



CCRC
Actuaries, LLC

STATE OF WEST VIRGINIA



PUBLIC EMPLOYEES INSURANCE AGENCY

Fiscal Year 2015

Detailed Medical and Prescription Drugs Claim Trend Report

September 2015

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West Virginia Public Employees Insurance Agency Report of Independent Actuary

Fiscal Year 2015 Detailed Medical & Prescription Drugs 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 monitoring the plan experience for fiscal year ending June 30, 2015 on a quarterly basis and the forecasting of Fiscal Years 2016 through 2020. This annual trend report to the Finance Board serves as the basis for projecting medical and drugs claims through Fiscal Year 2020 in the development of the Financial Plan to be approved the PEIA Finance Board in December 2015. 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 drugs claims experience using Non-Medicare claims incurred and paid through June 2015. 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 CCRC 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”), acquired the former Third Party Administrator Wells Fargo in October 2011, 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 April 2015. Our analysis for medical claims do not include incurred claims for the months after April 2015, 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 June 2015.

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 increased from 4.1% in last year's analysis to 6.3% in Fiscal Year 2015 using a 24-month study period. Using the 24-month analysis, PEIA experienced a 0.7% utilization increase and a 5.6% unit cost increase, resulting in an aggregate trend of 6.3%. The 36-month and 48-month overall show lower trends of 5.3% and 4.2% respectively, due to the favorable experience in the prior fiscal years .

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

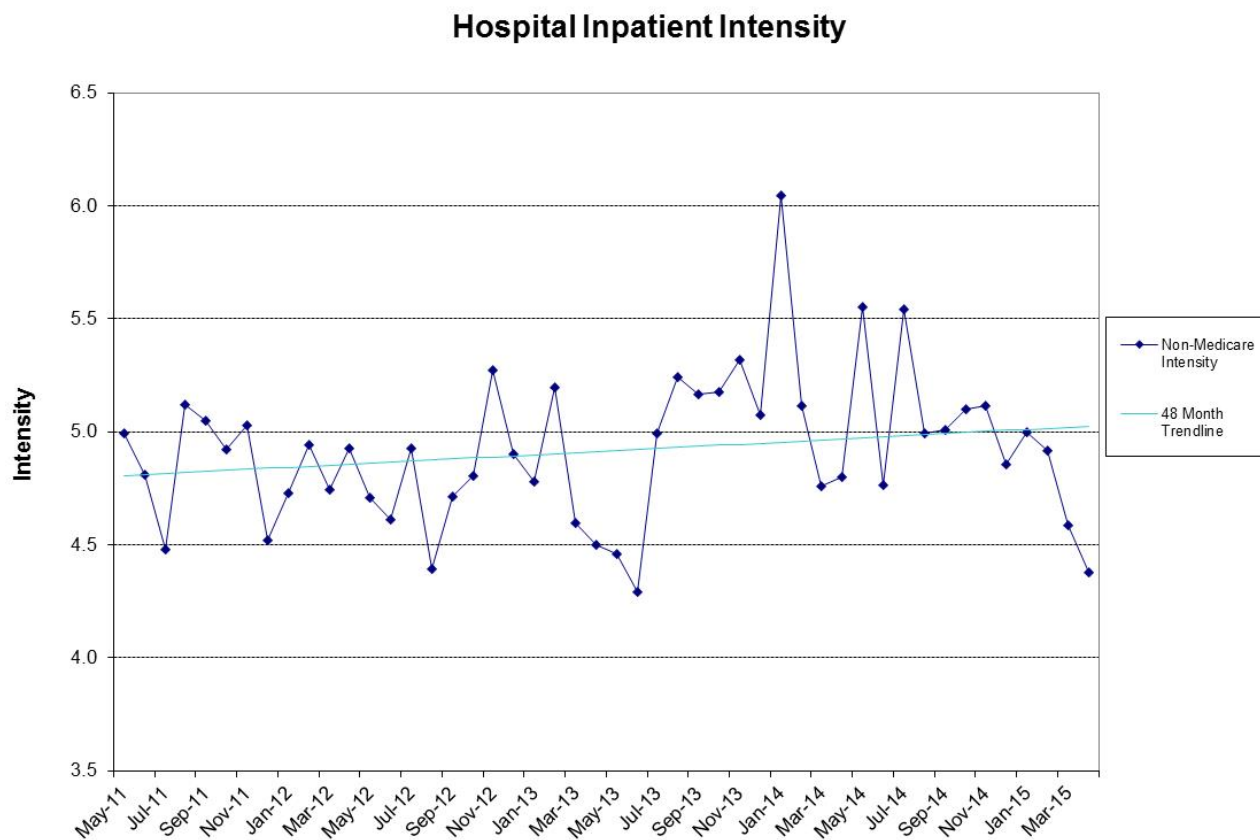
West Virginia PEIA Non-Medicare Total 24-Month Trend Analysis			
	<u>Utilization</u>	<u>Cost/Service</u>	<u>Total Trend</u>
2002	4.1%	3.6%	7.8%
2003	9.8%	-3.0%	6.5%
2004	11.7%	-6.8%	4.0%
2005	2.8%	-1.1%	1.7%
2006	2.9%	1.0%	4.0%
2007	7.2%	-2.0%	5.1%
2008	2.9%	3.9%	6.9%
2009	2.5%	2.6%	5.1%
2010	2.5%	1.8%	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%

- Overall PEIA and RHBT Fiscal Year 2015 24-month detail trends are summarized below:

Fiscal Year 2015 Claim Type	Medical	Drugs
PEIA – Active Local	5.8%	13.5%
<u>PEIA – State</u>	<u>6.4%</u>	<u>9.4%</u>
PEIA – Total	6.3%	10.0%
RHBT – Non-Medicare	1.9%	5.2%
Grand Total	5.7%	9.4%

- Hospital Inpatient services (“HI”) represent approximately 20% of all medical services and experienced a total trend of 7.8%. The Hospital Inpatient category was the leading contributor to the higher emergent trends. The overall trend was the product of a -0.7% reduction in utilization and an 8.6% increase in unit cost. It is noteworthy that In-State HI claims showed a 2.7% overall trend, while Out-of-State HI claims experienced an 11.2% overall trend.
- Hospital Outpatient services (“HO”) represent approximately 34% of all medical services and experienced a total trend of 5.4%. The overall trend was the product of a 0.3% increase in utilization and a 5.1% increase in unit cost. It is noteworthy that In-State HO claims showed a 5.0% overall trend, while Out-of-State HO claims experienced a 6.6% overall trend
- Physician Services (“PS”) represent approximately 43% of all medical services and experienced a total trend of 5.2%. The overall trend was the product of a 1.8% increase in utilization of these services and a 3.4% increase in unit cost. It is noteworthy that In-State PS claims showed a 4.8% overall trend, while Out-of-State PS claims experienced a 6.6% overall trend
- Other services (“O”), which are services that are principally Durable Medical Services and Ambulance, represent only 3% of all medical services and experienced the least favorable trend of the broader claim categories with a total trend of 19.2%. The overall trend was the product of a -1.1% reduction in utilization of these services and a 20.6% increase in unit cost.
- Overall, Out-of-State services show higher trends than In-State services for Non-Medicare coverages in the 24-month analysis, with higher trend increases for Hospital Inpatient and Other services provided in 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 5.0% and an Out-of-State trend of 8.9%. For In-State, the utilization trend has been higher while the cost per service trend has been lower compared to Out-of-State. For In-State, the utilization trend for Non-Medicare was 1.3%, while the Out-of-State trend was -1.9%. For In-State, the cost per service trend for Non-Medicare was 3.7%, while the Out-of-State trend was 11.0%. As noted above, the Out-of-State trends were unfavorable compared to In-State trends. Within the medical categories, the highest trend subcategories were observed for Hospital Outpatient’s Emergency Room, Physician Services’ Maternity, and Other’s Ambulance categories which experienced unfavorable upward trends of 22.0%, 24.8% and 45.7%, respectively.

- 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 a trend of 1.1%, which compares unfavorably to 0.3% last year. Noteworthy of the chart below, is the relative spike in intensity beginning in September 2013 which lasted roughly 12 months.



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

West Virginia PEIA Non-Medicare Hospital Inpatient Trend Analysis			
	<u>24-Month</u>	<u>36-Month</u>	<u>48-Month</u>
Visits	-3.1%	-2.7%	-3.2%
Intensity	-1.4%	1.6%	1.1%
<u>Cost/Day</u>	<u>12.8%</u>	<u>8.3%</u>	<u>6.6%</u>
Total	7.8%	7.0%	4.3%

CCRC 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 April 2015, approximately 80.5% of medical services were provided in the State of West Virginia and 19.5% of services were provided outside the State. From a cost perspective 67.2% of allowed charges were incurred in the State of West Virginia and 32.8% of allowed charges were provided outside the State.

By major medical category, approximately 84.3% of Hospital Inpatient services were provided in the State of West Virginia representing approximately 43.4% of the total allowed charges for Hospital Inpatient. Conversely, approximately 15.7% of Hospital Inpatient services were provided out of the State of West Virginia and those charges represented 56.6% of the total allowed charges for Hospital Inpatient.

By major medical category, approximately 91.6% of Hospital Outpatient services were provided in the State of West Virginia representing approximately 70.9% of the total allowed charges for Hospital Outpatient. Conversely, approximately 8.4% of Hospital Outpatient services were provided out of the State of West Virginia and those charges represented 29.1% of the total allowed charges for Hospital Outpatient.

By major medical category, approximately 79.7% of Physician Services were provided in the State of West Virginia representing approximately 77.3% of the total allowed charges for Physician Services. Conversely, approximately 20.3% of Physician Services were provided out of the State of West Virginia and those charges represented 22.7% of the total allowed charges for Physician Services.

By major medical category, approximately 64.4% of Other Services were provided in the State of West Virginia representing approximately 50.3% of the total allowed charges for Other Services. Conversely, approximately 35.6% of Other Services were provided out of the State of West Virginia and those charges represented 49.7% of the total allowed charges for Other Services.

KEY FINDINGS - DRUGS

Overall, prescription drugs trends for Non-Medicare coverages have increased significantly compared to 5.1% last year. Using the 24-month analysis, we observed a 2.4% utilization increase and a 7.4% prescription cost increase, resulting in an aggregate trend of 10.0%. The 24-month overall trend is higher than the 36-month and 48-month analysis.

West Virginia PEIA Prescription Drugs Total 24-Month Trend Analysis			
	<u>Utilization</u>	<u>Cost/Prescription</u>	<u>Total Trend</u>
FY 2015	2.4%	7.4%	10.0%

METHODOLOGY

HealthSmart provided allowed and paid claim information for Non-Medicare and Medicare eligibility from July 2001 through June 2015. This data set was analyzed on Non-Medicare claims that were incurred from May 2011 through April 2015 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. CCRC 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 essentially been unchanged over the four years 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.

<u>Non-Medicare Claims</u>	<u>May 2011 to April 2012</u>	<u>May 2012 to April 2013</u>	<u>May 2013 to April 2014</u>	<u>May 2014 to April 2015</u>
Hospital Inpatient	\$103,957,144	\$102,230,862	\$106,383,896	\$111,961,727
Hospital Outpatient	164,791,281	174,722,767	184,438,103	190,266,274
Physician Services	231,016,795	231,567,796	232,709,241	241,254,860
<u>Other Services</u>	<u>14,894,255</u>	<u>16,525,703</u>	<u>19,184,701</u>	<u>21,572,740</u>
Total	\$514,659,474	\$525,047,128	\$542,715,941	\$565,055,600

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

<u>Non-Medicare Claims</u>	<u>May 2011 to April 2012</u>	<u>May 2012 to April 2013</u>	<u>May 2013 to April 2014</u>	<u>May 2014 to April 2015</u>
HI Maternity	\$3,140,343	\$3,416,539	\$3,830,984	\$4,686,824
HI Medical/Surgical	95,992,133	94,840,025	97,720,581	103,068,514
HI Psychiatric/Substance Abuse	4,824,668	3,974,297	4,832,331	4,206,388
HO Emergency Room	24,818,520	26,788,470	29,129,212	32,495,175
HO Medical/Surgical	81,129,213	88,689,445	93,518,059	92,677,011
HO Other Services	57,026,647	57,221,264	59,626,103	63,276,535
HO Psychiatric/Substance Abuse	1,816,901	2,023,587	2,164,730	1,817,555
PS Anesthesia	11,244,360	11,190,045	11,449,249	11,712,247
PS Chemotherapy/Radiation	4,562,021	4,506,343	4,005,097	3,621,319
PS Emergency Room	5,605,791	5,619,594	5,670,383	6,322,901
PS Immunizations/Allergy	6,585,975	7,309,610	7,131,822	7,732,828
PS Inpatient Surgery	9,623,713	9,270,580	8,492,703	8,778,144
PS Inpatient Visits	7,127,855	7,117,939	6,753,283	6,688,268
PS Lab & Pathology	17,805,403	18,023,667	17,096,529	18,142,156
PS Maternity	3,681,881	4,122,208	4,359,501	4,988,409
PS Office Visits	68,839,089	68,116,556	66,845,996	66,498,711
PS Other Services	43,488,825	44,074,497	48,618,417	53,425,382
PS Outpatient Surgery	18,143,999	17,721,063	16,901,449	17,445,406
PS Psychiatric/Substance Abuse	9,707,675	10,433,230	11,846,300	12,375,937
PS Radiology	16,424,817	16,104,498	15,370,208	14,993,100
PS Therapy/Rehab	8,175,391	7,957,966	8,168,305	8,530,053
O Ambulance	3,314,093	3,037,829	3,295,697	4,282,742
O Durable Medical Equipment	7,347,531	7,651,239	8,221,953	8,475,674
O Other Services	4,232,631	5,836,635	7,667,050	8,814,324

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 2012 through 2015 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	8.6%	6.3%
36-Month Trend	6.4%	5.3%
48-Month Trend	4.7%	4.2%

TOP 5 CATEGORIES

The following tables give detail on the top 5 increases by utilization, cost per service, and cost per capita. Notably, HI-Maternity experienced the highest increase in utilization and cost per capita. O-Ambulance experienced the highest increase in cost per service and second highest increase in cost per capita.

Top 5 Highest Percentage in Utilization Increases			
	2014 Average	2015 Average	Top 5
Category	Utilization	Utilization	Highest %
HI-Maternity	0.00069	0.00086	24.4%
PS-Maternity	0.00202	0.00222	9.7%
PS-Emergency Room	0.01816	0.01974	8.7%
HO-Emergency Room	0.02125	0.02200	3.5%
PS-Psychiatric / Substance Abuse	0.06535	0.06758	3.4%

Top 5 Highest Percentage in Cost / Service Increases			
	2014 Average	2015 Average	Top 5
Category	Cost / Service	Cost / Service	Highest %
O-Ambulance	\$277.68	\$367.29	32.3%
O-Other Services	196.24	255.06	30.0%
HO-Emergency Room	635.10	697.22	9.8%
PS-Other Services	85.41	93.36	9.3%
HI-Medical/Surgical	9,303.61	10,153.29	9.1%

Top 5 Highest Percentage in Cost / Capita Increases			
	2014 Average	2015 Average	Top 5
Category	Cost / Capita	Cost / Capita	Highest %
HI-Maternity	1.79	2.29	28.2%
O-Ambulance	1.59	2.00	25.5%
O-Other Services	3.46	4.35	25.5%
PS-Maternity	2.03	2.37	17.0%
PS-Emergency Room	2.63	2.99	13.7%

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 higher than the current trend assumption of 5.5% for FY 2016. Consequently, at this time we believe it is appropriate to change the FY 2016 medical claim trend assumption for Non-Medicare medical to 6.5%. Recent experience has also shown that Non-Medicare drugs claim trends are higher than the current trend assumption of 8.5% for FY 2016. At this time we believe it is appropriate to keep the FY 2016 drugs claim trend assumption the same at 8.5% for Non-Medicare drugs.

The update of the trend assumptions for FY 2016 is shown below.

	Fiscal Year 2016 Trends		
	Previous Assumption	Updated Assumption	Change
Non-Medicare – Medical	5.5%	6.5%	1.0%
Non-Medicare – Prescription Drugs	8.5%	8.5%	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 2017 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.

Senior Actuarial Consultant

**West Virginia PEIA Non-Medicare Total
Study Period of May 2011 to April 2015
(Allowed Claims)**

Trends Summary - Excludes Drugs

	24 Month Trends Summary				36 Month Trends Summary				48 Month Trends Summary			
	<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>
HOSPITAL INPATIENT												
Maternity	24.4%	3.1%	28.2%	0.8%	15.5%	5.2%	21.5%	0.7%	10.2%	5.9%	16.7%	0.7%
Medical / Surgical	-1.5%	9.1%	7.5%	18.1%	-3.0%	9.7%	6.4%	18.1%	-3.9%	8.2%	4.0%	18.2%
Psychiatric / Substance Abuse	-6.0%	2.2%	-4.0%	0.8%	3.9%	2.9%	6.9%	0.8%	3.1%	-3.8%	-0.8%	0.8%
TOTAL	-0.7%	8.6%	7.8%	19.7%	-2.0%	9.3%	7.0%	19.6%	-3.1%	7.6%	4.3%	19.8%
HOSPITAL OUTPATIENT												
Emergency Room	3.5%	9.8%	13.7%	5.6%	1.9%	9.2%	11.3%	5.4%	1.5%	8.6%	10.2%	5.3%
Medical / Surgical	-0.5%	1.8%	1.3%	16.8%	-0.5%	3.9%	3.4%	16.8%	4.9%	-0.4%	4.4%	16.6%
Other Services	0.1%	8.2%	8.3%	11.1%	-0.7%	6.9%	6.2%	11.0%	-1.3%	5.8%	4.4%	11.0%
Psychiatric / Substance Abuse	-1.2%	-12.5%	-13.5%	0.4%	4.7%	-9.4%	-5.1%	0.4%	5.9%	-5.4%	0.1%	0.4%
TOTAL	0.3%	5.1%	5.4%	33.8%	-0.1%	5.6%	5.5%	33.6%	2.3%	3.0%	5.4%	33.3%
PHYSICIAN SERVICES												
Anesthesia	0.5%	1.7%	2.2%	2.1%	1.7%	0.8%	2.5%	2.1%	2.0%	-0.4%	1.7%	2.1%
Chemotherapy / Radiation	-0.2%	-5.2%	-5.4%	0.7%	-7.8%	-0.4%	-8.2%	0.7%	-5.3%	-0.9%	-6.2%	0.8%
Emergency Room	8.7%	4.7%	13.7%	1.1%	4.2%	3.4%	7.8%	1.1%	2.3%	2.5%	4.9%	1.1%
Immunizations / Injections / Allergy	-4.3%	7.4%	2.7%	1.3%	-4.0%	6.8%	2.6%	1.4%	-0.2%	4.9%	4.7%	1.3%
Inpatient Surgery	-3.4%	5.4%	1.8%	1.6%	-3.8%	1.5%	-2.4%	1.6%	-3.8%	0.3%	-3.6%	1.7%
Inpatient Visits	-0.2%	2.6%	2.4%	1.2%	-0.2%	-0.7%	-0.9%	1.3%	-0.9%	-0.4%	-1.3%	1.3%
Lab & Pathology	3.3%	2.9%	6.3%	3.2%	1.2%	0.5%	1.7%	3.3%	0.6%	0.5%	1.1%	3.3%
Maternity	9.7%	6.7%	17.0%	0.8%	11.3%	-0.1%	11.2%	0.8%	8.7%	2.2%	11.1%	0.8%
Office Visits	2.0%	-0.1%	1.8%	12.0%	-0.2%	0.8%	0.6%	12.3%	-1.1%	1.0%	-0.2%	12.6%
Other Services	2.6%	9.3%	12.1%	9.2%	0.3%	10.6%	10.9%	8.9%	-0.2%	8.6%	8.3%	8.8%
Outpatient Surgery	-1.4%	5.0%	3.5%	3.1%	-0.9%	0.9%	0.0%	3.2%	1.1%	-2.2%	-1.2%	3.3%
Psychiatric / Substance Abuse	3.4%	3.9%	7.4%	2.2%	5.4%	5.1%	10.8%	2.1%	6.1%	3.7%	10.0%	2.1%
Radiology	2.4%	-4.3%	-1.9%	2.7%	1.0%	-3.7%	-2.7%	2.8%	0.6%	-3.0%	-2.5%	2.9%
Therapies	0.8%	3.8%	4.6%	1.5%	-0.1%	3.9%	3.8%	1.5%	-0.9%	3.1%	2.2%	1.5%
TOTAL	1.8%	3.4%	5.2%	42.8%	0.3%	3.0%	3.4%	43.2%	0.1%	2.2%	2.3%	43.6%
OTHER												
Ambulance	-5.1%	32.3%	25.5%	0.7%	-3.7%	24.8%	20.2%	0.7%	-0.8%	12.6%	11.7%	0.6%
Appliances (DME)	2.9%	6.0%	9.0%	1.5%	4.2%	3.5%	7.8%	1.5%	4.2%	2.3%	6.6%	1.5%
Other Services	-3.4%	30.0%	25.5%	1.5%	6.8%	21.3%	29.5%	1.4%	11.8%	16.7%	30.5%	1.2%
TOTAL	-1.1%	20.6%	19.2%	3.7%	3.7%	14.4%	18.6%	3.5%	6.0%	9.6%	16.2%	3.4%
GRAND TOTAL	0.7%	5.6%	6.3%	100.0%	-0.2%	5.5%	5.3%	100.0%	0.4%	3.8%	4.2%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of May 2013 to April 2015
(Allowed Claims)**

24 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	23.6%	-0.1%	23.4%	15.6%	-0.4%	15.1%	24.4%	3.1%	28.2%	0.6%	1.1%	0.8%
Medical / Surgical	-0.7%	2.4%	1.7%	-5.7%	18.7%	11.9%	-1.5%	9.1%	7.5%	11.8%	31.8%	18.1%
Psychiatric / Substance Abuse	0.8%	0.9%	1.7%	-19.2%	1.0%	-18.4%	-6.0%	2.2%	-4.0%	0.7%	0.9%	0.8%
TOTAL	0.5%	2.2%	2.7%	-5.4%	17.6%	11.2%	-0.7%	8.6%	7.8%	13.2%	33.8%	19.7%
HOSPITAL OUTPATIENT												
Emergency Room	3.7%	7.1%	11.0%	2.3%	19.3%	22.0%	3.5%	9.8%	13.7%	6.0%	4.2%	5.6%
Medical / Surgical	0.0%	0.4%	0.4%	-5.2%	9.1%	3.4%	-0.5%	1.8%	1.3%	17.1%	16.0%	16.8%
Other Services	0.2%	8.5%	8.6%	-1.6%	9.1%	7.4%	0.1%	8.2%	8.3%	11.7%	9.6%	11.1%
Psychiatric / Substance Abuse	-0.1%	0.2%	0.1%	-2.9%	-16.7%	-19.1%	-1.2%	-12.5%	-13.5%	0.2%	0.7%	0.4%
TOTAL	0.7%	4.2%	5.0%	-3.0%	9.9%	6.6%	0.3%	5.1%	5.4%	35.1%	30.5%	33.8%
PHYSICIAN SERVICES												
Anesthesia	1.0%	1.2%	2.2%	-2.3%	4.2%	1.8%	0.5%	1.7%	2.2%	2.3%	1.6%	2.1%
Chemotherapy / Radiation	-1.9%	5.8%	3.8%	7.6%	-25.2%	-19.5%	-0.2%	-5.2%	-5.4%	0.7%	0.7%	0.7%
Emergency Room	8.4%	5.1%	14.0%	11.5%	0.8%	12.4%	8.7%	4.7%	13.7%	1.3%	0.6%	1.1%
Immunizations / Injections / Allergy	-4.3%	8.0%	3.4%	-4.4%	2.3%	-2.2%	-4.3%	7.4%	2.7%	1.8%	0.4%	1.3%
Inpatient Surgery	-7.1%	0.3%	-6.8%	12.3%	7.6%	20.8%	-3.4%	5.4%	1.8%	1.6%	1.6%	1.6%
Inpatient Visits	0.5%	2.5%	2.9%	-4.0%	4.5%	0.3%	-0.2%	2.6%	2.4%	1.4%	0.8%	1.2%
Lab & Pathology	5.6%	1.8%	7.5%	1.2%	4.4%	5.7%	3.3%	2.9%	6.3%	1.9%	6.1%	3.2%
Maternity	12.7%	2.6%	15.7%	-9.3%	37.6%	24.8%	9.7%	6.7%	17.0%	1.1%	0.3%	0.8%
Office Visits	1.9%	-0.6%	1.4%	2.1%	3.3%	5.4%	2.0%	-0.1%	1.8%	15.8%	4.5%	12.0%
Other Services	3.0%	11.0%	14.3%	-0.7%	7.5%	6.8%	2.6%	9.3%	12.1%	9.7%	7.7%	9.2%
Outpatient Surgery	-1.0%	0.6%	-0.4%	-3.5%	20.4%	16.2%	-1.4%	5.0%	3.5%	3.5%	2.4%	3.1%
Psychiatric / Substance Abuse	5.6%	2.8%	8.6%	-3.9%	4.0%	-0.1%	3.4%	3.9%	7.4%	2.7%	0.9%	2.2%
Radiology	2.0%	-5.3%	-3.3%	5.6%	-3.2%	2.2%	2.4%	-4.3%	-1.9%	3.2%	2.0%	2.7%
Therapies	1.2%	2.9%	4.2%	-4.6%	17.1%	11.7%	0.8%	3.8%	4.6%	2.1%	0.3%	1.5%
TOTAL	2.0%	2.7%	4.8%	1.0%	5.6%	6.6%	1.8%	3.4%	5.2%	49.2%	29.9%	42.8%
OTHER												
Ambulance	-3.4%	23.5%	19.4%	-22.0%	86.8%	45.7%	-5.1%	32.3%	25.5%	0.7%	0.4%	0.7%
Appliances (DME)	8.0%	-0.9%	7.1%	-1.3%	11.3%	9.8%	2.9%	6.0%	9.0%	0.9%	2.8%	1.5%
Other Services	-7.3%	45.4%	34.8%	28.8%	-14.0%	10.7%	-3.4%	30.0%	25.5%	0.9%	2.5%	1.5%
TOTAL	-0.7%	22.6%	21.7%	10.3%	6.0%	16.8%	-1.1%	20.6%	19.2%	2.6%	5.8%	3.7%
GRAND TOTAL	1.3%	3.7%	5.0%	-1.9%	11.0%	8.9%	0.7%	5.6%	6.3%	100.0%	100.0%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of May 2012 to April 2015
(Allowed Claims)**

36 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	15.6%	2.1%	18.1%	5.0%	8.1%	13.5%	15.5%	5.2%	21.5%	0.6%	1.0%	0.7%
Medical / Surgical	-2.8%	4.9%	2.0%	-4.2%	14.5%	9.7%	-3.0%	9.7%	6.4%	11.8%	31.9%	18.1%
Psychiatric / Substance Abuse	7.0%	2.3%	9.4%	-1.7%	3.2%	1.5%	3.9%	2.9%	6.9%	0.7%	0.9%	0.8%
TOTAL	-1.4%	4.7%	3.2%	-3.8%	14.0%	9.6%	-2.0%	9.3%	7.0%	13.2%	33.8%	19.6%
HOSPITAL OUTPATIENT												
Emergency Room	1.9%	7.7%	9.8%	2.1%	13.6%	16.0%	1.9%	9.2%	11.3%	6.0%	4.1%	5.4%
Medical / Surgical	0.1%	2.4%	2.6%	-6.0%	11.2%	4.5%	-0.5%	3.9%	3.4%	17.1%	16.2%	16.8%
Other Services	-0.6%	6.0%	5.3%	-1.7%	10.2%	8.4%	-0.7%	6.9%	6.2%	11.7%	9.6%	11.0%
Psychiatric / Substance Abuse	3.2%	4.5%	7.8%	7.0%	-18.7%	-12.9%	4.7%	-9.4%	-5.1%	0.2%	0.7%	0.4%
TOTAL	0.2%	4.5%	4.8%	-3.3%	10.5%	6.9%	-0.1%	5.6%	5.5%	35.1%	30.6%	33.6%
PHYSICIAN SERVICES												
Anesthesia	1.9%	0.7%	2.6%	0.0%	1.9%	1.9%	1.7%	0.8%	2.5%	2.3%	1.6%	2.1%
Chemotherapy / Radiation	-10.3%	0.2%	-10.1%	4.5%	-5.5%	-1.3%	-7.8%	-0.4%	-8.2%	0.7%	0.7%	0.7%
Emergency Room	4.0%	3.3%	7.5%	6.8%	2.6%	9.6%	4.2%	3.4%	7.8%	1.3%	0.6%	1.1%
Immunizations / Injections / Allergy	-4.2%	7.0%	2.5%	-1.7%	4.7%	2.9%	-4.0%	6.8%	2.6%	1.8%	0.4%	1.4%
Inpatient Surgery	-4.8%	-0.1%	-4.9%	0.5%	1.6%	2.1%	-3.8%	1.5%	-2.4%	1.6%	1.7%	1.6%
Inpatient Visits	0.0%	-0.5%	-0.5%	-1.2%	-1.3%	-2.5%	-0.2%	-0.7%	-0.9%	1.4%	0.9%	1.3%
Lab & Pathology	-4.3%	-0.9%	-5.2%	6.3%	-0.4%	5.9%	1.2%	0.5%	1.7%	1.9%	6.2%	3.3%
Maternity	11.6%	-0.4%	11.2%	9.4%	3.2%	12.8%	11.3%	-0.1%	11.2%	1.1%	0.3%	0.8%
Office Visits	-0.2%	0.5%	0.3%	-0.6%	2.9%	2.2%	-0.2%	0.8%	0.6%	15.8%	4.7%	12.3%
Other Services	0.2%	8.6%	8.8%	1.3%	16.2%	17.7%	0.3%	10.6%	10.9%	9.7%	7.2%	8.9%
Outpatient Surgery	-0.4%	-0.1%	-0.5%	-4.3%	6.2%	1.6%	-0.9%	0.9%	0.0%	3.5%	2.5%	3.2%
Psychiatric / Substance Abuse	5.2%	5.5%	11.0%	6.0%	2.2%	8.3%	5.4%	5.1%	10.8%	2.7%	0.9%	2.1%
Radiology	0.7%	-5.1%	-4.5%	3.9%	-0.4%	3.5%	1.0%	-3.7%	-2.7%	3.2%	2.1%	2.8%
Therapies	0.1%	3.6%	3.7%	-3.2%	9.7%	6.3%	-0.1%	3.9%	3.8%	2.1%	0.3%	1.5%
TOTAL	0.1%	2.3%	2.4%	1.9%	5.1%	7.0%	0.3%	3.0%	3.4%	49.2%	30.1%	43.2%
OTHER												
Ambulance	-3.2%	22.5%	18.6%	-8.0%	40.8%	29.5%	-3.7%	24.8%	20.2%	0.7%	0.4%	0.7%
Appliances (DME)	-5.6%	5.0%	-0.9%	13.0%	-2.4%	10.2%	4.2%	3.5%	7.8%	0.9%	2.7%	1.5%
Other Services	4.8%	24.5%	30.5%	23.4%	5.5%	30.2%	6.8%	21.3%	29.5%	0.9%	2.4%	1.4%
TOTAL	-1.2%	17.0%	15.6%	15.8%	4.4%	20.8%	3.7%	14.4%	18.6%	2.6%	5.5%	3.5%
GRAND TOTAL	-0.1%	3.8%	3.7%	-0.9%	9.7%	8.8%	-0.2%	5.5%	5.3%	100.0%	100.0%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of May 2011 to April 2015
(Allowed Claims)**

48 Month Trends Summary - Excludes Drugs

	In State			Out of State			Total			In State Weight	Out of State Weight	Total Weight
	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend	Utilization	Cost / Service	Total Trend			
HOSPITAL INPATIENT												
Maternity	10.4%	3.4%	14.2%	8.6%	10.3%	19.8%	10.2%	5.9%	16.7%	0.6%	1.0%	0.7%
Medical / Surgical	-3.7%	4.2%	0.4%	-5.2%	12.5%	6.6%	-3.9%	8.2%	4.0%	12.0%	32.3%	18.2%
Psychiatric / Substance Abuse	2.1%	2.0%	4.2%	12.5%	-9.3%	2.1%	3.1%	-3.8%	-0.8%	0.7%	1.0%	0.8%
TOTAL	-2.7%	4.0%	1.2%	-4.3%	11.8%	7.0%	-3.1%	7.6%	4.3%	13.3%	34.2%	19.8%
HOSPITAL OUTPATIENT												
Emergency Room	1.5%	7.4%	9.0%	1.8%	11.8%	13.8%	1.5%	8.6%	10.2%	5.9%	4.0%	5.3%
Medical / Surgical	6.0%	-3.2%	2.6%	-4.6%	13.4%	8.1%	4.9%	-0.4%	4.4%	16.9%	15.9%	16.6%
Other Services	-1.2%	5.2%	3.9%	-2.6%	8.6%	5.8%	-1.3%	5.8%	4.4%	11.6%	9.7%	11.0%
Psychiatric / Substance Abuse	5.6%	-1.1%	4.4%	6.4%	-8.3%	-2.5%	5.9%	-5.4%	0.1%	0.2%	0.7%	0.4%
TOTAL	2.8%	1.4%	4.3%	-2.9%	11.1%	7.9%	2.3%	3.0%	5.4%	34.5%	30.4%	33.3%
PHYSICIAN SERVICES												
Anesthesia	1.9%	-0.6%	1.3%	3.1%	-0.5%	2.6%	2.0%	-0.4%	1.7%	2.3%	1.7%	2.1%
Chemotherapy / Radiation	-6.1%	-1.9%	-7.9%	-0.9%	-0.4%	-1.3%	-5.3%	-0.9%	-6.2%	0.8%	0.8%	0.8%
Emergency Room	2.1%	2.5%	4.6%	5.7%	0.7%	6.4%	2.3%	2.5%	4.9%	1.3%	0.6%	1.1%
Immunizations / Injections / Allergy	-0.3%	4.8%	4.5%	1.7%	4.4%	6.2%	-0.2%	4.9%	4.7%	1.7%	0.4%	1.3%
Inpatient Surgery	-4.7%	-0.1%	-4.8%	0.1%	-1.7%	-1.6%	-3.8%	0.3%	-3.6%	1.6%	1.8%	1.7%
Inpatient Visits	-1.0%	-0.7%	-1.7%	-0.3%	0.3%	0.1%	-0.9%	-0.4%	-1.3%	1.5%	0.9%	1.3%
Lab & Pathology	-10.7%	0.2%	-10.5%	13.3%	-4.2%	8.5%	0.6%	0.5%	1.1%	2.1%	6.0%	3.3%
Maternity	9.6%	2.1%	11.9%	5.2%	3.3%	8.6%	8.7%	2.2%	11.1%	1.0%	0.3%	0.8%
Office Visits	-1.2%	0.7%	-0.5%	0.1%	2.7%	2.9%	-1.1%	1.0%	-0.2%	16.1%	4.8%	12.6%
Other Services	-0.5%	6.4%	6.0%	1.5%	14.4%	16.1%	-0.2%	8.6%	8.3%	9.7%	7.0%	8.8%
Outpatient Surgery	1.4%	-2.8%	-1.4%	-0.8%	0.4%	-0.4%	1.1%	-2.2%	-1.2%	3.6%	2.6%	3.3%
Psychiatric / Substance Abuse	4.4%	5.0%	9.7%	12.5%	-1.7%	10.6%	6.1%	3.7%	10.0%	2.6%	0.9%	2.1%
Radiology	0.4%	-3.1%	-2.7%	1.9%	-3.7%	-1.9%	0.6%	-3.0%	-2.5%	3.3%	2.2%	2.9%
Therapies	-1.1%	2.9%	1.8%	1.6%	6.6%	8.4%	-0.9%	3.1%	2.2%	2.1%	0.3%	1.5%
TOTAL	-0.6%	1.7%	1.1%	3.8%	2.7%	6.6%	0.1%	2.2%	2.3%	49.6%	30.1%	43.6%
OTHER												
Ambulance	-0.5%	17.4%	16.7%	-3.9%	-2.7%	-6.5%	-0.8%	12.6%	11.7%	0.7%	0.5%	0.6%
Appliances (DME)	-13.3%	8.6%	-5.8%	25.4%	-18.3%	2.4%	4.2%	2.3%	6.6%	1.0%	2.6%	1.5%
Other Services	10.9%	11.3%	23.5%	19.0%	14.4%	36.2%	11.8%	16.7%	30.5%	0.8%	2.1%	1.2%
TOTAL	-1.5%	12.0%	10.3%	20.0%	-3.7%	15.6%	6.0%	9.6%	16.2%	2.5%	5.3%	3.4%
GRAND TOTAL	0.3%	2.2%	2.4%	-0.1%	8.0%	7.9%	0.4%	3.8%	4.2%	100.0%	100.0%	100.0%

**West Virginia PEIA Non-Medicare Total
Study Period of May 2014 to April 2015
(Allowed Claims)**

12 Month Summary - Excludes Drugs

	Number of Visits					Total Allowed Cost				
	In State	Out of State	Total	In State %	Out of State %	In State	Out of State	Total	In State %	Out of State %
HOSPITAL INPATIENT										
Maternity	1,618	224	1,842	87.8%	12.2%	2,724,404	2,273,839	4,998,243	54.5%	45.5%
Medical / Surgical	8,918	1,612	10,530	84.7%	15.3%	45,825,245	63,296,324	109,121,568	42.0%	58.0%
Psychiatric / Substance Abuse	515	222	737	69.9%	30.1%	2,900,136	1,560,783	4,460,919	65.0%	35.0%
TOTAL	11,051	2,058	13,109	84.3%	15.7%	51,449,785	67,130,946	118,580,730	43.4%	56.6%
HOSPITAL OUTPATIENT										
Emergency Room	43,012	4,348	47,359	90.8%	9.2%	24,728,668	8,325,613	33,054,281	74.8%	25.2%
Medical / Surgical	94,635	9,911	104,546	90.5%	9.5%	65,152,690	29,126,054	94,278,744	69.1%	30.9%
Other Services	248,903	17,708	266,611	93.4%	6.6%	46,577,150	17,822,560	64,399,710	72.3%	27.7%
Psychiatric / Substance Abuse	5,438	3,777	9,215	59.0%	41.0%	790,860	1,052,709	1,843,569	42.9%	57.1%
TOTAL	391,987	35,744	427,731	91.6%	8.4%	137,249,367	56,326,936	193,576,304	70.9%	29.1%
PHYSICIAN SERVICES										
Anesthesia	40,348	5,998	46,346	87.1%	12.9%	9,011,141	2,962,162	11,973,303	75.3%	24.7%
Chemotherapy / Radiation	9,766	2,411	12,177	80.2%	19.8%	2,555,817	1,147,223	3,703,040	69.0%	31.0%
Emergency Room	39,019	3,762	42,782	91.2%	8.8%	5,286,129	1,180,520	6,466,649	81.7%	18.3%
Immunizations / Injections / Allergy	206,068	14,672	220,740	93.4%	6.6%	7,092,649	791,733	7,884,382	90.0%	10.0%
Inpatient Surgery	9,007	2,435	11,442	78.7%	21.3%	5,754,449	3,209,096	8,963,544	64.2%	35.8%
Inpatient Visits	54,950	9,347	64,297	85.5%	14.5%	5,427,815	1,409,343	6,837,158	79.4%	20.6%
Lab & Pathology	353,437	386,910	740,347	47.7%	52.3%	7,203,014	11,331,479	18,534,493	38.9%	61.1%
Maternity	4,228	605	4,833	87.5%	12.5%	4,494,057	611,514	5,105,571	88.0%	12.0%
Office Visits	649,571	63,731	713,302	91.1%	8.9%	59,640,340	8,353,405	67,993,746	87.7%	12.3%
Other Services	525,585	60,346	585,931	89.7%	10.3%	40,504,962	14,158,607	54,663,569	74.1%	25.9%
Outpatient Surgery	43,845	7,217	51,062	85.9%	14.1%	13,178,601	4,659,225	17,837,825	73.9%	26.1%
Psychiatric / Substance Abuse	116,087	30,177	146,264	79.4%	20.6%	10,916,959	1,736,066	12,653,025	86.3%	13.7%
Radiology	252,117	31,684	283,801	88.8%	11.2%	11,545,428	3,768,854	15,314,281	75.4%	24.6%
Therapies	170,188	11,678	181,866	93.6%	6.4%	8,163,047	562,141	8,725,188	93.6%	6.4%
TOTAL	2,474,216	630,976	3,105,192	79.7%	20.3%	190,774,408	55,881,366	246,655,774	77.3%	22.7%
OTHER										
Ambulance	11,033	896	11,929	92.5%	7.5%	3,434,234	996,917	4,431,151	77.5%	22.5%
Appliances (DME)	31,550	34,882	66,432	47.5%	52.5%	3,585,546	5,210,964	8,796,510	40.8%	59.2%
Other Services	32,053	5,426	37,478	85.5%	14.5%	4,245,588	4,913,225	9,158,813	46.4%	53.6%
TOTAL	74,635	41,204	115,839	64.4%	35.6%	11,265,369	11,121,106	22,386,474	50.3%	49.7%
GRAND TOTAL	2,964,251	718,022	3,682,273	80.5%	19.5%	390,738,929	190,460,353	581,199,282	67.2%	32.8%

**West Virginia PEIA Non-Medicare Prescription Drugs Total
Study Period of May 2011 to April 2015
(Paid Claims)**

24 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>
Non-Medicare	2.4%	7.4%	10.0%

36 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>
Non-Medicare	1.7%	4.7%	6.5%

48 Month Trends Summary

	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>
Non-Medicare	2.1%	1.0%	3.1%

Appendix A

**NON-MEDICARE CLAIMS
Excluding Drugs**

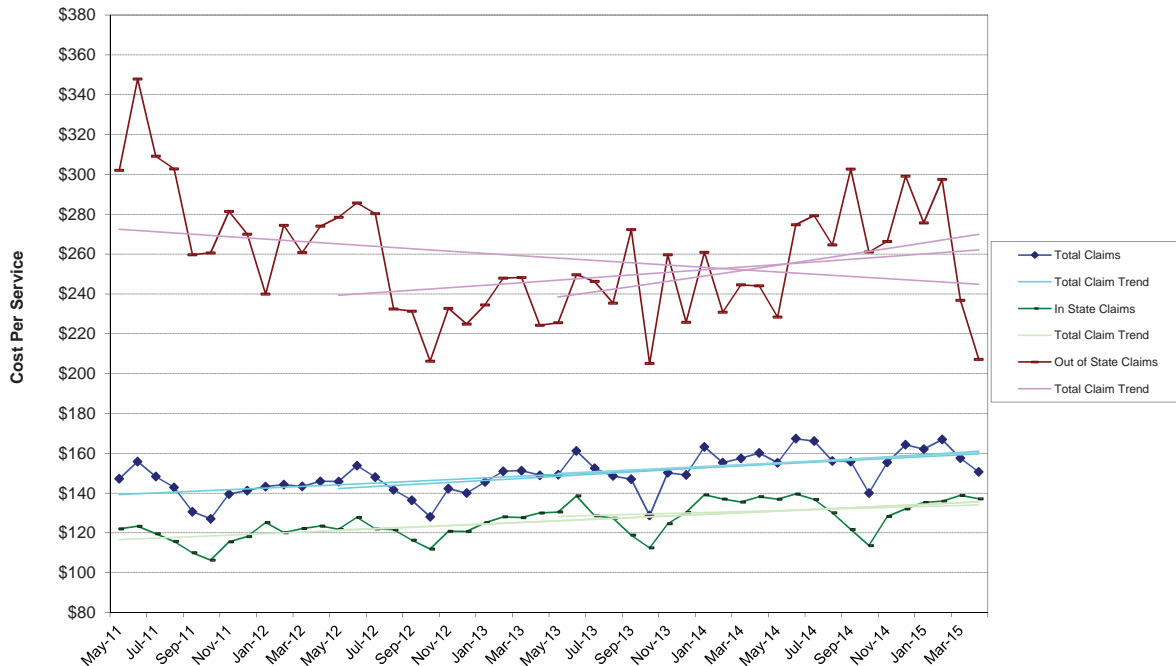
GRAND TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.7%	5.6%	6.3%

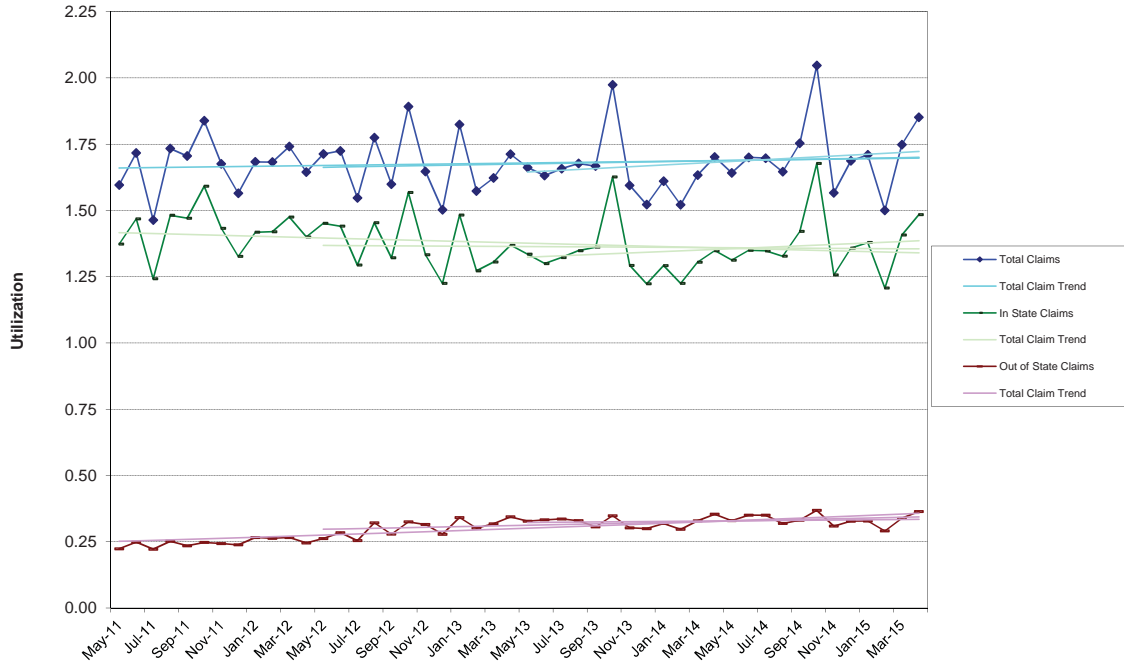
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	5.5%	5.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.4%	3.8%	4.2%

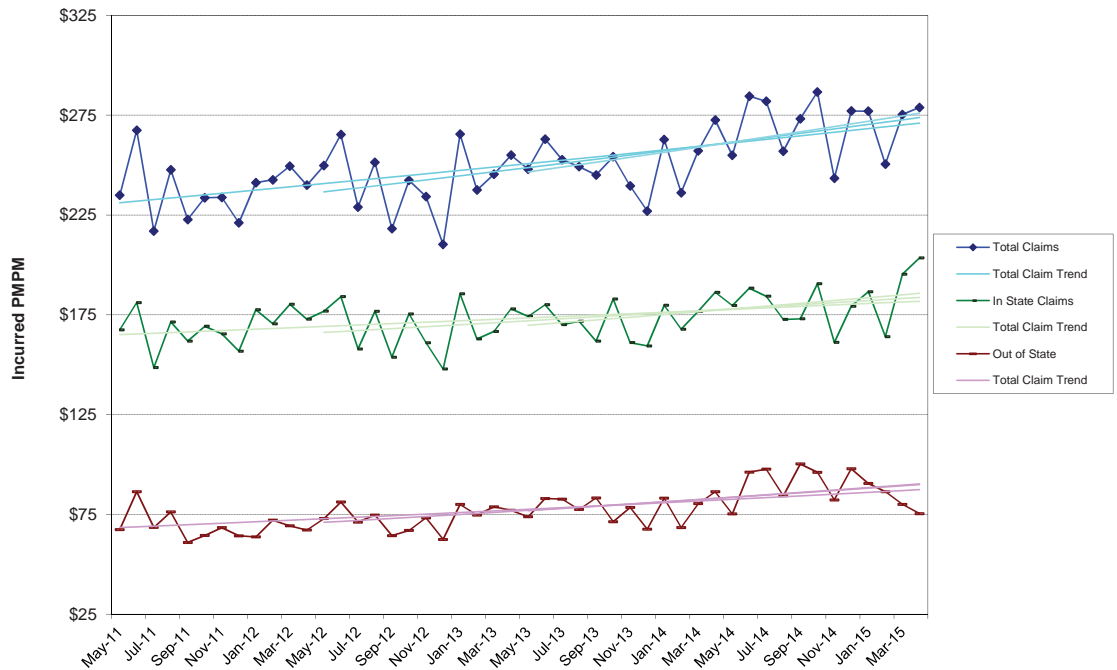
Total Claims - Excluding Drugs



Total Claims - Excluding Drugs



Total Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

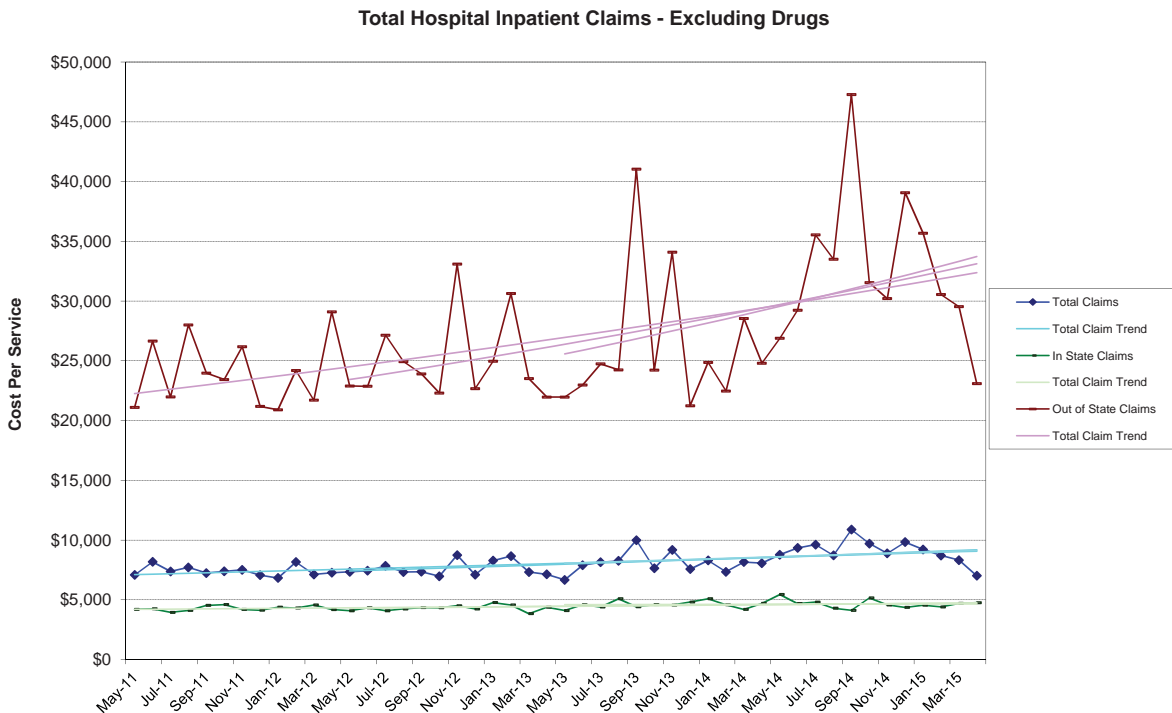
HOSPITAL INPATIENT

TOTAL

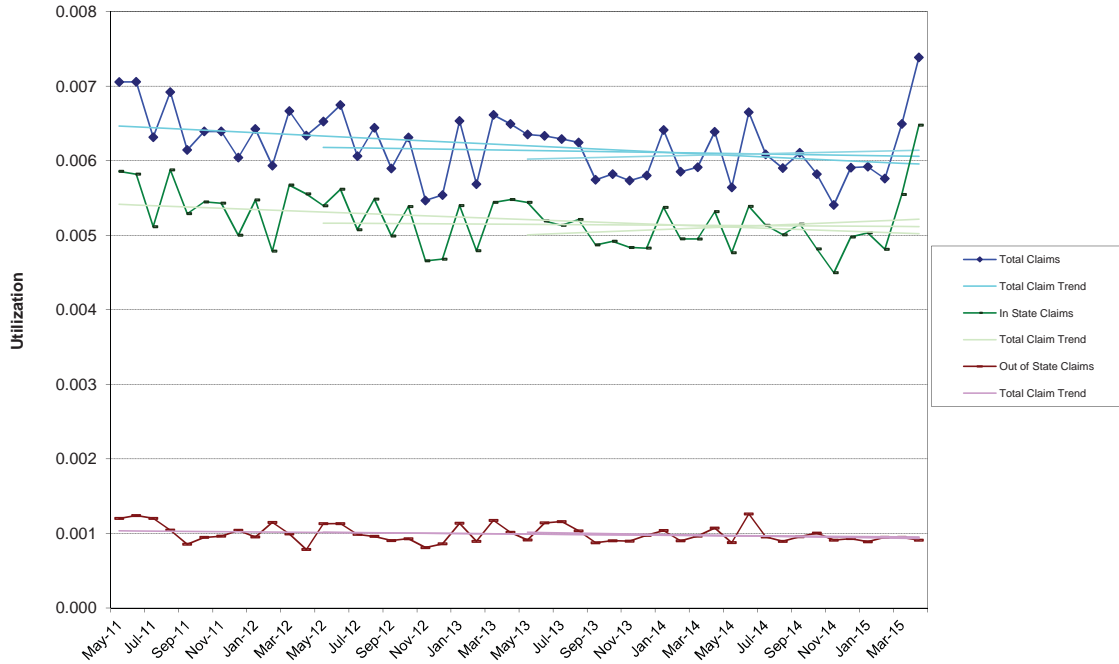
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.7%	8.6%	7.8%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-2.0%	9.3%	7.0%

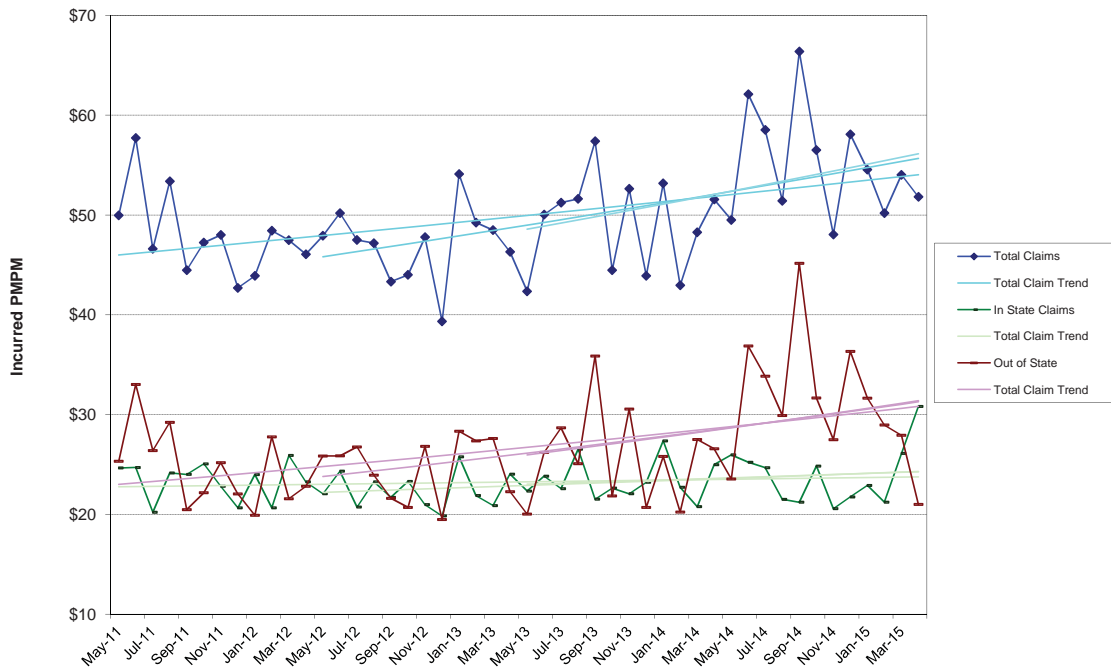
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.1%	7.6%	4.3%



Total Hospital Inpatient Claims - Excluding Drugs



Total Hospital Inpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

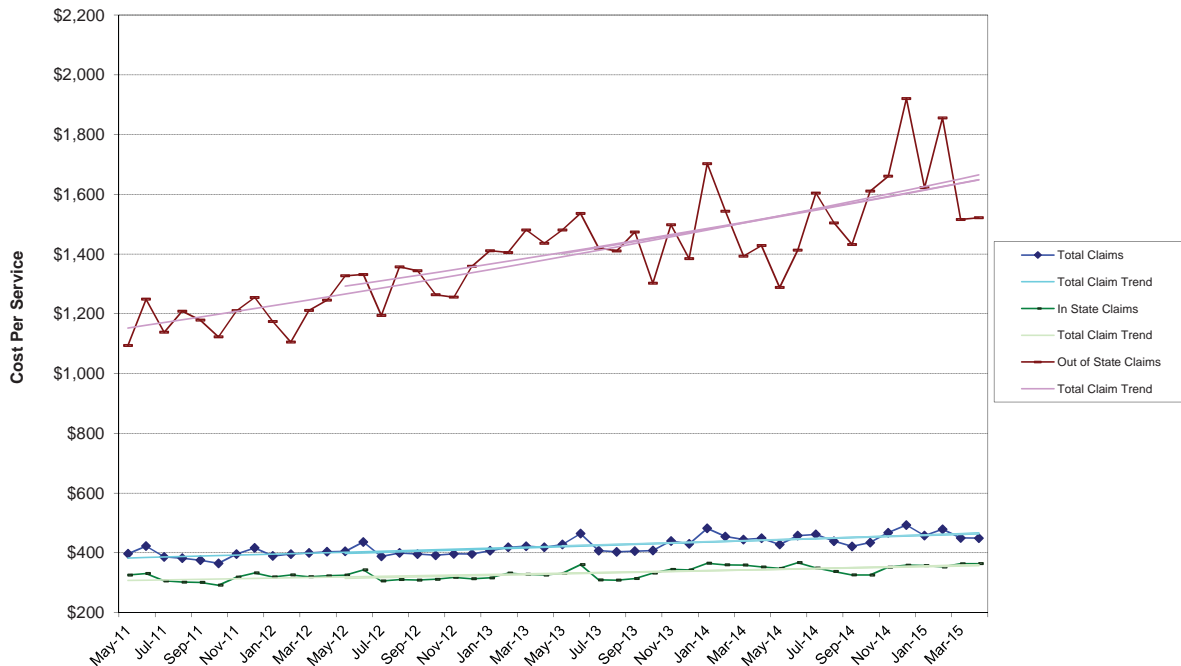
TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.3%	5.1%	5.4%

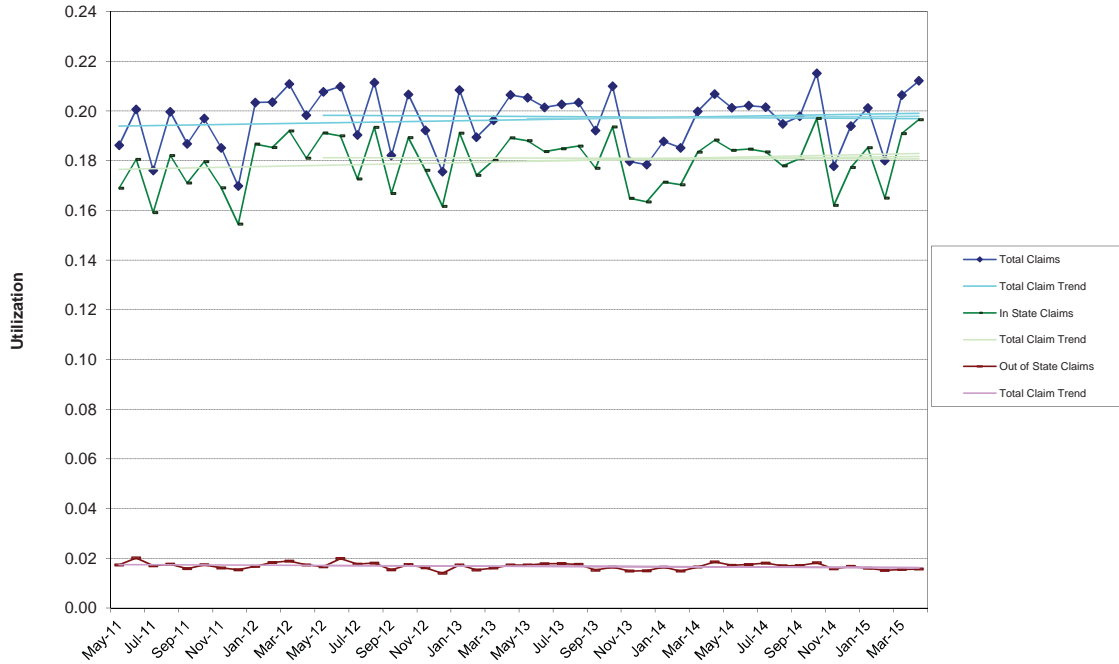
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.1%	5.6%	5.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.3%	3.0%	5.4%

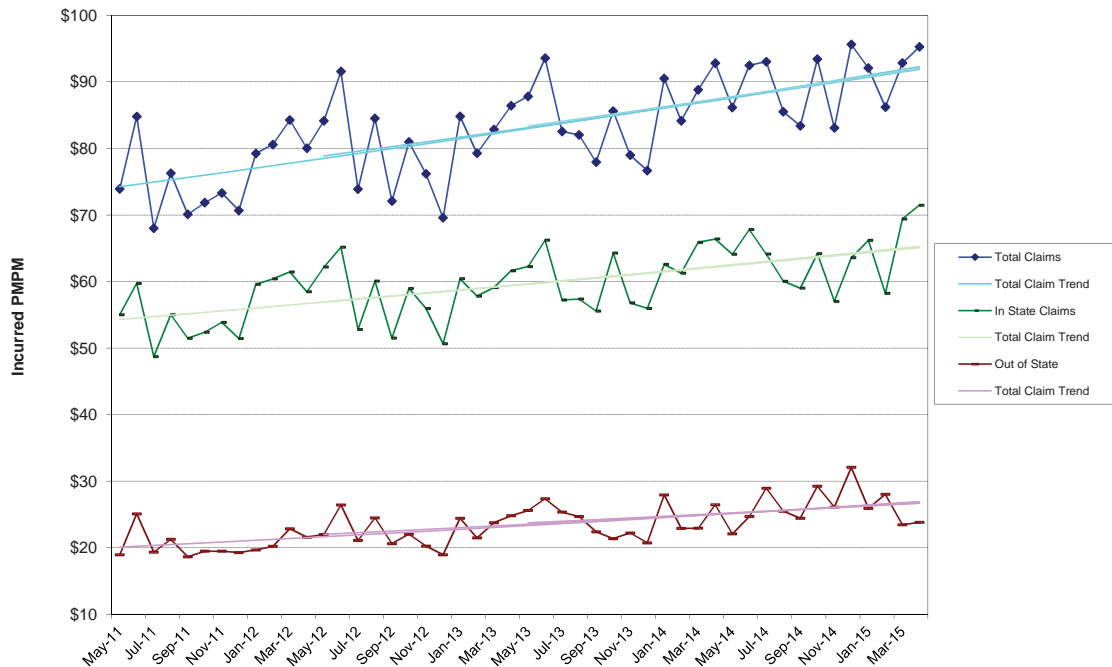
Total Hospital Outpatient Claims - Excluding Drugs



Total Hospital Outpatient Claims - Excluding Drugs



Total Hospital Outpatient Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

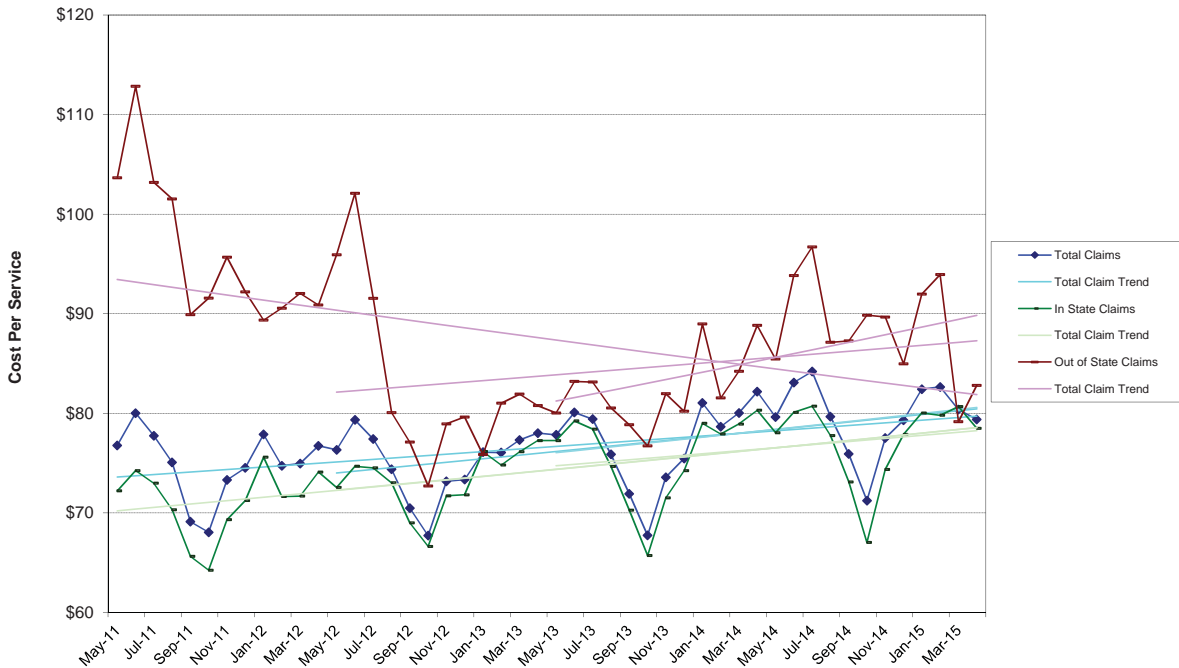
TOTAL

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.8%	3.4%	5.2%

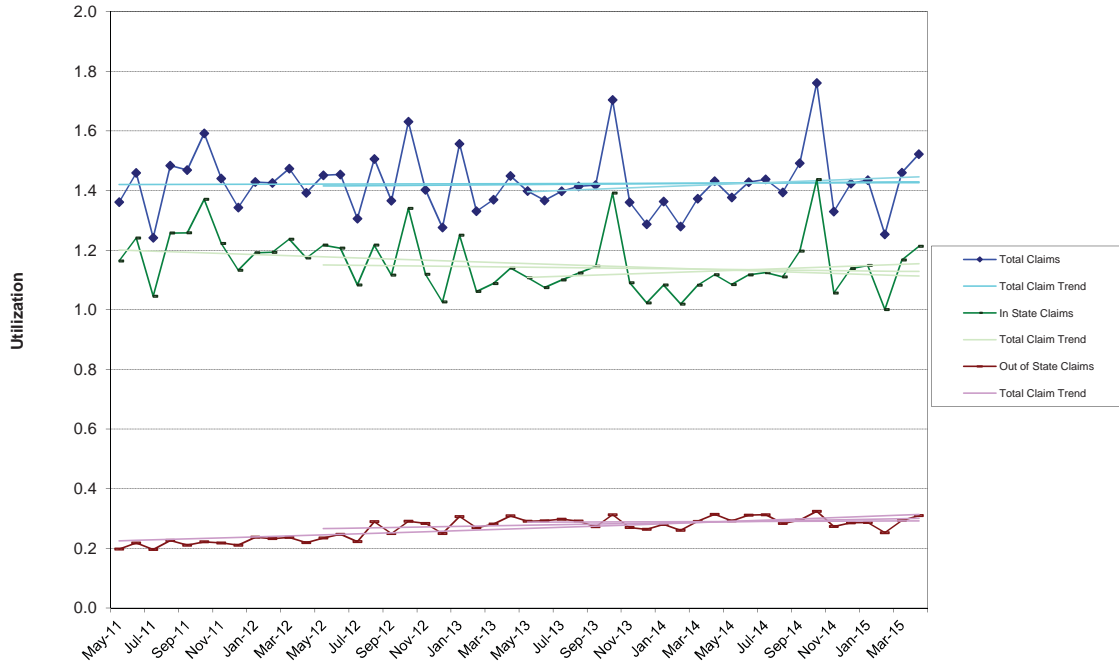
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.3%	3.0%	3.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.1%	2.2%	2.3%

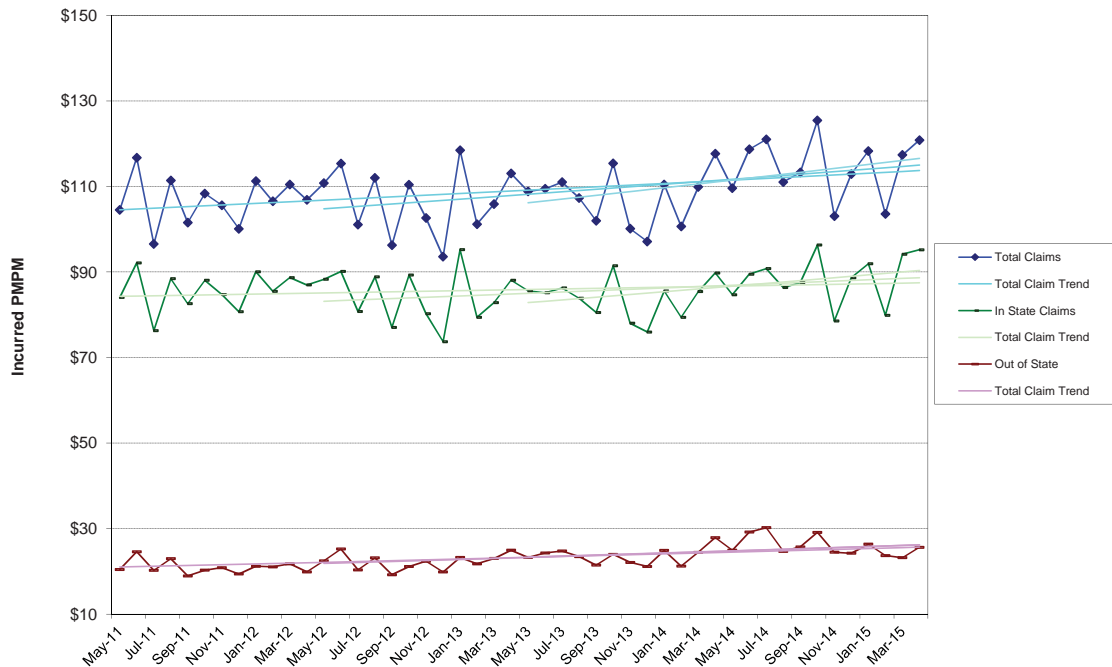
Total Physician Services Claims - Excluding Drugs



Total Physician Services Claims - Excluding Drugs



Total Physician Services Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

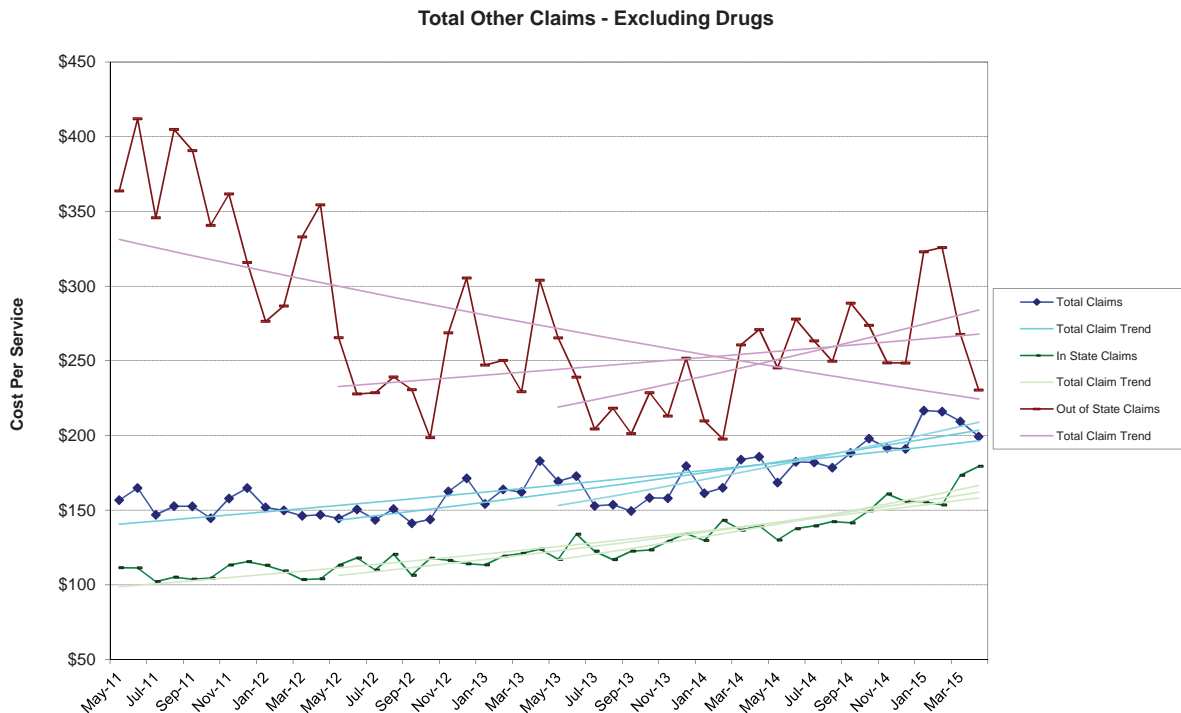
OTHER

TOTAL

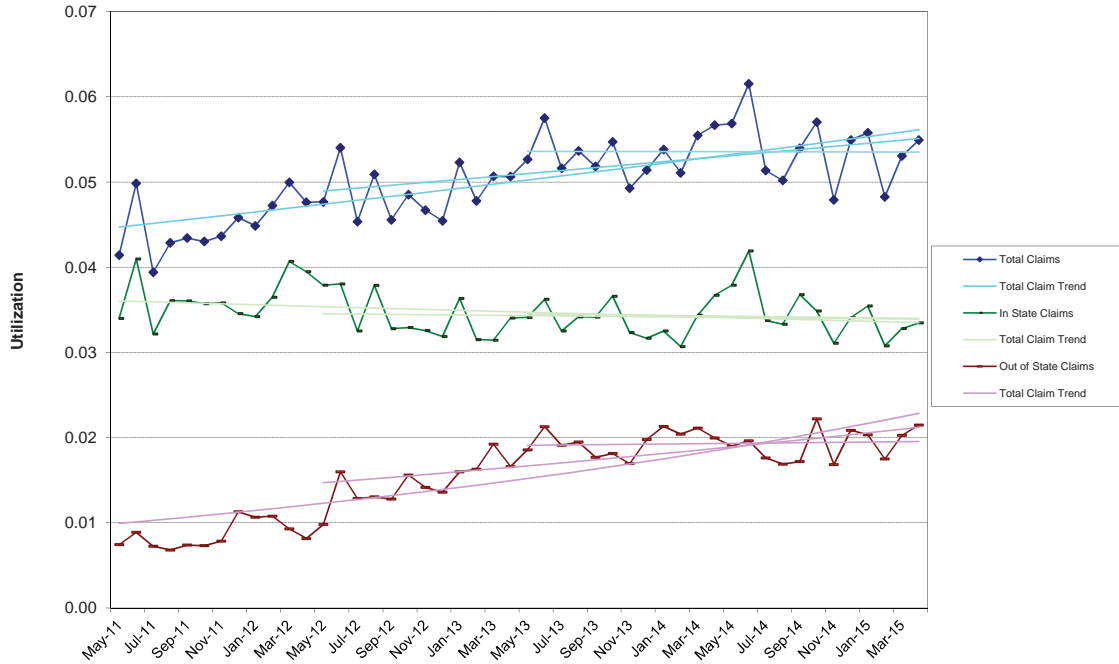
24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.1%	20.6%	19.2%

36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.7%	14.4%	18.6%

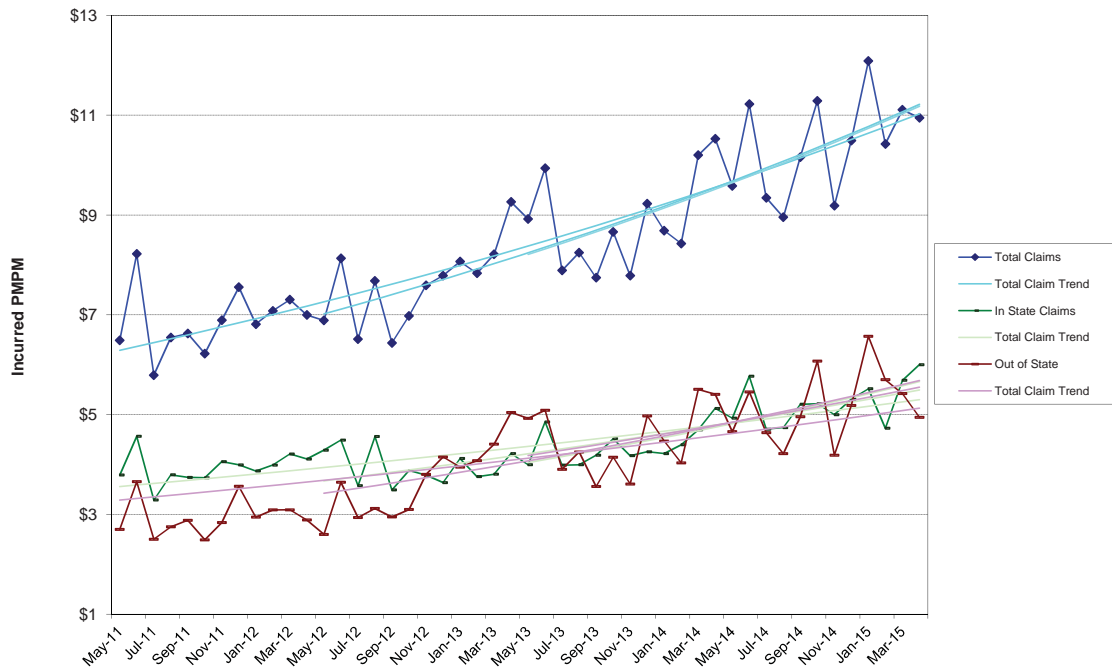
48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.0%	9.6%	16.2%



Total Other Claims - Excluding Drugs



Total Other Claims - Excluding Drugs



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

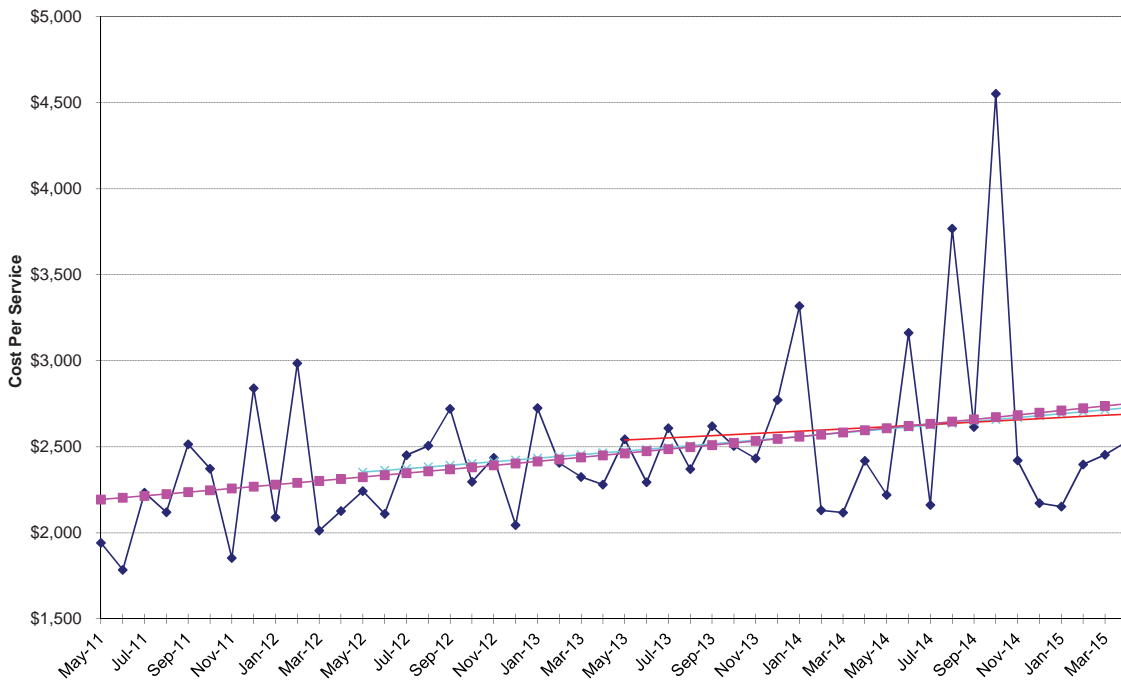
Maternity

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
24.4%	3.1%	28.2%

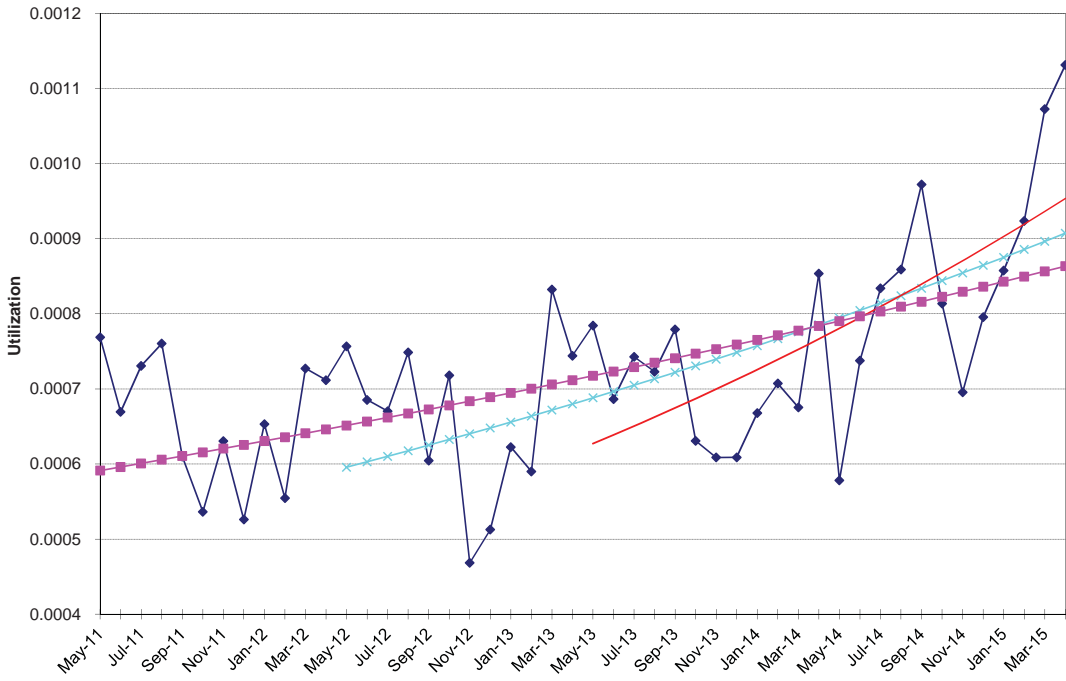
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
15.5%	5.2%	21.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
10.2%	5.9%	16.7%

Hospital Inpatient - Maternity



Hospital Inpatient - Maternity



Hospital Inpatient - Maternity



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

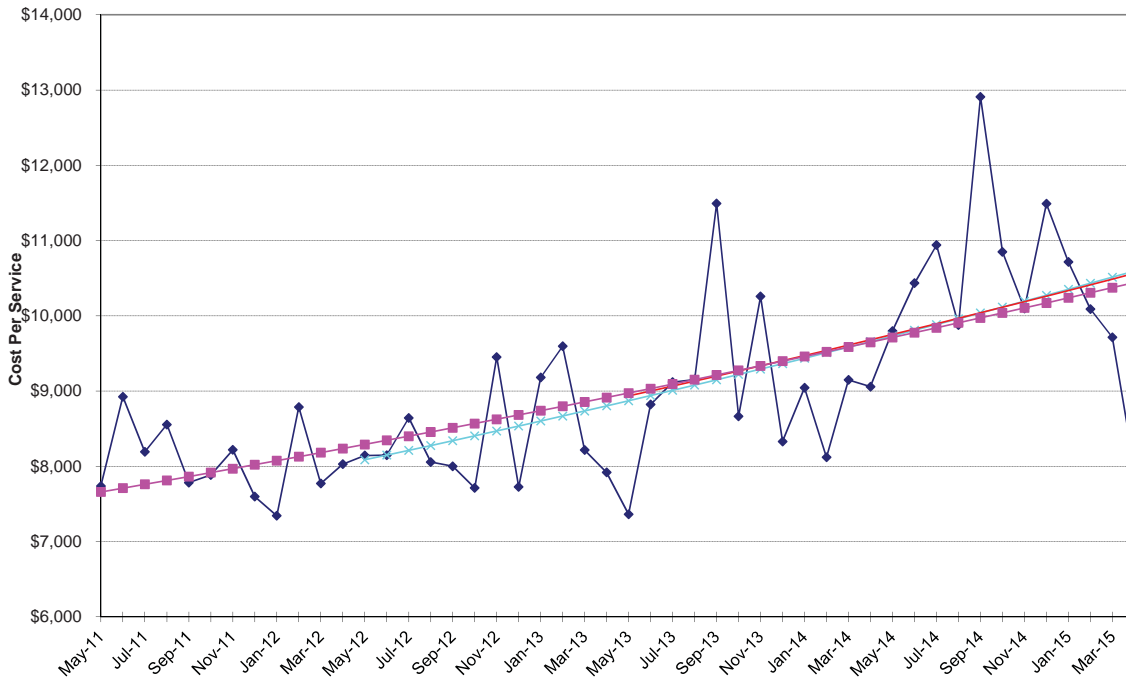
Medical / Surgical

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.5%	9.1%	7.5%

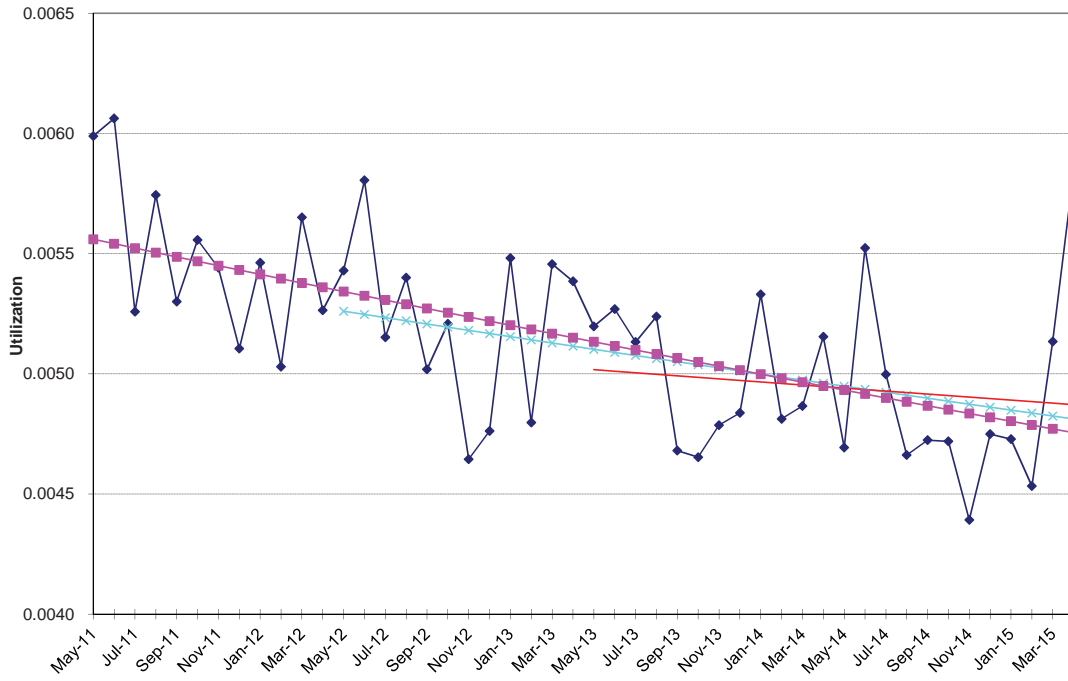
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.0%	9.7%	6.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.9%	8.2%	4.0%

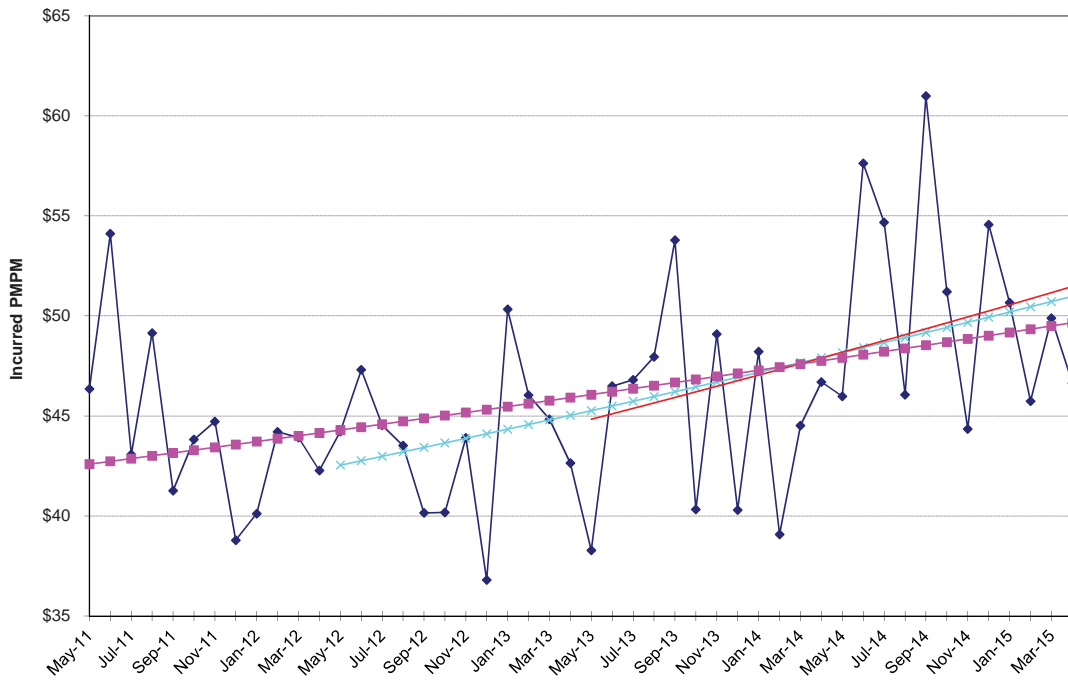
Hospital Inpatient - Medical / Surgical



Hospital Inpatient - Medical / Surgical



Hospital Inpatient - Medical / Surgical



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL INPATIENT

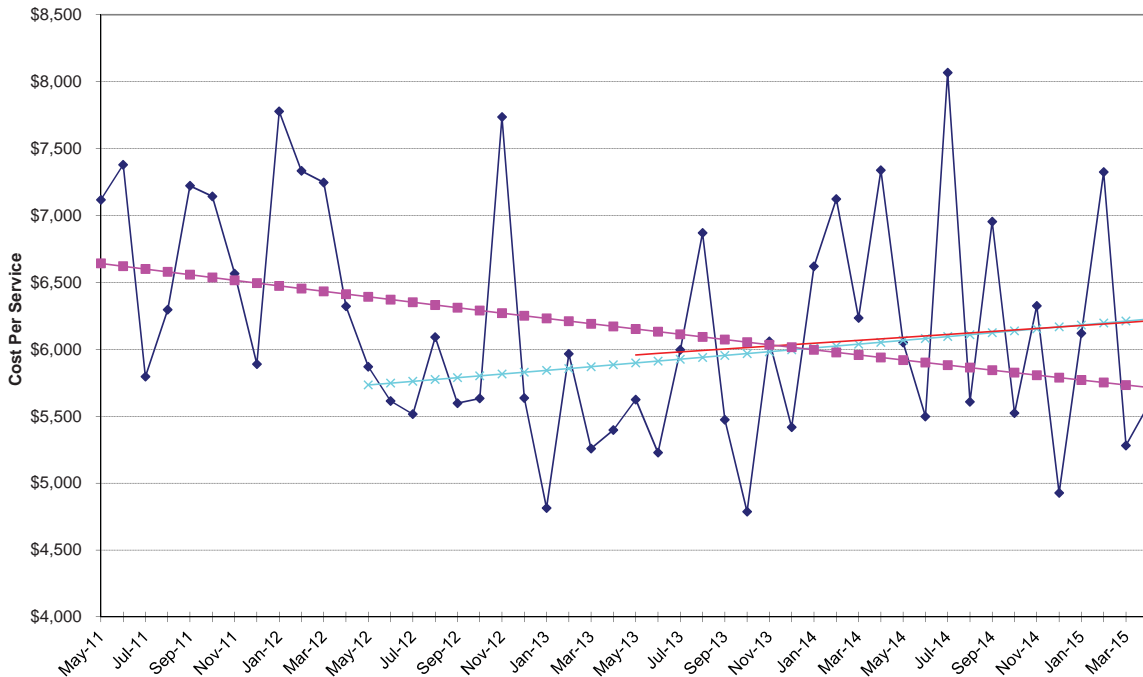
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-6.0%	2.2%	-4.0%

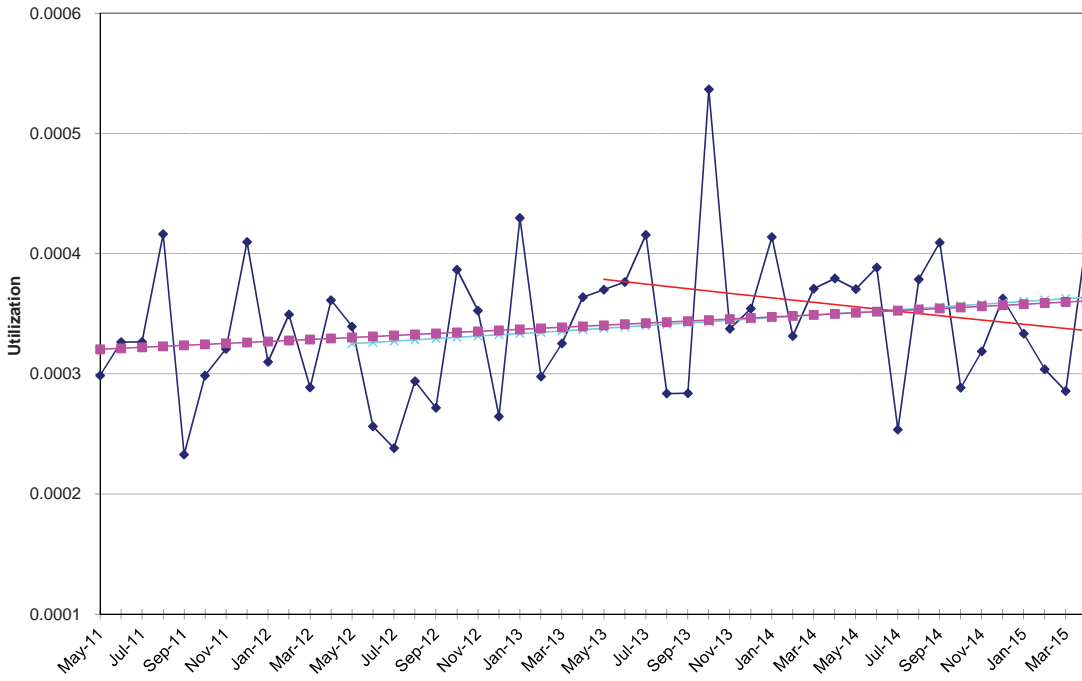
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.9%	2.9%	6.9%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.1%	-3.8%	-0.8%

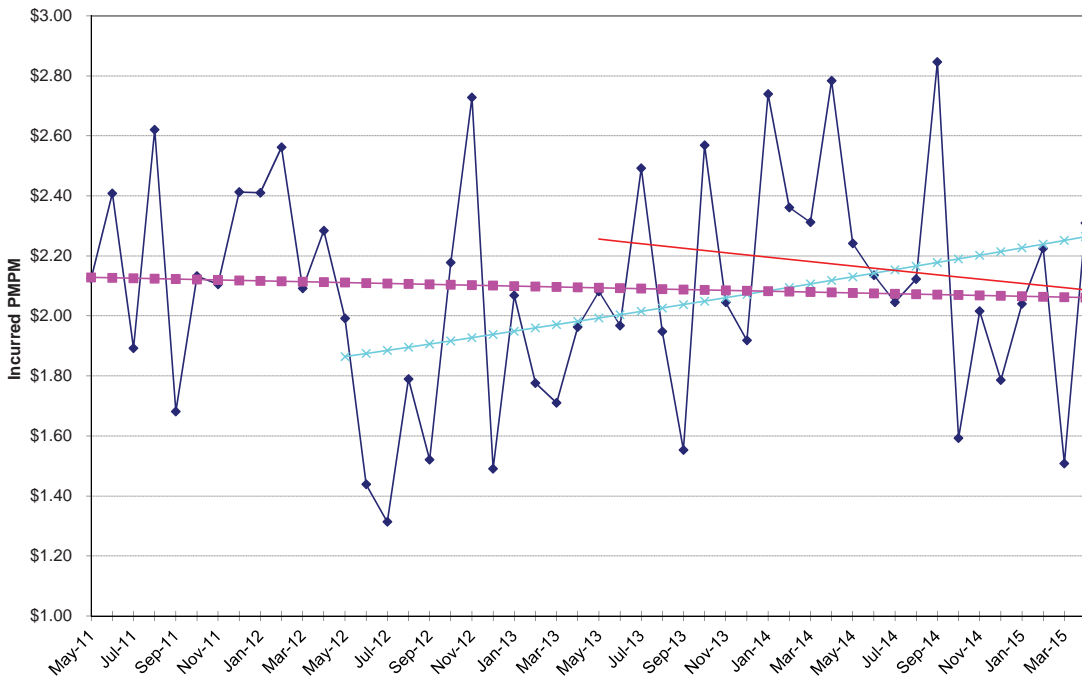
Hospital Inpatient - Psychiatric / Substance Abuse



Hospital Inpatient - Psychiatric / Substance Abuse



Hospital Inpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

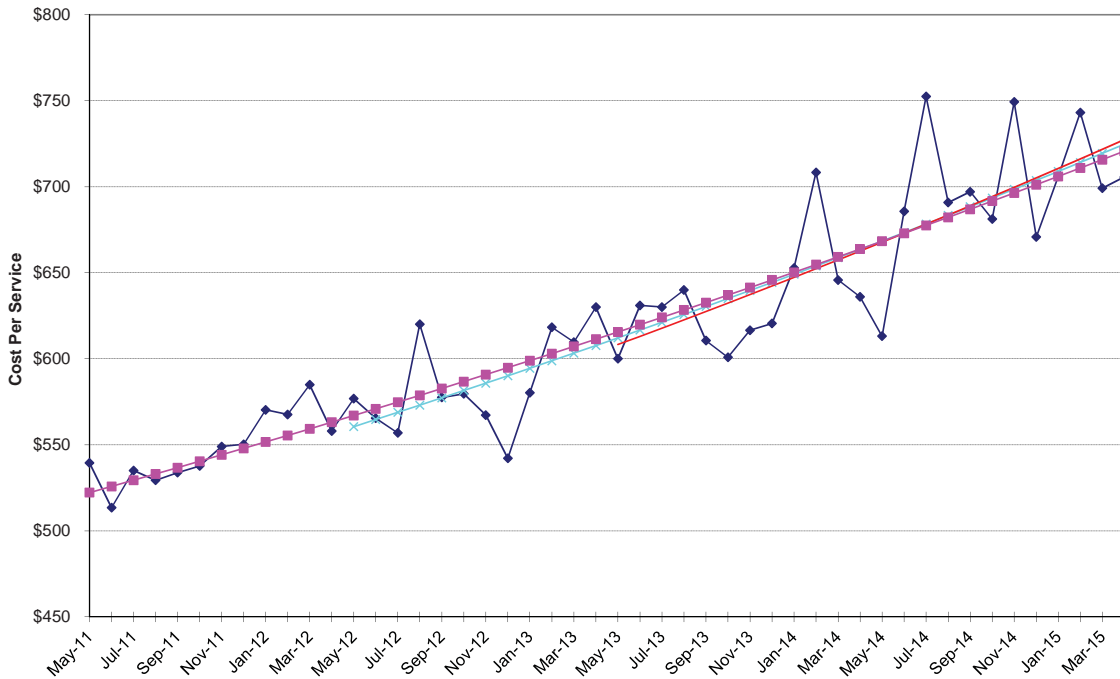
Emergency Room

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.5%	9.8%	13.7%

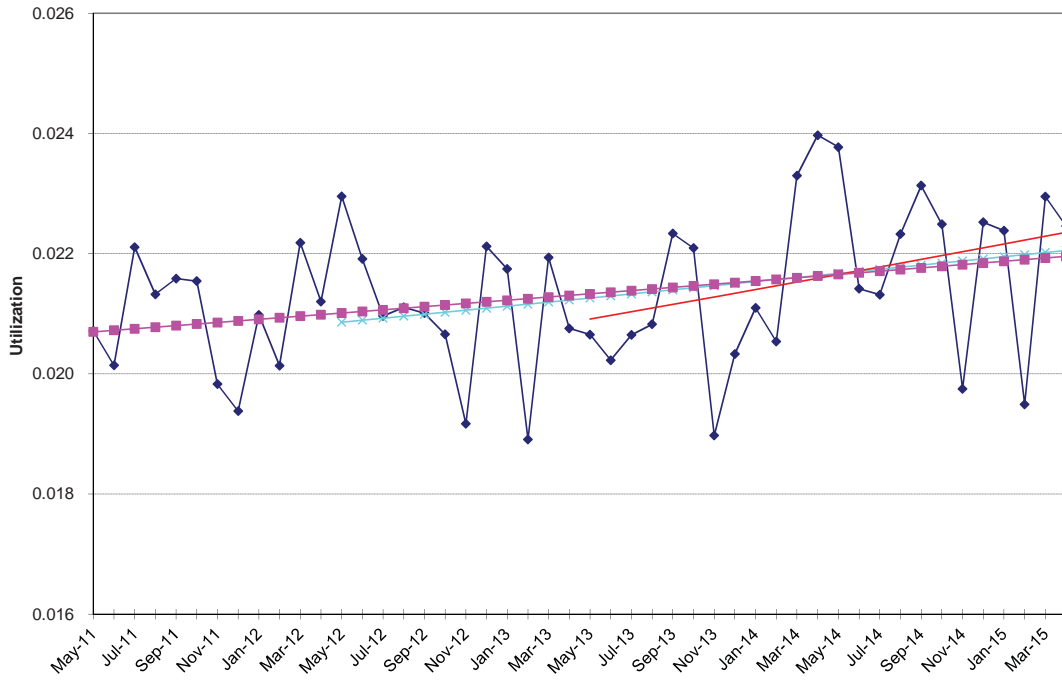
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.9%	9.2%	11.3%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.5%	8.6%	10.2%

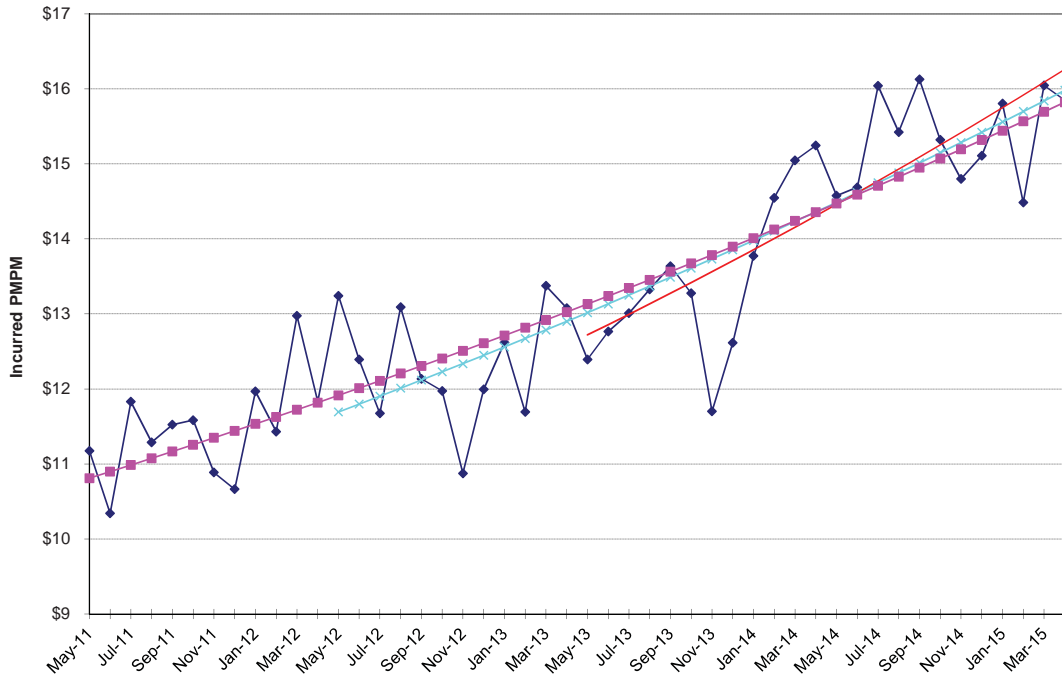
Hospital Outpatient - Emergency Room



Hospital Outpatient - Emergency Room



Hospital Outpatient - Emergency Room



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

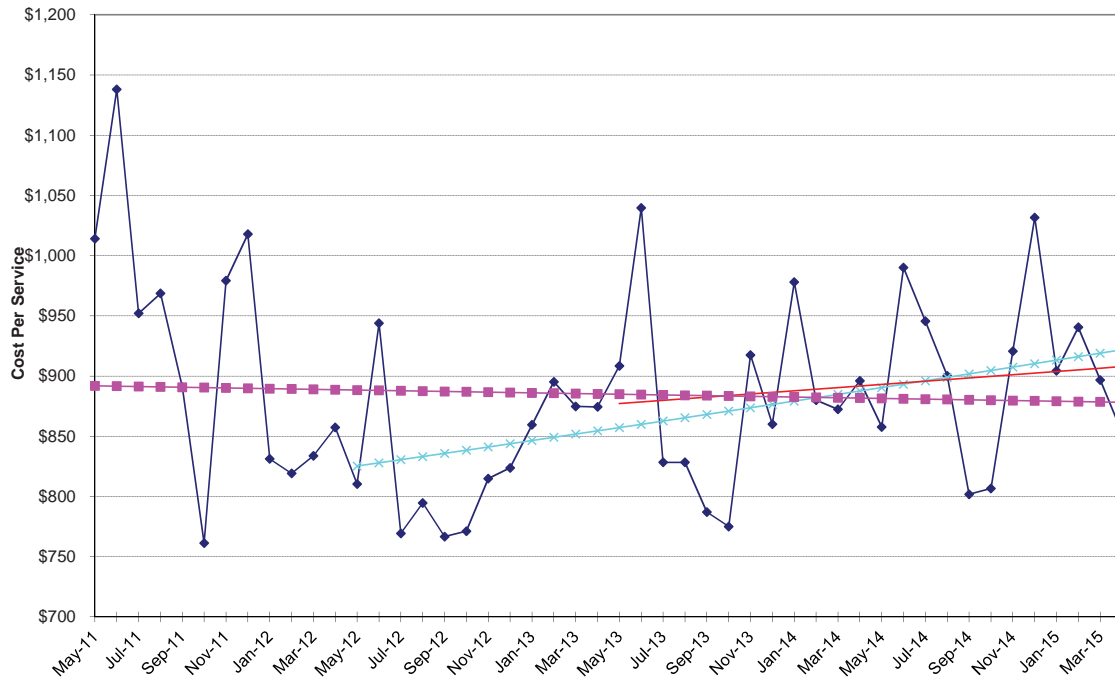
Medical / Surgical

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.5%	1.8%	1.3%

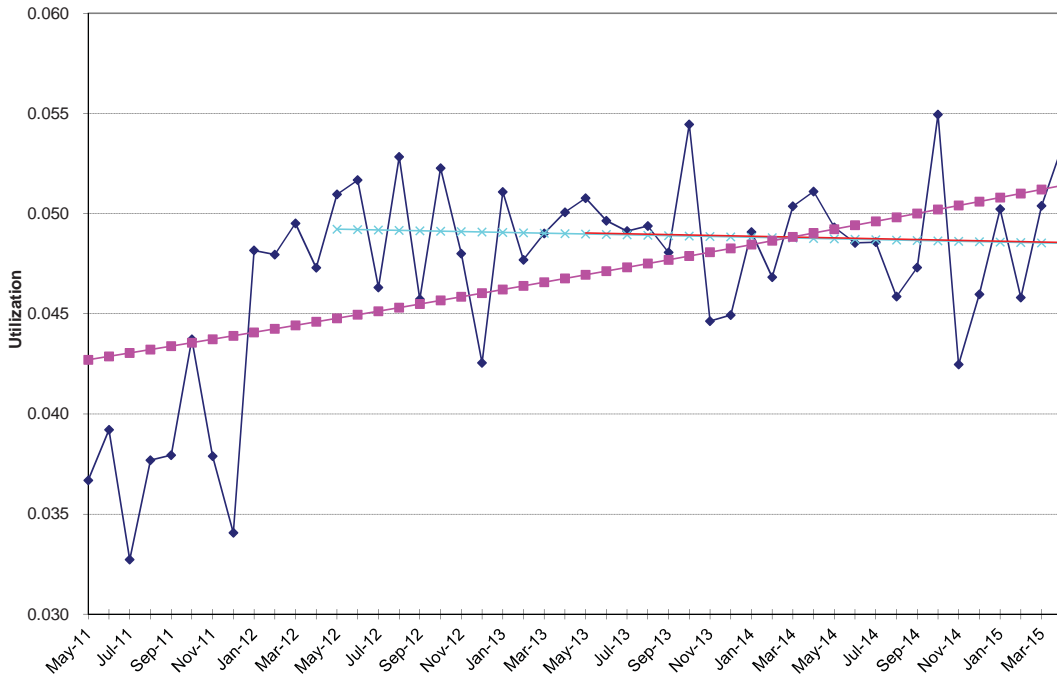
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.5%	3.9%	3.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.9%	-0.4%	4.4%

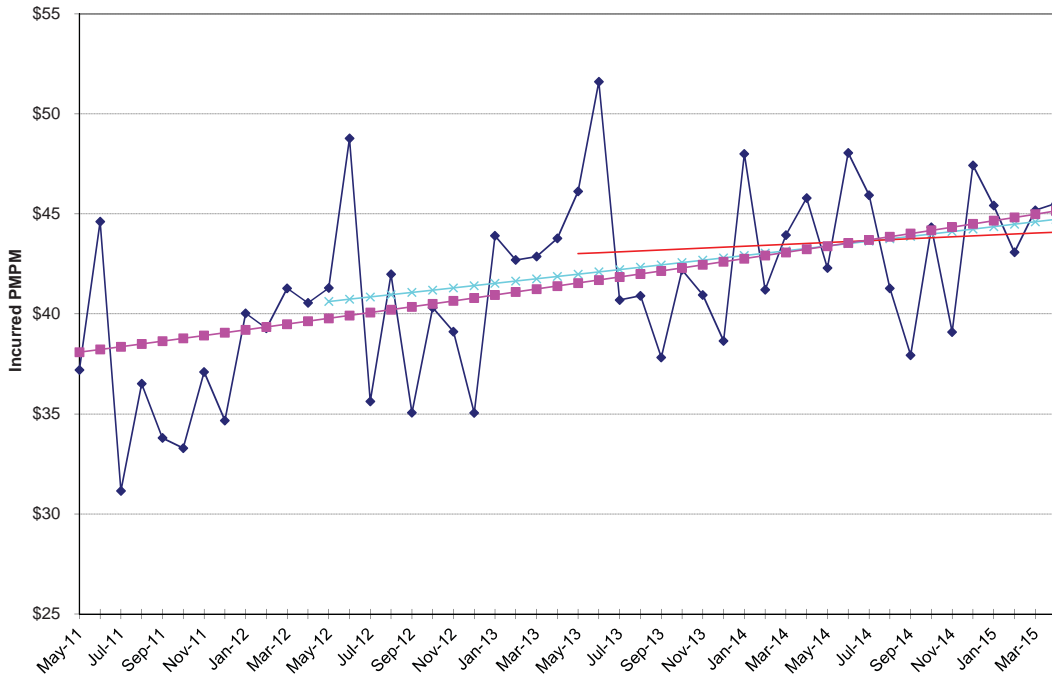
Hospital Outpatient - Medical / Surgical



Hospital Outpatient - Medical / Surgical



Hospital Outpatient - Medical / Surgical



**NON-MEDICARE CLAIMS
Excluding Drugs**

HOSPITAL OUTPATIENT

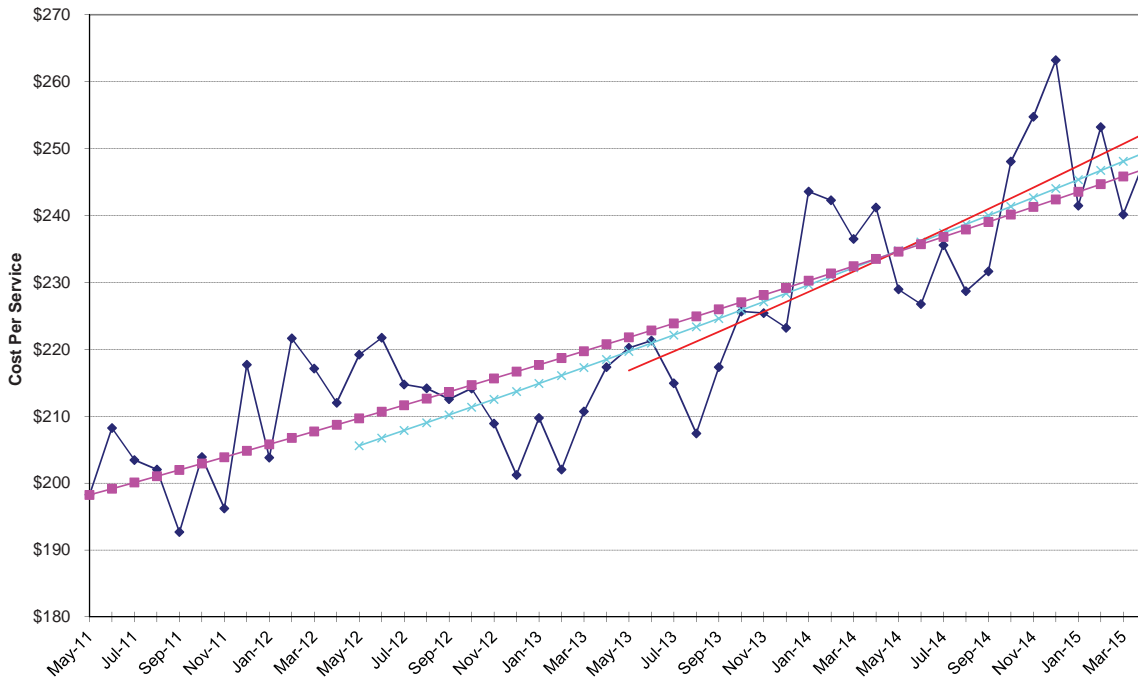
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.1%	8.2%	8.3%

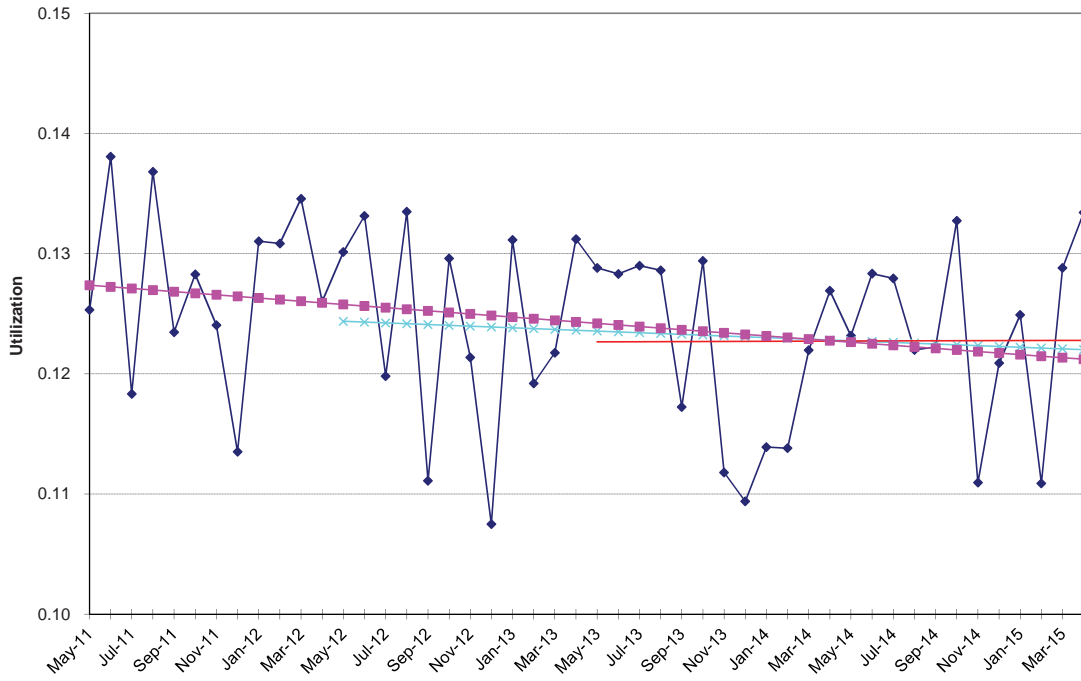
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.7%	6.9%	6.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.3%	5.8%	4.4%

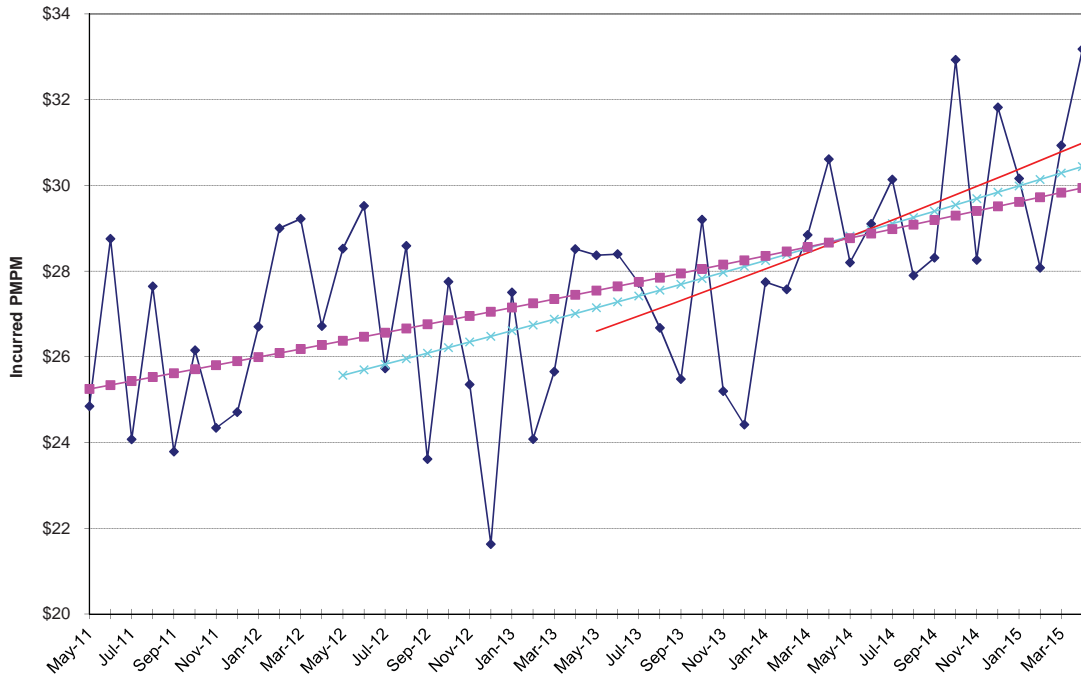
Hospital Outpatient - Other Services



Hospital Outpatient - Other Services



Hospital Outpatient - Other Services



NON-MEDICARE CLAIMS
Excluding Drugs

HOSPITAL OUTPATIENT

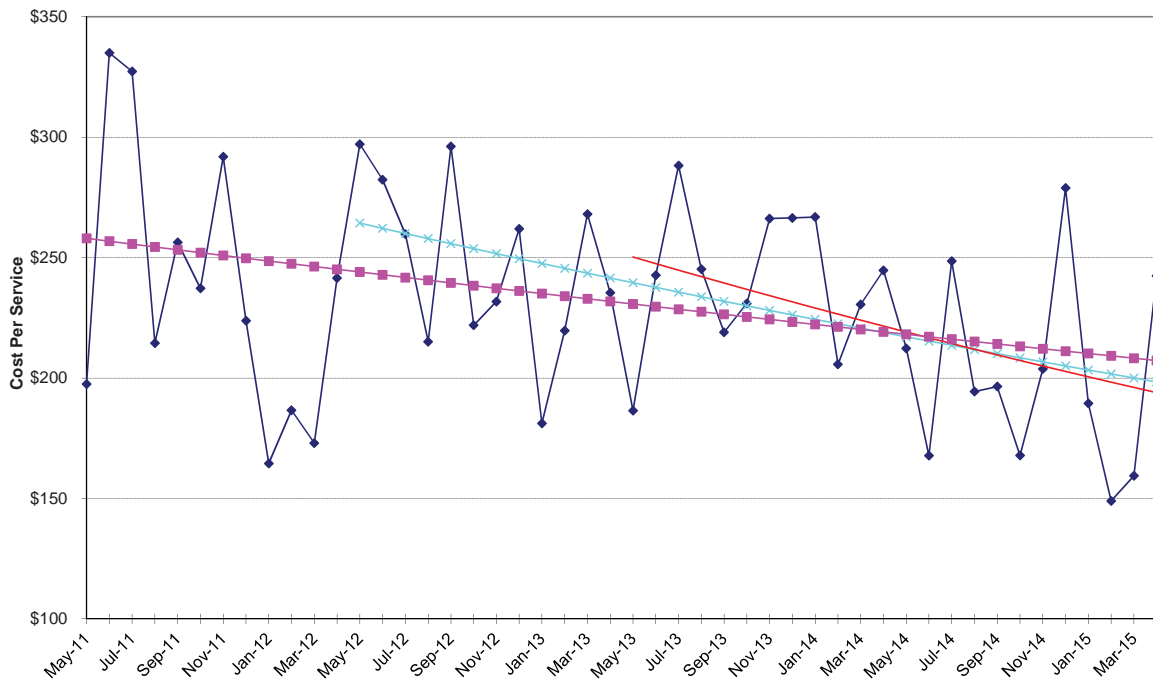
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.2%	-12.5%	-13.5%

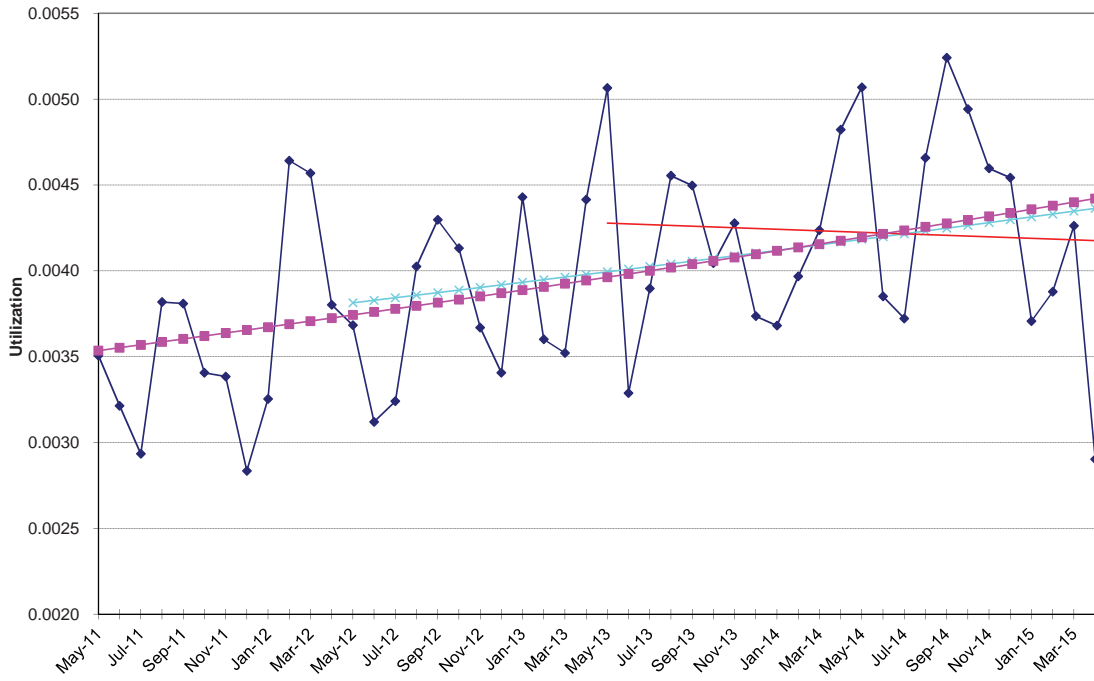
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.7%	-9.4%	-5.1%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.9%	-5.4%	0.1%

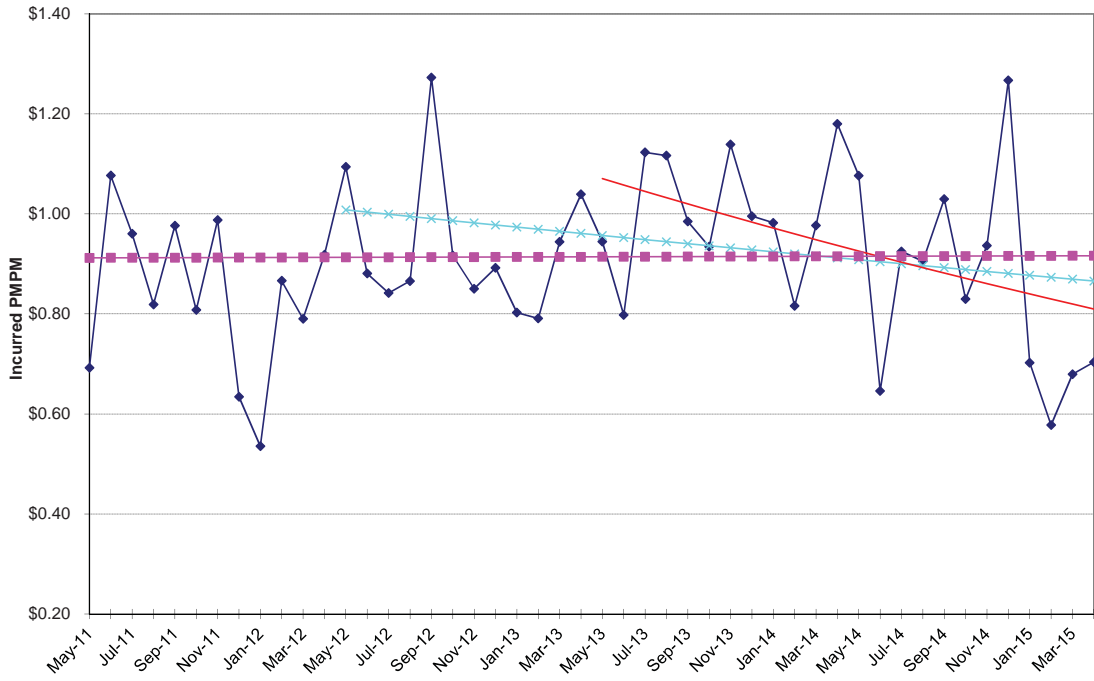
Hospital Outpatient - Psychiatric / Substance Abuse



Hospital Outpatient - Psychiatric / Substance Abuse



Hospital Outpatient - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

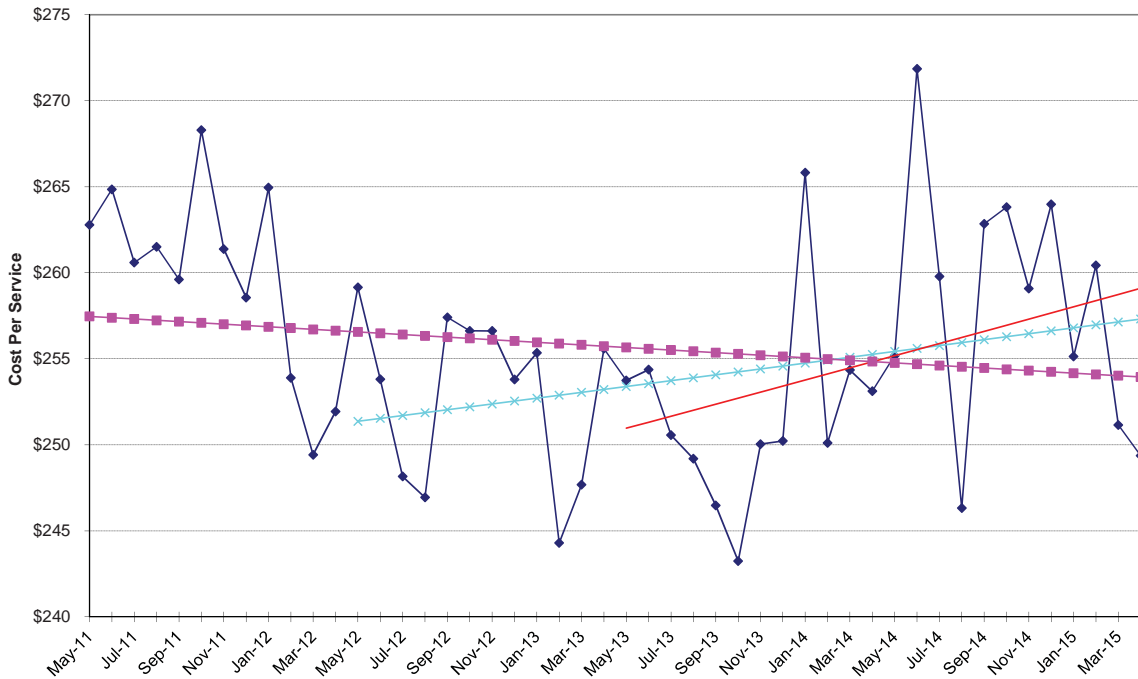
Anesthesia

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.5%	1.7%	2.2%

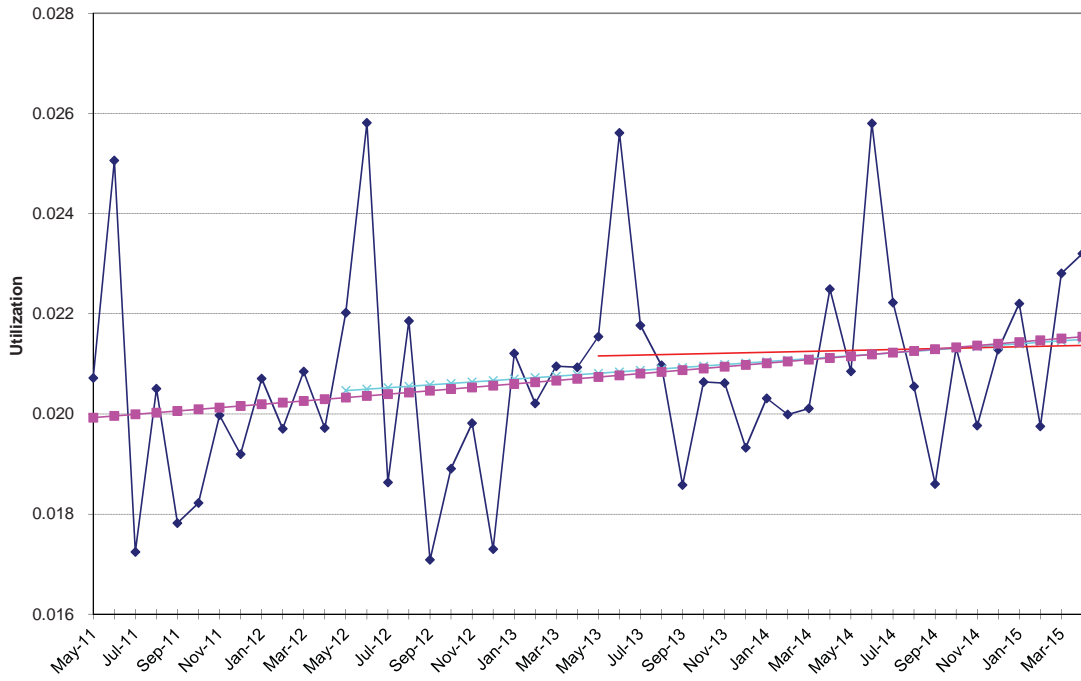
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.7%	0.8%	2.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.0%	-0.4%	1.7%

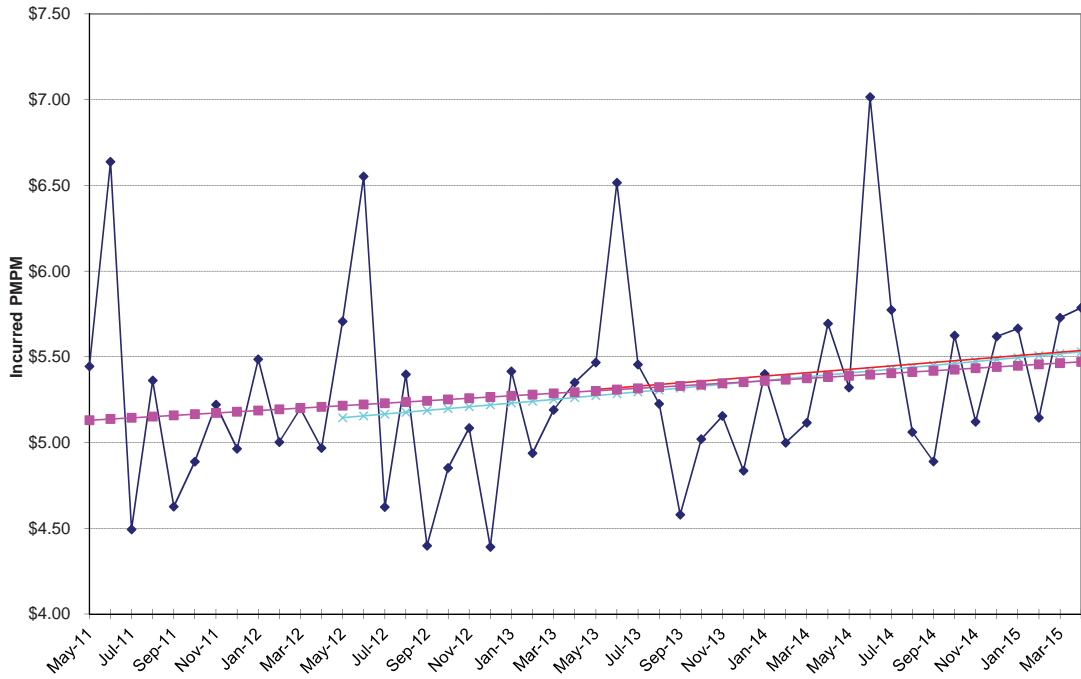
Physician Services - Anesthesia



Physician Services - Anesthesia



Physician Services - Anesthesia



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

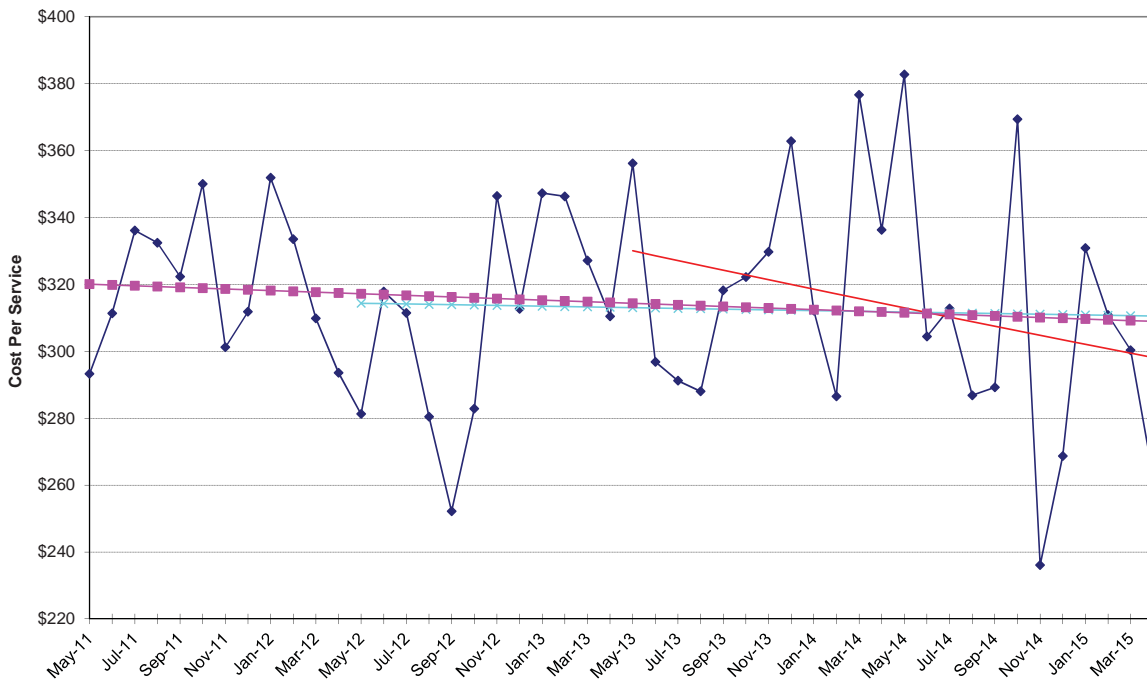
Chemotherapy / Radiation

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	-5.2%	-5.4%

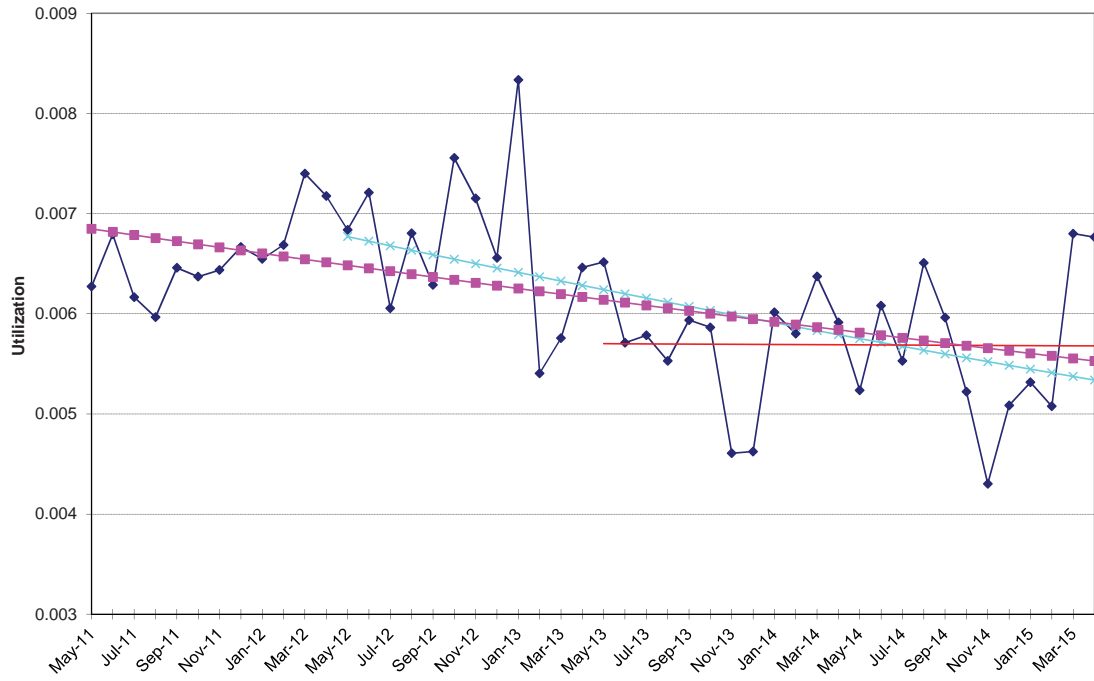
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-7.8%	-0.4%	-8.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-5.3%	-0.9%	-6.2%

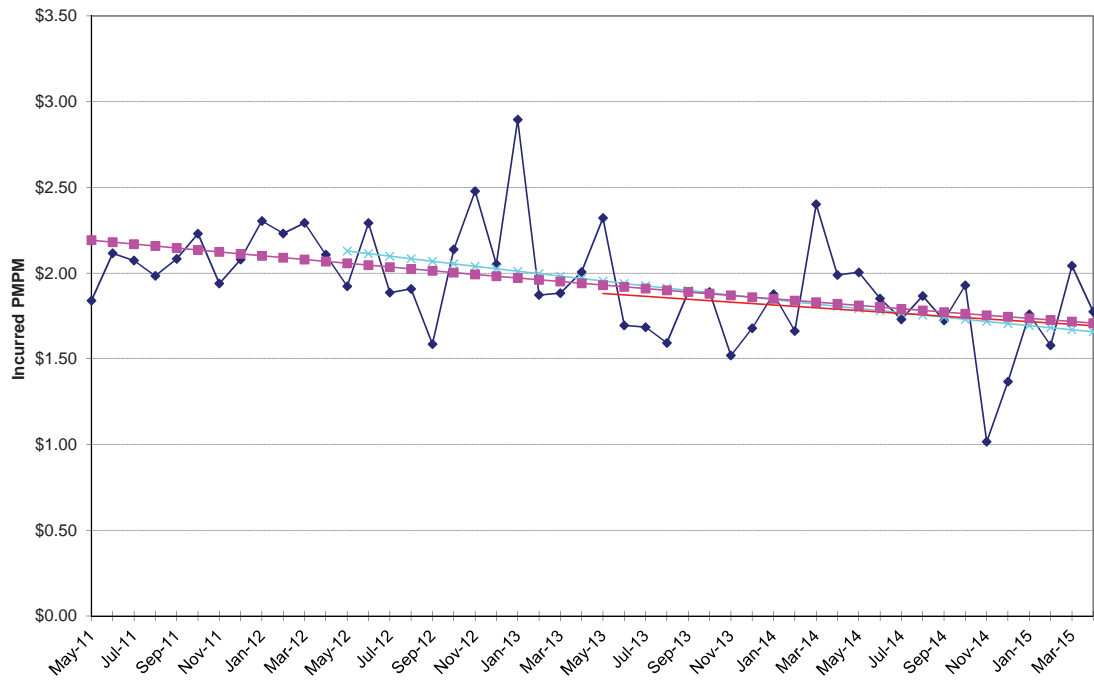
Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



Physician Services - Chemotherapy Radiation



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

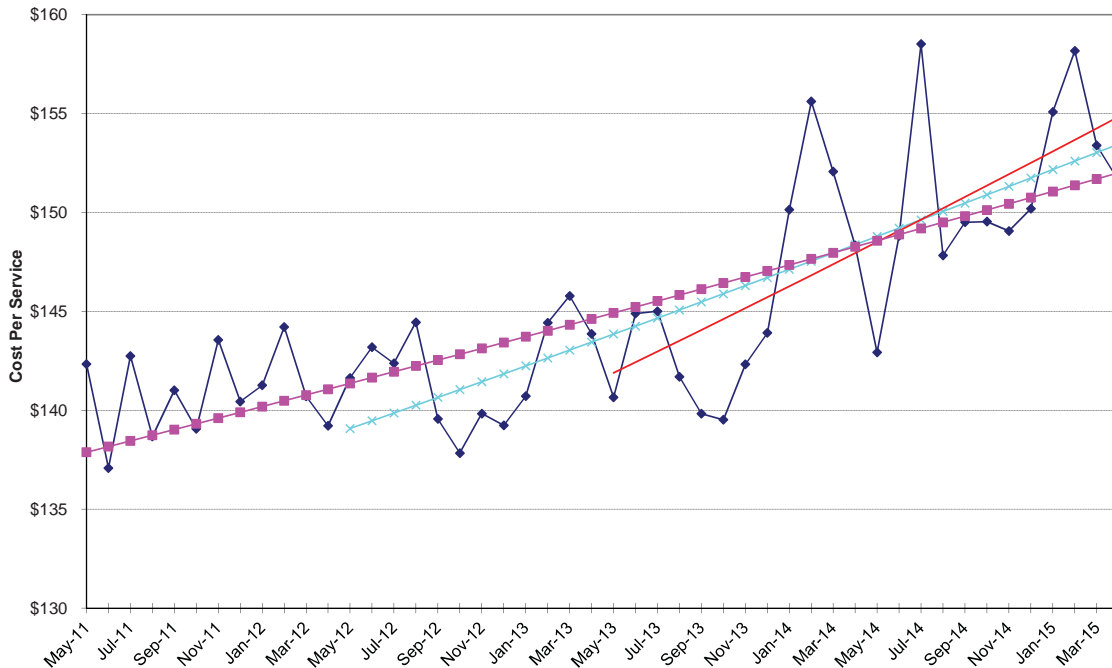
Emergency Room

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.7%	4.7%	13.7%

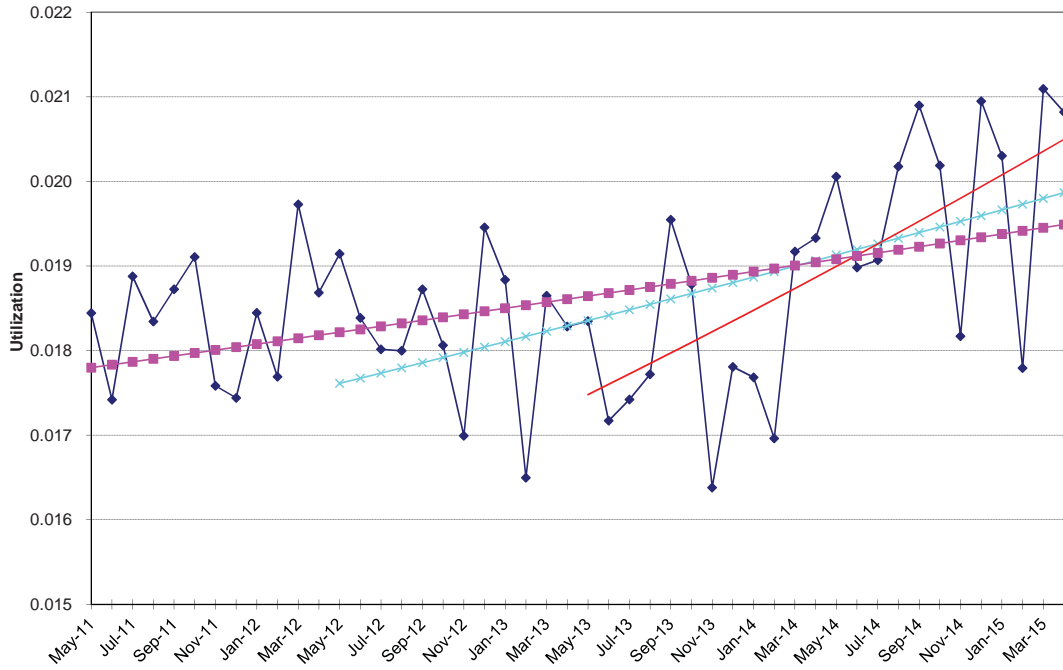
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.2%	3.4%	7.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.3%	2.5%	4.9%

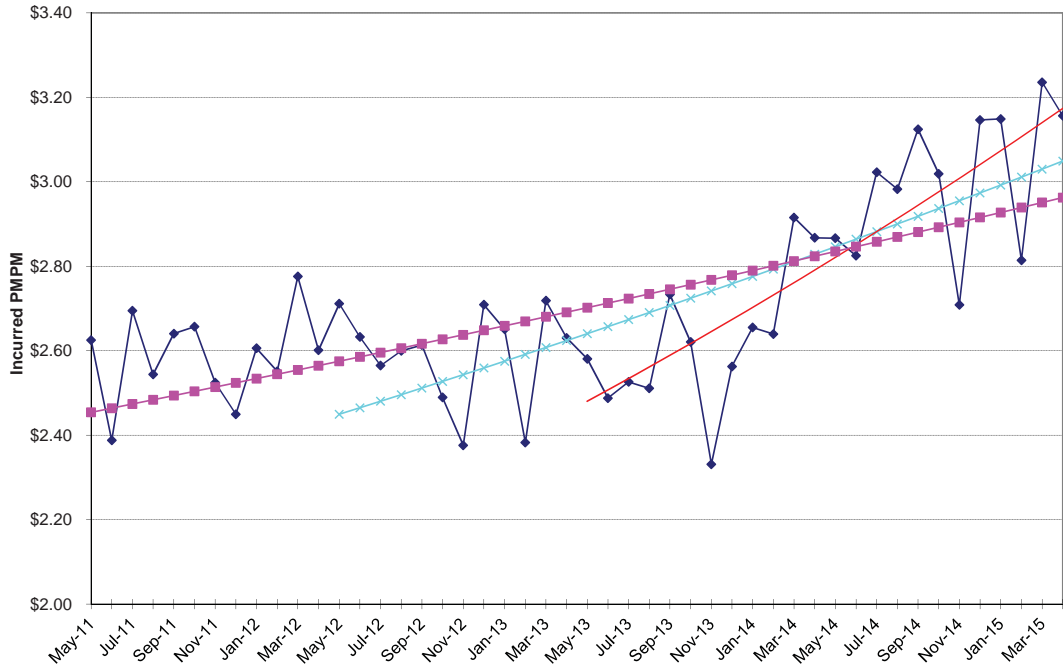
Physician Services - Emergency Room



Physician Services - Emergency Room



Physician Services - Emergency Room



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

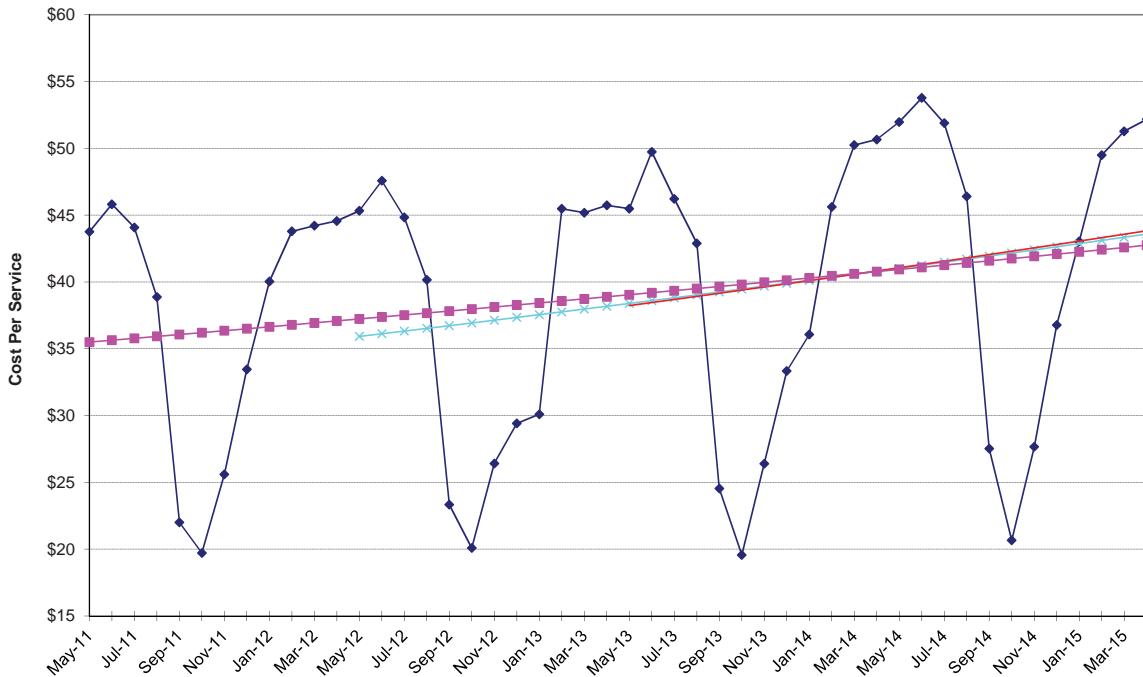
Immunizations / Injections / Allergy

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-4.3%	7.4%	2.7%

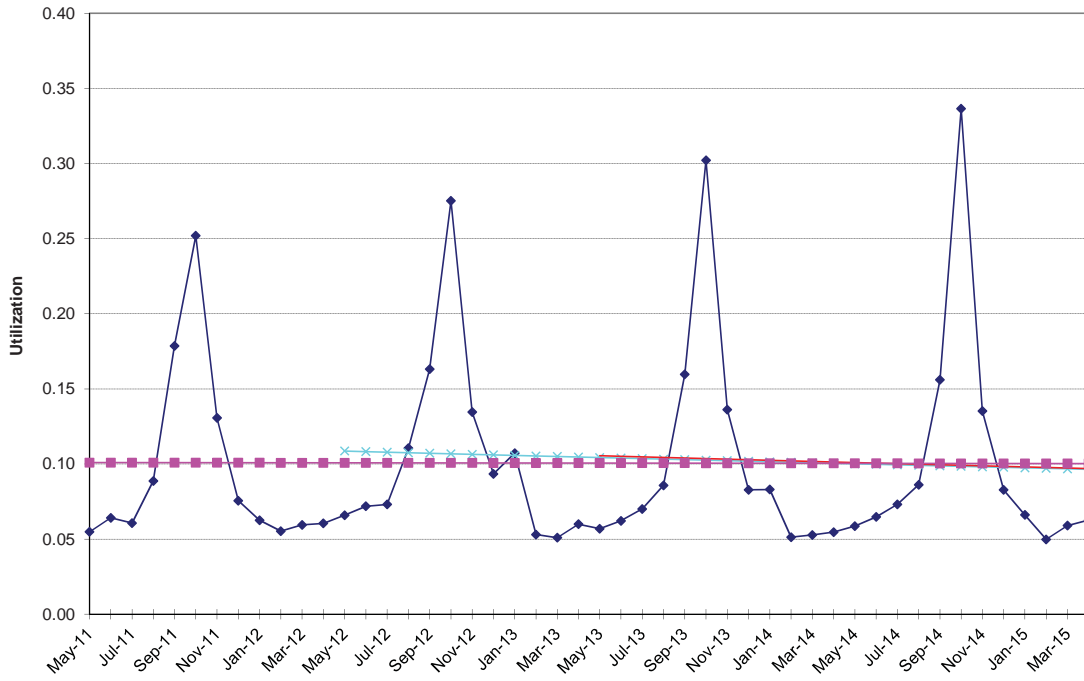
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-4.0%	6.8%	2.6%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	4.9%	4.7%

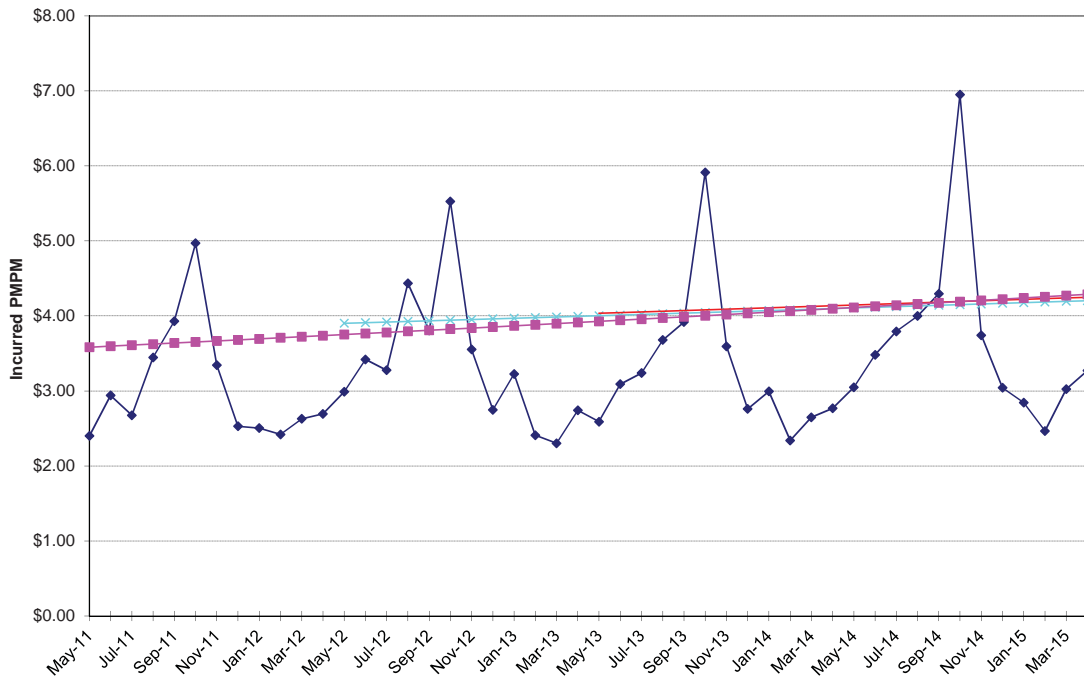
Physician Services - Immunizations / Allergy



Physician Services - Immunizations / Allergy



Physician Services - Immunizations / Allergy



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

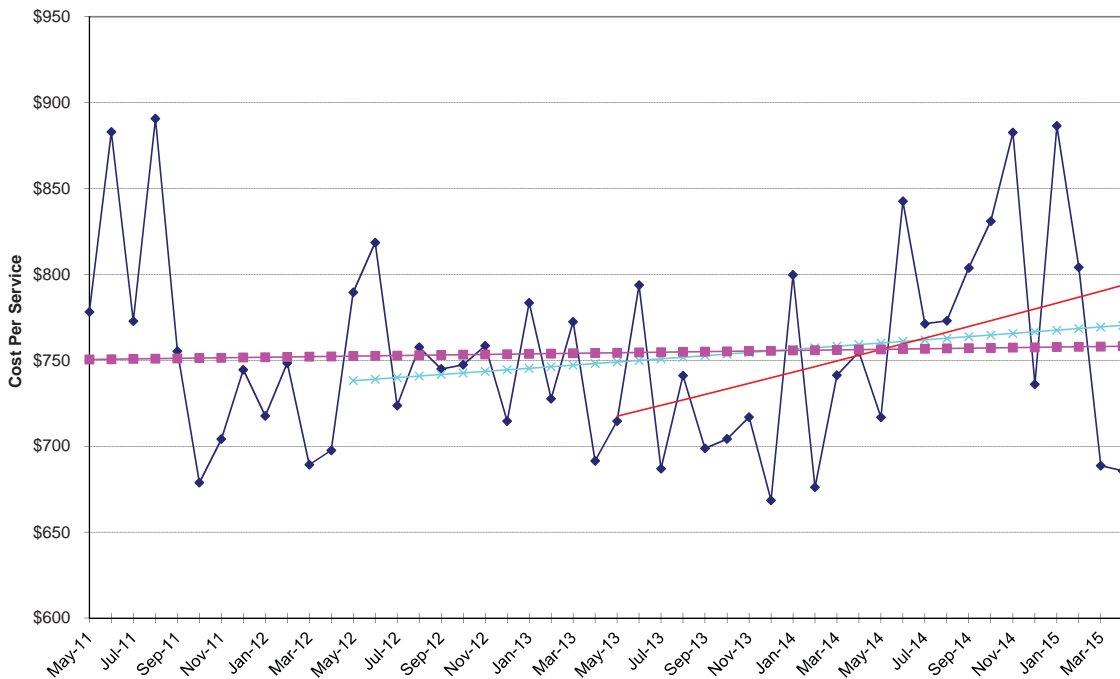
Inpatient Surgery

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.4%	5.4%	1.8%

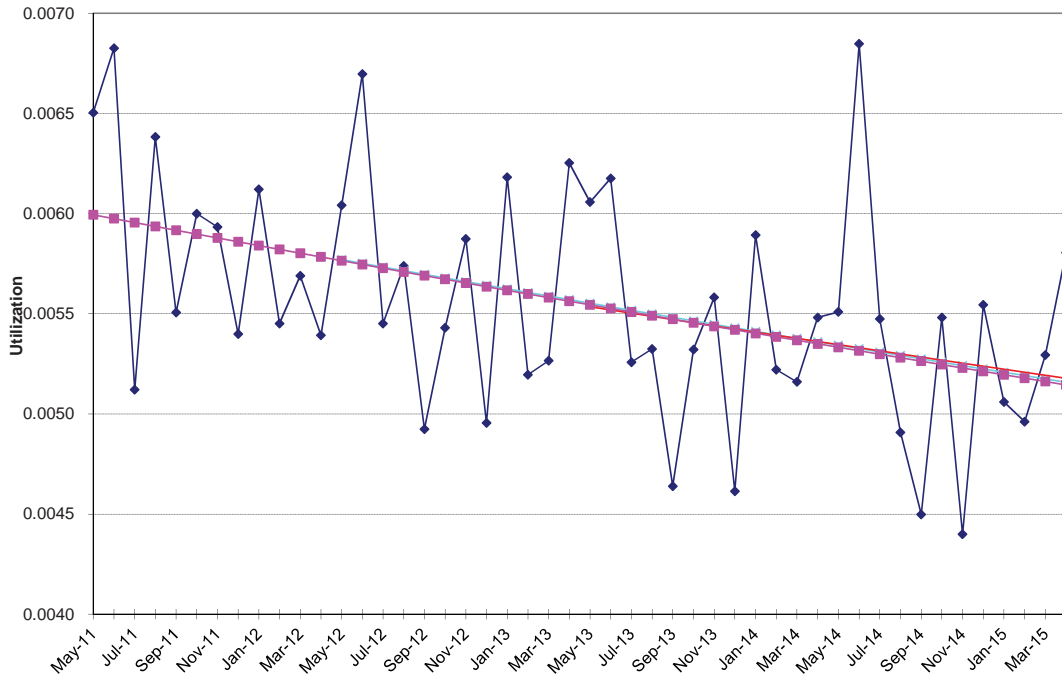
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.8%	1.5%	-2.4%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.8%	0.3%	-3.6%

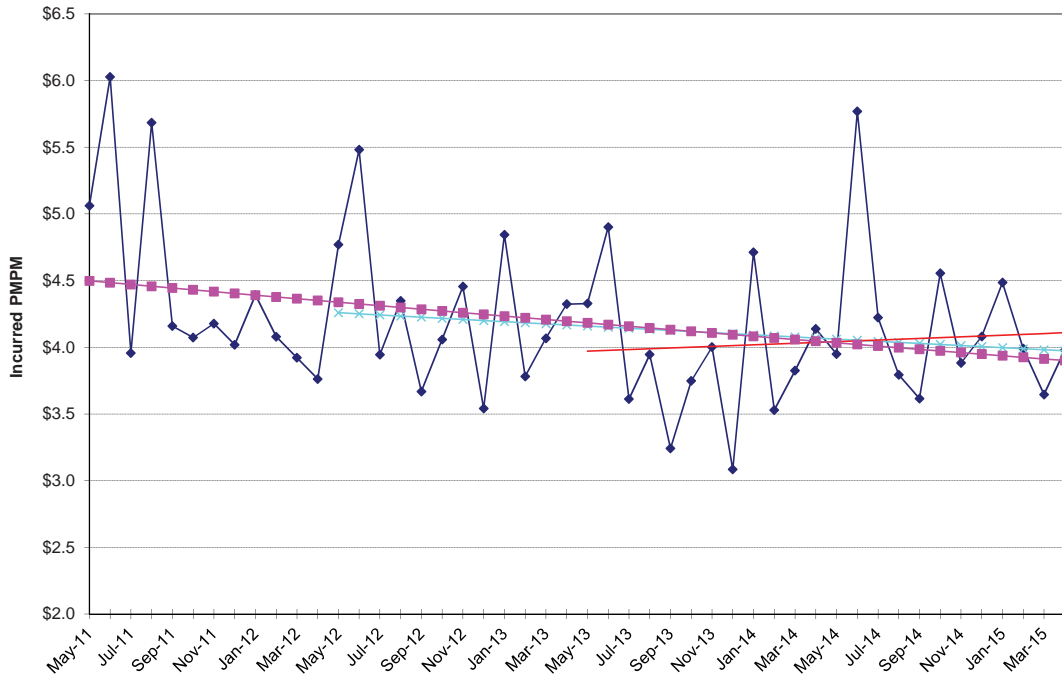
Physician Services - Inpatient Surgery



Physician Services - Inpatient Surgery



Physician Services - Inpatient Surgery



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

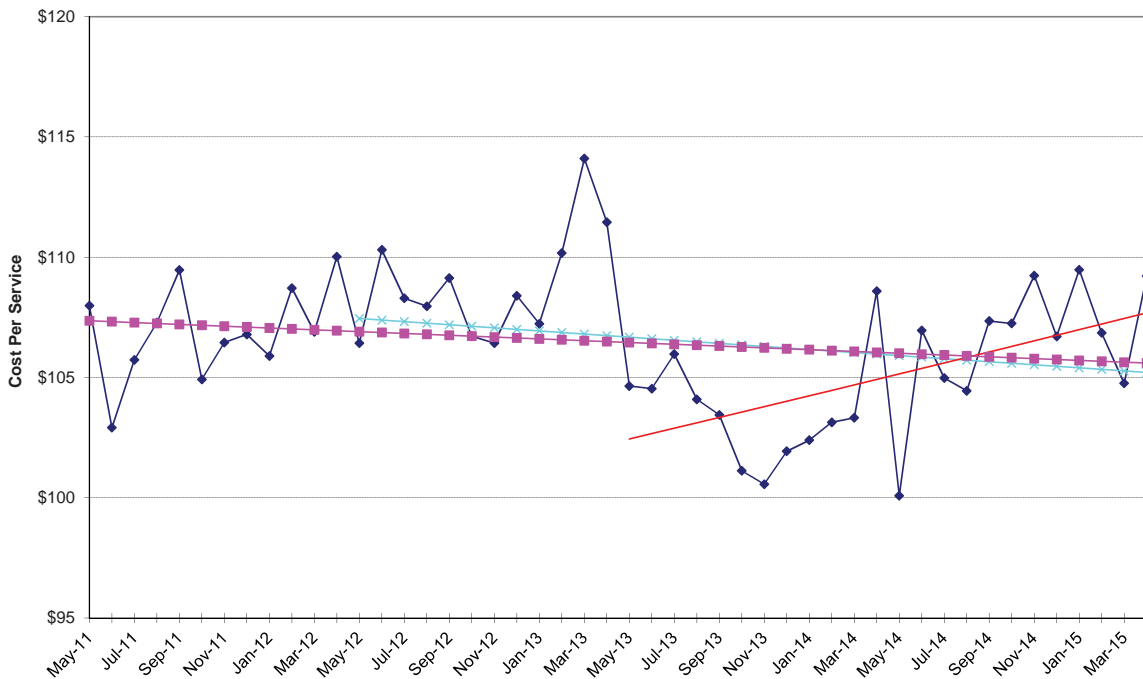
Inpatient Visits

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	2.6%	2.4%

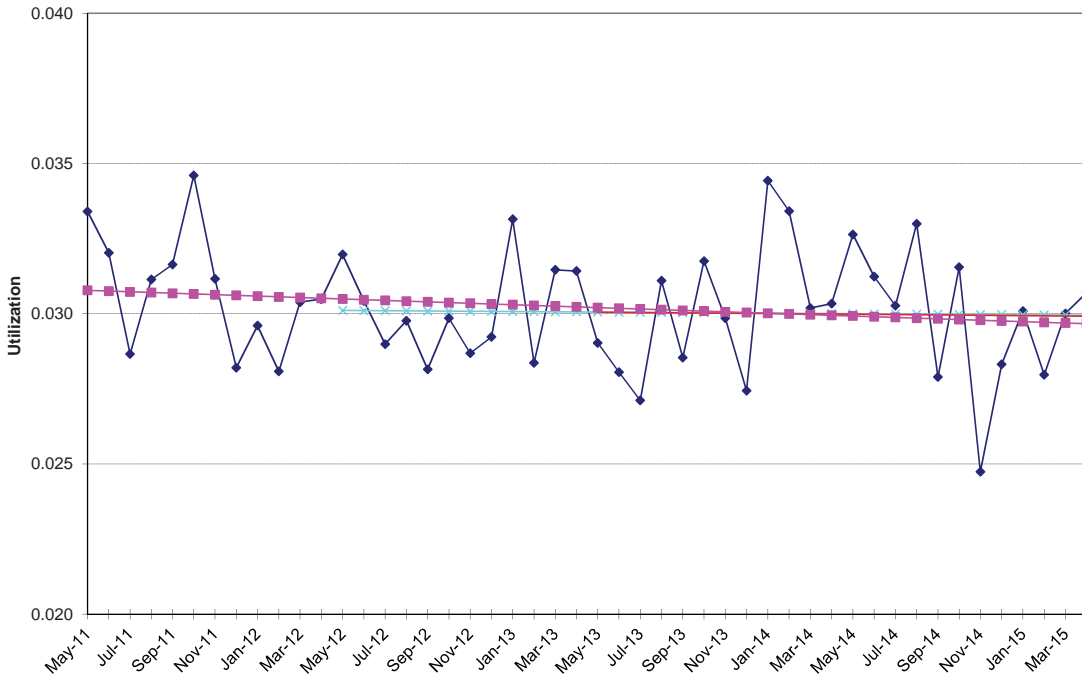
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	-0.7%	-0.9%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.9%	-0.4%	-1.3%

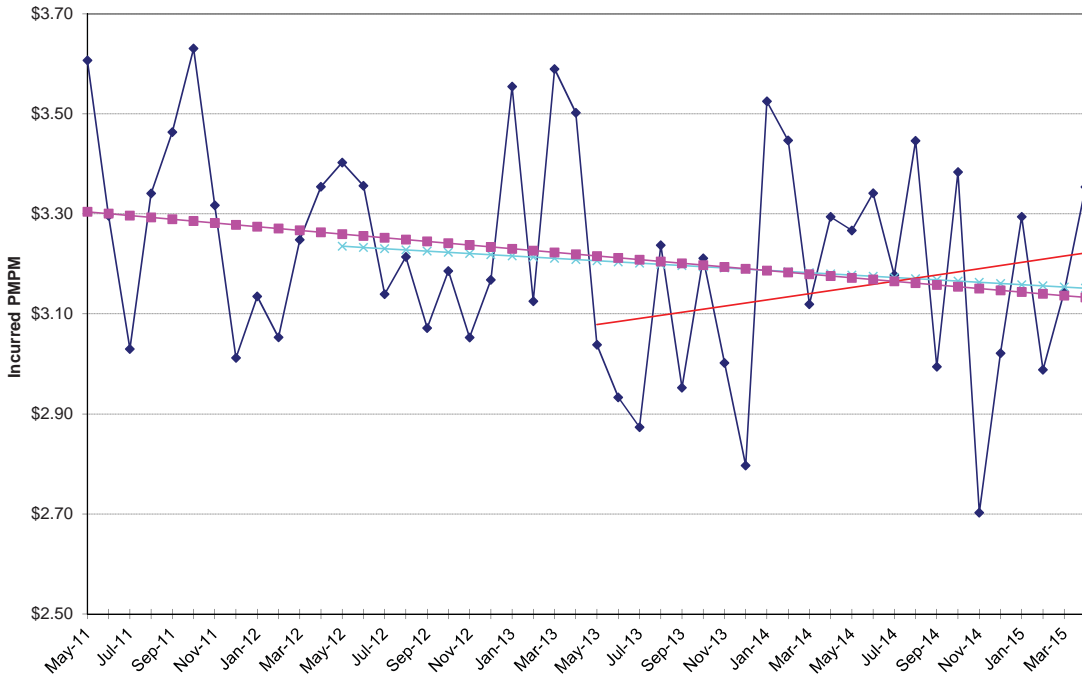
Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



Physician Services - Inpatient Visits



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

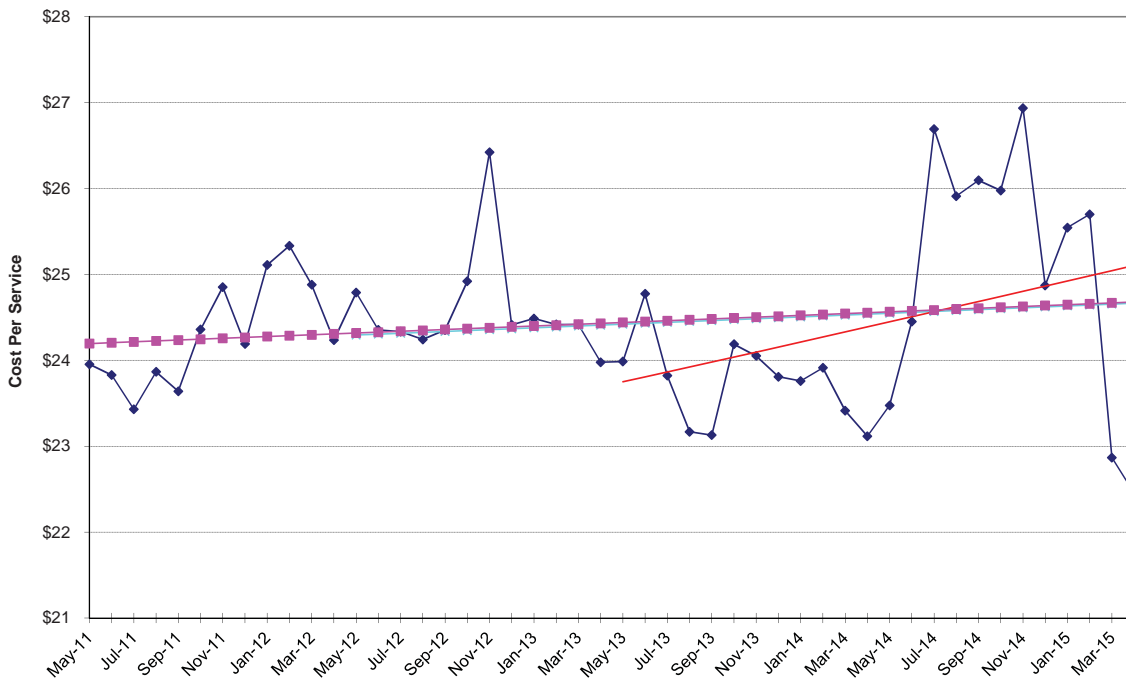
Lab & Pathology

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.3%	2.9%	6.3%

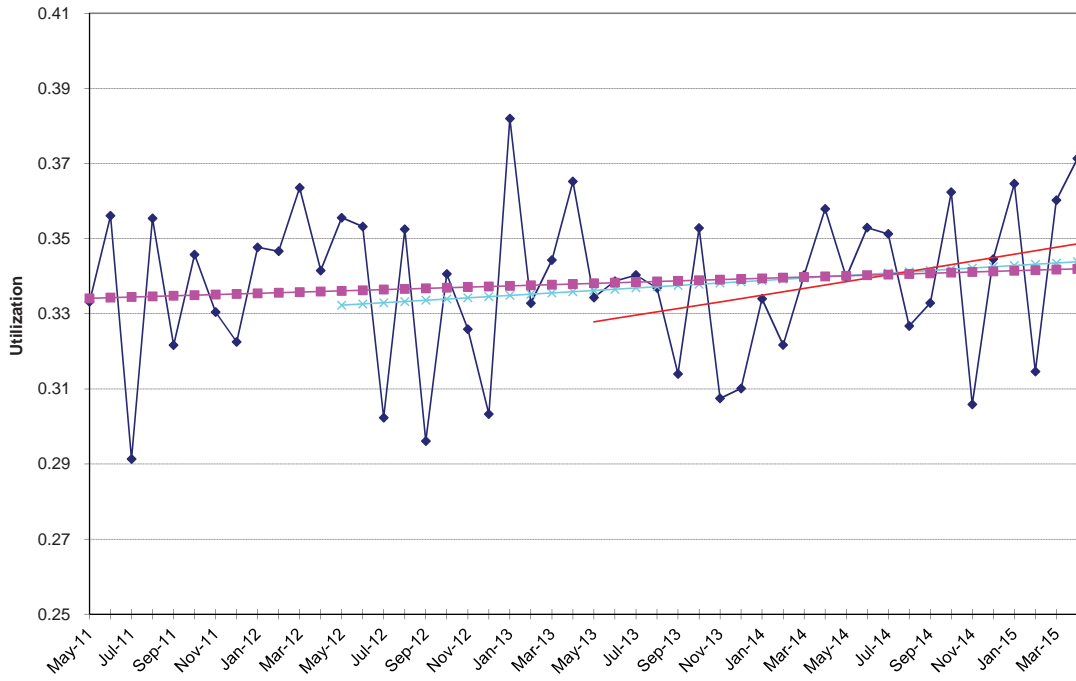
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.2%	0.5%	1.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.6%	0.5%	1.1%

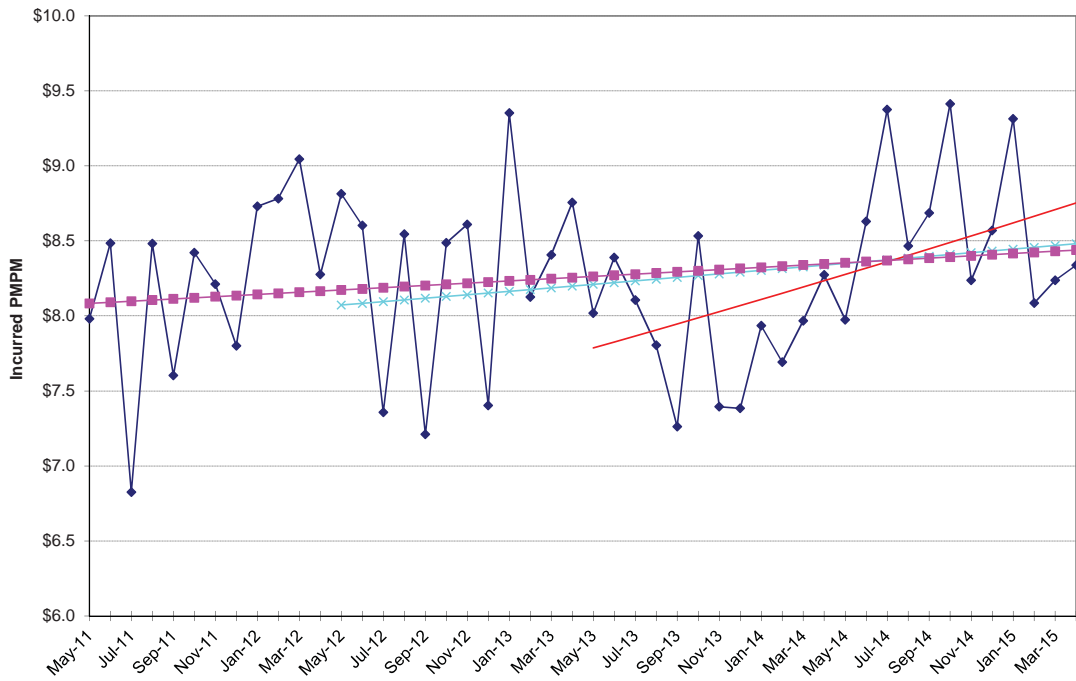
Physician Services - Lab & Pathology



Physician Services - Lab & Pathology



Physician Services - Lab & Pathology



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

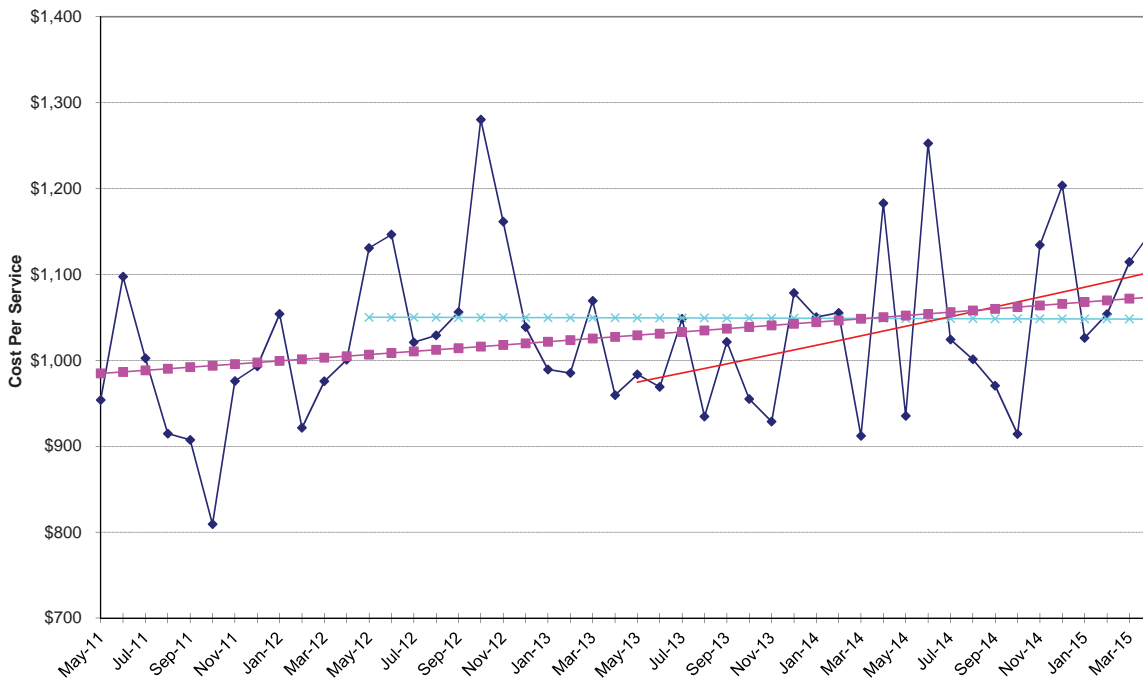
Maternity

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
9.7%	6.7%	17.0%

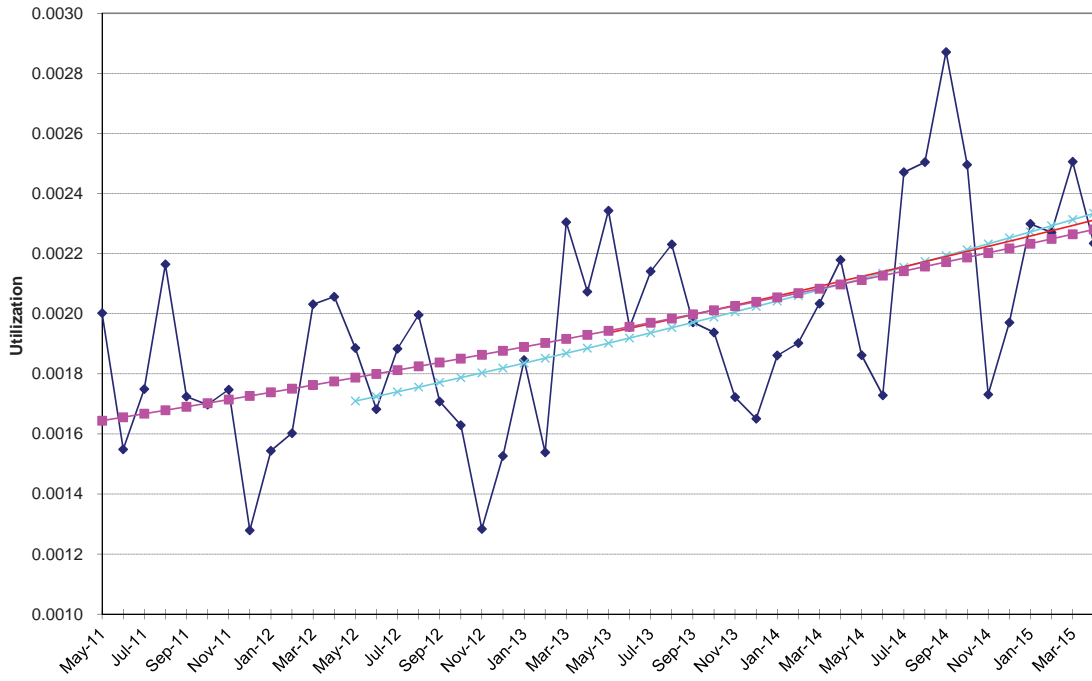
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.3%	-0.1%	11.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
8.7%	2.2%	11.1%

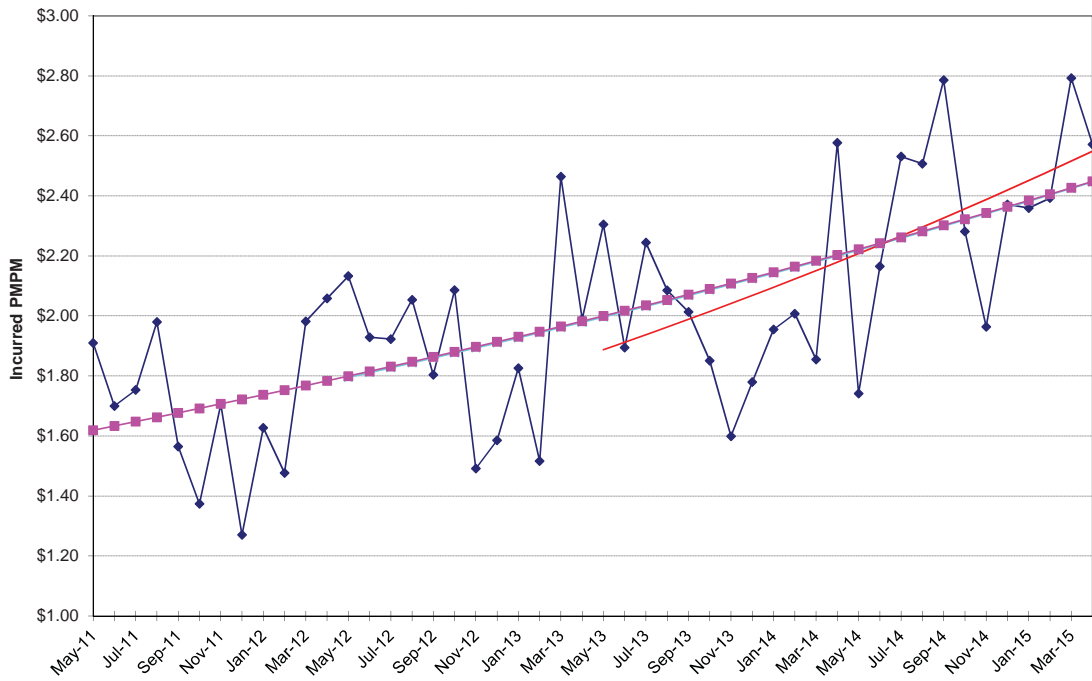
Physician Services - Maternity



Physician Services - Maternity



Physician Services - Maternity



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

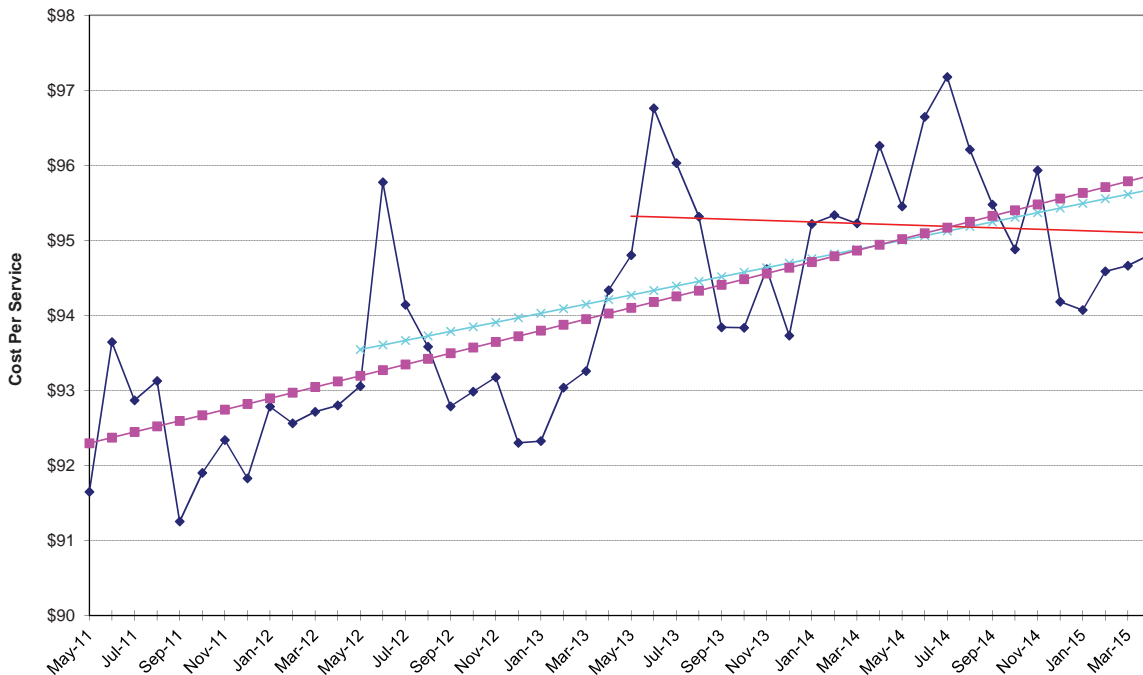
Office Visits

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.0%	-0.1%	1.8%

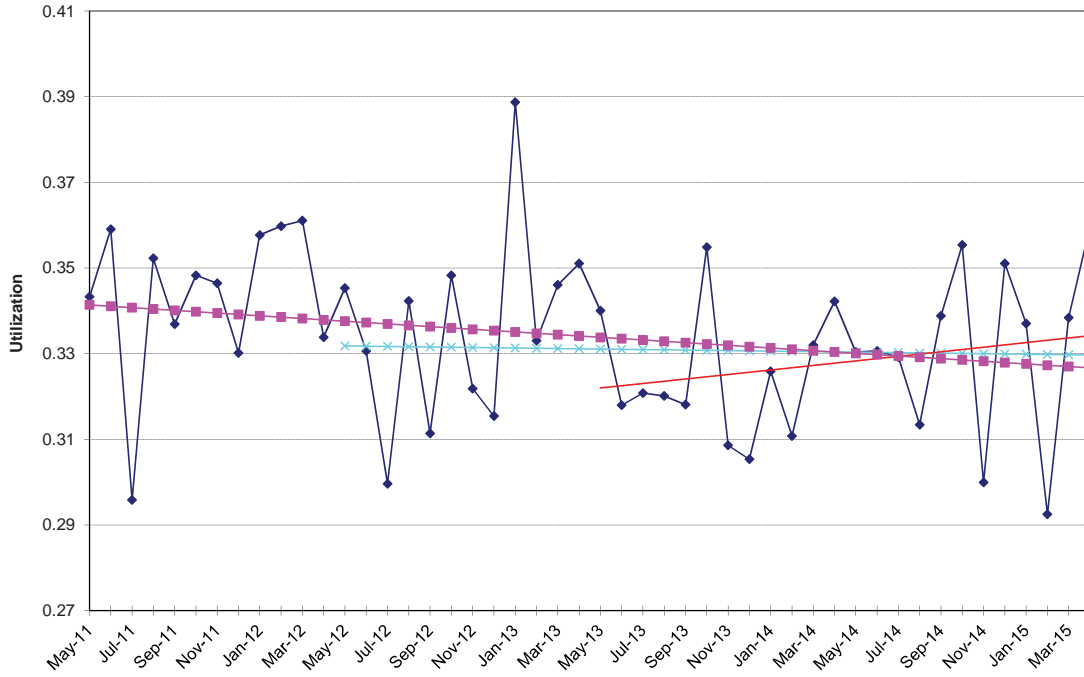
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	0.8%	0.6%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.1%	1.0%	-0.2%

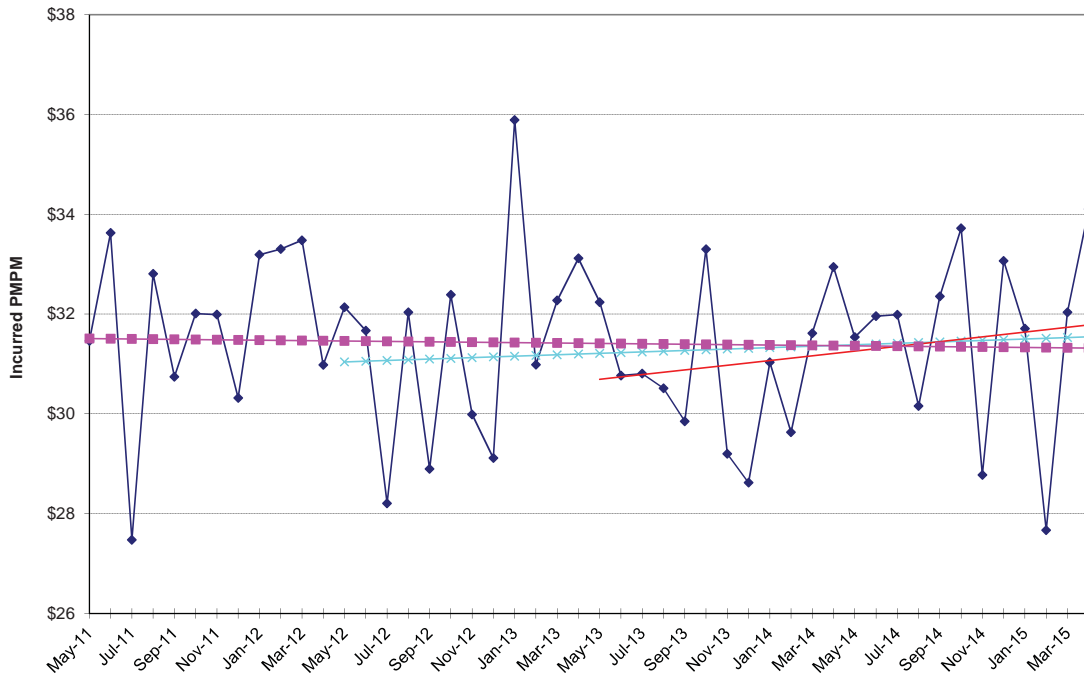
Physician Services - Office Visits



Physician Services - Office Visits



Physician Services - Office Visits



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

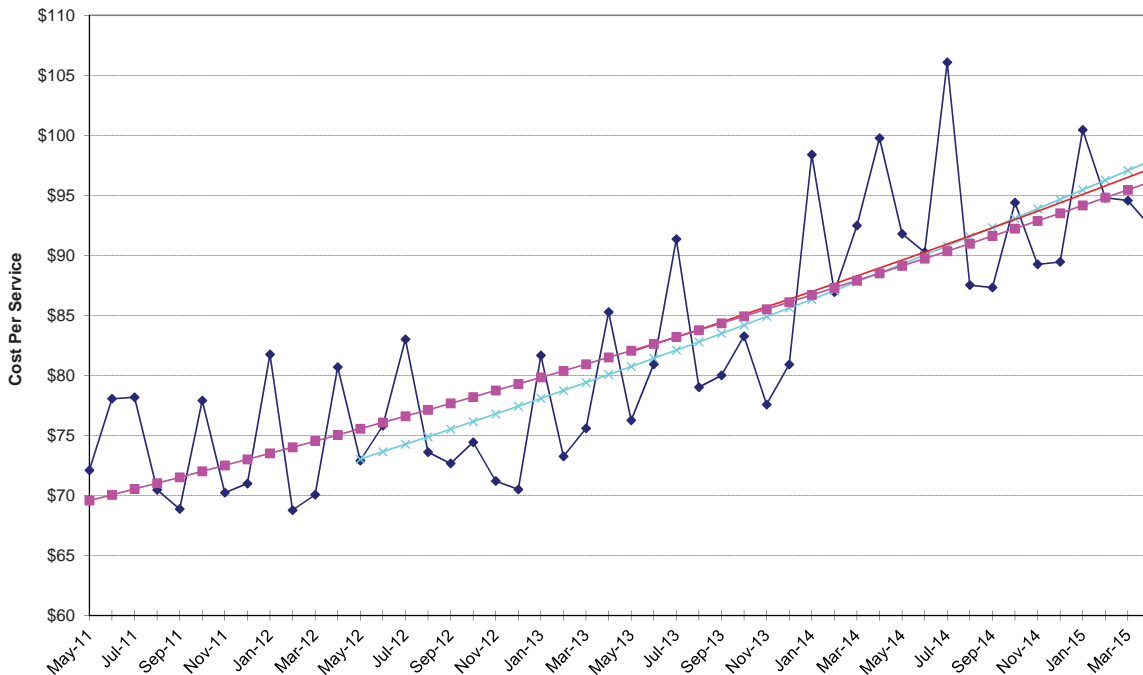
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.6%	9.3%	12.1%

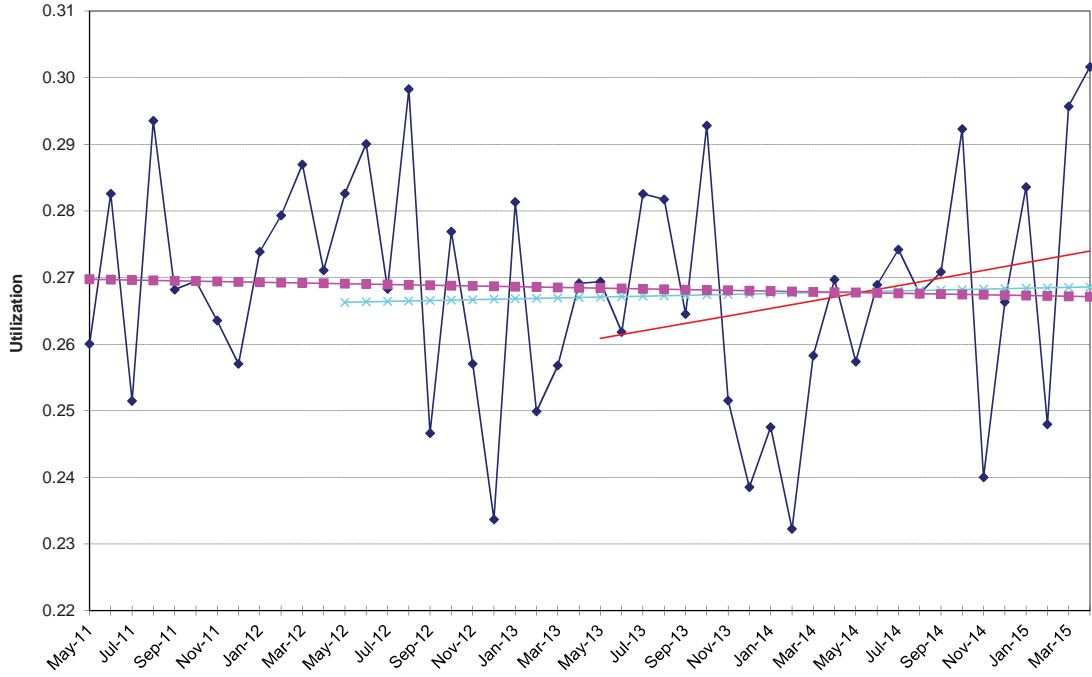
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.3%	10.6%	10.9%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.2%	8.6%	8.3%

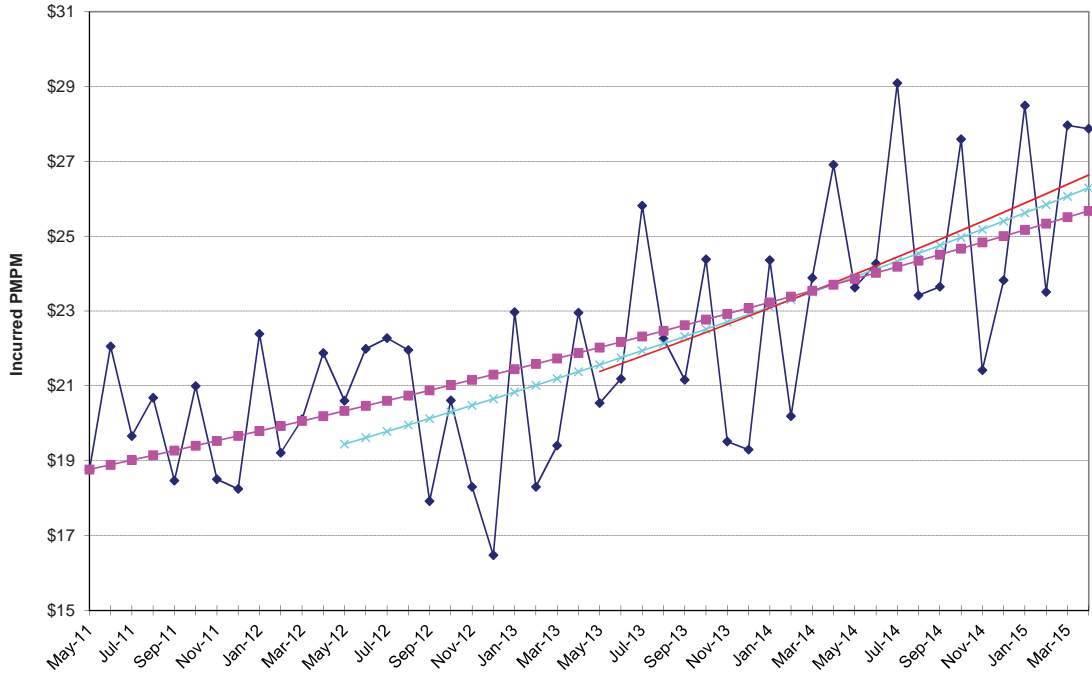
Physician Services - Other Services



Physician Services - Other Services



Physician Services - Other Services



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

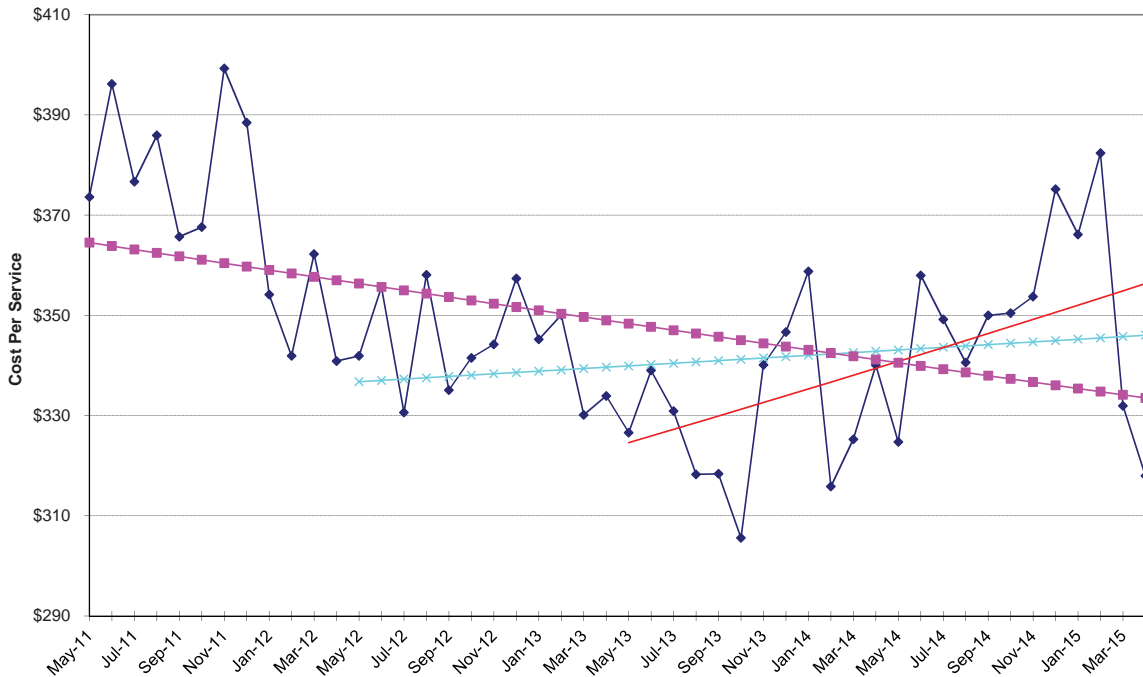
Outpatient Surgery

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-1.4%	5.0%	3.5%

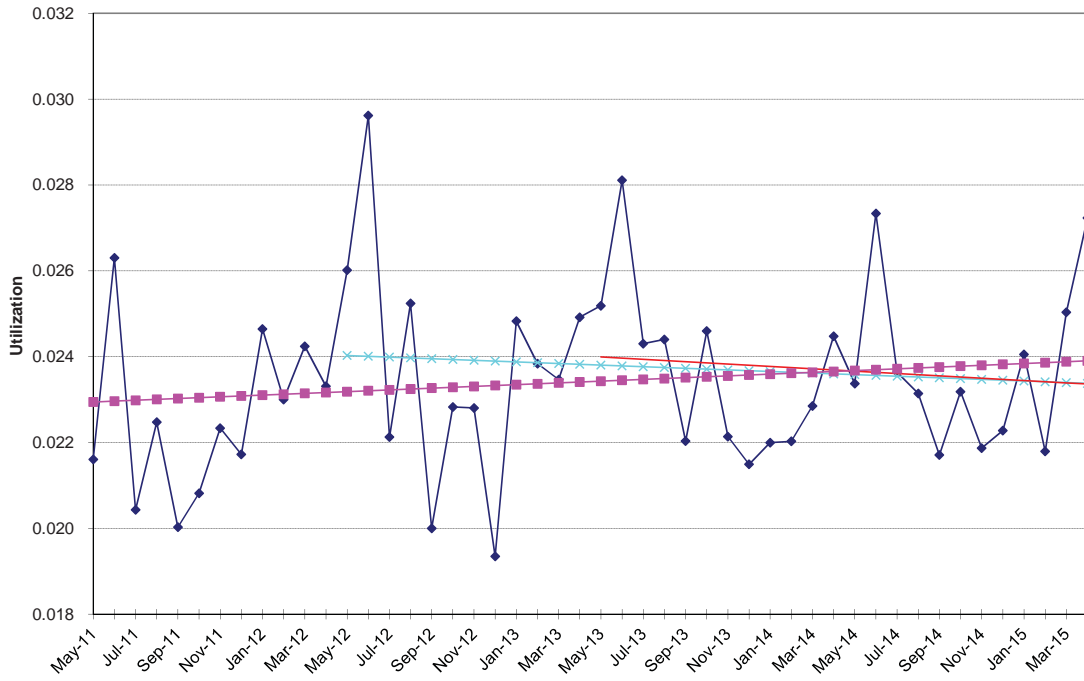
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.9%	0.9%	0.0%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.1%	-2.2%	-1.2%

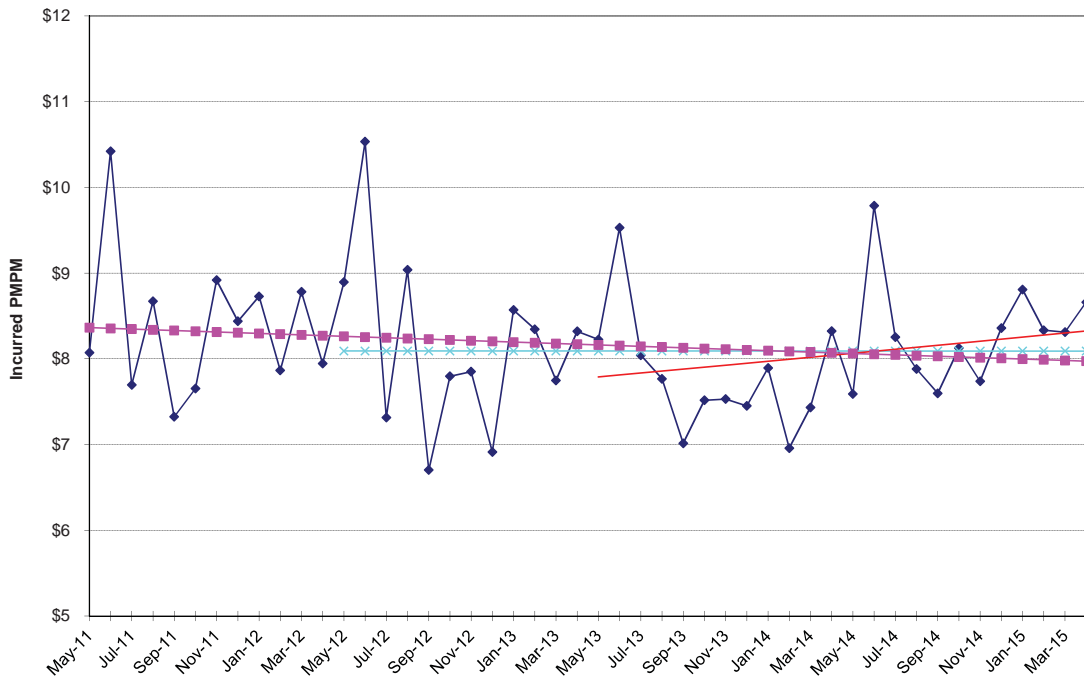
Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery



Physician Services - Outpatient Surgery



NON-MEDICARE CLAIMS
Excluding Drugs

PHYSICIAN SERVICES

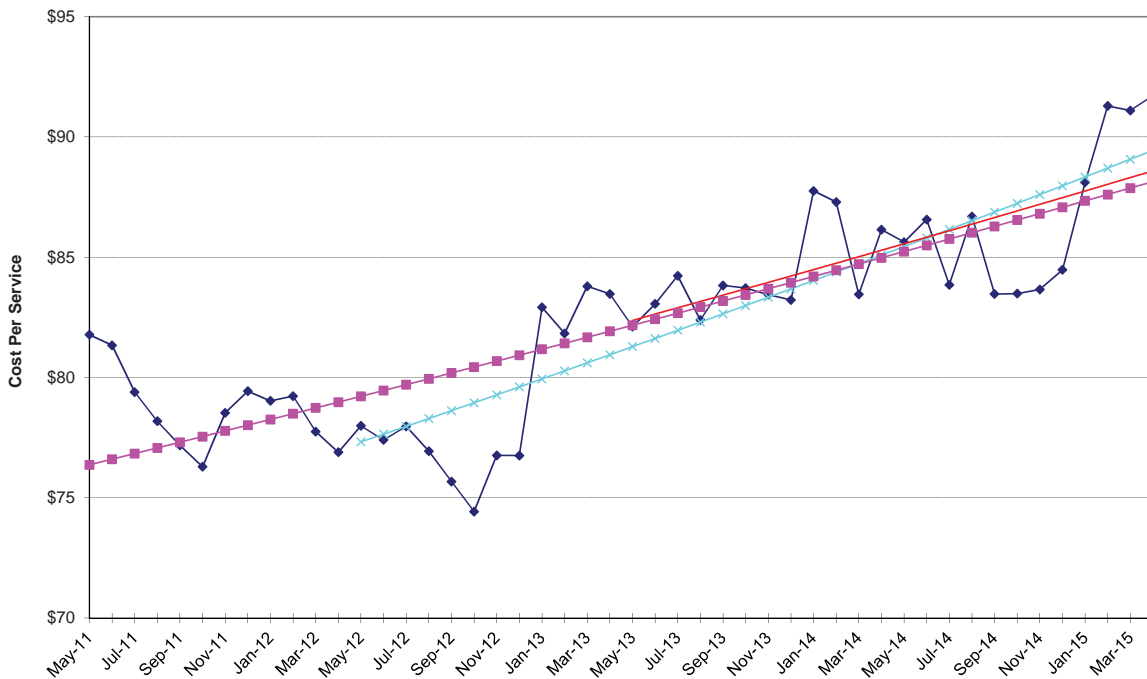
Psychiatric / Substance Abuse

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
3.4%	3.9%	7.4%

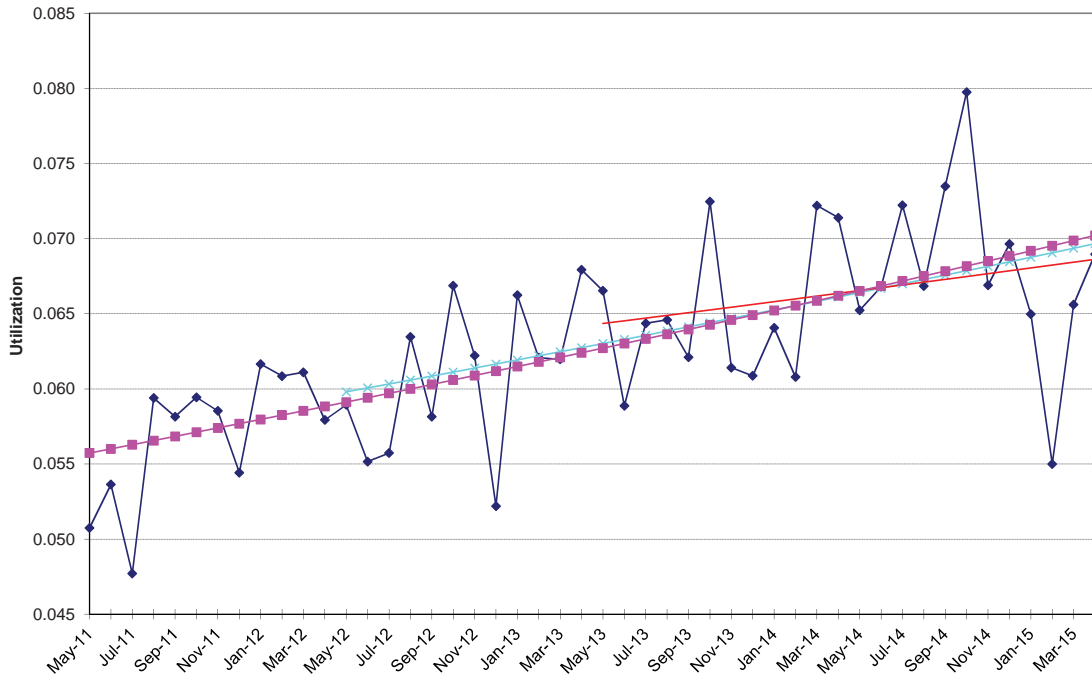
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
5.4%	5.1%	10.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.1%	3.7%	10.0%

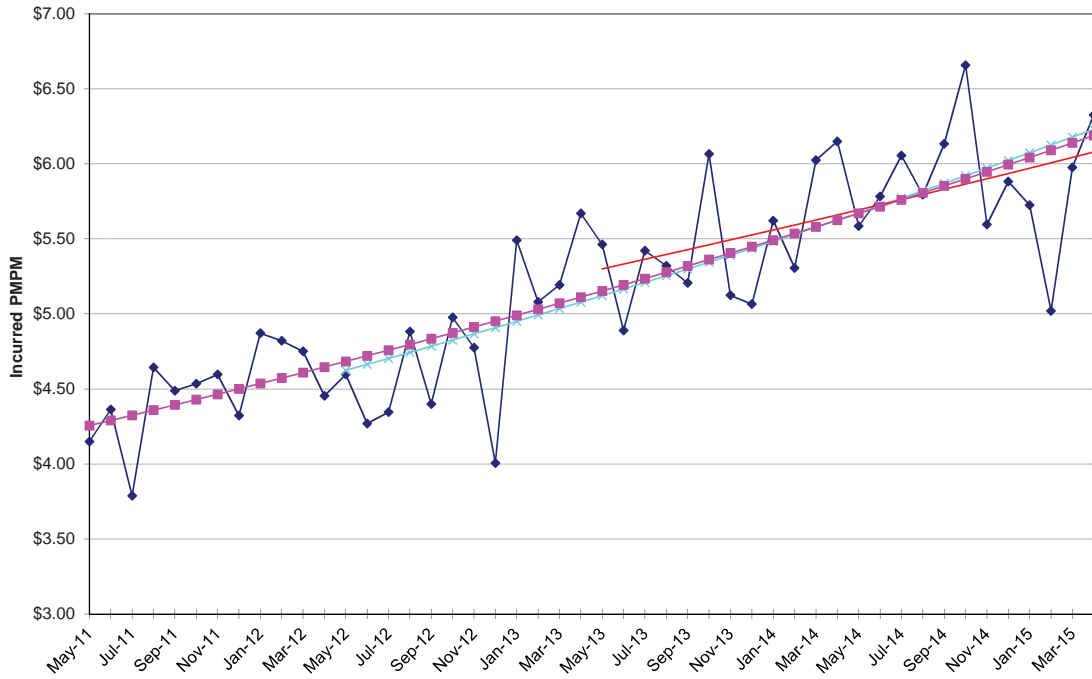
Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



Physician Services - Psychiatric / Substance Abuse



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

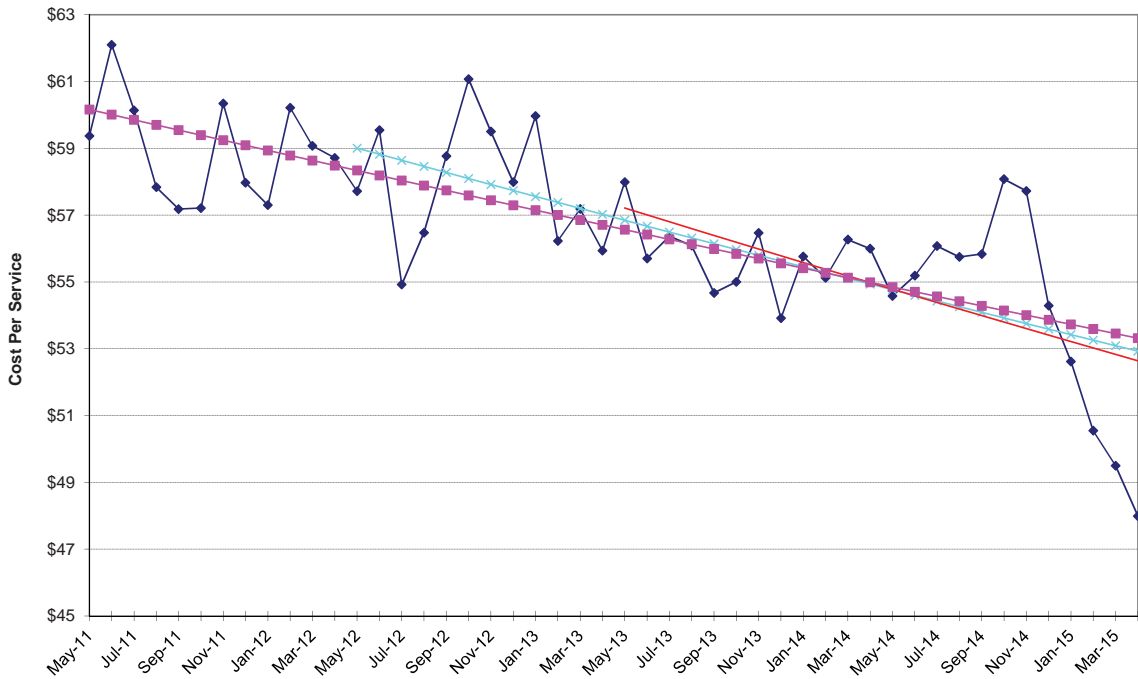
Radiology

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.4%	-4.3%	-1.9%

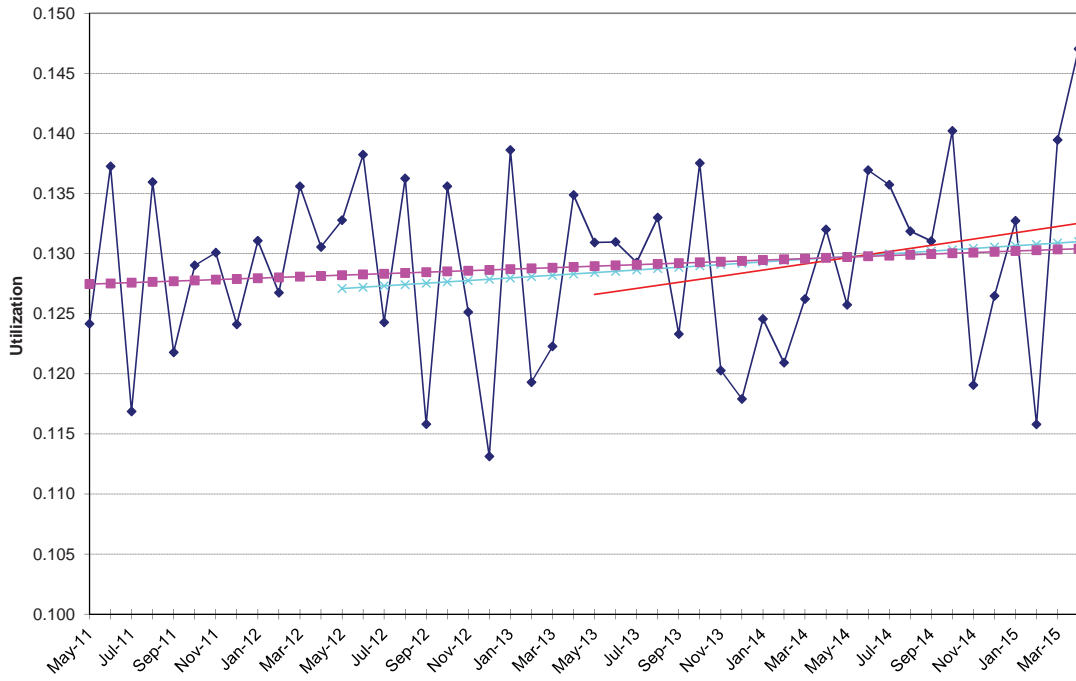
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
1.0%	-3.7%	-2.7%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.6%	-3.0%	-2.5%

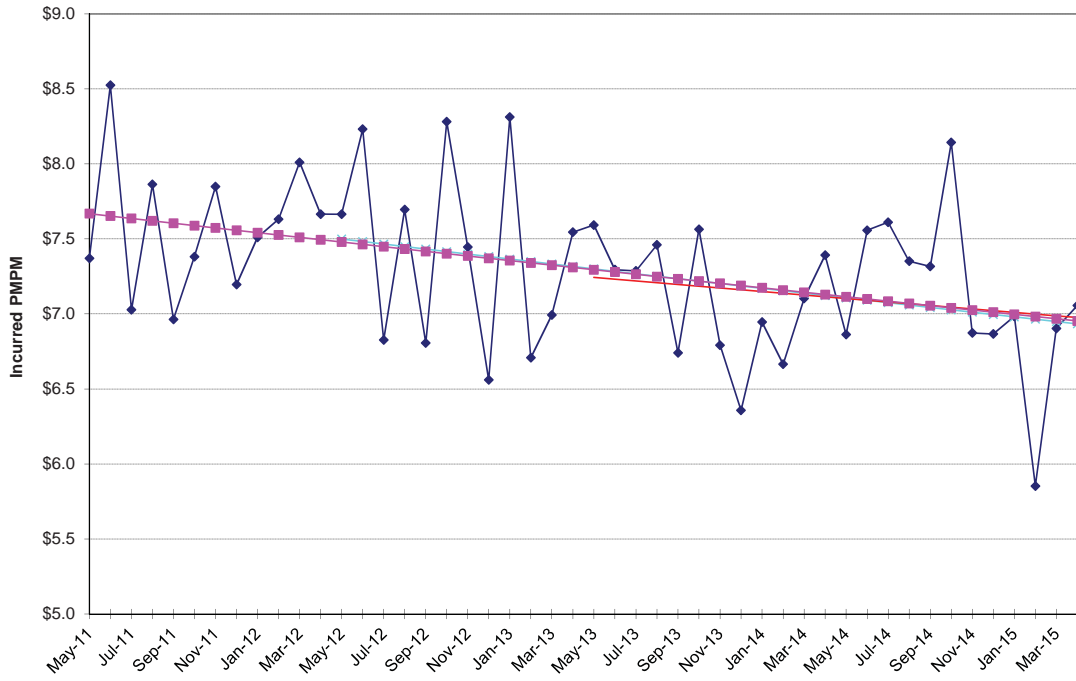
Physician Services - Radiology



Physician Services - Radiology



Physician Services - Radiology



**NON-MEDICARE CLAIMS
Excluding Drugs**

PHYSICIAN SERVICES

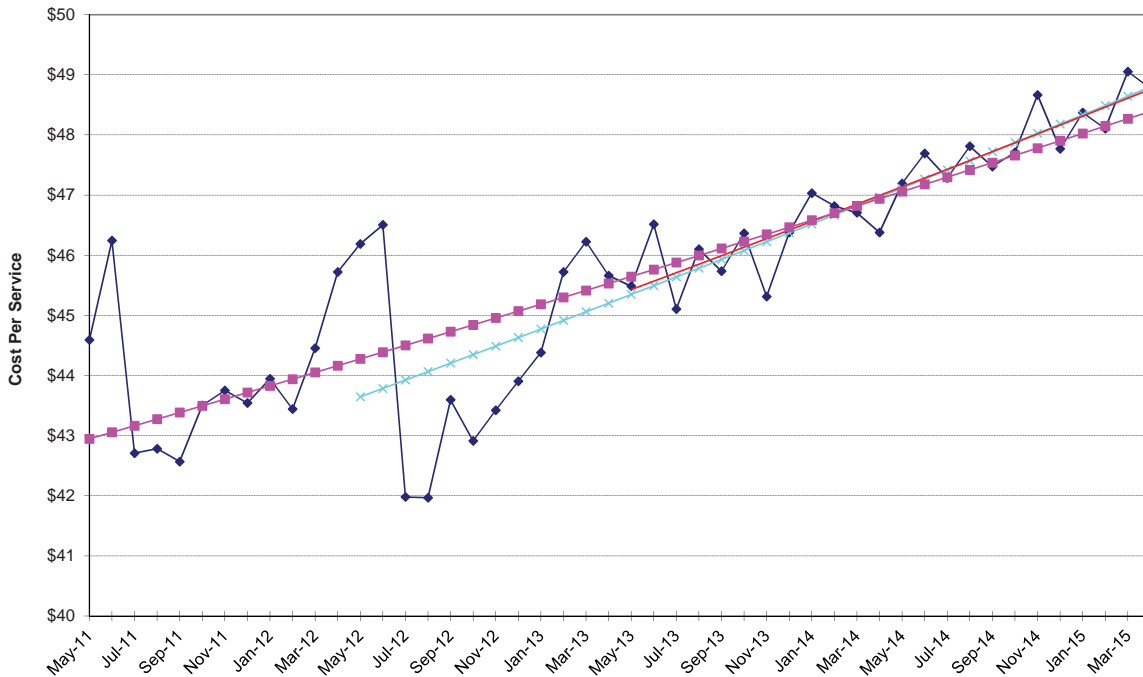
Therapies

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
0.8%	3.8%	4.6%

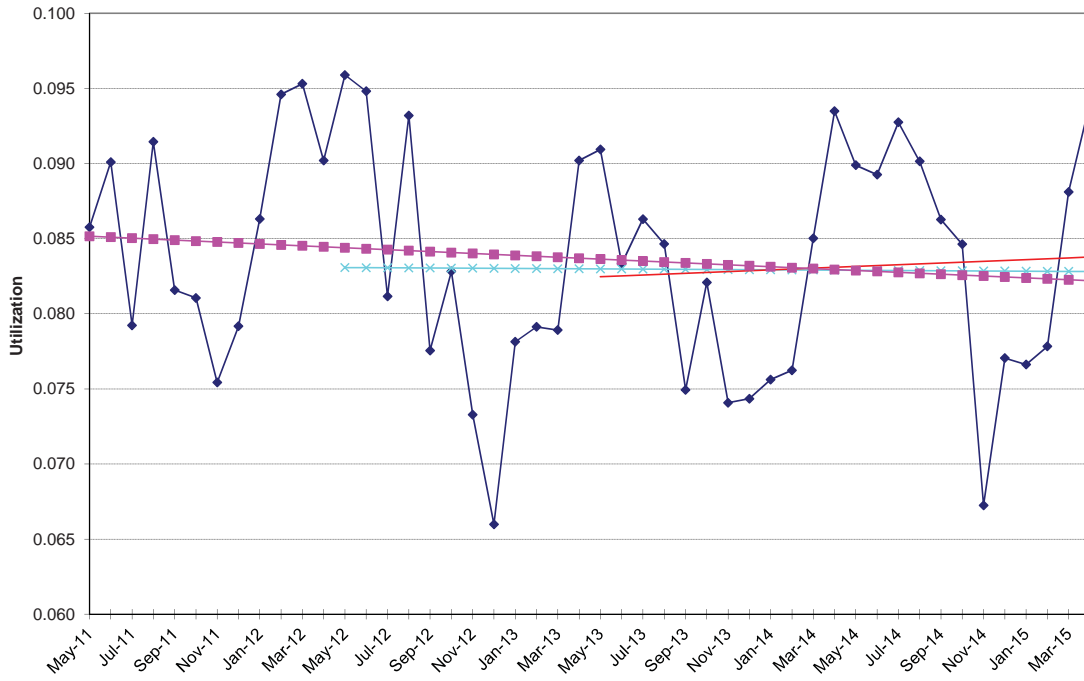
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.1%	3.9%	3.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.9%	3.1%	2.2%

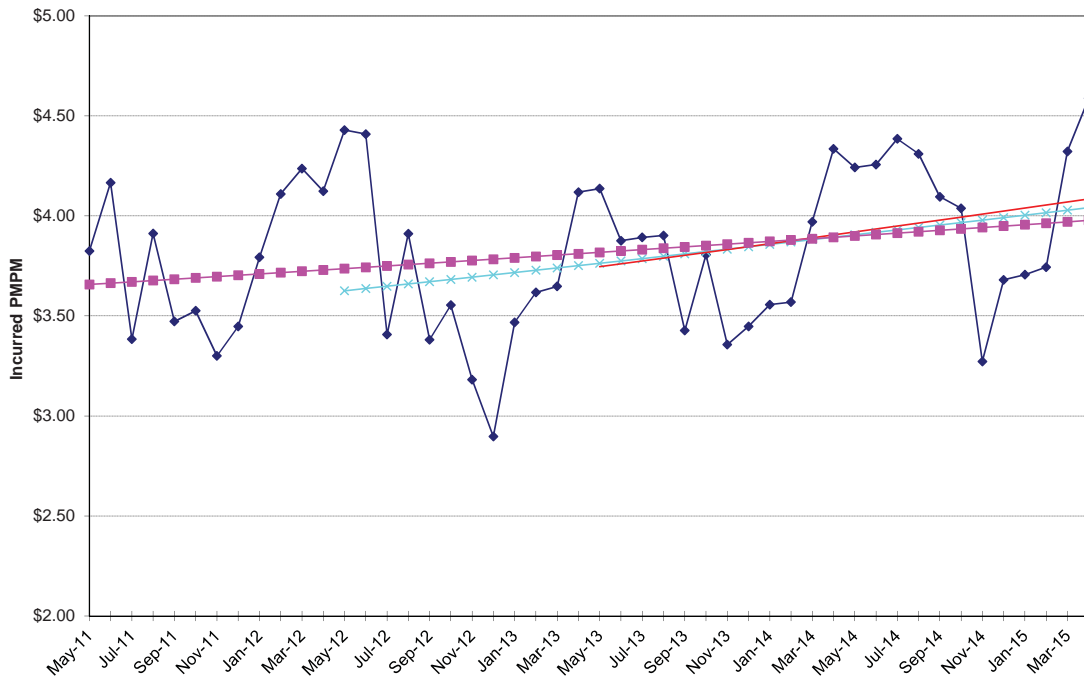
Physician Services - Therapies



Physician Services - Therapies



Physician Services - Therapies



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

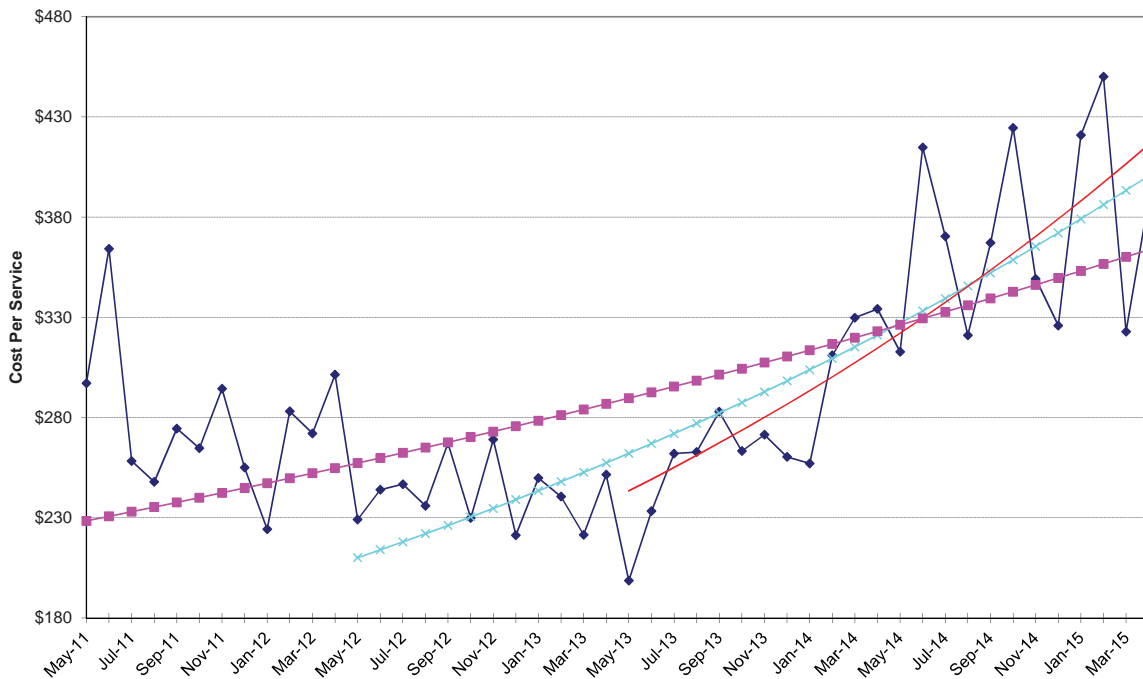
Ambulance

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-5.1%	32.3%	25.5%

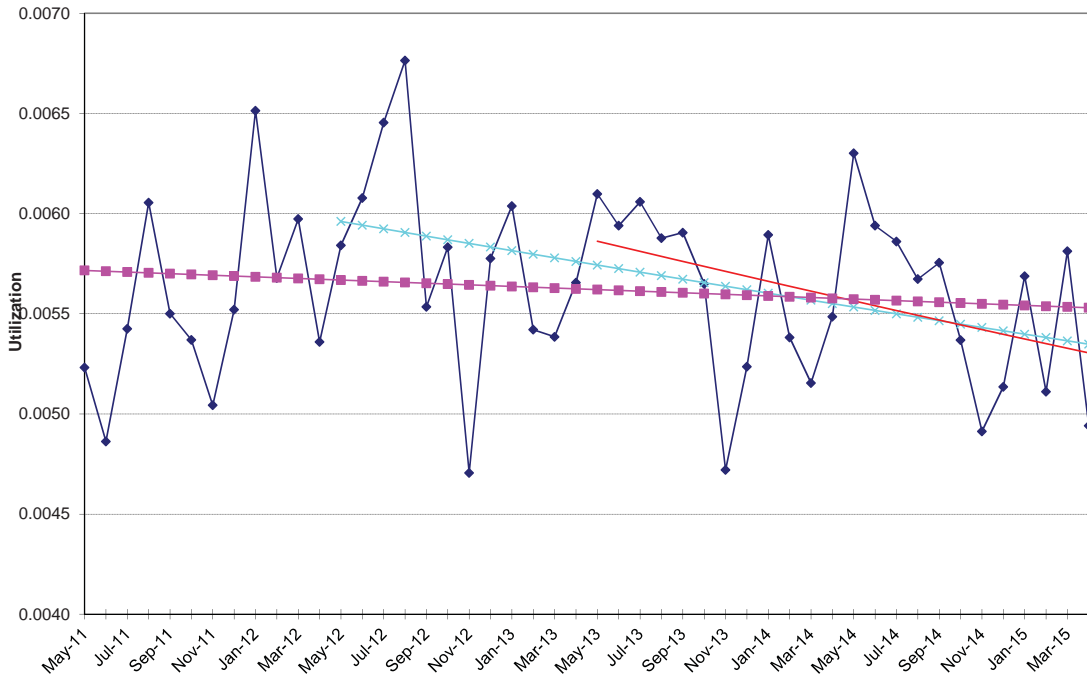
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.7%	24.8%	20.2%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-0.8%	12.6%	11.7%

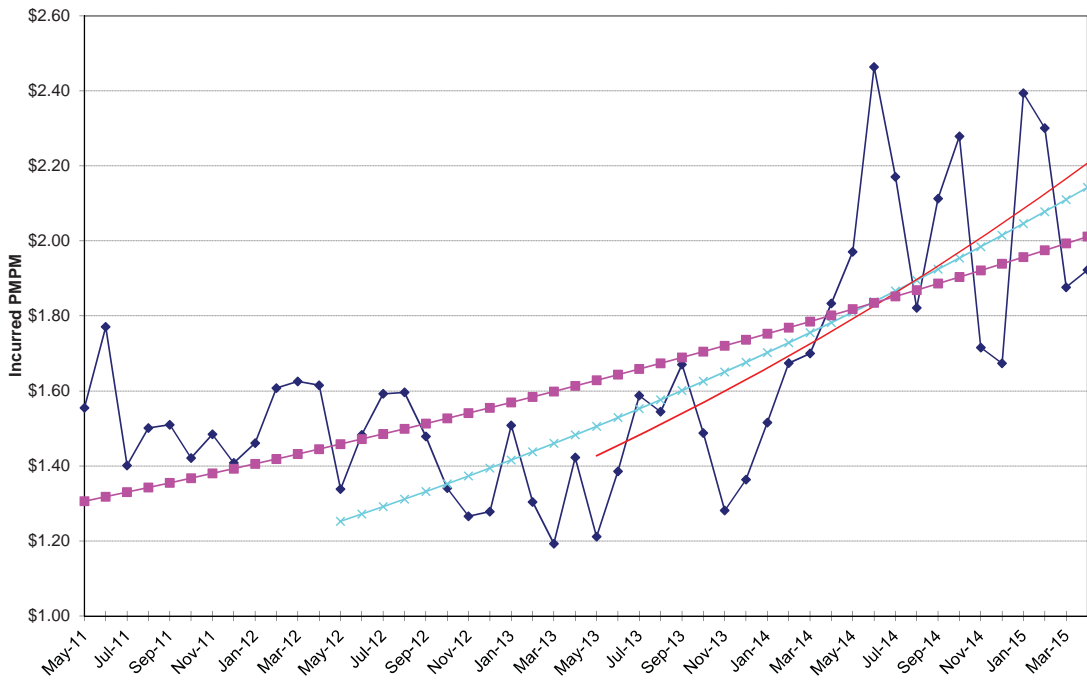
Other - Ambulance



Other - Ambulance



Other - Ambulance



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

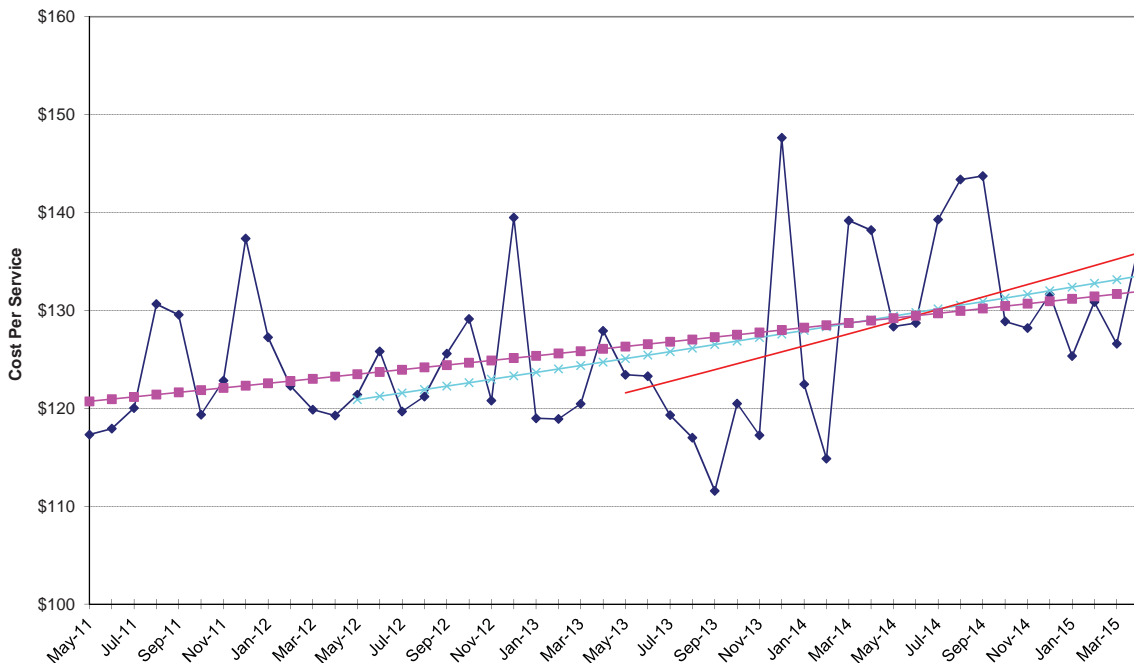
Appliances (DME)

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
2.9%	6.0%	9.0%

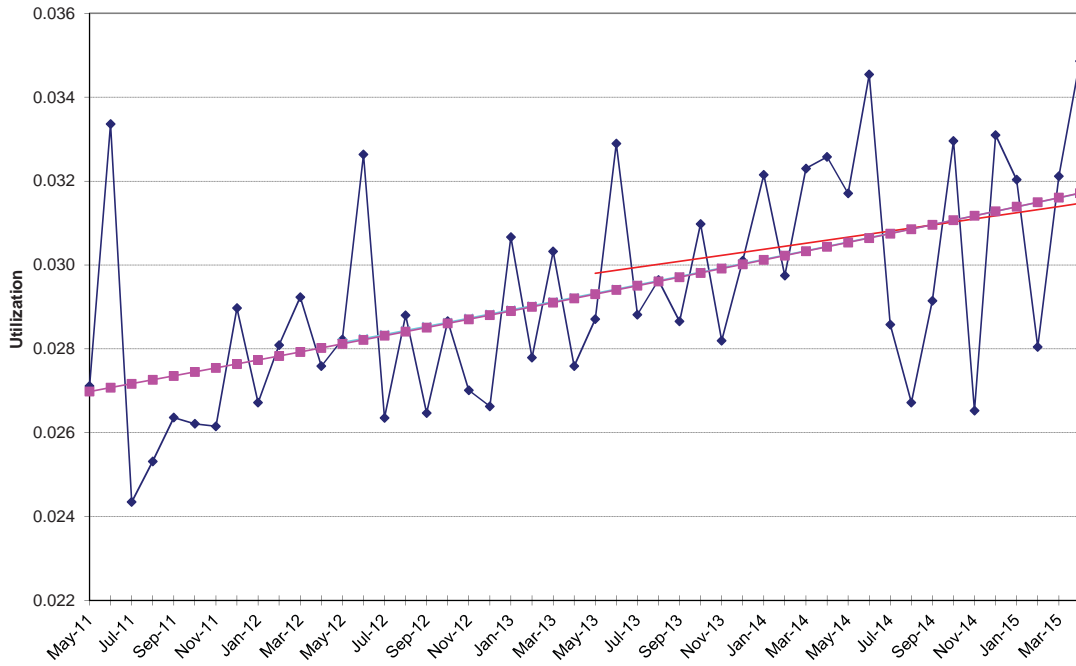
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.2%	3.5%	7.8%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
4.2%	2.3%	6.6%

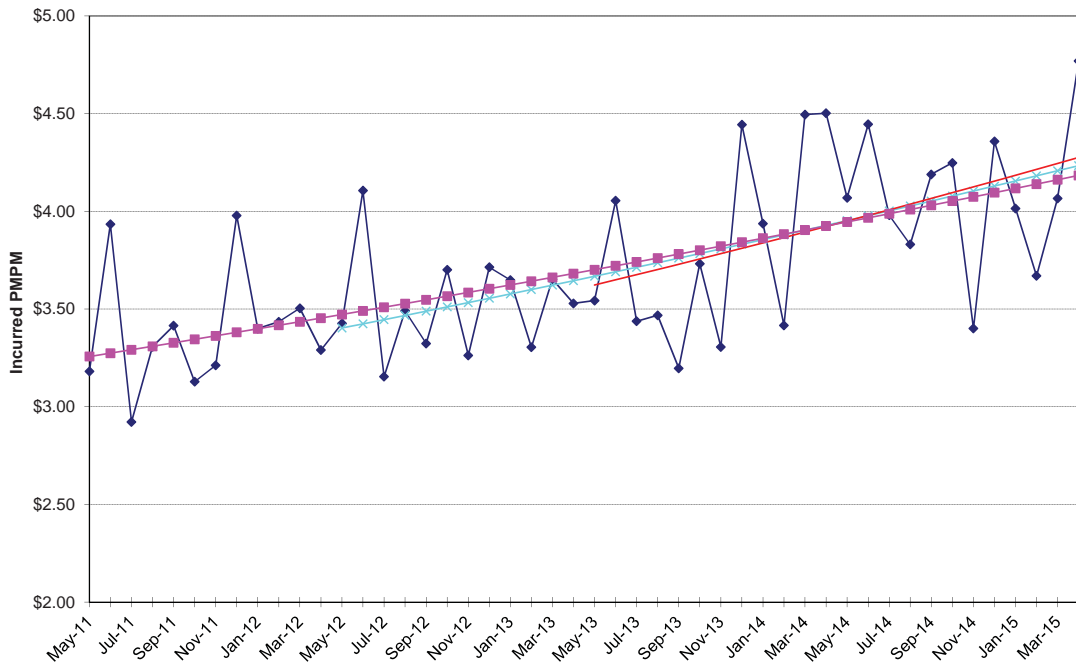
Other - Appliances (DME)



Other - Appliances (DME)



Other - Appliances (DME)



**NON-MEDICARE CLAIMS
Excluding Drugs**

OTHER

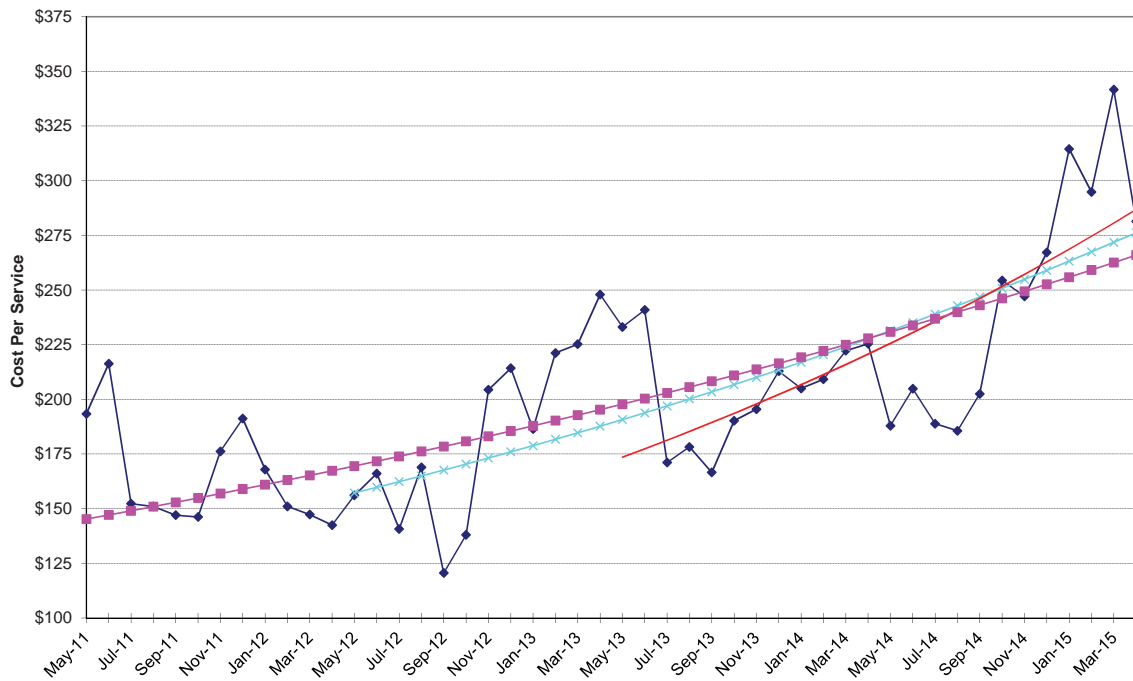
Other Services

24-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
-3.4%	30.0%	25.5%

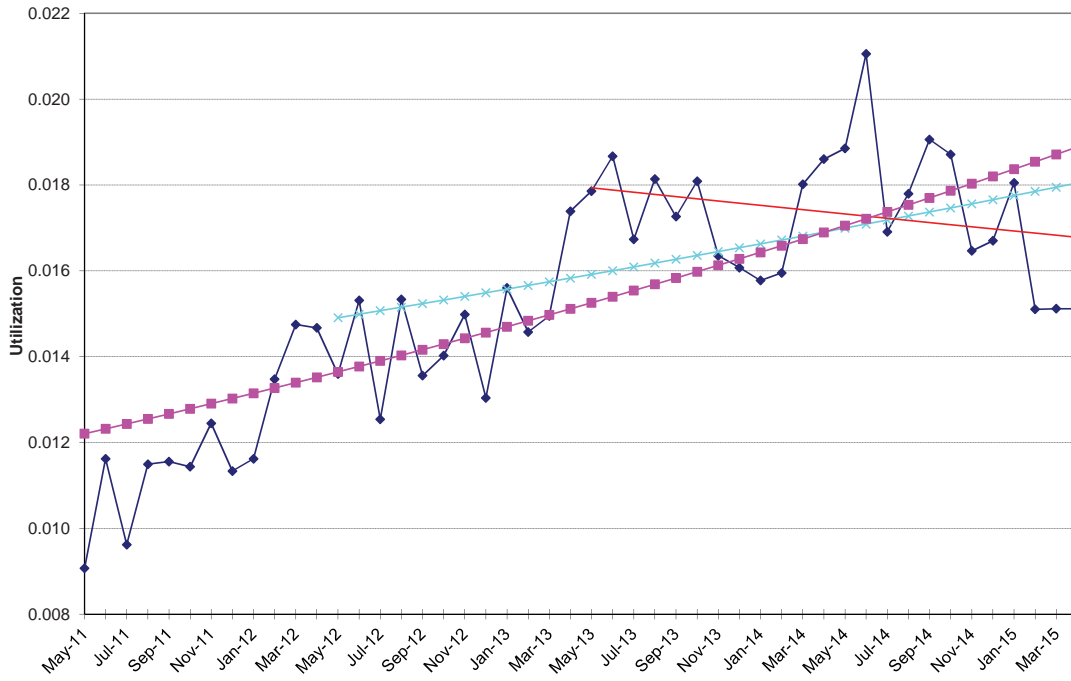
36-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
6.8%	21.3%	29.5%

48-Month Trends Summary		
<u>Utilization</u>	<u>Cost / Service</u>	<u>Total Trend</u>
11.8%	16.7%	30.5%

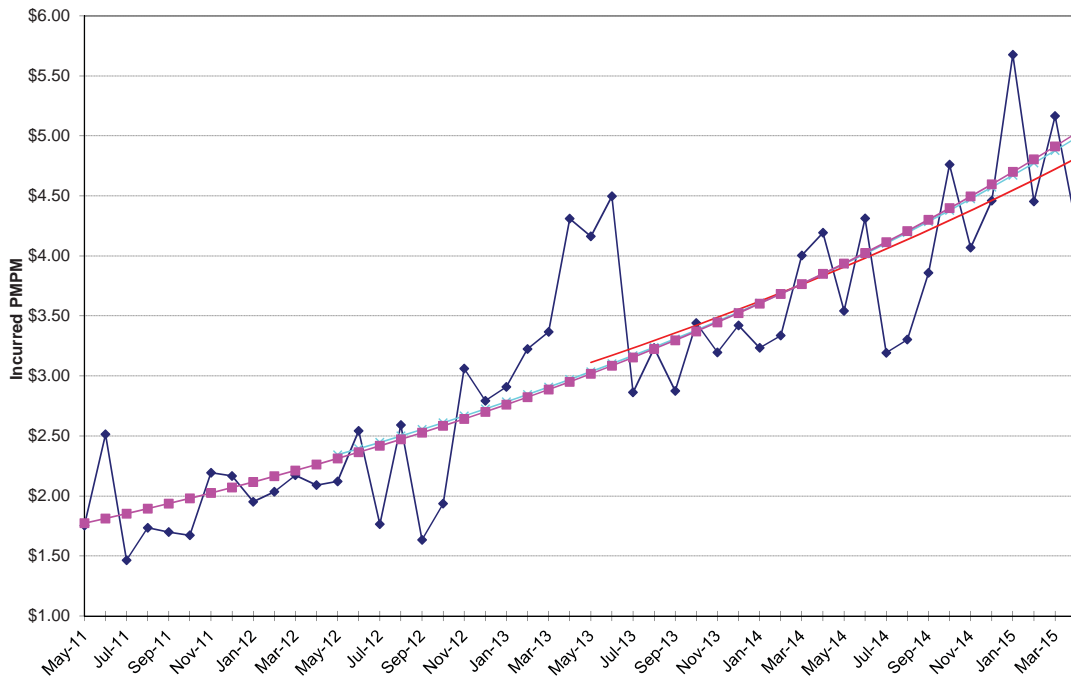
Other - Other Services



Other - Other Services



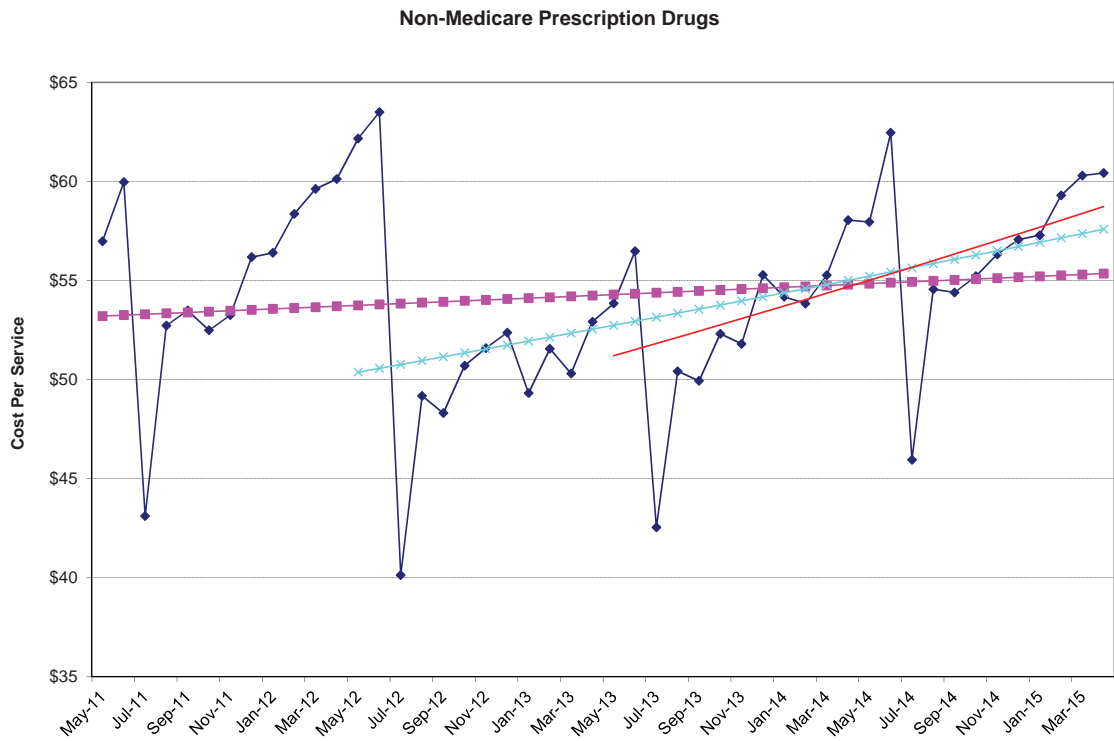
Other - Other Services



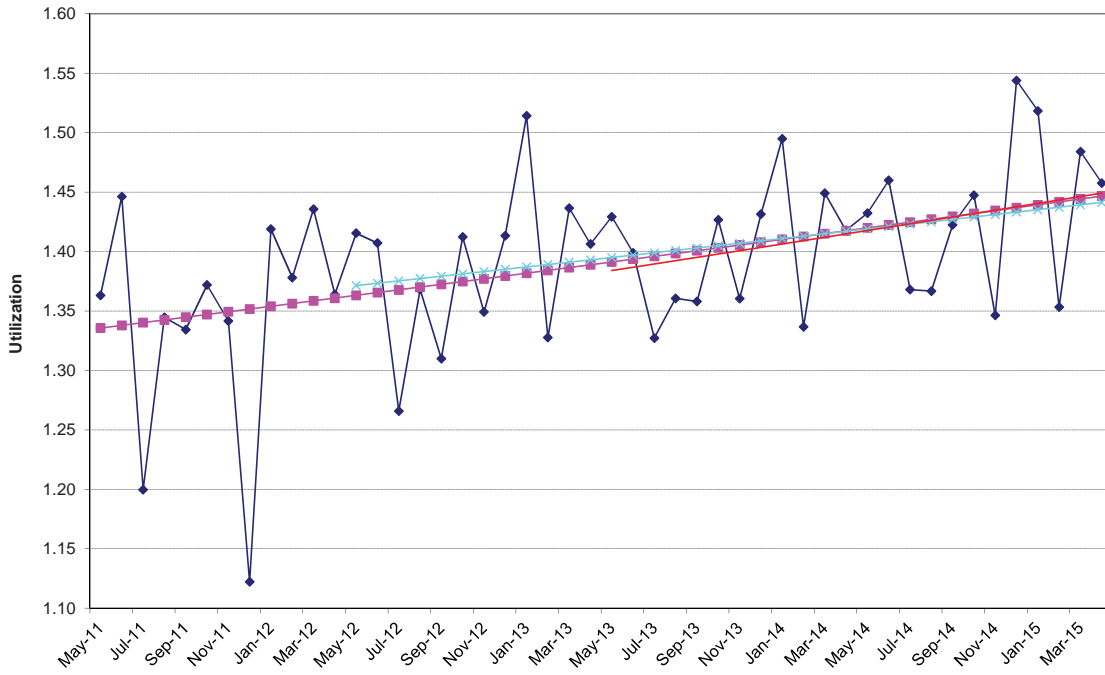
Appendix B

Non-Medicare Prescription Drugs

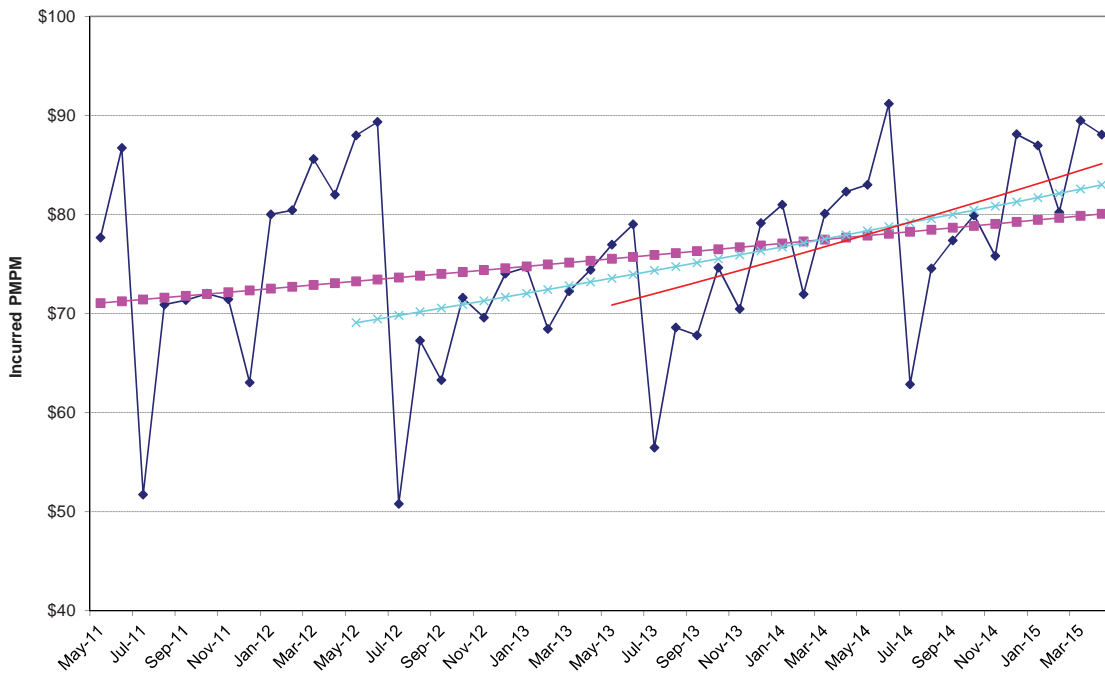
	<u>Utilization</u>	<u>Cost / Prescription</u>	<u>Total Trend</u>
24-Month Trend	2.4%	7.4%	10.0%
36-Month Trend	1.7%	4.7%	6.5%
48-Month Trend	2.1%	1.0%	3.1%



Non-Medicare Prescription Drugs



Non-Medicare Prescription Drugs



Appendix C – Prescription Drug Trends

Overview

CCRC Actuaries analyzed prescription drug experience in aggregate, by major indicator and in particular, specialty drugs. We analyzed the prescription drug trends using a 24, 36, and 48 month actuarial basis. We found the 24 month basis as the methodology that is most likely to produce accurate future trends. Under this methodology, utilization had a 3.9% trend and unit cost had a 7.9% trend, resulting in a composite trend of 11.5% 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
2011	2.8%	5.9%	11.7%
2012	-0.5%	5.4%	5.6%
2013	0.0%	-5.8%	-5.5%
2014	-1.5%	6.2%	4.5%
2015	3.9%	7.9%	11.5%

Prior to this analysis, the financial plan was developed using an 8.5% trend for fiscal year 2016. Based on results and future expectations, CCRC Actuaries has chosen to continue to use a drug trend assumption of 8.5% for fiscal year 2016 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	2014 Ingredient Cost		2015 Ingredient Cost	
		Amount	%	Amount	%
Crestor	2016	\$595,610.90	0.3%	\$540,521.24	0.3%
Advair Diskus	2016	\$1,678,818.51	0.9%	\$226,008.10	0.1%
Benicar	2016	\$244,840.86	0.1%	\$236,000.12	0.1%
Zetia	2016	\$2,636,326.59	1.4%	\$3,144,131.36	1.5%
Humira	2016	\$7,861,165.73	4.1%	\$9,797,800.94	4.6%
Tamiflu	2016	\$349,599.69	0.2%	\$1,090,852.96	0.5%
Strattera	2017	\$606,698.69	0.3%	\$722,262.92	0.3%
Synthroid	2018	\$750,035.24	0.4%	\$830,681.49	0.4%
Apriso	2018	\$633,131.09	0.3%	\$818,645.33	0.4%
Total		\$15,356,227.30	8.0%	\$17,406,904.46	8.2%

Specialty Drugs

Specialty drugs have continued to be a concern for PEIA due to the relatively rapid growth in utilization and unit cost. 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 5.3% in 2014 and 12.4% in 2015:

Period	Specialty Drugs	
	Percent of Total	Growth
FY 2011	12.6%	19.7%
FY 2012	13.4%	12.2%
FY 2013	18.0%	24.3%
FY 2014	18.6%	5.3%
FY 2015	18.7%	12.4%

Indicator Categories

CCRC Actuaries reviewed the individual prescription data items for Fiscal Years 2014 and 2015. A total of 2,942,416 scripts were written for approximately 2,660 different kinds of prescriptions in 2015. The prescriptions were grouped by indicator codes, providing a basis to develop the Fiscal Year 2015 trend by indicator code. The top 40 indicator codes were analyzed, which accounted for 94.6% of PEIA's prescription drug expenditures.

The top 5 indicators from 2015 were identical to the top 5 from 2014. PEIA members continue to spend the most on drugs which treat diabetes for the eighth year in a row. The following chart lists the top 5 and the total drug spend each year.

Rank	2014 Indicator	2014 Cost	2015 Indicator	2015 Cost
1	Diabetes	\$35,536,636	Diabetes	\$46,310,956
2	Inflammatory Conditions	14,915,433	Inflammatory Conditions	18,856,695
3	High Blood Pressure/Heart Disease	11,774,468	High Blood Pressure/Heart Disease	11,013,018
4	High Blood Cholesterol	10,770,238	High Blood Cholesterol	10,114,456
5	Asthma	8,728,915	Asthma	8,717,595

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 2015.

Indicators with the Largest Dollar Increase

Indication	2014 Total Ingredient Cost	2015 Total Ingredient Cost	Total Increase
Diabetes	\$35,536,636	\$46,310,956	\$10,774,320
Inflammatory Conditions	\$14,915,433	\$18,856,695	3,941,261
Mental/Neuro Disorders	\$6,030,464	\$7,178,226	1,147,762
Viral Infections	\$2,654,581	\$3,682,695	1,028,114
Skin Conditions	\$2,415,870	\$3,345,420	929,549

Indicators with the Largest Increase as a Percentage

Indication	2014 Total Ingredient Cost	2015 Total Ingredient Cost	Total Increase
Malaria	\$136,383	\$570,794	318.5%
Rectal Disorders	\$143,329	\$325,718	127.3%
Misc Specialty Conditions	\$991,218	\$1,562,588	57.6%
Bone Conditions	\$514,740	\$750,566	45.8%
Acne	\$1,413,961	\$1,998,285	41.3%

Indicators with the Largest Increase in Claim Numbers

Indication	2014 Prescriptions	2015 Prescriptions	Utilization Increase
Diabetes	200,852	214,924	14,072
Ulcer Disease	184,307	195,629	11,322
Depression	196,436	206,631	10,195
Infections	220,818	229,964	9,146
Asthma	89,562	98,071	8,509

Indicators with the Largest Utilization Increase Percentage

Indication	2014 Prescriptions	2015 Prescriptions	Utilization Increase
Viral Infections	18,563	23,838	28.4%
Cough And Cold	25,096	31,828	26.8%
Nausea/Vomiting	13,834	16,933	22.4%
Misc Specialty Conditions	152	184	21.1%
Inflammation/Immune Disorders	48,800	56,111	15.0%

Indicators with the Largest Increase in Cost per Prescription

Indication	2014 Ingredient Cost Per Prescription	2015 Ingredient Cost Per Prescription	Ingredient Cost Per Prescription Increase
Misc Specialty Conditions	\$6,521.17	\$8,492.33	\$1,971.15
Growth Deficiency	\$4,023.95	\$5,280.32	\$1,256.37
Multiple Sclerosis	\$4,325.75	\$4,627.47	\$301.72
Inflammatory Conditions	\$1,633.49	\$1,922.39	\$288.89
Blood Cell Deficiency	\$3,187.24	\$3,381.91	\$194.67

Indicators with the Largest Percentage Increase in Cost per Prescription

Indication	2014 Ingredient Cost Per Prescription	2015 Ingredient Cost Per Prescription	Ingredient Cost Per Prescription Increase
Malaria	\$22.57	\$89.87	298.2%
Rectal Disorders	\$49.10	\$127.58	159.8%
Skin Conditions	\$97.53	\$137.05	40.5%
Anaphylaxis	\$310.89	\$413.81	33.1%
Bone Conditions	\$74.83	\$98.88	32.1%

Drug Indicators by Highest Cost

<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	214,924	\$215.48	\$46,310,956	94.9%	96.8%
2	Inflammatory Conditions	9,809	1,922.39	18,856,695	94.2%	93.6%
3	High Blood Press/Heart Disease	434,557	25.34	11,013,018	91.0%	98.6%
4	High Blood Cholesterol	178,855	56.55	10,114,456	92.0%	98.1%
5	Asthma	98,071	88.89	8,717,595	92.0%	93.3%
6	Multiple Sclerosis	1,818	4,627.47	8,412,746	58.8%	59.5%
7	Pain And Inflammation	235,891	34.01	8,022,847	92.5%	99.0%
8	Mental/Neuro Disorders	21,341	336.36	7,178,226	91.3%	97.8%
9	Cancer	10,866	633.99	6,888,948	98.8%	99.6%
10	Attention Disorders/Weight Loss	38,584	177.31	6,841,290	90.4%	93.7%
11	Depression	206,631	29.68	6,133,408	88.7%	98.7%
12	Infections	229,964	24.25	5,575,684	94.0%	99.3%
13	Seizures	91,374	59.28	5,416,799	72.9%	95.8%
14	Ulcer Disease	195,629	21.22	4,151,321	94.0%	99.4%
15	Contraceptives	88,733	46.69	4,142,716	53.6%	82.8%
16	Viral Infections	23,838	154.49	3,682,695	99.7%	99.8%
17	Hormonal Supplementation	32,278	106.10	3,424,619	74.2%	78.4%
18	Skin Conditions	24,410	137.05	3,345,420	88.2%	96.3%
19	Anticoagulant	16,925	182.02	3,080,725	98.3%	98.3%
20	Growth Deficiency	539	5,280.32	2,846,090	13.2%	16.7%

Drug Indicators by Highest Cost (continued)

<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>
21	GI Disorders	14,818	181.23	2,685,468	94.2%	98.3%
22	Thyroid Disorders	99,487	23.72	2,359,767	64.0%	80.5%
23	Urinary Disorders	35,200	59.64	2,099,283	92.3%	98.2%
24	Acne	9,730	205.37	1,998,285	90.3%	94.4%
25	Eye Conditions	13,330	132.20	1,762,266	78.9%	82.2%
26	Pain/Cramps	42,803	37.76	1,616,262	93.7%	94.8%
27	Blood Modifying	17,763	90.38	1,605,464	90.3%	97.8%
28	Misc Specialty Conditions	184	8,492.33	1,562,588	100.0%	100.0%
29	Allergies	75,196	18.40	1,383,452	89.6%	99.1%
30	Respiratory Conditions	781	1,696.74	1,325,153	97.0%	80.3%
31	Copd	3,651	347.70	1,269,462	92.5%	90.8%
32	Skin Infections	16,720	72.63	1,214,444	78.9%	96.5%
33	Transplant	4,153	277.23	1,151,335	73.1%	87.1%
34	Gout	13,673	81.20	1,110,257	98.2%	98.4%
35	Anxiety	79,827	13.61	1,086,405	97.4%	99.9%
36	Anaphylaxis	2,580	413.81	1,067,629	92.2%	92.4%
37	Migraine Headaches	15,571	64.18	999,362	90.4%	97.3%
38	Antidotes/Addiction/Chemical Dependence	6,312	156.04	984,952	72.4%	63.8%
39	Pulmonary Hypertension	190	4,775.34	907,314	78.8%	74.7%
40	Misc Conditions	4,400	181.20	797,264	93.9%	96.7%
	<u>All Other Indicators</u>	<u>331,010</u>	<u>35.37</u>	<u>11,706,746</u>	<u>85.9%</u>	<u>96.6%</u>
	Grand Total	2,942,416	\$73.02	\$214,849,413	88.3%	96.4%

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	Diabetes	208,001	\$43,943,469	\$211.27	6,923	\$2,367,487	\$341.97
2	Inflammatory Conditions	9,182	17,767,031	1,934.98	627	1,089,664	1,737.90
3	High Blood Press/Heart Disease	428,329	10,023,857	23.40	6,228	989,160	158.82
4	High Blood Cholesterol	175,538	9,305,291	53.01	3,317	809,165	243.94
5	Asthma	91,523	8,022,921	87.66	6,548	694,674	106.09
6	Multiple Sclerosis	1,082	4,950,586	4,575.40	736	3,462,161	4,704.02
7	Pain And Inflammation	233,545	7,421,983	31.78	2,346	600,865	256.12
8	Mental/Neuro Disorders	20,861	6,554,427	314.20	480	623,799	1,299.58
9	Cancer	10,822	6,806,503	628.95	44	82,445	1,873.75
10	Attention Disorders/Weight Loss	36,171	6,182,666	170.93	2,413	658,624	272.95
11	Depression	203,868	5,441,969	26.69	2,763	691,439	250.25
12	Infections	228,313	5,242,297	22.96	1,651	333,387	201.93
13	Seizures	87,516	3,949,430	45.13	3,858	1,467,369	380.34
14	Ulcer Disease	194,473	3,901,086	20.06	1,156	250,235	216.47
15	Contraceptives	73,489	2,218,925	30.19	15,244	1,923,792	126.20
16	Viral Infections	23,799	3,669,978	154.21	39	12,718	326.09
17	Hormonal Supplementation	25,322	2,539,778	100.30	6,956	884,842	127.21
18	Skin Conditions	23,514	2,949,263	125.43	896	396,157	442.14
19	Anticoagulant	16,642	3,028,804	182.00	283	51,921	183.47
20	Growth Deficiency	90	376,283	4,180.93	449	2,469,807	5,500.68

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	GI Disorders	14,570	\$2,530,027	\$173.65	248	\$155,441	\$626.78
22	Thyroid Disorders	80,052	1,510,395	18.87	19,435	849,371	43.70
23	Urinary Disorders	34,582	1,938,474	56.05	618	160,809	260.21
24	Acne	9,183	1,803,958	196.45	547	194,327	355.26
25	Eye Conditions	10,953	1,391,128	127.01	2,377	371,138	156.14
26	Pain/Cramps	40,591	1,513,922	37.30	2,212	102,340	46.27
27	Blood Modifying	17,364	1,449,998	83.51	399	155,466	389.64
28	Misc Specialty Conditions	184	1,562,588	8,492.33	0	0	N/A
29	Allergies	74,491	1,239,907	16.65	705	143,545	203.61
30	Respiratory Conditions	627	1,285,964	2,050.98	154	39,189	254.47
31	COPD	3,315	1,173,774	354.08	336	95,688	284.79
32	Skin Infections	16,140	958,154	59.37	580	256,291	441.88
33	Transplant	3,619	842,066	232.68	534	309,269	579.16
34	Gout	13,452	1,090,556	81.07	221	19,701	89.15
35	Anxiety	79,761	1,058,272	13.27	66	28,133	426.26
36	Anaphylaxis	2,384	984,233	412.85	196	83,396	425.49
37	Migraine Headaches	15,149	902,973	59.61	422	96,389	228.41
38	Antidotes/Addiction/Chemical Dependence	4,030	713,227	176.98	2,282	271,725	119.07
39	Pulmonary Hypertension	142	715,004	5,035.24	48	192,310	4,006.45
40	Misc Conditions	4,253	748,970	176.10	147	48,294	328.53
	<u>All Other Indicators</u>	<u>319,771</u>	<u>10,056,076</u>	<u>31.45</u>	<u>11,239</u>	<u>1,650,670</u>	<u>146.87</u>
	Grand Total	2,836,693	\$189,766,210	\$66.90	105,723	\$25,083,202	\$237.25

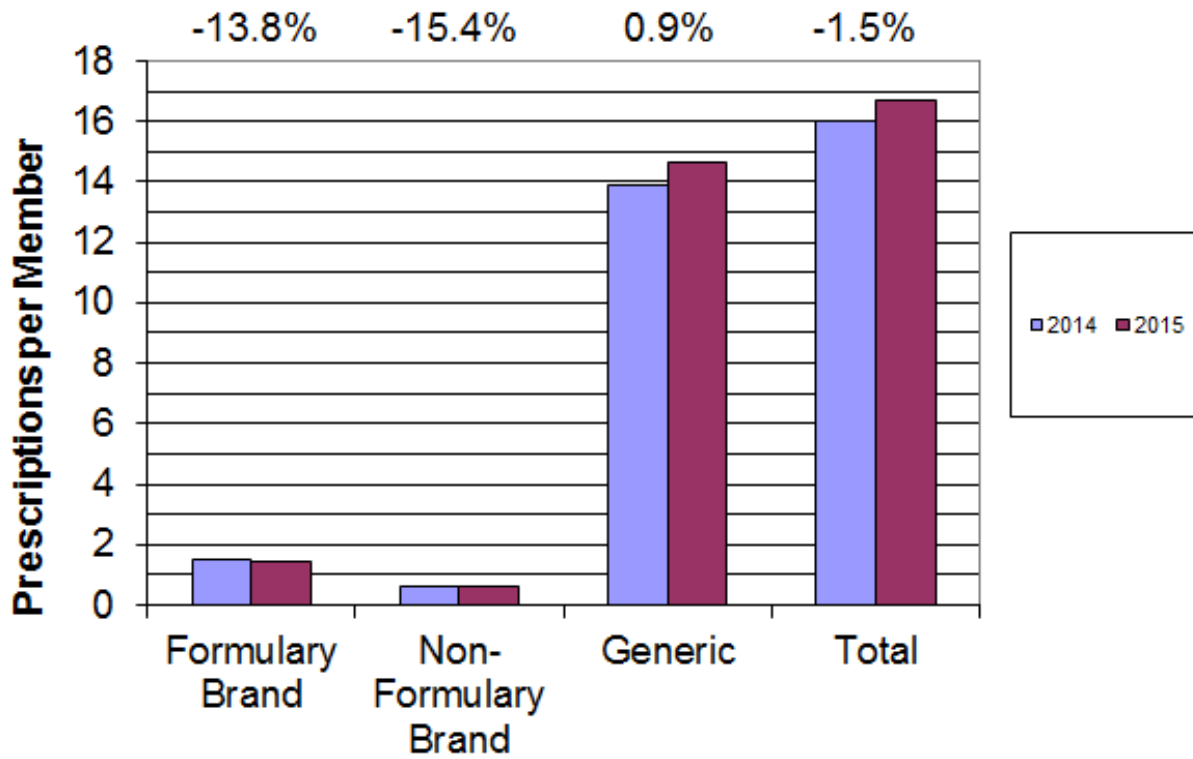
Drug Indicators by Highest Script Increase

Rank	Indicator	Formulary Cost Per Script	Non-Formulary Cost Per Script	Increase/ Decrease
35	Anxiety	\$13.27	\$426.26	3113%
29	Allergies	16.65	203.61	1123%
14	Ulcer Disease	20.06	216.47	979%
11	Depression	26.69	250.25	837%
12	Infections	22.96	201.93	779%
13	Seizures	45.13	380.34	743%
7	Pain And Inflammation	31.78	256.12	706%
32	Skin Infections	59.37	441.88	644%
3	High Blood Press/Heart Disease	23.40	158.82	579%
27	Blood Modifying	83.51	389.64	367%
23	Urinary Disorders	56.05	260.21	364%
4	High Blood Cholesterol	53.01	243.94	360%
15	Contraceptives	30.19	126.20	318%
8	Mental/Neuro Disorders	314.20	1,299.58	314%
37	Migraine Headaches	59.61	228.41	283%
21	GI Disorders	\$173.65	\$626.78	261%
18	Skin Conditions	125.43	442.14	253%
9	Cancer	628.95	1,873.75	198%
33	Transplant	232.68	579.16	149%
22	Thyroid Disorders	18.87	43.70	132%

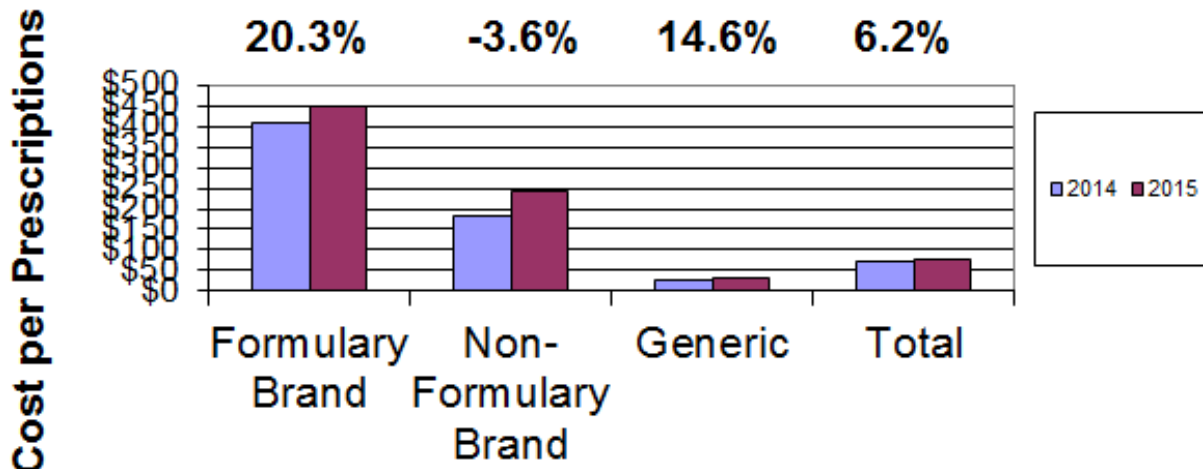
Drug Indicators by Highest Script Increase (continued)

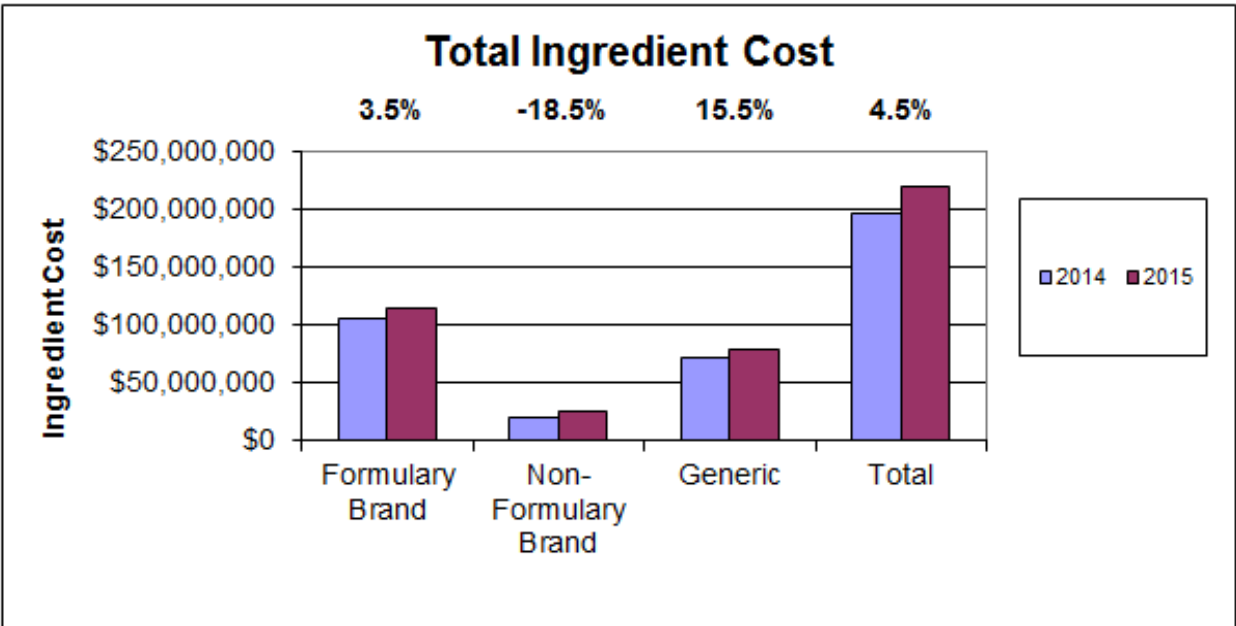
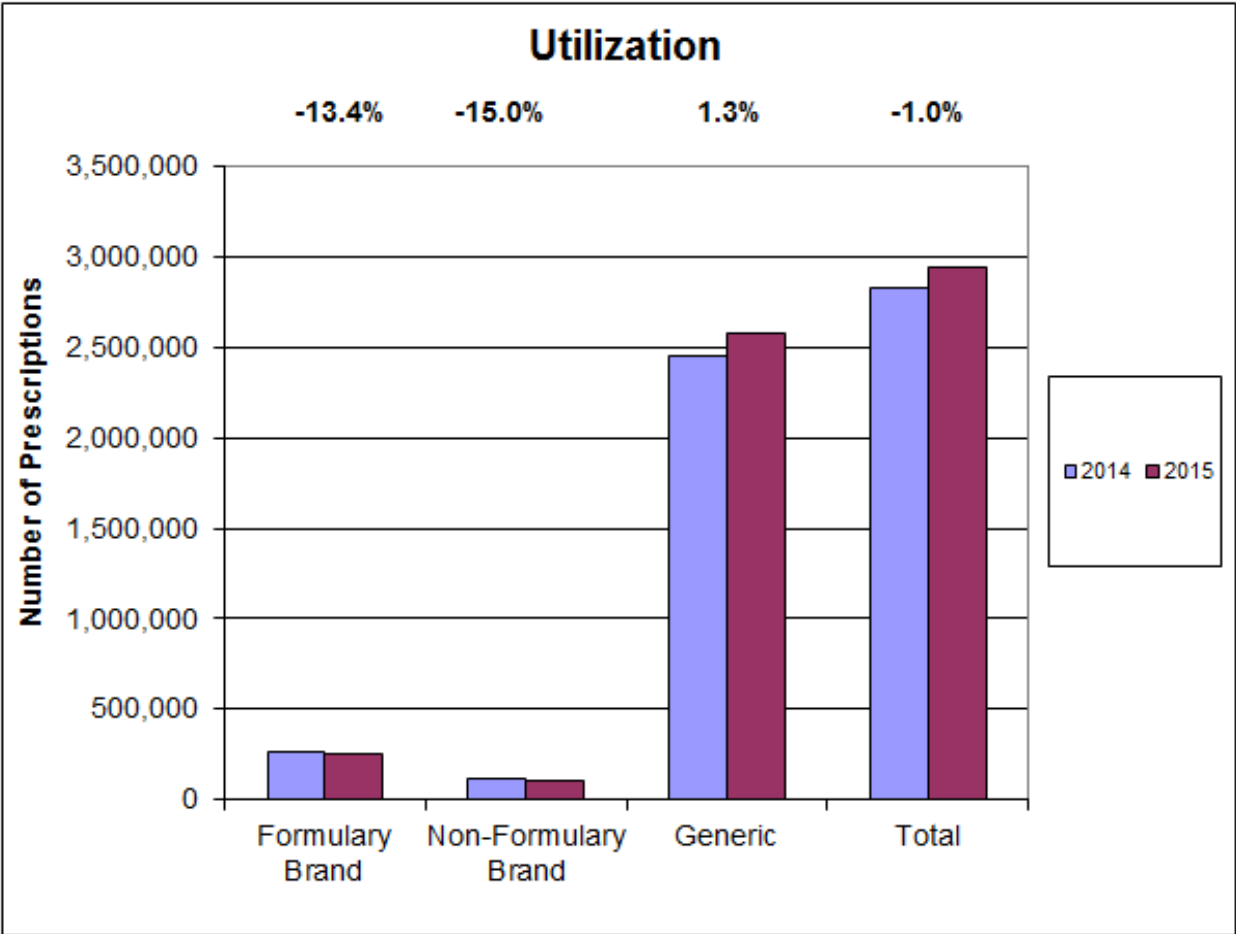
Rank	Indicator	Formulary Cost Per Script	Non-Formulary Cost Per Script	Increase/ Decrease
16	Viral Infections	\$154.21	\$326.09	111%
40	Misc Conditions	176.10	328.53	87%
24	Acne	196.45	355.26	81%
1	Diabetes	211.27	341.97	62%
10	Attention Disorders/Weight Loss	170.93	272.95	60%
20	Growth Deficiency	4,180.93	5,500.68	32%
17	Hormonal Supplementation	100.30	127.21	27%
26	Pain/Cramps	37.30	46.27	24%
25	Eye Conditions	127.01	156.14	23%
5	Asthma	87.66	106.09	21%
34	Gout	81.07	89.15	10%
36	Anaphylaxis	412.85	425.49	3%
6	Multiple Sclerosis	4,575.40	4,704.02	3%
19	Anticoagulant	182.00	183.47	1%
31	COPD	354.08	284.79	0%
2	Inflammatory Conditions	1,934.98	1,737.90	-10%
39	Pulmonary Hypertension Antidotes/Addiction/Chemical	5,035.24	4,006.45	-20%
38	Dependence	176.98	119.07	-33%
30	Respiratory Conditions	2,050.98	254.47	-88%
28	Misc Specialty Conditions	8,492.33	N/A	N/A
	<u>All Other Indicators</u>	<u>31.45</u>	<u>146.87</u>	367%
	Grand Total	\$66.90	\$237.25	255%

Number of Prescriptions per Member



Ingredient Cost per Prescription





DIABETES

In FY 2015, the Diabetes category was first in cost to PEIA with expenditure of \$46,310,956, which accounted for 18.4% of total expenditures. Formulary expenditures were \$43,943,469 or 94.9% of Diabetes expenditures and total expenditures had a 30.4% trend from 2014 to 2015.

Total expenditures have increased from \$14,161,011 in 2007 to \$46,310,956 in 2015, which results in a yearly trend of 16.0%. The cost per Generic script has increased by 0.1% per year since 2007, and the cost per formulary brand and non-formulary brand scripts has increased by 12.3% and 8.4% per year, respectively. The formulary brand cost trend, coupled with an increase in utilization of formulary brand scripts of 4.4% per year, accounts for most of the high trend in Diabetes drug costs.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Januvia	Y	SSB	9,092	9,448	3.9%	\$430.50	\$503.02	16.8%	\$3,914,089	\$4,752,506	21.4%
Humalog Kwikpen	Y	SSB	0	6,752	NA	NA	649.10	NA	0	4,382,750	NA
Lantus Solostar	Y	SSB	3,362	6,949	106.7%	479.61	587.82	22.6%	1,612,440	4,084,765	153.3%
Lantus	Y	SSB	6,774	5,707	-15.8%	509.40	683.61	34.2%	3,450,647	3,901,359	13.1%
Levemir Flextouch	Y	SSB	7	5,527	78857.1%	452.99	699.48	54.4%	3,171	3,866,018	121819.5%
<u>Subtotals</u>											
Generic	Yes	Generic	86,860	88,680	2.1%	\$29.68	\$26.15	-11.9%	\$2,577,571	2,318,987	-10.0%
Formulary Brand	Yes	Brand	107,911	119,321	10.6%	288.04	348.84	21.1%	31,082,738	41,624,482	33.9%
<u>Non-Formulary Brand</u>	<u>No</u>	<u>Brand</u>	<u>6,081</u>	<u>6,923</u>	<u>13.8%</u>	<u>308.56</u>	<u>341.97</u>	<u>10.8%</u>	<u>1,876,327</u>	<u>2,367,487</u>	<u>26.2%</u>
Total			200,852	214,924	7.0%	\$176.93	\$215.48	21.8%	\$35,536,636	\$46,310,956	30.3%
Trends Adjusted for Exposure					7.1%			21.8%			30.4%

INFLAMMATORY CONDITIONS

In FY 2015, the Inflammatory Conditions category was second in cost to PEIA with expenditure of \$18,856,695, which accounted for 8.8% of total expenditures overall. Formulary expenditures were \$17,767,031 or 94.2% of Inflammatory Conditions expenditures and total ingredient cost had a positive 26.5% trend.

Most noteworthy was the 25,901.7% increase in Formulary Brand Total Ingredient Cost. The overall cost per prescription rose 17.7% while the cost per prescription for Formulary drugs rose 1,559.0%.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Humira	Y	SSB	2,886	3,075	6.5%	\$2,723.90	\$3,186.28	17.0%	\$7,861,166	\$9,797,801	24.6%
Enbrel	Y	SSB	1,876	1,870	-0.3%	2,655.06	3,071.68	15.7%	4,980,899	5,744,033	15.3%
Apriso	Y	SSB	1,520	1,665	9.5%	416.53	491.68	18.0%	633,131	818,645	29.3%
Simponi	N	SSB	117	229	95.7%	2,711.30	3,198.06	18.0%	317,222	732,355	130.9%
Pentasa	Y	SSB	761	760	-0.1%	793.13	891.78	12.4%	603,574	677,753	12.3%
Subtotals											
Generic	Yes	Generic	5,115	1,596	-68.8%	\$1,324.91	\$99.52	-92.5%	\$6,776,892	\$158,837	-97.7%
Formulary Brand	Yes	Brand	484	7,586	1467.4%	139.92	2,321.14	1559.0%	67,719	17,608,193	25901.7%
Non-Formulary Brand	N	Brand	3,532	627	-82.2%	2,285.06	1,737.90	-23.9%	8,070,821	1,089,664	-86.5%
Total			9,131	9,809	7.4%	\$1,633.49	\$1,922.39	17.7%	\$14,915,433	\$18,856,695	26.4%
Trends Adjusted for Exposure					7.5%			17.7%			26.5%

HIGH BLOOD PRESSURE/HEART DISEASE

In FY 2015, this indicator category was third in cost to PEIA with expenditure of \$11,013,018, which accounted for 6.1% of total expenditures. Formulary expenditures were \$10,023,857 or 91.0% of High Blood Pressure/Heart Disease's expenditures. Total expenditures had a -6.5% trend.

For this category, utilization trends contributed to the indicator's overall trend. Utilization is driven by formulary brand drugs, and unit cost has increased the most for formulary drugs.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Valsartan	Y	Gen	0	7,391	NA	NA	\$155.83	NA	\$0	\$1,151,764	NA
Metoprolol Succinate ¹	Y	Gen	35,422	37,422	5.6%	33.31	30.21	-9.3%	1,179,959	1,130,694	-4.2%
Lisinopril	Y	Gen	75,763	77,284	2.0%	10.11	9.07	-10.3%	766,285	701,029	-8.5%
Losartan Potassium	Y	Gen	24,484	27,804	13.6%	22.87	21.27	-7.0%	560,001	591,328	5.6%
Amlodipine Besylate	Y	Gen	34,427	36,497	6.0%	15.54	14.57	-6.2%	534,906	531,740	-0.6%
<u>Subtotals</u>											
Generic	Yes	Generic	409,676	426,711	4.2%	\$19.82	\$22.13	11.7%	\$8,120,379	\$9,444,337	16.3%
Formulary Brand	Yes	Brand	10,764	1,618	-85.0%	249.22	358.17	43.7%	\$2,682,650	579,520	-78.4%
<u>Non-Formulary Brand</u>	<u>No</u>	<u>Brand</u>	7,285	<u>6,228</u>	<u>-14.5%</u>	<u>133.35</u>	<u>158.82</u>	<u>19.1%</u>	<u>\$971,439</u>	<u>989,160</u>	<u>1.8%</u>
Total			427,725	434,557	1.6%	\$27.53	\$25.34	-7.9%	\$11,774,468	\$11,013,018	-6.5%
Trends Adjusted for Exposure					1.6%			-7.9%			-6.5%

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

HIGH BLOOD CHOLESTEROL

In FY 2015, the High Blood Cholesterol indicator category was fourth in cost to PEIA with expenditure of \$10,114,456, which accounted for 5.1% of total expenditures overall. Formulary expenditures were \$9,305,291 or 92.0% of High Blood Cholesterol expenditures and total expenditures had a negative 6.1% trend.

This category has had a significant decrease of 16.9% for the utilization of formulary drugs and overall utilization decreased by 0.6%

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Zetia	Y	SSB	9,428	9,484	0.6%	\$279.63	\$331.52	18.6%	\$2,636,327	\$3,144,131	19.3%
Atorvastatin Calcium	Y	Gen	44,304	50,594	14.2%	35.45	25.10	-29.2%	\$1,570,448	1,269,706	-19.2%
Fenofibrate ¹	Y	Gen	16,920	16,682	-1.4%	80.54	74.00	-8.1%	\$1,362,702	1,234,453	-9.4%
Niacin ER	Y	Gen	2,885	3,136	8.7%	317.83	275.78	-13.2%	\$916,946	864,836	-5.7%
Simvastatin	Y	Gen	59,016	53,903	-8.7%	15.23	14.78	-2.9%	\$898,538	796,886	-11.3%
<u>Subtotals</u>											
Generic	Yes	Generic	162,430	164,713	1.4%	\$37.01	\$34.99	-5.4%	\$6,011,118	\$5,763,779	-4.1%
Formulary Brand	Yes	Brand	13,033	10,825	-16.9%	291.22	327.16	12.3%	3,795,496	3,541,511	-6.7%
<u>Non-Formulary Brand</u>	<u>No</u>	<u>Brand</u>	<u>4,443</u>	<u>3,317</u>	<u>-25.3%</u>	<u>216.89</u>	<u>243.94</u>	<u>12.5%</u>	<u>963,624</u>	<u>809,165</u>	<u>-16.0%</u>
Total			179,906	178,855	-0.6%	\$59.87	\$56.55	-5.5%	\$10,770,238	\$10,114,456	-6.1%
Trends Adjusted for Exposure					-0.6%			-5.5%			-6.1%

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

ASTHMA

In FY 2015, the Asthma indicator category was fifth in cost to PEIA with expenditure of \$8,717,595, which accounted for 4.1% of total expenditures. Formulary expenditures were \$8,022,921 or 92.0% of Asthma expenditures and total expenditures had a -0.1% trend, largely due to the fact that the ingredient cost per prescription was favorably down at 8.8%. Asthma non-formulary utilization decreased 5.8% in fiscal year 2015 while the cost per non-formulary brand prescriptions rose 13.2%.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Symbicort	Y	SSB	6,580	9,945	51.1%	\$285.87	\$308.97	8.1%	\$1,881,046	\$3,072,741	63.4%
Proair HFA	Y	SSB	18,473	21,211	14.8%	54.74	56.47	3.2%	1,011,189	1,197,888	18.5%
Montelukast Sodium	Y	Gen	38,216	43,290	13.3%	34.11	24.89	-27.0%	1,303,510	1,077,313	-17.4%
Dulera	Y	SSB	1,352	3,139	132.2%	287.53	297.27	3.4%	388,745	933,129	140.0%
Qvar	Y	SSB	1,894	2,502	32.1%	171.24	186.28	8.8%	324,324	466,081	43.7%
<u>Subtotals</u>											
Generic	Y	Generic	46,723	52,753	12.9%	\$42.47	\$32.94	-22.4%	\$1,984,413	\$1,737,823	-12.4%
Formulary Brand	Y	Brand	35,889	38,770	8.0%	169.78	162.11	-4.5%	6,093,249	6,285,098	3.1%
<u>Non-Formulary Brand</u>	<u>N</u>	<u>Brand</u>	<u>6,950</u>	<u>6,548</u>	<u>-5.8%</u>	<u>93.71</u>	<u>106.09</u>	<u>13.2%</u>	<u>651,253</u>	<u>694,674</u>	<u>6.7%</u>
Total			89,562	98,071	9.5%	\$97.46	\$88.89	-8.8%	\$8,728,915	\$8,717,595	-0.1%
Trends Adjusted for Exposure					9.6%			-8.8%			-0.1%

MENTAL/NEURO DISORDERS

In FY 2014, the Mental/Neuro Disorders category was eight in cost to PEIA with expenditure of \$7,178,226, which accounted for 3.3% of total expenditures. Formulary expenditures were \$6,554,427 or 91.3% of total Mental/Neuro Disorders expenditures and we reviewed the Mental/Neuro Disorders because it represented the third largest dollar increase in fiscal year 2015.

Overall, total expenditures increased 19.0% in fiscal year 2015, primarily driven by a 21.3% increase in the cost of prescriptions.

Drug	Current Formulary Status	Current Brand/ Generic	Number of Prescriptions			Ingredient Cost Per Prescription			Total Ingredient Cost		
			2014	2015	Growth	2014	2015	Growth	2014	2015	Growth
Abilify ¹	Y	SSB	5,892	5,667	-3.8%	\$742.99	\$839.33	13.0%	\$4,377,675	\$4,756,475	8.7%
Aripiprazole	Y	Gen	0	879	NA	NA	696.53	NA	0	612,252	NA
Aubagio	N	SSB	38	61	60.5%	4,324.54	5,820.81	34.6%	164,333	355,070	116.1%
Seroquel XR ¹	Y	SSB	892	488	-45.3%	550.85	558.92	1.5%	491,355	272,752	-44.5%
Minestrin	No	SSB	0	1,585	NA	NA	100.25	NA	0	158,903	NA
<u>Subtotals</u>											
Generic	Yes	GEN	14,113	14,202	0.6%	\$42.23	\$81.65	93.3%	\$596,024	\$1,159,627	94.6%
Formulary Brand	Yes	Brand	7,301	6,659	-8.8%	701.52	810.15	15.5%	5,121,816	5,394,800	5.3%
<u>Non-Formulary Brand</u>	<u>No</u>	<u>Brand</u>	<u>327</u>	<u>480</u>	<u>46.8%</u>	<u>956.03</u>	<u>1,299.58</u>	<u>35.9%</u>	<u>312,623</u>	<u>623,799</u>	<u>99.5%</u>
Total			21,741	21,341	-1.8%	\$277.38	\$336.36	21.3%	\$6,030,464	\$7,178,226	19.0%
Trends Adjusted for Exposure					-1.8%			21.3%			19.0%

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