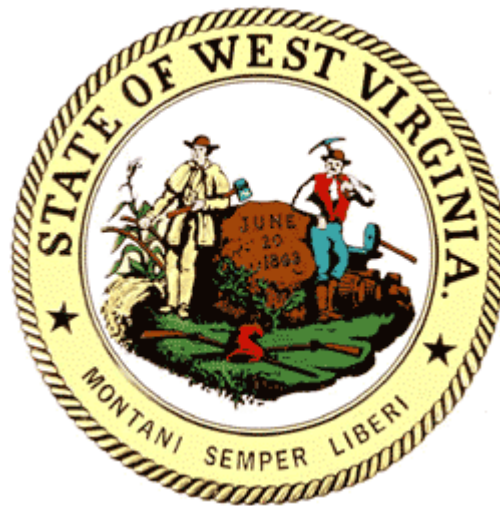




**CCRC**  
Actuaries, LLC

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## **STATE OF WEST VIRGINIA**



### **PUBLIC EMPLOYEES INSURANCE AGENCY**

**Fiscal Year 2009**

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

*September 2009*

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

## **Fiscal Year 2009 Detailed Medical & Prescription Drug Claim Trend Report**

### **OVERVIEW**

CCRC Actuaries, LLC (“CCRC Actuaries”) was engaged by the West Virginia Public Employees Insurance Agency (“PEIA”) to assist the Finance Board in the monitoring of plan experience for fiscal year ending June 30, 2009 on a quarterly basis and the forecasting of Fiscal Years 2010 through 2014. This annual report to the Finance Board serves as the basis for projecting medical and drug claims into Fiscal Year 2010 and beyond. This report is intended for the sole use of the Finance Board, and any other use requires written approval by CCRC Actuaries.

CCRC Actuaries has collected and reviewed the medical and drug claims experience using Non-Medicare claims incurred and paid through July 2009. It should be noted that effective July 1, 2007, PEIA has contracted with Coventry Health Care to provide Medicare Advantage/Prescription Drug (MAPD) Benefits to Medicare-eligible retired employees and dependents. Under this arrangement, Coventry Health Care has assumed the financial risk of providing comprehensive medical and prescription drug coverage with limited copayments. CCRC Actuaries has not reviewed the Medicare claims experience in this report.

Since July 1, 2000, Wells Fargo has been the administrator of the plan’s medical claims and has provided reports for both medical and prescription drug claims. The analysis utilized claim data supplied from Wells Fargo as a primary source of claims data for this report and PEIA provided enrollment information.

Trends were developed by category for the 24-month, 36-month and the 48-month credible periods ending May 2009. Our analysis for medical claims do not include incurred claims for the months after May 2009, since the claim experience for these months is largely non-credible with substantial reserves as part of the projected monthly incurred amount. The claim information supplied by Wells Fargo for the purposes of this analysis was compared to PEIA’s general ledger system to ensure accuracy of aggregate reporting. In an effort to assure accuracy, the claim information provided by Wells Fargo and used in this analysis was reconciled and balanced to the PEIA general ledger amounts.

## **KEY FINDINGS**

- The overall medical trend decreased from 6.9% last year to 5.1% in Fiscal Year 2009 using a 24-month study period. Using the 24-month analysis, PEIA experienced a 2.5% utilization increase and a 2.6% unit cost increase, resulting in an aggregate trend of 5.1%. The 36-month and 48-month overall show similar trends due to the favorable experience in the previous fiscal years to the 24-month analysis.

These results compare favorably to the 24-month trends calculated in Fiscal Years 2002 through 2008.

<b>West Virginia PEIA Non-Medicare Total 24-Month Trend Analysis</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%

- Fiscal Year 2009 Public Employees Insurance Agency and Retiree Health Benefit Trust Fund (RHBT) detail trends are shown in the following table:

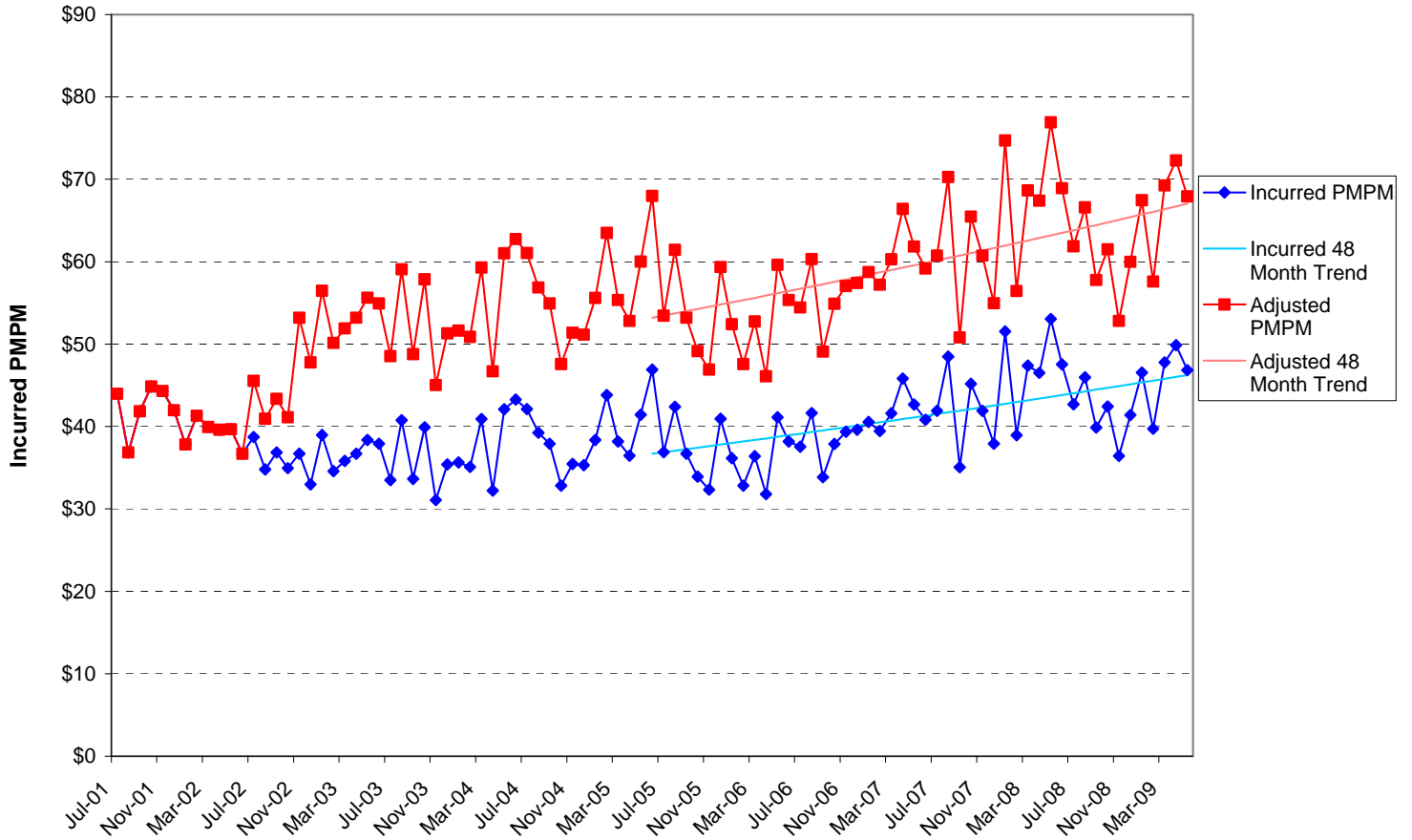
<b>Fiscal Year 2009 Claim Type</b>	<b>Medical</b>	<b>Drugs</b>
PEIA – Active Local	-4.3%	10.4%
<u>PEIA – State</u>	<u>7.0%</u>	<u>8.7%</u>
PEIA – Total	5.3%	8.9%
RHBT – Non-Medicare	-1.0%	4.7%
Grand Total	4.4%	8.3%

It should be noted that the drug trends have been adjusted to reflect benefit design changes implemented in Fiscal Year 2009.

- Other services, which are services that are principally Durable Medical Services and Ambulance, represent approximately 2% of all medical services and experienced the largest increase of the broader claim categories with a total trend of 11.5%. This increase was caused by an 8.4% increase in utilization of these services and a 2.9% reduction in unit cost.
- Hospital Outpatient services represent approximately 30% of all medical services and experienced the second largest of the broader claim categories increase with a total trend of 9.2%. This increase was caused by a 1.9% increase in utilization and a 7.2% increase in unit cost.
- Hospital Inpatient services represent approximately 20% of all medical services and experienced the third largest of the broader claim categories increase with a total trend of 3.2%. This increase was caused by a 2.2% increase in utilization and a 1.0% increase in unit cost.
- Physician services represent approximately 48% of all medical services and experienced the lowest increase of the broader claim categories with a trend of 3.0%. This increase was a result of a 2.6% increase in utilization of these services and a 0.3% increase in unit cost.
- Overall, Out-of-State services show higher trends for Non-Medicare coverages, with higher utilization and cost per service increases for services provided out of 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 5.9% and an Out-of-State trend of 7.1%. For Out-of-State, while the utilization increases have been lower, the cost per service increase has more than offset the difference. For Out-of-State, the utilization for Non-Medicare trend was a -0.9%, while the In-State was a 2.8%. For Out-of-State, the cost per service for Non-Medicare trend was an 8.1%, while the In-State was a 3.0%. The Out-of-State cost per service increase was fairly consistent for the major categories of Hospital Inpatient and Hospital Outpatient.

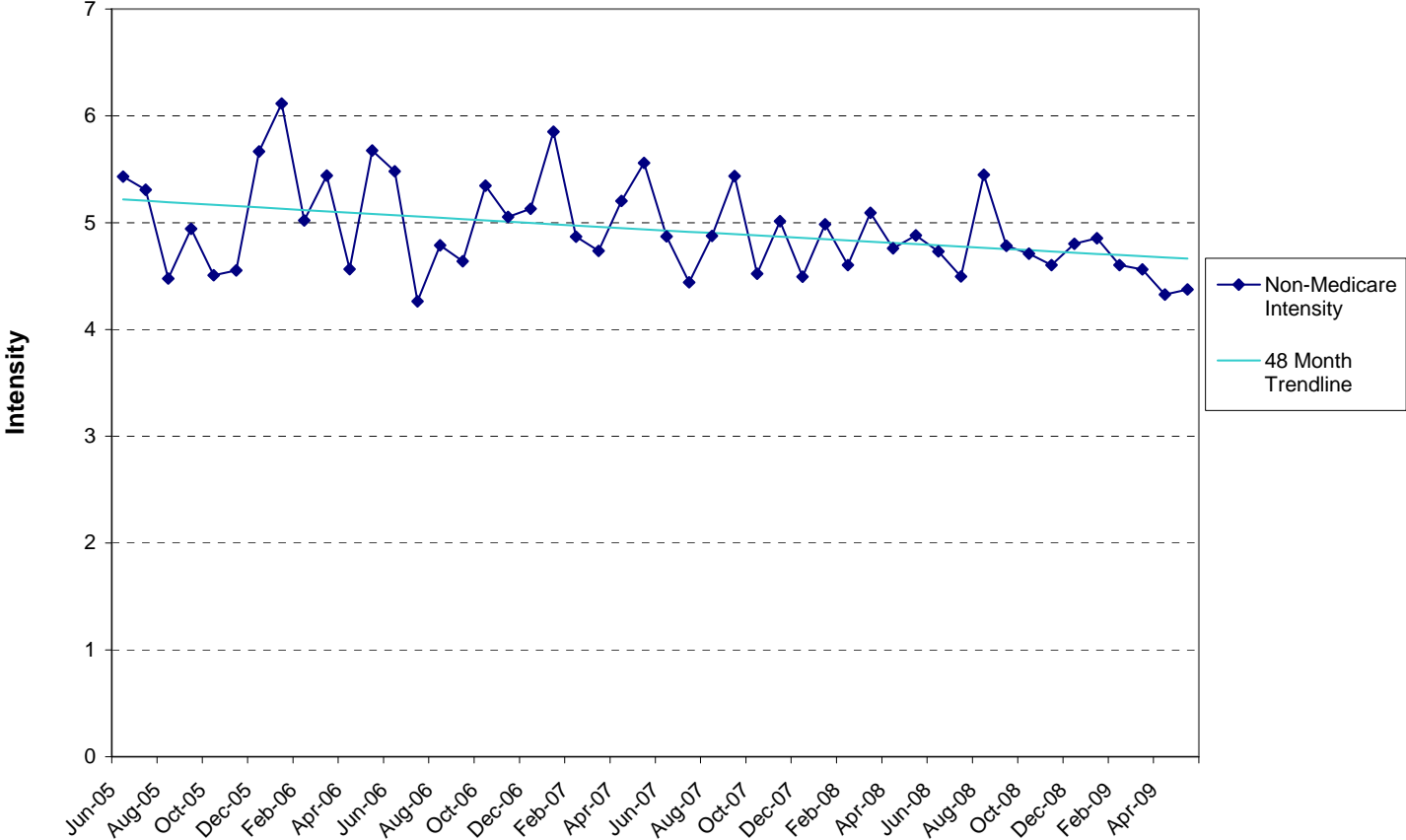
- The PEIA/Medicaid Hospital Bill resulted in a one-time 31% reduction in unit hospital cost in FY 2003. The red line in the chart below shows the expected impact if there was no PEIA/Medicaid Hospital Bill.

### Non-Medicare Hospital Inpatient Claims



- A component of the cost per service trend for hospital inpatient is the length of stay, or intensity. Over the 48-month analysis, the intensity for Non-Medicare hospital stays has a trend of -2.8%, compared to -4.3% last year.

### Hospital Inpatient Intensity



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

<b>West Virginia PEIA Non-Medicare Hospital Inpatient Trend Analysis</b>			
	<u>24-Month</u>	<u>36-Month</u>	<u>48-Month</u>
Visits	4.1%	2.5%	2.2%
Intensity	-3.3%	-3.4%	-2.8%
<u>Cost/Day</u>	<u>4.3%</u>	<u>8.3%</u>	<u>7.8%</u>
Total	5.0%	7.3%	7.1%

## KEY FINDINGS - DRUG

- Overall, prescription drugs trends for Non-Medicare coverages have increased steadily. Using the 24-month analysis, we observe a 2.5% utilization increase and a 0.6% prescription cost increase, resulting in an aggregate trend of 3.2%. The 24-month overall trend is higher than the 36-month and 48-month analysis.

<b>West Virginia PEIA Prescription Drugs Total 24-Month Trend Analysis</b>			
	<u>Utilization</u>	<u>Cost/Prescription</u>	<u>Total Trend</u>
FY 2008	2.5%	0.6%	3.2%

## METHODOLOGY

Wells Fargo provided allowed and paid claim information for Non-Medicare and Medicare eligibility from July 2001 through July 2009. This data set was analyzed on Non-Medicare claims that were incurred from June 2005 through May 2009 for the 48-month credible period. This claim data was consolidated into 25 categories for Hospital Inpatient, Hospital Outpatient, Physician Services and Other. In addition, claim experience was analyzed based on the state of service as defined by Wells Fargo. Wells Fargo provides the information based on the location that the service was performed, rather than the billing location of the provider. CCRC Actuaries verified that the Wells Fargo information balanced in total to previously produced claim lag reports that PEIA personnel have balanced to the PEIA ledger accounts.

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

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

Consistent with prior reports, the trends published in this report for Non-Medicare 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 essentially been unchanged over the four years period.

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



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

<b><u>Non-Medicare Claims</u></b>	<b><u>12 months ending May 2006</u></b>	<b><u>12 months ending May 2007</u></b>	<b><u>12 months ending May 2008</u></b>	<b><u>12 months ending May 2009</u></b>
Hospital Inpatient	\$70,081,252	\$74,519,808	\$83,263,239	\$80,560,271
Hospital Outpatient	105,348,591	105,958,840	117,530,834	125,694,971
Physician Services	179,719,487	186,414,157	195,533,248	200,063,096
<u>Other Services</u>	<u>8,178,634</u>	<u>9,178,858</u>	<u>9,952,750</u>	<u>10,976,090</u>
<b>Total</b>	<b>\$363,327,963</b>	<b>\$376,071,662</b>	<b>\$406,280,072</b>	<b>\$417,294,427</b>

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

<b><u>Non-Medicare Claims</u></b>	<b><u>June 2005 to May 2006</u></b>	<b><u>June 2006 to May 2007</u></b>	<b><u>June 2007 to May 2008</u></b>	<b><u>June 2008 to May 2009</u></b>
HI Maternity	\$2,110,150	\$2,404,960	\$2,311,820	\$2,303,590
HI Medical/Surgical	66,197,787	69,838,783	78,990,953	75,854,986
HI Psychiatric/Substance Abuse	1,773,315	2,276,065	1,960,466	2,401,695
HO Emergency Room	15,098,871	15,621,026	17,196,875	19,252,503
HO Medical/Surgical	50,596,148	50,623,367	54,042,457	58,241,820
HO Other Services	38,900,846	39,027,524	45,506,031	47,250,348
HO Psychiatric/Substance Abuse	752,726	686,924	785,471	950,300
PS Ambulance	8,783,489	8,861,114	9,558,122	9,508,267
PS Durable Medical Equipment	4,990,136	4,964,113	5,225,561	4,832,246
PS Other Services	6,233,775	6,378,193	6,554,336	6,723,959
PS Anesthesia	3,851,973	4,232,856	4,652,928	4,787,545
PS Chemotherapy/Radiation	3,504,411	4,717,494	5,361,879	5,373,080
PS Consultations	9,707,511	9,579,034	10,449,756	9,604,162
PS Emergency Room	5,093,097	5,503,502	5,454,057	5,333,479
PS Immunizations/Allergy	12,446,542	12,691,748	13,126,765	13,826,932
PS Inpatient Surgery	2,929,609	3,178,245	3,142,730	2,997,141
PS Inpatient Visits	44,397,504	47,619,893	50,383,462	52,392,718
PS Lab & Pathology	32,248,832	31,915,829	32,828,322	35,310,092
PS Maternity	15,246,040	14,979,756	15,276,049	15,491,121
PS Office Visits	6,762,500	7,026,233	7,087,776	7,346,574
PS Other Services	18,594,196	19,808,270	21,040,456	20,745,545
PS Outpatient Surgery	4,929,871	4,957,878	5,391,051	5,790,235
O Psychiatric/Substance Abuse	2,123,872	2,171,945	2,395,761	2,461,861
O Radiology	4,296,021	5,042,887	5,277,384	6,025,900
O Therapy/Rehab	1,758,740	1,964,025	2,279,605	2,488,329

## **COMPARISON (PAID VS. ALLOWED)**

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

We have examined the trends utilizing paid claims as opposed to allowed claims. The following table summarizes the trends on a paid basis for the Fiscal Years 2006 through 2009 and on an allowed basis for Non-Medicare medical claims. This exercise is important since interim trend updates throughout the years are based on a paid basis.

<b>West Virginia PEIA Non-Medicare Medical Total Trend Analysis</b>		
	<u>Paid Basis</u>	<u>Allowed Basis</u>
24-Month Trend	4.1%	5.1%
36-Month Trend	5.7%	5.6%
48-Month Trend	5.0%	5.1%

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

## SUMMARY

The tables and sections that follow summarize the information and findings of the trend analysis. The tables and charts on the next several pages include separate analysis of utilization and unit cost trends for Non-Medicare 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 slightly lower than the current trend assumption for FY 2010 of 7.5%. Consequently, at this time we believe it is prudent and appropriate to decrease the FY 2010 trend assumptions for Non-Medicare medical to 6.0%.

Recent experience has shown that Non-Medicare drug claim trends are significantly lower than the current trend assumption of 12.5%. At this time we believe it is prudent and appropriate to reduce the current trend assumptions for Non-Medicare drug to 11.0%.

Both changes are shown in the following chart.

	<i>Fiscal Year 2010 Trends</i>		
Claim Type	Previous Assumption	Updated Assumption	Change
Non-Medicare – Medical	7.5%	6.0%	-1.5%
Non-Medicare – Prescription Drugs	12.5%	11.0%	-1.5%

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., M.A.A.A.  
Managing Partner



Bradley Paulis  
Reviewing Partner

## West Virginia PEIA Non-Medicare Total Study Period of June 2005 to May 2009

### Trends Summary - Excludes Drugs

	24 Month Trends Summary				36 Month Trends Summary				48 Month Trends Summary			
	Utilization	Cost / Service	Total Trend	Weight	Utilization	Cost / Service	Total Trend	Weight	Utilization	Cost / Service	Total Trend	Weight
<b>HOSPITAL INPATIENT</b>												
Maternity	2.8%	2.3%	<b>5.1%</b>	0.6%	0.1%	-0.2%	<b>-0.1%</b>	0.6%	1.9%	1.1%	<b>3.1%</b>	0.6%
Medical / Surgical	2.1%	0.6%	<b>2.7%</b>	18.8%	1.4%	4.7%	<b>6.2%</b>	18.7%	1.4%	4.7%	<b>6.1%</b>	18.6%
Psychiatric / Substance Abuse	5.3%	14.2%	<b>20.2%</b>	0.5%	-7.5%	11.3%	<b>2.9%</b>	0.6%	-4.4%	13.8%	<b>8.8%</b>	0.5%
<b>TOTAL</b>	<b>2.2%</b>	<b>1.0%</b>	<b>3.2%</b>	<b>19.9%</b>	<b>1.1%</b>	<b>4.7%</b>	<b>5.9%</b>	<b>19.9%</b>	<b>1.3%</b>	<b>4.8%</b>	<b>6.1%</b>	<b>19.7%</b>
<b>HOSPITAL OUTPATIENT</b>												
Emergency Room	3.2%	10.8%	<b>14.3%</b>	4.4%	2.8%	8.7%	<b>11.7%</b>	4.3%	2.6%	6.2%	<b>9.0%</b>	4.3%
Medical / Surgical	1.4%	7.8%	<b>9.3%</b>	13.6%	0.1%	6.9%	<b>7.0%</b>	13.6%	1.3%	3.7%	<b>5.0%</b>	13.7%
Other Services	2.0%	4.8%	<b>6.9%</b>	11.3%	2.1%	7.3%	<b>9.6%</b>	11.0%	1.8%	5.5%	<b>7.4%</b>	10.9%
Psychiatric / Substance Abuse	4.1%	18.6%	<b>23.4%</b>	0.2%	0.6%	16.3%	<b>16.9%</b>	0.2%	-1.9%	11.0%	<b>8.9%</b>	0.2%
<b>TOTAL</b>	<b>1.9%</b>	<b>7.2%</b>	<b>9.2%</b>	<b>29.5%</b>	<b>1.2%</b>	<b>7.4%</b>	<b>8.7%</b>	<b>29.1%</b>	<b>1.7%</b>	<b>4.8%</b>	<b>6.5%</b>	<b>29.1%</b>
<b>PHYSICIAN SERVICES</b>												
Anesthesia	1.4%	-2.7%	<b>-1.3%</b>	2.3%	2.2%	0.4%	<b>2.6%</b>	2.3%	1.3%	1.1%	<b>2.4%</b>	2.3%
Chemotherapy / Radiation	-8.7%	1.5%	<b>-7.3%</b>	1.2%	-2.8%	1.7%	<b>-1.1%</b>	1.3%	0.6%	-1.8%	<b>-1.2%</b>	1.3%
Consultations	4.6%	0.6%	<b>5.3%</b>	1.6%	2.3%	1.0%	<b>3.3%</b>	1.6%	1.1%	1.6%	<b>2.7%</b>	1.7%
Emergency Room	3.4%	3.7%	<b>7.3%</b>	1.1%	2.6%	4.9%	<b>7.6%</b>	1.1%	3.3%	4.7%	<b>8.2%</b>	1.1%
Immunizations / Injections / Allergy	-5.2%	-4.8%	<b>-9.7%</b>	1.3%	5.0%	-1.9%	<b>2.9%</b>	1.3%	10.2%	1.7%	<b>12.1%</b>	1.2%
Inpatient Surgery	-3.1%	-4.1%	<b>-7.0%</b>	2.4%	0.7%	-1.0%	<b>-0.3%</b>	2.5%	0.6%	-0.5%	<b>0.1%</b>	2.5%
Inpatient Visits	2.3%	-0.5%	<b>1.8%</b>	1.3%	0.0%	-0.4%	<b>-0.3%</b>	1.4%	1.2%	0.5%	<b>1.7%</b>	1.4%
Lab & Pathology	4.2%	2.0%	<b>6.3%</b>	3.3%	2.8%	1.5%	<b>4.3%</b>	3.3%	2.9%	0.6%	<b>3.5%</b>	3.3%
Maternity	-1.5%	-3.1%	<b>-4.6%</b>	0.7%	-3.2%	0.3%	<b>-2.9%</b>	0.8%	0.9%	-0.7%	<b>0.2%</b>	0.8%
Office Visits	5.9%	1.4%	<b>7.3%</b>	12.5%	2.8%	3.0%	<b>5.9%</b>	12.5%	2.4%	3.5%	<b>6.0%</b>	12.5%
Other Services	0.9%	4.2%	<b>5.1%</b>	8.3%	1.6%	2.3%	<b>3.9%</b>	8.3%	2.6%	-0.5%	<b>2.1%</b>	8.5%
Outpatient Surgery	2.8%	-1.8%	<b>0.9%</b>	3.7%	1.8%	-1.2%	<b>0.6%</b>	3.8%	1.0%	-1.0%	<b>0.0%</b>	3.9%
Psychiatric / Substance Abuse	3.3%	1.2%	<b>4.6%</b>	1.8%	2.7%	-0.3%	<b>2.4%</b>	1.8%	3.1%	-0.4%	<b>2.6%</b>	1.8%
Radiology	3.0%	-4.5%	<b>-1.6%</b>	5.1%	3.5%	-1.9%	<b>1.5%</b>	5.1%	2.7%	0.7%	<b>3.4%</b>	5.1%
Therapies	5.8%	2.9%	<b>8.8%</b>	1.4%	4.1%	3.3%	<b>7.5%</b>	1.3%	1.3%	4.2%	<b>5.5%</b>	1.3%
<b>TOTAL</b>	<b>2.6%</b>	<b>0.3%</b>	<b>3.0%</b>	<b>48.0%</b>	<b>2.2%</b>	<b>1.1%</b>	<b>3.4%</b>	<b>48.5%</b>	<b>2.3%</b>	<b>1.1%</b>	<b>3.5%</b>	<b>48.7%</b>
<b>OTHER</b>												
Ambulance	-2.3%	9.0%	<b>6.5%</b>	0.6%	2.7%	4.5%	<b>7.3%</b>	0.6%	5.2%	0.5%	<b>5.8%</b>	0.6%
Appliances (DME)	14.5%	-0.7%	<b>13.7%</b>	1.4%	12.9%	-2.3%	<b>10.2%</b>	1.4%	11.8%	-0.1%	<b>11.7%</b>	1.3%
Other Services	4.8%	5.1%	<b>10.2%</b>	0.6%	8.3%	4.1%	<b>12.8%</b>	0.6%	8.7%	3.4%	<b>12.4%</b>	0.5%
<b>TOTAL</b>	<b>8.4%</b>	<b>2.9%</b>	<b>11.5%</b>	<b>2.5%</b>	<b>9.5%</b>	<b>0.7%</b>	<b>10.3%</b>	<b>2.5%</b>	<b>9.6%</b>	<b>0.8%</b>	<b>10.4%</b>	<b>2.4%</b>
<b>GRAND TOTAL</b>	<b>2.5%</b>	<b>2.6%</b>	<b>5.1%</b>	<b>100.0%</b>	<b>1.9%</b>	<b>3.7%</b>	<b>5.6%</b>	<b>100.0%</b>	<b>2.1%</b>	<b>2.9%</b>	<b>5.1%</b>	<b>100.0%</b>

**West Virginia PEIA Non-Medicare Total  
Study Period of June 2007 to May 2009  
24 Month Trends Summary - Excludes Drugs**

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
<b>HOSPITAL INPATIENT</b>												
Maternity	4.8%	0.6%	5.5%	-13.8%	24.4%	7.2%	2.8%	2.3%	5.1%	0.5%	0.6%	0.6%
Medical / Surgical	3.1%	0.9%	4.0%	-2.9%	15.7%	12.4%	2.1%	0.6%	2.7%	12.6%	36.0%	18.8%
Psychiatric / Substance Abuse	-1.5%	8.3%	6.7%	-3.5%	21.2%	16.9%	5.3%	14.2%	20.2%	0.6%	0.5%	0.5%
<b>TOTAL</b>	<b>3.0%</b>	<b>1.1%</b>	<b>4.1%</b>	<b>-3.1%</b>	<b>16.0%</b>	<b>12.4%</b>	<b>2.2%</b>	<b>1.0%</b>	<b>3.2%</b>	<b>13.7%</b>	<b>37.2%</b>	<b>19.9%</b>
<b>HOSPITAL OUTPATIENT</b>												
Emergency Room	3.6%	10.8%	14.8%	-1.9%	14.4%	12.2%	3.2%	10.8%	14.3%	4.8%	3.0%	4.4%
Medical / Surgical	2.4%	10.6%	13.2%	-5.8%	6.0%	-0.2%	1.4%	7.8%	9.3%	13.4%	13.9%	13.6%
Other Services	2.2%	5.7%	8.0%	-0.7%	4.3%	3.6%	2.0%	4.8%	6.9%	11.3%	10.5%	11.3%
Psychiatric / Substance Abuse	-6.3%	12.9%	5.7%	128.2%	0.6%	129.5%	4.1%	18.6%	23.4%	0.2%	0.3%	0.2%
<b>TOTAL</b>	<b>2.4%</b>	<b>8.8%</b>	<b>11.4%</b>	<b>-2.2%</b>	<b>6.2%</b>	<b>3.9%</b>	<b>1.9%</b>	<b>7.2%</b>	<b>9.2%</b>	<b>29.8%</b>	<b>27.7%</b>	<b>29.5%</b>
<b>PHYSICIAN SERVICES</b>												
Anesthesia	2.6%	-1.4%	1.2%	-7.6%	-2.6%	-10.0%	1.4%	-2.7%	-1.3%	2.5%	1.9%	2.3%
Chemotherapy / Radiation	-13.5%	1.2%	-12.4%	23.1%	-7.5%	13.9%	-8.7%	1.5%	-7.3%	1.3%	1.0%	1.2%
Consultations	5.3%	0.6%	5.9%	0.0%	1.9%	1.9%	4.6%	0.6%	5.3%	1.9%	0.9%	1.6%
Emergency Room	4.0%	2.6%	6.7%	-3.3%	16.8%	12.9%	3.4%	3.7%	7.3%	1.4%	0.5%	1.1%
Immunizations / Injections / Allergy	-5.0%	-5.2%	-9.9%	-7.1%	-0.9%	-7.9%	-5.2%	-4.8%	-9.7%	1.6%	0.5%	1.3%
Inpatient Surgery	-1.8%	-2.2%	-3.9%	-7.9%	-5.1%	-12.6%	-3.1%	-4.1%	-7.0%	2.3%	2.9%	2.4%
Inpatient Visits	2.1%	-0.4%	1.6%	3.8%	-0.7%	3.1%	2.3%	-0.5%	1.8%	1.4%	1.0%	1.3%
Lab & Pathology	0.4%	0.7%	1.1%	12.6%	0.5%	13.1%	4.2%	2.0%	6.3%	2.4%	5.1%	3.3%
Maternity	-3.7%	1.0%	-2.8%	15.5%	-30.2%	-19.4%	-1.5%	-3.1%	-4.6%	0.9%	0.3%	0.7%
Office Visits	6.2%	1.5%	7.8%	2.3%	0.9%	3.3%	5.9%	1.4%	7.3%	15.5%	4.4%	12.5%
Other Services	1.0%	3.0%	4.0%	-0.6%	10.4%	9.7%	0.9%	4.2%	5.1%	9.4%	5.7%	8.3%
Outpatient Surgery	3.8%	-1.7%	2.0%	-3.7%	0.9%	-2.9%	2.8%	-1.8%	0.9%	4.1%	2.9%	3.7%
Psychiatric / Substance Abuse	2.5%	1.8%	4.4%	13.2%	-5.0%	7.5%	3.3%	1.2%	4.6%	2.3%	0.5%	1.8%
Radiology	3.4%	-4.6%	-1.4%	0.6%	-3.2%	-2.6%	3.0%	-4.5%	-1.6%	5.5%	4.2%	5.1%
Therapies	6.4%	3.3%	10.0%	-3.0%	-4.3%	-7.2%	5.8%	2.9%	8.8%	1.7%	0.3%	1.4%
<b>TOTAL</b>	<b>2.8%</b>	<b>0.4%</b>	<b>3.1%</b>	<b>1.8%</b>	<b>0.7%</b>	<b>2.5%</b>	<b>2.6%</b>	<b>0.3%</b>	<b>3.0%</b>	<b>54.2%</b>	<b>32.2%</b>	<b>48.0%</b>
<b>OTHER</b>												
Ambulance	-1.3%	6.7%	5.4%	-13.7%	32.7%	14.4%	-2.3%	9.0%	6.5%	0.6%	0.5%	0.6%
Appliances (DME)	14.2%	0.8%	15.1%	16.3%	-4.2%	11.5%	14.5%	-0.7%	13.7%	1.2%	1.8%	1.4%
Other Services	3.3%	-0.1%	3.1%	14.8%	16.3%	33.5%	4.8%	5.1%	10.2%	0.6%	0.6%	0.6%
<b>TOTAL</b>	<b>7.6%</b>	<b>2.1%</b>	<b>9.8%</b>	<b>10.5%</b>	<b>6.6%</b>	<b>17.7%</b>	<b>8.4%</b>	<b>2.9%</b>	<b>11.5%</b>	<b>2.4%</b>	<b>2.9%</b>	<b>2.5%</b>
<b>GRAND TOTAL</b>	<b>2.8%</b>	<b>3.0%</b>	<b>5.9%</b>	<b>-0.9%</b>	<b>8.1%</b>	<b>7.1%</b>	<b>2.5%</b>	<b>2.6%</b>	<b>5.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**West Virginia PEIA Non-Medicare Total  
Study Period of June 2006 to May 2009  
36 Month Trends Summary - Excludes Drugs**

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
<b>HOSPITAL INPATIENT</b>												
Maternity	1.0%	0.5%	1.5%	-0.8%	7.4%	6.6%	0.1%	-0.2%	-0.1%	0.5%	0.7%	0.6%
Medical / Surgical	1.5%	-0.2%	1.3%	1.2%	10.6%	11.9%	1.4%	4.7%	6.2%	12.6%	35.3%	18.7%
Psychiatric / Substance Abuse	-10.9%	9.1%	-2.8%	10.5%	16.7%	28.9%	-7.5%	11.3%	2.9%	0.6%	0.6%	0.6%
<b>TOTAL</b>	<b>0.9%</b>	<b>0.2%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>10.6%</b>	<b>12.0%</b>	<b>1.1%</b>	<b>4.7%</b>	<b>5.9%</b>	<b>13.7%</b>	<b>36.5%</b>	<b>19.9%</b>
<b>HOSPITAL OUTPATIENT</b>												
Emergency Room	2.9%	8.5%	11.6%	1.9%	10.1%	12.2%	2.8%	8.7%	11.7%	4.8%	3.0%	4.3%
Medical / Surgical	0.5%	7.5%	8.1%	-3.1%	8.3%	4.9%	0.1%	6.9%	7.0%	13.4%	14.1%	13.6%
Other Services	2.0%	6.1%	8.2%	2.9%	10.5%	13.7%	2.1%	7.3%	9.6%	11.3%	10.1%	11.0%
Psychiatric / Substance Abuse	-6.1%	6.4%	0.0%	102.3%	10.5%	123.5%	0.6%	16.3%	16.9%	0.2%	0.2%	0.2%
<b>TOTAL</b>	<b>1.4%</b>	<b>7.1%</b>	<b>8.7%</b>	<b>0.5%</b>	<b>9.3%</b>	<b>9.8%</b>	<b>1.2%</b>	<b>7.4%</b>	<b>8.7%</b>	<b>29.8%</b>	<b>27.4%</b>	<b>29.1%</b>
<b>PHYSICIAN SERVICES</b>												
Anesthesia	2.3%	0.0%	2.3%	1.4%	2.0%	3.5%	2.2%	0.4%	2.6%	2.5%	1.9%	2.3%
Chemotherapy / Radiation	-4.3%	2.8%	-1.6%	7.1%	-4.7%	2.1%	-2.8%	1.7%	-1.1%	1.3%	1.1%	1.3%
Consultations	2.7%	0.7%	3.4%	-0.3%	3.1%	2.8%	2.3%	1.0%	3.3%	1.9%	0.9%	1.6%
Emergency Room	2.8%	4.4%	7.2%	0.8%	10.2%	11.2%	2.6%	4.9%	7.6%	1.4%	0.5%	1.1%
Immunizations / Injections / Allergy	5.3%	-0.9%	4.4%	0.5%	-8.6%	-8.2%	5.0%	-1.9%	2.9%	1.6%	0.5%	1.3%
Inpatient Surgery	0.4%	-1.8%	-1.4%	2.0%	0.3%	2.3%	0.7%	-1.0%	-0.3%	2.3%	2.9%	2.5%
Inpatient Visits	-0.3%	0.7%	0.5%	2.0%	-4.8%	-2.9%	0.0%	-0.4%	-0.3%	1.4%	1.1%	1.4%
Lab & Pathology	10.4%	0.1%	10.5%	-10.6%	6.7%	-4.6%	2.8%	1.5%	4.3%	2.4%	5.6%	3.3%
Maternity	-4.6%	2.3%	-2.4%	9.4%	-10.0%	-1.5%	-3.2%	0.3%	-2.9%	0.9%	0.3%	0.8%
Office Visits	3.1%	3.2%	6.3%	0.1%	1.5%	1.6%	2.8%	3.0%	5.9%	15.5%	4.6%	12.5%
Other Services	1.7%	0.3%	2.0%	0.5%	12.0%	12.6%	1.6%	2.3%	3.9%	9.4%	5.6%	8.3%
Outpatient Surgery	2.3%	-1.4%	0.9%	-1.9%	1.6%	-0.3%	1.8%	-1.2%	0.6%	4.1%	3.0%	3.8%
Psychiatric / Substance Abuse	2.9%	-0.5%	2.4%	0.7%	1.2%	1.9%	2.7%	-0.3%	2.4%	2.3%	0.5%	1.8%
Radiology	3.4%	-2.5%	0.8%	4.5%	-0.7%	3.8%	3.5%	-1.9%	1.5%	5.5%	4.3%	5.1%
Therapies	4.5%	3.8%	8.4%	-0.9%	-3.4%	-4.3%	4.1%	3.3%	7.5%	1.7%	0.3%	1.3%
<b>TOTAL</b>	<b>2.7%</b>	<b>0.9%</b>	<b>3.6%</b>	<b>-0.6%</b>	<b>3.2%</b>	<b>2.6%</b>	<b>2.2%</b>	<b>1.1%</b>	<b>3.4%</b>	<b>54.2%</b>	<b>33.2%</b>	<b>48.5%</b>
<b>OTHER</b>												
Ambulance	3.8%	1.8%	5.6%	-9.4%	22.7%	11.2%	2.7%	4.5%	7.3%	0.6%	0.5%	0.6%
Appliances (DME)	13.9%	-3.0%	10.5%	7.1%	1.9%	9.2%	12.9%	-2.3%	10.2%	1.2%	1.8%	1.4%
Other Services	9.4%	1.4%	11.0%	1.6%	12.4%	14.2%	8.3%	4.1%	12.8%	0.6%	0.6%	0.6%
<b>TOTAL</b>	<b>10.2%</b>	<b>-0.7%</b>	<b>9.4%</b>	<b>3.1%</b>	<b>7.7%</b>	<b>11.0%</b>	<b>9.5%</b>	<b>0.7%</b>	<b>10.3%</b>	<b>2.4%</b>	<b>2.9%</b>	<b>2.5%</b>
<b>GRAND TOTAL</b>	<b>2.2%</b>	<b>2.6%</b>	<b>4.9%</b>	<b>0.5%</b>	<b>7.7%</b>	<b>8.2%</b>	<b>1.9%</b>	<b>3.7%</b>	<b>5.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**West Virginia PEIA Non-Medicare Total  
Study Period of June 2005 to May 2009**

48 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
<b>HOSPITAL INPATIENT</b>												
Maternity	3.1%	0.9%	<b>4.1%</b>	-7.3%	10.9%	<b>2.8%</b>	1.9%	1.1%	<b>3.1%</b>	0.5%	0.7%	0.6%
Medical / Surgical	1.7%	1.4%	<b>3.1%</b>	0.0%	8.8%	<b>8.8%</b>	1.4%	4.7%	<b>6.1%</b>	12.6%	35.0%	18.6%
Psychiatric / Substance Abuse	-6.4%	12.2%	<b>4.9%</b>	4.8%	3.2%	<b>8.1%</b>	-4.4%	13.8%	<b>8.8%</b>	0.5%	0.5%	0.5%
<b>TOTAL</b>	<b>1.4%</b>	<b>1.8%</b>	<b>3.2%</b>	<b>-0.1%</b>	<b>8.8%</b>	<b>8.7%</b>	<b>1.3%</b>	<b>4.8%</b>	<b>6.1%</b>	<b>13.7%</b>	<b>36.3%</b>	<b>19.7%</b>
<b>HOSPITAL OUTPATIENT</b>												
Emergency Room	2.7%	5.9%	<b>8.8%</b>	1.7%	7.7%	<b>9.6%</b>	2.6%	6.2%	<b>9.0%</b>	4.8%	2.9%	4.3%
Medical / Surgical	1.3%	3.5%	<b>4.8%</b>	1.2%	4.4%	<b>5.6%</b>	1.3%	3.7%	<b>5.0%</b>	13.5%	14.1%	13.7%
Other Services	1.8%	4.0%	<b>5.9%</b>	2.2%	9.9%	<b>12.4%</b>	1.8%	5.5%	<b>7.4%</b>	11.3%	9.8%	10.9%
Psychiatric / Substance Abuse	-5.0%	5.2%	<b>0.0%</b>	48.3%	9.3%	<b>62.0%</b>	-1.9%	11.0%	<b>8.9%</b>	0.2%	0.2%	0.2%
<b>TOTAL</b>	<b>1.7%</b>	<b>4.1%</b>	<b>5.8%</b>	<b>2.0%</b>	<b>6.8%</b>	<b>8.9%</b>	<b>1.7%</b>	<b>4.8%</b>	<b>6.5%</b>	<b>29.8%</b>	<b>27.1%</b>	<b>29.1%</b>
<b>PHYSICIAN SERVICES</b>												
Anesthesia	1.4%	0.6%	<b>2.0%</b>	1.0%	2.7%	<b>3.7%</b>	1.3%	1.1%	<b>2.4%</b>	2.5%	1.9%	2.3%
Chemotherapy / Radiation	0.1%	-1.7%	<b>-1.6%</b>	3.9%	-2.7%	<b>1.1%</b>	0.6%	-1.8%	<b>-1.2%</b>	1.3%	1.1%	1.3%
Consultations	1.6%	1.3%	<b>2.9%</b>	-2.1%	3.6%	<b>1.5%</b>	1.1%	1.6%	<b>2.7%</b>	1.9%	1.0%	1.7%
Emergency Room	3.4%	4.3%	<b>7.9%</b>	1.6%	8.6%	<b>10.4%</b>	3.3%	4.7%	<b>8.2%</b>	1.4%	0.5%	1.1%
Immunizations / Injections / Allergy	10.6%	3.5%	<b>14.5%</b>	5.5%	-8.3%	<b>-3.2%</b>	10.2%	1.7%	<b>12.1%</b>	1.5%	0.5%	1.2%
Inpatient Surgery	1.0%	-0.7%	<b>0.3%</b>	-1.2%	1.1%	<b>-0.1%</b>	0.6%	-0.5%	<b>0.1%</b>	2.3%	3.0%	2.5%
Inpatient Visits	0.8%	0.3%	<b>1.0%</b>	3.9%	0.4%	<b>4.3%</b>	1.2%	0.5%	<b>1.7%</b>	1.5%	1.1%	1.4%
Lab & Pathology	8.3%	-1.0%	<b>7.2%</b>	-5.5%	5.3%	<b>-0.4%</b>	2.9%	0.6%	<b>3.5%</b>	2.4%	5.8%	3.3%
Maternity	1.1%	-0.5%	<b>0.7%</b>	-1.5%	-1.5%	<b>-3.0%</b>	0.9%	-0.7%	<b>0.2%</b>	0.9%	0.4%	0.8%
Office Visits	2.7%	3.7%	<b>6.5%</b>	0.1%	1.8%	<b>1.8%</b>	2.4%	3.5%	<b>6.0%</b>	15.3%	4.6%	12.5%
Other Services	2.7%	-1.5%	<b>1.1%</b>	2.2%	4.9%	<b>7.3%</b>	2.6%	-0.5%	<b>2.1%</b>	9.5%	5.7%	8.5%
Outpatient Surgery	1.4%	-1.2%	<b>0.2%</b>	-1.4%	0.7%	<b>-0.7%</b>	1.0%	-1.0%	<b>0.0%</b>	4.2%	3.1%	3.9%
Psychiatric / Substance Abuse	3.2%	-0.6%	<b>2.6%</b>	1.3%	1.6%	<b>2.9%</b>	3.1%	-0.4%	<b>2.6%</b>	2.3%	0.5%	1.8%
Radiology	2.5%	0.4%	<b>2.9%</b>	3.7%	1.0%	<b>4.8%</b>	2.7%	0.7%	<b>3.4%</b>	5.4%	4.3%	5.1%
Therapies	1.4%	4.5%	<b>6.0%</b>	-0.6%	-0.1%	<b>-0.7%</b>	1.3%	4.2%	<b>5.5%</b>	1.7%	0.3%	1.3%
<b>TOTAL</b>	<b>2.7%</b>	<b>1.0%</b>	<b>3.7%</b>	<b>0.0%</b>	<b>2.4%</b>	<b>2.5%</b>	<b>2.3%</b>	<b>1.1%</b>	<b>3.5%</b>	<b>54.2%</b>	<b>33.8%</b>	<b>48.7%</b>
<b>OTHER</b>												
Ambulance	7.7%	-1.9%	<b>5.7%</b>	-19.3%	26.4%	<b>2.0%</b>	5.2%	0.5%	<b>5.8%</b>	0.6%	0.5%	0.6%
Appliances (DME)	13.5%	-1.7%	<b>11.5%</b>	3.4%	6.9%	<b>10.6%</b>	11.8%	-0.1%	<b>11.7%</b>	1.1%	1.8%	1.3%
Other Services	9.7%	0.7%	<b>10.4%</b>	3.1%	12.9%	<b>16.3%</b>	8.7%	3.4%	<b>12.4%</b>	0.5%	0.5%	0.5%
<b>TOTAL</b>	<b>11.1%</b>	<b>-1.2%</b>	<b>9.7%</b>	<b>-0.9%</b>	<b>11.7%</b>	<b>10.7%</b>	<b>9.6%</b>	<b>0.8%</b>	<b>10.4%</b>	<b>2.3%</b>	<b>2.9%</b>	<b>2.4%</b>
<b>GRAND TOTAL</b>	<b>2.4%</b>	<b>2.0%</b>	<b>4.4%</b>	<b>0.5%</b>	<b>6.2%</b>	<b>6.7%</b>	<b>2.1%</b>	<b>2.9%</b>	<b>5.1%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**West Virginia PEIA Non-Medicare Prescription Drugs Total  
Study Period of June 2005 to May 2009**

**24 Month Trends Summary**

	<b><u>Utilization</u></b>	<b><u>Cost / Prescription</u></b>	<b><u>Total Trend</u></b>	<b><u>Weight</u></b>
<b>Non-Medicare</b>	2.5%	0.6%	3.2%	100.0%

**36 Month Trends Summary**

	<b><u>Utilization</u></b>	<b><u>Cost / Prescription</u></b>	<b><u>Total Trend</u></b>	<b><u>Weight</u></b>
<b>Non-Medicare</b>	2.1%	-4.0%	-2.0%	100.0%

**48 Month Trends Summary**

	<b><u>Utilization</u></b>	<b><u>Cost / Prescription</u></b>	<b><u>Total Trend</u></b>	<b><u>Weight</u></b>
<b>Non-Medicare</b>	3.0%	-1.6%	1.3%	100.0%



# **Appendix A**

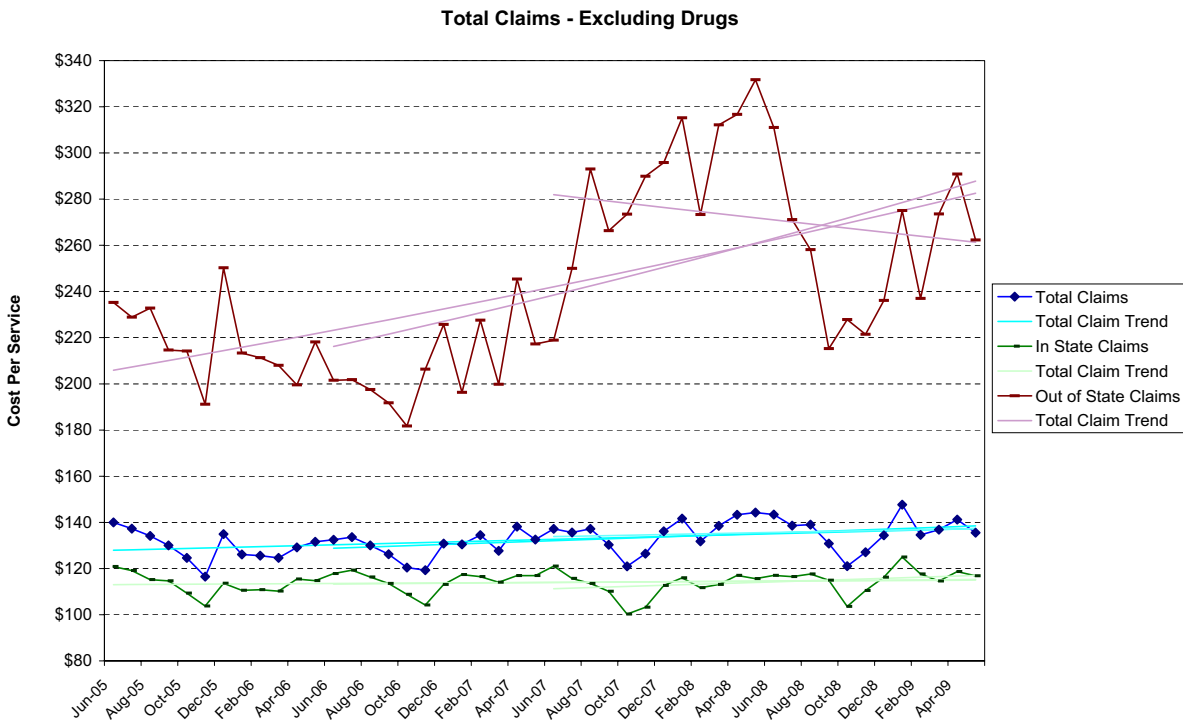
---

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

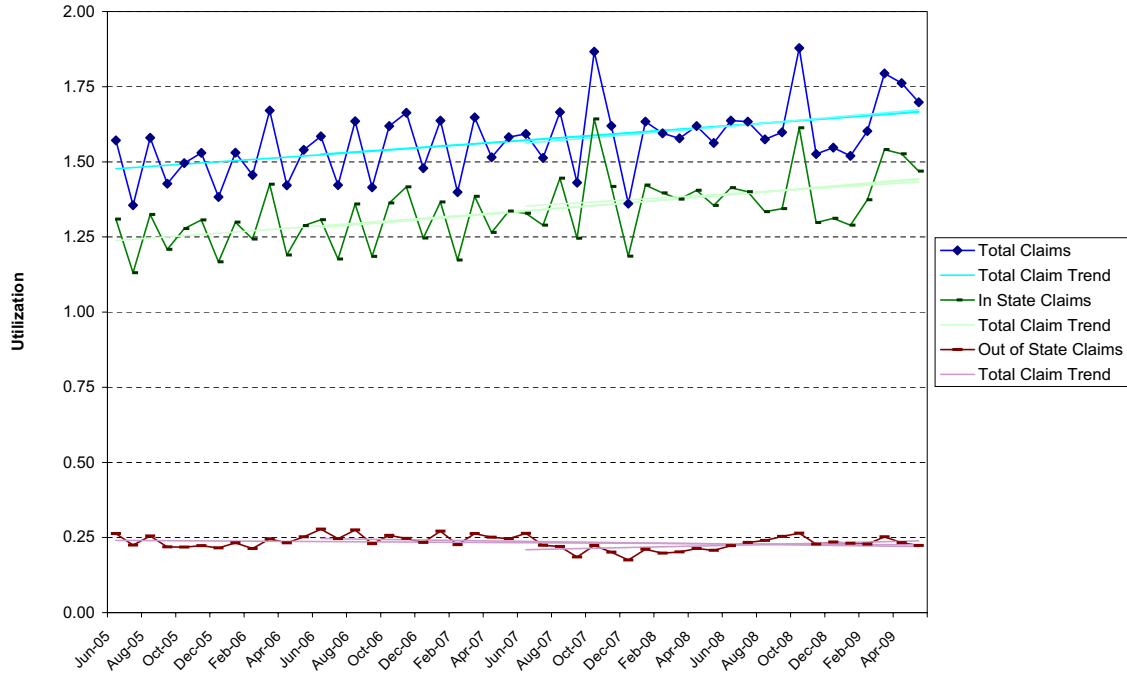
<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.5%	2.6%	<b>5.1%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.9%	3.7%	<b>5.6%</b>

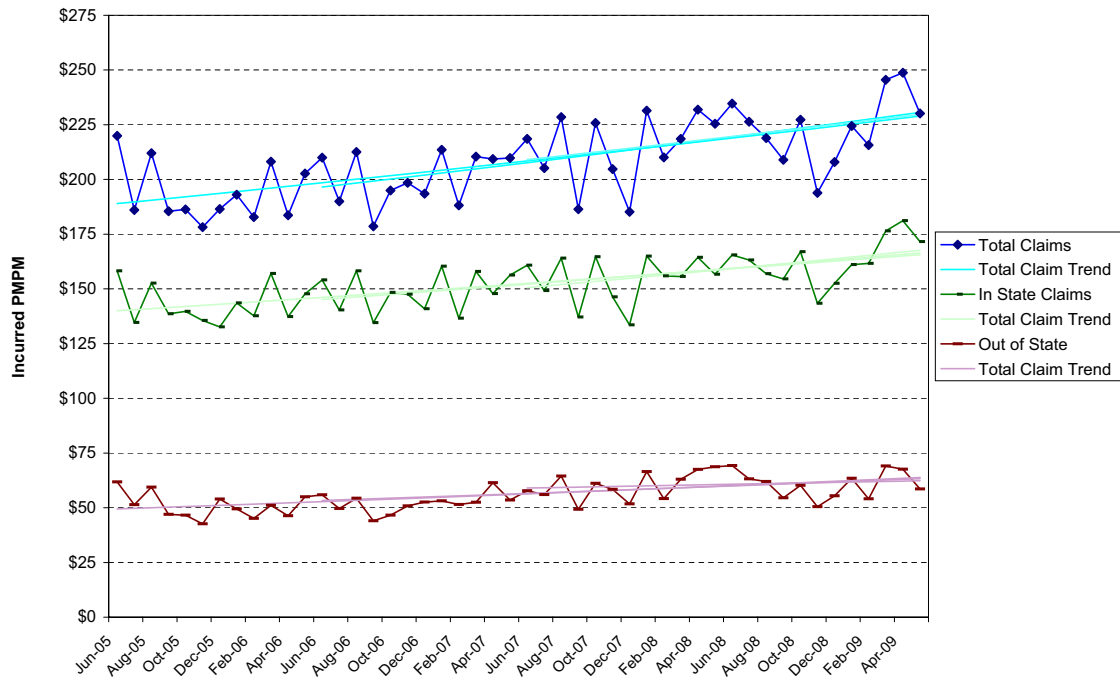
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.1%	2.9%	<b>5.1%</b>



### Total Claims - Excluding Drugs



### Total Claims - Excluding Drugs



**NON-MEDICARE CLAIMS  
Excluding Drugs**

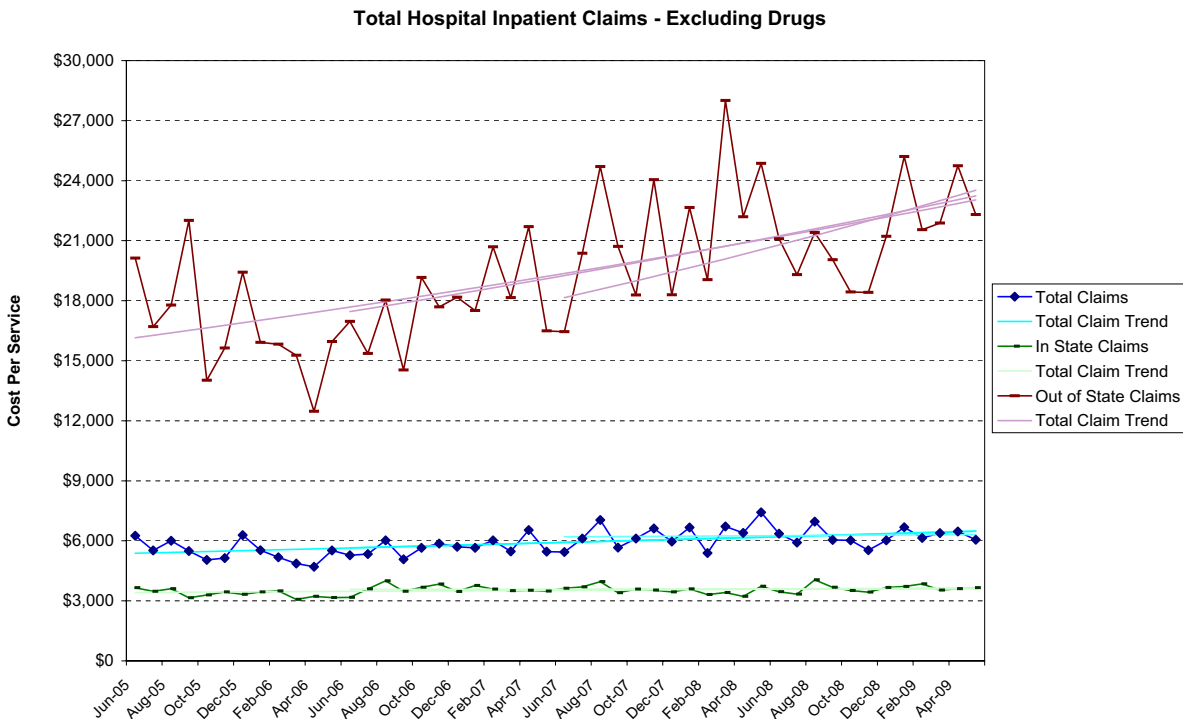
**HOSPITAL INPATIENT**

TOTAL

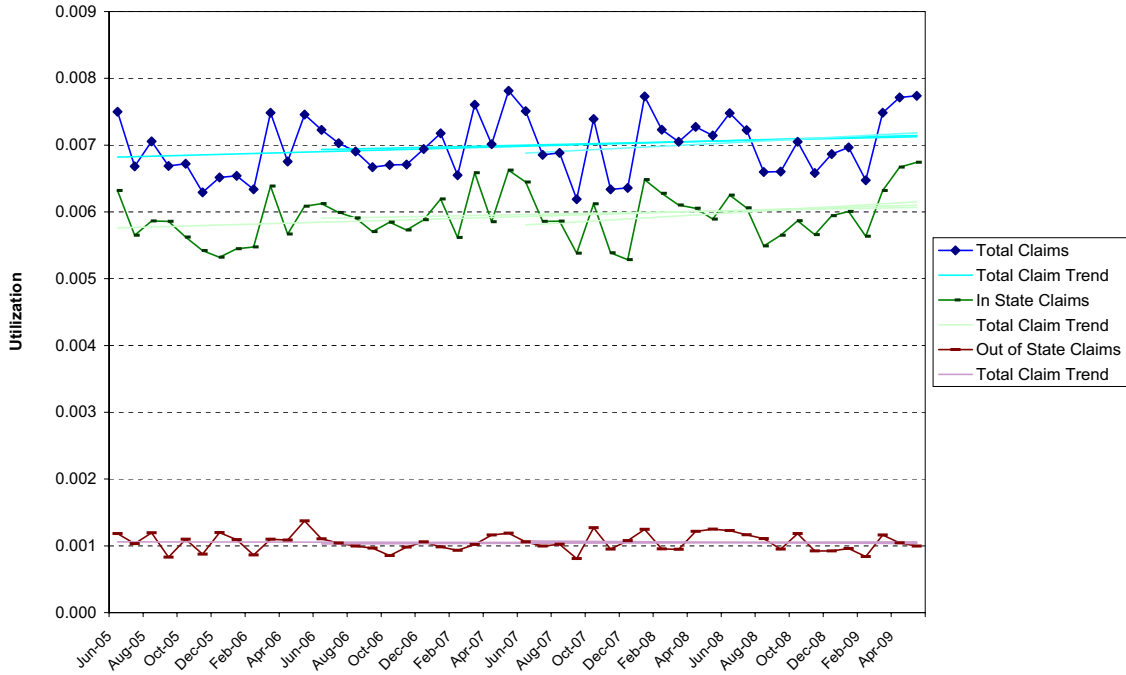
<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	1.0%	<b>3.2%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.1%	4.7%	<b>5.9%</b>

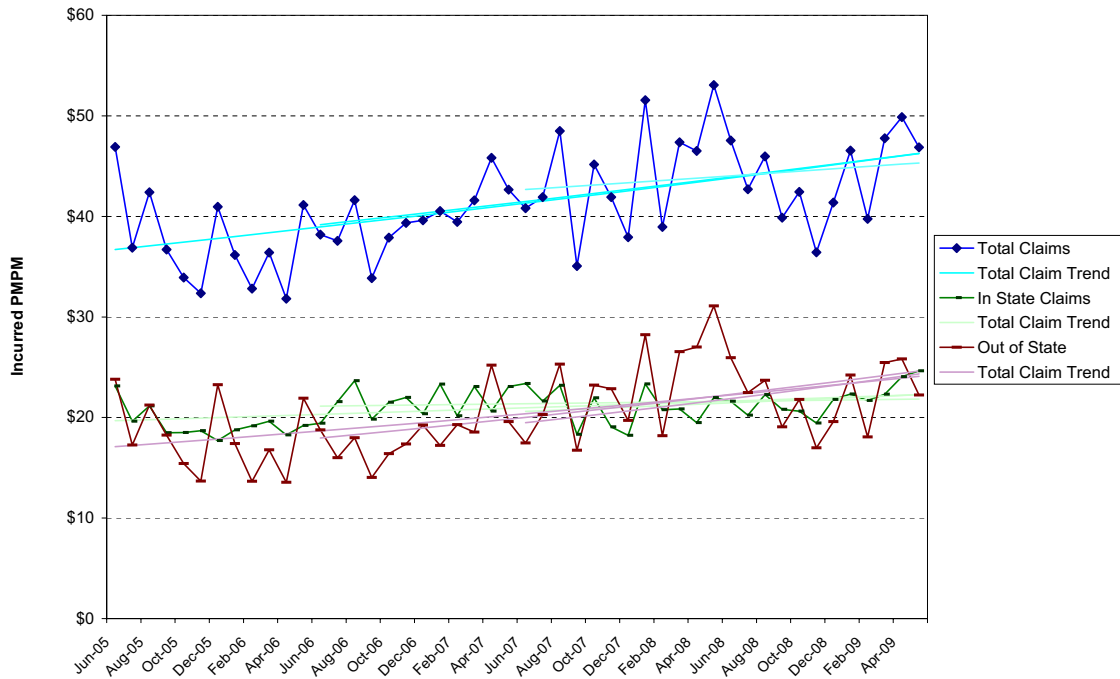
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.3%	4.8%	<b>6.1%</b>



### Total Hospital Inpatient Claims - Excluding Drugs



### Total Hospital Inpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL OUTPATIENT**

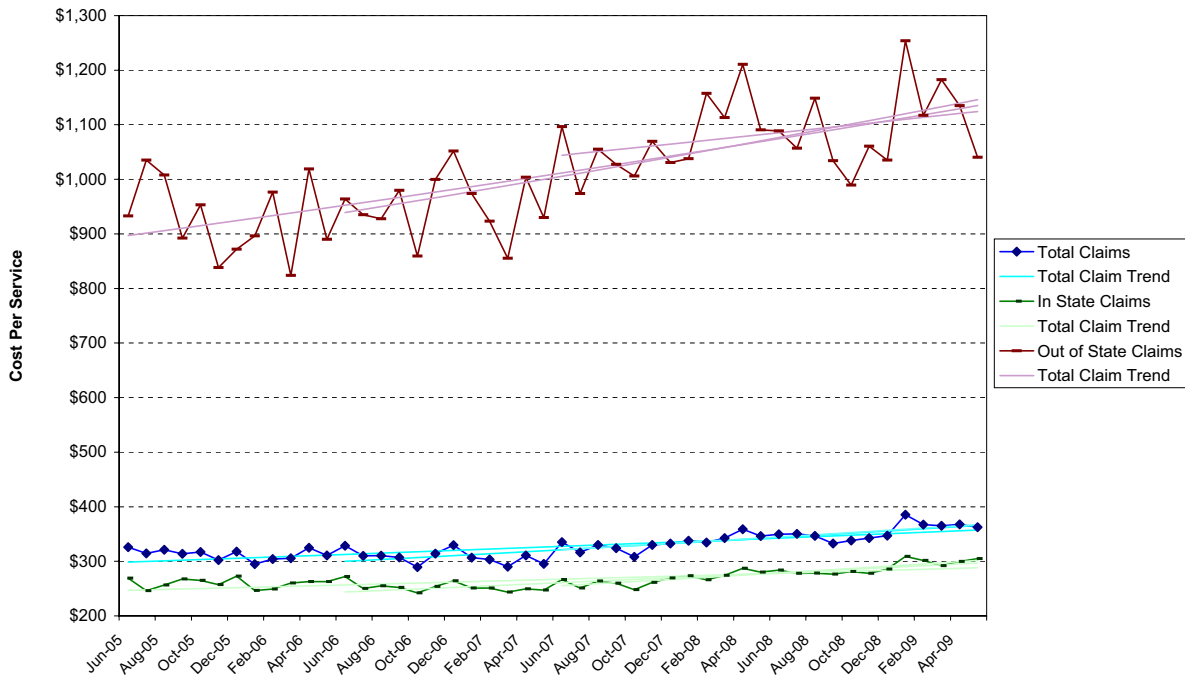
TOTAL

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.9%	7.2%	<b>9.2%</b>

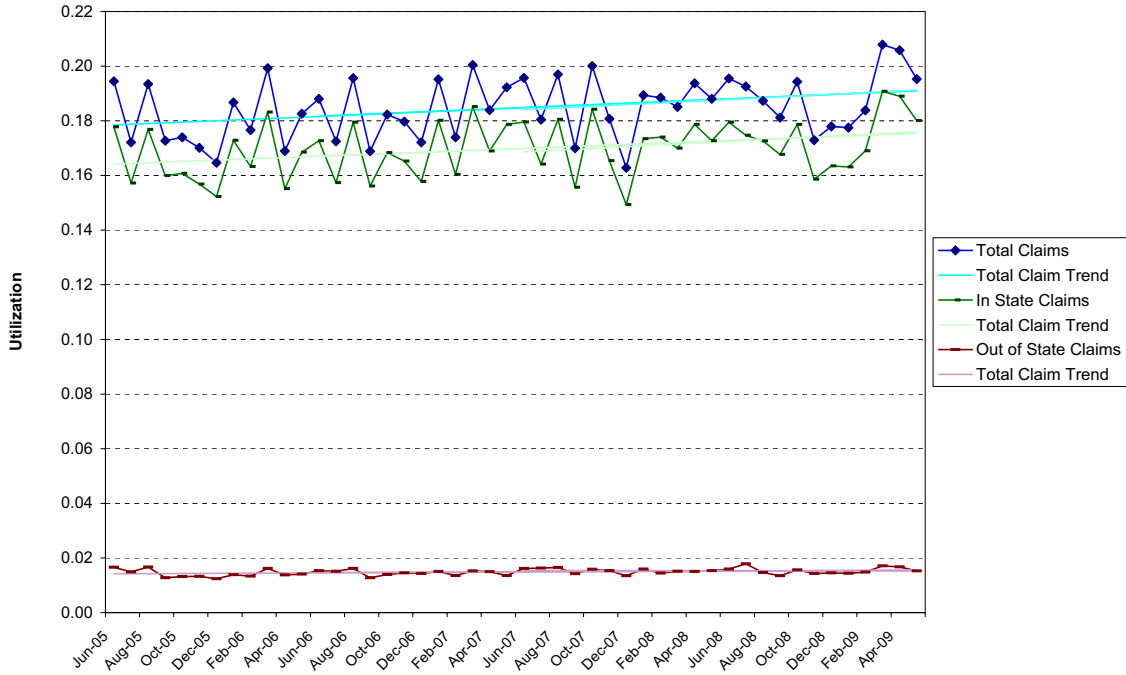
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.2%	7.4%	<b>8.7%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.7%	4.8%	<b>6.5%</b>

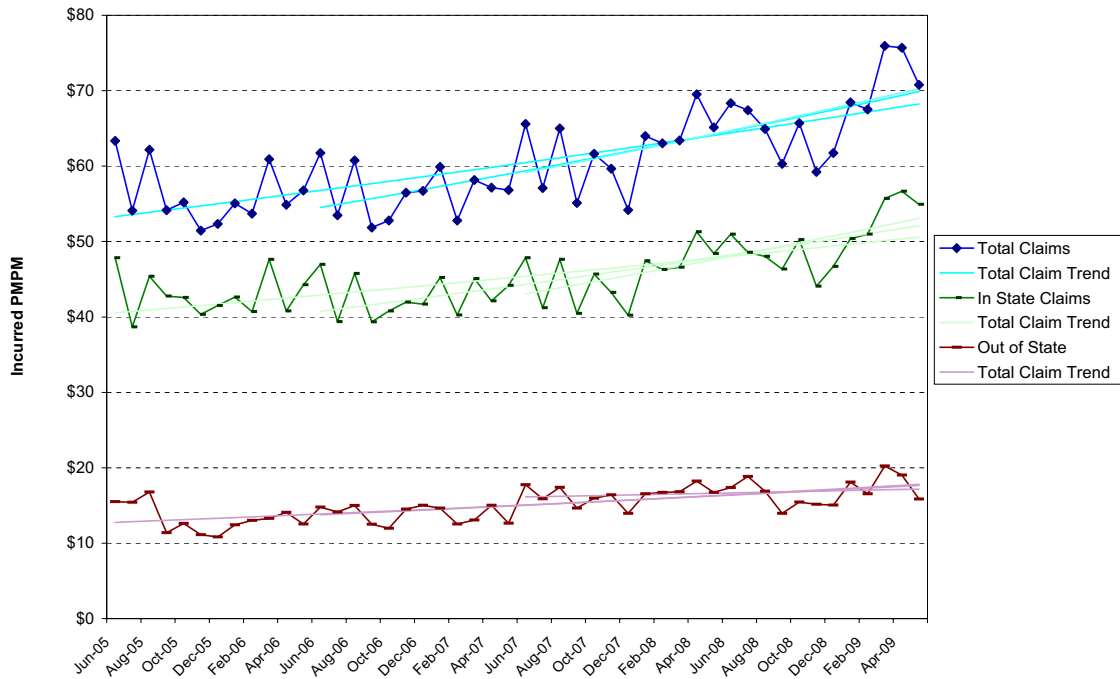
**Total Hospital Outpatient Claims - Excluding Drugs**



**Total Hospital Outpatient Claims - Excluding Drugs**



**Total Hospital Outpatient Claims - Excluding Drugs**



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

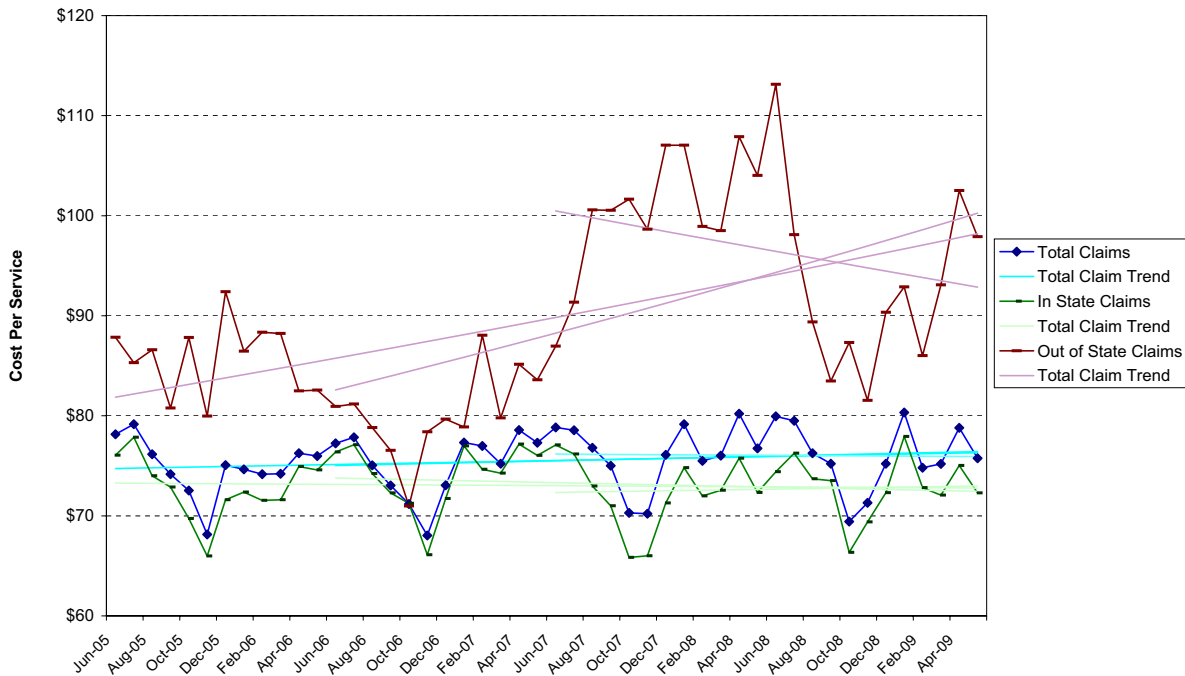
TOTAL

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.6%	0.3%	<b>3.0%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	1.1%	<b>3.4%</b>

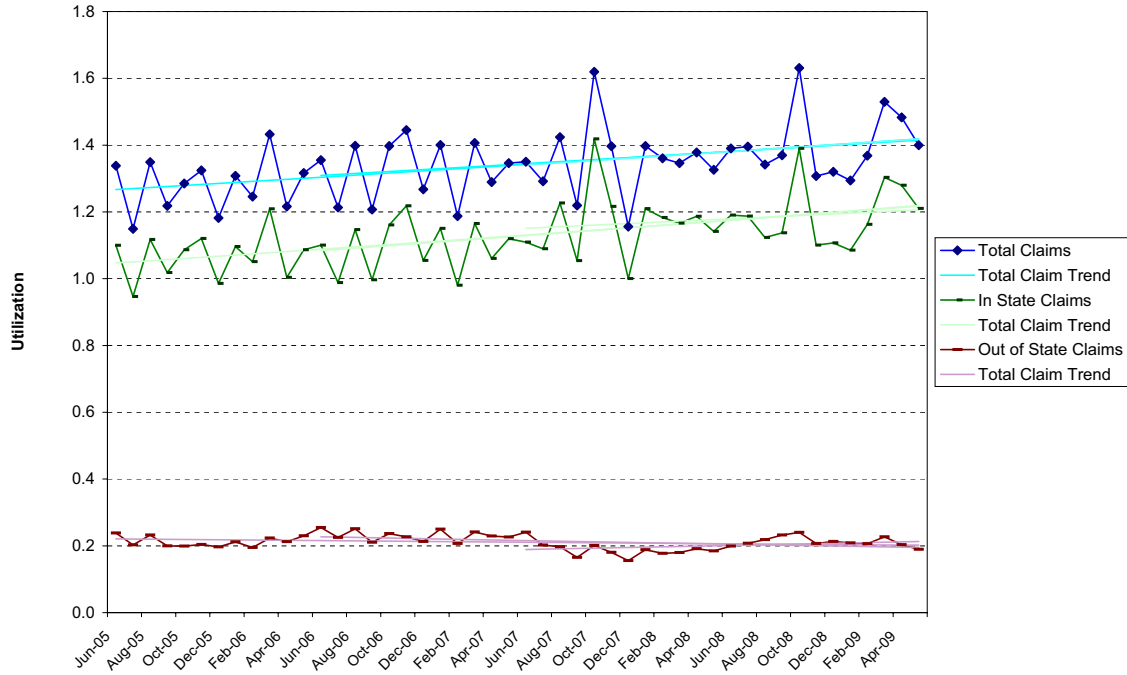
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.3%	1.1%	<b>3.5%</b>

**Total Physician Services Claims - Excluding Drugs**

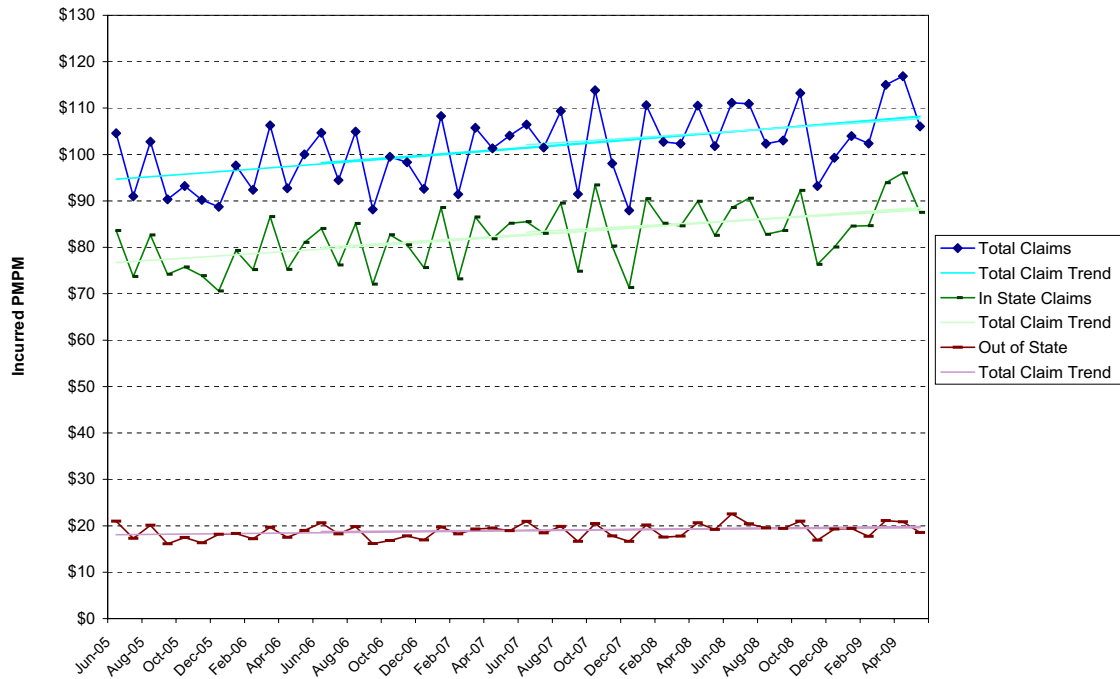




### Total Physician Services Claims - Excluding Drugs



### Total Physician Services Claims - Excluding Drugs



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**OTHER**

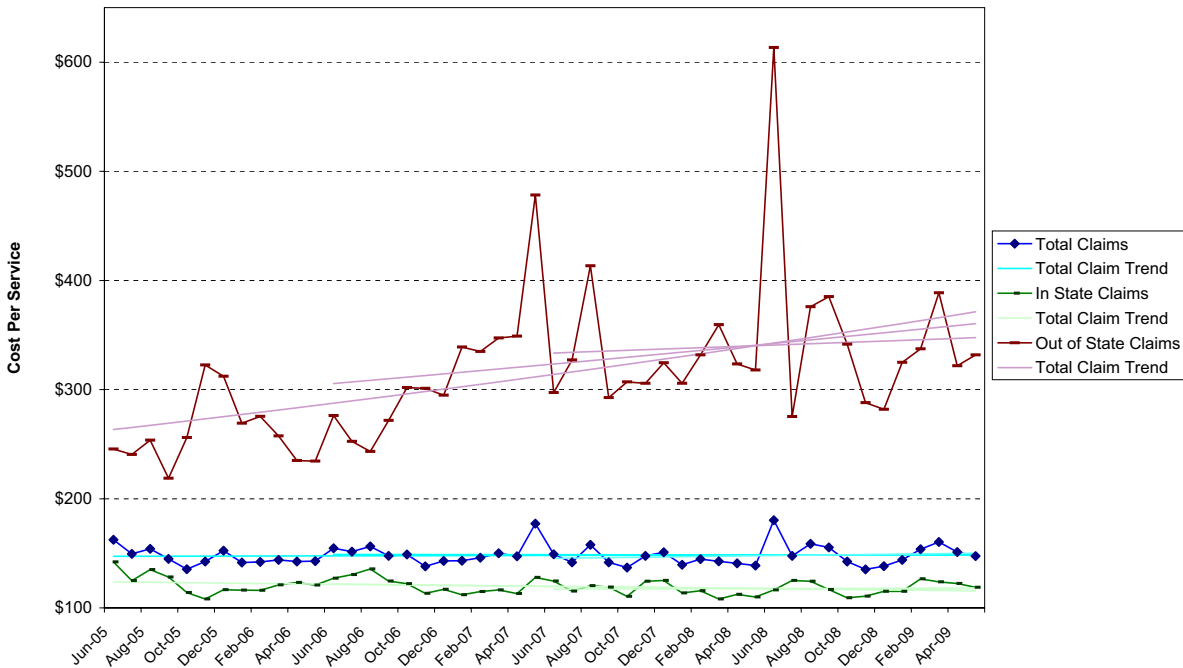
**TOTAL**

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.4%	2.9%	<b>11.5%</b>

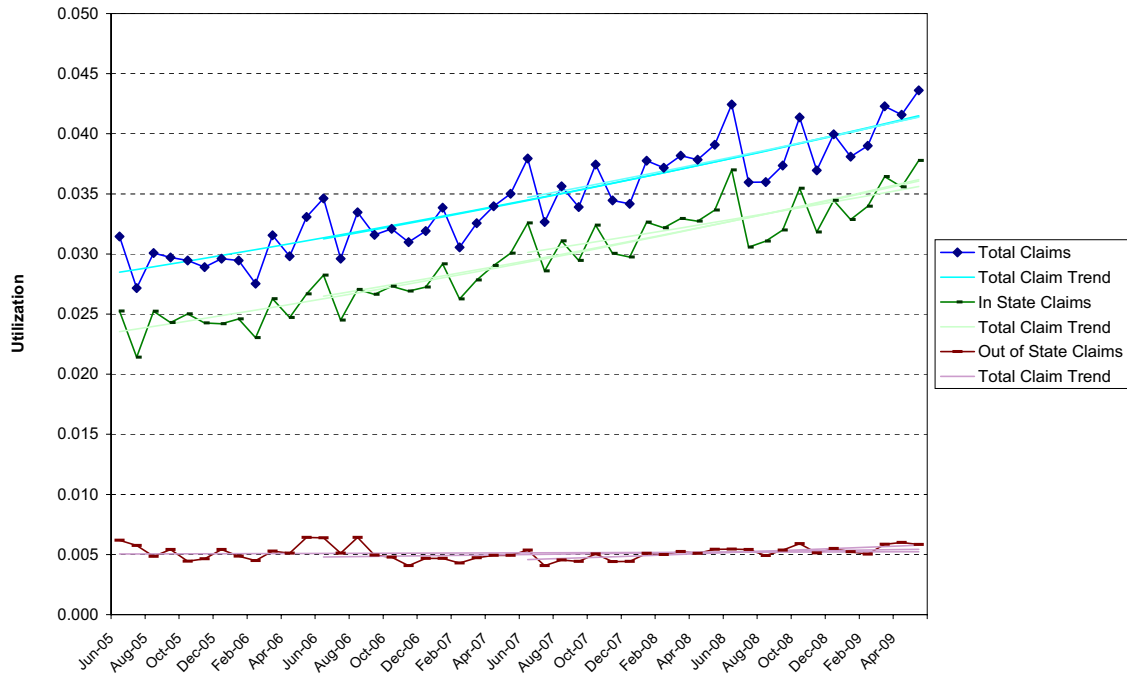
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
9.5%	0.7%	<b>10.3%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
9.6%	0.8%	<b>10.4%</b>

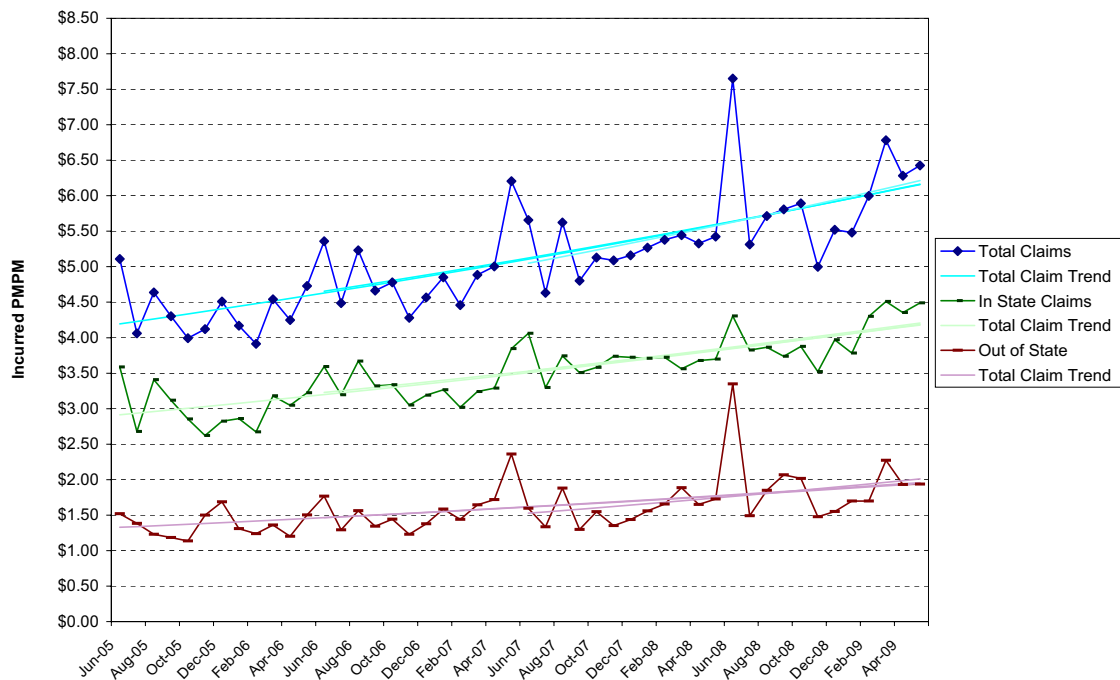
**Total Other Claims - Excluding Drugs**



### Total Other Claims - Excluding Drugs



### Total Other Claims - Excluding Drugs



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL INPATIENT**

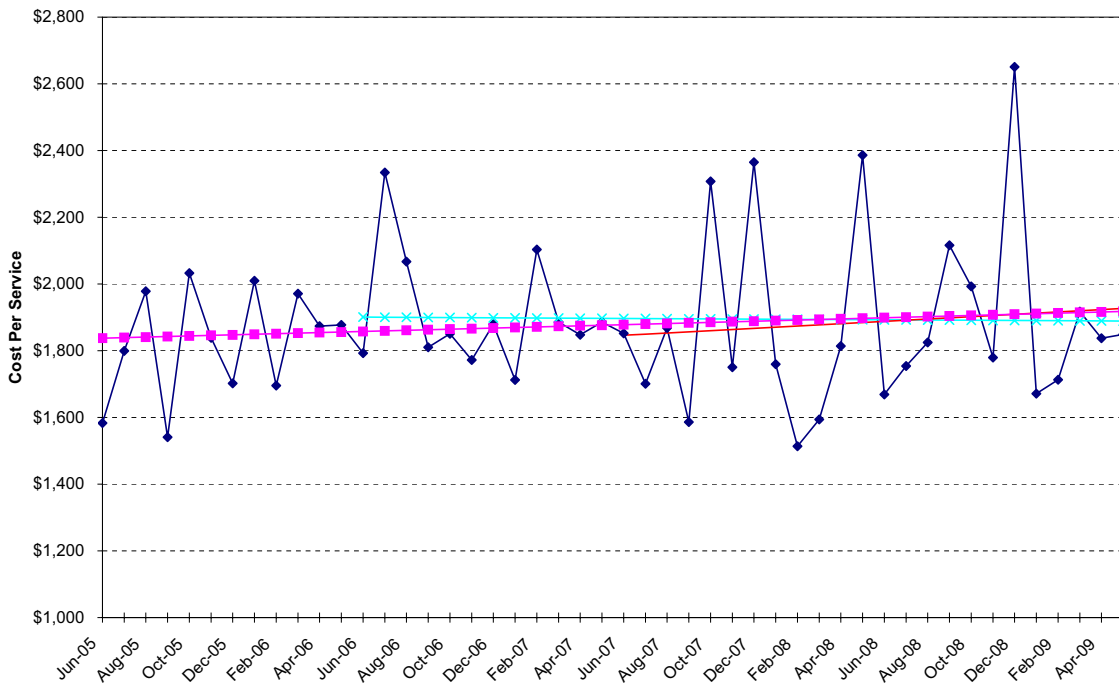
Maternity

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.8%	2.3%	<b>5.1%</b>

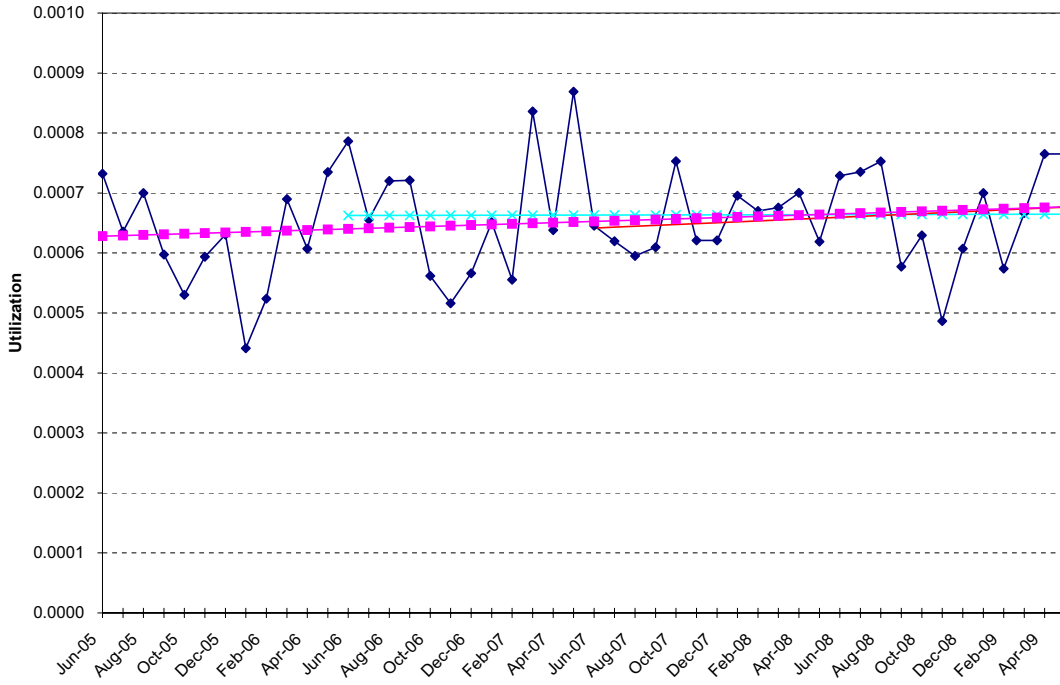
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.1%	-0.2%	<b>-0.1%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.9%	1.1%	<b>3.1%</b>

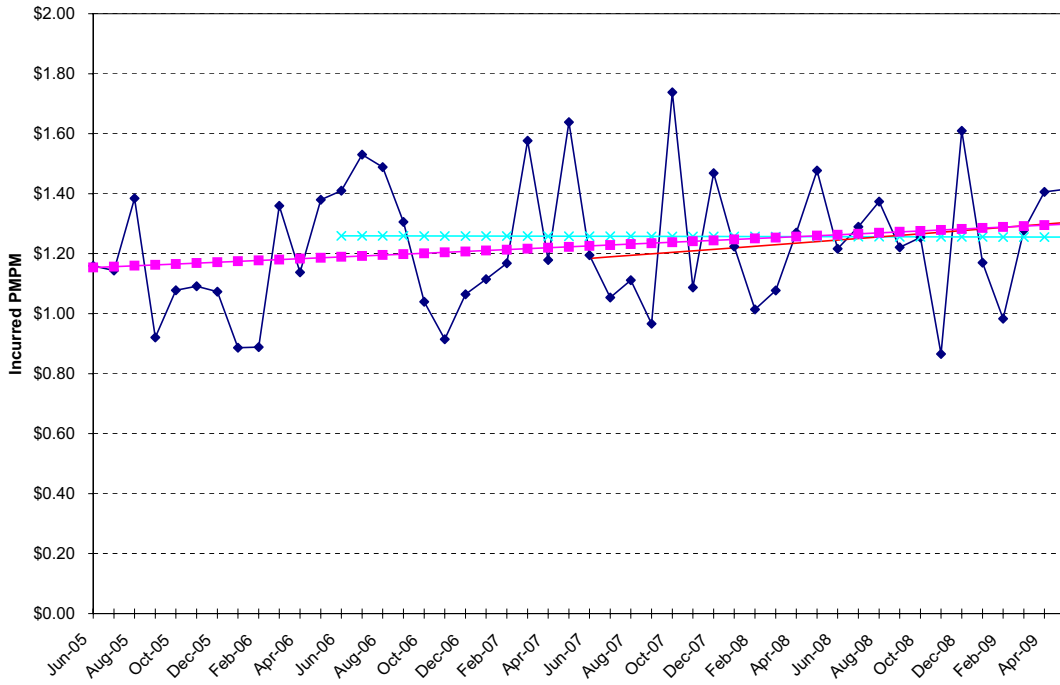
**Hospital Inpatient - Maternity**



### Hospital Inpatient - Maternity



### Hospital Inpatient - Maternity



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL INPATIENT**

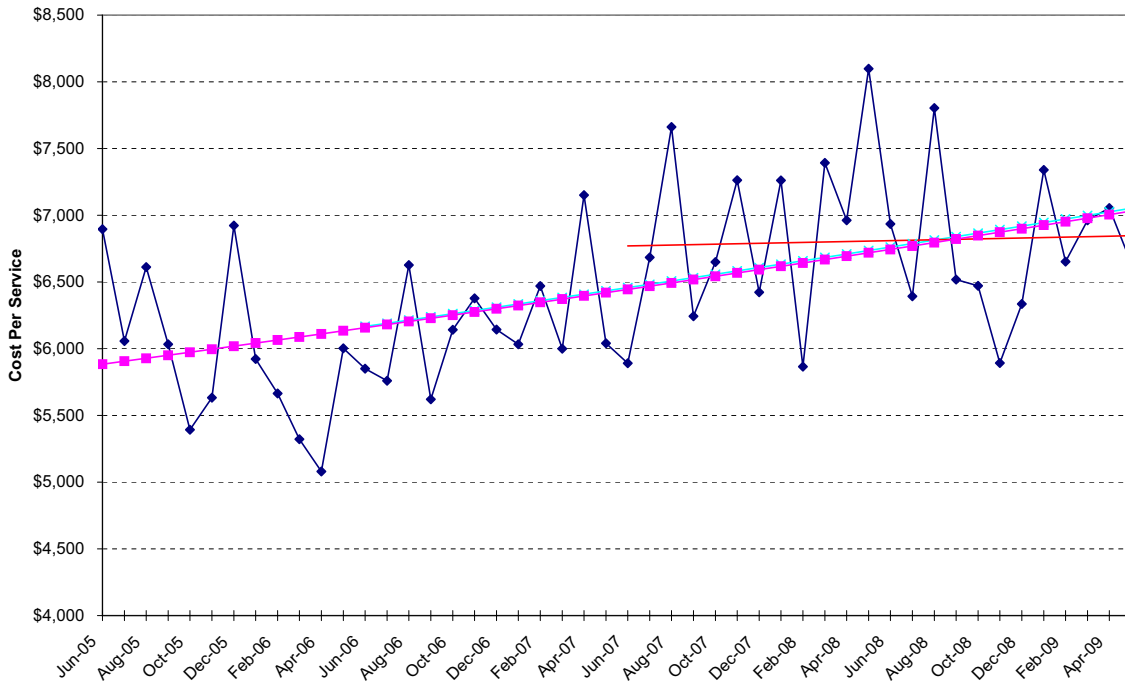
Medical / Surgical

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.1%	0.6%	<b>2.7%</b>

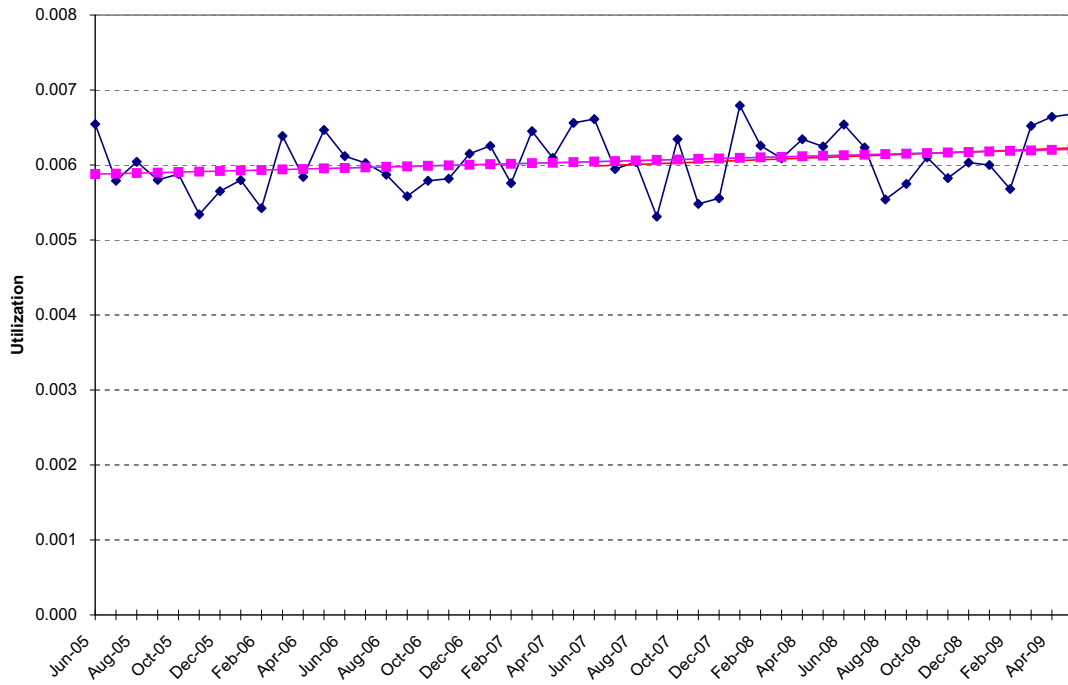
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.4%	4.7%	<b>6.2%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.4%	4.7%	<b>6.1%</b>

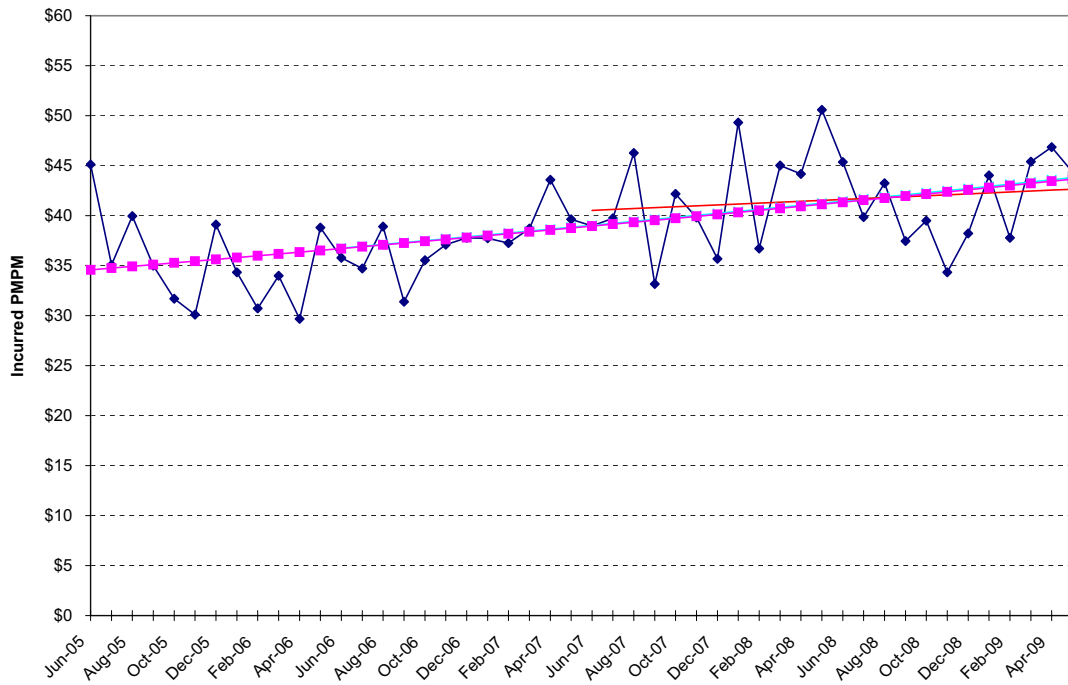
**Hospital Inpatient - Medical / Surgical**



### Hospital Inpatient - Medical / Surgical



### Hospital Inpatient - Medical / Surgical



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL INPATIENT**

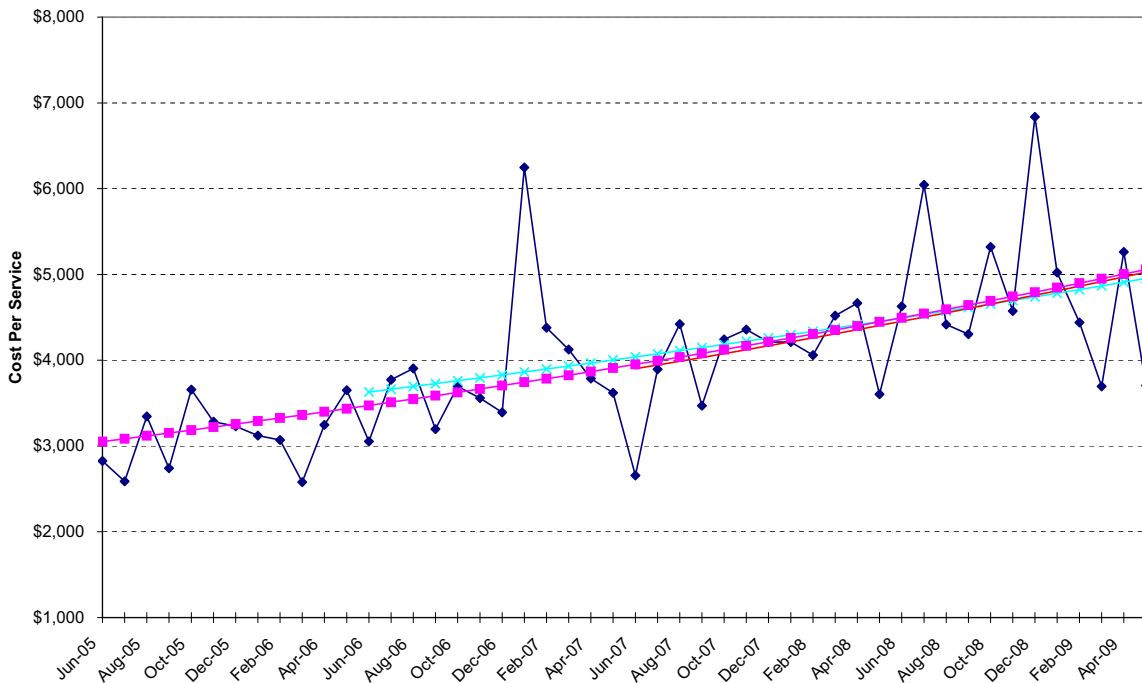
Psychiatric / Substance Abuse

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.3%	14.2%	<b>20.2%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-7.5%	11.3%	<b>2.9%</b>

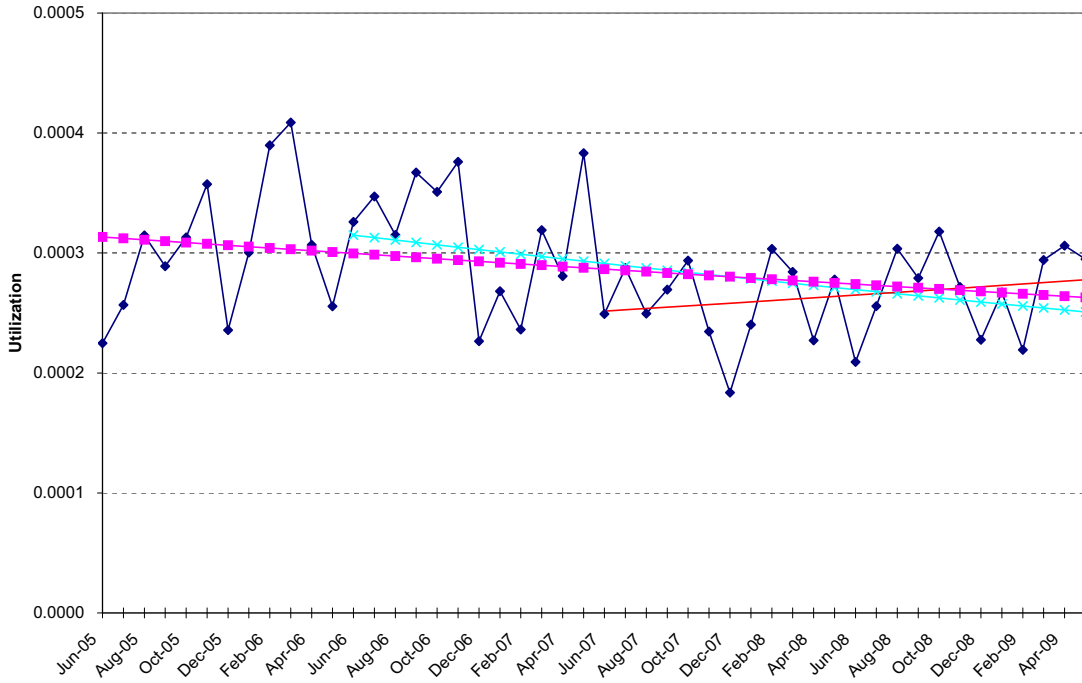
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-4.4%	13.8%	<b>8.8%</b>

**Hospital Inpatient - Psychiatric / Substance Abuse**

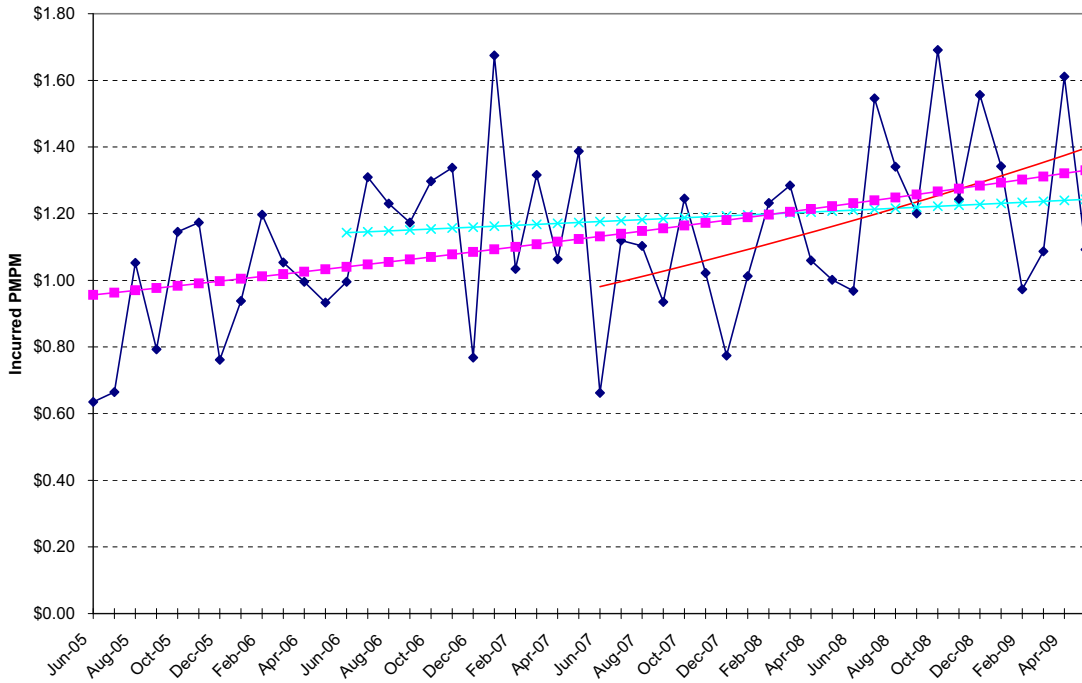




### Hospital Inpatient - Psychiatric / Substance Abuse



### Hospital Inpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL OUTPATIENT**

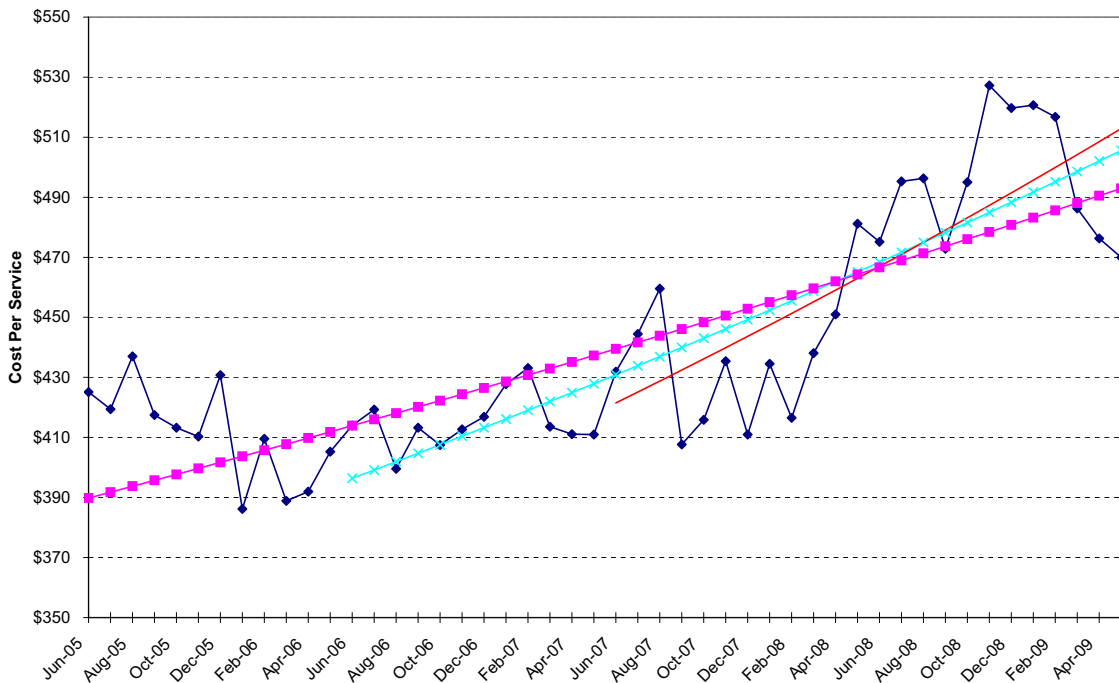
Emergency Room

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.2%	10.8%	<b>14.3%</b>

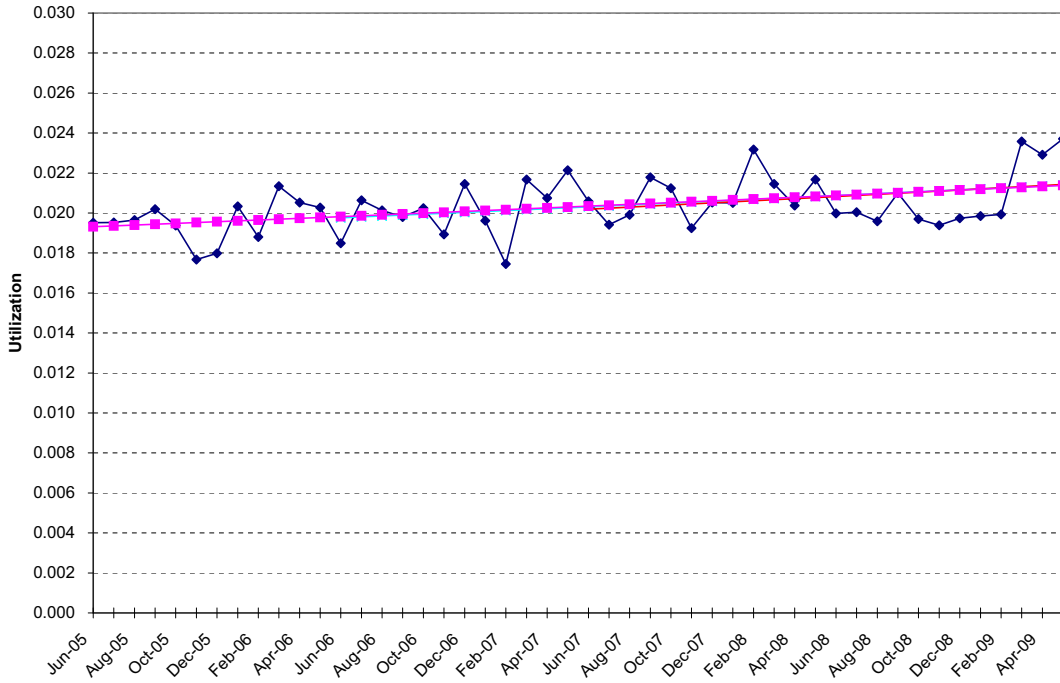
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.8%	8.7%	<b>11.7%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.6%	6.2%	<b>9.0%</b>

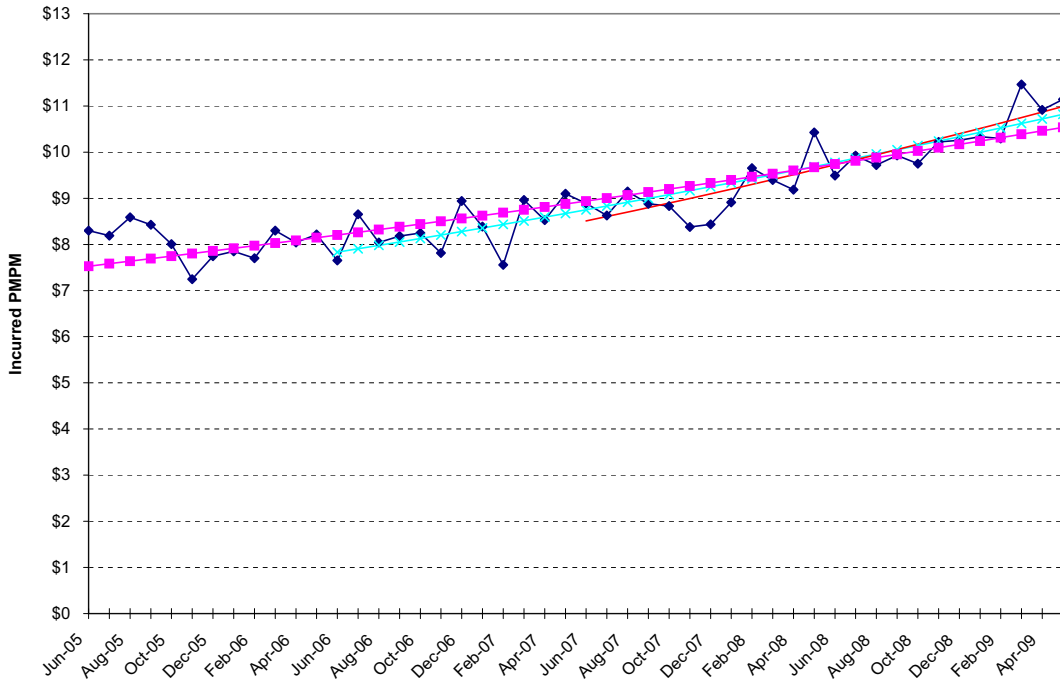
**Hospital Outpatient - Emergency Room**



### Hospital Outpatient - Emergency Room



### Hospital Outpatient - Emergency Room



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL OUTPATIENT**

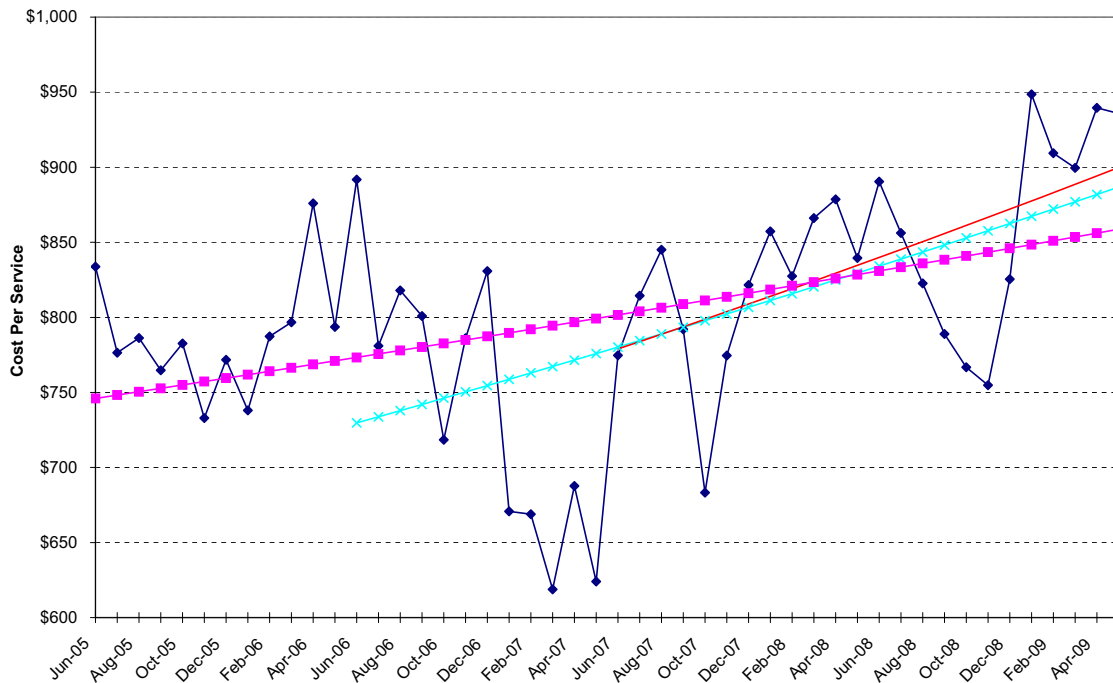
Medical / Surgical

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.4%	7.8%	<b>9.3%</b>

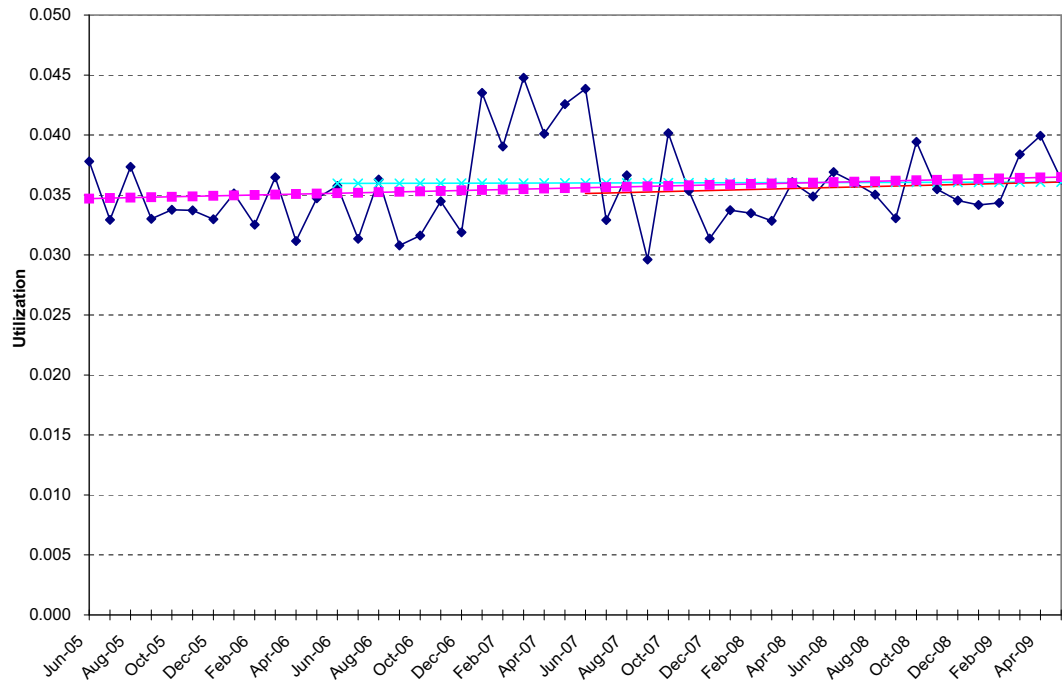
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.1%	6.9%	<b>7.0%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.3%	3.7%	<b>5.0%</b>

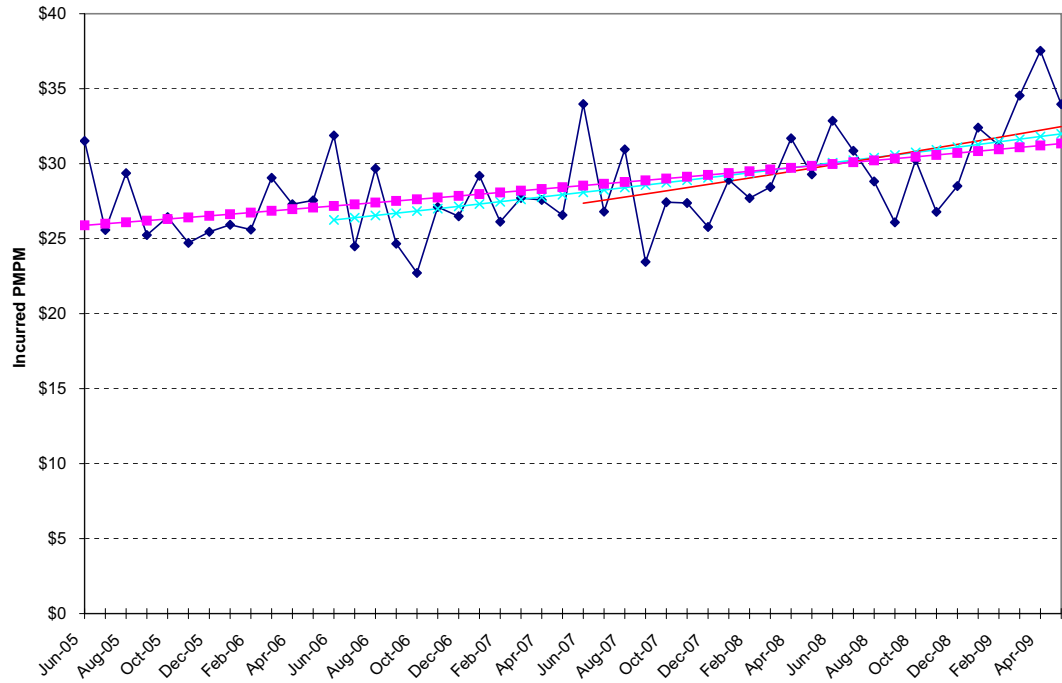
**Hospital Outpatient - Medical / Surgical**



### Hospital Outpatient - Medical / Surgical



### Hospital Outpatient - Medical / Surgical



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**HOSPITAL OUTPATIENT**

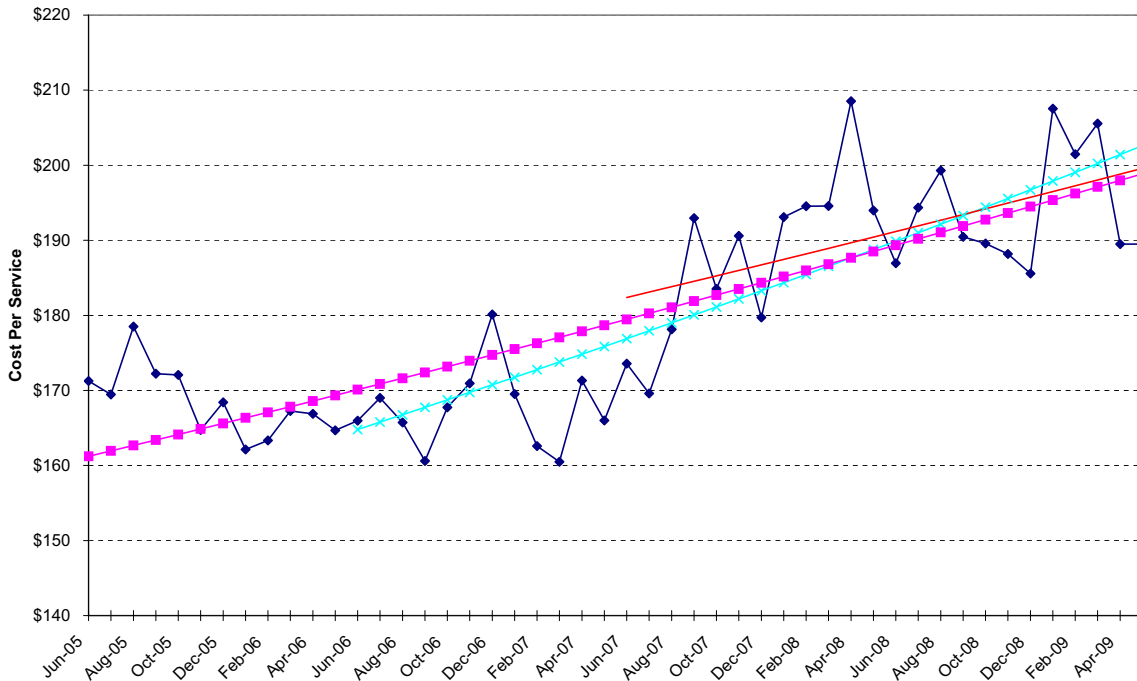
Other Services

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.0%	4.8%	<b>6.9%</b>

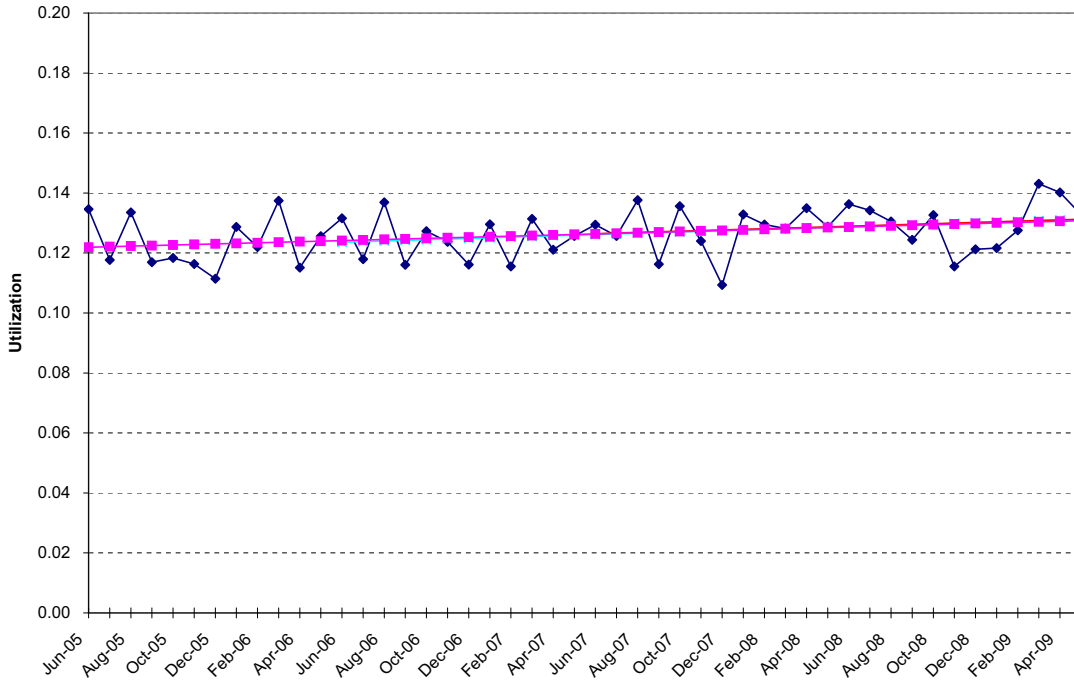
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.1%	7.3%	<b>9.6%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.8%	5.5%	<b>7.4%</b>

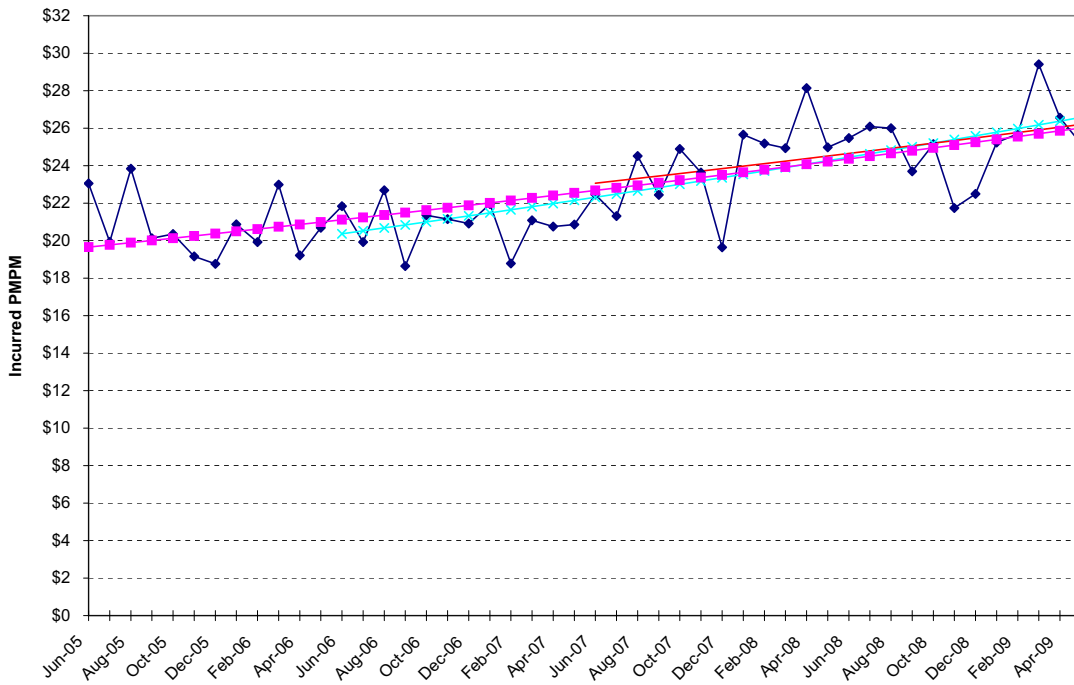
**Hospital Outpatient - Other Services**



### Hospital Outpatient - Other Services



### Hospital Outpatient - Other Services



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**HOSPITAL OUTPATIENT**

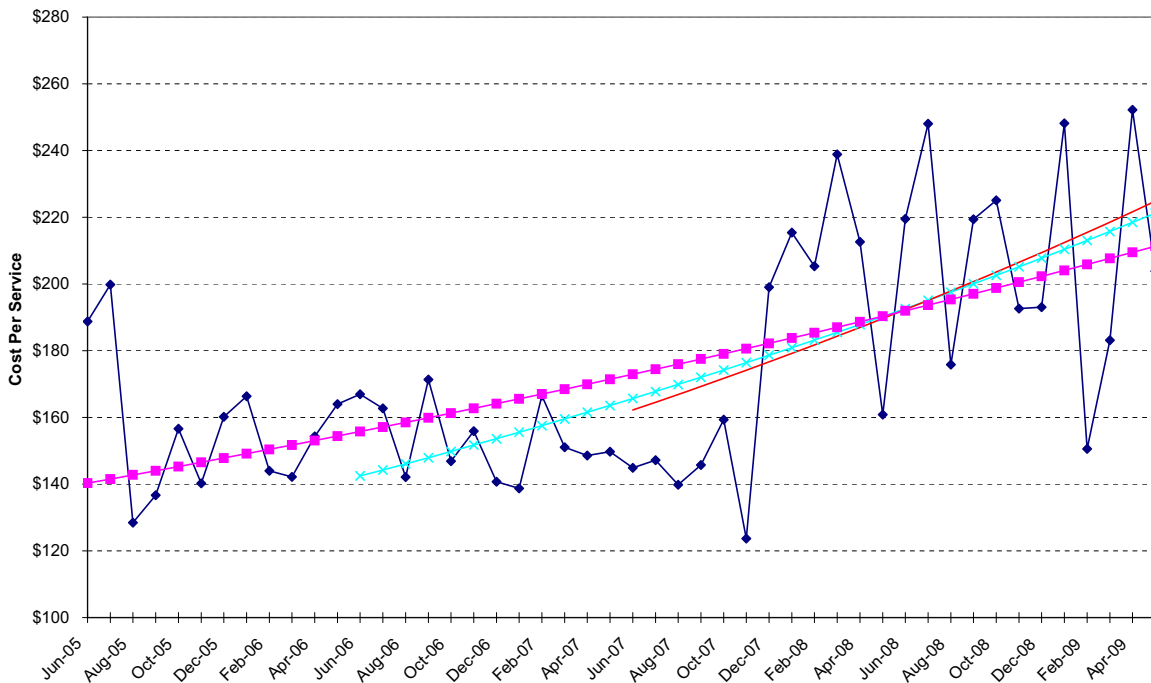
Psychiatric / Substance Abuse

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.1%	18.6%	<b>23.4%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.6%	16.3%	<b>16.9%</b>

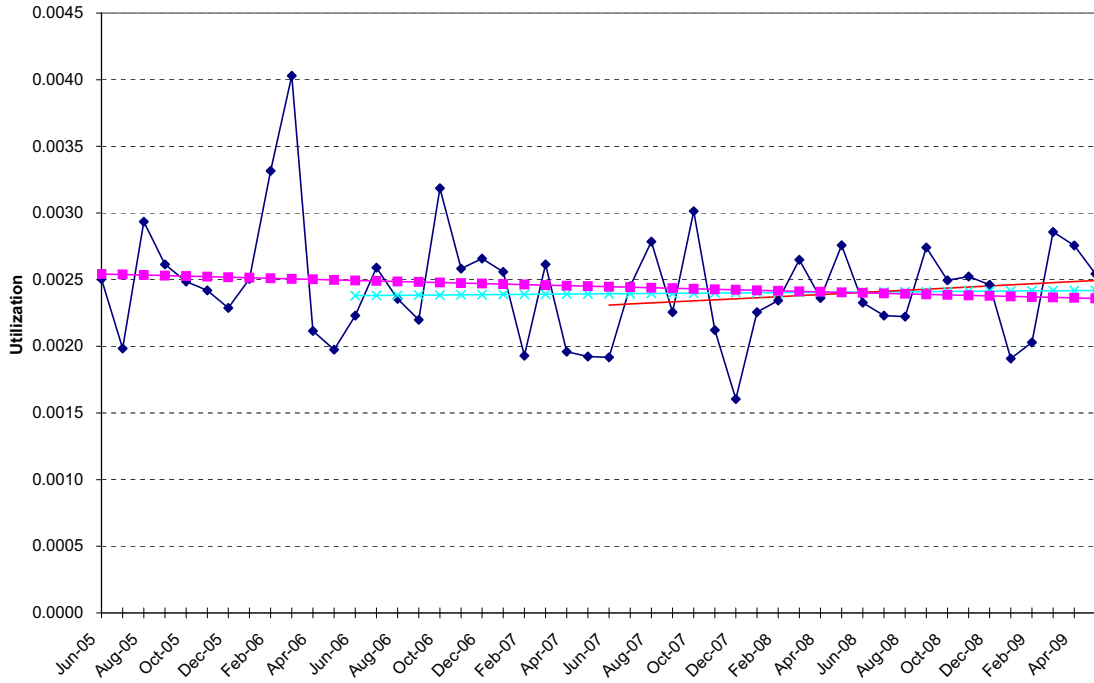
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.9%	11.0%	<b>8.9%</b>

**Hospital Outpatient - Psychiatric / Substance Abuse**

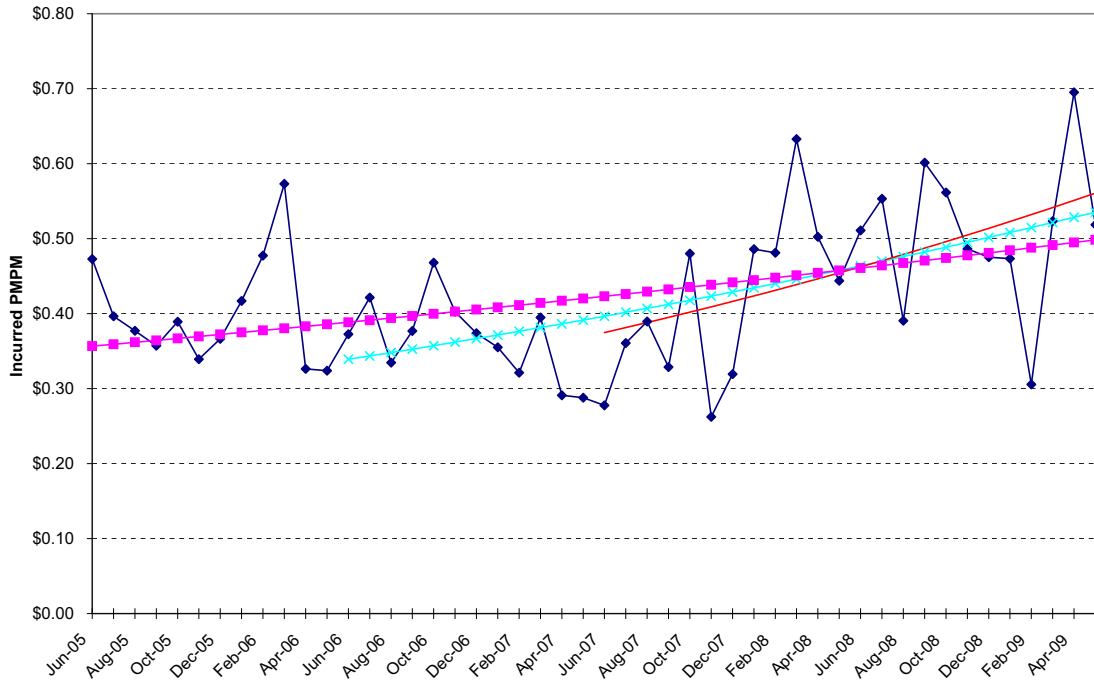




### Hospital Outpatient - Psychiatric / Substance Abuse



### Hospital Outpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS  
Excluding Drugs**

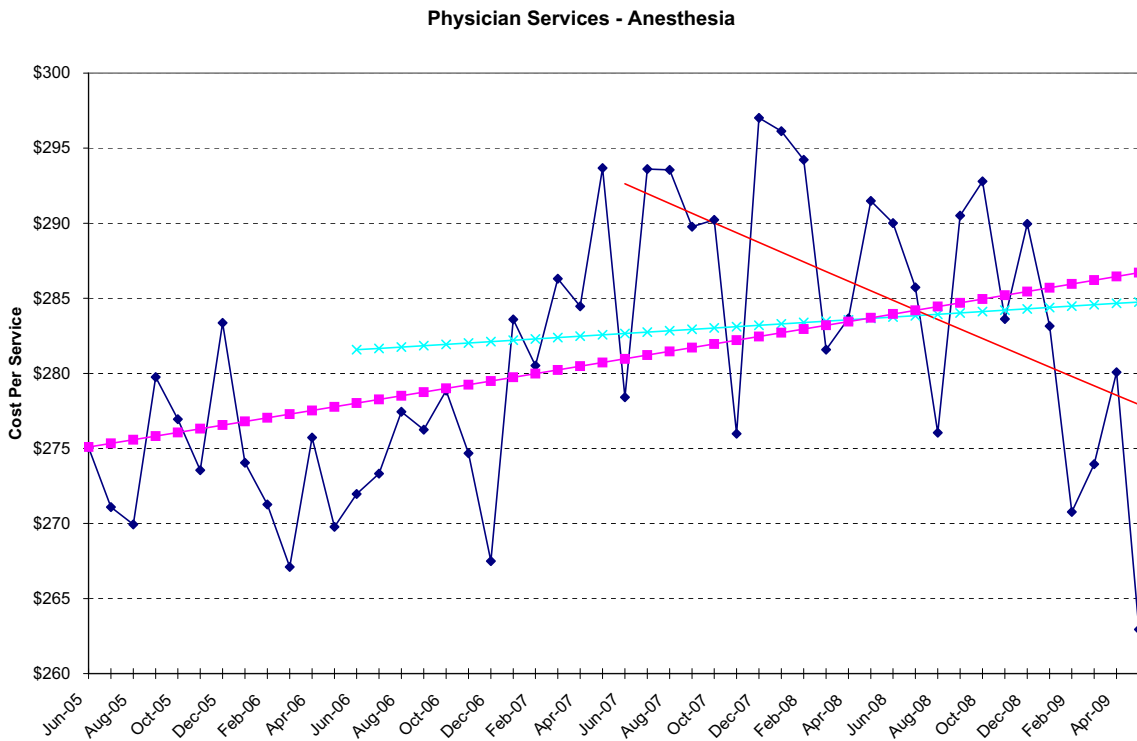
**PHYSICIAN SERVICES**

Anesthesia

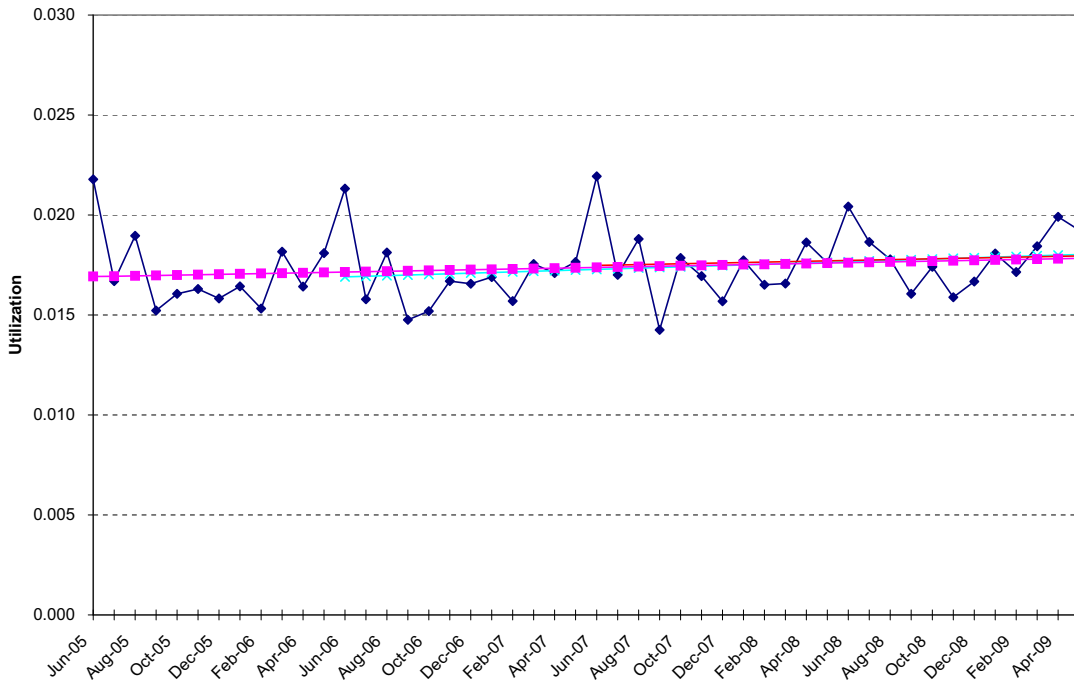
<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.4%	-2.7%	-1.3%

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.2%	0.4%	2.6%

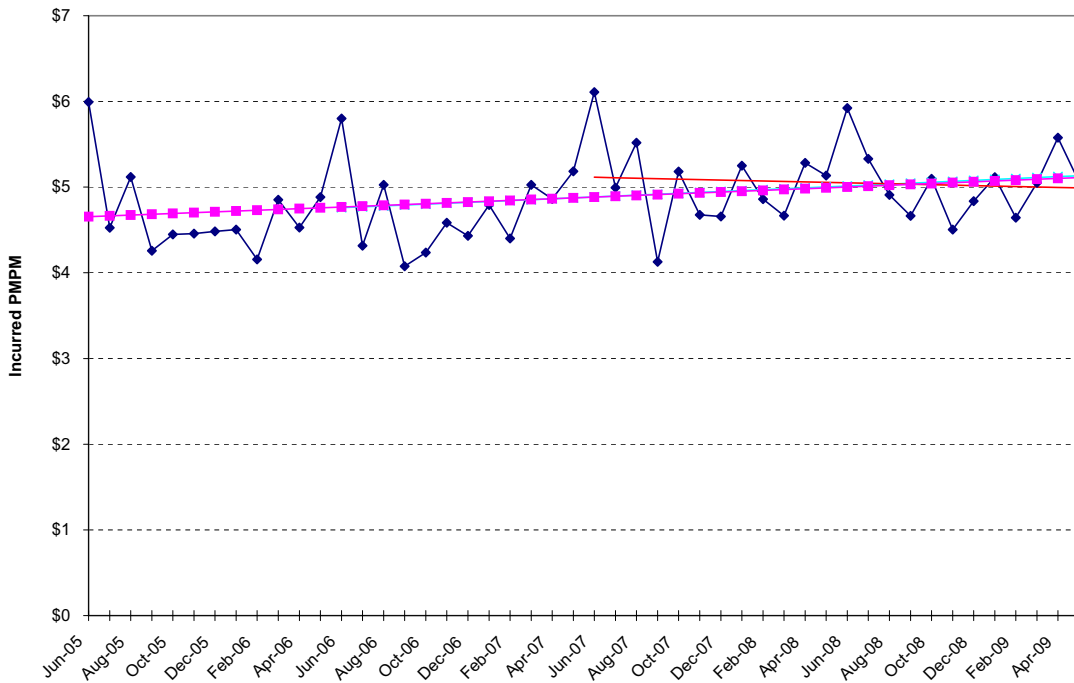
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.3%	1.1%	2.4%



Physician Services - Anesthesia



Physician Services - Anesthesia



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

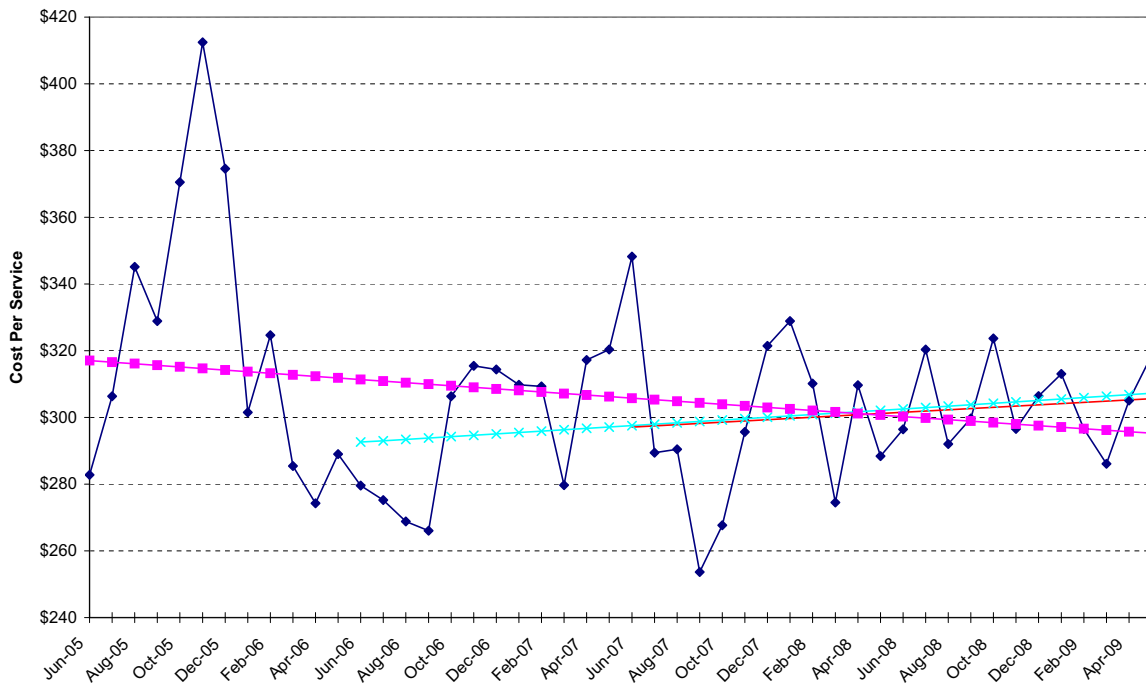
Chemotherapy / Radiation

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-8.7%	1.5%	<b>-7.3%</b>

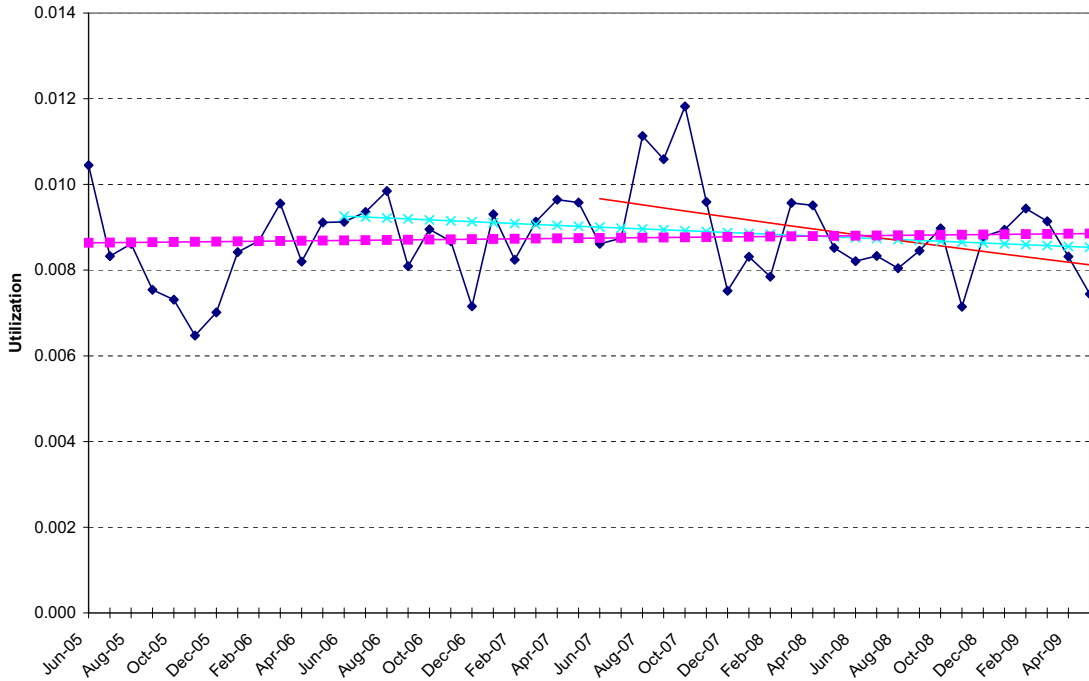
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-2.8%	1.7%	<b>-1.1%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.6%	-1.8%	<b>-1.2%</b>

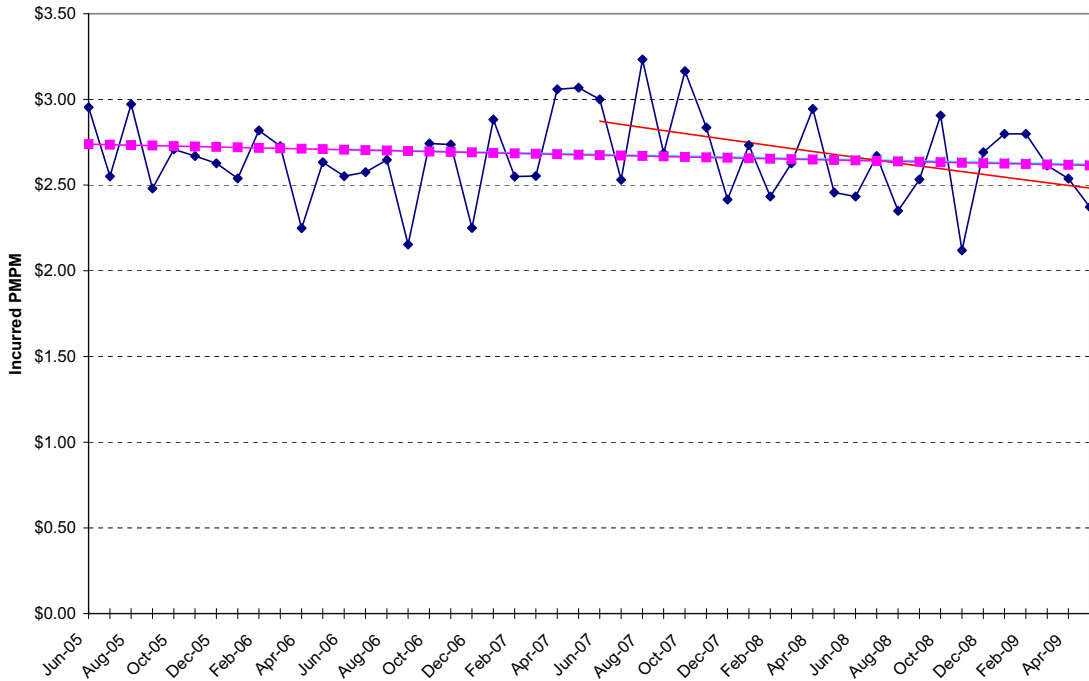
**Physician Services - Chemotherapy Radiation**



Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

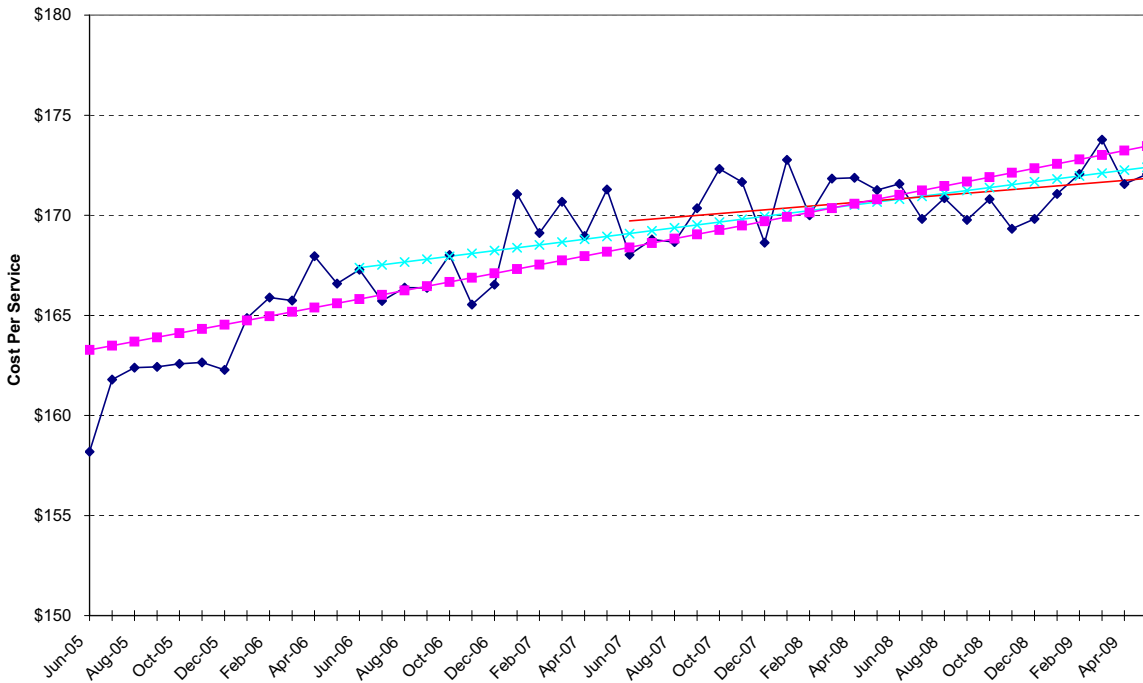
Consultations

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.6%	0.6%	<b>5.3%</b>

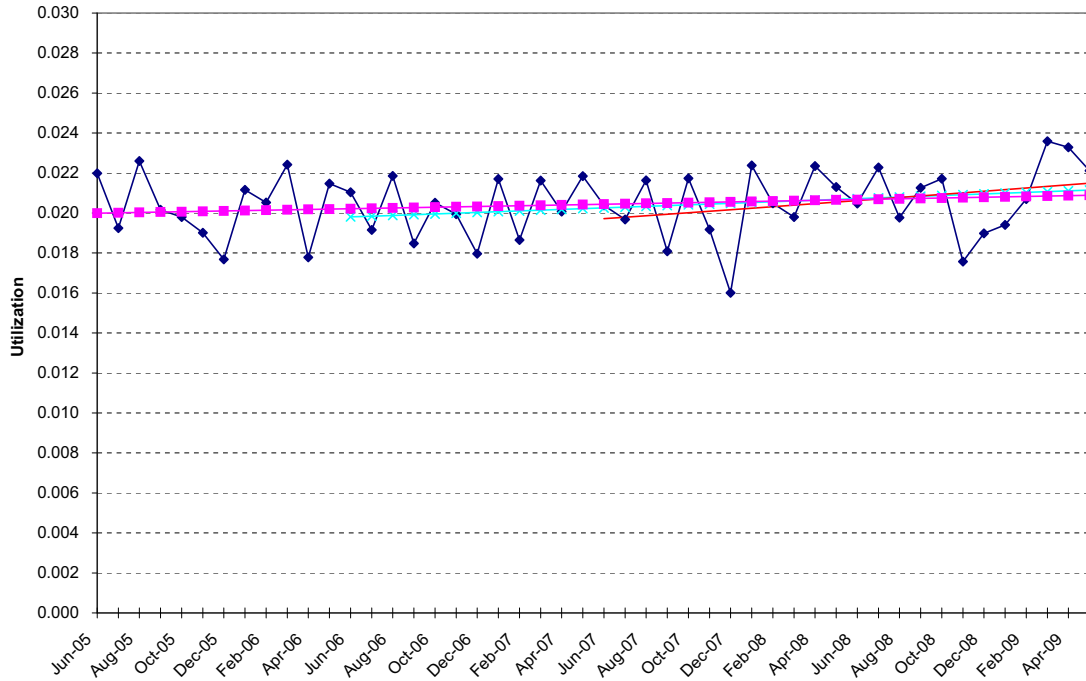
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.3%	1.0%	<b>3.3%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.1%	1.6%	<b>2.7%</b>

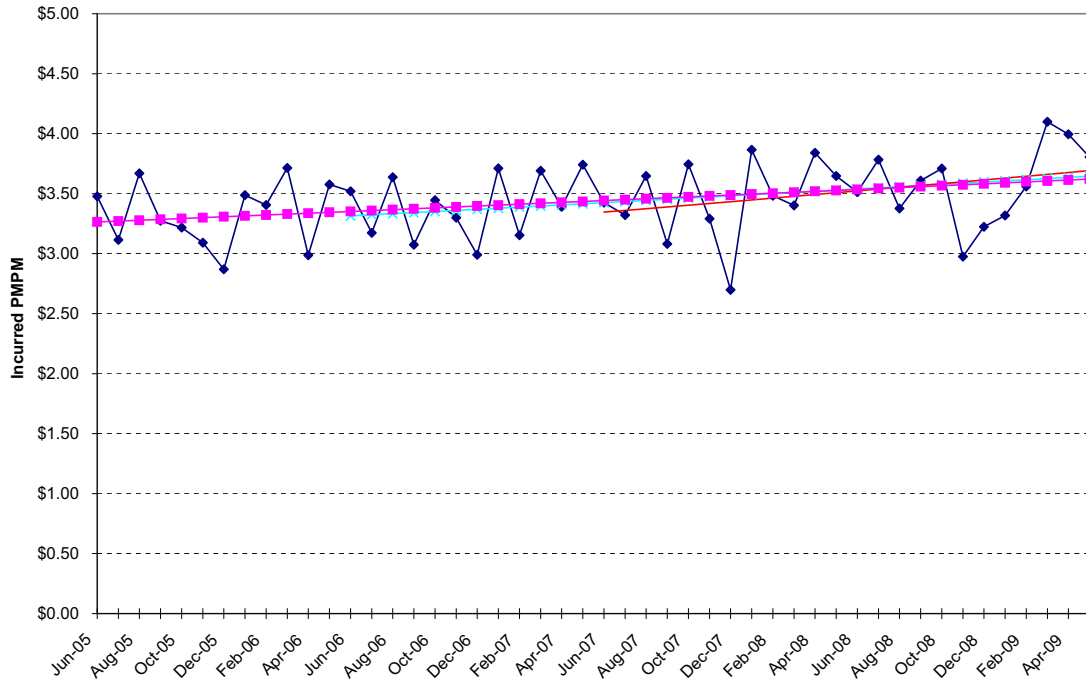
**Physician Services - Consultations**



Physician Services - Consultations



Physician Services - Consultations



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

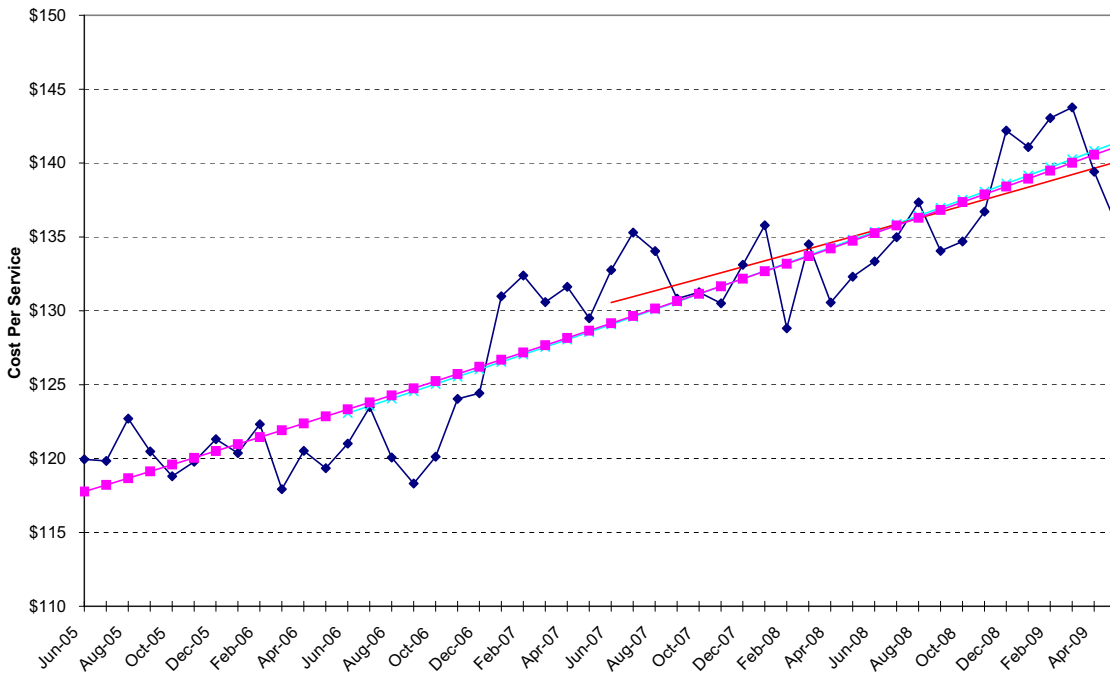
Emergency Room

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.4%	3.7%	7.3%

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.6%	4.9%	7.6%

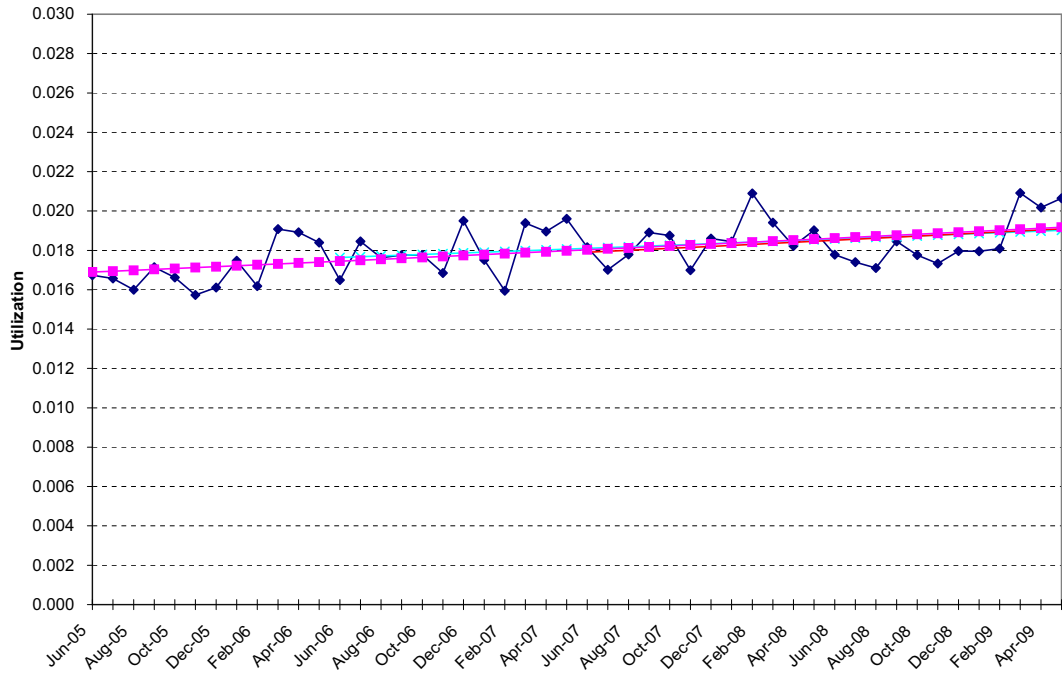
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.3%	4.7%	8.2%

**Physician Services - Emergency Room**

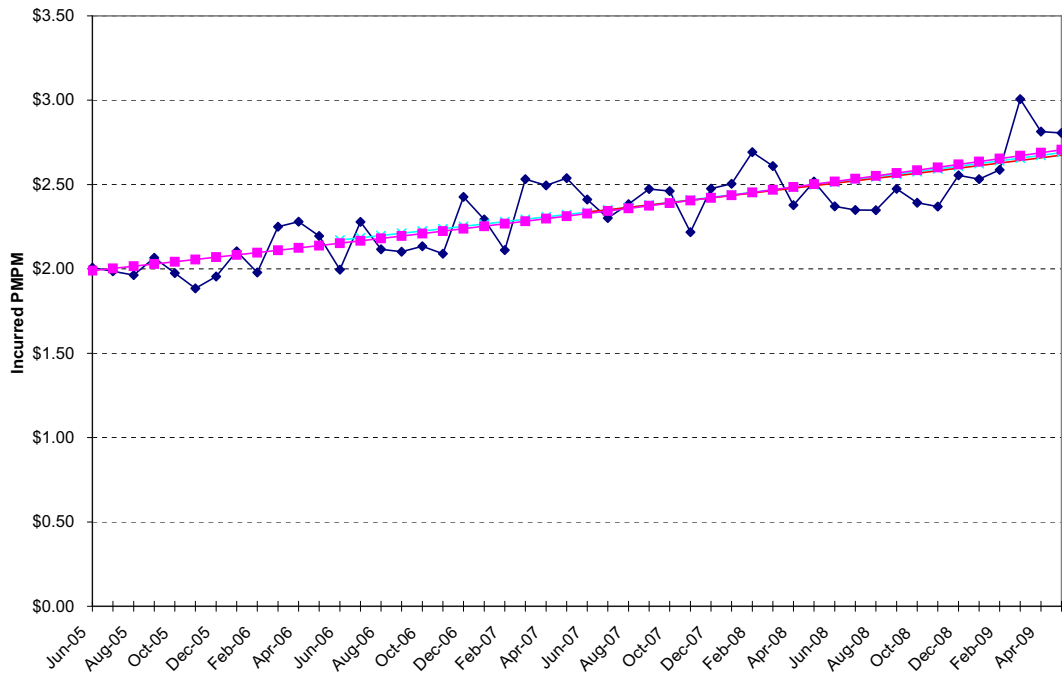




Physician Services - Emergency Room



Physician Services - Emergency Room



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

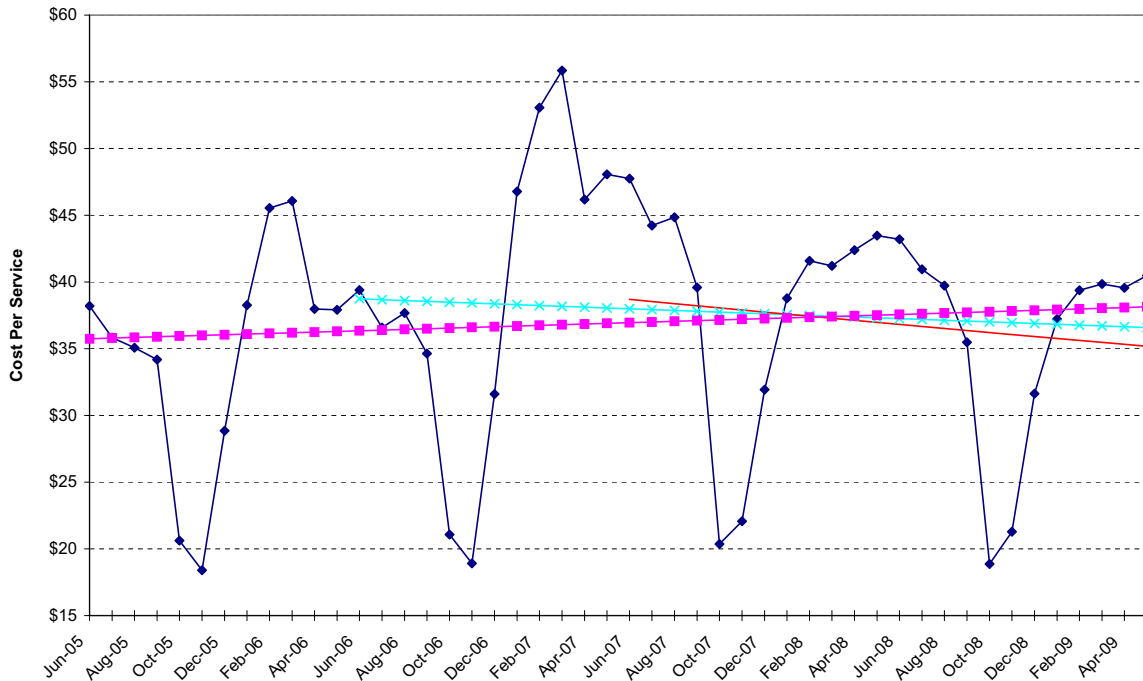
Immunizations / Injections / Allergy

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-5.2%	-4.8%	<b>-9.7%</b>

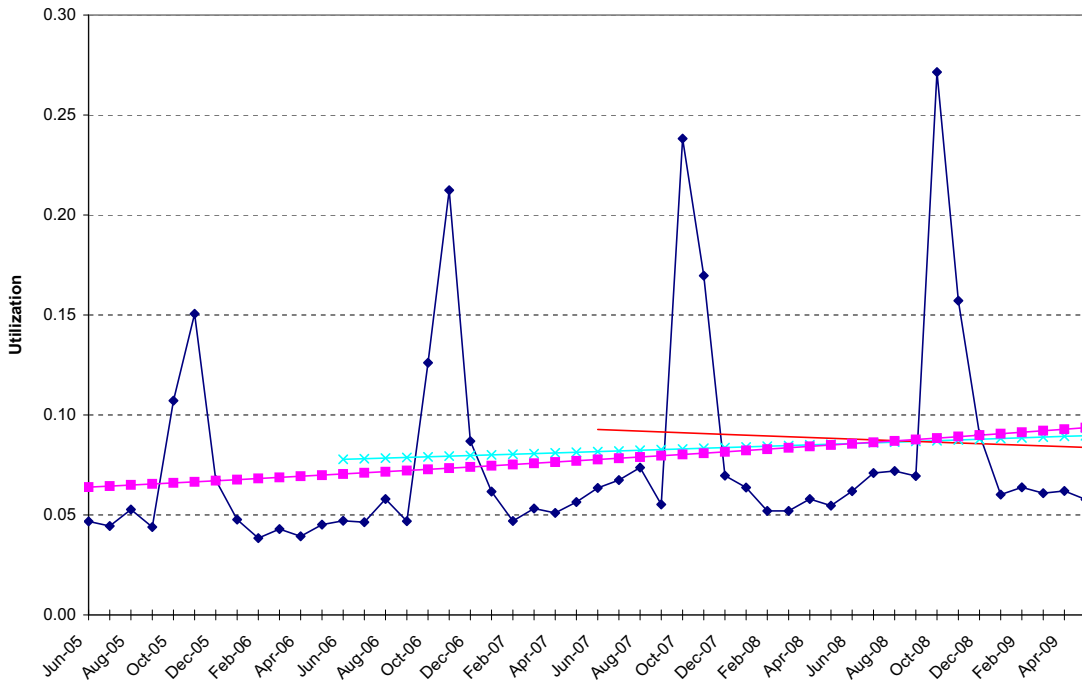
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.0%	-1.9%	<b>2.9%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
10.2%	1.7%	<b>12.1%</b>

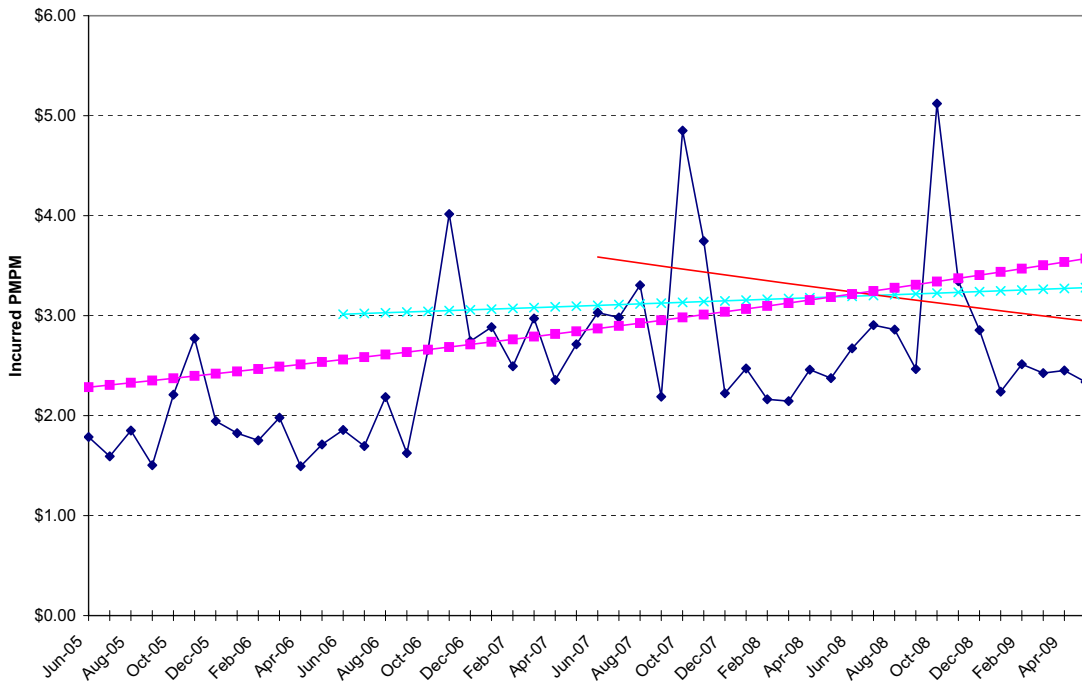
**Physician Services - Immunizations / Allergy**



Physician Services - Immunizations / Allergy



Physician Services - Immunizations / Allergy



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

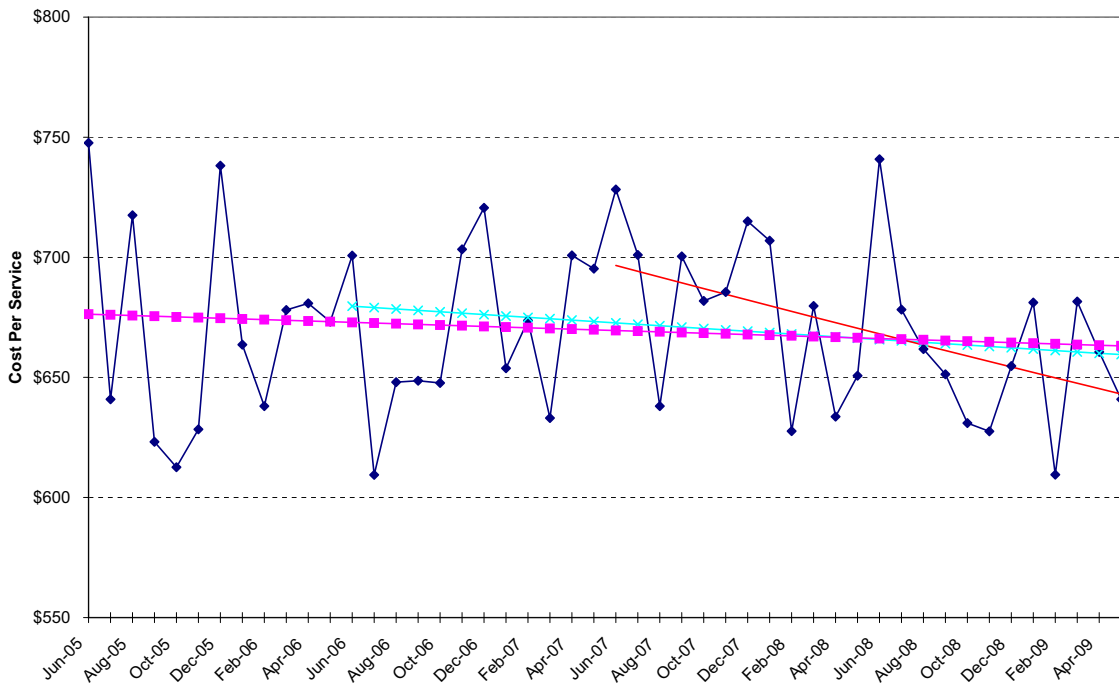
Inpatient Surgery

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.1%	-4.1%	<b>-7.0%</b>

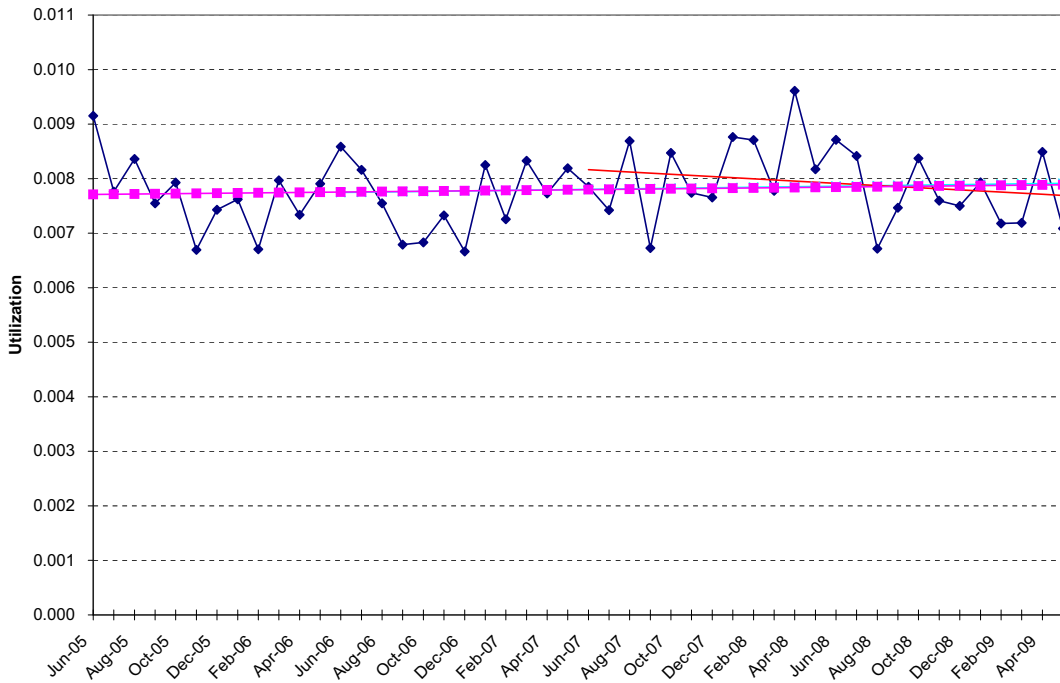
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.7%	-1.0%	<b>-0.3%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.6%	-0.5%	<b>0.1%</b>

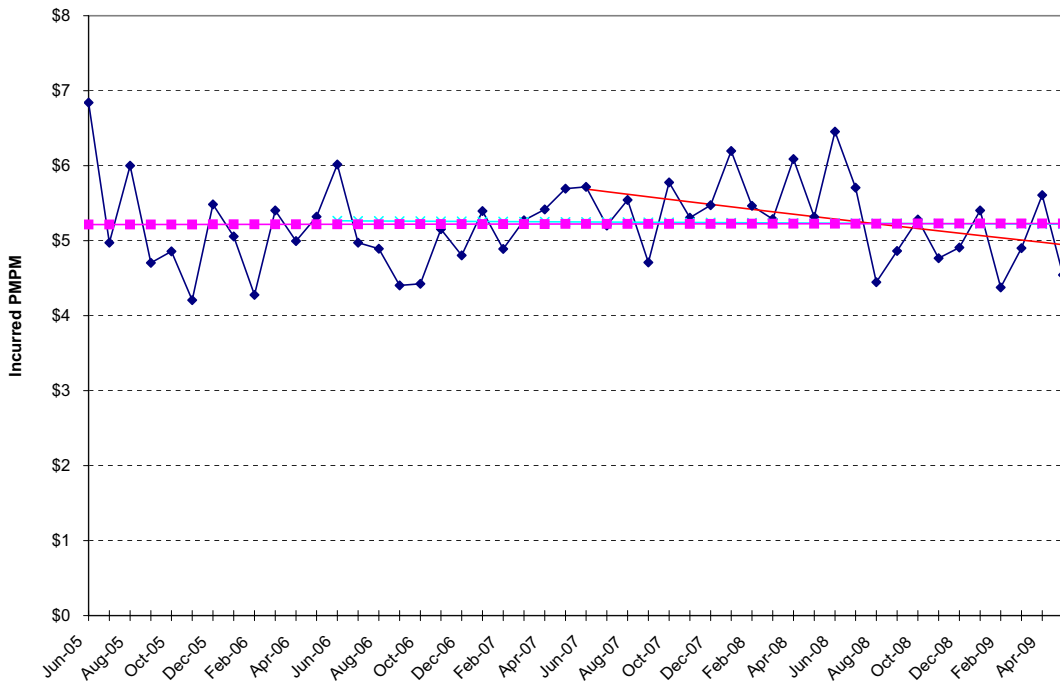
**Physician Services - Inpatient Surgery**



Physician Services - Inpatient Surgery



Physician Services - Inpatient Surgery



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

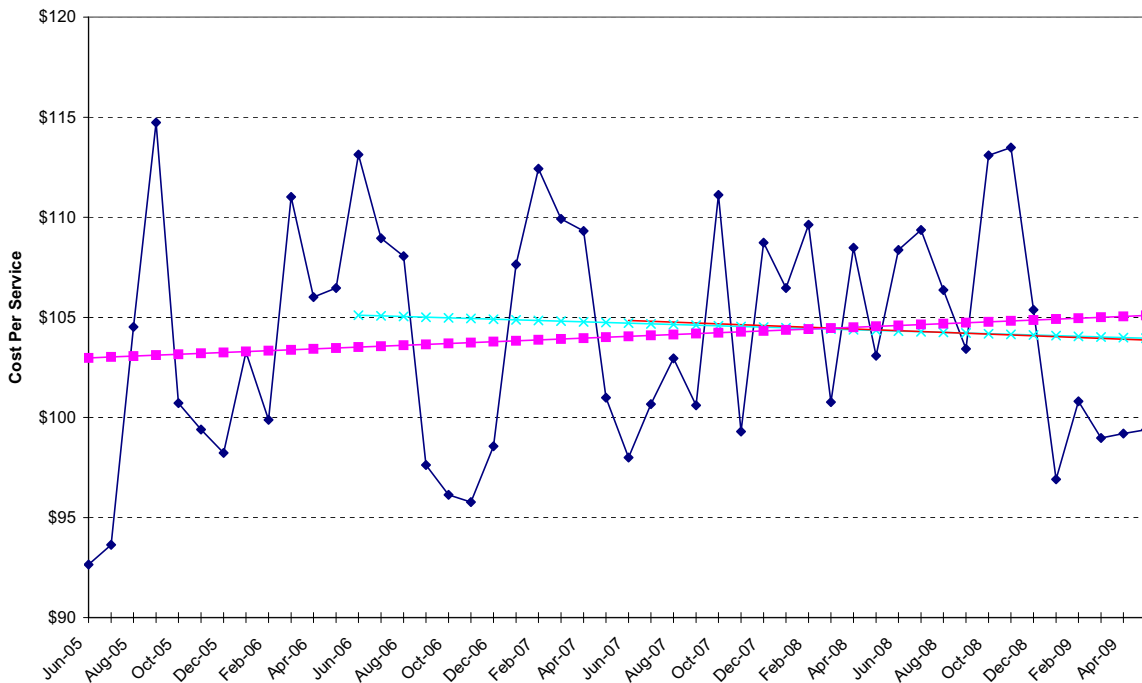
Inpatient Visits

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.3%	-0.5%	<b>1.8%</b>

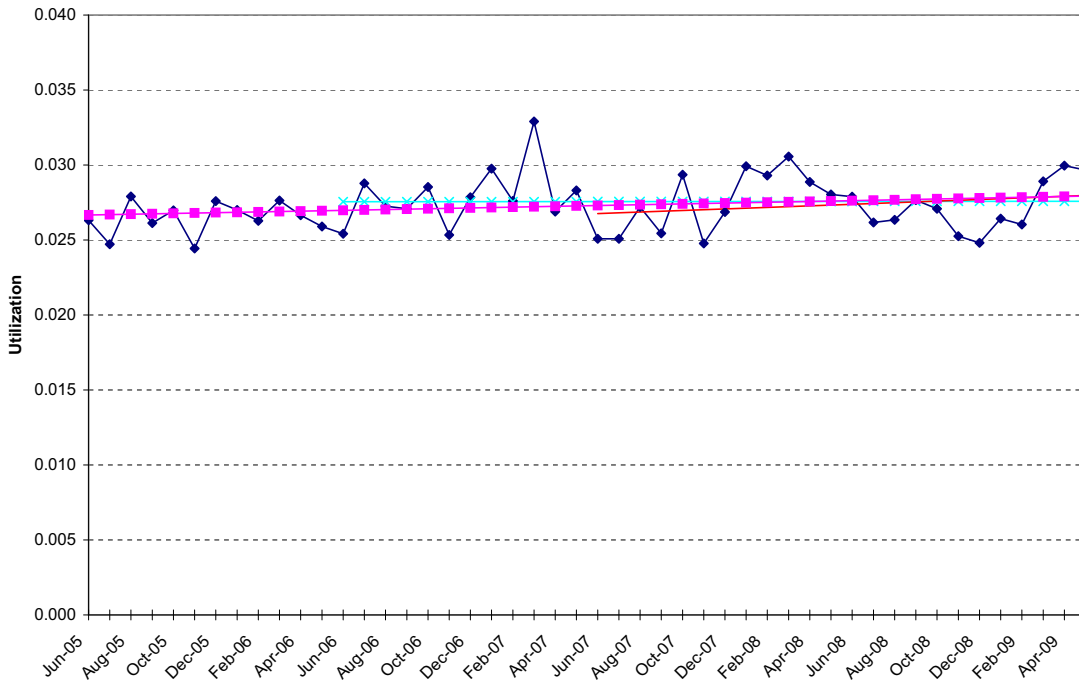
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.0%	-0.4%	<b>-0.3%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.2%	0.5%	<b>1.7%</b>

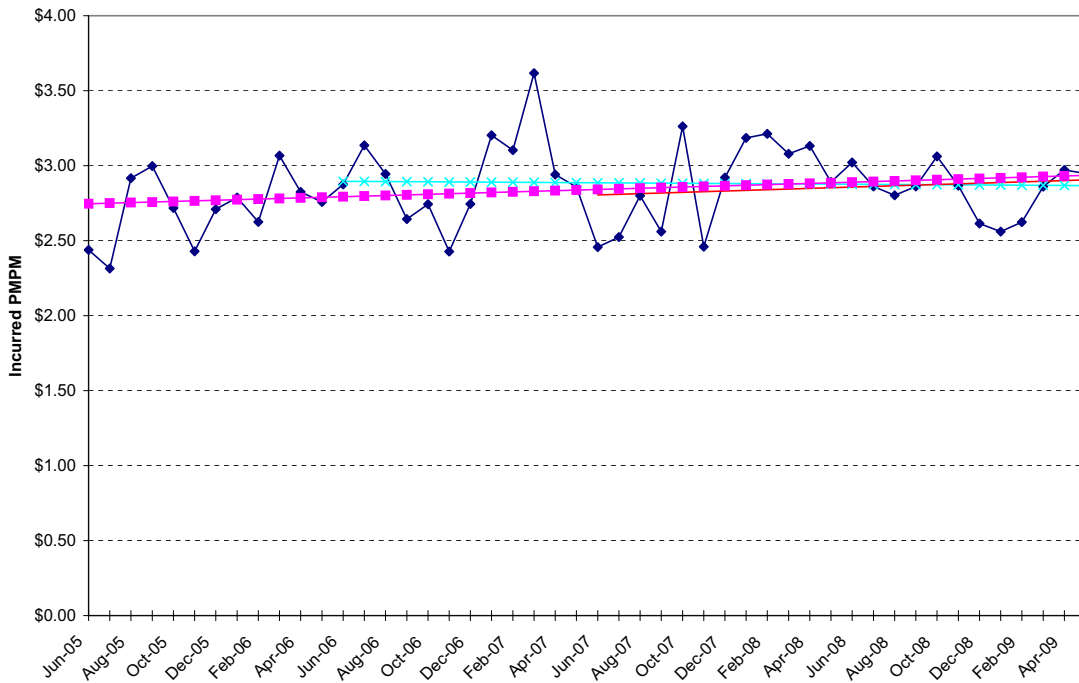
**Physician Services - Inpatient Visits**



Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

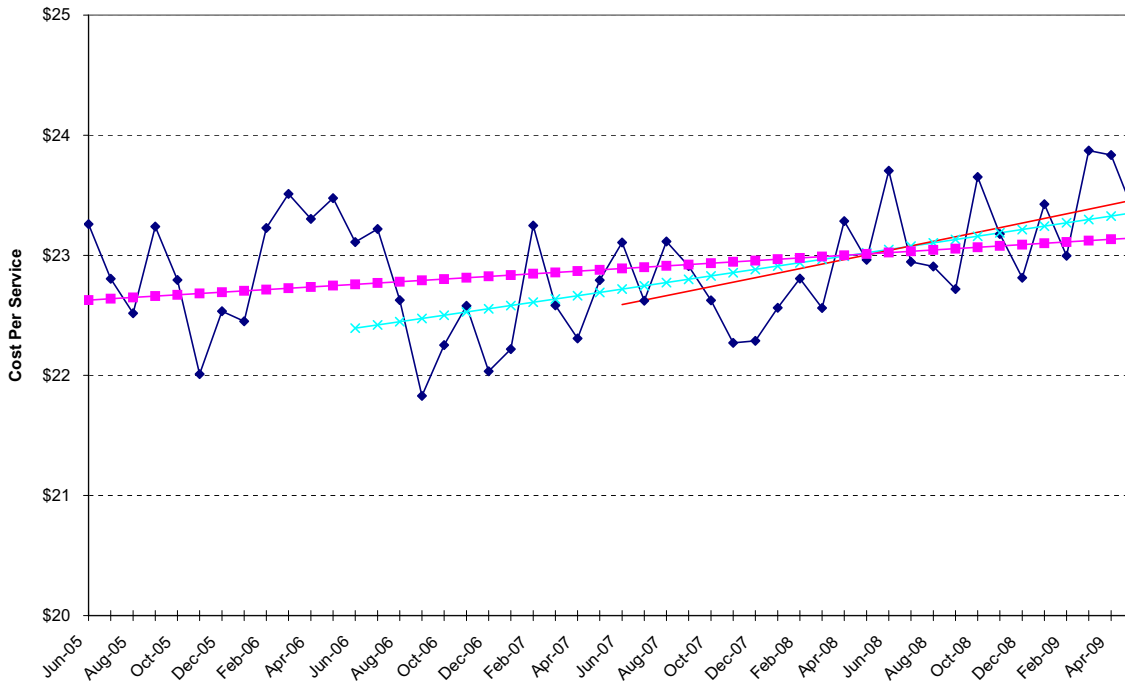
Lab & Pathology

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.2%	2.0%	<b>6.3%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.8%	1.5%	<b>4.3%</b>

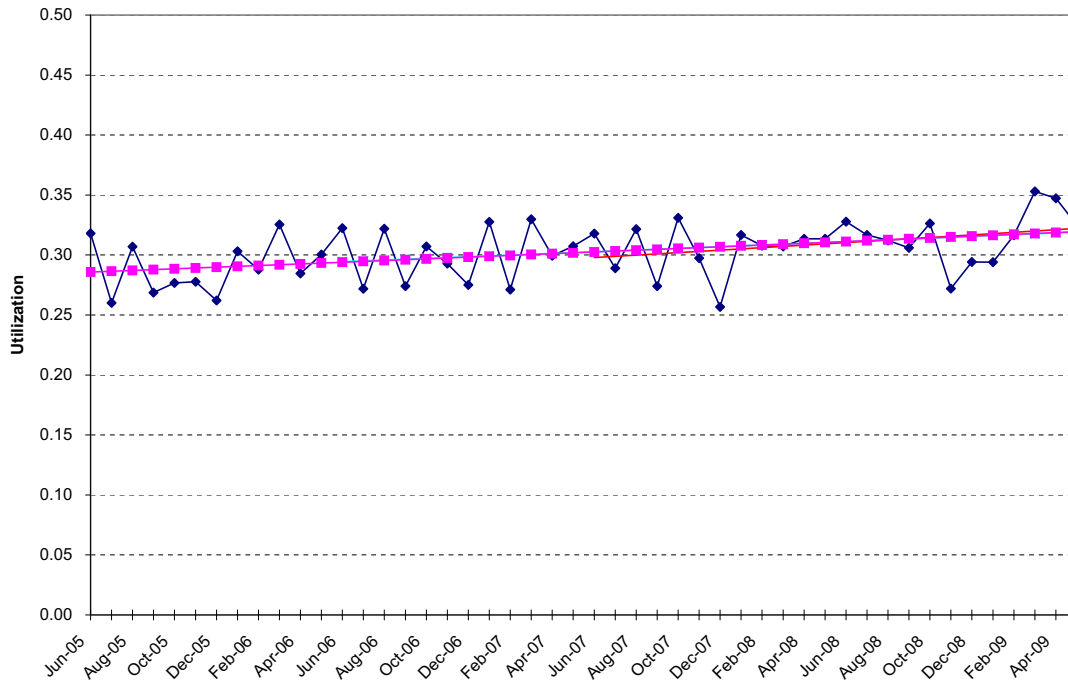
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.9%	0.6%	<b>3.5%</b>

**Physician Services - Lab & Pathology**

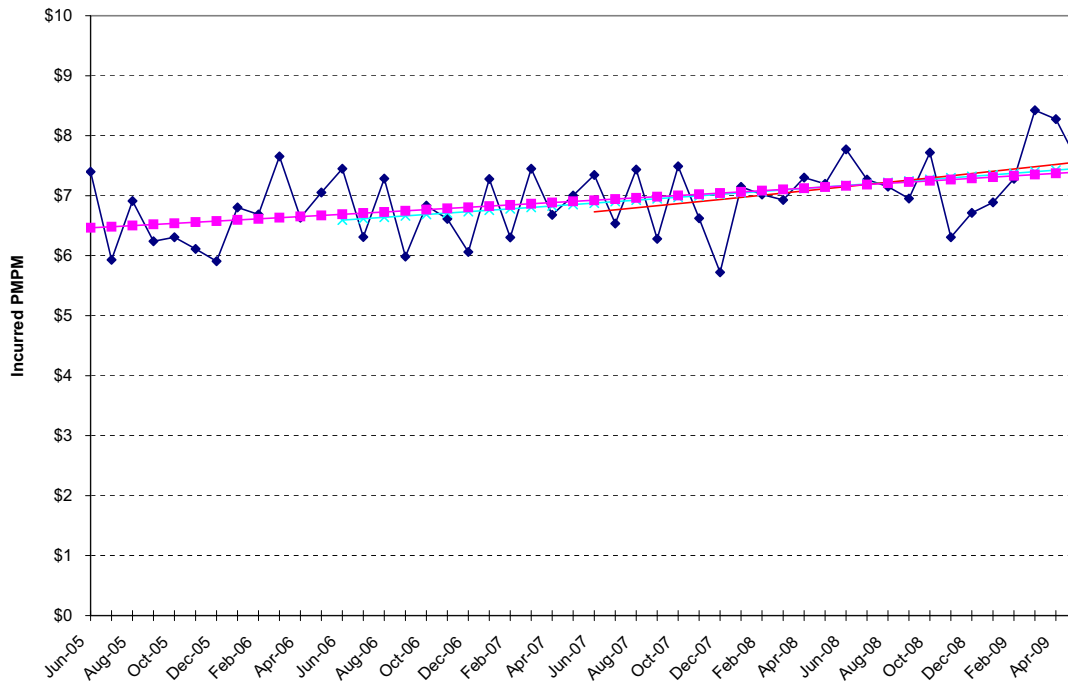




Physician Services - Lab & Pathology



Physician Services - Lab & Pathology



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

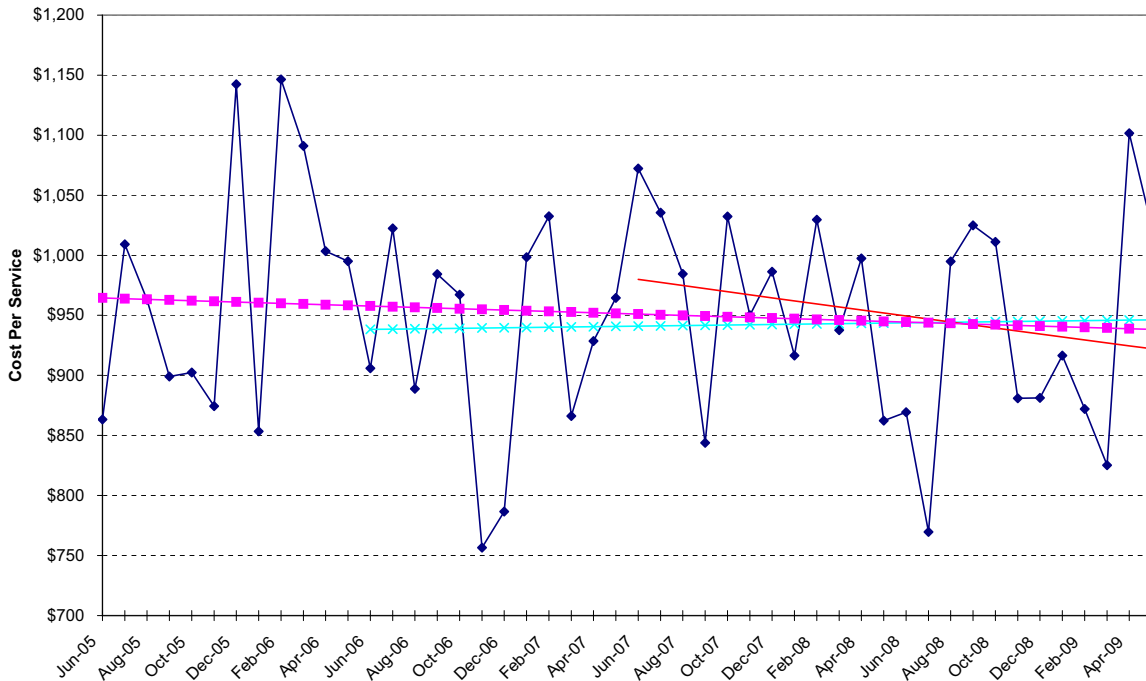
Maternity

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.5%	-3.1%	<b>-4.6%</b>

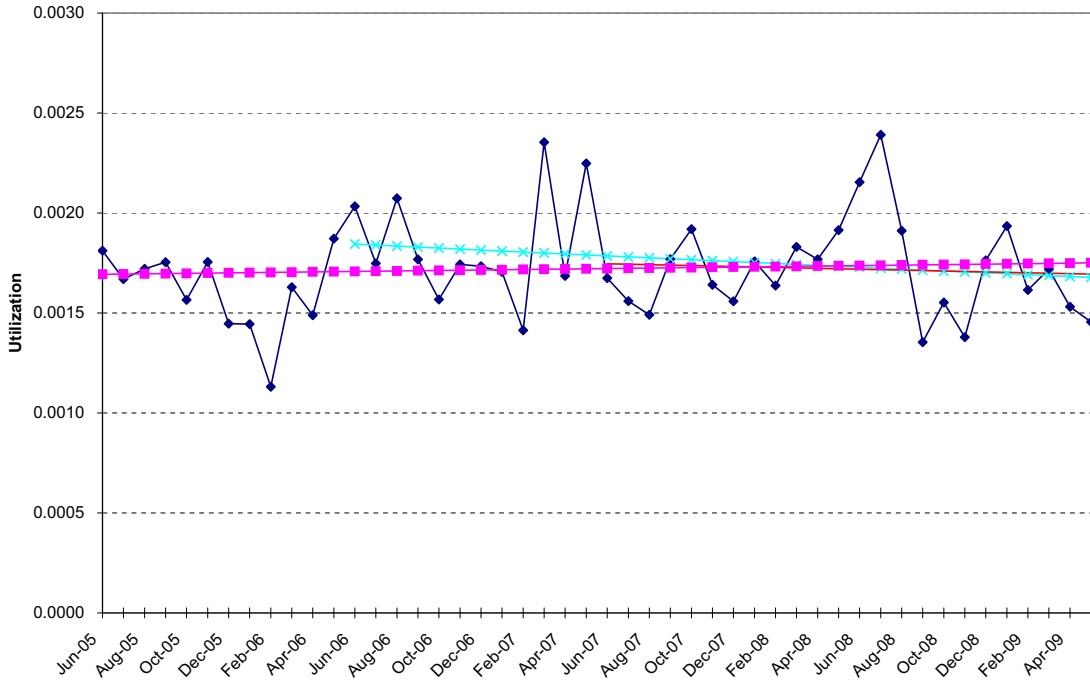
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.2%	0.3%	<b>-2.9%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.9%	-0.7%	<b>0.2%</b>

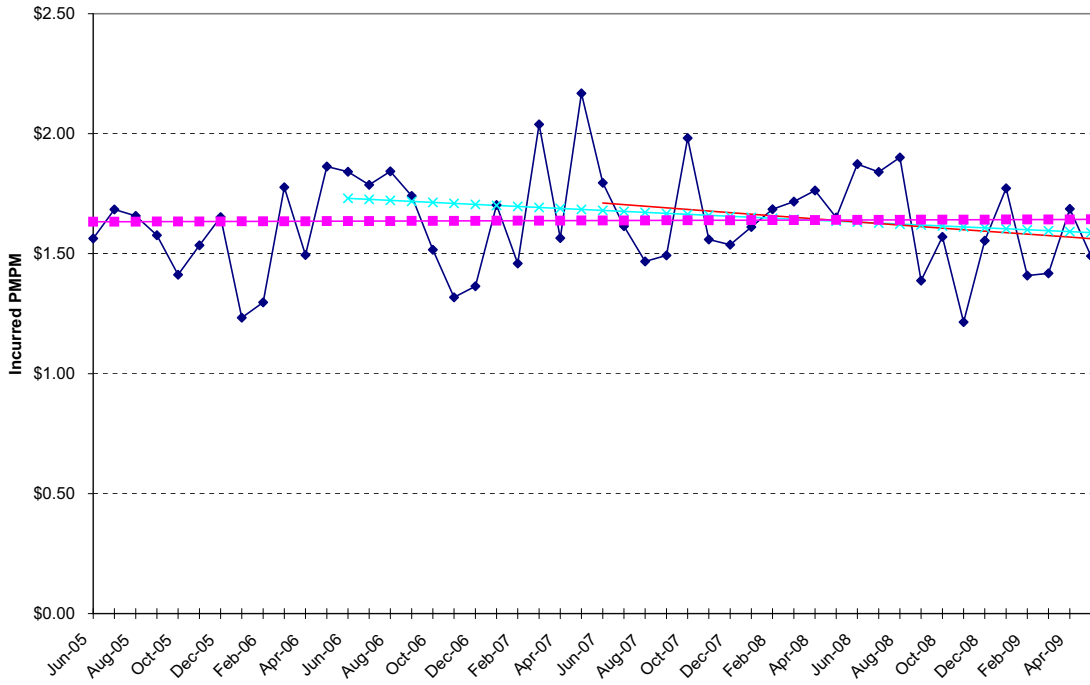
**Physician Services - Maternity**



Physician Services - Maternity



Physician Services - Maternity



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

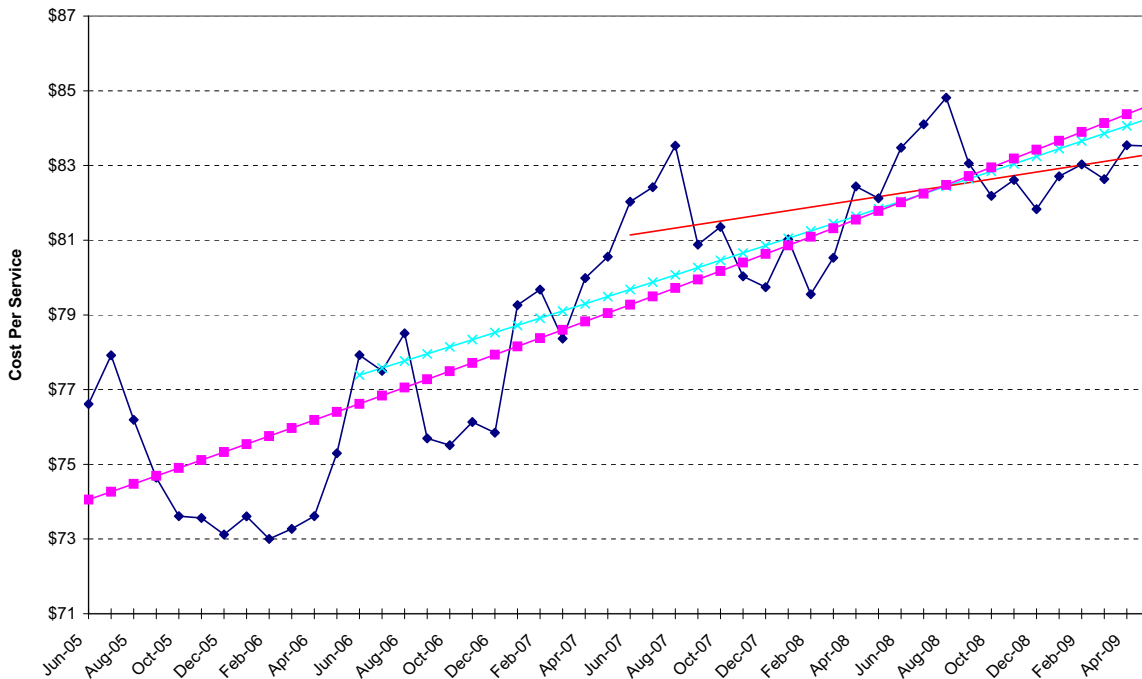
Office Visits

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.9%	1.4%	7.3%

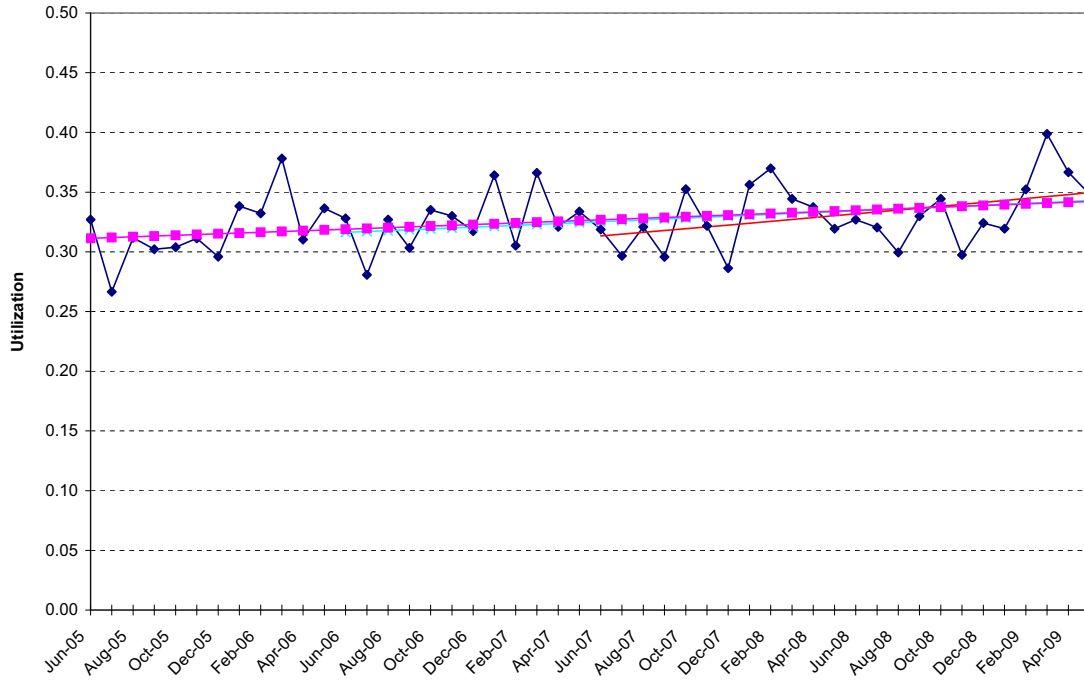
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.8%	3.0%	5.9%

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.4%	3.5%	6.0%

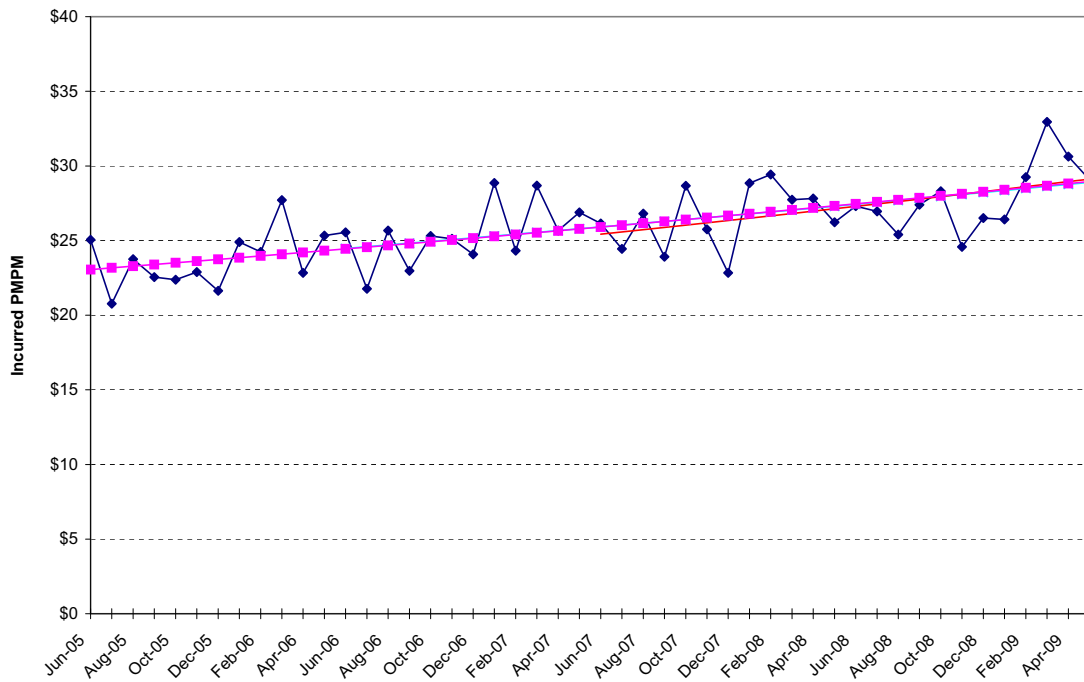
**Physician Services - Office Visits**



Physician Services - Office Visits



Physician Services - Office Visits



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

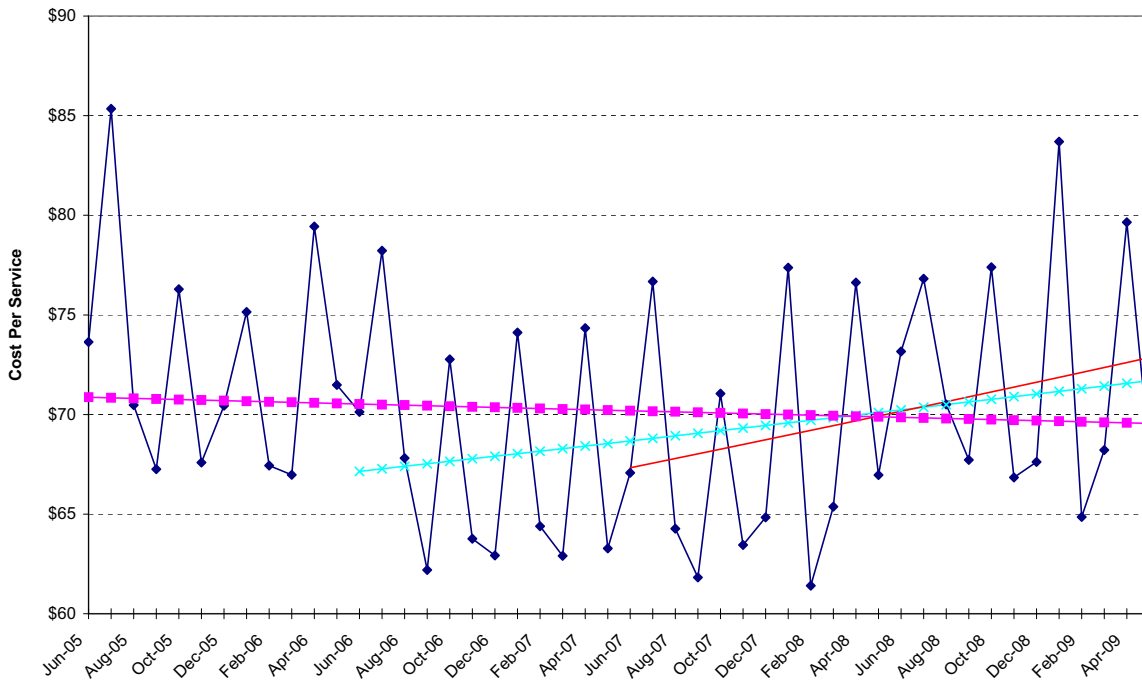
Other Services

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.9%	4.2%	<b>5.1%</b>

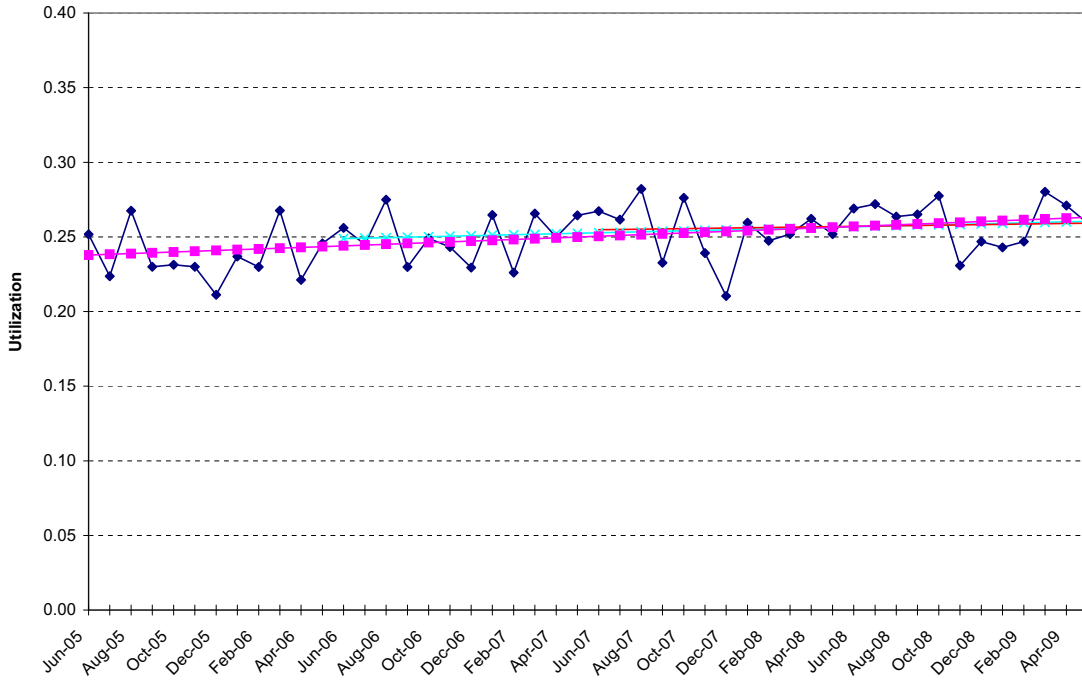
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.6%	2.3%	<b>3.9%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.6%	-0.5%	<b>2.1%</b>

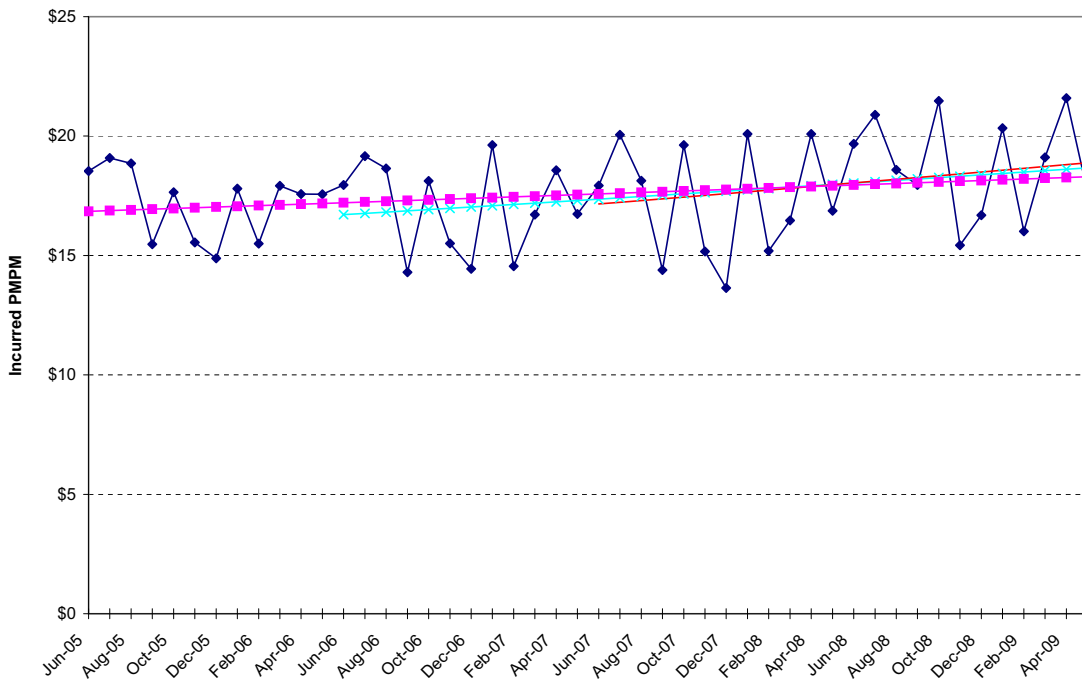
**Physician Services - Other Services**



Physician Services - Other Services



Physician Services - Other Services



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

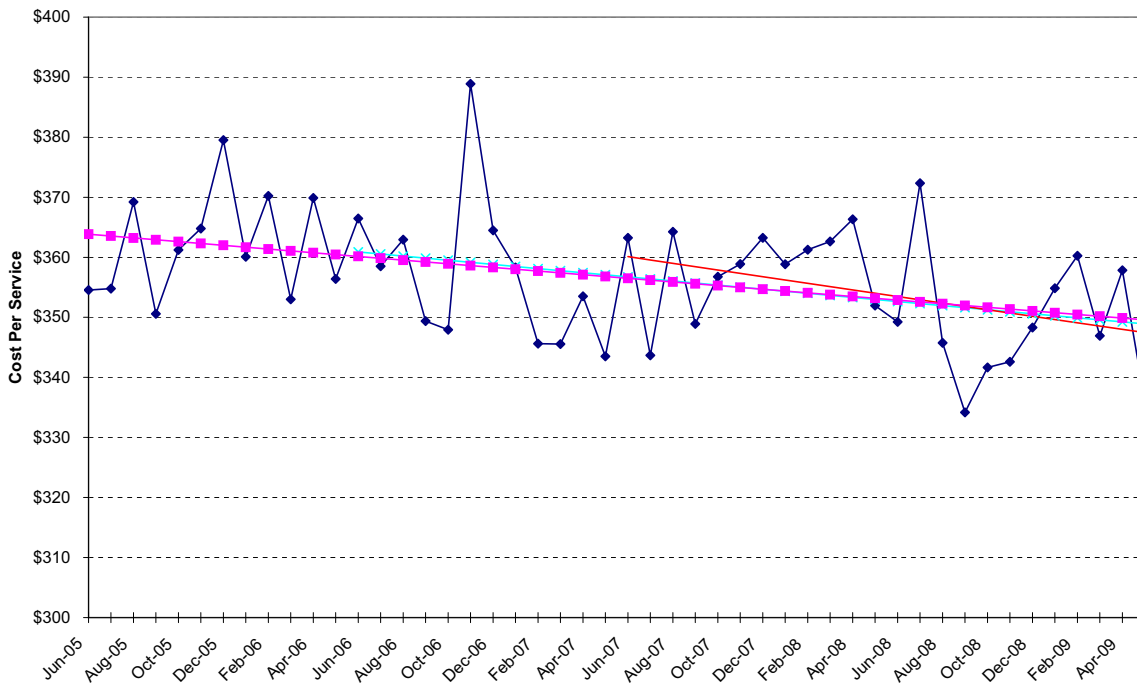
Outpatient Surgery

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.8%	-1.8%	<b>0.9%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.8%	-1.2%	<b>0.6%</b>

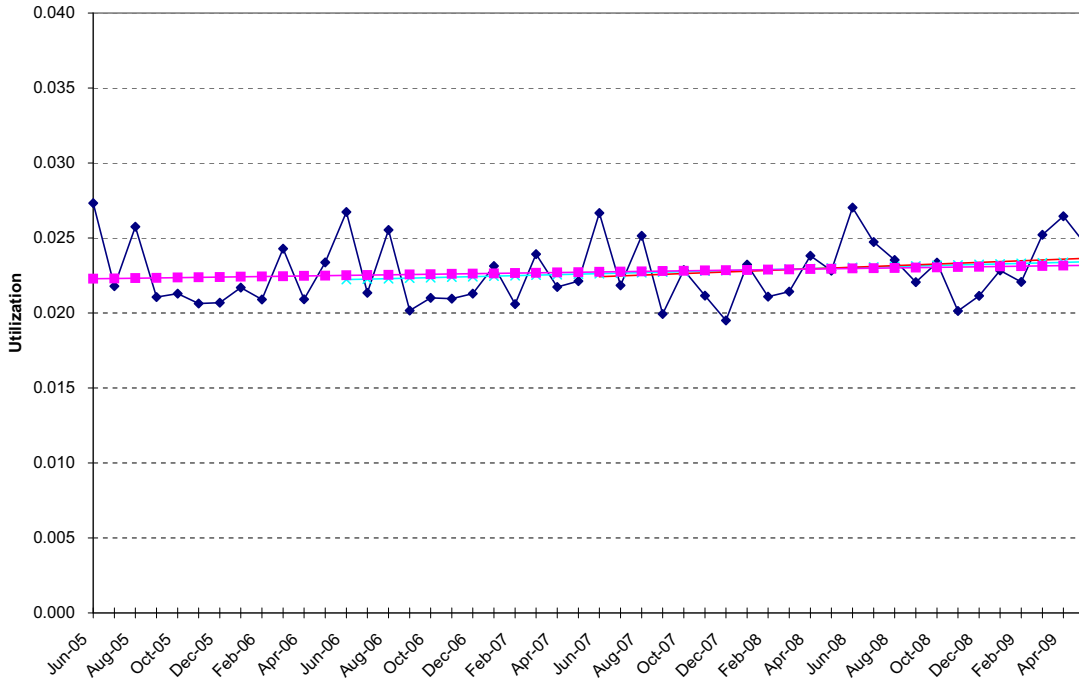
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.0%	-1.0%	<b>0.0%</b>

**Physician Services - Outpatient Surgery**

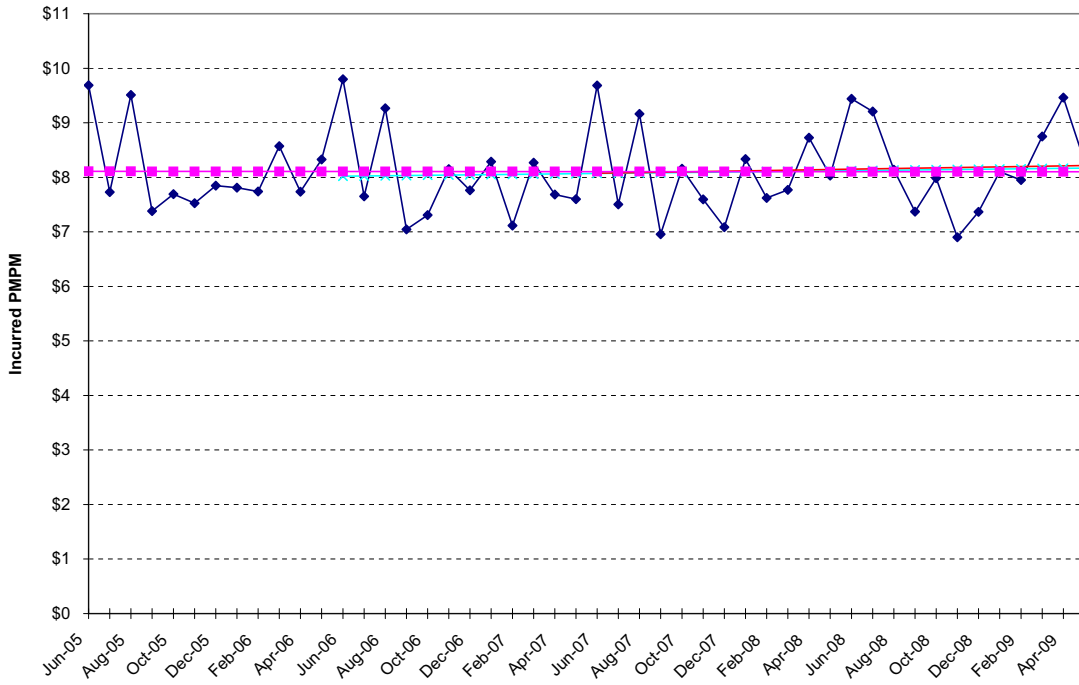




Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery



**NON-MEDICARE CLAIMS**  
Excluding Drugs

**PHYSICIAN SERVICES**

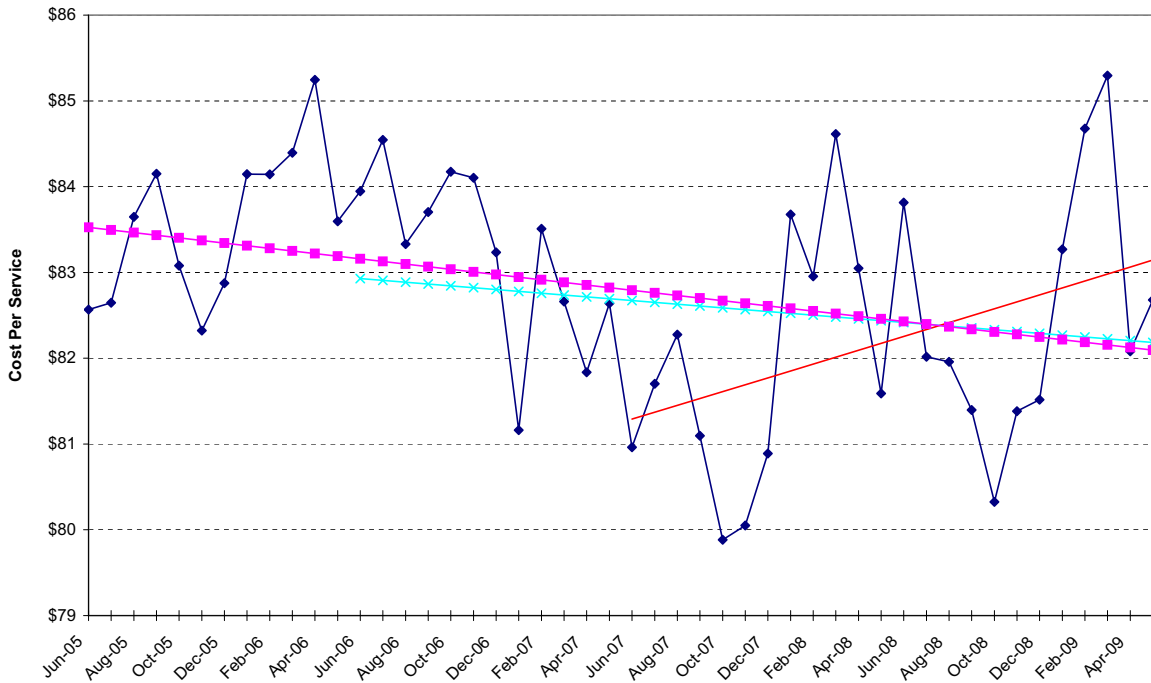
Psychiatric / Substance Abuse

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.3%	1.2%	<b>4.6%</b>

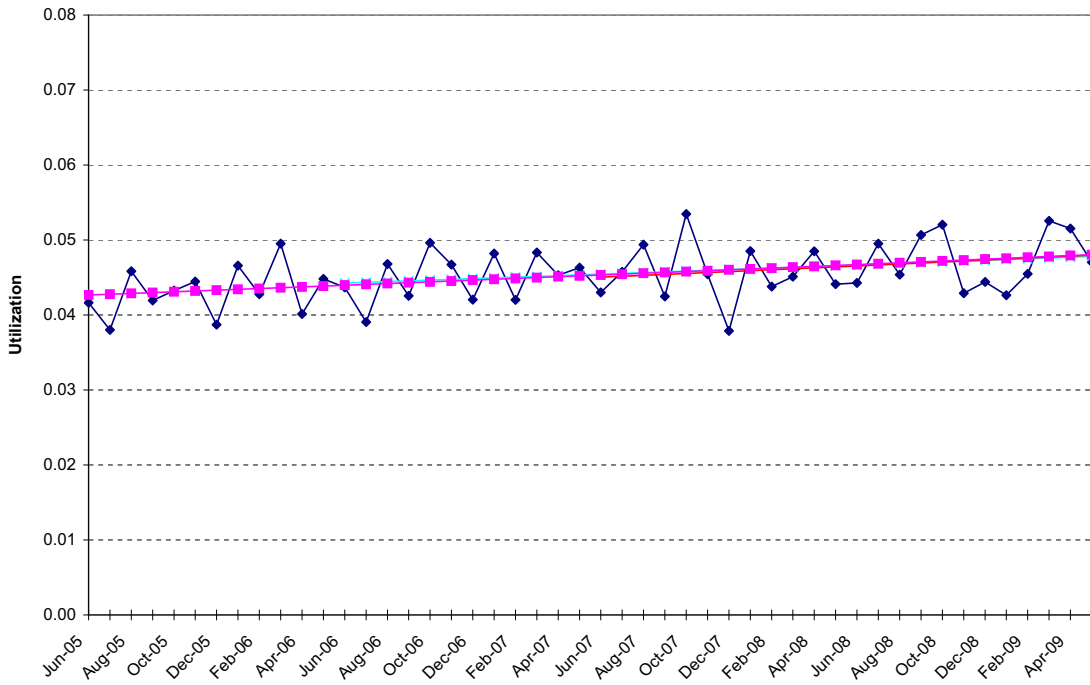
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	-0.3%	<b>2.4%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.1%	-0.4%	<b>2.6%</b>

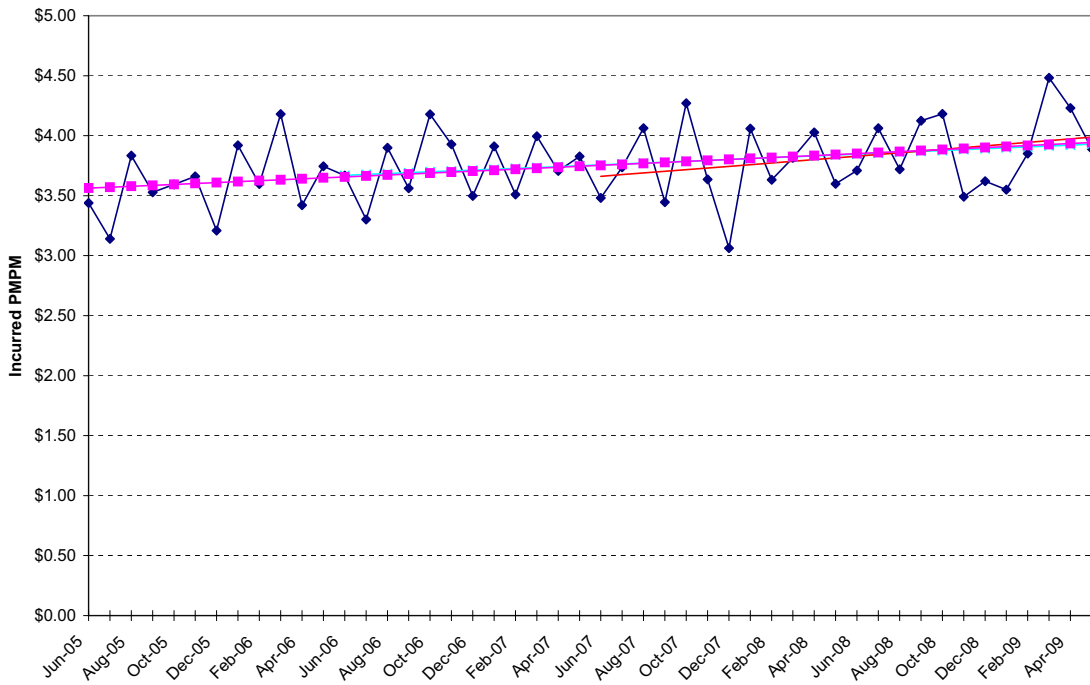
**Physician Services - Psychiatric / Substance Abuse**



Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS  
Excluding Drugs**

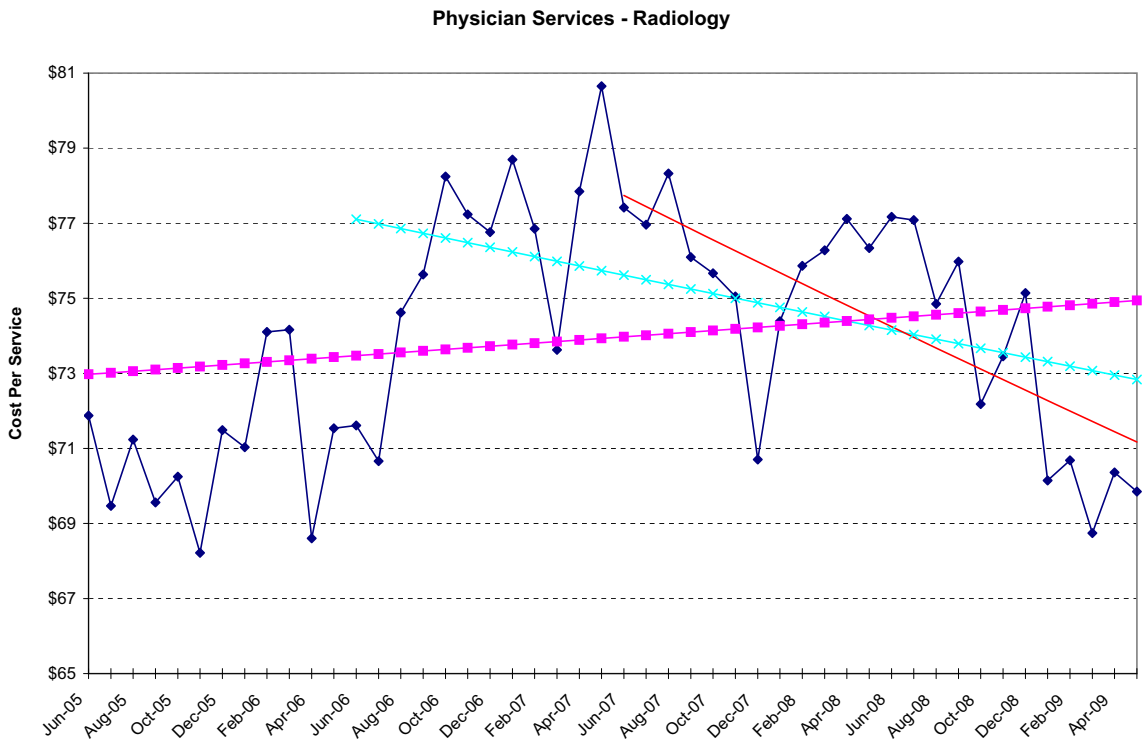
**PHYSICIAN SERVICES**

Radiology

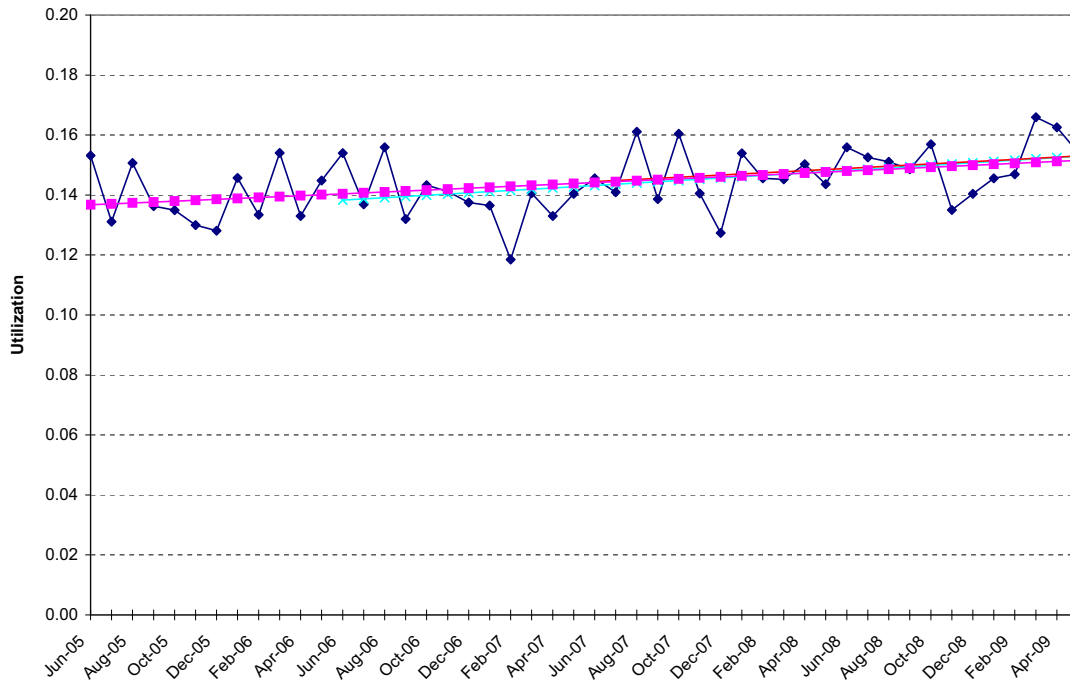
<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.0%	-4.5%	-1.6%

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.5%	-1.9%	1.5%

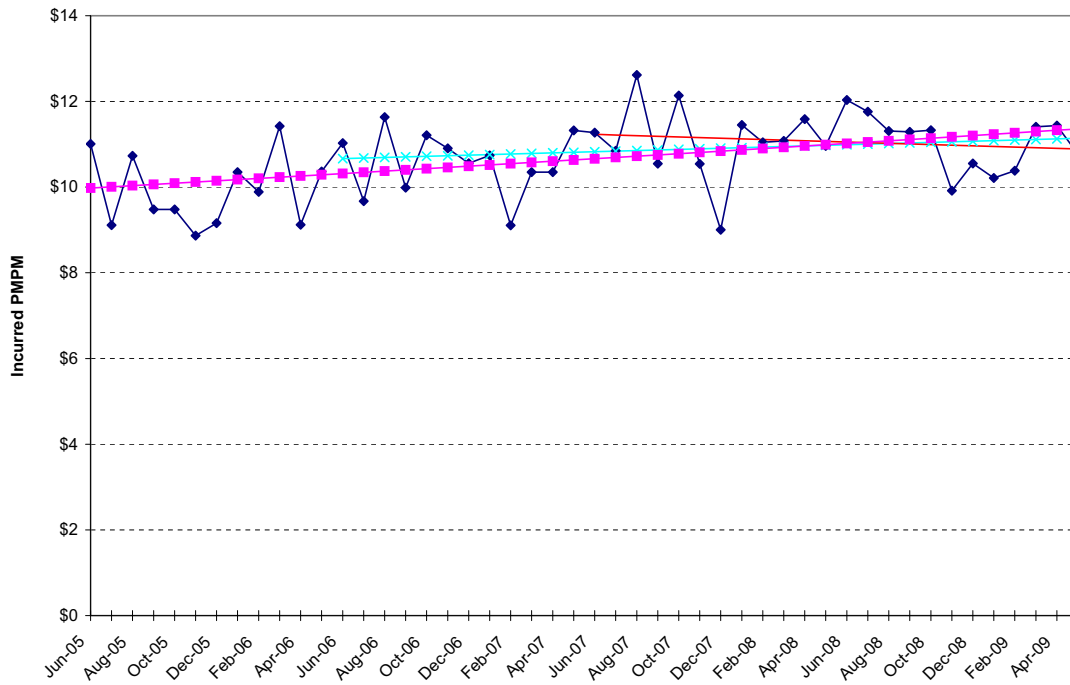
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	0.7%	3.4%



### Physician Services - Radiology



### Physician Services - Radiology



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**PHYSICIAN SERVICES**

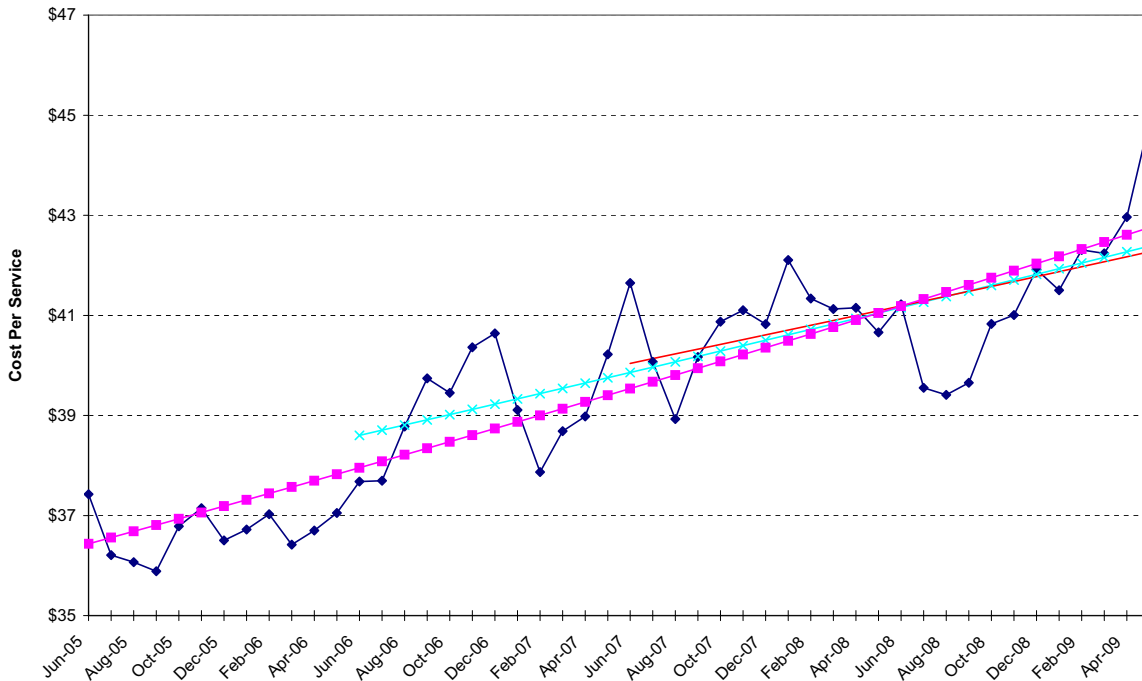
Therapies

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.8%	2.9%	<b>8.8%</b>

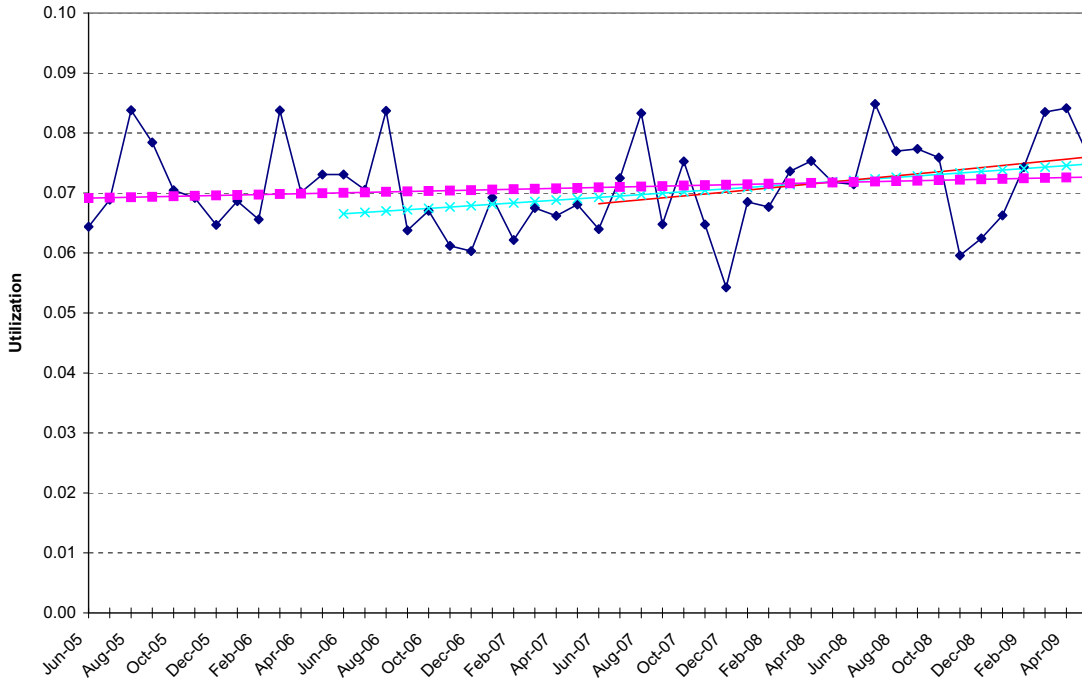
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.1%	3.3%	<b>7.5%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.3%	4.2%	<b>5.5%</b>

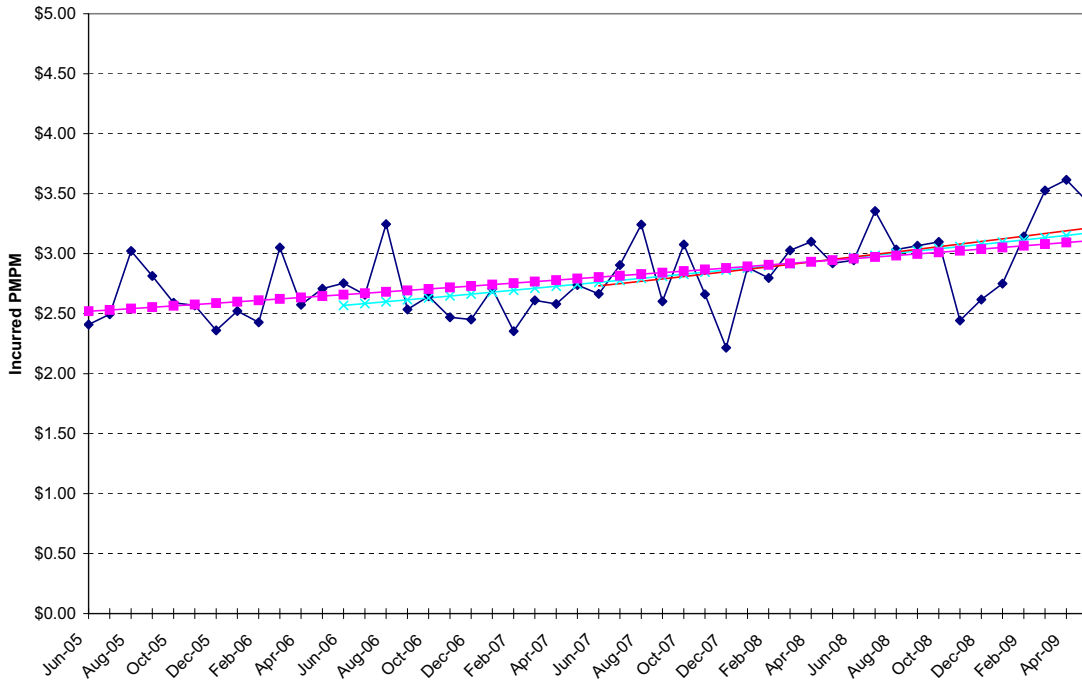
**Physician Services - Therapies**



Physician Services - Therapies



Physician Services - Therapies



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**OTHER**

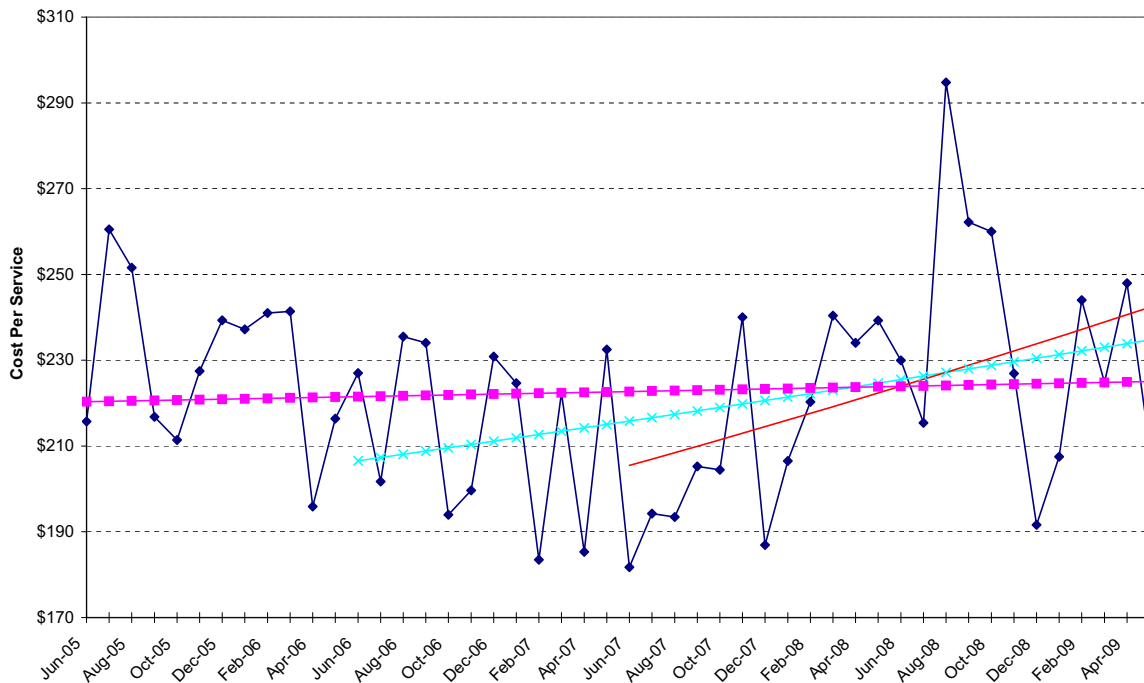
Ambulance

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-2.3%	9.0%	<b>6.5%</b>

<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.7%	4.5%	<b>7.3%</b>

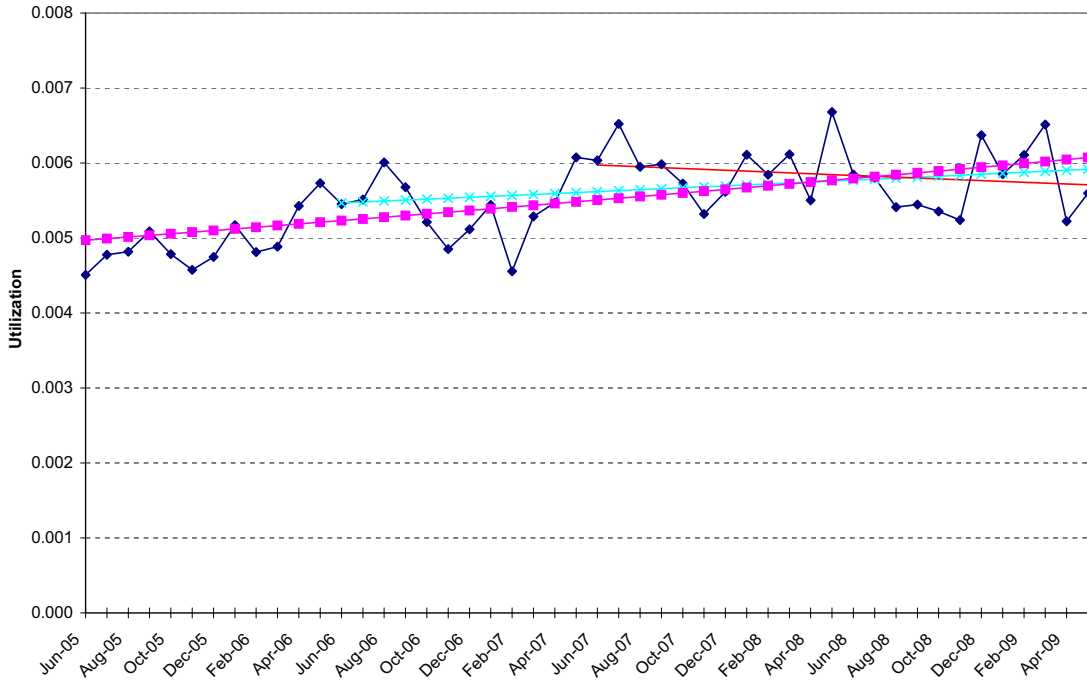
<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.2%	0.5%	<b>5.8%</b>

**Other - Ambulance**

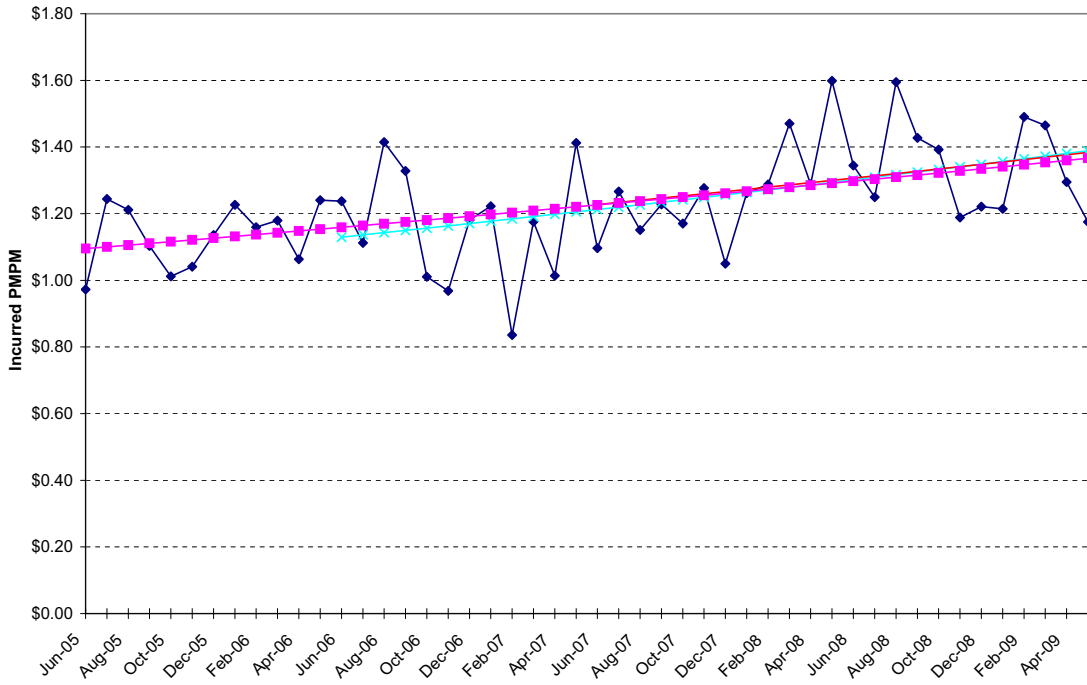




Other - Ambulance



Other - Ambulance



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**OTHER**

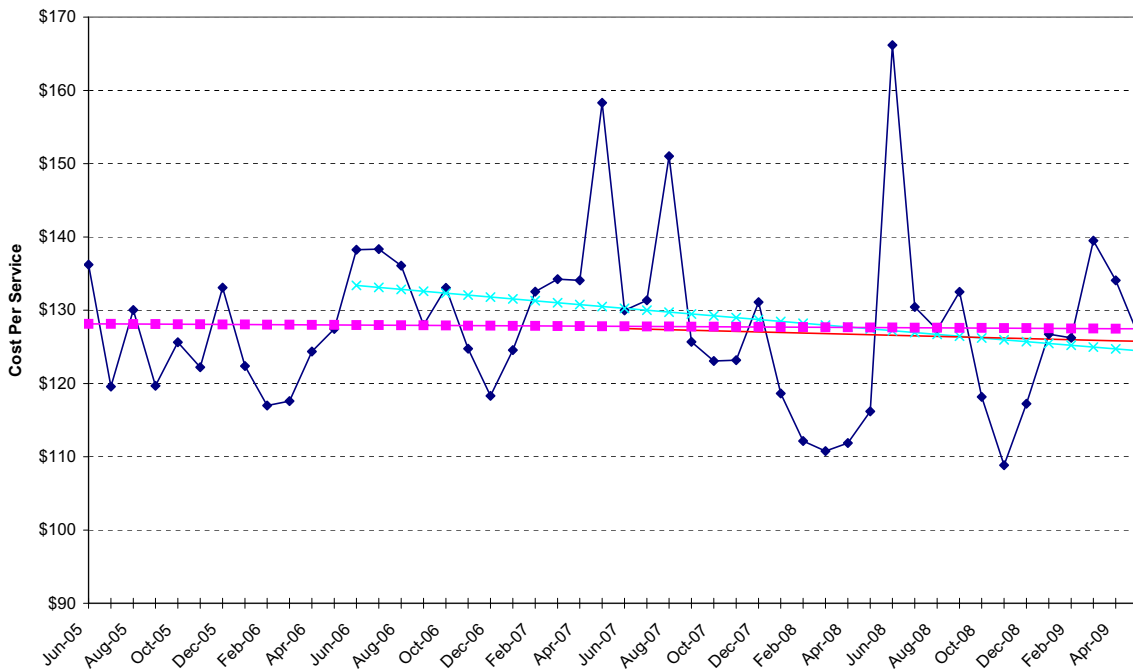
Appliances (DME)

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
14.5%	-0.7%	<b>13.7%</b>

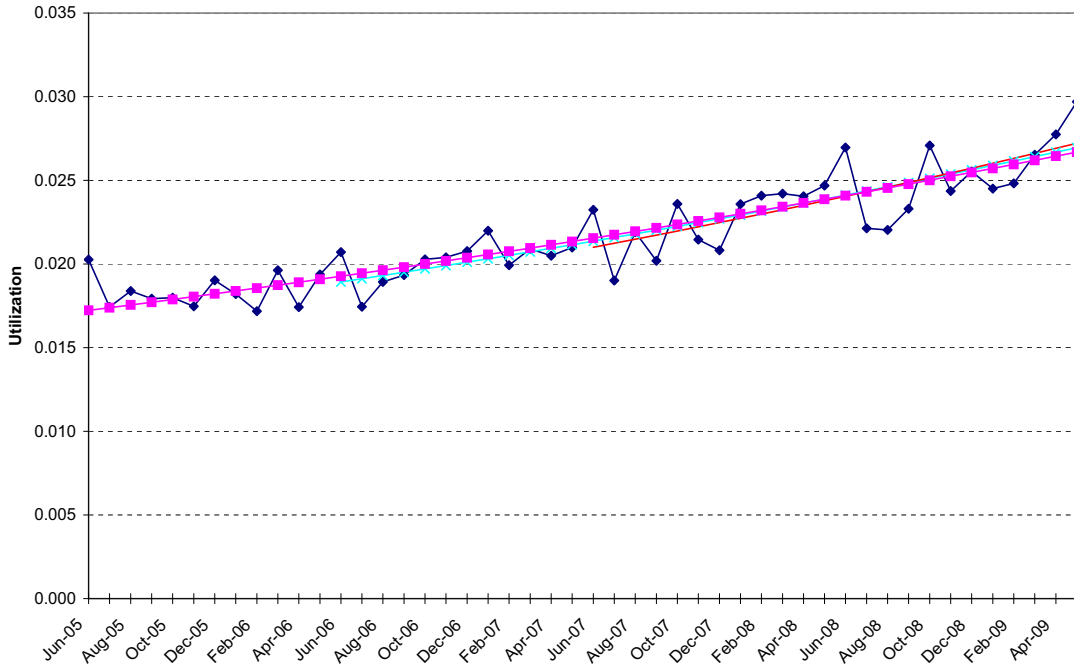
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
12.9%	-2.3%	<b>10.2%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.8%	-0.1%	<b>11.7%</b>

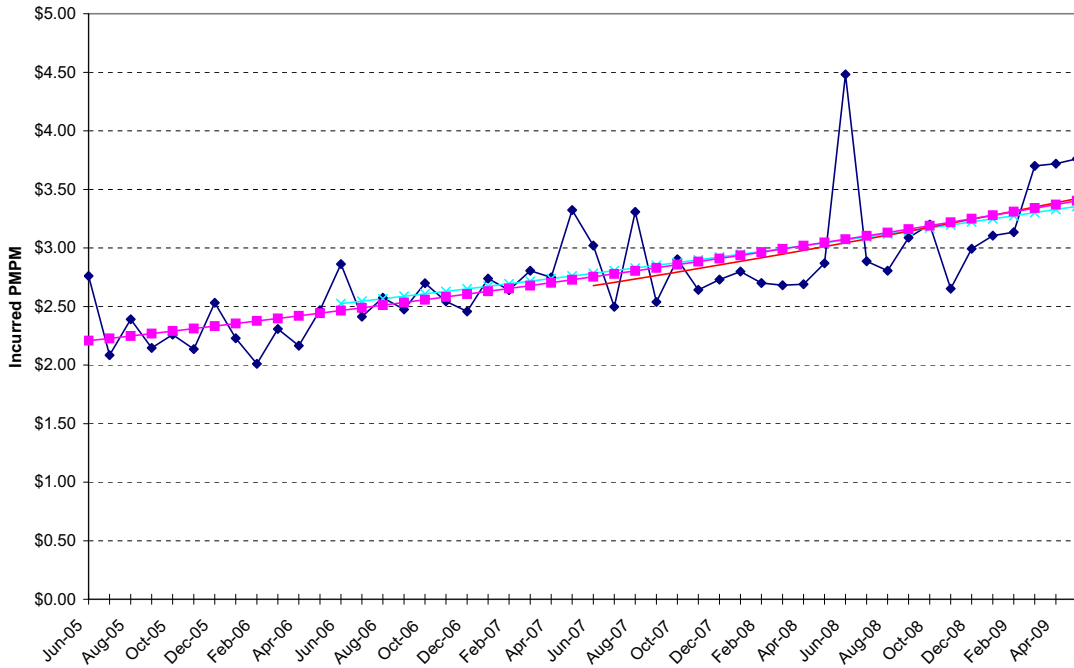
**Other - Appliances (DME)**



Other - Appliances (DME)



Other - Appliances (DME)



**NON-MEDICARE CLAIMS  
Excluding Drugs**

**OTHER**

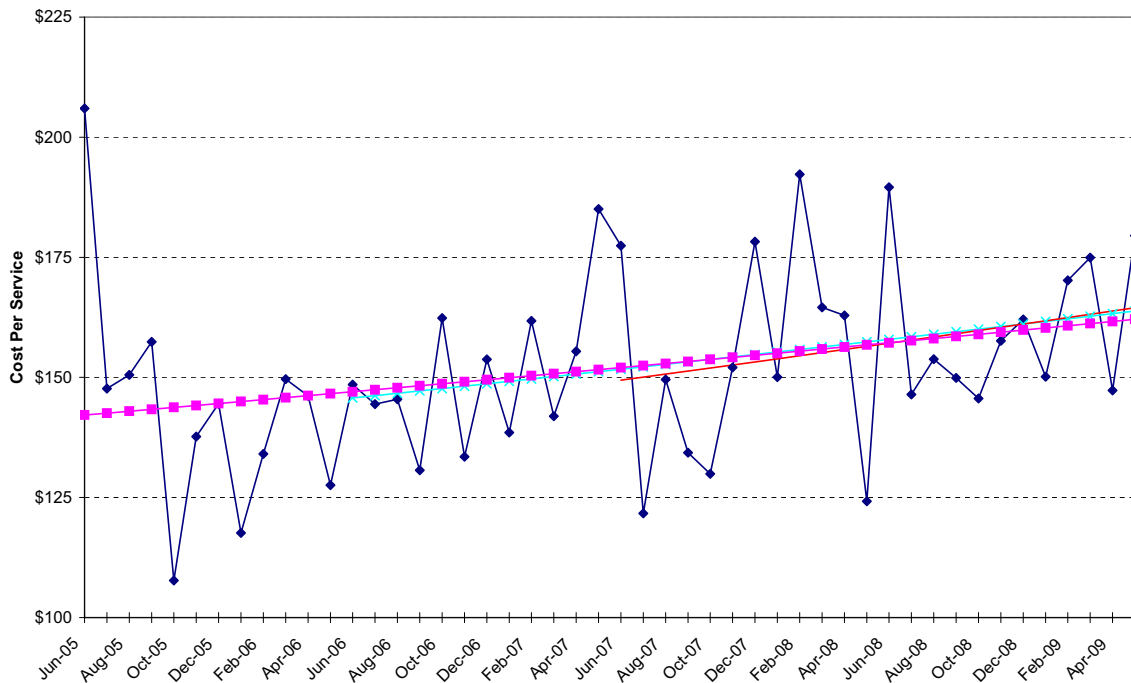
Other Services

<b>24-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.8%	5.1%	<b>10.2%</b>

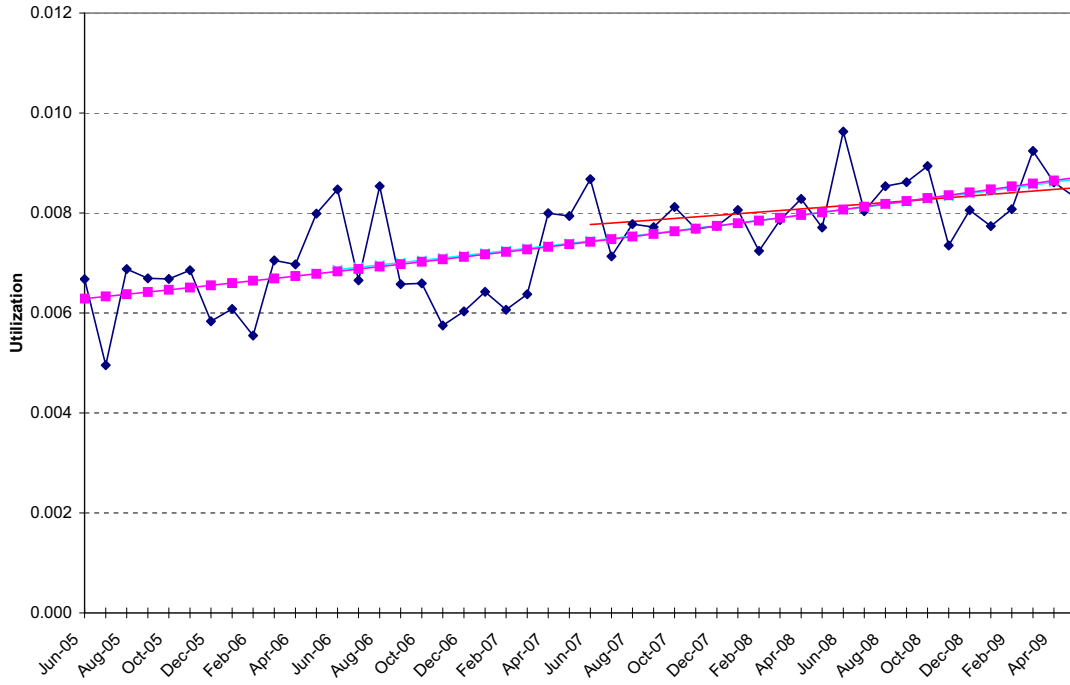
<b>36-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.3%	4.1%	<b>12.8%</b>

<b>48-Month Trends Summary</b>		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.7%	3.4%	<b>12.4%</b>

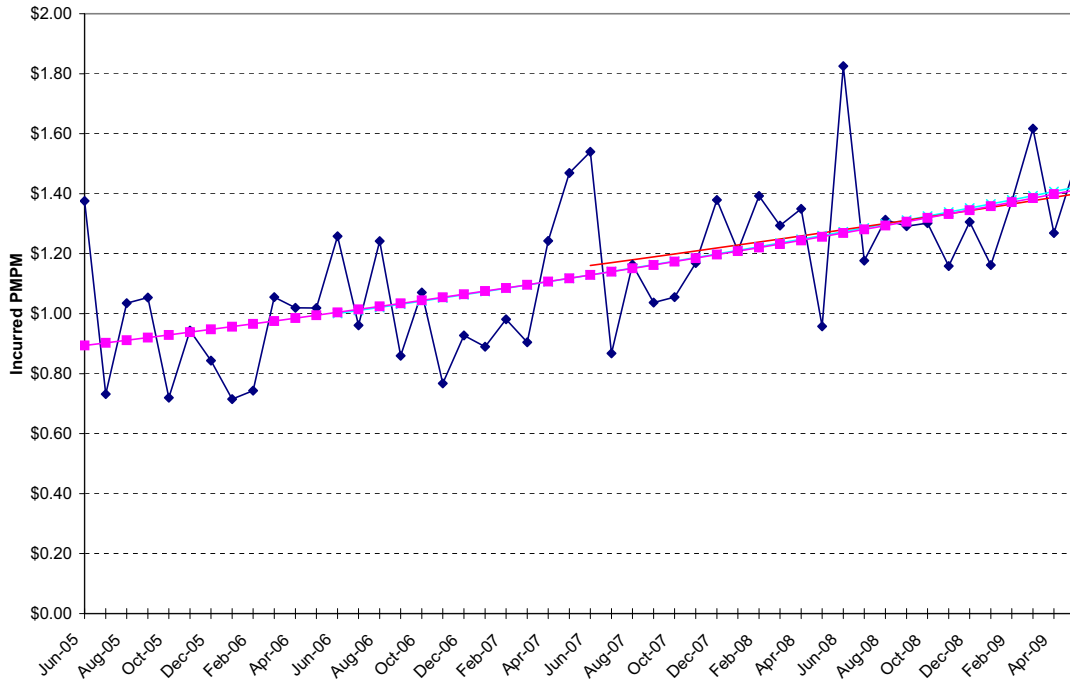
**Other - Other Services**



Other - Other Services



Other - Other Services

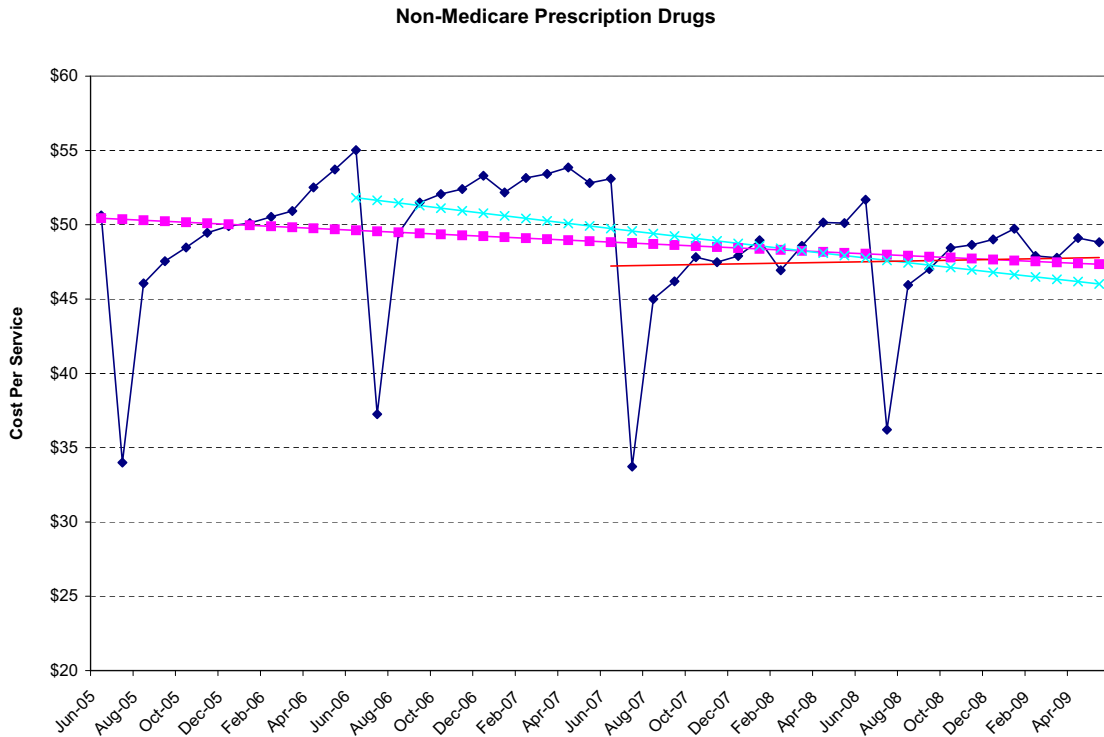


# **Appendix B**

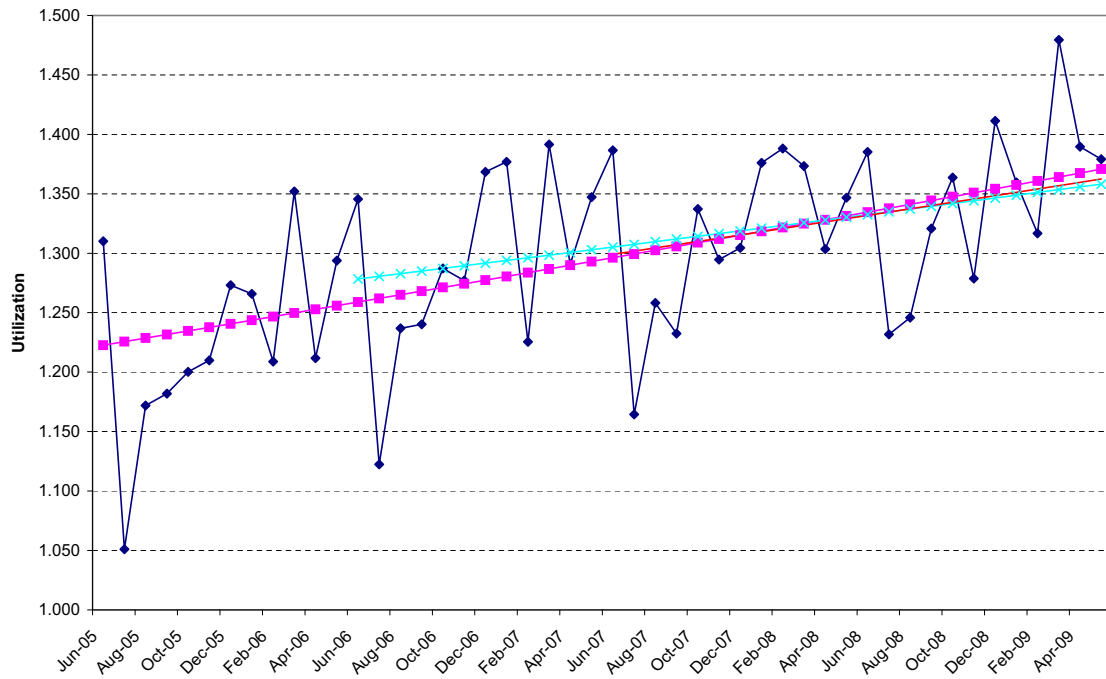
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**Non-Medicare Prescription Drugs**

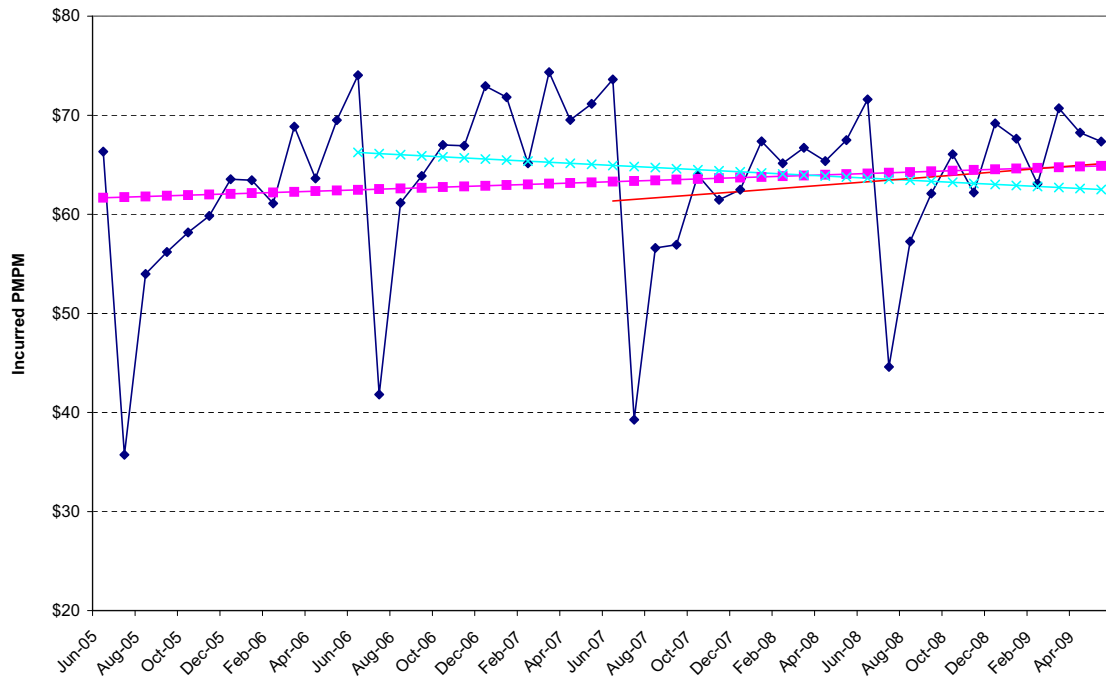
	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>	<u>Weight</u>
24-Month Trend	2.5%	0.6%	3.2%	100.0%
36-Month Trend	2.1%	-4.0%	-2.0%	100.0%
48-Month Trend	3.0%	-1.6%	1.3%	100.0%



### Non-Medicare Prescription Drugs



### Non-Medicare Prescription Drugs





## Appendix C – Analysis of Top Forty Drug Indicators

CCRC Actuaries reviewed the individual prescription data items for Fiscal Years 2008 and 2009. A total of 2,560,401 scripts were written for approximately 3,200 different kinds of prescriptions in 2009. The prescriptions were grouped by indicator codes, providing a basis to develop the Fiscal Year 2009 trend by indicator code. The top 40 indicator codes were analyzed, which accounted for 90.2% of PEIA’s prescription drug expenditures.

The following charts summarize the utilization and cost per service for formulary and non-formulary drugs for each indicator code. The “Top Five Increases in Drug Trends” chart is calculated with indicators which grossed at least \$200,000 in ingredient cost in 2009.

### **Top Five Increases in Drug Trends**

#### **Ingredient Cost Increase**

Indication	2008 Total Ingredient Cost	2009 Total Ingredient Cost	Total Increase
PAIN AND INFLAMMATION	\$2,055,286	\$5,570,884	\$3,515,599
DIABETES	16,206,125	19,070,142	2,864,017
INFLAMMATORY CONDITIONS	5,168,603	6,245,818	1,077,215
MULTIPLE SCLEROSIS	3,022,710	3,897,848	875,138
ATTENTION DISORDERS/WT LOSS	2,989,610	3,741,188	751,578

#### **Prescription Utilization Increase**

Indication	2008 Prescriptions	2009 Prescriptions	Utilization Increase
ENDOCRINE DISORDERS	767	5,073	561.4%
PAIN AND INFLAMMATION	72,463	216,593	198.9%
EYE CONDITIONS	2,541	6,930	172.7%
RESPIRATORY CONDITIONS	127	299	135.4%
MENTAL/NEURO DISORDERS	17,706	33,387	88.6%

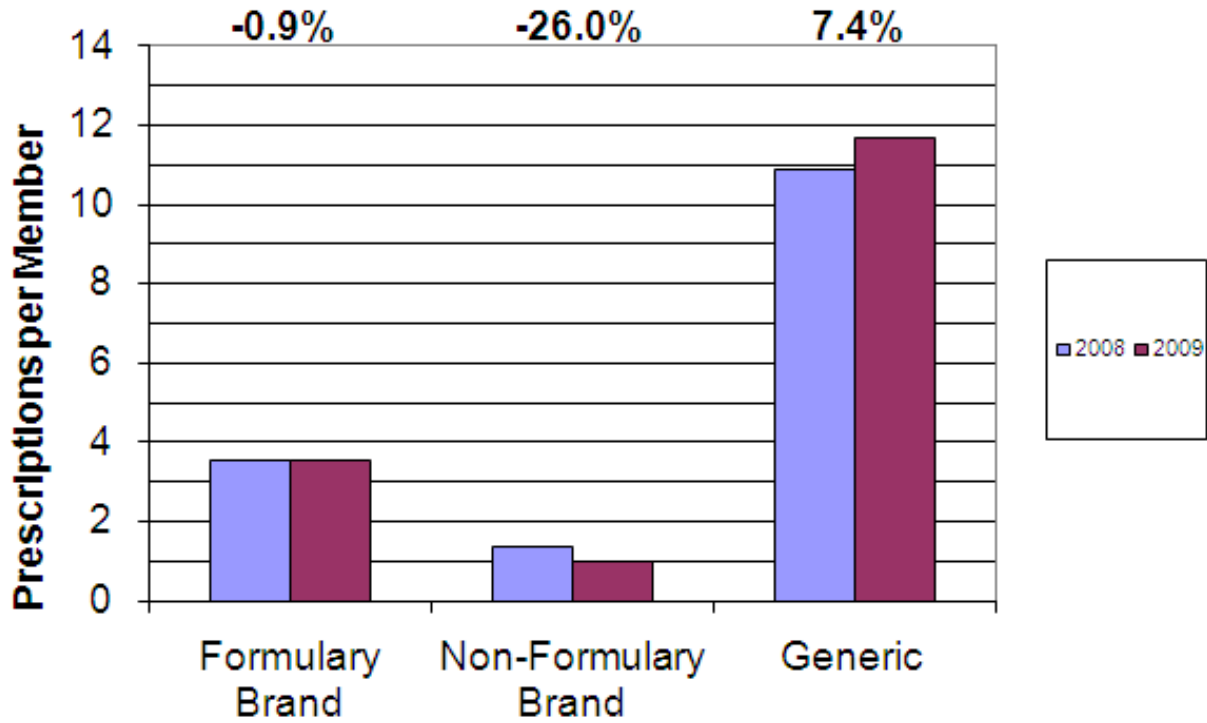
#### **Ingredient Cost Per Prescription Increase**

Indication	2008 Ingredient Cost Per Prescription	2009 Ingredient Cost Per Prescription	Ingredient Cost Per Prescription Increase
HEART DISEASE	\$13.67	\$19.34	41.4%
VAGINAL DISORDERS	\$71.94	\$99.64	38.5%
MISC CONDITIONS	\$45.83	\$61.32	33.8%
GLAUCOMA/EYE INFLAMMATION	\$63.93	\$80.36	25.7%
ANTICOAGULANT	\$75.16	\$93.41	24.3%

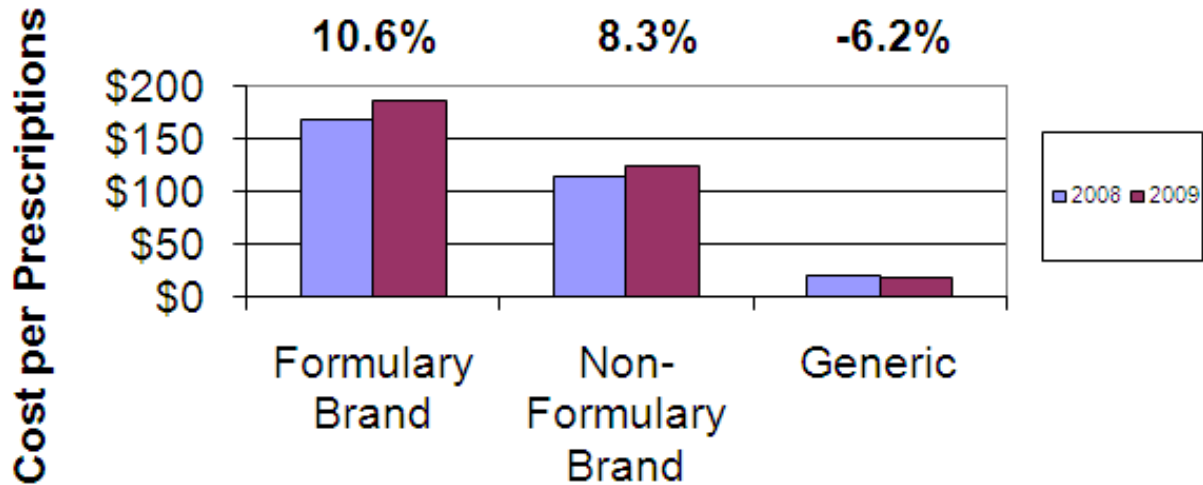
<u>Rank</u>	<u>Indicator</u>	<u>Number of Prescriptions</u>	<u>Cost Per Prescription</u>	<u>Program Costs</u>	<u>Formulary Percent (cost)</u>	<u>Formulary Percent (Scripts)</u>
1	DIABETES	168,845	\$112.94	\$19,070,142	93.2%	96.5%
2	HIGH BLOOD CHOLESTEROL	176,670	87.51	15,459,961	85.4%	92.7%
3	HIGH BLOOD PRESS/HEART DISEASE	400,660	30.73	12,311,427	85.7%	96.3%
4	DEPRESSION	189,155	57.28	10,835,279	97.2%	98.8%
5	ASTHMA	71,415	123.71	8,834,976	96.8%	96.7%
6	ULCER DISEASE	135,964	63.02	8,569,113	92.4%	97.6%
7	SEIZURES	66,516	95.59	6,358,190	80.0%	89.7%
8	INFLAMMATORY CONDITIONS	6,994	893.03	6,245,818	99.5%	99.2%
9	INFECTIONS	225,227	24.97	5,623,740	91.4%	99.0%
10	PAIN AND INFLAMMATION	216,593	25.72	5,570,884	74.8%	96.9%
11	MENTAL/NEURO DISORDERS	33,387	118.11	3,943,275	85.9%	94.4%
12	MULTIPLE SCLEROSIS	1,751	2,226.07	3,897,848	100.0%	100.0%
13	ATTENTION DISORDERS/WT LOSS	26,639	140.44	3,741,188	81.3%	81.0%
14	CANCER	8,412	431.81	3,632,367	99.1%	99.7%
15	BLOOD MODIFYING	18,528	192.98	3,575,482	99.9%	99.3%
16	HORMONAL SUPPLEMENTATION	36,673	78.18	2,867,004	83.5%	85.0%
17	URINARY DISORDERS	24,686	100.76	2,487,309	82.4%	89.2%
18	ALLERGIES	86,464	28.26	2,443,623	85.5%	94.2%
19	CONTRACEPTIVES	54,905	42.95	2,358,038	83.7%	89.2%
20	SKIN CONDITIONS	25,964	82.03	2,129,806	68.3%	85.4%
21	MIGRAINE HEADACHES	13,164	157.34	2,071,191	65.7%	68.4%
22	VIRAL INFECTIONS	11,008	174.90	1,925,344	49.8%	55.7%
23	TRANSPLANT	3,811	401.81	1,531,292	95.4%	93.1%
24	BONE CONDITIONS	19,475	71.21	1,386,857	85.0%	93.3%
25	GROWTH DEFICIENCY	336	3,860.48	1,297,122	69.1%	72.0%
26	ANTICOAGULANT	13,204	93.41	1,233,320	95.1%	92.2%
27	PAIN/CRAMPS	32,596	37.45	1,220,722	93.3%	98.5%
28	THYROID DISORDERS	77,033	13.81	1,063,511	52.4%	73.3%
29	BLOOD CELL DEFICIENCY	474	2,135.95	1,012,439	92.2%	87.3%
30	ACNE	9,547	103.27	985,939	40.9%	58.0%
31	ANXIETY	77,211	12.16	938,804	95.9%	99.6%
32	ENDOCRINE DISORDERS	5,073	175.99	892,814	98.4%	99.5%
33	COUGH AND COLD	34,423	20.02	689,056	42.4%	78.3%
34	ENZYME DEFICIENCIES	843	815.22	687,231	99.9%	98.5%
35	COPD	3,826	176.06	673,587	100.0%	100.0%
36	PARKINSONS DISEASE	8,434	78.20	659,548	92.8%	97.9%
37	GI DISORDERS	14,244	45.42	646,987	91.6%	98.6%
38	EYE CONDITIONS	6,930	92.19	638,867	80.4%	72.9%
39	VITAMINS AND MINERALS	30,644	19.55	599,097	82.9%	92.5%
40	PULMONARY HYPERTENSION	167	3,529.70	589,460	100.0%	100.0%
	<u>All Other Indicators</u>	<u>222,510</u>	<u>30.92</u>	<u>6,879,745</u>	<u>74.8%</u>	<u>90.5%</u>
	<b>Grand Total</b>	<b>2,560,401</b>	<b>\$61.54</b>	<b>\$157,578,404</b>	<b>87.6%</b>	<b>93.8%</b>

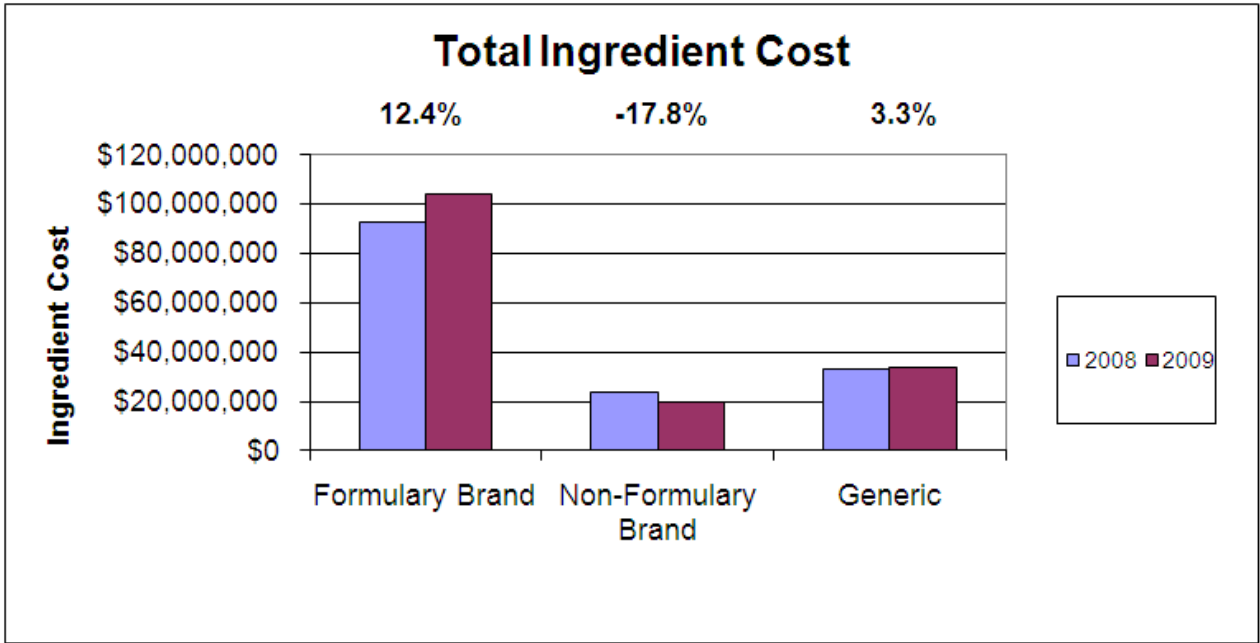
Rank	Indicator	Scripts	Formulary		Non-Formulary		
			Ingredient Cost	Cost Per Script	Scripts	Ingredient Cost	Cost Per Script
1	DIABETES	163,007	\$17,767,901	\$109.00	5,838	\$1,302,241	\$223.06
2	HIGH BLOOD CHOLESTEROL	163,776	13,201,391	80.61	12,894	2,258,570	175.16
3	HIGH BLOOD PRESS/HEART DISEASE	385,696	10,554,309	27.36	14,964	1,757,118	117.42
4	DEPRESSION	186,826	10,529,295	56.36	2,329	305,984	131.38
5	ASTHMA	69,076	8,549,464	123.77	2,339	285,512	122.07
6	ULCER DISEASE	132,716	7,922,136	59.69	3,248	646,977	199.19
7	SEIZURES	59,690	5,085,266	85.19	6,826	1,272,924	186.48
8	INFLAMMATORY CONDITIONS	6,940	6,216,803	895.79	54	29,015	537.32
9	INFECTIONS	222,866	5,138,469	23.06	2,361	485,271	205.54
10	PAIN AND INFLAMMATION	209,777	4,167,934	19.87	6,816	1,402,951	205.83
11	MENTAL/NEURO DISORDERS	31,532	3,388,680	107.47	1,855	554,595	298.97
12	MULTIPLE SCLEROSIS	1,751	3,897,848	2,226.07	0	0	N/A
13	ATTENTION DISORDERS/WT LOSS	21,571	3,040,713	140.96	5,068	700,475	138.22
14	CANCER	8,385	3,599,628	429.29	27	32,739	1,212.56
15	BLOOD MODIFYING	18,398	3,571,168	194.11	130	4,314	33.19
16	HORMONAL SUPPLEMENTATION	31,159	2,393,926	76.83	5,514	473,077	85.80
17	URINARY DISORDERS	22,017	2,048,476	93.04	2,669	438,833	164.42
18	ALLERGIES	81,491	2,089,402	25.64	4,973	354,221	71.23
19	CONTRACEPTIVES	48,988	1,973,822	40.29	5,917	384,216	64.93
20	SKIN CONDITIONS	22,179	1,454,115	65.56	3,785	675,691	178.52
21	MIGRAINE HEADACHES	9,009	1,360,789	151.05	4,155	710,402	170.98
22	VIRAL INFECTIONS	6,129	959,590	156.57	4,879	965,754	197.94
23	TRANSPLANT	3,549	1,461,507	411.81	262	69,786	266.36
24	BONE CONDITIONS	18,163	1,179,237	64.93	1,312	207,620	158.25
25	GROWTH DEFICIENCY	242	896,410	3,704.17	94	400,712	4,262.89
26	ANTICOAGULANT	12,176	1,172,646	96.31	1,028	60,674	59.02
27	PAIN/CRAMPS	32,113	1,139,189	35.47	483	81,533	168.81
28	THYROID DISORDERS	56,483	557,090	9.86	20,550	506,421	24.64
29	BLOOD CELL DEFICIENCY	414	933,628	2,255.14	60	78,811	1,313.52
30	ACNE	5,537	403,302	72.84	4,010	582,637	145.30
31	ANXIETY	76,881	900,257	11.71	330	38,547	116.81
32	ENDOCRINE DISORDERS	5,050	878,308	173.92	23	14,506	630.69
33	COUGH AND COLD	26,970	291,831	10.82	7,453	397,226	53.30
34	ENZYME DEFICIENCIES	830	686,395	826.98	13	836	64.30
35	COPD	3,826	673,587	176.06	0	0	N/A
36	PARKINSONS DISEASE	8,253	611,996	74.15	181	47,552	262.72
37	GI DISORDERS	14,048	592,480	42.18	196	54,507	278.10
38	EYE CONDITIONS	5,051	513,912	101.74	1,879	124,955	66.50
39	VITAMINS AND MINERALS	28,335	496,482	17.52	2,309	102,616	44.44
40	PULMONARY HYPERTENSION	167	589,460	3,529.70	0	0	N/A
	<u>All Other Indicators</u>	<u>201,430</u>	<u>5,145,050</u>	<u>25.54</u>	<u>21,080</u>	<u>1,734,695</u>	<u>82.29</u>
	<b>Grand Total</b>	<b>2,402,497</b>	<b>\$138,033,889</b>	<b>\$57.45</b>	<b>157,904</b>	<b>\$19,544,515</b>	<b>\$123.77</b>

## Number of Prescriptions per Member



## Ingredient Cost per Prescription





## DIABETES

In FY 2009, this indicator category was first in cost to PEIA with expenditure of \$19,070,142, which accounted for 12.1% of total expenditures. Formulary expenditures were \$17,767,901 or 93.2% of Diabetes expenditures. Total expenditures had a 17.6% trend from 2008 to 2009.

Total expenditures have increase from \$14,161,011 in 2007 to \$19,070,142 in 2009, which results in a yearly trend of 16.0%. While the cost per Generic script has decreased by 18.5% per year since 2007, the cost per Formulary Brand script has increased by 11.9% per year. The Formulary Brand cost trend, coupled with an increase in utilization of Formulary Brand scripts of 6.8% per year, accounts for most of the high trend in Diabetes drug costs.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2008	2009	Growth	2008	2009	Growth	2008	2009	Growth
ACTOS	Y	SSB	11,991	12,688	5.8%	\$250.81	\$281.98	12.4%	\$3,007,418	\$3,577,815	19.0%
JANUVIA	Y	SSB	6,637	8,404	26.6%	216.76	248.94	14.8%	1,438,616	2,092,074	45.4%
CONTOUR	Y	SSB	14,600	15,423	5.6%	116.26	121.15	4.2%	1,697,325	1,868,527	10.1%
LANTUS <sup>1</sup>	Y	SSB	6,416	6,876	7.2%	194.56	231.04	18.8%	1,248,269	1,588,656	27.3%
BYETTA	Y	SSB	5,026	4,100	-18.4%	205.51	234.19	14.0%	1,032,885	960,178	-7.0%
<u>Subtotals</u>											
Generic	Y	GEN	62,801	66,412	5.7%	\$21.71	\$17.22	-20.7%	\$1,363,102	1,143,583	-16.1%
Formulary Brand	Y	Brand	90,677	96,595	6.5%	150.06	172.10	14.7%	13,606,537	16,624,318	22.2%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>6,047</u>	<u>5,838</u>	<u>-3.5%</u>	<u>204.48</u>	<u>223.06</u>	<u>9.1%</u>	<u>1,236,486</u>	<u>1,302,241</u>	<u>5.3%</u>
Total			159,525	168,845	5.8%	\$101.59	\$112.94	11.2%	\$16,206,125	\$19,070,142	17.7%
Trends Adjusted for Exposure					5.7%			11.2%			17.6%

<sup>1</sup> Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

## HIGH BLOOD CHOLESTEROL

In FY 2009, this indicator category was second in cost to PEIA with expenditure of \$15,459,961, which accounted for 9.8% of total expenditures. Formulary expenditures were \$13,201,391 or 85.4% of High Blood Cholesterol expenditures. Total ingredient cost had a 0.8% trend.

Drug	Current Formulary	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	c	2008	2009	Growth	2008	2009	Growth	2008	2009	Growth
CRESTOR <sup>1</sup>	Y	SSB	24,397	28,993	18.8%	\$144.59	\$161.17	11.5%	\$3,527,550	\$4,672,663	32.5%
TRICOR	Y	SSB	12,318	13,935	13.1%	141.97	155.45	9.5%	1,748,825	2,166,262	23.9%
VYTORIN <sup>1</sup>	Y	SSB	22,623	11,828	-47.7%	139.19	148.34	6.6%	3,148,849	1,754,541	-44.3%
ZETIA	Y	SSB	11,247	9,155	-18.6%	137.94	151.09	9.5%	1,551,421	1,383,194	-10.8%
LOVAZA	N	SSB	4,234	6,341	49.8%	161.38	183.87	13.9%	683,265	1,165,907	70.6%
<u>Subtotals</u>											
Generic	Y	GEN	69,451	90,238	29.9%	\$25.09	\$15.79	-37.1%	\$1,742,521	\$1,424,471	-18.3%
Formulary Brand	Y	Brand	81,252	73,538	-9.5%	144.35	160.15	10.9%	11,728,937	11,776,920	0.4%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>11,090</u>	<u>12,894</u>	<u>16.3%</u>	<u>166.23</u>	<u>175.16</u>	<u>5.4%</u>	<u>1,843,476</u>	<u>2,258,570</u>	<u>22.5%</u>
Total			161,793	176,670	9.2%	\$94.66	\$87.51	-7.6%	\$15,314,933	\$15,459,961	0.9%
Trends Adjusted for Exposure					9.0%			-7.6%			0.8%

<sup>1</sup> Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary

### HIGH BLOOD PRESS/HEART DISEASE

In FY 2009, this indicator category was third in cost to PEIA with expenditure of \$12,311,427, which accounted for 7.8% of total expenditures. Formulary expenditures were \$10,554,309 or 85.7% of High Blood Pressure/Heart Disease expenditures. Total expenditures had a 0.1% trend.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2008	2009	Growth	2008	2009	Growth	2008	2009	Growth
DIOVAN HCT	Y	SSB	12,002	11,146	-7.1%	\$121.38	\$135.03	11.3%	\$1,456,752	\$1,505,090	3.3%
DIOVAN	Y	SSB	10,709	10,114	-5.6%	104.13	116.49	11.9%	1,115,120	1,178,197	5.7%
METOPROLOL SUCCINATE	Y	GEN	28,396	27,659	-2.6%	34.89	33.14	-5.0%	990,656	916,595	-7.5%
AMLODIPINE BESYLATE- BENAZEPRIL	Y	GEN	8,837	8,675	-1.8%	101.56	99.44	-2.1%	897,455	862,625	-3.9%
BENICAR HCT	Y	SSB	6,399	6,503	1.6%	100.96	113.34	12.3%	646,019	737,073	14.1%
<u>Subtotals</u>											
Generic	Y	GEN	281,987	342,830	21.6%	\$20.94	\$16.35	-21.9%	\$5,905,432	\$5,603,908	-5.1%
Formulary Brand	Y	Brand	44,215	42,866	-3.1%	103.79	115.49	11.3%	4,589,267	4,950,401	7.9%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>16,876</u>	<u>14,964</u>	<u>-11.3%</u>	<u>105.06</u>	<u>117.42</u>	<u>11.8%</u>	<u>1,773,028</u>	<u>1,757,118</u>	<u>-0.9%</u>
Total			343,078	400,660	16.8%	\$35.76	\$30.73	-14.1%	\$12,267,726	\$12,311,427	0.4%
Trends Adjusted for Exposure					16.5%			-14.1%			0.1%



## DEPRESSION

In FY 2009, this indicator category was fourth in cost to PEIA with expenditure of \$10,835,279, which accounted for 6.9% of total expenditures. Formulary expenditures were \$10,529,295 or 97.2% of Depression expenditures. Total expenditures had a 0.9% trend.

Drug	Current Formulary	Current Brand/	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
	Status	Generic	2008	2009	Growth	2008	2009	Growth	2008	2009	Growth
EFFEXOR XR	Y	SSB	21,731	21,193	-2.5%	\$141.34	\$155.70	10.2%	\$3,071,456	\$3,299,651	7.4%
CYMBALTA	Y	SSB	15,879	20,202	27.2%	134.97	134.62	-0.3%	2,143,250	2,719,607	26.9%
LEXAPRO	Y	SSB	17,140	16,253	-5.2%	101.82	107.37	5.4%	1,745,218	1,745,024	0.0%
BUDEPRION XL	Y	SSB	3,546	5,085	43.4%	84.67	81.20	-4.1%	300,226	412,924	37.5%
BUPROPION XL	Y	GEN	3,574	6,581	84.1%	66.17	59.60	-9.9%	236,476	392,240	65.9%
<u>Subtotals</u>											
Generic	Y	GEN	131,789	128,830	-2.2%	\$21.41	\$21.13	-1.3%	\$2,821,633	\$2,722,451	-3.5%
Formulary Brand	Y	Brand	58,279	57,996	-0.5%	129.99	134.61	3.6%	7,575,819	7,806,844	3.0%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>2,437</u>	<u>2,329</u>	<u>-4.4%</u>	<u>137.41</u>	<u>131.38</u>	<u>-4.4%</u>	<u>334,861</u>	<u>305,984</u>	<u>-8.6%</u>
Total			192,505	189,155	-1.7%	\$55.75	\$57.28	2.7%	\$10,732,312	\$10,835,279	1.0%
Trends Adjusted for Exposure					-1.7%				2.7%	0.9%	

## ASTHMA

In FY 2009, this indicator category was fifth in cost to PEIA with expenditure of \$8,834,976, which accounted for 5.6% of total expenditures. Formulary expenditures were \$8,549,464 or 96.7% of Ulcer Disease expenditures. Total expenditures had an 4.8% trend.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2008	2009	Growth	2008	2009	Growth	2008	2009	Growth
SINGULAIR	N	SSB	25,181	24,908	-1.1%	\$128.65	\$139.55	8.5%	\$3,239,496	\$3,475,845	7.3%
ADVAIR DISKUS	Y	GEN	11,329	11,470	1.2%	224.37	243.01	8.3%	2,541,912	2,787,338	9.7%
PROAIR HFA <sup>1</sup>	N	SSB	5,564	10,334	85.7%	36.38	41.05	12.8%	202,413	424,225	109.6%
PULMICORT	N	SSB	1,232	1,027	-16.6%	257.77	300.43	16.5%	317,573	308,540	-2.8%
COMBIVENT	Y	GEN	1,975	1,952	-1.2%	121.17	140.73	16.1%	239,306	274,711	14.8%
<u>Subtotals</u>											
Generic	Y	GEN	15,823	9,524	-39.8%	\$25.26	\$29.04	15.0%	\$399,659	\$276,619	-30.8%
Formulary Brand	Y	Brand	54,683	59,552	8.9%	141.57	138.92	-1.9%	7,741,275	8,272,845	6.9%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>2,652</u>	<u>2,339</u>	<u>-11.8%</u>	<u>107.52</u>	<u>122.07</u>	<u>13.5%</u>	<u>285,141</u>	<u>285,512</u>	<u>0.1%</u>
Total			73,158	71,415	-2.4%	\$115.18	\$123.71	7.4%	\$8,426,075	\$8,834,976	4.9%
Trends Adjusted for Exposure					-2.4%			7.4%			4.8%

<sup>1</sup> Indicates Drugs that have had all numbers combined for Formulary and Non-Formulary