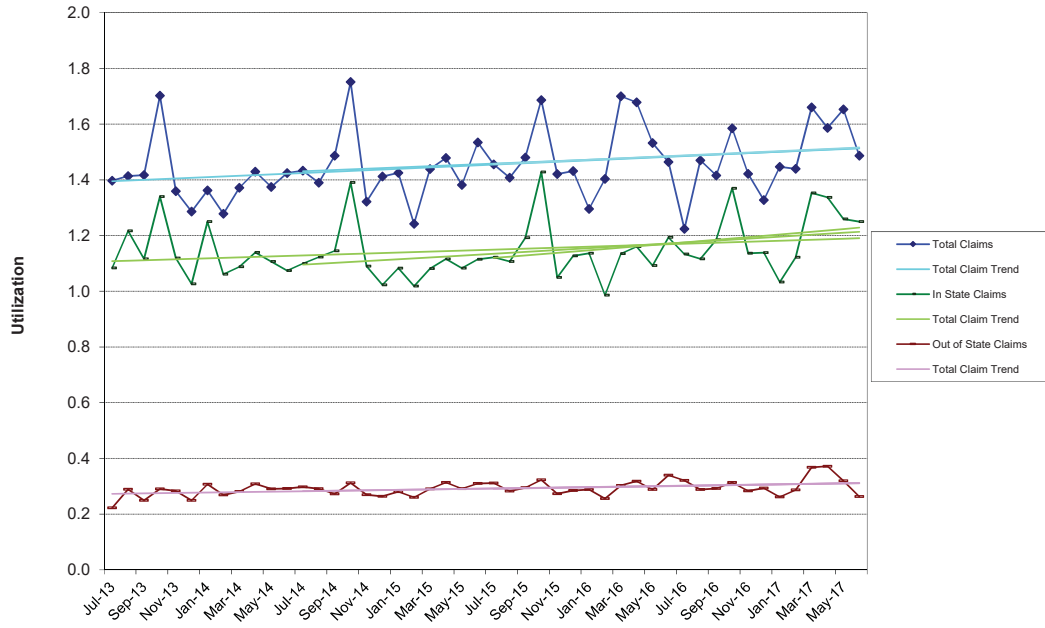
| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.6%                           | 0.0%                  | <b>3.5%</b>        |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.7%                           | 0.6%                  | <b>3.4%</b>        |

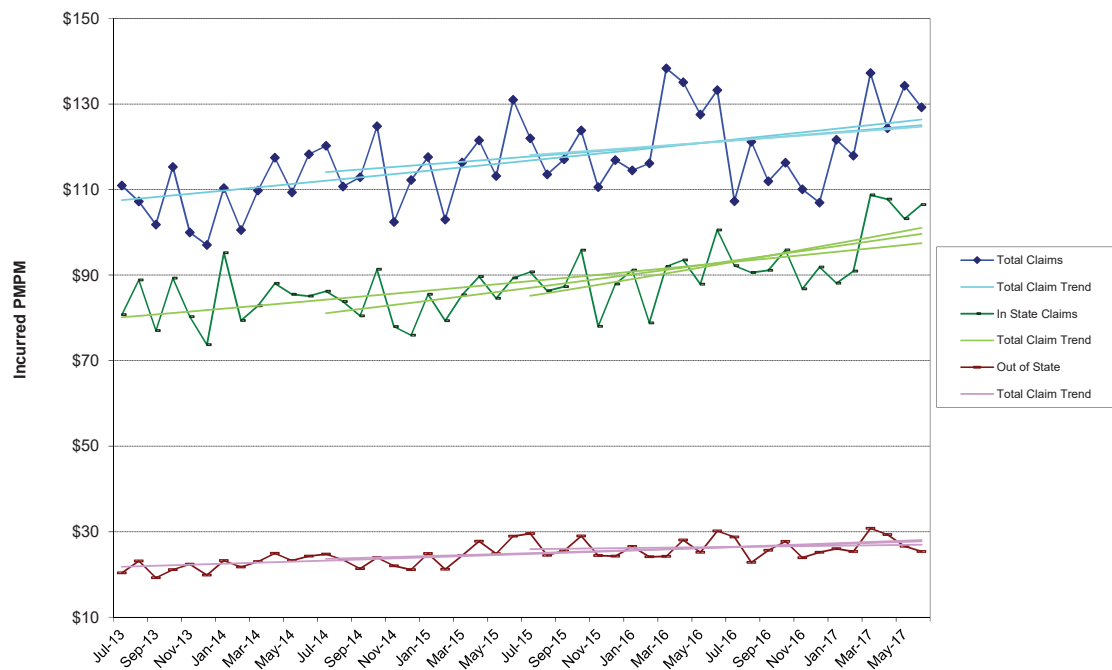
| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.6%                           | 1.7%                  | <b>4.3%</b>        |



Total Physician Services Claims - Excluding Drugs



Total Physician Services Claims - Excluding Drugs



**NON-MEDICARE CLAIMS**  
Excluding Drugs

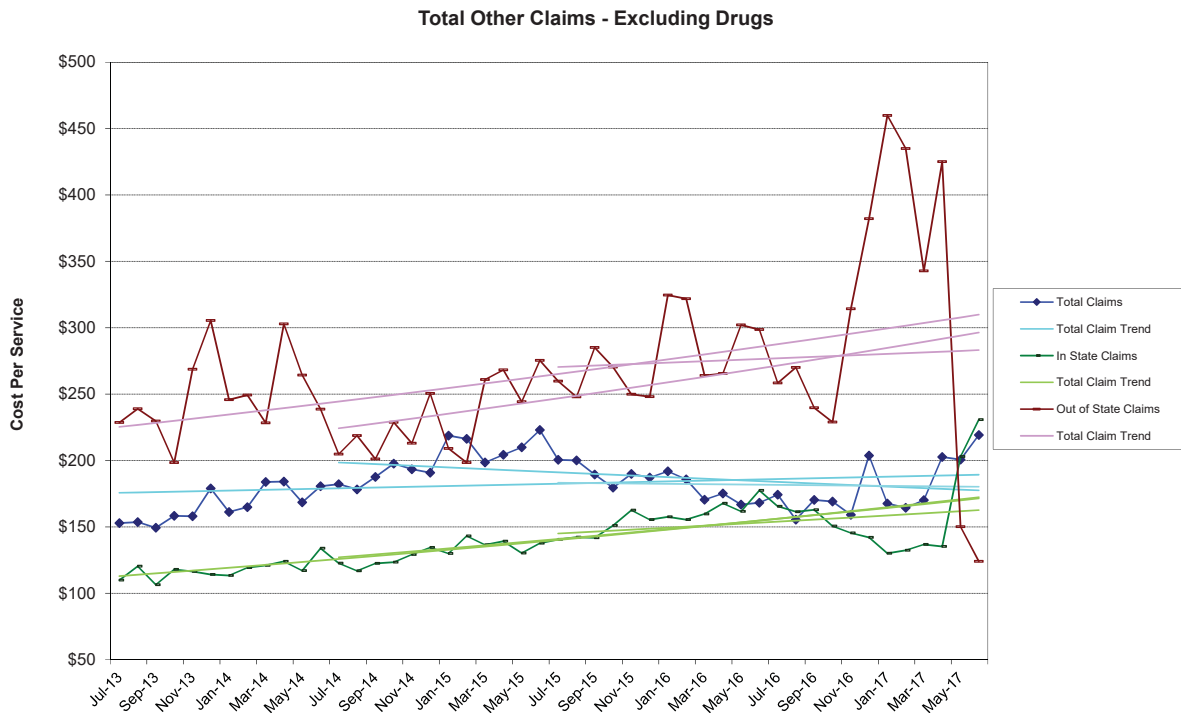
**OTHER**

**TOTAL**

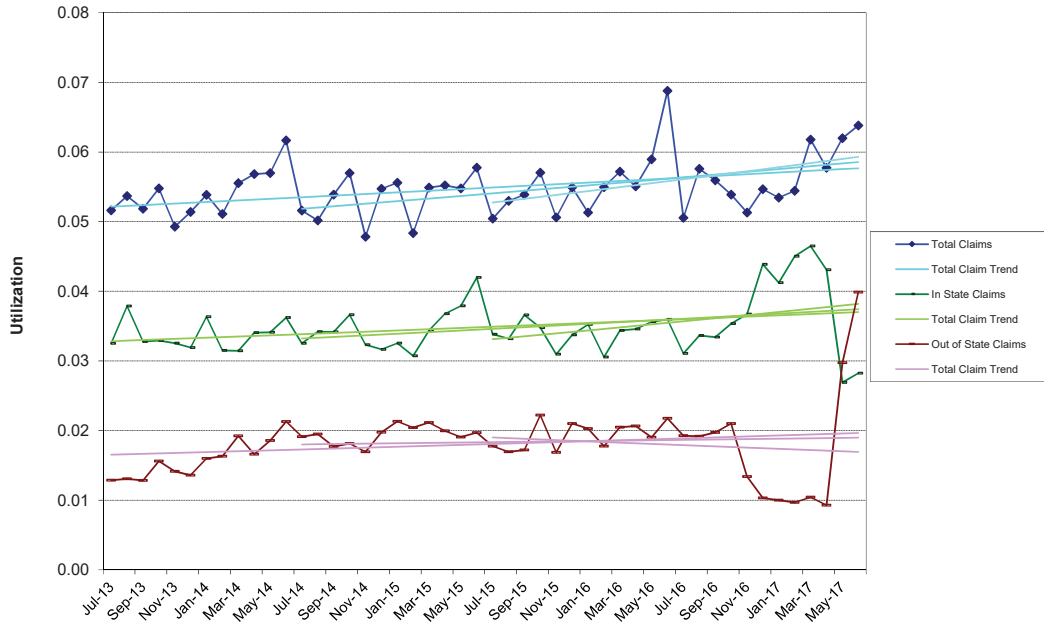
| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.1%                           | 9.2%                  | <b>11.5%</b>       |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 1.2%                           | 1.0%                  | <b>2.3%</b>        |

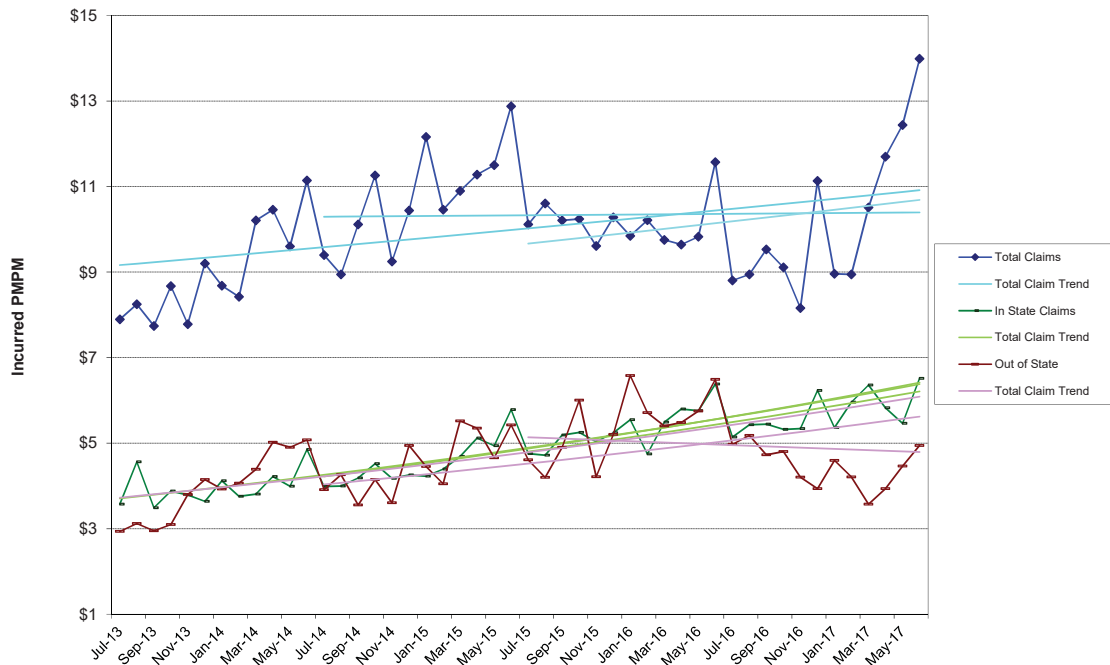
| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 0.8%                           | 5.1%                  | <b>5.9%</b>        |



Total Other Claims - Excluding Drugs



Total Other Claims - Excluding Drugs



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL INPATIENT**

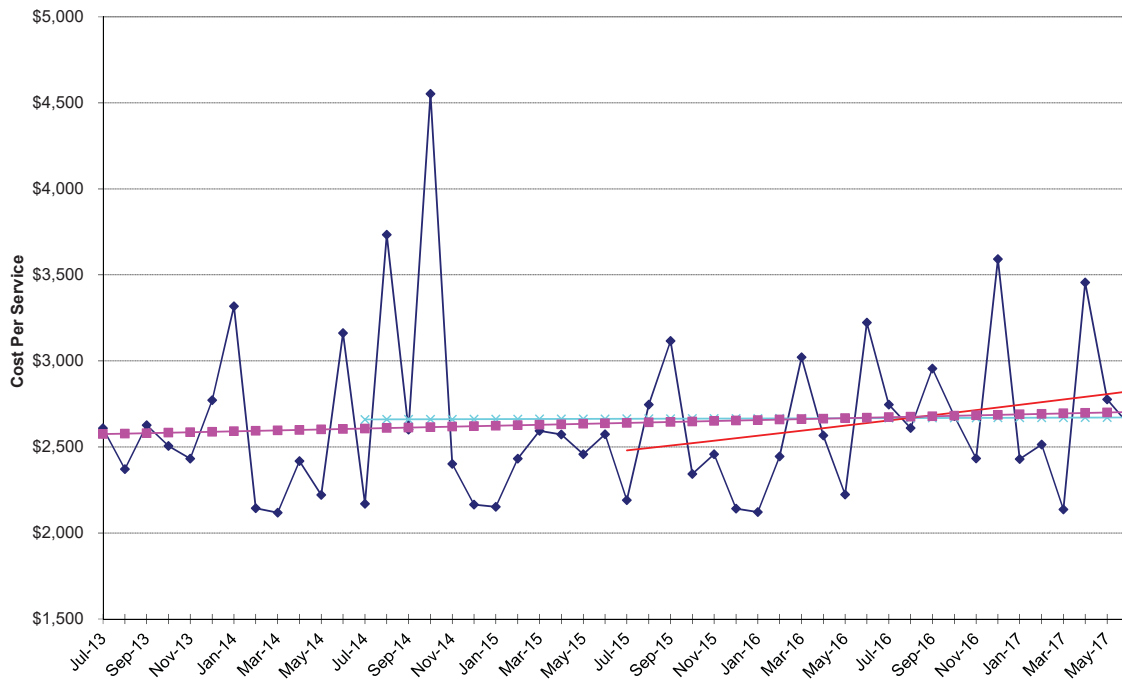
Maternity

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -21.0%                         | 7.0%                  | <b>-15.4%</b>      |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -20.8%                         | 0.2%                  | <b>-20.6%</b>      |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -9.4%                          | 1.3%                  | <b>-8.3%</b>       |

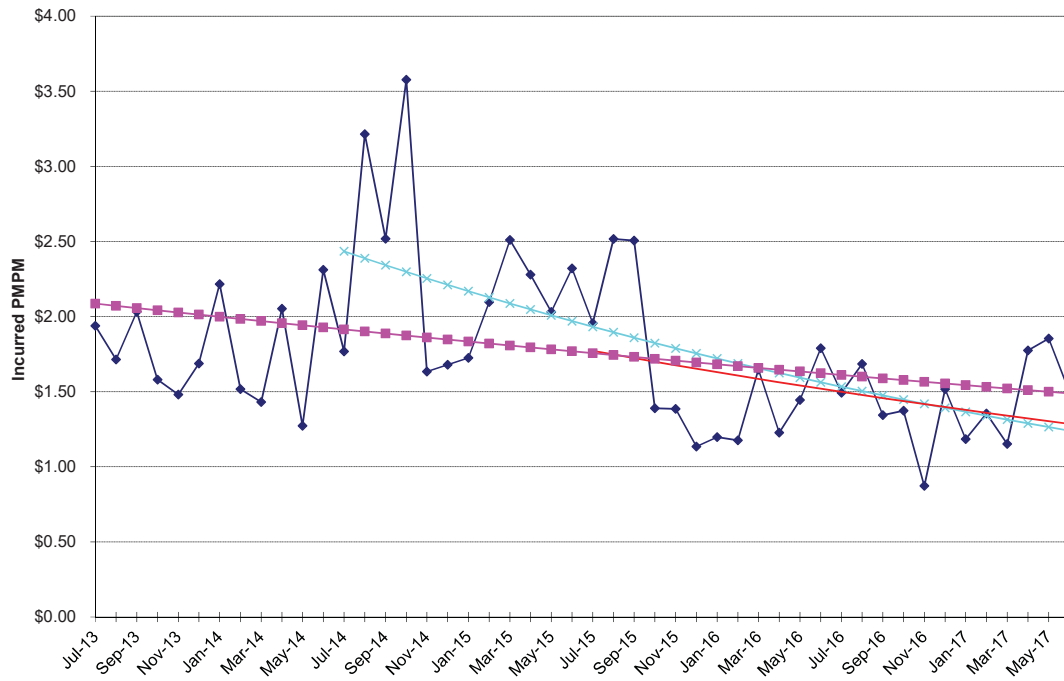
**Hospital Inpatient - Maternity**



Hospital Inpatient - Maternity



Hospital Inpatient - Maternity



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL INPATIENT**

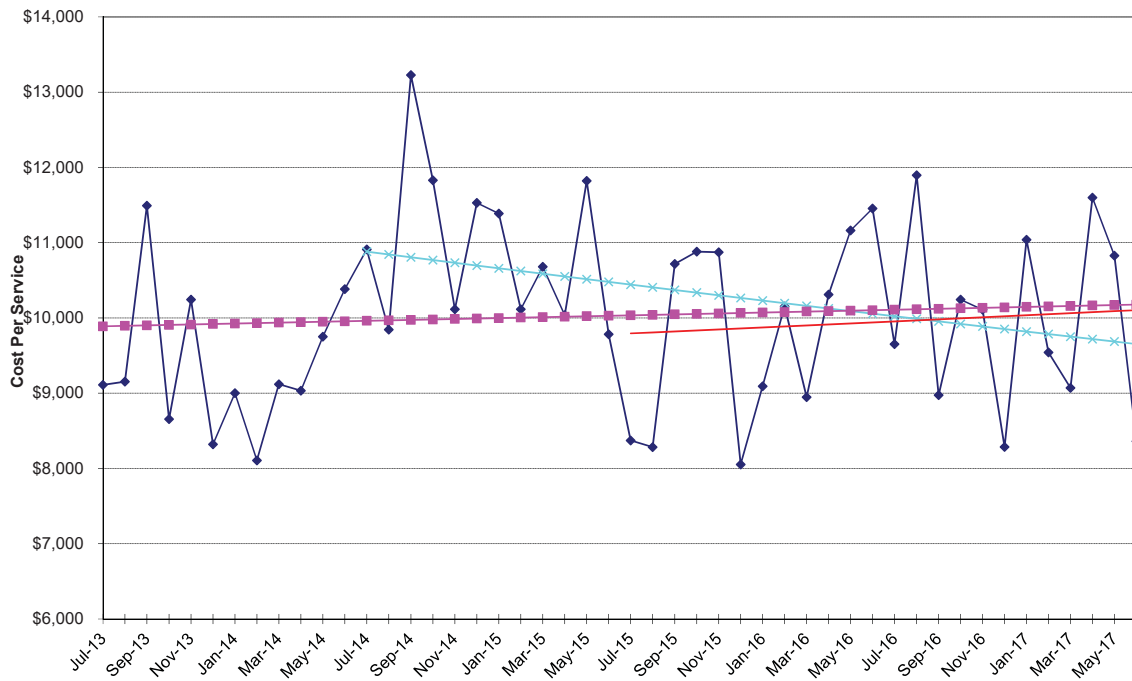
Medical / Surgical

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.9%                           | 1.6%                  | <b>4.6%</b>        |

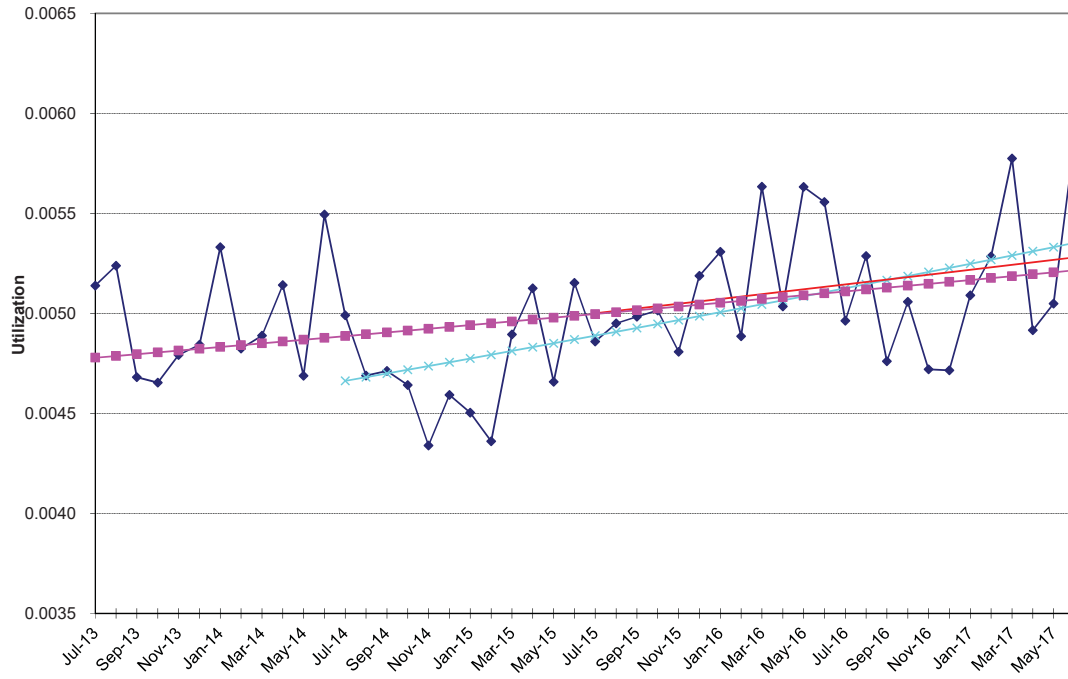
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.8%                           | -4.0%                 | <b>0.6%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.3%                           | 0.7%                  | <b>3.0%</b>        |

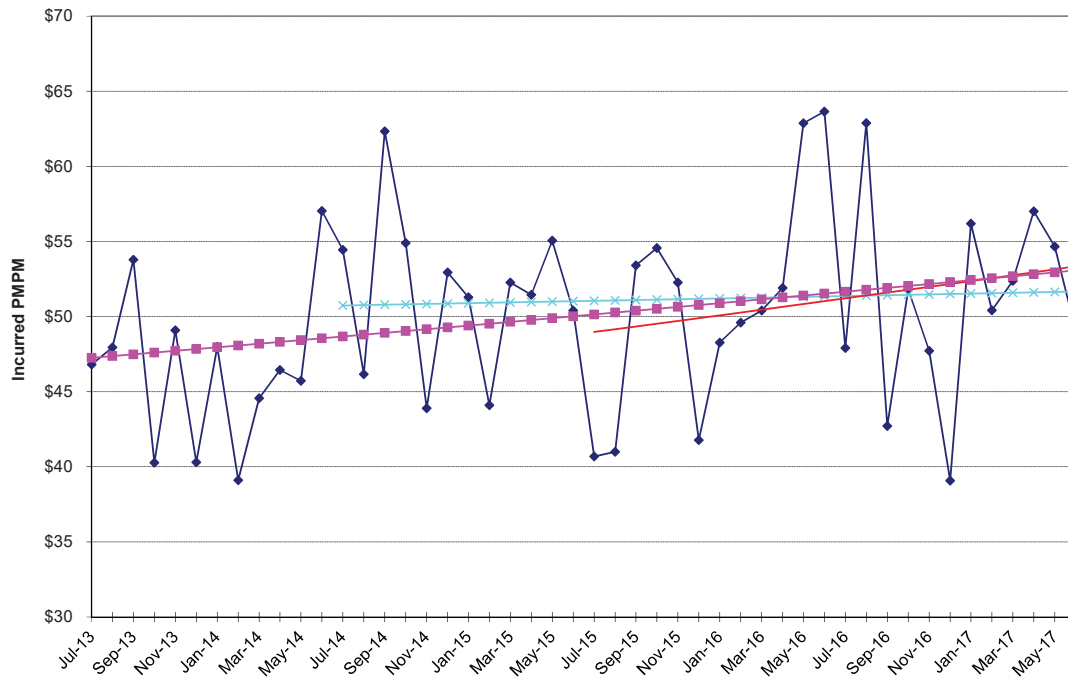
**Hospital Inpatient - Medical / Surgical**



Hospital Inpatient - Medical / Surgical



Hospital Inpatient - Medical / Surgical





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL INPATIENT**

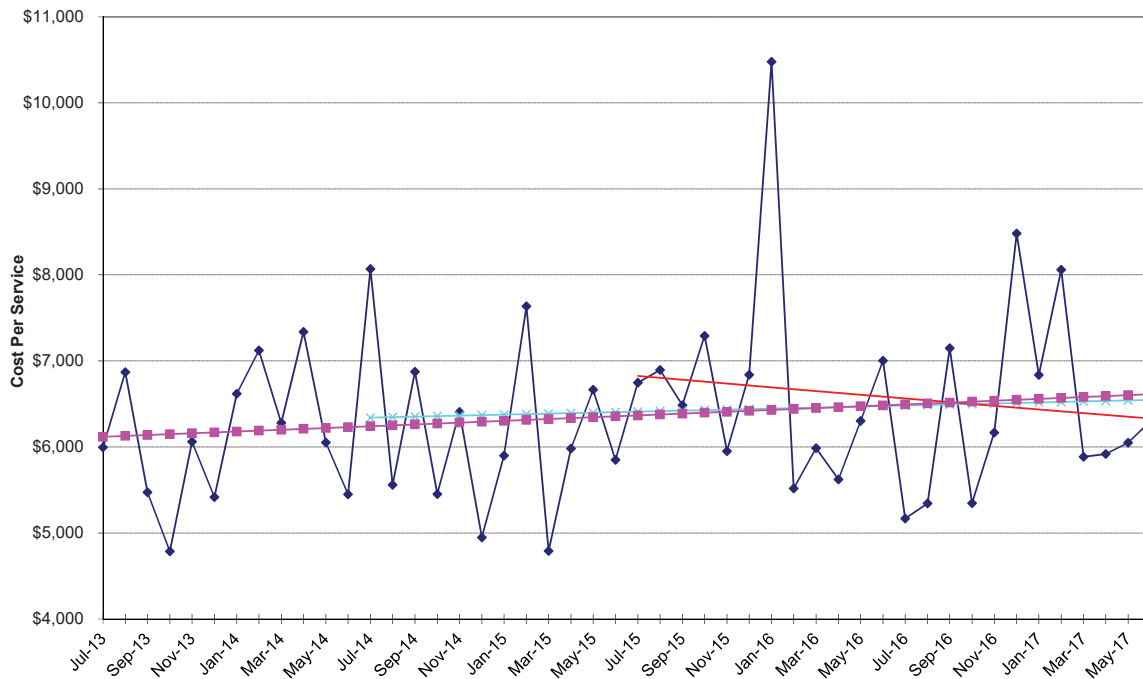
Psychiatric / Substance Abuse

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -13.2%                         | -3.8%                 | <b>-16.5%</b>      |

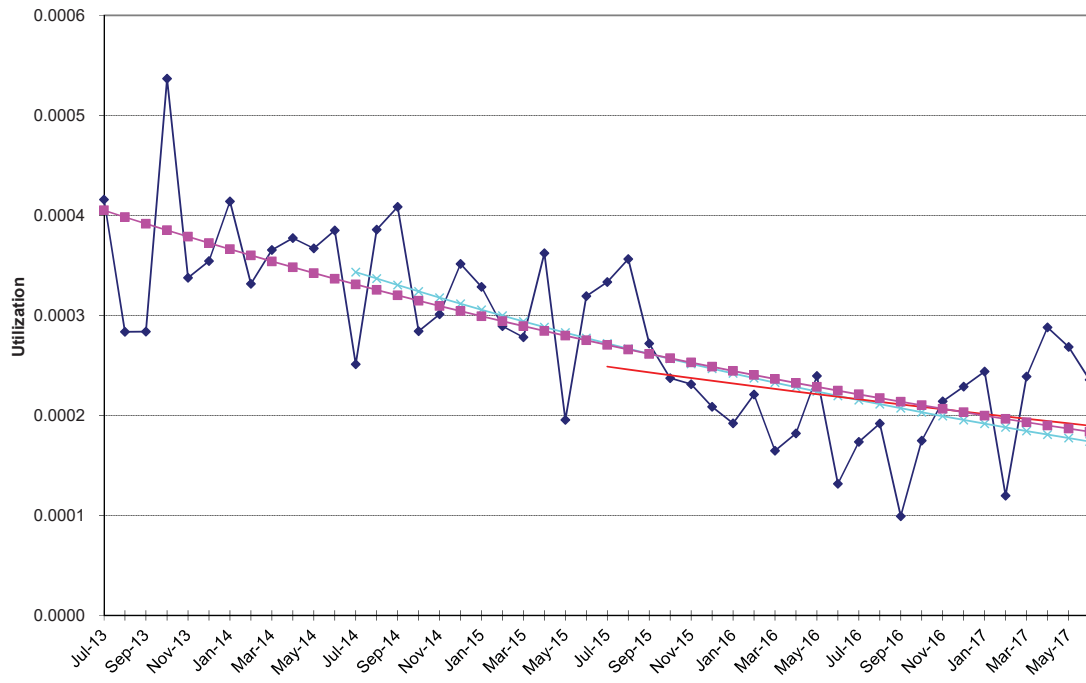
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -20.8%                         | 1.1%                  | <b>-19.9%</b>      |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -18.3%                         | 2.0%                  | <b>-16.6%</b>      |

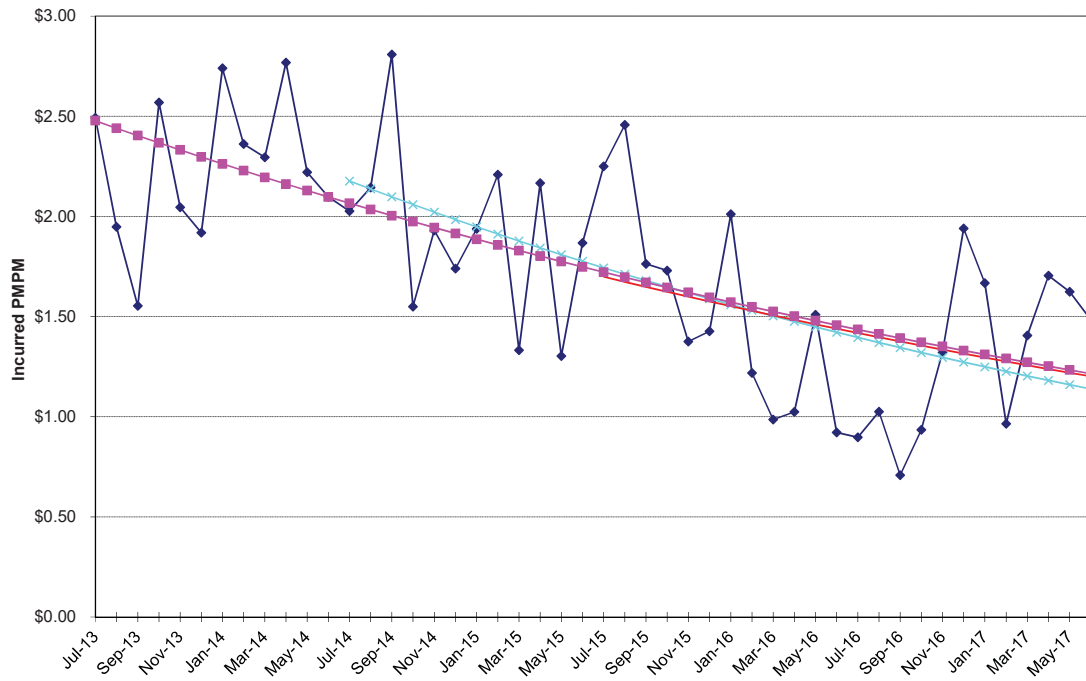
**Hospital Inpatient - Psychiatric / Substance Abuse**



Hospital Inpatient - Psychiatric / Substance Abuse



Hospital Inpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL OUTPATIENT**

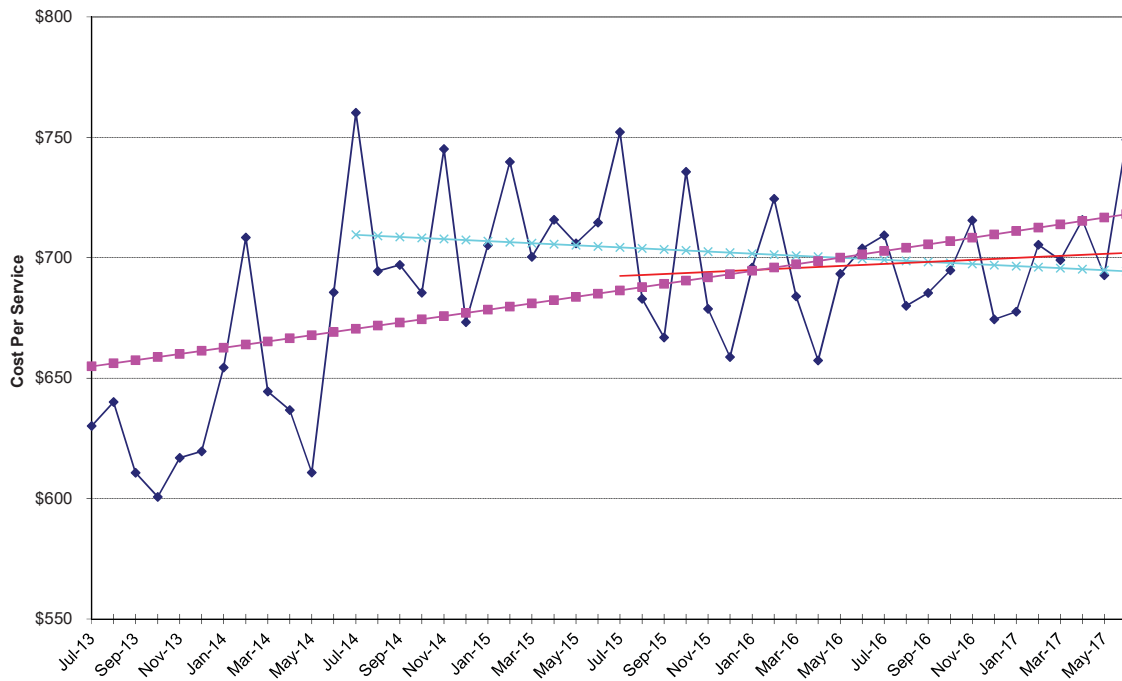
Emergency Room

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -3.8%                          | 0.7%                  | <b>-3.1%</b>       |

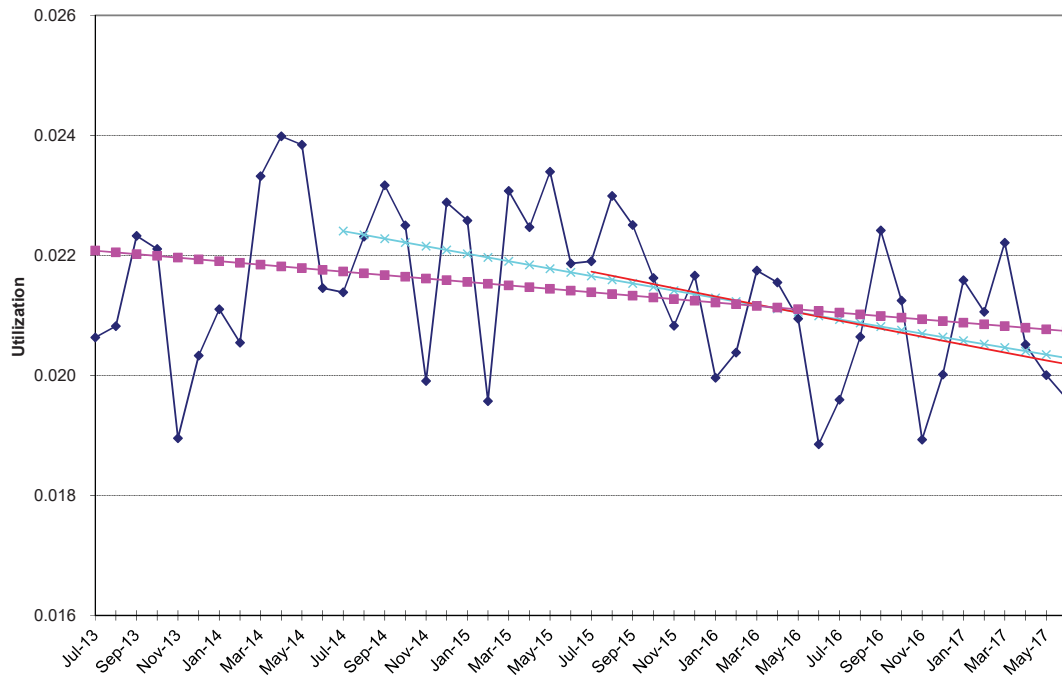
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -3.3%                          | -0.7%                 | <b>-4.1%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.6%                          | 2.4%                  | <b>0.8%</b>        |

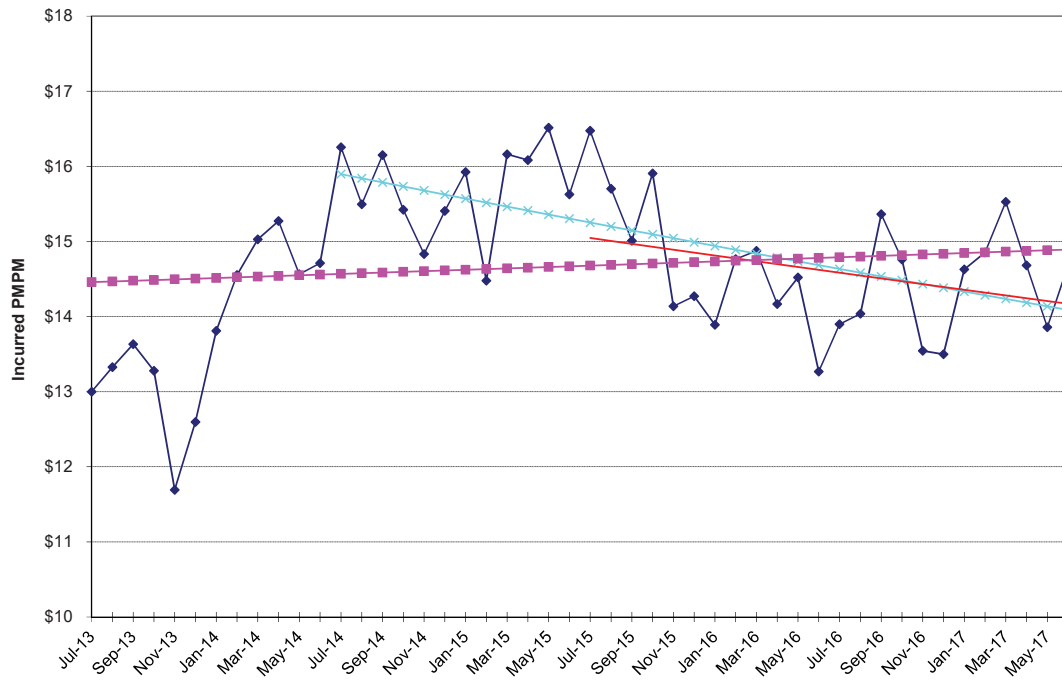
**Hospital Outpatient - Emergency Room**



Hospital Outpatient - Emergency Room



Hospital Outpatient - Emergency Room



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL OUTPATIENT**

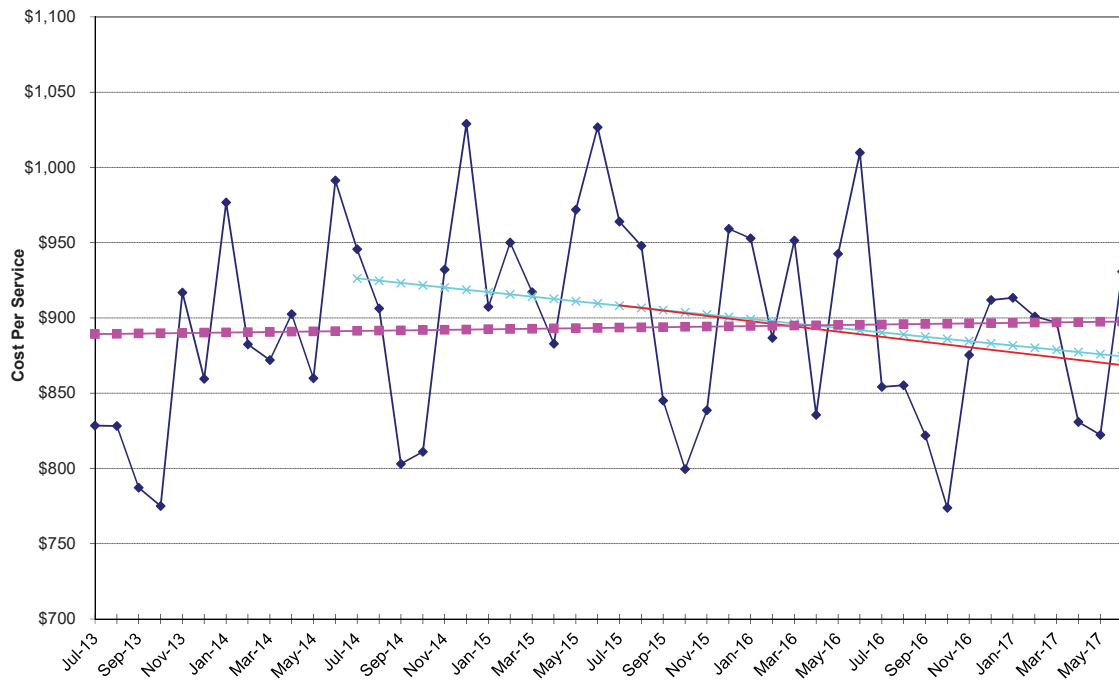
Medical / Surgical

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.0%                           | -2.3%                 | <b>1.6%</b>        |

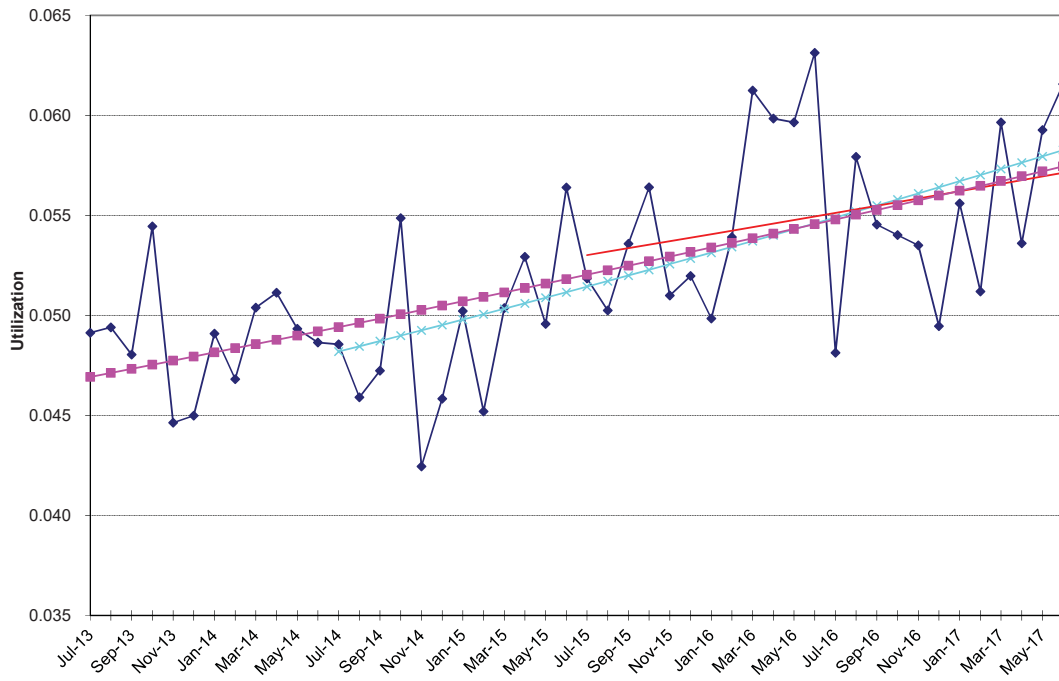
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 6.7%                           | -2.0%                 | <b>4.6%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.3%                           | 0.2%                  | <b>5.6%</b>        |

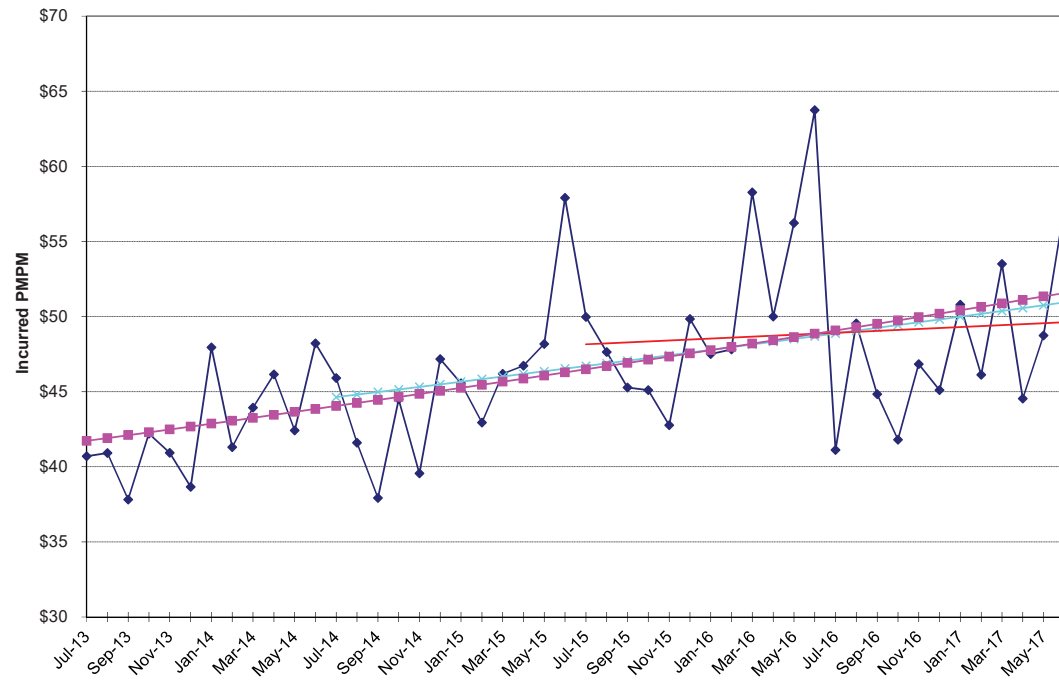
**Hospital Outpatient - Medical / Surgical**



Hospital Outpatient - Medical / Surgical



Hospital Outpatient - Medical / Surgical



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL OUTPATIENT**

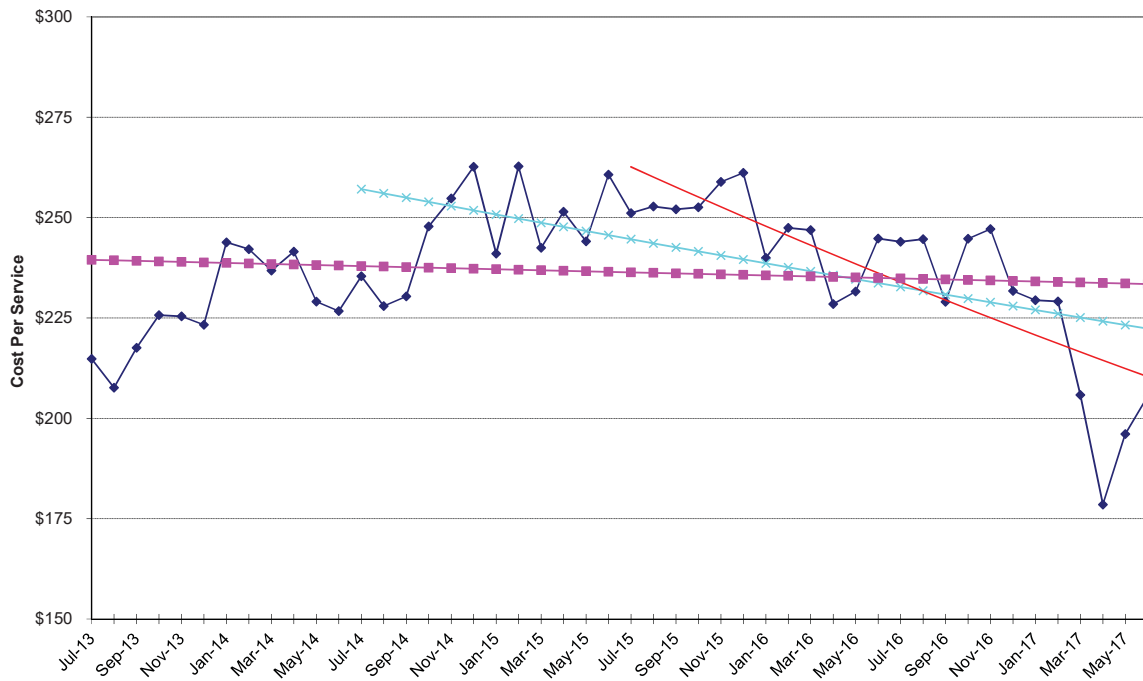
Other Services

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 13.0%                          | -10.9%                | <b>0.7%</b>        |

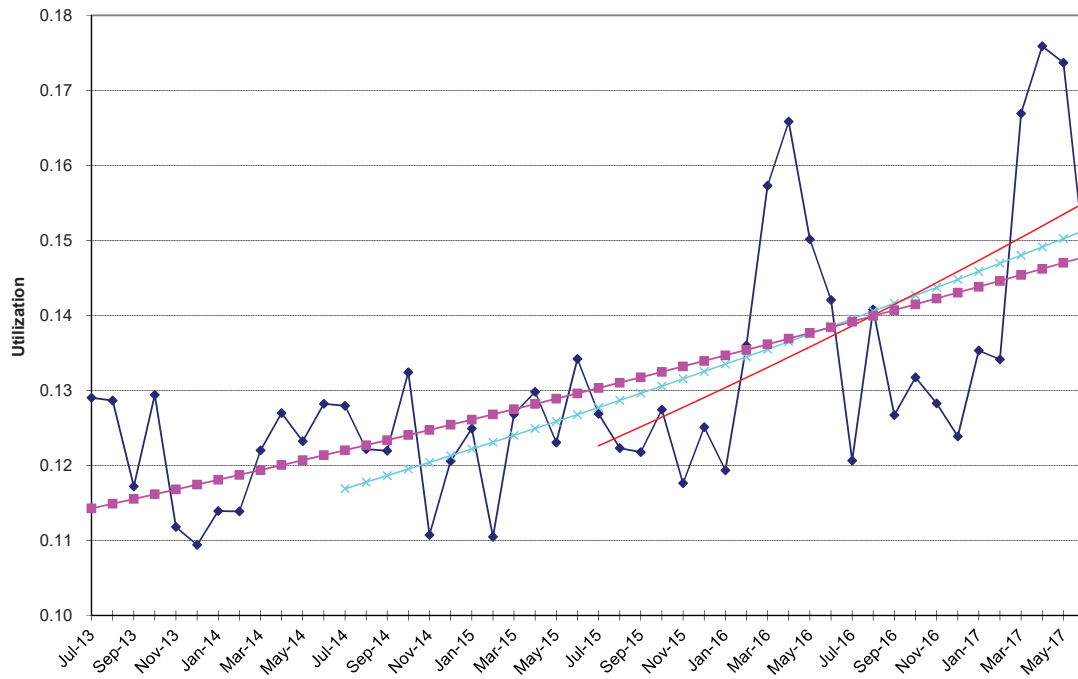
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 9.3%                           | -4.9%                 | <b>3.9%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 6.8%                           | -0.6%                 | <b>6.1%</b>        |

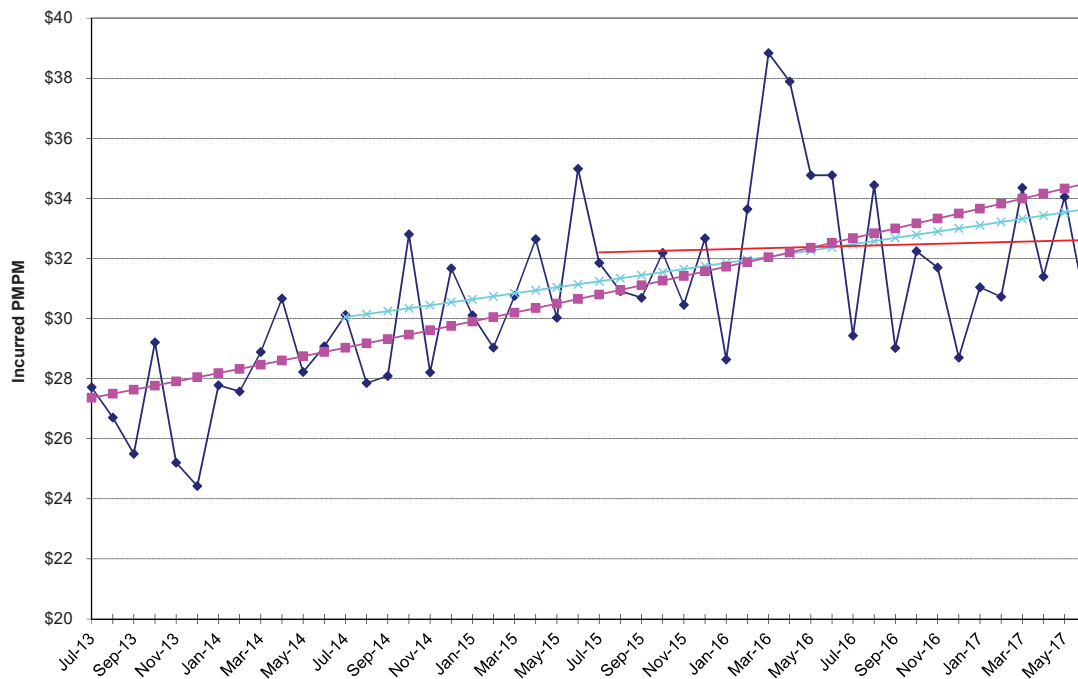
**Hospital Outpatient - Other Services**



Hospital Outpatient - Other Services



Hospital Outpatient - Other Services





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL OUTPATIENT**

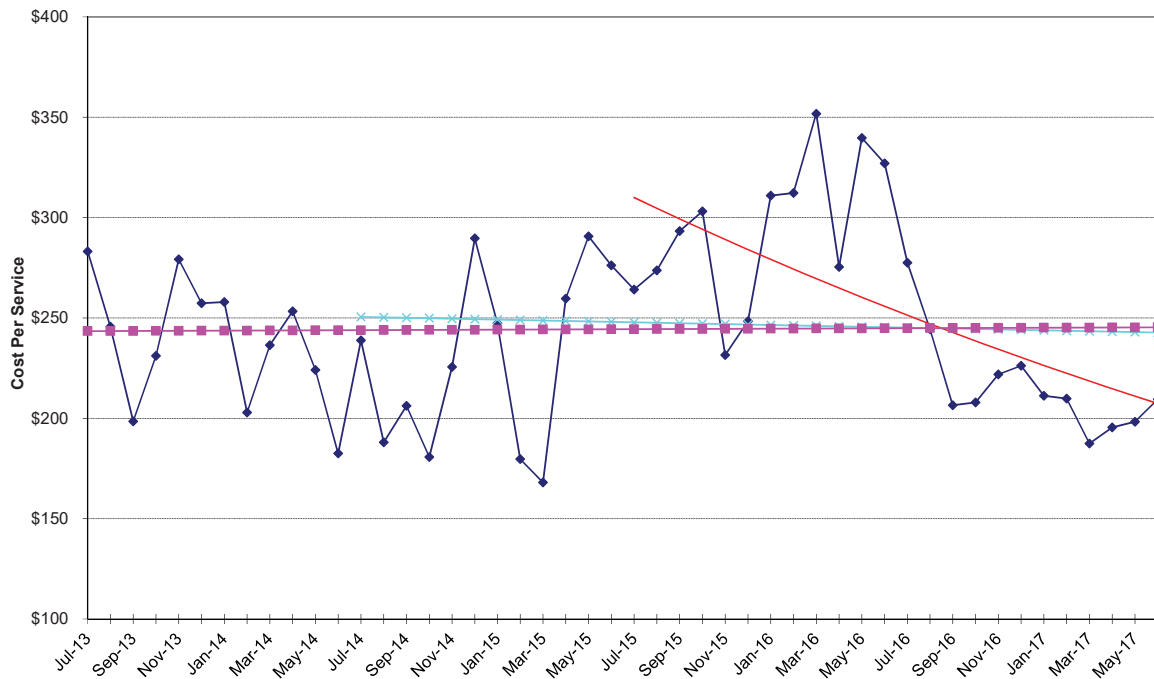
Psychiatric / Substance Abuse

| 24-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| -19.9%                  | -18.9%                | <b>-35.1%</b>      |

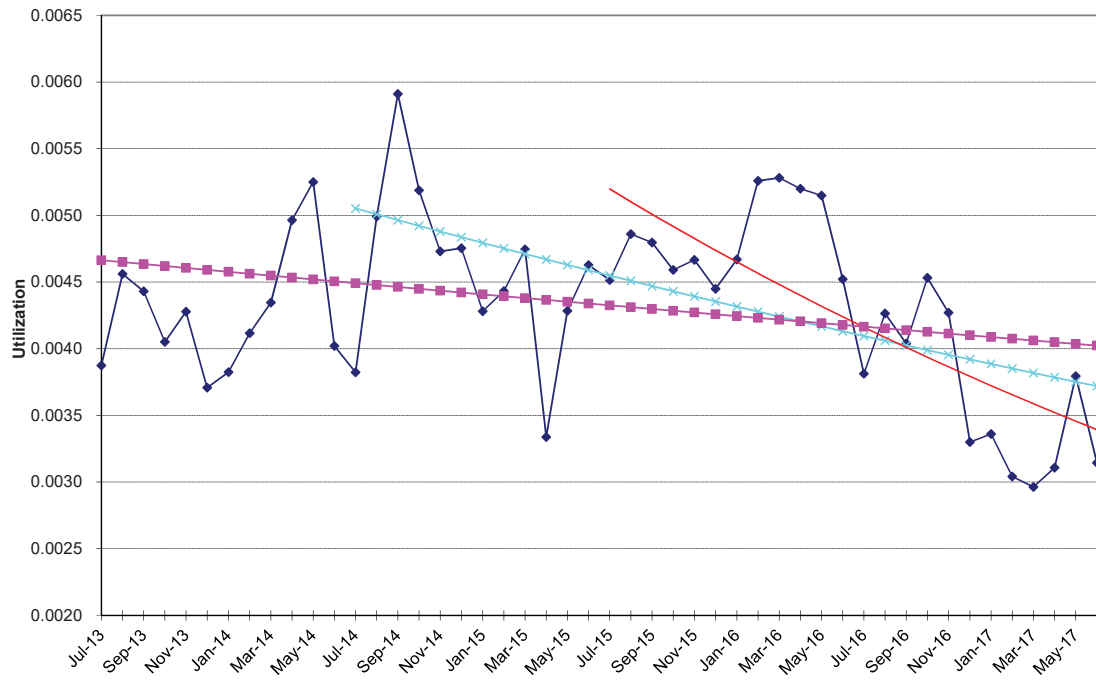
| 36-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| -10.0%                  | -1.1%                 | <b>-10.9%</b>      |

| 48-Month Trends Summary |                       |                    |
|-------------------------|-----------------------|--------------------|
| <u>Utilization</u>      | <u>Cost / Service</u> | <u>Total Trend</u> |
| -3.7%                   | 0.2%                  | <b>-3.5%</b>       |

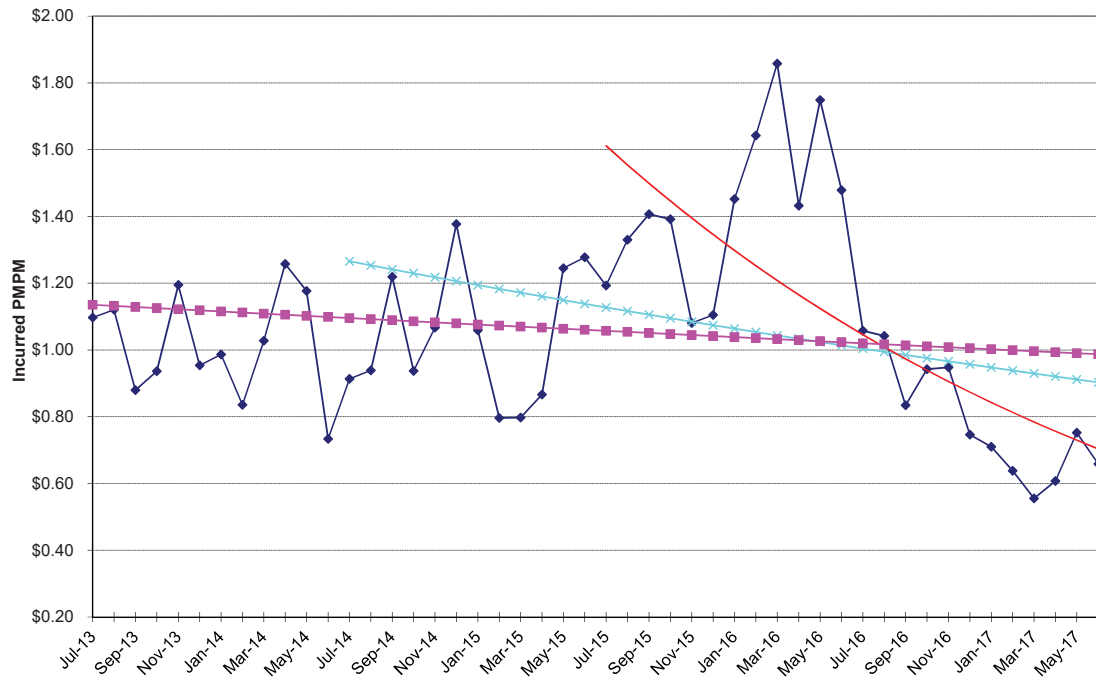
**Hospital Outpatient - Psychiatric / Substance Abuse**



Hospital Outpatient - Psychiatric / Substance Abuse



Hospital Outpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS**  
Excluding Drugs

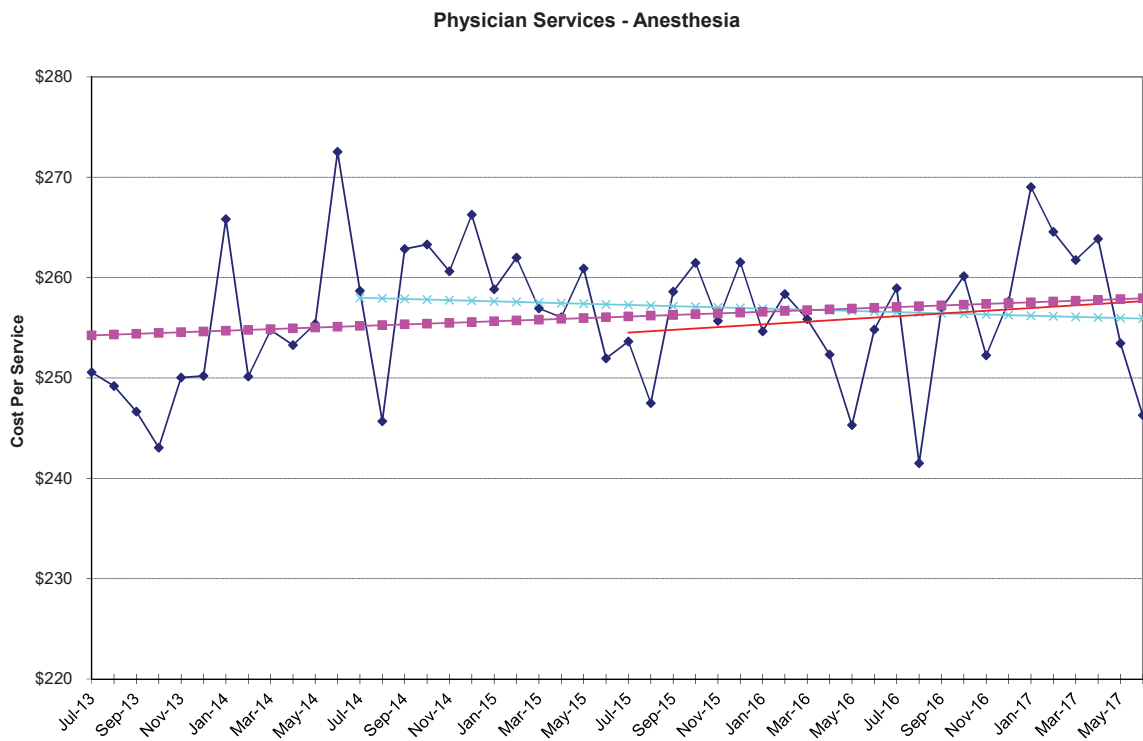
**PHYSICIAN SERVICES**

Anesthesia

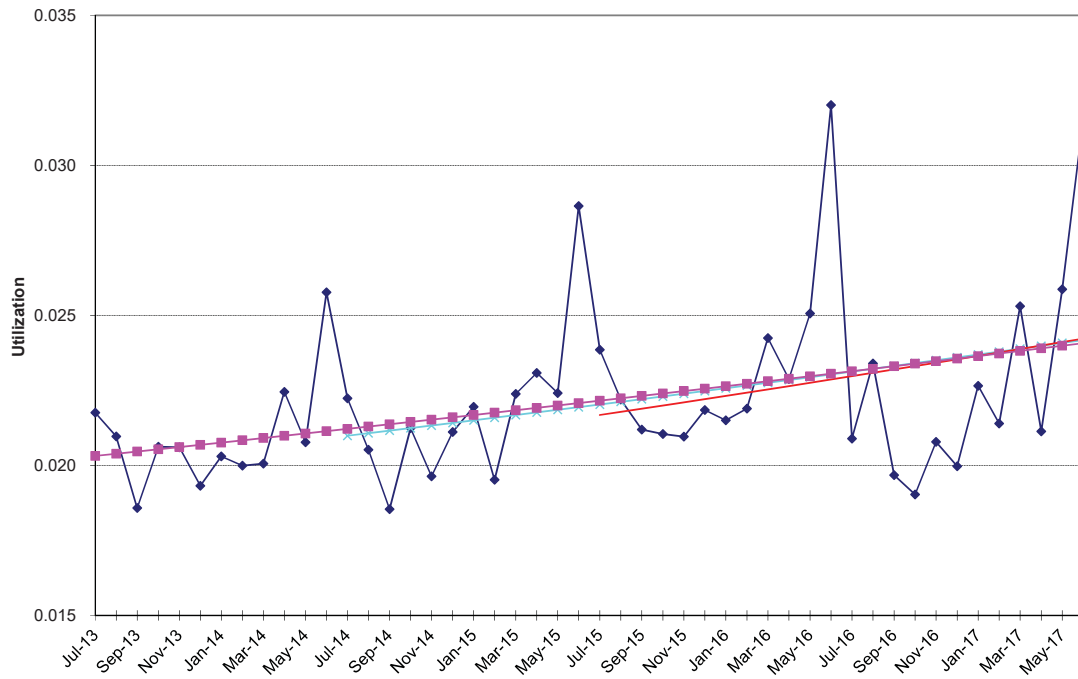
| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 6.0%                           | 0.6%                  | <b>6.6%</b>        |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.0%                           | -0.3%                 | <b>4.7%</b>        |

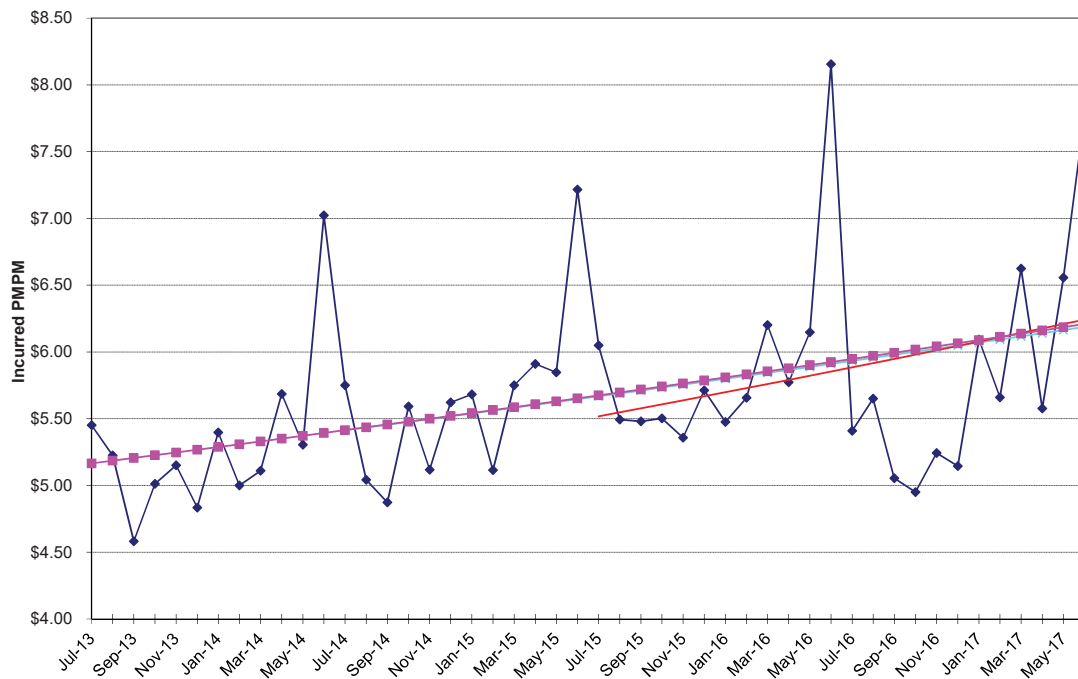
| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.4%                           | 0.4%                  | <b>4.8%</b>        |



### Physician Services - Anesthesia



### Physician Services - Anesthesia



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

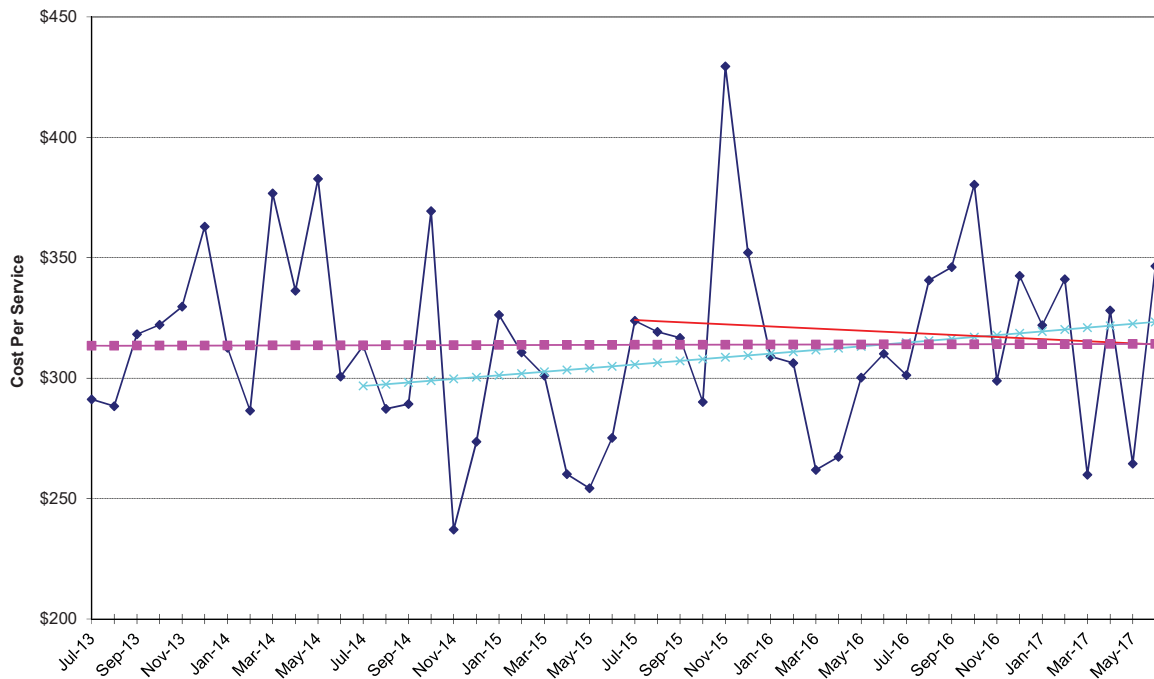
Chemotherapy / Radiation

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -7.0%                          | -1.6%                 | <b>-8.5%</b>       |

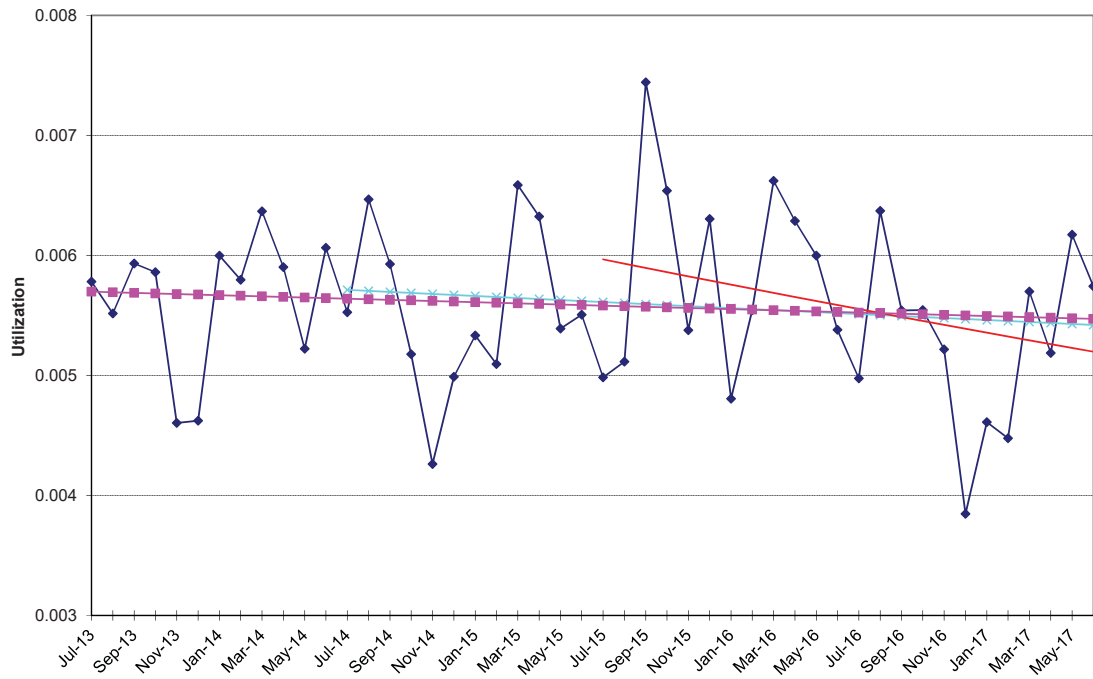
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.8%                          | 3.0%                  | <b>1.1%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.0%                          | 0.1%                  | <b>-1.0%</b>       |

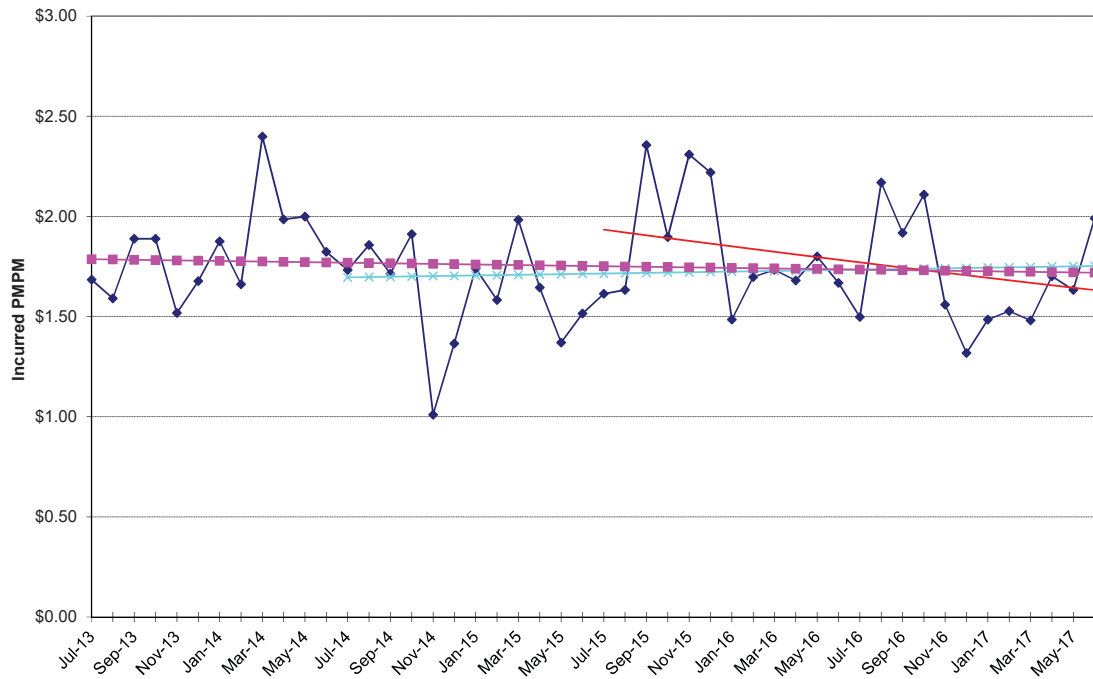
**Physician Services - Chemotherapy Radiation**



Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

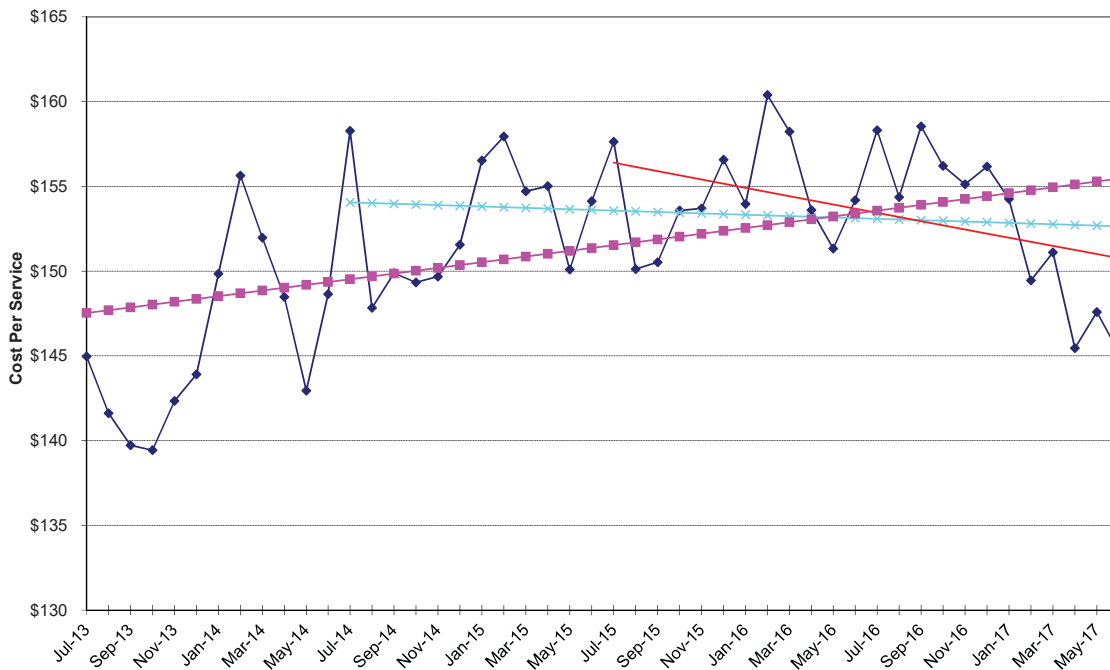
Emergency Room

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -3.8%                          | -1.9%                 | <b>-5.6%</b>       |

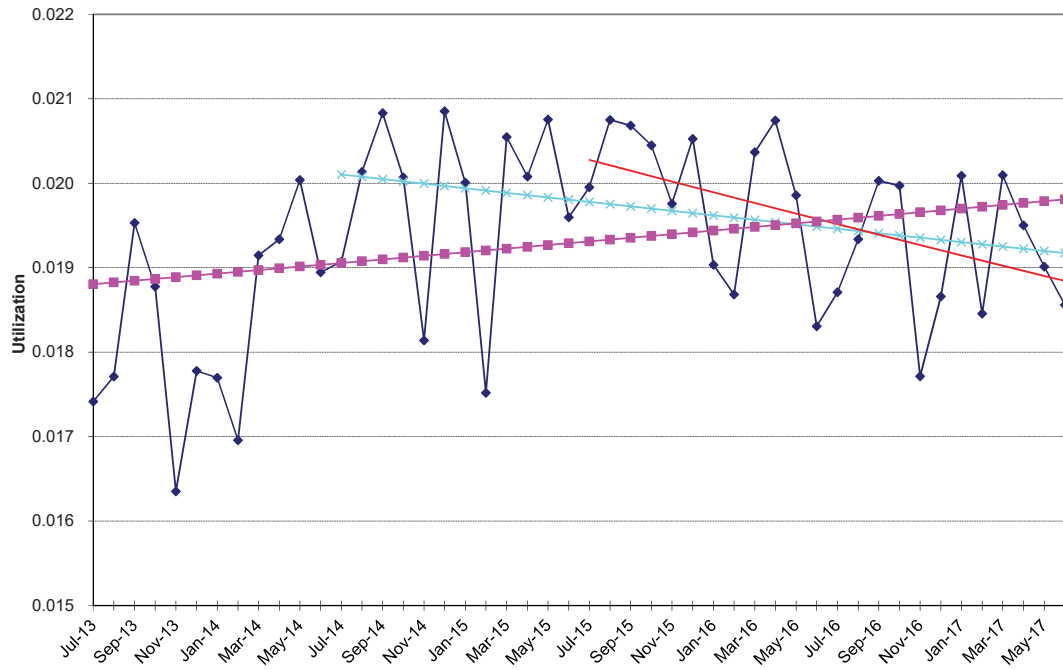
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.6%                          | -0.3%                 | <b>-1.9%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 1.3%                           | 1.3%                  | <b>2.7%</b>        |

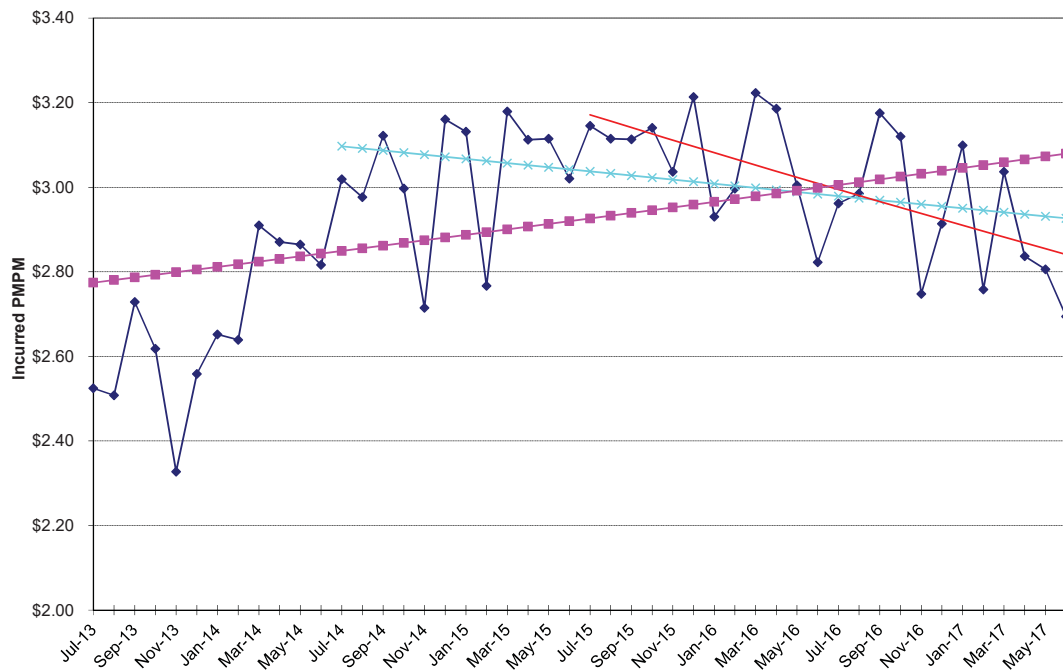
**Physician Services - Emergency Room**



Physician Services - Emergency Room



Physician Services - Emergency Room





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

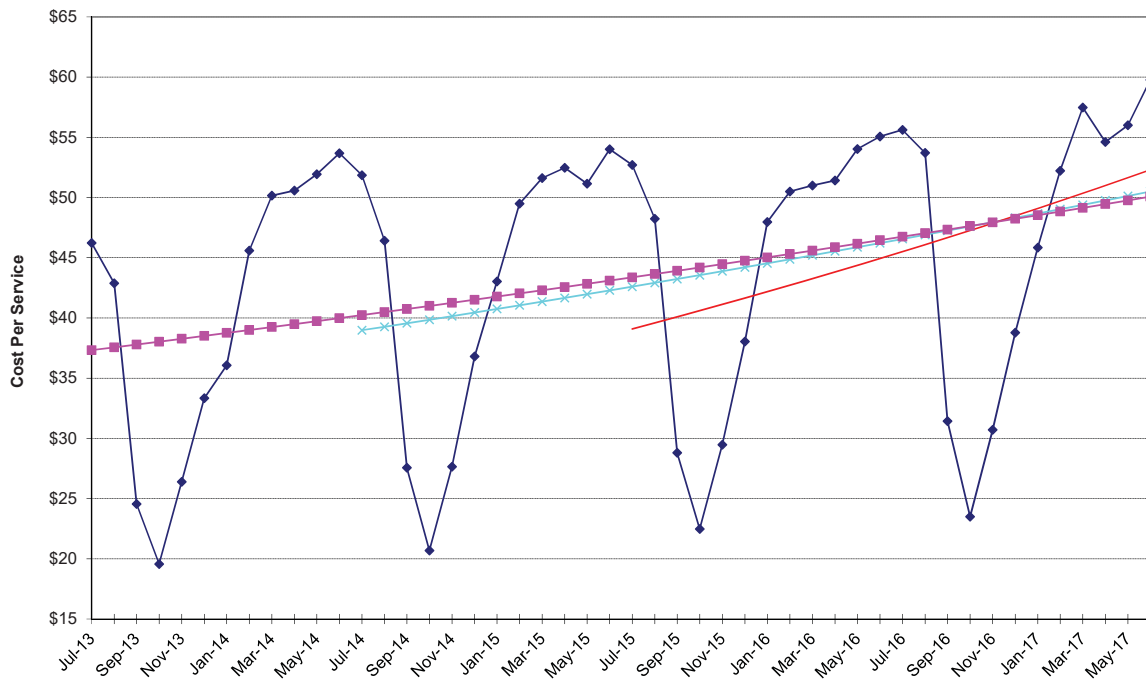
Immunizations / Injections / Allergy

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -20.7%                         | 16.4%                 | <b>-7.6%</b>       |

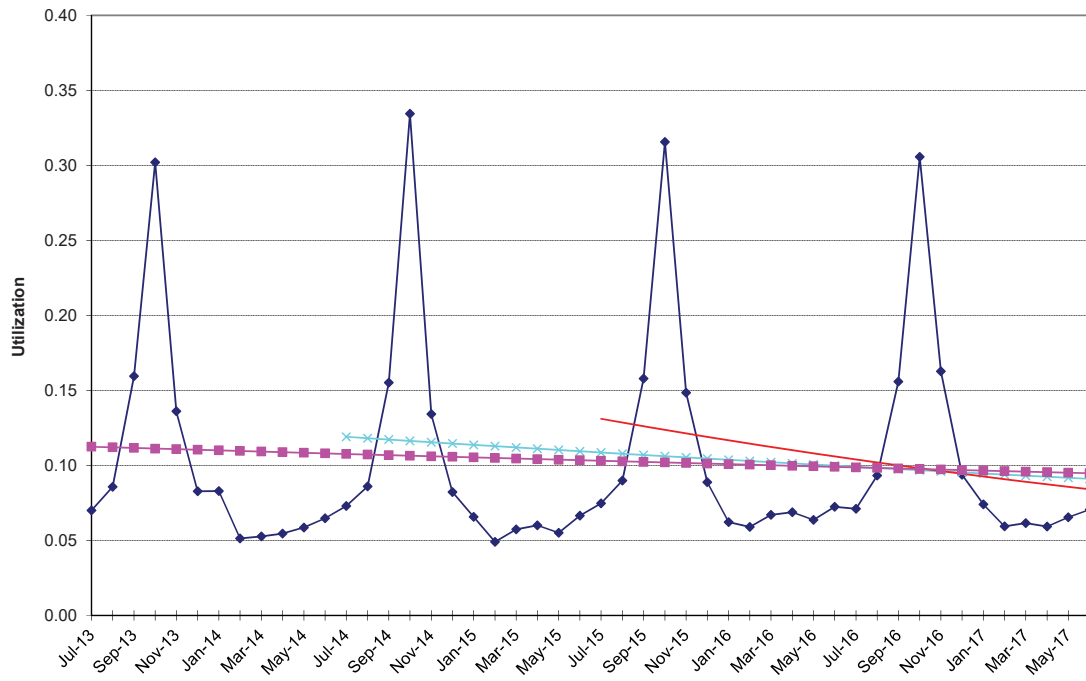
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -8.8%                          | 9.3%                  | <b>-0.3%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -4.3%                          | 7.8%                  | <b>3.2%</b>        |

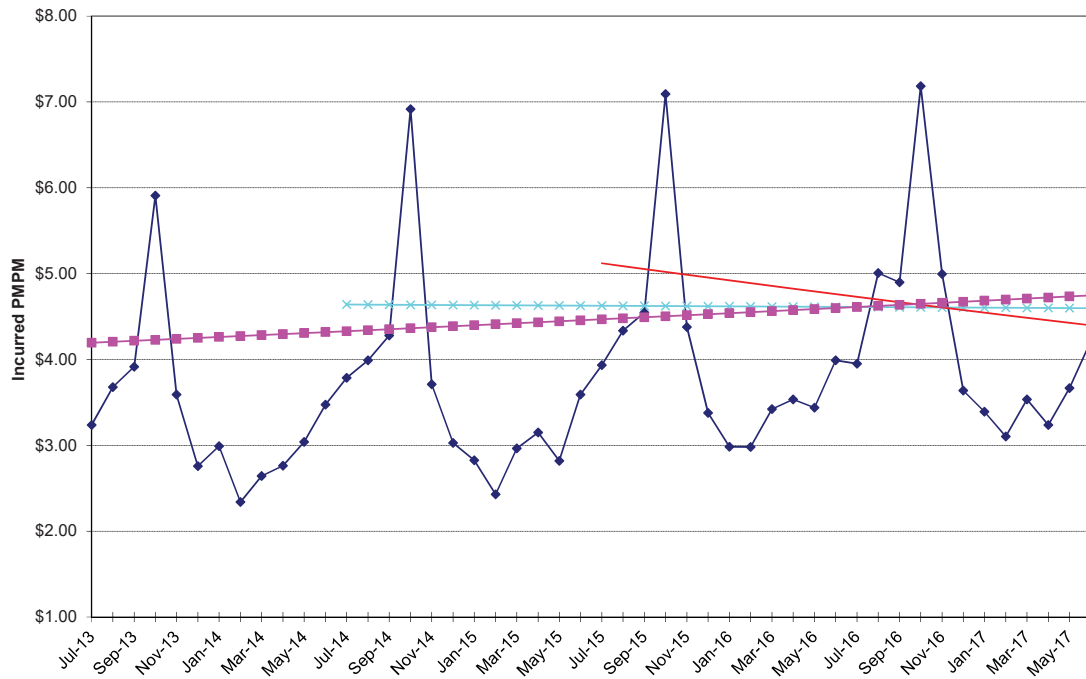
**Physician Services - Immunizations / Allergy**



### Physician Services - Immunizations / Allergy



### Physician Services - Immunizations / Allergy



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

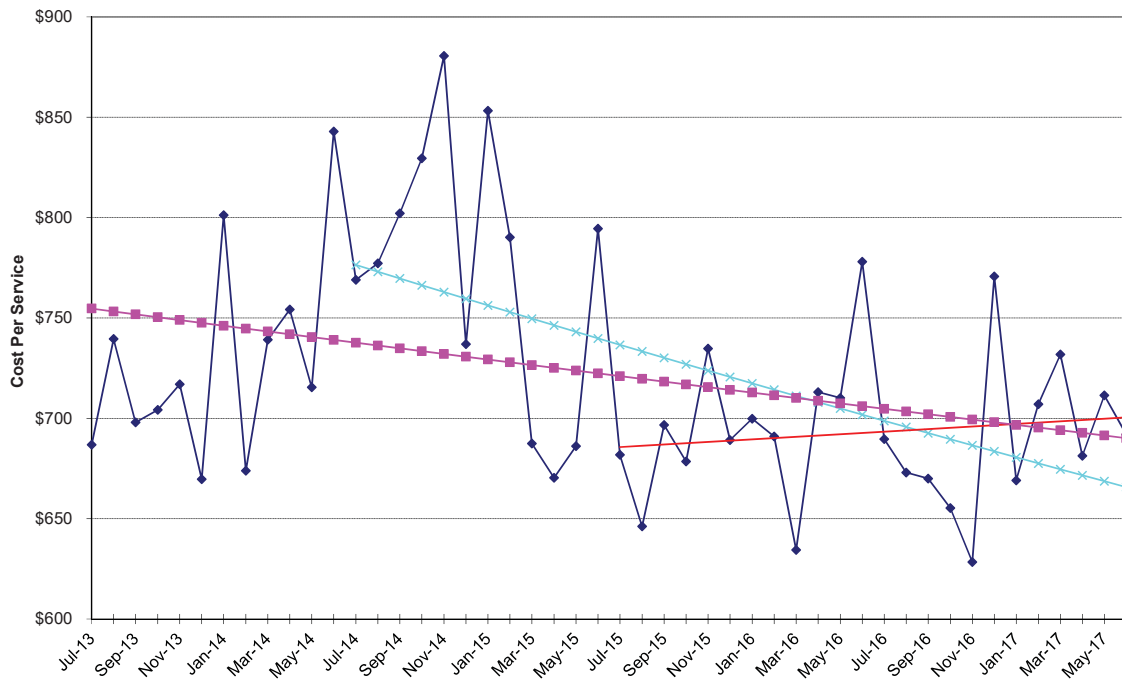
Inpatient Surgery

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.4%                           | 1.1%                  | <b>5.6%</b>        |

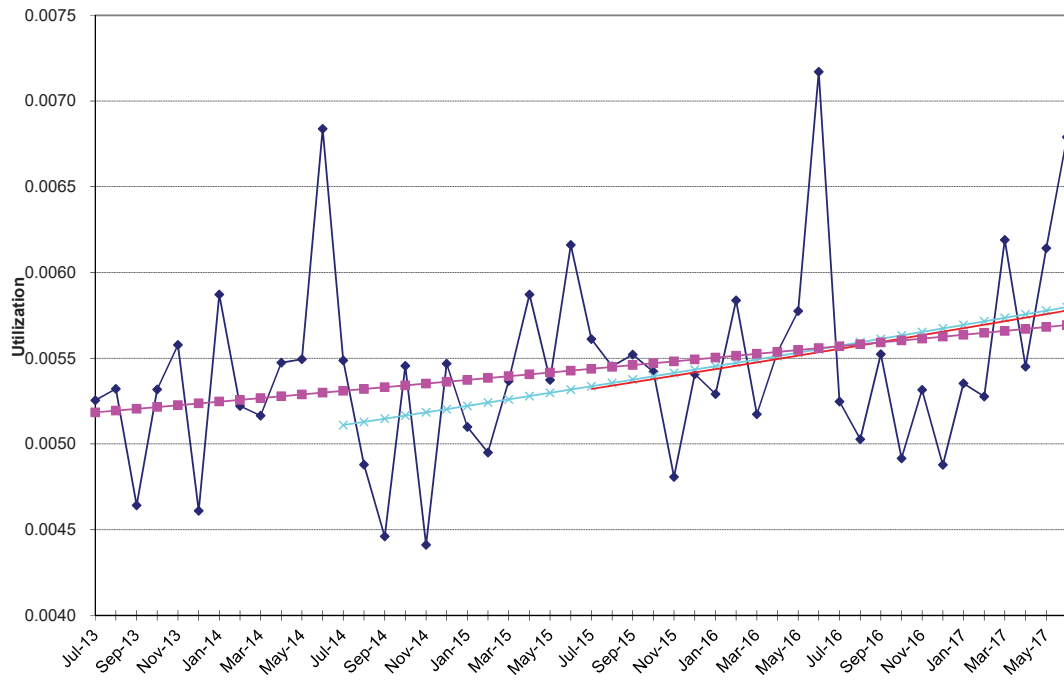
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.4%                           | -5.1%                 | <b>-0.9%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.4%                           | -2.3%                 | <b>0.1%</b>        |

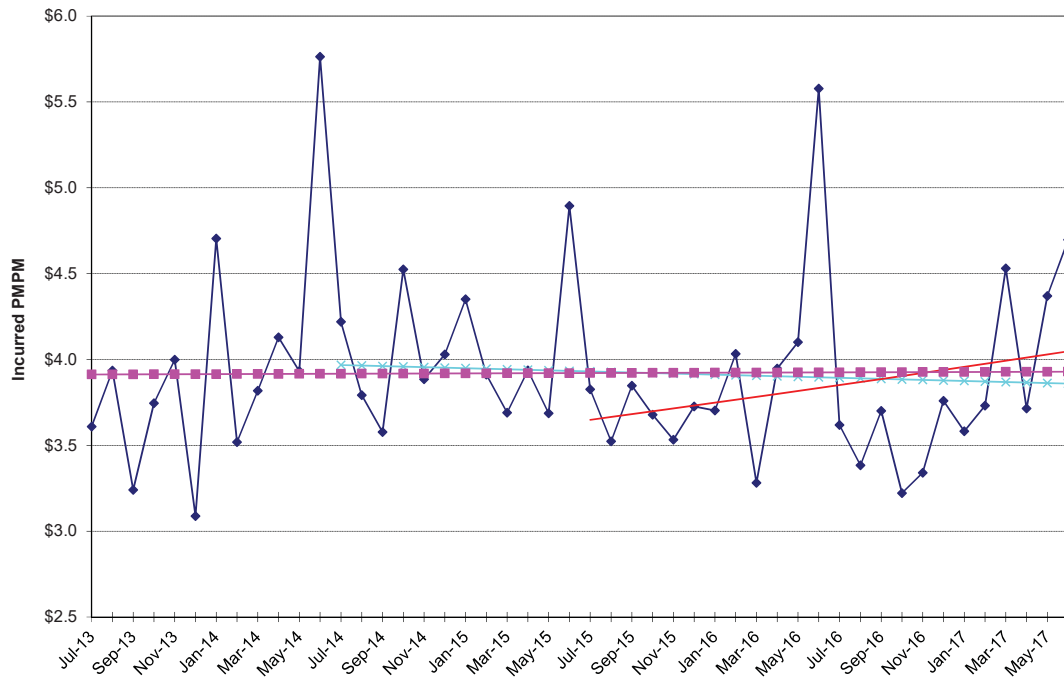
**Physician Services - Inpatient Surgery**



### Physician Services - Inpatient Surgery



### Physician Services - Inpatient Surgery



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

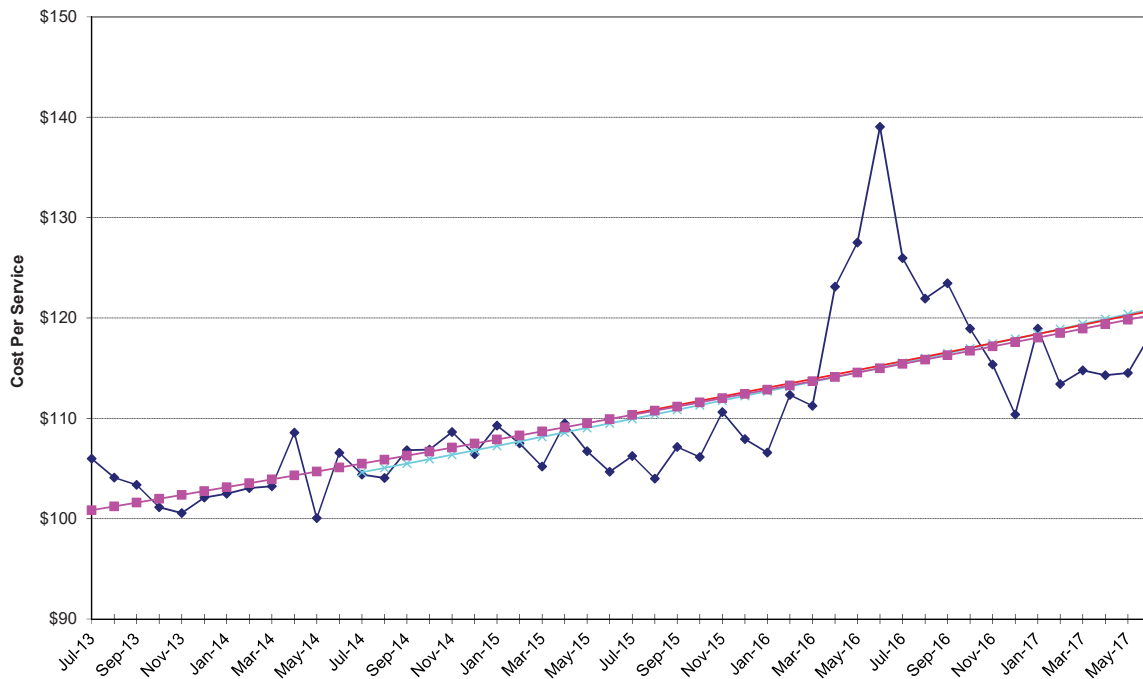
Inpatient Visits

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.3%                          | 4.7%                  | <b>3.4%</b>        |

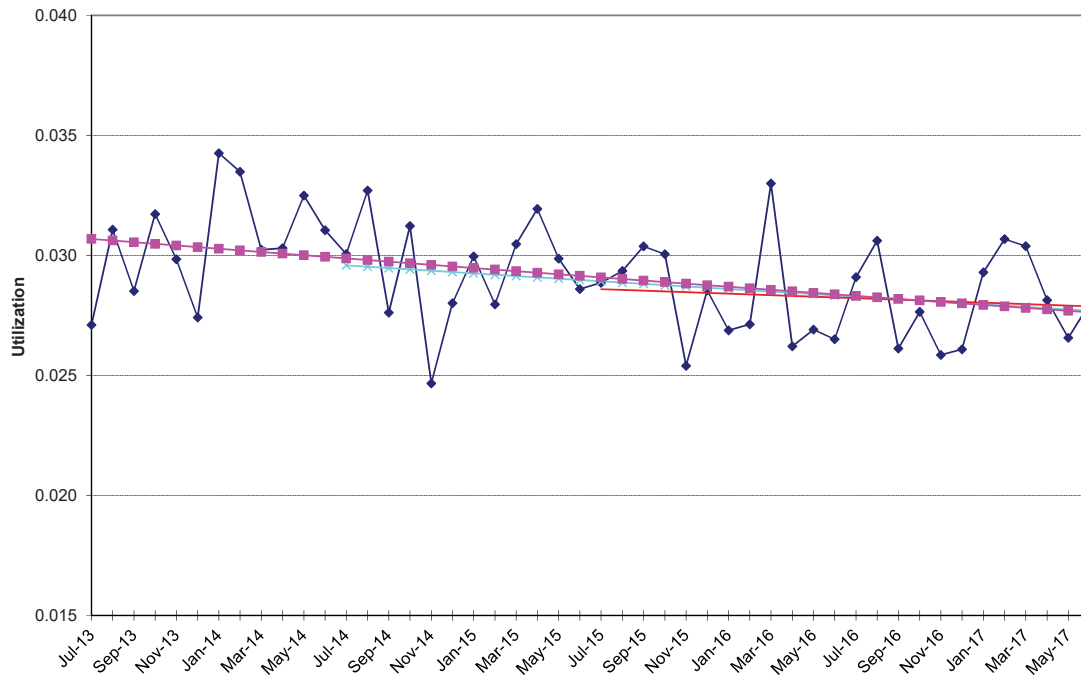
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -2.2%                          | 5.1%                  | <b>2.7%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -2.6%                          | 4.6%                  | <b>1.8%</b>        |

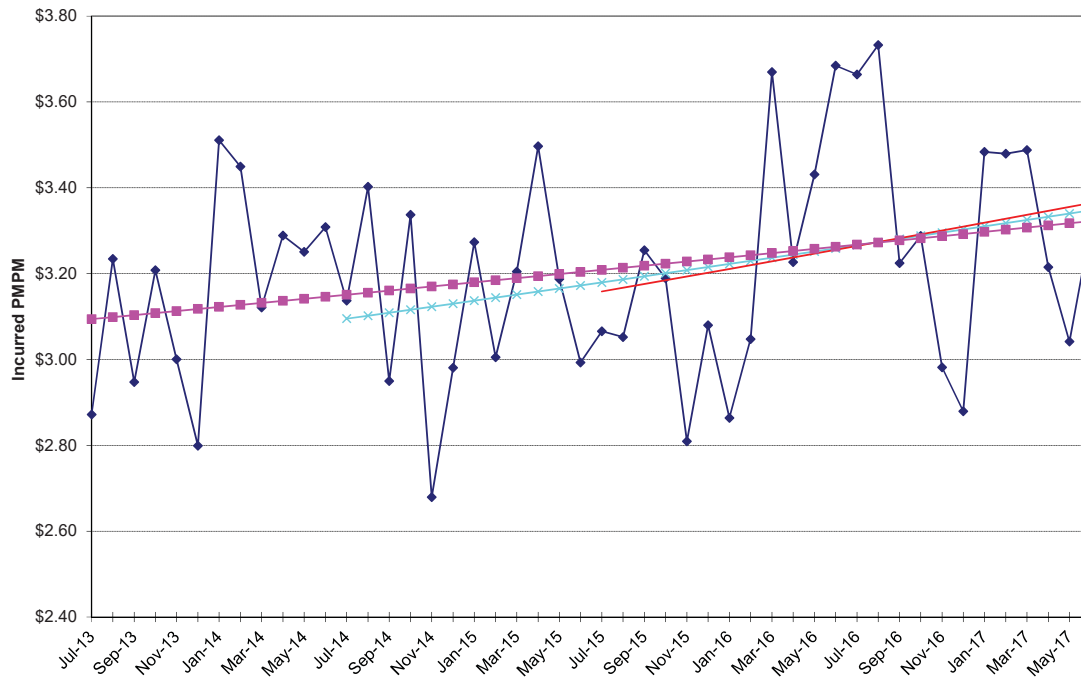
**Physician Services - Inpatient Visits**



Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

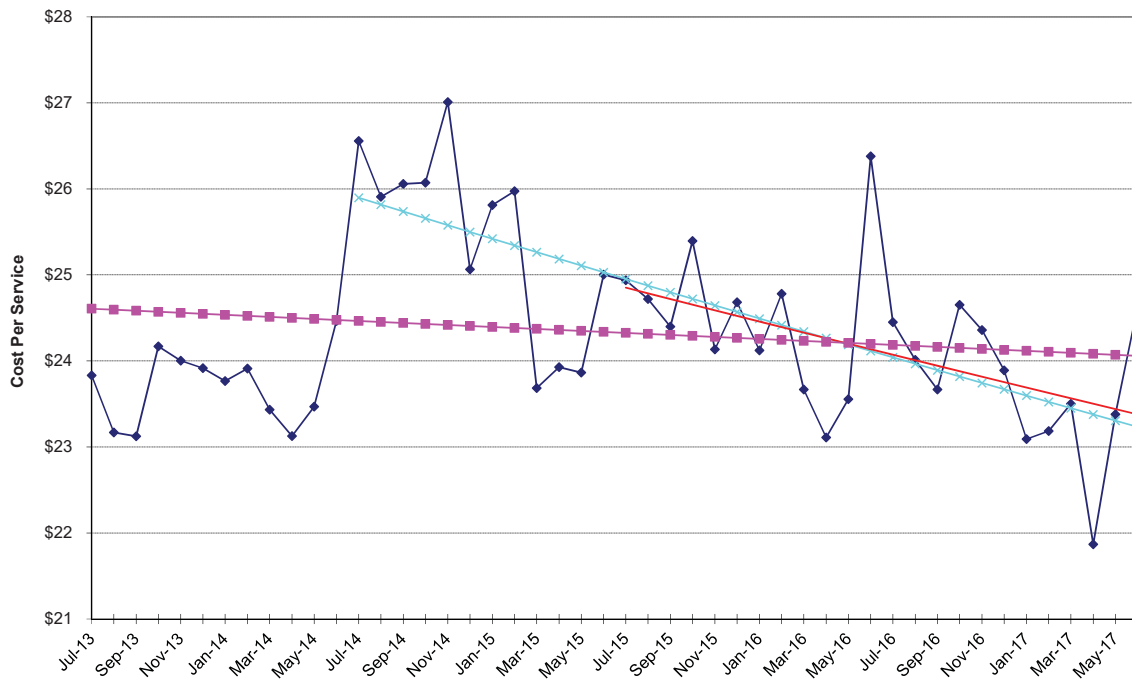
Lab & Pathology

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 6.1%                           | -3.1%                 | <b>2.8%</b>        |

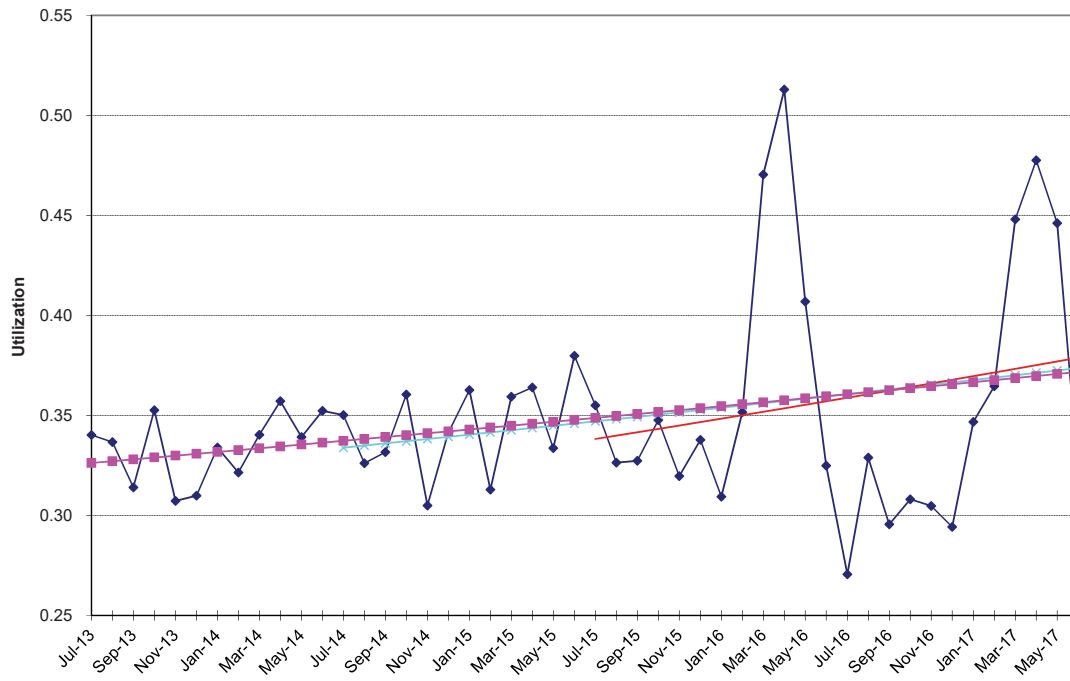
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.9%                           | -3.7%                 | <b>0.1%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.4%                           | -0.6%                 | <b>2.8%</b>        |

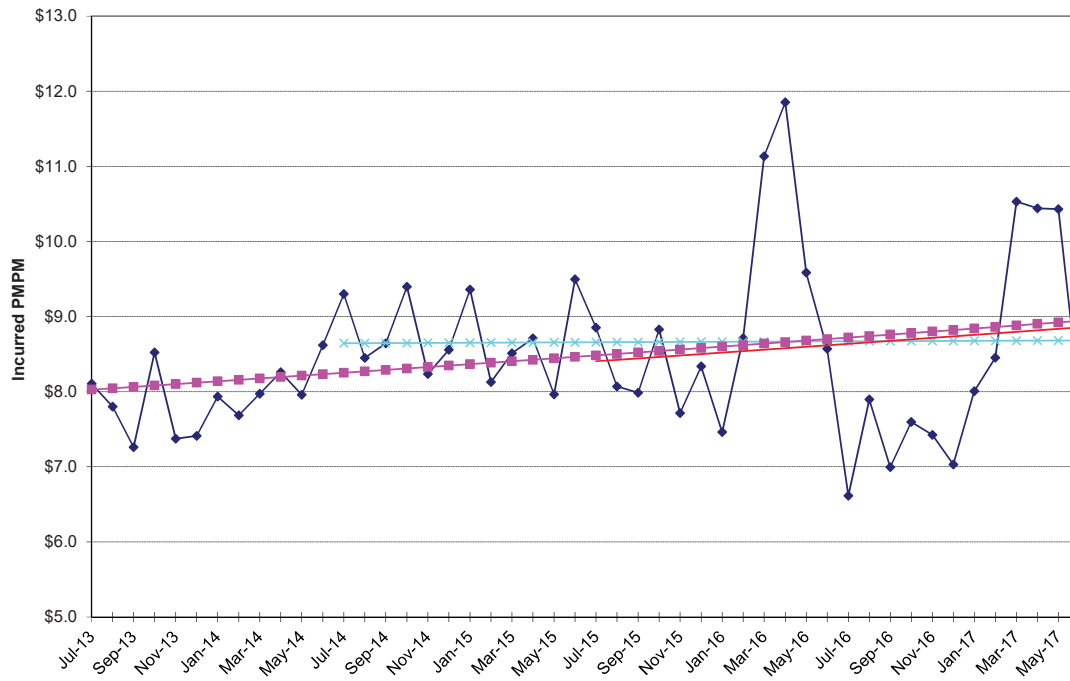
**Physician Services - Lab & Pathology**



Physician Services - Lab & Pathology



Physician Services - Lab & Pathology





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

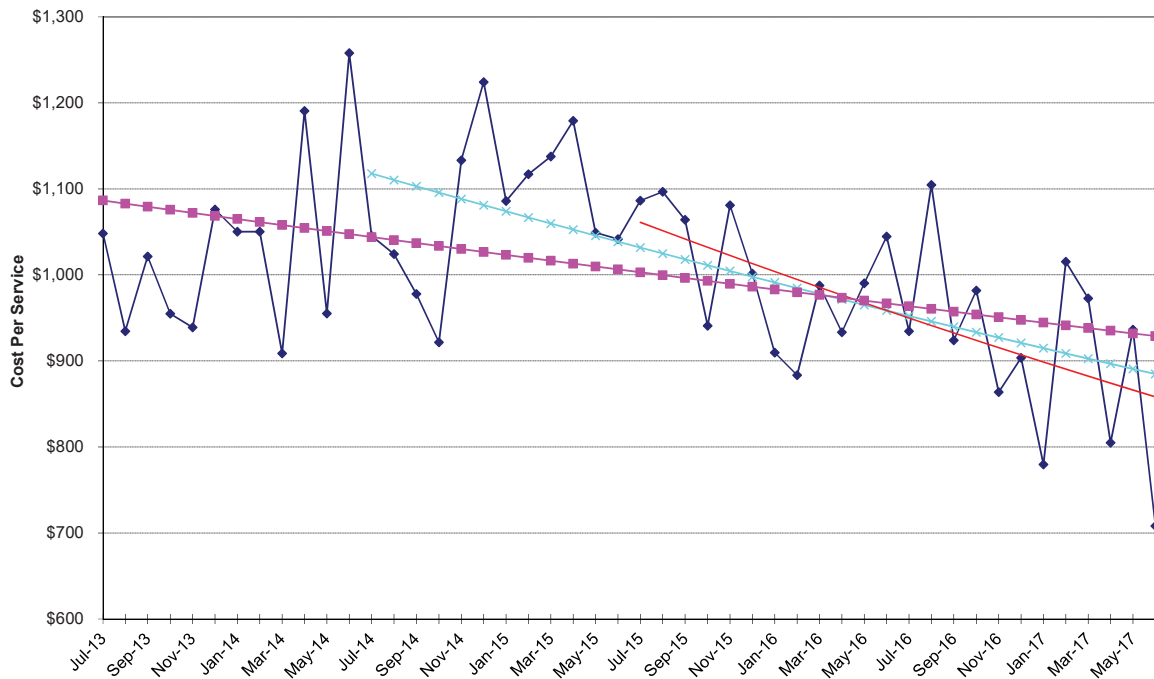
Maternity

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -2.5%                          | -10.5%                | <b>-12.7%</b>      |

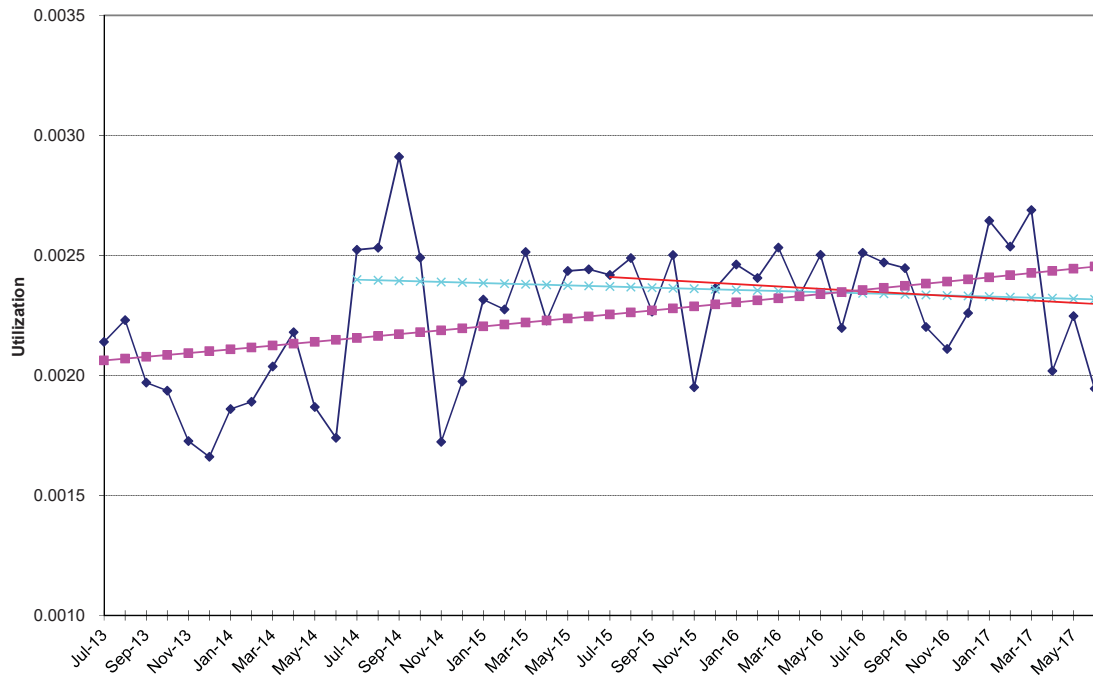
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.2%                          | -7.7%                 | <b>-8.8%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.5%                           | -3.9%                 | <b>0.4%</b>        |

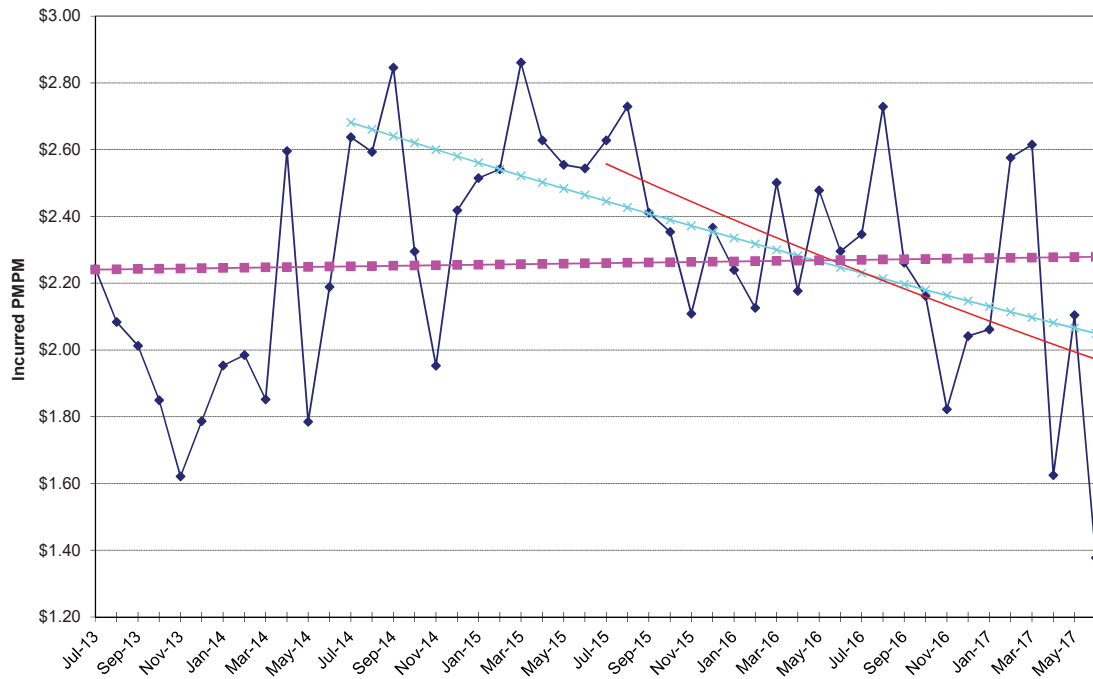
**Physician Services - Maternity**



Physician Services - Maternity



Physician Services - Maternity



**NON-MEDICARE CLAIMS**  
Excluding Drugs

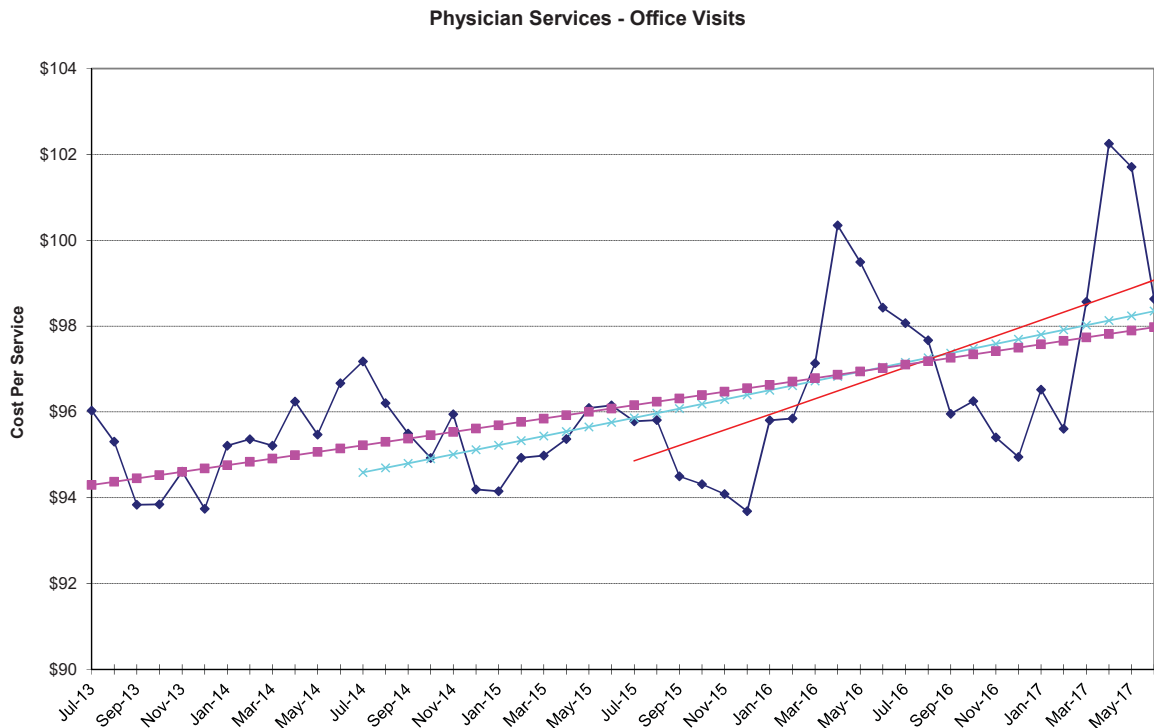
**PHYSICIAN SERVICES**

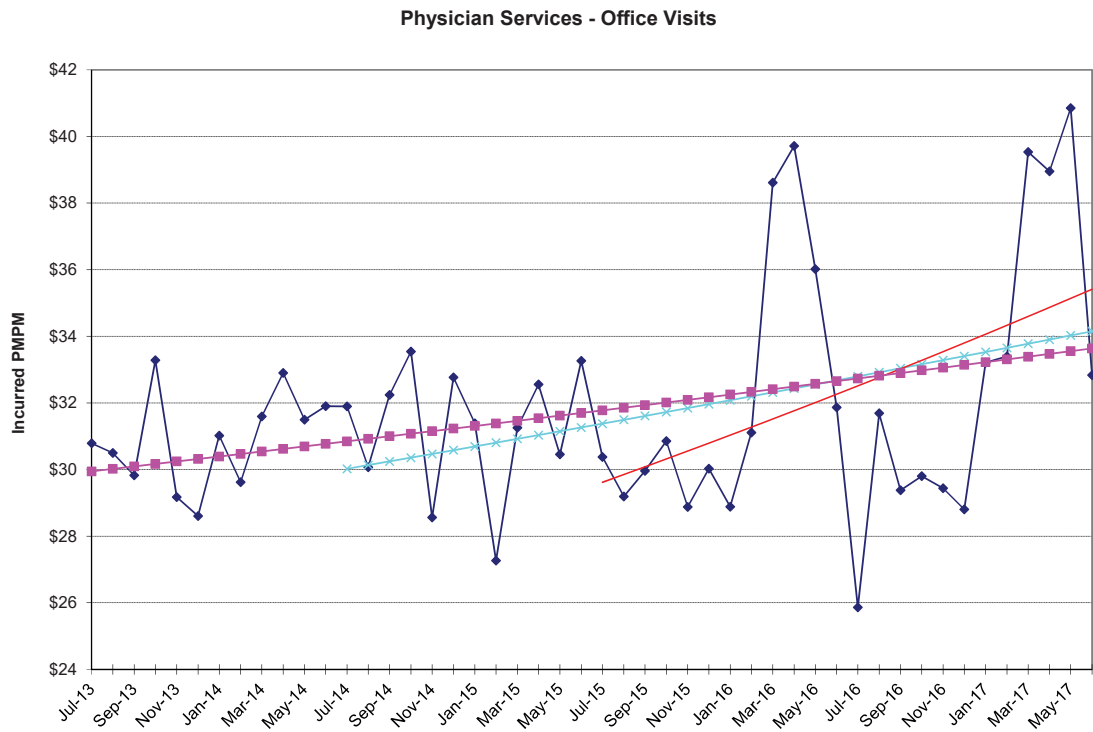
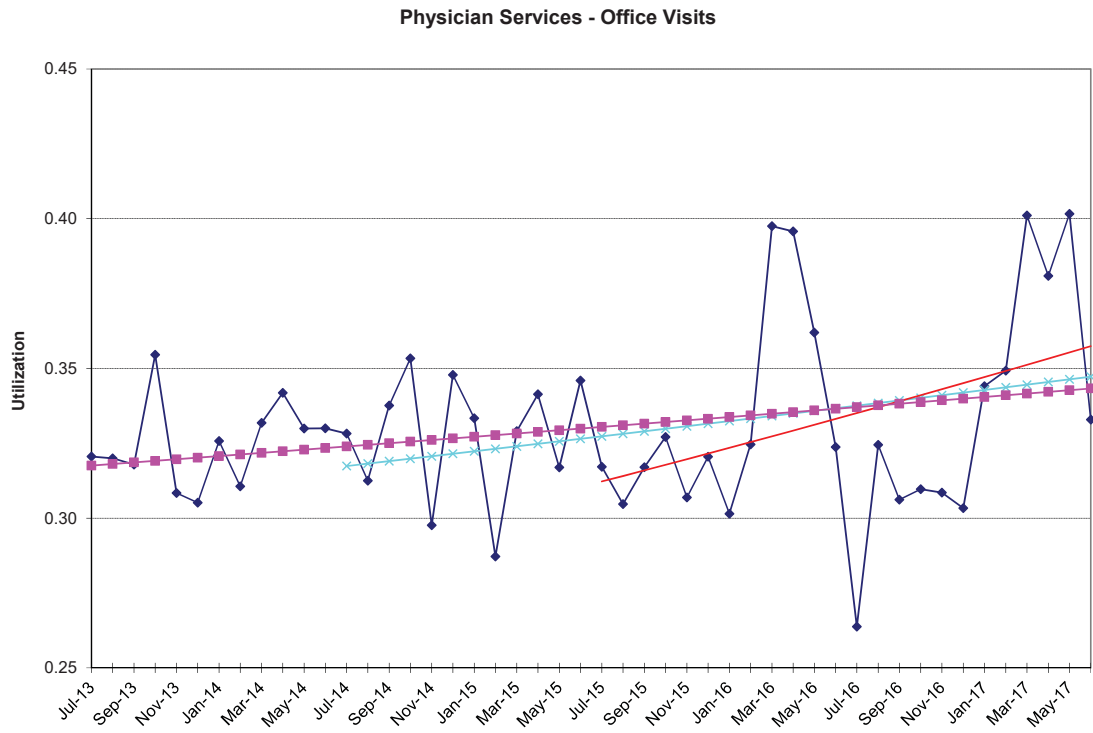
Office Visits

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 7.3%                           | 2.3%                  | <b>9.8%</b>        |

| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.1%                           | 1.3%                  | <b>4.5%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 2.0%                           | 1.0%                  | <b>3.0%</b>        |





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

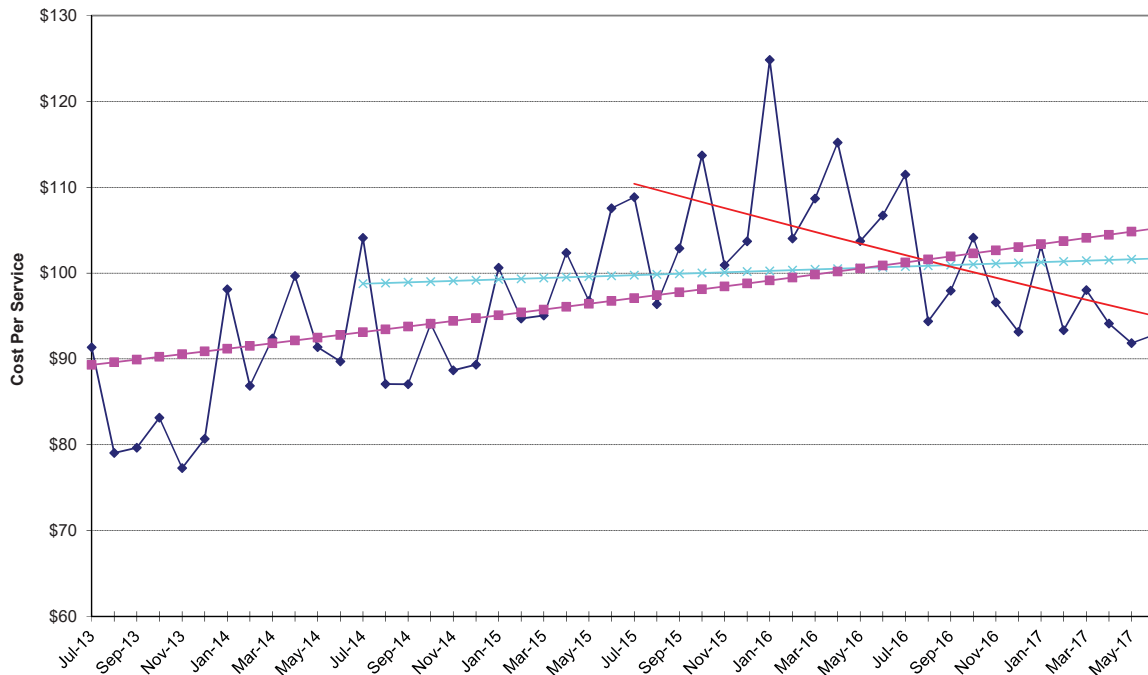
Other Services

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 6.1%                           | -7.5%                 | <b>-1.9%</b>       |

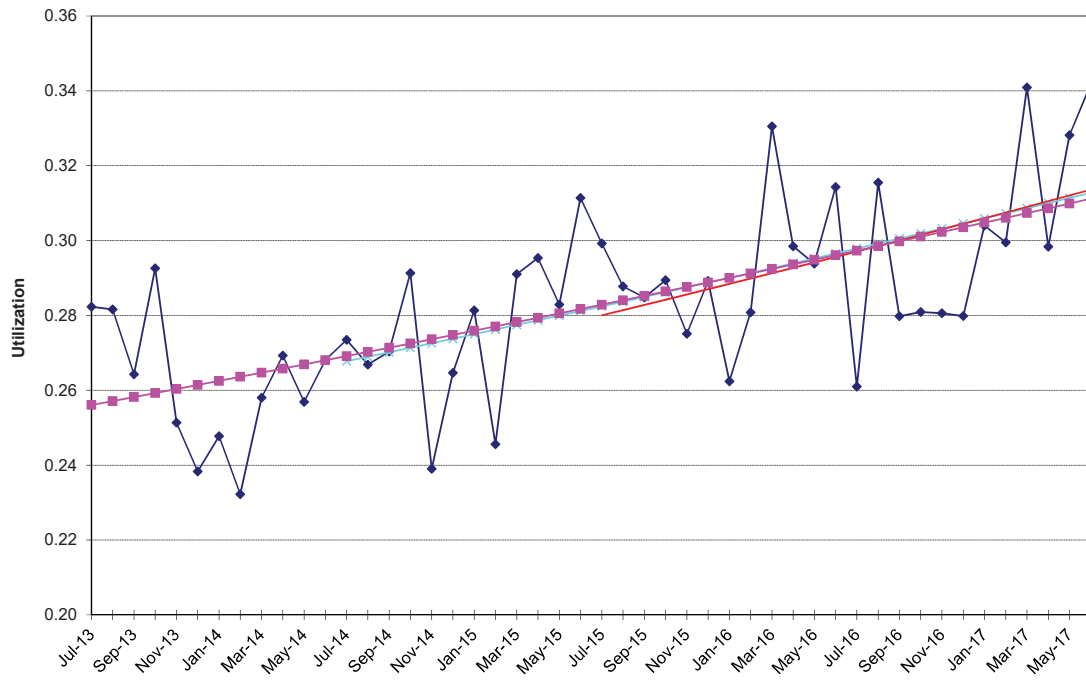
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.5%                           | 1.0%                  | <b>6.5%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.1%                           | 4.3%                  | <b>9.6%</b>        |

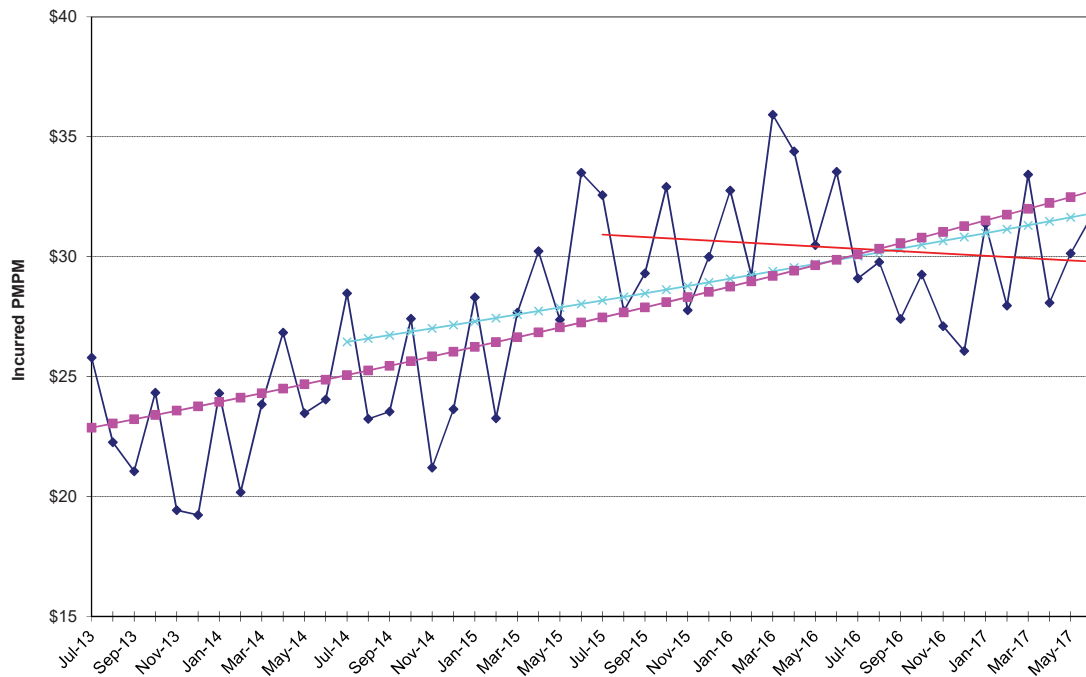
**Physician Services - Other Services**



Physician Services - Other Services



Physician Services - Other Services



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

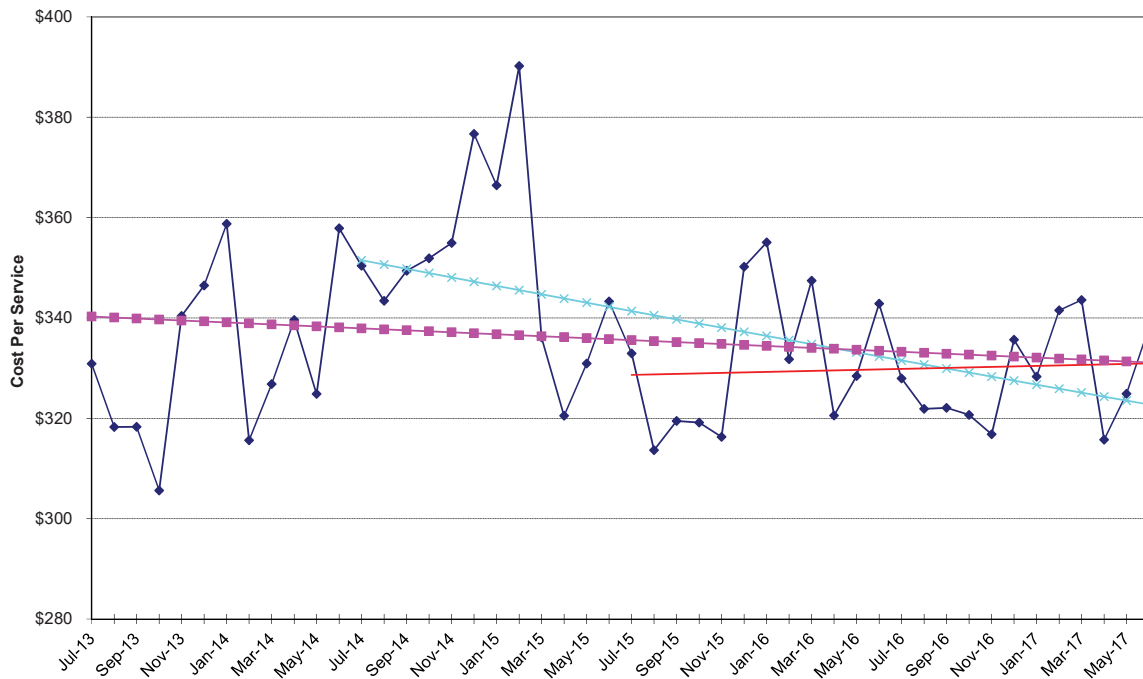
Outpatient Surgery

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 8.5%                           | 0.4%                  | <b>8.9%</b>        |

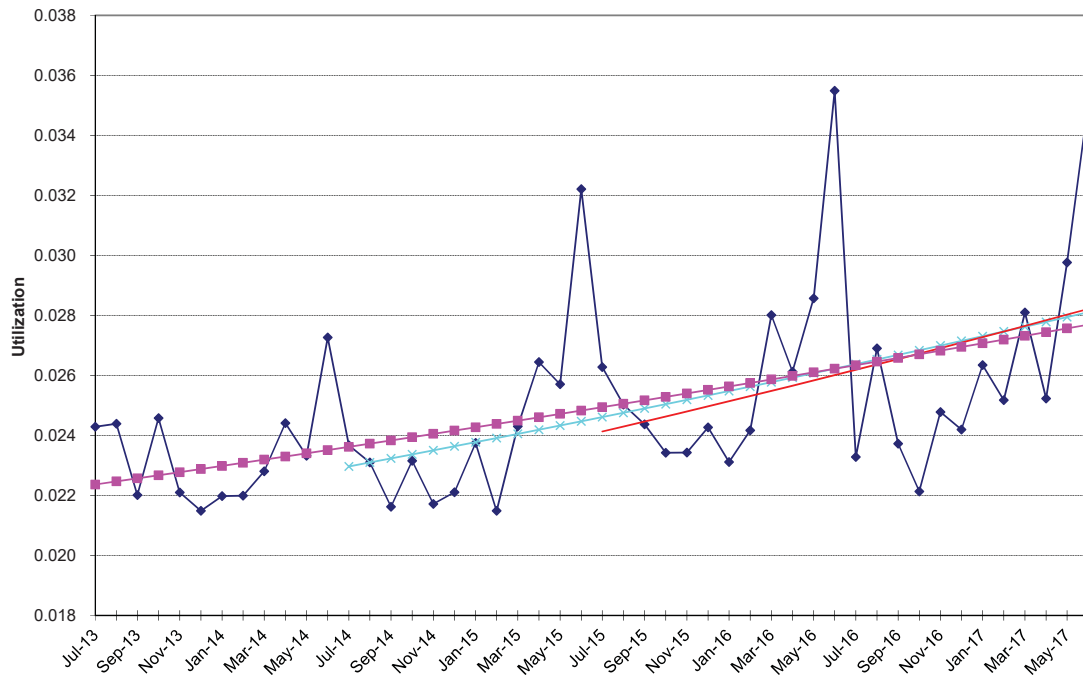
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 7.2%                           | -2.9%                 | <b>4.1%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.6%                           | -0.7%                 | <b>4.9%</b>        |

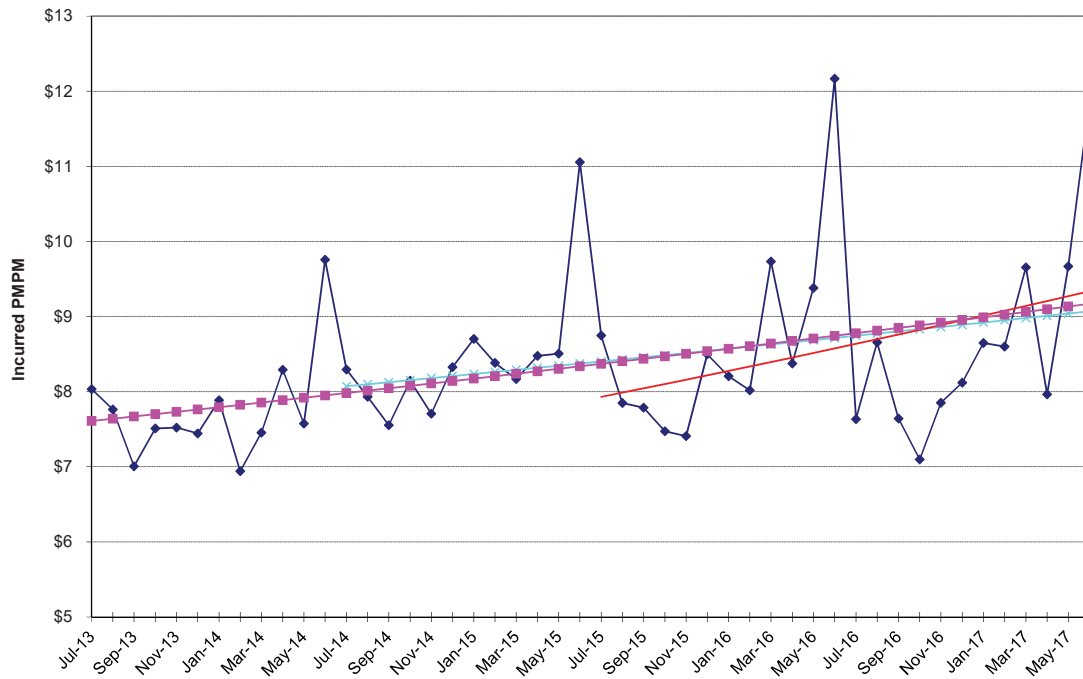
**Physician Services - Outpatient Surgery**



Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

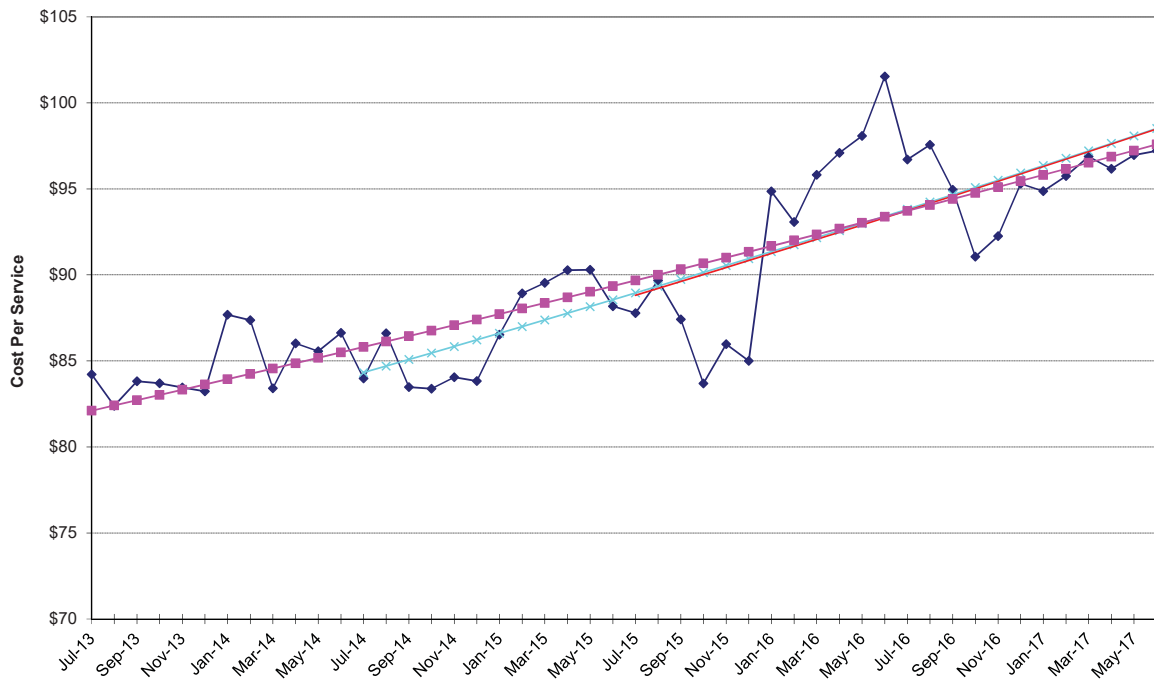
Psychiatric / Substance Abuse

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -5.2%                          | 5.5%                  | <b>0.1%</b>        |

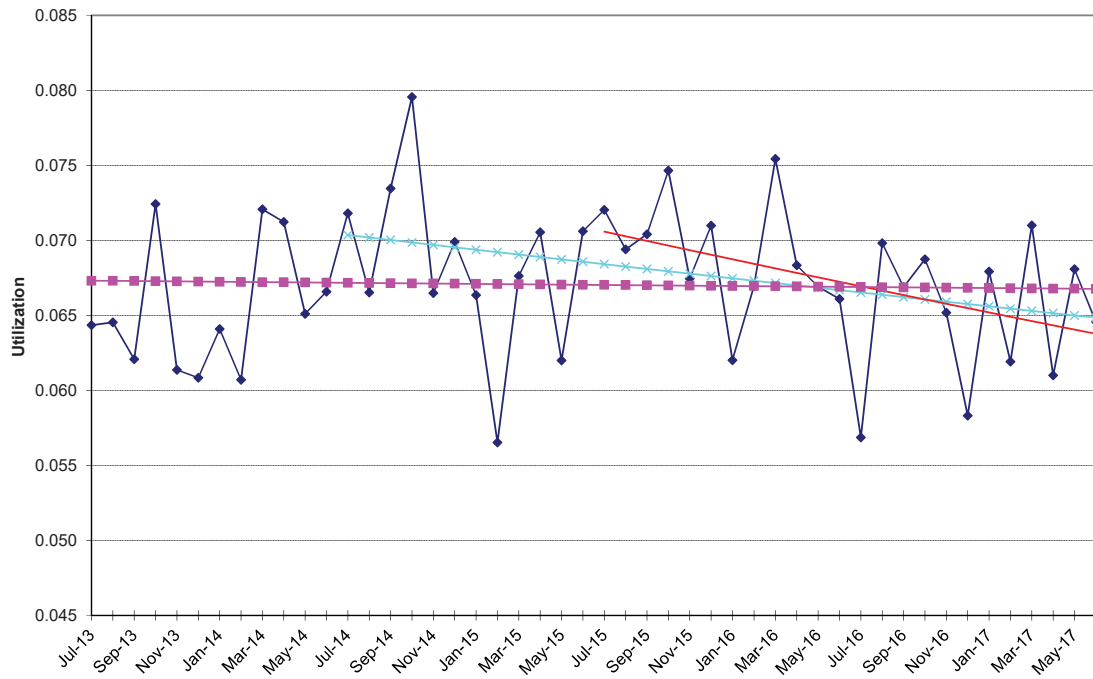
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -2.8%                          | 5.5%                  | <b>2.6%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -0.2%                          | 4.5%                  | <b>4.3%</b>        |

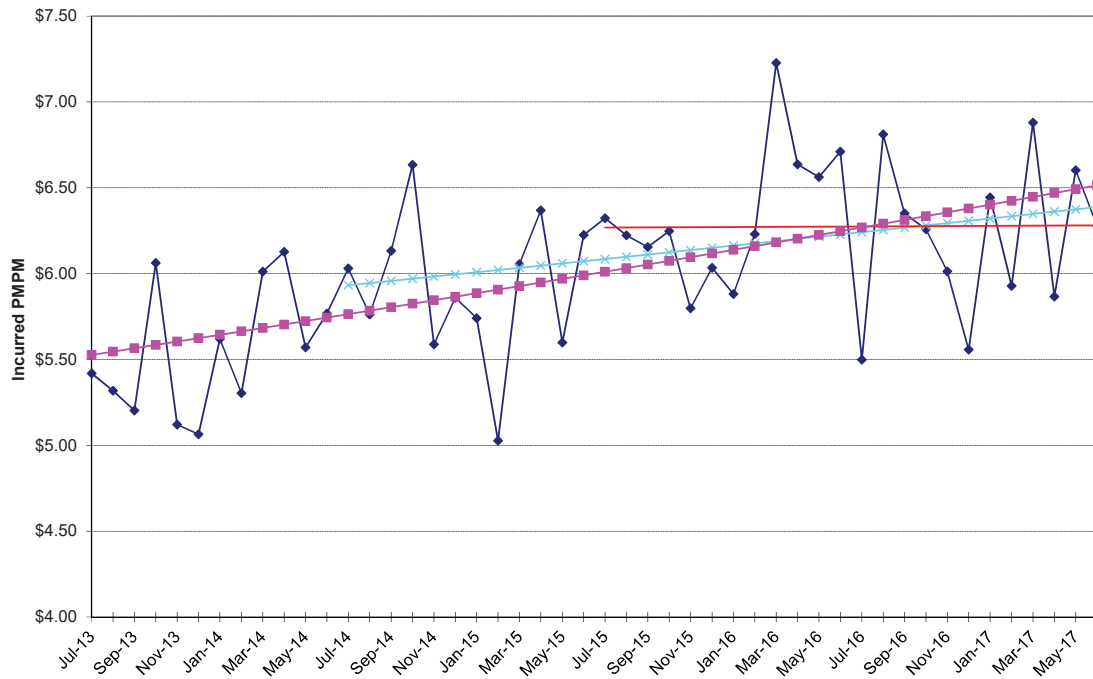
**Physician Services - Psychiatric / Substance Abuse**



Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

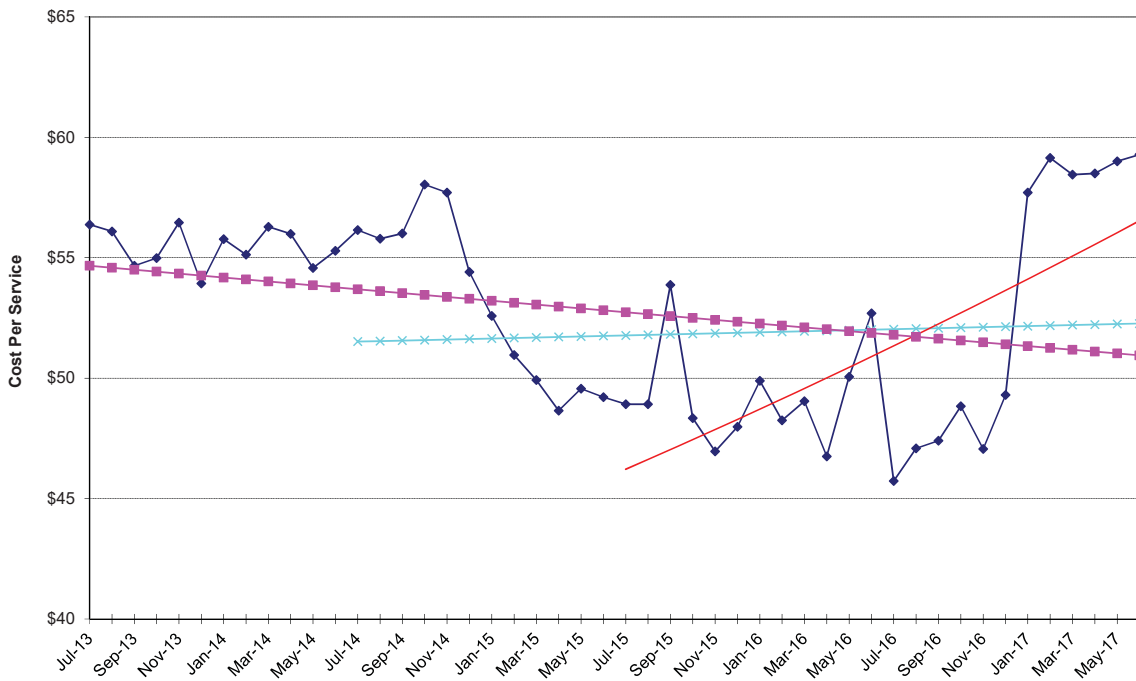
Radiology

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -6.6%                          | 11.1%                 | <b>3.8%</b>        |

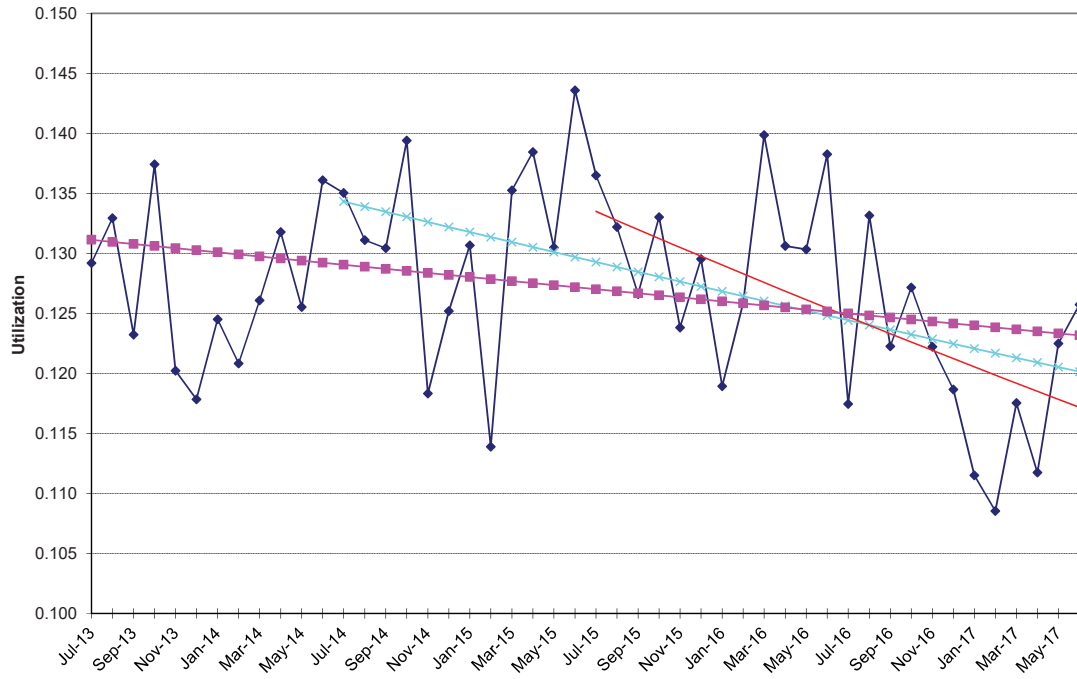
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -3.8%                          | 0.5%                  | <b>-3.3%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -1.6%                          | -1.8%                 | <b>-3.3%</b>       |

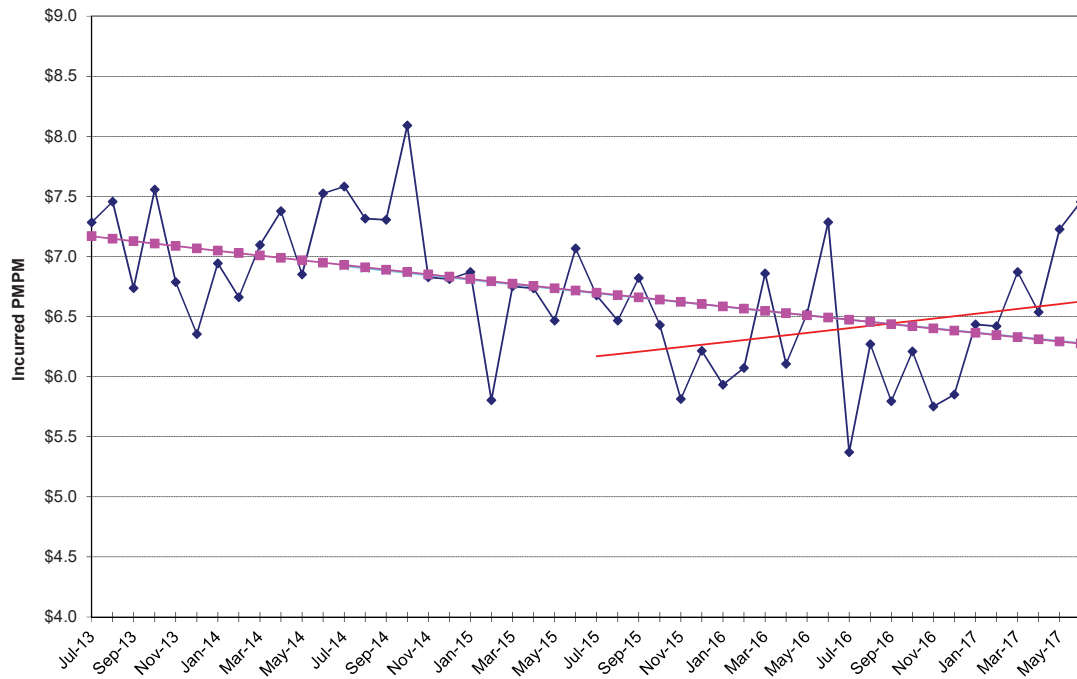
**Physician Services - Radiology**



Physician Services - Radiology



Physician Services - Radiology



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

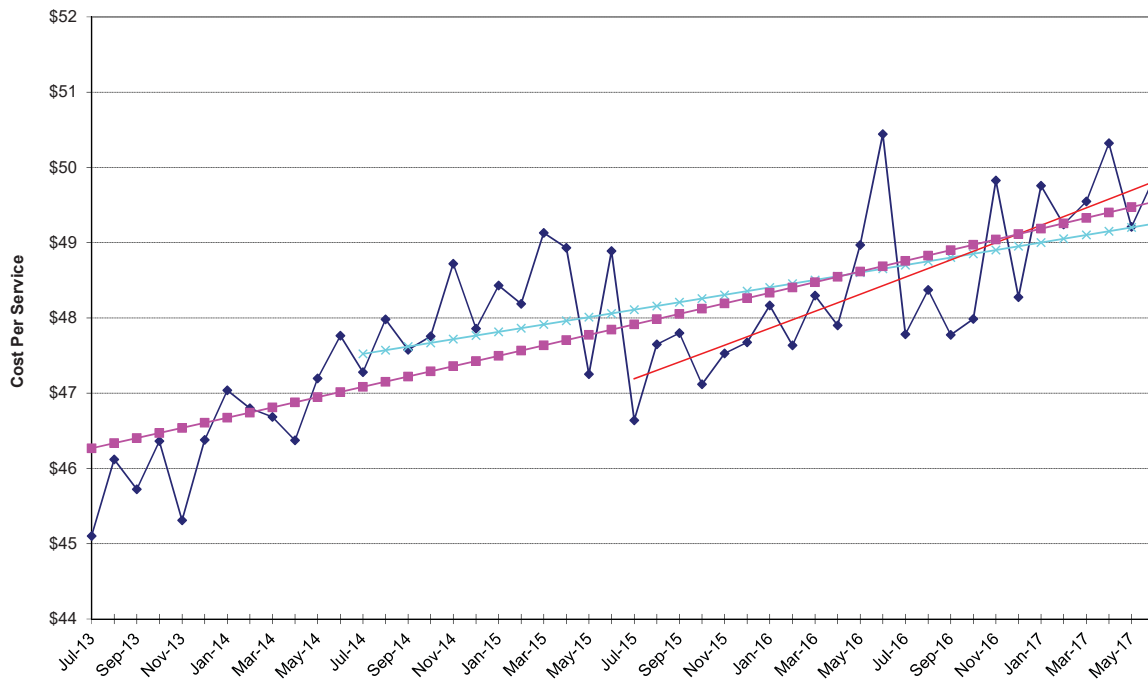
Therapies

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 5.8%                           | 2.9%                  | <b>8.9%</b>        |

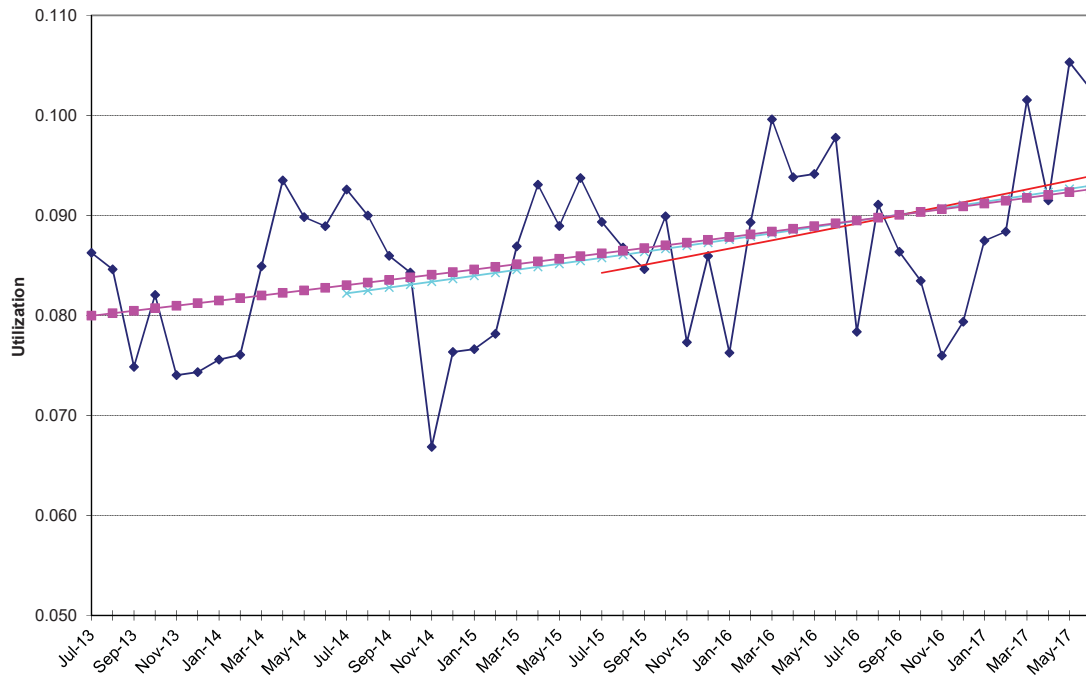
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 4.3%                           | 1.2%                  | <b>5.6%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 3.8%                           | 1.8%                  | <b>5.7%</b>        |

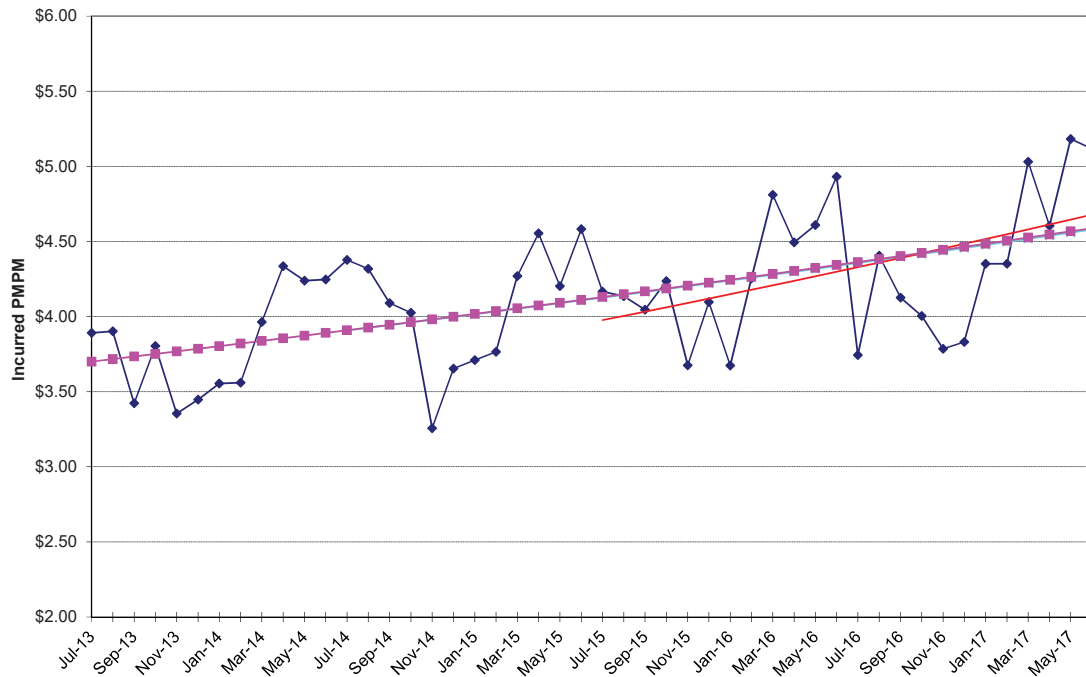
**Physician Services - Therapies**



Physician Services - Therapies



Physician Services - Therapies



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**OTHER**

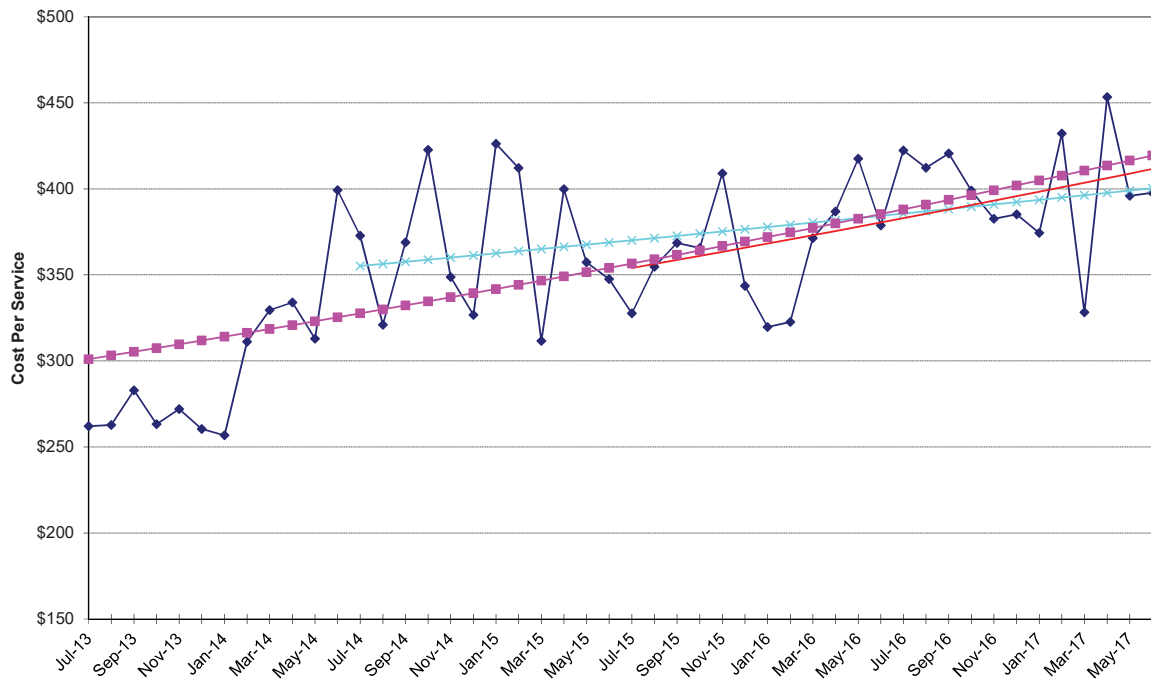
Ambulance

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -5.5%                          | 8.2%                  | <b>2.3%</b>        |

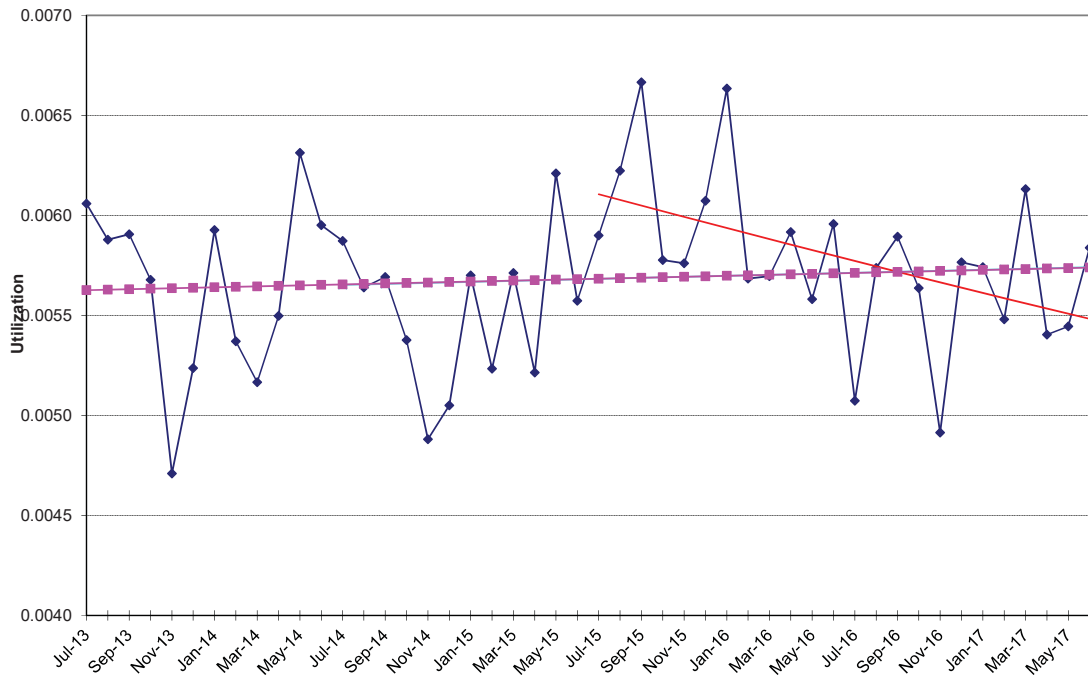
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 0.5%                           | 4.2%                  | <b>4.8%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 0.5%                           | 8.8%                  | <b>9.4%</b>        |

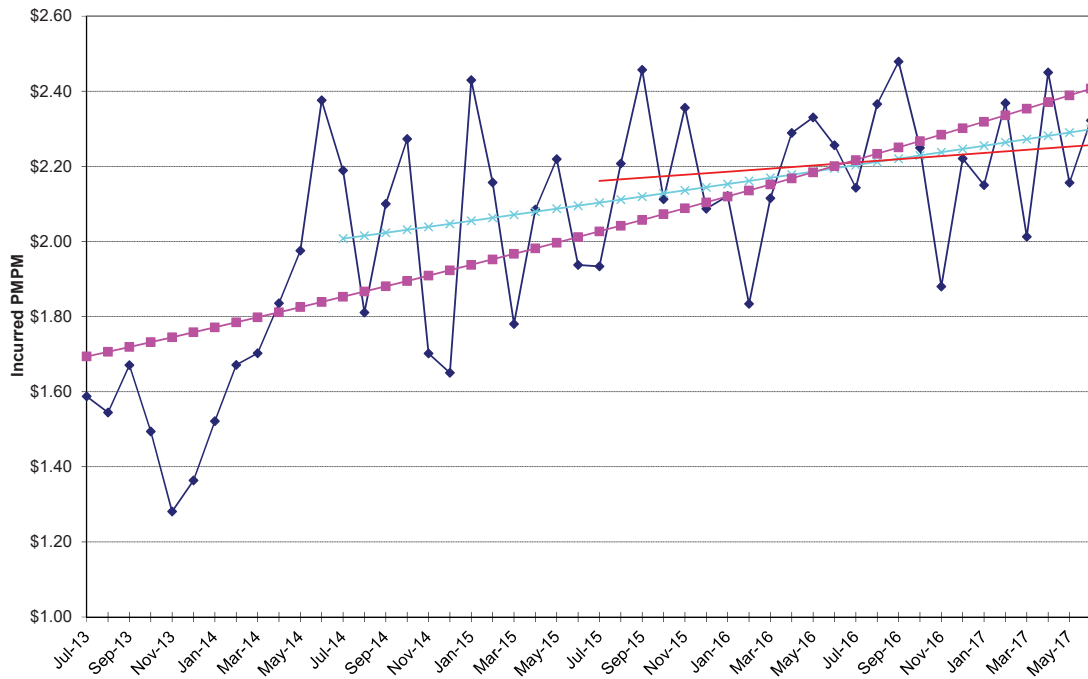
**Other - Ambulance**



Other - Ambulance



Other - Ambulance





**NON-MEDICARE CLAIMS**  
Excluding Drugs

**OTHER**

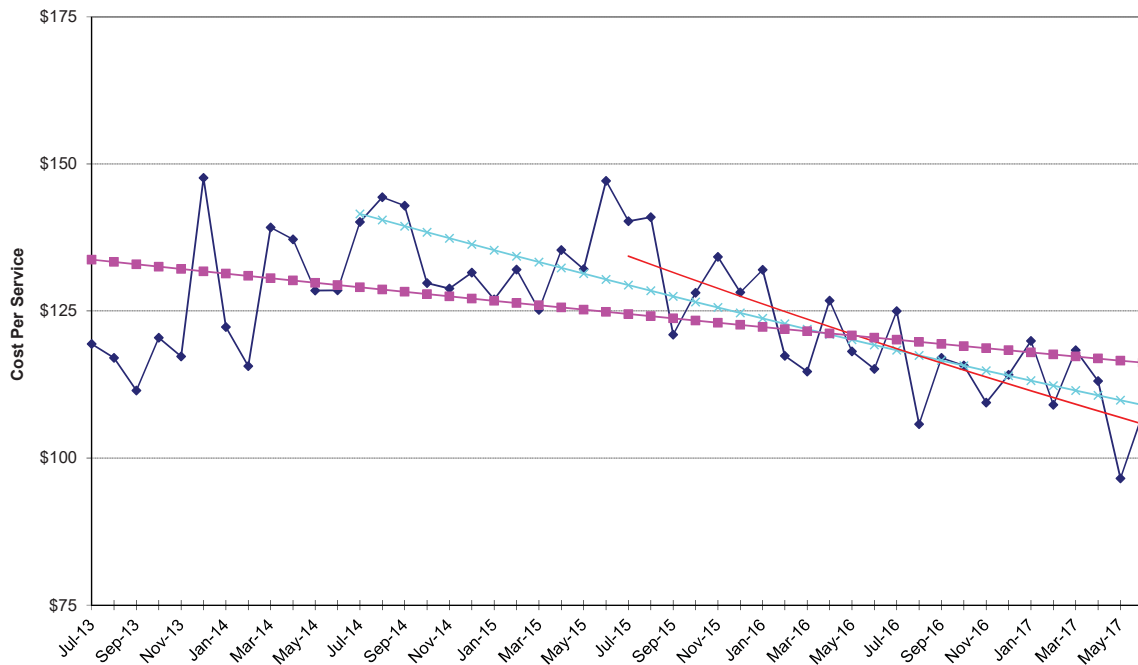
Appliances (DME)

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 15.2%                          | -11.7%                | <b>1.7%</b>        |

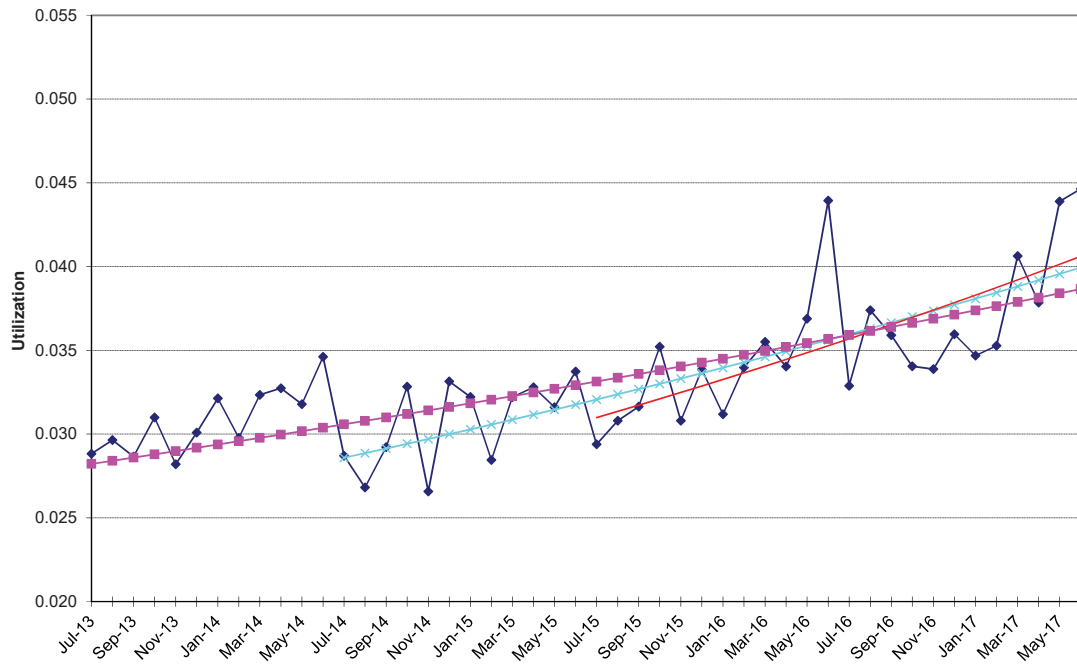
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 12.1%                          | -8.6%                 | <b>2.6%</b>        |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| 8.4%                           | -3.5%                 | <b>4.6%</b>        |

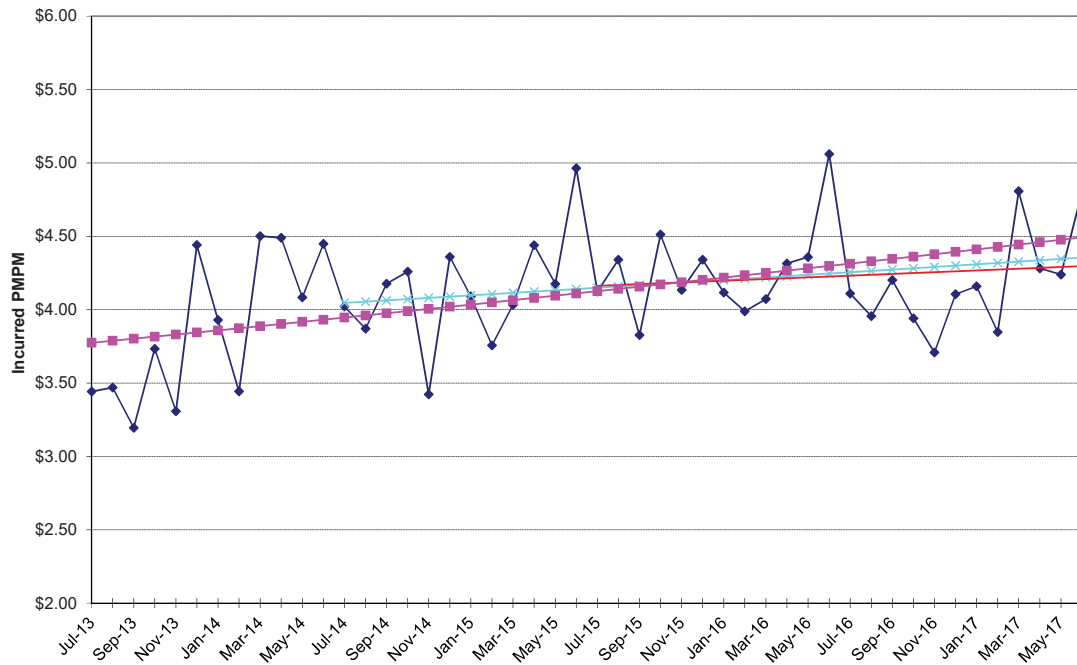
**Other - Appliances (DME)**



Other - Appliances (DME)



Other - Appliances (DME)



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**OTHER**

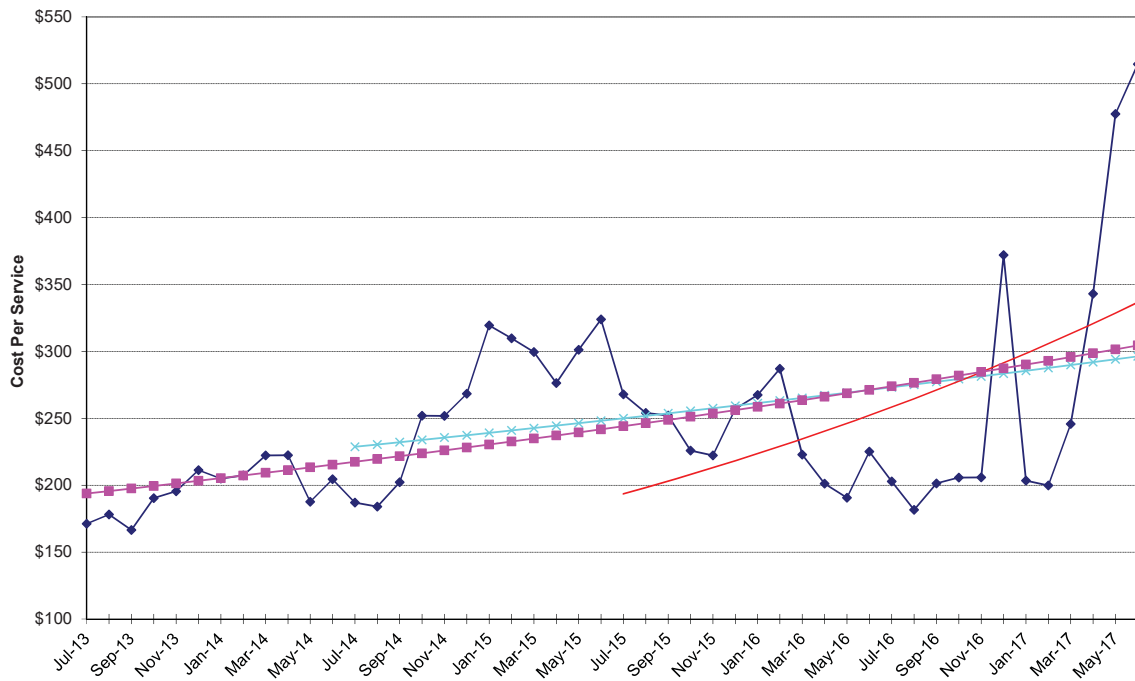
Other Services

| <b>24-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -8.2%                          | 33.5%                 | <b>22.6%</b>       |

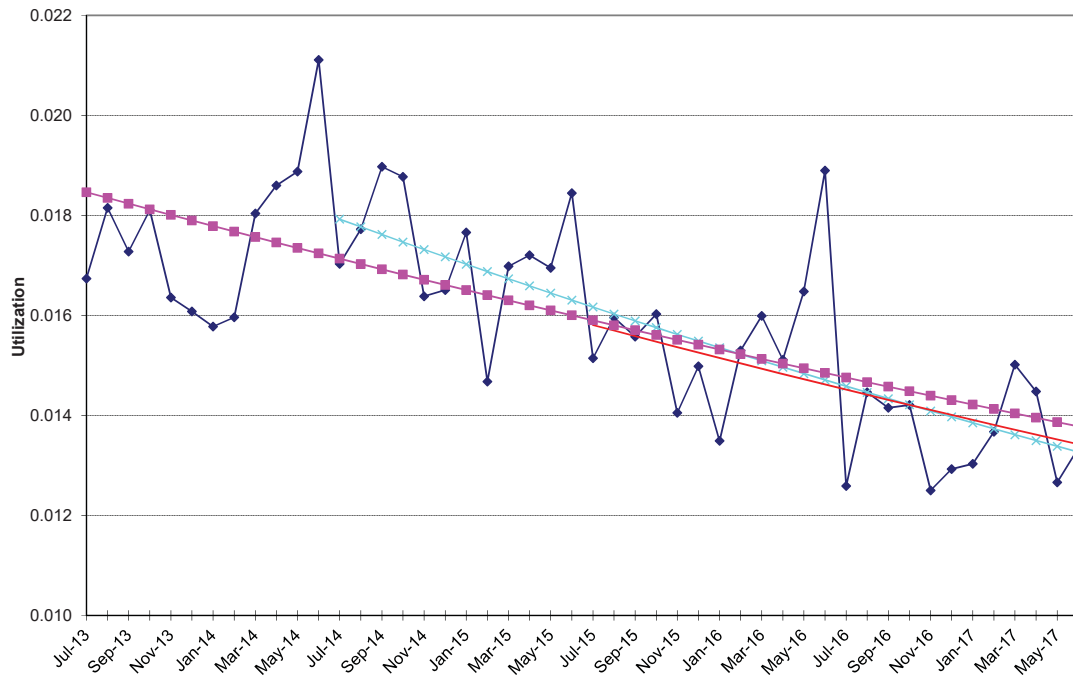
| <b>36-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -9.8%                          | 9.3%                  | <b>-1.4%</b>       |

| <b>48-Month Trends Summary</b> |                       |                    |
|--------------------------------|-----------------------|--------------------|
| <u>Utilization</u>             | <u>Cost / Service</u> | <u>Total Trend</u> |
| -7.2%                          | 12.2%                 | <b>4.2%</b>        |

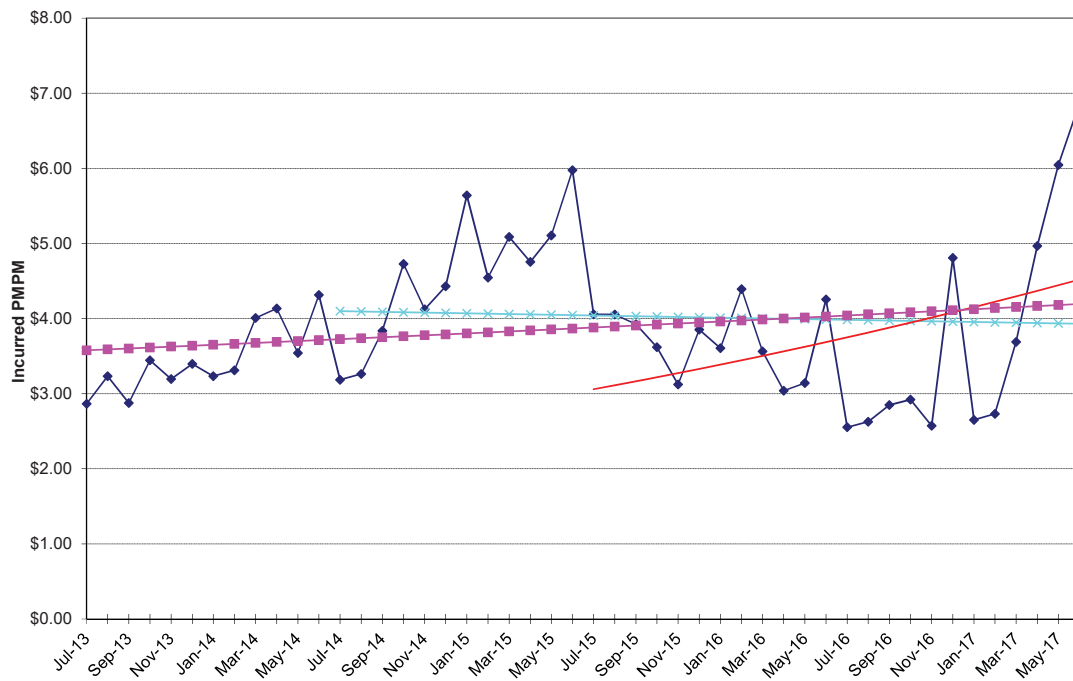
**Other - Other Services**



Other - Other Services



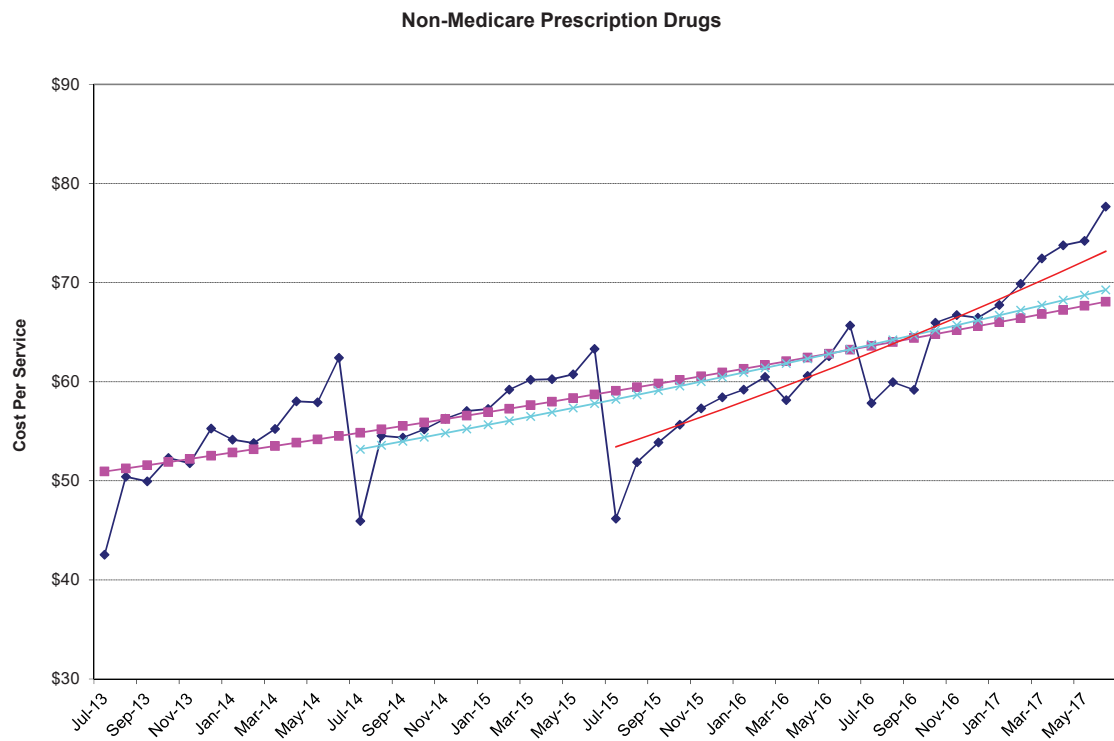
Other - Other Services

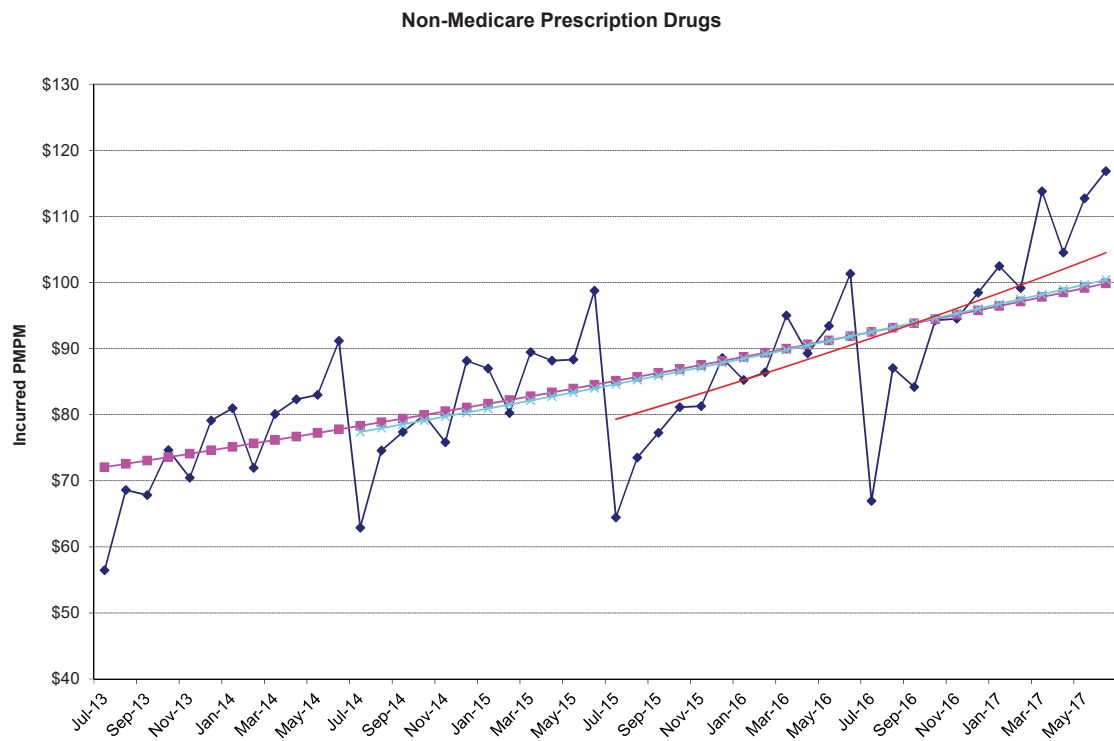
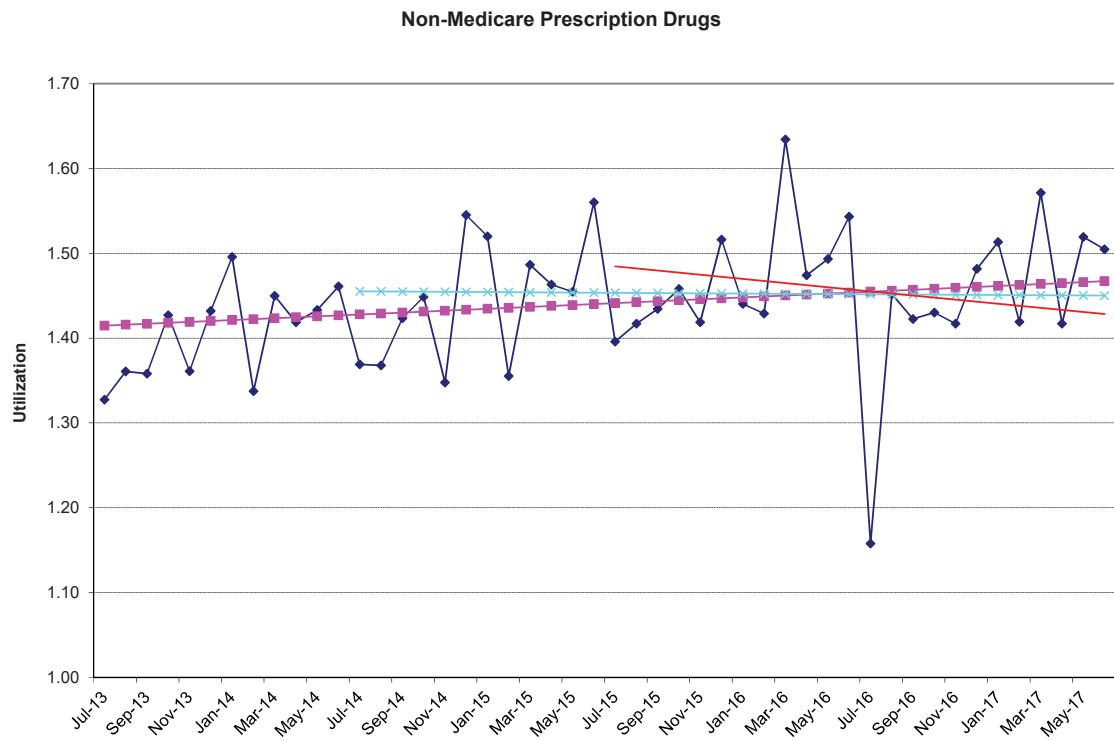


# **Appendix B**

### Non-Medicare Prescription Drugs

|                | <u>Utilization</u> | <u>Cost / Prescription</u> | <u>Total Trend</u> |
|----------------|--------------------|----------------------------|--------------------|
| 24-Month Trend | -2.0%              | 17.8%                      | 15.5%              |
| 36-Month Trend | -0.1%              | 9.5%                       | 9.4%               |
| 48-Month Trend | 0.9%               | 7.7%                       | 8.7%               |





## Appendix C – Prescription Drug Trends

### Overview

Continuing Care Actuaries analyzed prescription drug experience in aggregate, by major indicator and in particular, specialty drugs. Prescription drug trends were analyzed using a 24, 36, and 48-month actuarial basis. It was found that the 24-month basis as the methodology that is most likely to produce accurate future trends. Under this methodology, utilization had a -2.4% trend and unit cost had a 12.2% trend, resulting in a composite trend of 7.1% on an unadjusted basis. The chart below summarizes components of the unadjusted prescription drug trend for the past 5 years

| Year | Utilization | Unit Cost | Composite Trend |
|------|-------------|-----------|-----------------|
| 2013 | 0.0%        | -5.8%     | -5.5%           |
| 2014 | -1.5%       | 6.2%      | 4.5%            |
| 2015 | 3.9%        | 7.9%      | 11.5%           |
| 2016 | -0.7%       | 8.7%      | 6.9%            |
| 2017 | -2.4%       | 12.2%     | 7.1%            |

Prior to this analysis, the financial plan was developed using a 11.5% trend for fiscal year 2018. Based on results and future expectations, Continuing Care Actuaries has chosen to continue to use a drug trend assumption of 11.5% for fiscal year 2018 in the financial plan.

### Brand Patent Expirations

This drug trend assumption has been made because of recent drug experience, as well as future blockbuster drugs that are expected to lose their patent in the upcoming years. Examples of these drugs include:

| Drug         | Patent Expiration | 2016 Ingredient Cost |             | 2017 Ingredient Cost |             |
|--------------|-------------------|----------------------|-------------|----------------------|-------------|
|              |                   | Amount               | %           | Amount               | %           |
| Synthroid    | 2018              | 851,969              | 0.4%        | 728,884              | 0.3%        |
| Apriso       | 2018              | 876,049              | 0.4%        | 844,219              | 0.3%        |
| Lyrica       | 2018              | 1,205,632            | 0.4%        | 1,535,638            | 0.6%        |
| Revlimid     | 2018              | 1,259,592            | 0.5%        | 1,679,542            | 0.7%        |
| Eliquis      | 2019              | 1,249,522            | 0.5%        | 1,948,196            | 0.8%        |
| Gilenya      | 2019              | 1,517,814            | 0.7%        | 1,775,942            | 0.7%        |
| Xyrem        | 2019              | 1,541,105            | 0.7%        | 2,181,834            | 0.9%        |
| <b>Total</b> |                   | <b>\$8,501,683</b>   | <b>3.6%</b> | <b>\$10,694,255</b>  | <b>4.3%</b> |



## **Specialty Drugs**

Specialty drugs have continued to be a concern for PEIA due to the relatively rapid growth in utilization and unit cost. Nationally, specialty drug spend is expected to double in the next five years. In the past year, total cost for non-Medicare plan members has increased from \$48,540,066 in 2016 to \$73,561,670 in 2017. Overall, the following chart shows the percent of plan drug expenditures in specialty drugs in the past few years, noting that the growth in specialty drugs were 20.7% in 2016 and 51.5% in 2017:

| Period  | Specialty Drugs       |                   |               |           |
|---------|-----------------------|-------------------|---------------|-----------|
|         | Percent of Total Cost | Total Cost Growth | Number of RXs | RX Growth |
|         |                       |                   |               |           |
| FY 2013 | 18.0%                 | 24.3%             | 11,167        | 5.5%      |
| FY 2014 | 18.6%                 | 5.3%              | 10,938        | -2.1%     |
| FY 2015 | 18.7%                 | 12.4%             | 11,028        | 0.8%      |
| FY 2016 | 21.1%                 | 20.7%             | 11,128        | 0.9%      |
| FY 2017 | 29.9%                 | 51.5%             | 17,731        | 59.3%     |

The following chart shows the top 10 brand name specialty drugs and their total cost in 2017:

| Rank | 2017 Brand Name    | 2017 Cost    | 2016 Cost    |
|------|--------------------|--------------|--------------|
|      |                    |              |              |
| 1    | Humira             | \$17,103,300 | \$12,769,819 |
| 2    | Enbrel             | \$8,109,509  | \$7,215,827  |
| 3    | Copaxone           | \$4,635,061  | \$3,981,387  |
| 4    | Tecfidera          | \$2,256,391  | N/A          |
| 5    | Xyrem <sup>1</sup> | \$2,114,824  | \$1,541,105  |
| 6    | Norditropin        | \$2,054,809  | \$2,023,817  |
| 7    | Gilenya            | \$1,916,698  | \$1,517,814  |
| 8    | Revlimid           | \$1,775,941  | \$1,259,952  |
| 9    | Otezla             | \$1,483,386  | N/A          |
| 10   | Harvoni            | \$1,239,840  | \$1,699,091  |

<sup>1</sup>Xyrem was listed as non-specialty in 2016

## **Indicator Categories**

Continuing Care Actuaries reviewed the individual prescription data items for Fiscal Year 2017. A total of 2,796,049 scripts were written for approximately 3,019 different kinds of prescriptions in 2017. The prescriptions were grouped by indicator codes, providing a basis to develop the Fiscal Year 2017 trend by indicator code. The top 40 indicator codes were analyzed, which accounted for 82.3% of PEIA's prescription drug expenditures.

PEIA members spend the most on Antirheumatic drugs. The following chart lists the top 5 and the total drug spend this year.

| <b>Rank</b> | <b>2017 Indicator</b> | <b>2017 Cost</b> |
|-------------|-----------------------|------------------|
|             |                       |                  |
| 1           | Antirheumatic         | \$30,771,608     |
| 2           | Insulins              | 27,738,671       |
| 3           | Immunomod Agnts       | 12,174,463       |
| 4           | Antineoplastic        | 11,667,917       |
| 5           | DDP-4 Inhibitor       | 10,242,277       |

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

### **Drug Indicators by Highest Cost**

| <u>Rank</u> | <u>Indicator</u> | <u>Number of<br/>Prescriptions</u> | <u>Cost Per<br/>Prescription</u> | <u>Program Costs</u> | <u>Formulary<br/>Percent<br/>(cost)</u> | <u>Formulary<br/>Percent<br/>(Scripts)</u> |
|-------------|------------------|------------------------------------|----------------------------------|----------------------|---|--|
| 1           | ANTIRHEUMATIC    | 7,348                              | \$4,187.75                       | \$30,771,608         | 95.2%                                   | 92.5%                                      |
| 2           | INSULINS         | 34,465                             | 804.84                           | 27,738,671           | 82.9%                                   | 78.4%                                      |
| 3           | IMMUNOMOD AGNTS  | 2,145                              | 5,675.74                         | 12,174,463           | 100.0%                                  | 100.0%                                     |
| 4           | ANTINEOPLASTIC   | 11,825                             | 986.72                           | 11,667,917           | 90.3%                                   | 73.5%                                      |
| 5           | DDP-4 INHIBITOR  | 18,249                             | 561.25                           | 10,242,277           | 100.0%                                  | 99.9%                                      |
| 6           | INCRETIN MIMETI  | 11,306                             | 777.05                           | 8,785,307            | 100.0%                                  | 100.0%                                     |
| 7           | ANTIDIABETIC     | 12,016                             | 540.26                           | 6,491,790            | 93.5%                                   | 91.8%                                      |
| 8           | ANTIDEPRESSANTS  | 238,732                            | 21.95                            | 5,240,616            | 86.0%                                   | 71.8%                                      |
| 9           | ANTICOAGULANTS   | 16,761                             | 277.83                           | 4,656,772            | 99.4%                                   | 99.4%                                      |
| 10          | ANTI-INFLAMMATO  | 23,800                             | 184.36                           | 4,387,760            | 74.2%                                   | 89.1%                                      |
| 11          | PPI              | 71,723                             | 60.03                            | 4,305,748            | 89.8%                                   | 95.3%                                      |
| 12          | CONTRACEPTIVES   | 138,880                            | 30.35                            | 4,214,993            | 98.1%                                   | 99.5%                                      |
| 13          | MISC ANTICONVUL  | 84,068                             | 49.47                            | 4,158,453            | 89.4%                                   | 82.4%                                      |
| 14          | B-ADREN AGON     | 70,777                             | 56.94                            | 4,029,743            | 94.5%                                   | 97.5%                                      |
| 15          | ANTIPSYCHOTICS   | 35,982                             | 110.30                           | 3,968,742            | 92.6%                                   | 97.0%                                      |
| 16          | CHOL ABSO INHIB  | 16,408                             | 235.36                           | 3,861,803            | 97.1%                                   | 89.3%                                      |
| 17          | NERVOUS SYS AGT  | 7,823                              | 456.24                           | 3,569,193            | 100.0%                                  | 100.0%                                     |
| 18          | DIABETES MELLIT  | 4,231                              | 788.94                           | 3,337,996            | 99.8%                                   | 99.5%                                      |
| 19          | AMPHETAMINES     | 19,488                             | 168.67                           | 3,287,009            | 65.8%                                   | 62.3%                                      |
| 20          | ESTROGEN         | 23,638                             | 138.12                           | 3,264,822            | 99.0%                                   | 99.6%                                      |

### **Drug Indicators by Highest Cost (continued)**

| <u>Rank</u> | <u>Indicator</u>                                      | <u>Number of<br/>Prescriptions</u> | <u>Cost Per<br/>Prescription</u> | <u>Program Costs</u> | <u>Formulary<br/>Percent<br/>(cost)</u> | <u>Formulary<br/>Percent<br/>(Scripts)</u> |
|-------------|---|------------------------------------|----------------------------------|----------------------|---|--|
| 21          | ANTIMUSCARINICS                                       | 24,420                             | 118.18                           | 2,885,843            | 60.1%                                   | 33.7%                                      |
| 22          | SKIN AND MUCOUS                                       | 20,066                             | 143.34                           | 2,876,223            | 84.4%                                   | 59.3%                                      |
| 23          | BIGUANIDES  | 8,019                              | 343.13                           | 2,751,595            | 77.3%                                   | 89.8%                                      |
| 24          | THYROID AGENTS  | 61,276                             | 44.44                            | 2,723,239            | 99.9%                                   | 99.3%                                      |
| 25          | BETA BLOCKERS   | 96,402                             | 26.31                            | 2,536,620            | 99.2%                                   | 99.7%                                      |
| 26          | CYSTIC FIBROSIS TRANSMEMBRANE<br>CONDUCTANCE REGULATO | 106,692                            | 21.24                            | 2,265,809            | 50.3%                                   | 40.1%                                      |
| 27          | ANTIRETROVIRALS                                       | 100                                | 22,373.28                        | 2,237,328            | 100.0%                                  | 100.0%                                     |
| 28          | SOMATOTROP AGON                                       | 1,173                              | 1,856.96                         | 2,178,218            | 87.4%                                   | 85.3%                                      |
| 29          | GI DRUGS, MISCE                                       | 398                                | 5,446.17                         | 2,167,577            | 99.1%                                   | 97.7%                                      |
| 30          | A-ADREN AGONIST                                       | 3,515                              | 612.68                           | 2,153,586            | 68.3%                                   | 87.5%                                      |
| 31          | HMG-COA RED INH                                       | 4,134                              | 502.83                           | 2,078,683            | 100.0%                                  | 100.0%                                     |
| 32          | PROTEASE INH  | 137,998                            | 14.08                            | 1,942,996            | 53.5%                                   | 94.3%                                      |
| 33          | CORTICOSTEROIDS                                       | 73                                 | 26,163.60                        | 1,909,942            | 97.1%                                   | 95.9%                                      |
| 34          | OTHER MISC THER                                       | 55,427                             | 33.63                            | 1,863,976            | 64.1%                                   | 90.6%                                      |
| 35          | EENT ANTI-INFL  | 807                                | 2,305.12                         | 1,860,229            | 99.9%                                   | 99.6%                                      |
| 36          | FIBRIC ACID DER                                       | 2,680                              | 603.88                           | 1,618,403            | 100.0%                                  | 100.0%                                     |
| 37          | ANGIOTEN 2 ANTG                                       | 19,083                             | 82.89                            | 1,581,816            | 100.0%                                  | 100.0%                                     |
| 38          | RESP AND CNS  | 65,564                             | 24.09                            | 1,579,567            | 94.3%                                   | 96.3%                                      |
| 39          | OPIATE AGONISTS                                       | 11,215                             | 140.41                           | 1,574,679            | 98.7%                                   | 99.3%                                      |
| 40          | NONSTEROIDAL AN                                       | 93,690                             | 16.55                            | 1,550,485            | 73.5%                                   | 55.3%                                      |
|             | <u>All Other Indicators</u>                           | <u>1,233,652</u>                   | <u>35.27</u>                     | <u>43,509,612</u>    | <u>81.9%</u>                            | <u>79.1%</u>                               |
|             | <b>Grand Total</b>                                    | <b>2,796,049</b>                   | <b>\$87.98</b>                   | <b>\$246,002,111</b> | <b>89.1%</b>                            | <b>81.4%</b>                               |

**Drug Indicators by Highest Cost**  
**Analysis of Formulary Distribution**

| Rank | Indicator       | Formulary |                 |                 | Non-Formulary |                 |                 |
|------|-----------------|-----------|-----------------|-----------------|---------------|-----------------|-----------------|
|      |                 | Scripts   | Ingredient Cost | Cost Per Script | Scripts       | Ingredient Cost | Cost Per Script |
| 1    | ANTIRHEUMATIC   | 6,795     | \$29,282,131    | \$4,309.36      | 553           | \$1,489,477     | \$2,693.45      |
| 2    | INSULINS        | 27,012    | 23,006,811      | 851.73          | 7,453         | 4,731,860       | 634.89          |
| 3    | IMMUNOMOD AGNTS | 2,145     | 12,174,463      | 5,675.74        | 0             | 0               | N/A             |
| 4    | ANTINEOPLASTIC  | 8,693     | 10,541,238      | 1,212.61        | 3,132         | 1,126,680       | 359.73          |
| 5    | DDP-4 INHIBITOR | 18,234    | 10,238,538      | 561.51          | 15            | 3,738           | 249.23          |
| 6    | INCRETIN MIMETI | 11,302    | 8,781,091       | 776.95          | 4             | 4,216           | 1,054.07        |
| 7    | ANTIDIABETIC    | 11,028    | 6,072,860       | 550.68          | 988           | 418,930         | 424.02          |
| 8    | ANTIDEPRESSANTS | 171,525   | 4,505,002       | 26.26           | 67,207        | 735,614         | 10.95           |
| 9    | ANTICOAGULANTS  | 16,663    | 4,628,542       | 277.77          | 98            | 28,230          | 288.06          |
| 10   | ANTI-INFLAMMATO | 21,209    | 3,255,930       | 153.52          | 2,591         | 1,131,830       | 436.83          |
| 11   | PPI             | 68,319    | 3,867,024       | 56.60           | 3,404         | 438,725         | 128.89          |
| 12   | CONTRACEPTIVES  | 138,155   | 4,133,034       | 29.92           | 725           | 81,959          | 113.05          |
| 13   | MISC ANTICONVUL | 69,272    | 3,717,349       | 53.66           | 14,796        | 441,104         | 29.81           |
| 14   | B-ADREN AGON    | 69,022    | 3,806,447       | 55.15           | 1,755         | 223,297         | 127.23          |
| 15   | ANTIPSYCHOTICS  | 34,920    | 3,675,128       | 105.24          | 1,062         | 293,614         | 276.47          |
| 16   | CHOL ABSO INHIB | 14,647    | 3,751,511       | 256.13          | 1,761         | 110,292         | 62.63           |
| 17   | NERVOUS SYS AGT | 7,823     | 3,569,193       | 456.24          | 0             | 0               | N/A             |
| 18   | DIABETES MELLIT | 4,210     | 3,329,796       | 790.93          | 21            | 8,200           | 390.49          |
| 19   | AMPHETAMINES    | 12,140    | 2,163,757       | 178.23          | 7,348         | 1,123,252       | 152.87          |
| 20   | ESTROGEN        | 23,552    | 3,232,051       | 137.23          | 86            | 32,770          | 381.05          |

**Drug Indicators by Highest Cost**  
**Analysis of Formulary Distribution (continued)**

| Rank | Indicator  | Formulary        |                      |                 | Non-Formulary  |                     |                 |
|------|--|------------------|----------------------|-----------------|----------------|---------------------|-----------------|
|      |  | Scripts          | Ingredient Cost      | Cost Per Script | Scripts        | Ingredient Cost     | Cost Per Script |
| 21   | ANTIMUSCARINICS  | 8,218            | 1,732,996            | 210.88          | 16,202         | 1,152,847           | 71.15           |
| 22   | SKIN AND MUCOUS  | 11,891           | 2,427,114            | 204.11          | 8,175          | 449,109             | 54.94           |
| 23   | BIGUANIDES   | 7,203            | 2,126,332            | 295.20          | 816            | 625,263             | 766.25          |
| 24   | THYROID AGENTS   | 60,849           | 2,719,493            | 44.69           | 427            | 3,746               | 8.77            |
| 25   | BETA BLOCKERS  | 96,069           | 2,515,496            | 26.18           | 333            | 21,124              | 63.43           |
| 26   | CYSTIC FIBROSIS<br>TRANSMEMBRANE<br>CONDUCTANCE REGULATO | 42,733           | 1,139,537            | 26.67           | 63,959         | 1,126,272           | 17.61           |
| 27   | ANTIRETROVIRALS  | 100              | 2,237,328            | 22,373.28       | 0              | 0                   | N/A             |
| 28   | SOMATOTROP AGON  | 1,000            | 1,904,828            | 1,904.83        | 173            | 273,390             | 1,580.29        |
| 29   | GI DRUGS, MISCE  | 389              | 2,146,994            | 5,519.26        | 9              | 20,584              | 2,287.10        |
| 30   | A-ADREN AGONIST  | 3,076            | 1,470,741            | 478.13          | 439            | 682,845             | 1,555.46        |
| 31   | HMG-COA RED INH  | 4,132            | 2,077,871            | 502.87          | 2              | 812                 | 406.11          |
| 32   | PROTEASE INH   | 130,148          | 1,040,072            | 7.99            | 7,850          | 902,924             | 115.02          |
| 33   | CORTICOSTEROIDS  | 70               | 1,853,834            | 26,483.35       | 3              | 56,108              | 18,702.72       |
| 34   | OTHER MISC THER  | 50,210           | 1,194,932            | 23.80           | 5,217          | 669,045             | 128.24          |
| 35   | EENT ANTI-INFL   | 804              | 1,859,294            | 2,312.55        | 3              | 935                 | 311.79          |
| 36   | FIBRIC ACID DER  | 2,680            | 1,618,403            | 603.88          | 0              | 0                   | N/A             |
| 37   | ANGIOTEN 2 ANTG  | 19,079           | 1,581,612            | 82.90           | 4              | 204                 | 50.99           |
| 38   | RESP AND CNS   | 63,122           | 1,488,803            | 23.59           | 2,442          | 90,764              | 37.17           |
| 39   | OPIATE AGONISTS  | 11,135           | 1,554,573            | 139.61          | 80             | 20,106              | 251.33          |
| 40   | NONSTEROIDAL AN  | 51,772           | 1,139,850            | 22.02           | 41,918         | 410,635             | 9.80            |
|      | <u>All Other Indicators</u>                              | <u>975,418</u>   | <u>35,646,415</u>    | <u>36.54</u>    | <u>258,234</u> | <u>7,863,197</u>    | <u>30.45</u>    |
|      | <b>Grand Total</b>                                       | <b>2,276,764</b> | <b>\$219,208,411</b> | <b>\$96.28</b>  | <b>519,285</b> | <b>\$26,793,700</b> | <b>\$51.60</b>  |

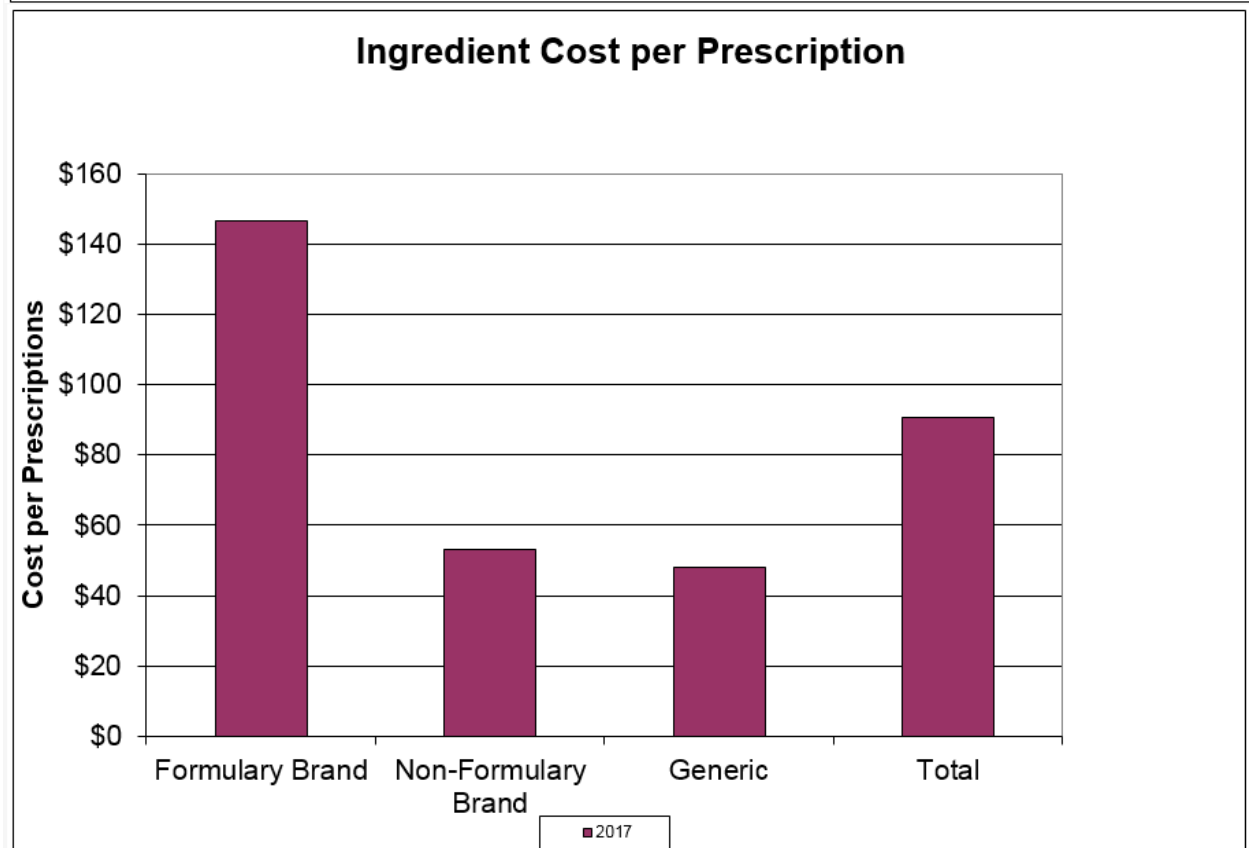
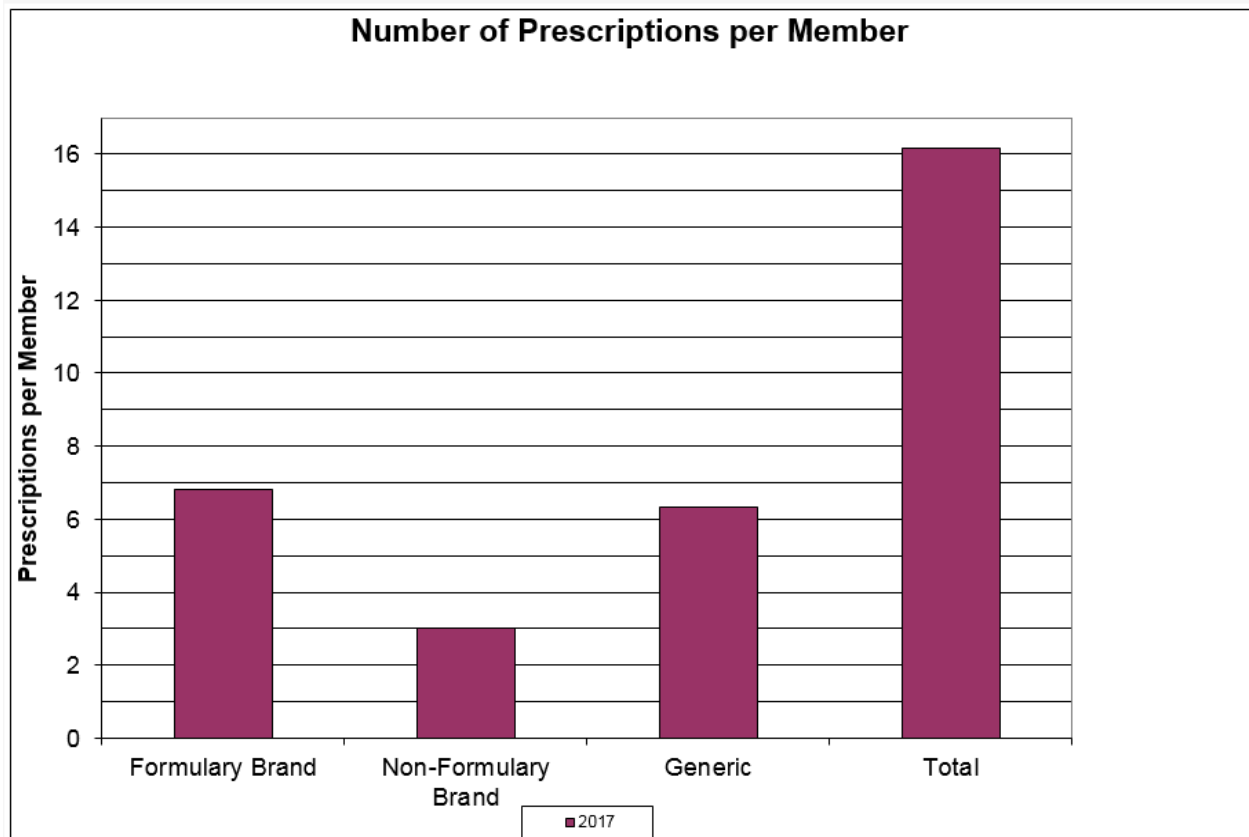
### **Drug Indicators by Highest Script Increase**

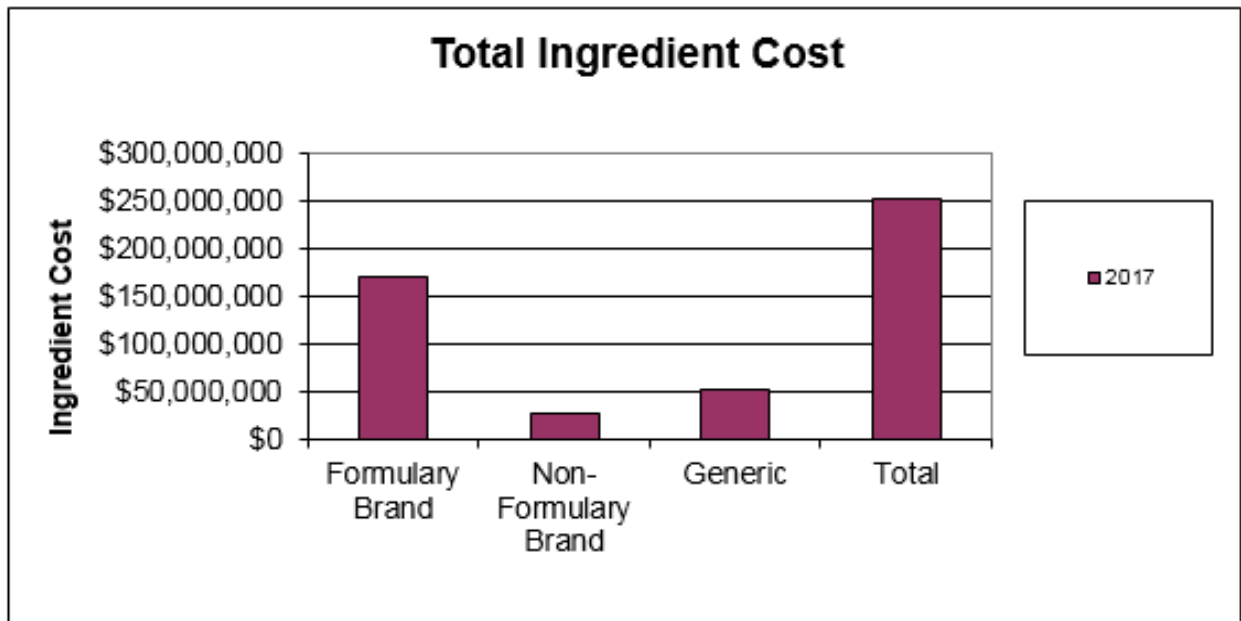
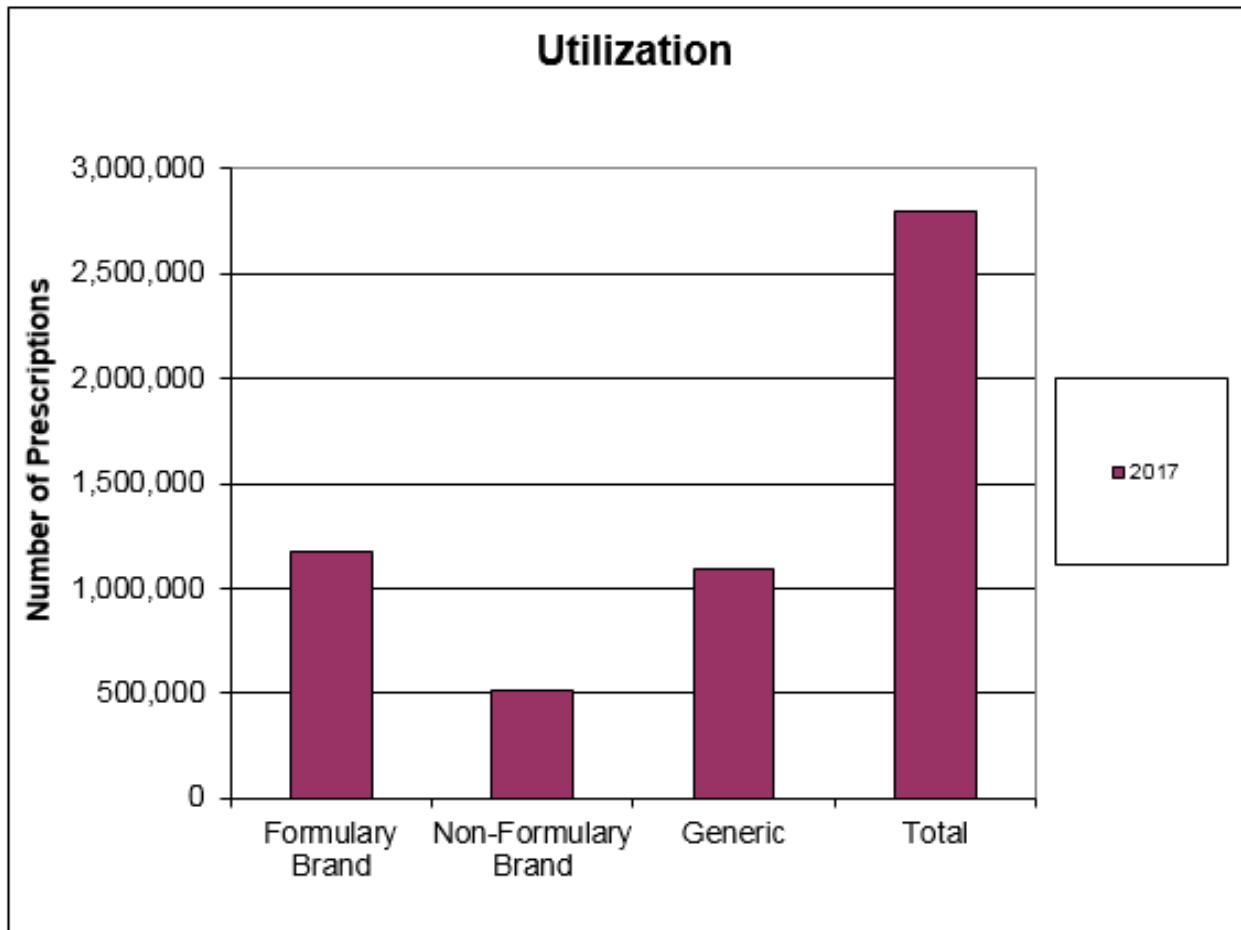
| Rank | Indicator       | Formulary Cost<br>Per Script | Non-Formulary Cost<br>Per Script | Differential |
|------|-----------------|------------------------------|----------------------------------|--------------|
| 32   | PROTEASE INH    | 7.99                         | 115.02                           | 1339%        |
| 34   | OTHER MISC THER | 23.80                        | 128.24                           | 439%         |
| 12   | CONTRACEPTIVES  | 29.92                        | 113.05                           | 278%         |
| 30   | A-ADREN AGONIST | 478.13                       | 1,555.46                         | 225%         |
| 10   | ANTI-INFLAMMATO | 153.52                       | 436.83                           | 185%         |
| 20   | ESTROGEN        | 137.23                       | 381.05                           | 178%         |
| 15   | ANTIPSYCHOTICS  | 105.24                       | 276.47                           | 163%         |
| 23   | BIGUANIDES      | 295.20                       | 766.25                           | 160%         |
| 25   | BETA BLOCKERS   | 26.18                        | 63.43                            | 142%         |
| 14   | B-ADREN AGON    | 55.15                        | 127.23                           | 131%         |
| 11   | PPI             | 56.60                        | 128.89                           | 128%         |
| 39   | OPIATE AGONISTS | 139.61                       | 251.33                           | 80%          |
| 38   | RESP AND CNS    | 23.59                        | 37.17                            | 58%          |
| 6    | INCRETIN MIMETI | 776.95                       | 1,054.07                         | 36%          |
| 9    | ANTICOAGULANTS  | 277.77                       | 288.06                           | 4%           |
| 35   | EENT ANTI-INFL  | 2,312.55                     | 311.79                           | 0%           |
| 19   | AMPHETAMINES    | 178.23                       | 152.87                           | -14%         |
| 28   | SOMATOTROP AGON | 1,904.83                     | 1,580.29                         | -17%         |
| 31   | HMG-COA RED INH | 502.87                       | 406.11                           | -19%         |
| 7    | ANTIDIABETIC    | 550.68                       | 424.02                           | -23%         |

### **Drug Indicators by Highest Script Increase (continued)**

| Rank | Indicator                   | Formulary Cost<br>Per Script | Non-Formulary Cost<br>Per Script | Increase/<br>Decrease |
|------|-----------------------------|------------------------------|----------------------------------|-----------------------|
| 2    | INSULINS                    | 851.73                       | 634.89                           | -25%                  |
| 33   | CORTICOSTEROIDS             | 26,483.35                    | 18,702.72                        | -29%                  |
|      | CYSTIC FIBROSIS             |                              |                                  |                       |
|      | TRANSMEMBRANE               |                              |                                  |                       |
| 26   | CONDUCTANCE REGULATO        | 26.67                        | 17.61                            | -34%                  |
| 1    | ANTIRHEUMATIC               | \$4,309.36                   | \$2,693.45                       | -37%                  |
| 37   | ANGIOTEN 2 ANTG             | 82.90                        | 50.99                            | -38%                  |
| 13   | MISC ANTICONVUL             | 53.66                        | 29.81                            | -44%                  |
| 18   | DIABETES MELLIT             | 790.93                       | 390.49                           | -51%                  |
| 40   | NONSTEROIDAL AN             | 22.02                        | 9.80                             | -56%                  |
| 5    | DDP-4 INHIBITOR             | 561.51                       | 249.23                           | -56%                  |
| 8    | ANTIDEPRESSANTS             | 26.26                        | 10.95                            | -58%                  |
| 29   | GI DRUGS, MISCE             | 5,519.26                     | 2,287.10                         | -59%                  |
| 21   | ANTIMUSCARINICS             | 210.88                       | 71.15                            | -66%                  |
| 4    | ANTINEOPLASTIC              | 1,212.61                     | 359.73                           | -70%                  |
| 22   | SKIN AND MUCOUS             | 204.11                       | 54.94                            | -73%                  |
| 16   | CHOL ABSO INHIB             | 256.13                       | 62.63                            | -76%                  |
| 24   | THYROID AGENTS              | 44.69                        | 8.77                             | -80%                  |
| 3    | IMMUNOMOD AGNTS             | 5,675.74                     | 0.00                             | -100%                 |
| 17   | NERVOUS SYS AGT             | 456.24                       | 0.00                             | -100%                 |
| 27   | ANTIRETROVIRALS             | 22,373.28                    | 0.00                             | -100%                 |
| 36   | FIBRIC ACID DER             | 603.88                       | 0.00                             | -100%                 |
|      | <u>All Other Indicators</u> | <u>36.54</u>                 | <u>30.45</u>                     | <u>-17%</u>           |
|      | <b>Grand Total</b>          | <b>\$70.35</b>               | <b>\$337.42</b>                  | <b>380%</b>           |







### 1 - ANTIRHEUMATIC

In FY 2017, the Antirheumatic category was first in cost to PEIA with expenditure of \$30,771,608, which accounted for 12.5% of total expenditures. Formulary expenditures were \$29,282,131 or 95.2% of Antirheumatic expenditures.

| Drug                       | Current<br>Formulary<br>Status | Current<br>Brand/<br>Generic | Number of Prescriptions | Ingredient Cost Per Prescription | Total Ingredient Cost |
|----------------------------|--------------------------------|------------------------------|-------------------------|----------------------------------|-----------------------|
|                            |                                |                              | 2017                    | 2017                             | 2017                  |
| HUMIRA                     | Y                              | SSB                          | 3,548                   | \$4,823.39                       | \$17,113,381          |
| ENBREL                     | Y                              | SSB                          | 1,826                   | 4,441.13                         | 8,109,509             |
| OTEZLA                     | N                              | SSB                          | 541                     | 2,741.93                         | 1,483,387             |
| XELJANZ                    | Y                              | SSB                          | 301                     | 3,553.79                         | 1,069,690             |
| CIMZIA                     | Y                              | GEN                          | 295                     | 3,412.88                         | 1,006,800             |
| <u>Subtotals</u>           |                                |                              |                         |                                  |                       |
| Generic                    | Y                              | GEN                          | 357                     | \$3,411.38                       | 1,217,864             |
| Formulary Brand            | Y                              | Brand                        | 6,438                   | 4,359.16                         | 28,064,268            |
| <u>Non-Formulary Brand</u> | <u>N</u>                       | <u>Brand</u>                 | <u>553</u>              | <u>2,693.45</u>                  | <u>1,489,477</u>      |
| Total                      |                                |                              | 7,348                   | \$4,187.75                       | \$30,771,608          |

## 2 - INSULINS

In FY 2017, the Insulins category was second in cost to PEIA with expenditure of \$27,738, which accounted for 11.3% of total expenditures overall. Formulary expenditures were \$23,006,811 or 82.9% of Insulins expenditures.

| Drug                       | Current<br>Formulary<br>Status | Current<br>Brand/<br>Generic | Number of Prescriptions | Ingredient Cost Per Prescription | Total Ingredient Cost |
|----------------------------|--------------------------------|------------------------------|-------------------------|----------------------------------|-----------------------|
|                            |                                |                              | 2017                    | 2017                             | 2017                  |
| NOVOLOG FLEXPEN            | Y                              | SSB                          | 7,430                   | \$905.69                         | \$6,729,305           |
| LEVEMIR                    |                                |                              |                         |                                  |                       |
| FLEXTOUCH                  | Y                              | SSB                          | 6,496                   | 777.64                           | 5,051,543             |
| TRESIBA FLEXTOUCH          | Y                              | SSB                          | 4,603                   | 837.53                           | 3,855,161             |
| NOVOLOG                    | Y                              | SSB                          | 3,810                   | 999.13                           | 3,806,687             |
| LANTUS SOLOSTAR            | N                              | SSB                          | 3,483                   | 611.60                           | 2,130,191             |
| <u>Subtotals</u>           |                                |                              |                         |                                  |                       |
| Generic                    | Y                              | GEN                          | 864                     | \$416.74                         | \$360,060             |
| Formulary Brand            | Y                              | Brand                        | 26,148                  | 866.10                           | 22,646,750            |
| <u>Non-Formulary Brand</u> | <u>N</u>                       | <u>Brand</u>                 | <u>7,453</u>            | <u>634.89</u>                    | <u>4,731,860</u>      |
| Total                      |                                |                              | 34,465                  | \$804.84                         | \$27,738,671          |

### 3 – IMMUNOMOD AGENTS

In FY 2017, the Immunomod Agents indicator category was third in cost to PEIA with expenditure of \$12,174,463, which accounted for 4.9% of total expenditures. Formulary expenditures were \$12,174,463 or 100.0% of Immunomod Agents' expenditures.

| Drug                       | Current<br>Formulary<br>Status | Current<br>Brand/<br>Generic | Number of Prescriptions | Ingredient Cost Per Prescription | Total Ingredient Cost |
|----------------------------|--------------------------------|------------------------------|-------------------------|----------------------------------|-----------------------|
|                            |                                |                              | 2017                    | 2017                             | 2017                  |
| COPAXONE                   | Y                              | SSB                          | 880                     | \$5,439.65                       | \$4,786,888           |
| TECFIDERA                  | Y                              | SSB                          | 352                     | 6,410.20                         | 2,256,391             |
| GILENYA                    | Y                              | GEN                          | 283                     | 6,275.41                         | 1,775,942             |
| AVONEX                     | Y                              | SSB                          | 237                     | 5,221.92                         | 1,237,595             |
| AUBAGIO                    | Y                              | SSB                          | 186                     | 5,451.02                         | 1,013,889             |
| <u>Subtotals</u>           |                                |                              |                         |                                  |                       |
| Generic                    | Y                              | GEN                          | 327                     | \$6,193.44                       | \$2,025,254           |
| Formulary Brand            | Y                              | Brand                        | 1,818                   | 5,582.62                         | 10,149,209            |
| <u>Non-Formulary Brand</u> | <u>N</u>                       | <u>Brand</u>                 | <u>0</u>                | <u>NA</u>                        | <u>0</u>              |
| Total                      |                                |                              | 2,145                   | \$5,675.74                       | \$12,174,463          |

#### 4 - ANTINEOPLASTIC

In FY 2017, the Antineoplastic indicator category was fourth in cost to PEIA with expenditure of \$11,667,917, which accounted for 4.7% of total expenditures overall. Formulary expenditures were \$10,541,238 or 90.3% of Antineoplastic expenditures.

| Drug                       | Current<br>Formulary<br>Status | Current<br>Brand/<br>Generic | Number of Prescriptions | Ingredient Cost Per Prescription | Total Ingredient Cost |
|----------------------------|--------------------------------|------------------------------|-------------------------|----------------------------------|-----------------------|
|                            |                                |                              | 2017                    | 2017                             | 2017                  |
| REVLIMID                   | Y                              | SSB                          | 161                     | \$10,431.94                      | \$1,679,542           |
| ZYTIGA                     | Y                              | SSB                          | 55                      | 17,852.97                        | 981,913               |
| GLEEVEC                    | Y                              | SSB                          | 103                     | 9,053.34                         | 932,494               |
| IBRANCE                    | Y                              | SSB                          | 88                      | 9,868.91                         | 868,464               |
| XTANDI                     | Y                              | SSB                          | 65                      | 9,890.31                         | 642,870               |
| <u>Subtotals</u>           |                                |                              |                         |                                  |                       |
| Generic                    | Y                              | GEN                          | 838                     | \$3,621.69                       | \$3,034,977           |
| Formulary Brand            | Y                              | Brand                        | 7,855                   | 955.60                           | 7,506,261             |
| <u>Non-Formulary Brand</u> | <u>N</u>                       | <u>Brand</u>                 | <u>3,132</u>            | <u>359.73</u>                    | <u>1,126,680</u>      |
| Total                      |                                |                              | 11,825                  | \$986.72                         | \$11,667,917          |

### 5 – DDP-4 INHIBITOR

In FY 2017, the DDP-4 Inhibitor indicator category was fifth in cost to PEIA with expenditure of \$10,242,277, which accounted for 4.2% of total expenditures. Formulary expenditures were \$10,238,538 or 99.9% of DDP-4 Inhibitor expenditures.

| Drug                       | Current<br>Formulary<br>Status | Current<br>Brand/<br>Generic | Number of Prescriptions | Ingredient Cost Per Prescription | Total Ingredient Cost |
|----------------------------|--------------------------------|------------------------------|-------------------------|----------------------------------|-----------------------|
|                            |                                |                              | 2017                    | 2017                             | 2017                  |
| JANUVIA                    | Y                              | SSB                          | 9,744                   | \$564.77                         | \$5,503,166           |
| TRADJENTA                  | Y                              | SSB                          | 3,879                   | 545.11                           | 2,114,463             |
| JANUMET                    | Y                              | SSB                          | 2,983                   | 624.83                           | 1,863,857             |
| JANUMET XR                 | Y                              | GEN                          | 1,093                   | 465.74                           | 509,049               |
| JENTADUETO                 | Y                              | GEN                          | 416                     | 459.92                           | 191,327               |
| <u>Subtotals</u>           |                                |                              |                         |                                  |                       |
| Generic                    | Y                              | GEN                          | 1,587                   | \$467.05                         | \$741,213             |
| Formulary Brand            | Y                              | Brand                        | 16,647                  | 570.51                           | 9,497,325             |
| <u>Non-Formulary Brand</u> | <u>N</u>                       | <u>Brand</u>                 | <u>15</u>               | <u>249.23</u>                    | <u>3,738</u>          |
| Total                      |                                |                              | 18,249                  | \$561.25                         | \$10,242,277          |