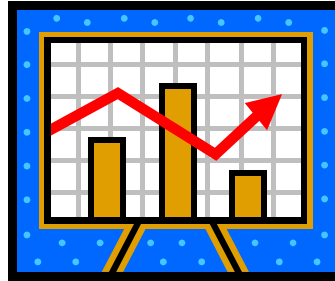


Revenue and Buying Power Trends Indian Health Service 1995-2005

2005 EDITION



These charts and tables show trends in revenues and buying power for the Indian Health Service from 1995 to 2005. References to IHS include programs operated by tribes with IHS funding. Revenues include Federal appropriations for the IHS plus collections from third parties such as Medicare, Medicaid, and private insurance. Revenues and buying power are shown on a per user basis by dividing total user counts into total revenues. Buying power is estimated by deflating revenues by the annual medical inflation rates published by the Bureau of Labor Statistics. Buying power is expressed in terms of 2003 constant dollars. IHS revenues are identified in 2 sub-categories: medical care expenditures and non-medical (all other purposes). Results shown here are system-wide averages which may not reflect the experience of many sites within the IHS system. Trends in revenue and buying power at some sites exceed the average, while trends at other sites are below the system-wide average.

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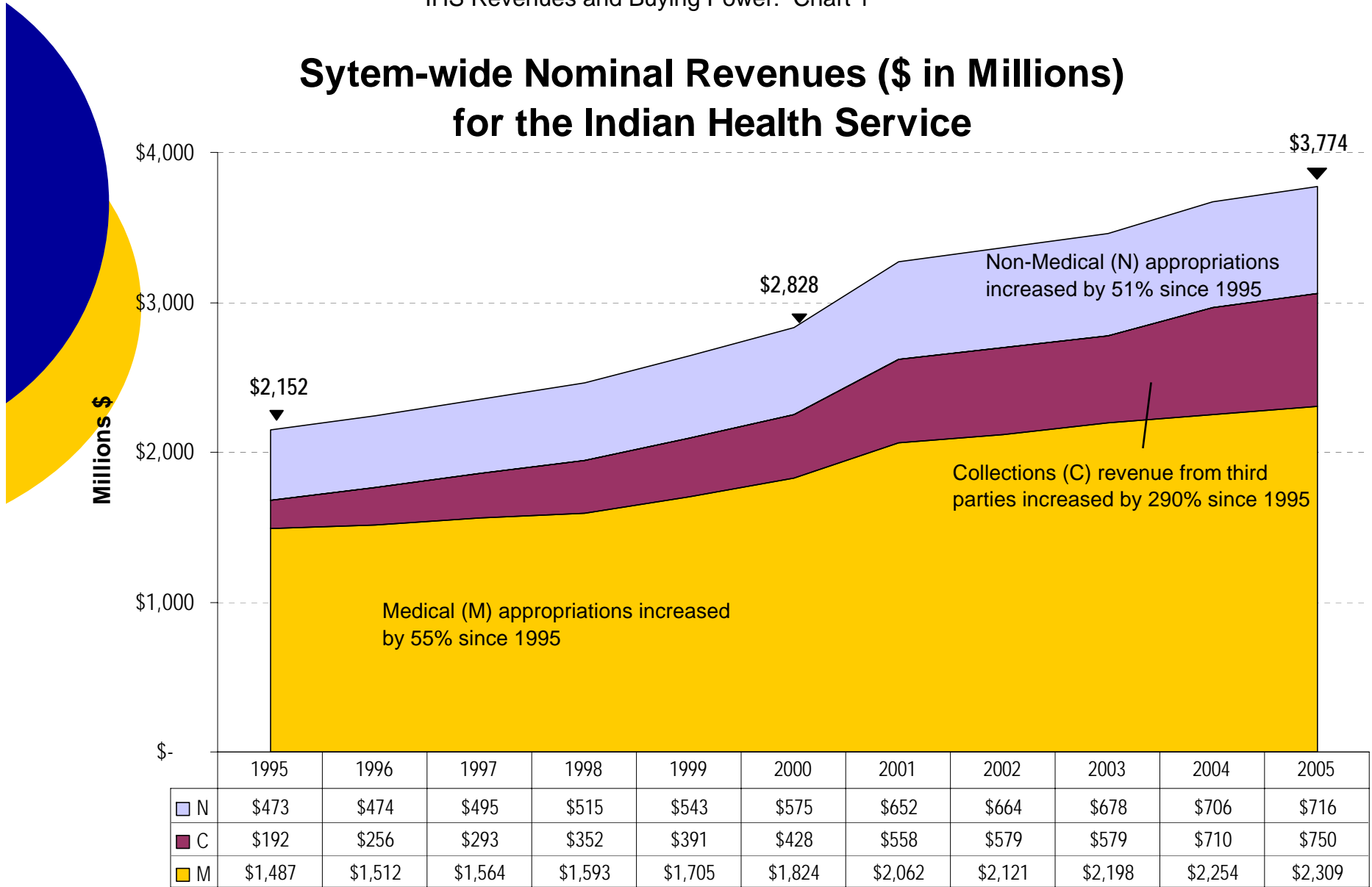


Key Findings

- Nominal revenues grew by 75% 1995 through 2005.
- Total buying power increased only 19% over 1995 due to cumulative eroding affects of inflation.
- Collections from third parties increased by 290% since 1995 and is the main reason for 19% growth in net buying power during this period.
- 176,000 users added since 1995 consumed the bulk of additional buying power.
- For IHS as a whole, per capita buying power is essentially unchanged since 1995. Because conditions vary among IHS sites, local buying power may be substantially different than for IHS as a whole.

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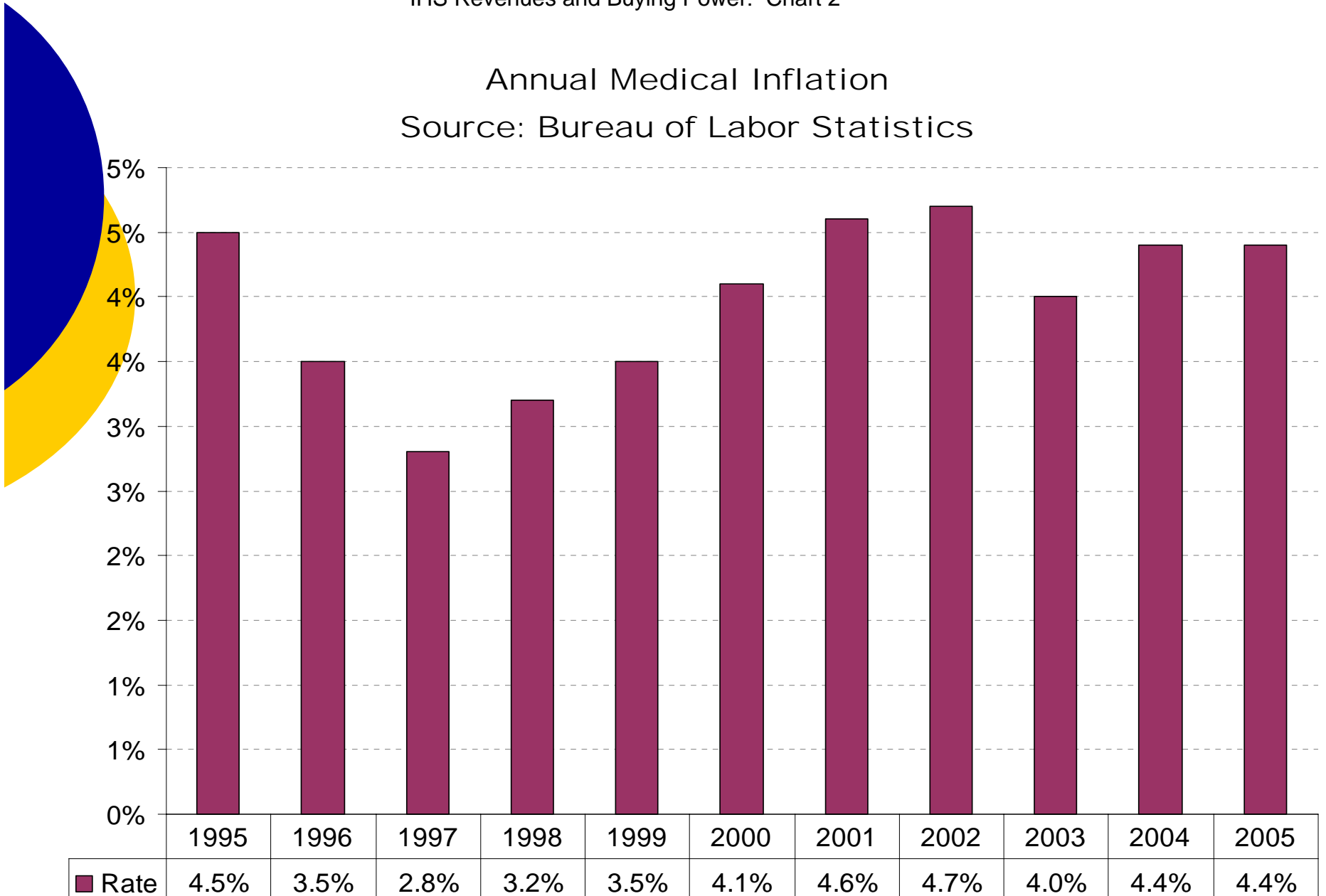
System-wide Nominal Revenues (\$ in Millions) for the Indian Health Service



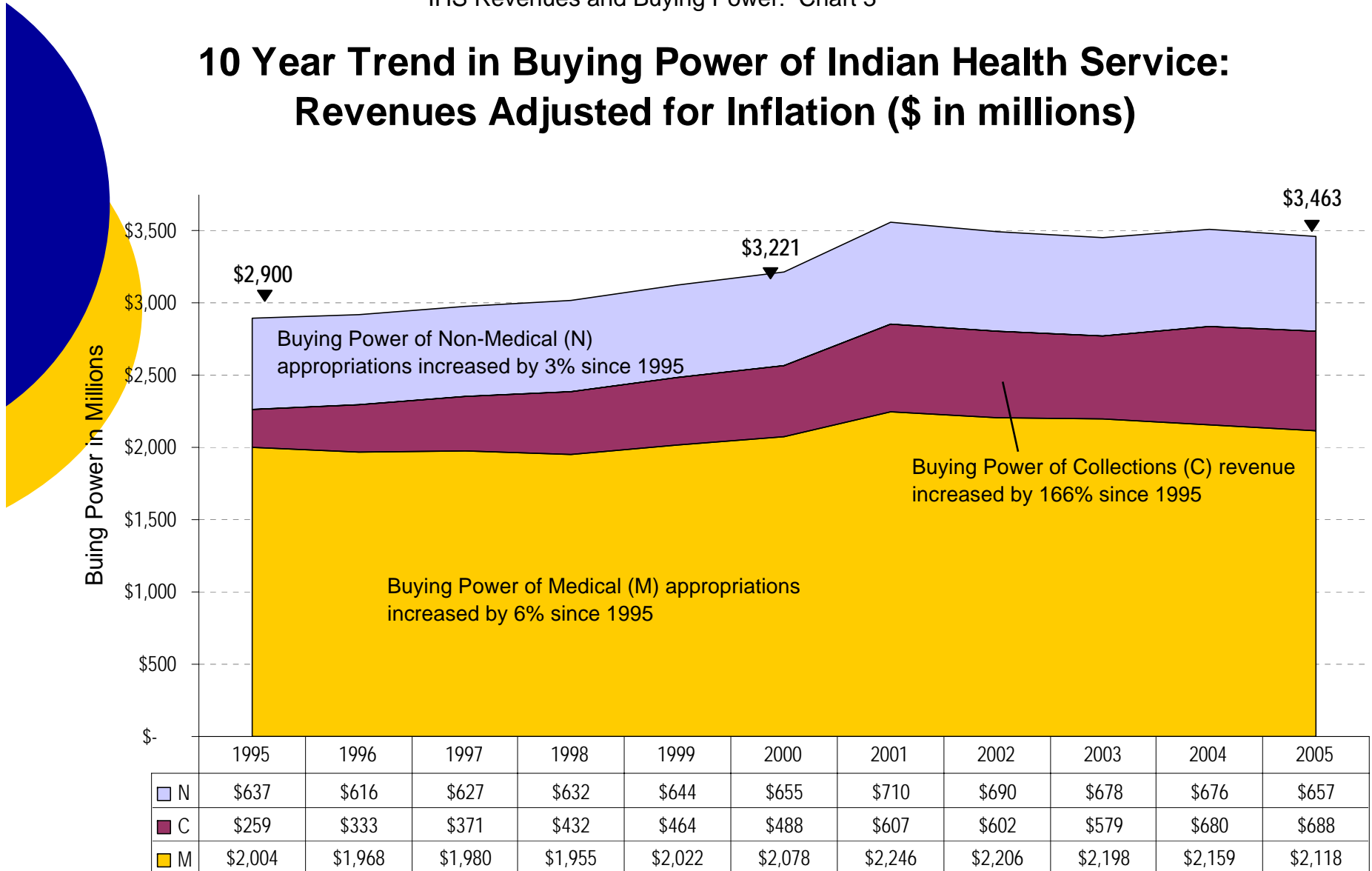
System-wide Nominal Revenues In Millions of \$ by Year

Annual Medical Inflation

Source: Bureau of Labor Statistics

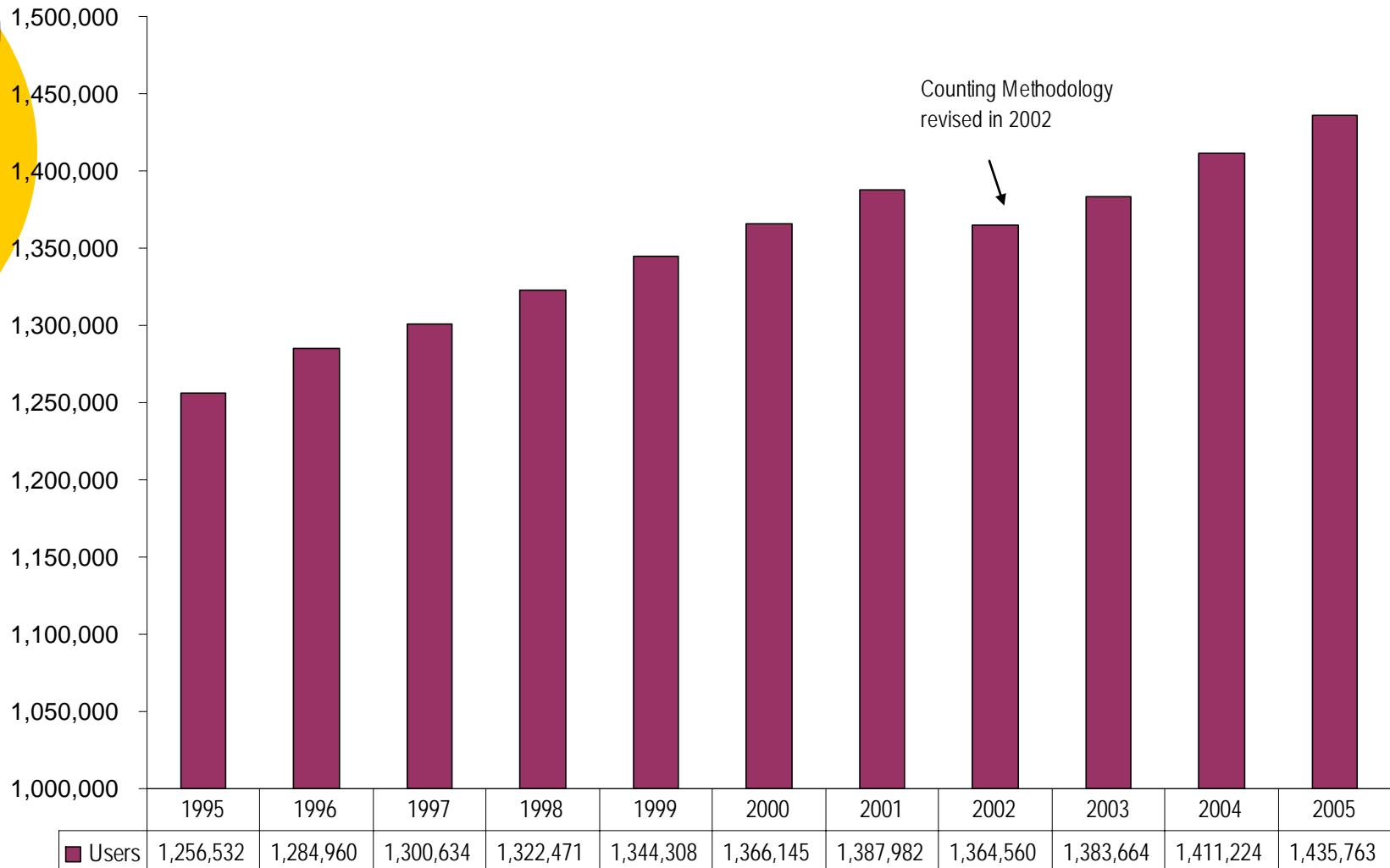
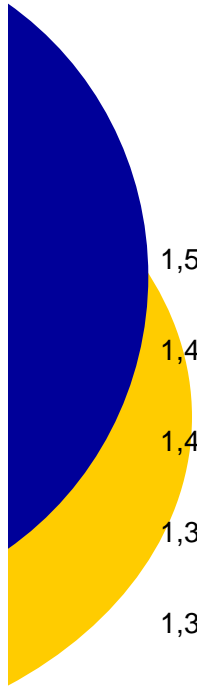


10 Year Trend in Buying Power of Indian Health Service: Revenues Adjusted for Inflation (\$ in millions)

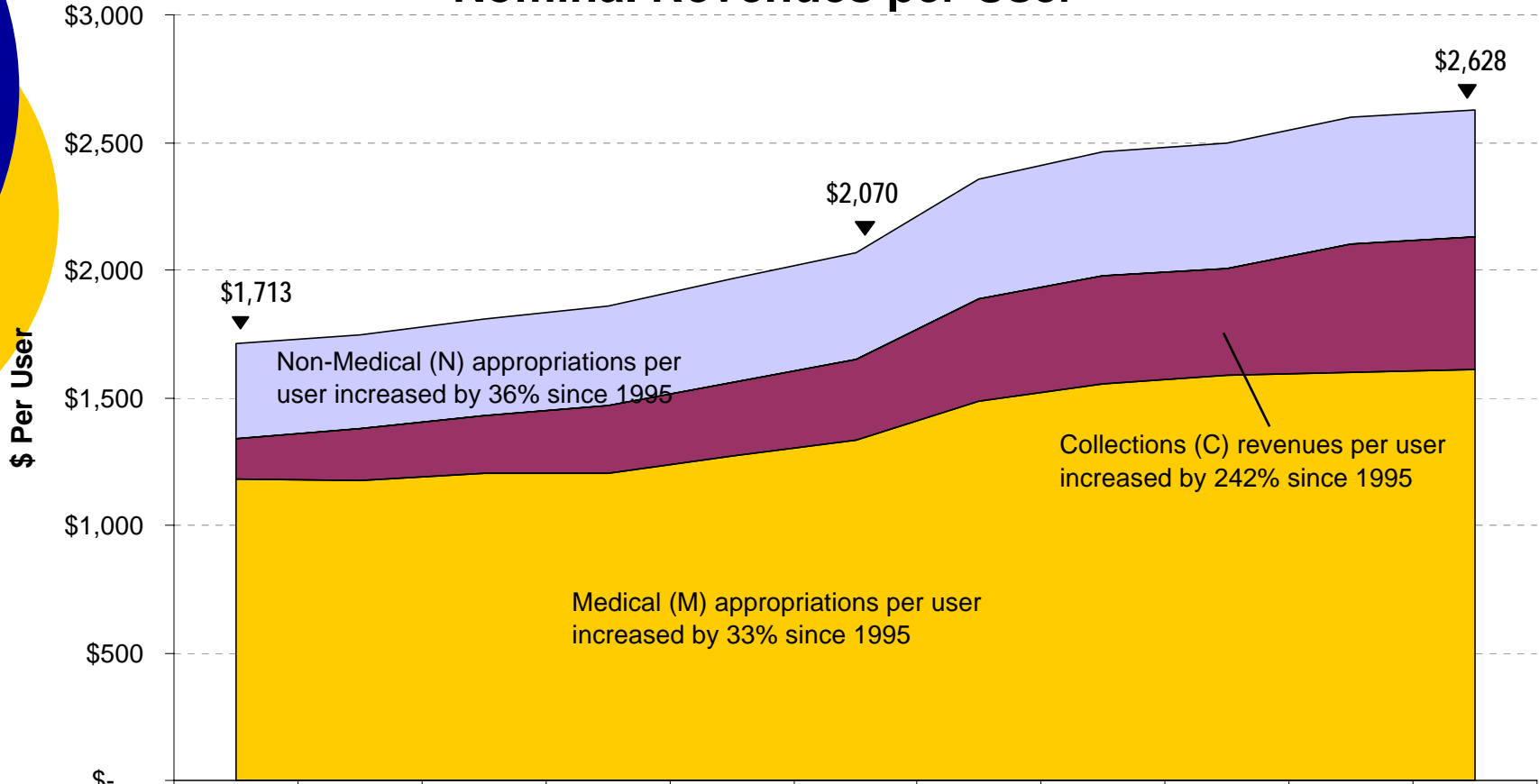


**System-wide Buying Power Adjusted for Inflation by Year
(expressed in millions of 2003 constant dollars)**

IHS User Count Grew by 14%



10 Year Trend in Indian Health Service Nominal Revenues per User

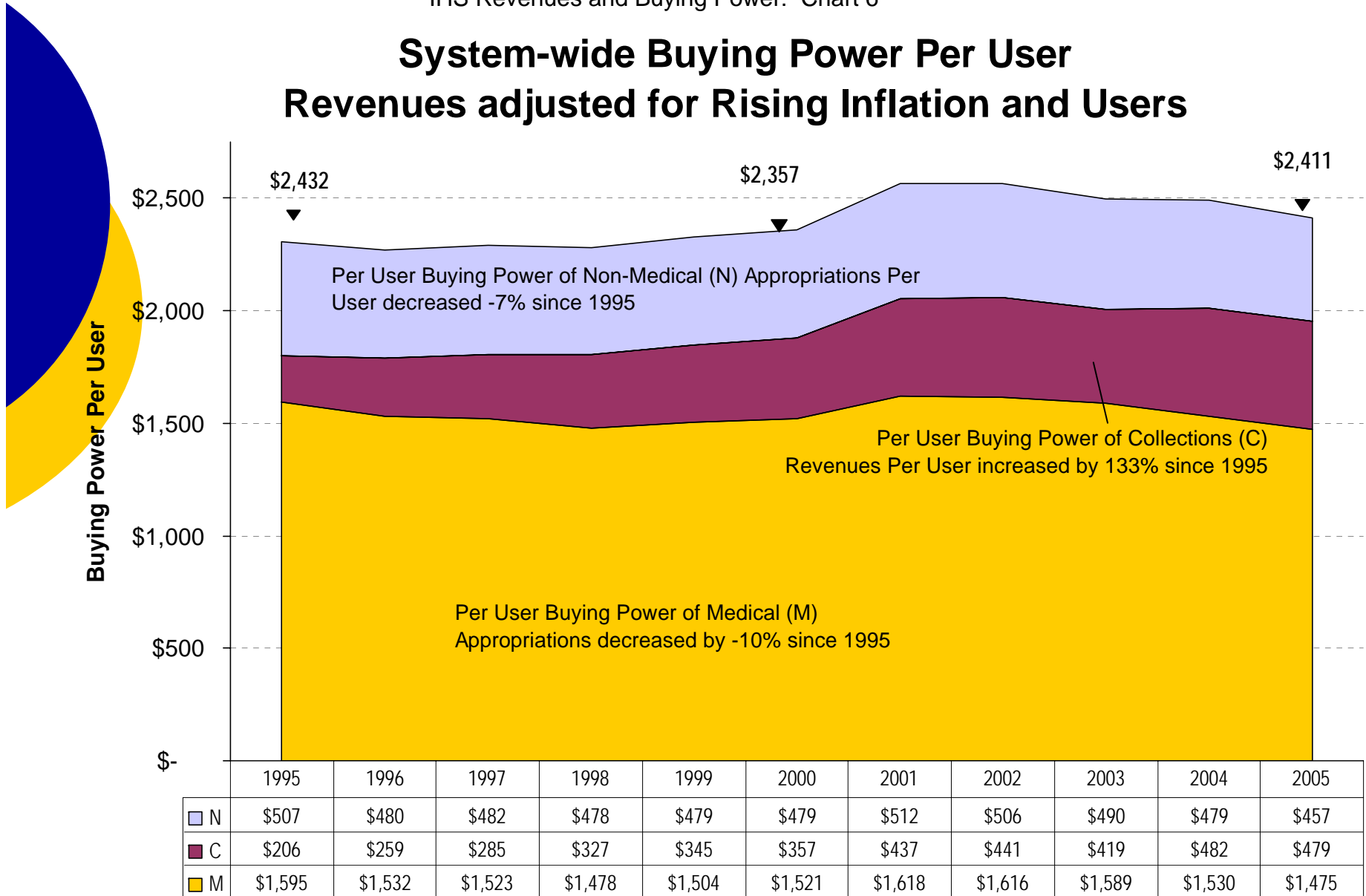


	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
N	\$376	\$369	\$380	\$389	\$404	\$421	\$470	\$486	\$490	\$500	\$498
C	\$153	\$199	\$225	\$266	\$291	\$314	\$402	\$425	\$419	\$503	\$522
M	\$1,184	\$1,177	\$1,202	\$1,204	\$1,269	\$1,335	\$1,486	\$1,554	\$1,589	\$1,598	\$1,608

System-Wide Average Nominal Revenues Per User

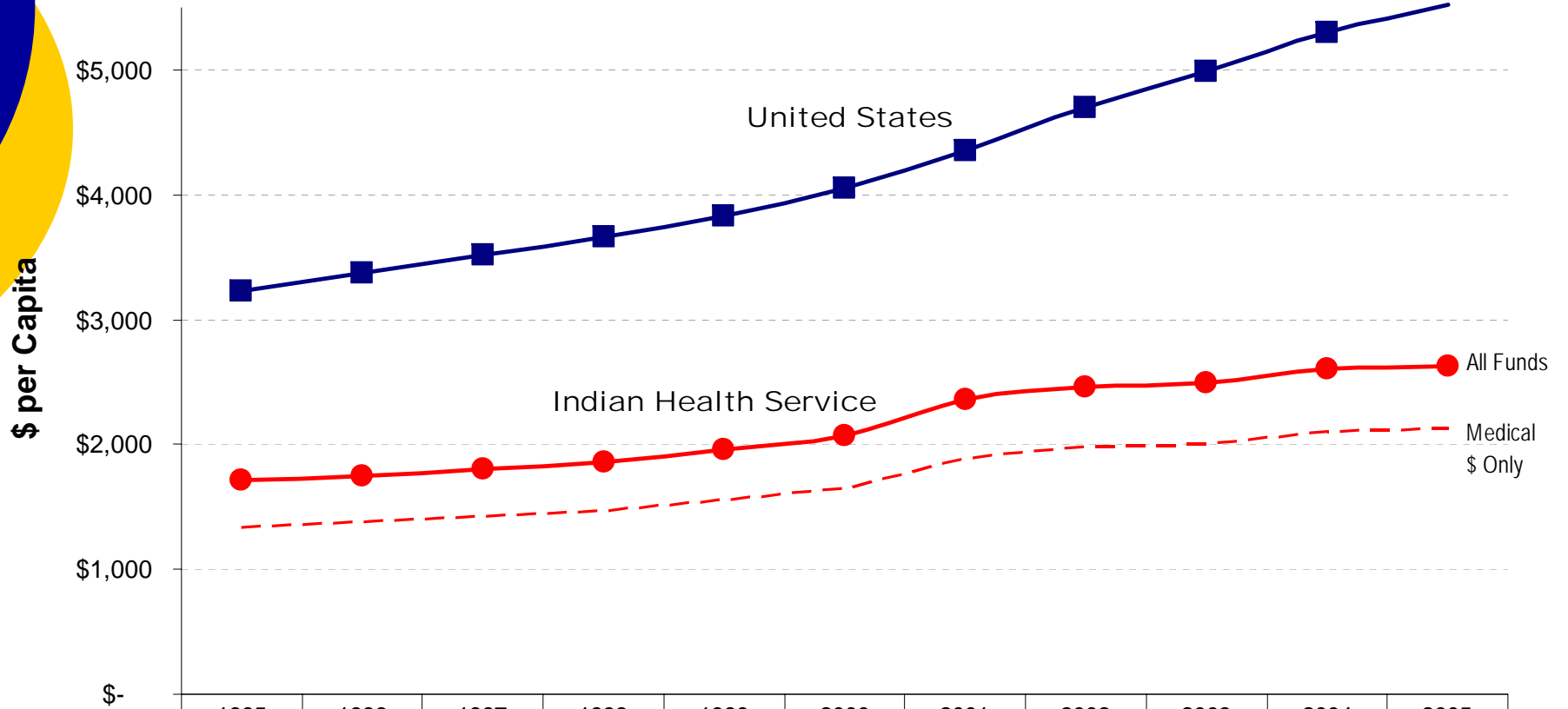
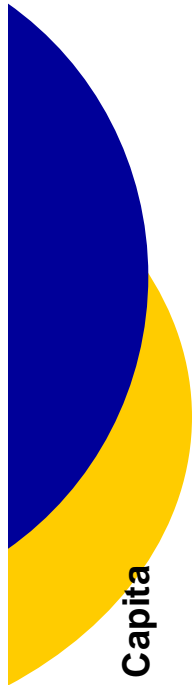
System-wide Buying Power Per User

Revenues adjusted for Rising Inflation and Users



System-wide Buying Power Per User Adjusted for Inflation (in 2003 dollars)

Per Capita Expenditures: IHS and US Average Per Capita Personal Health Care Expenditures

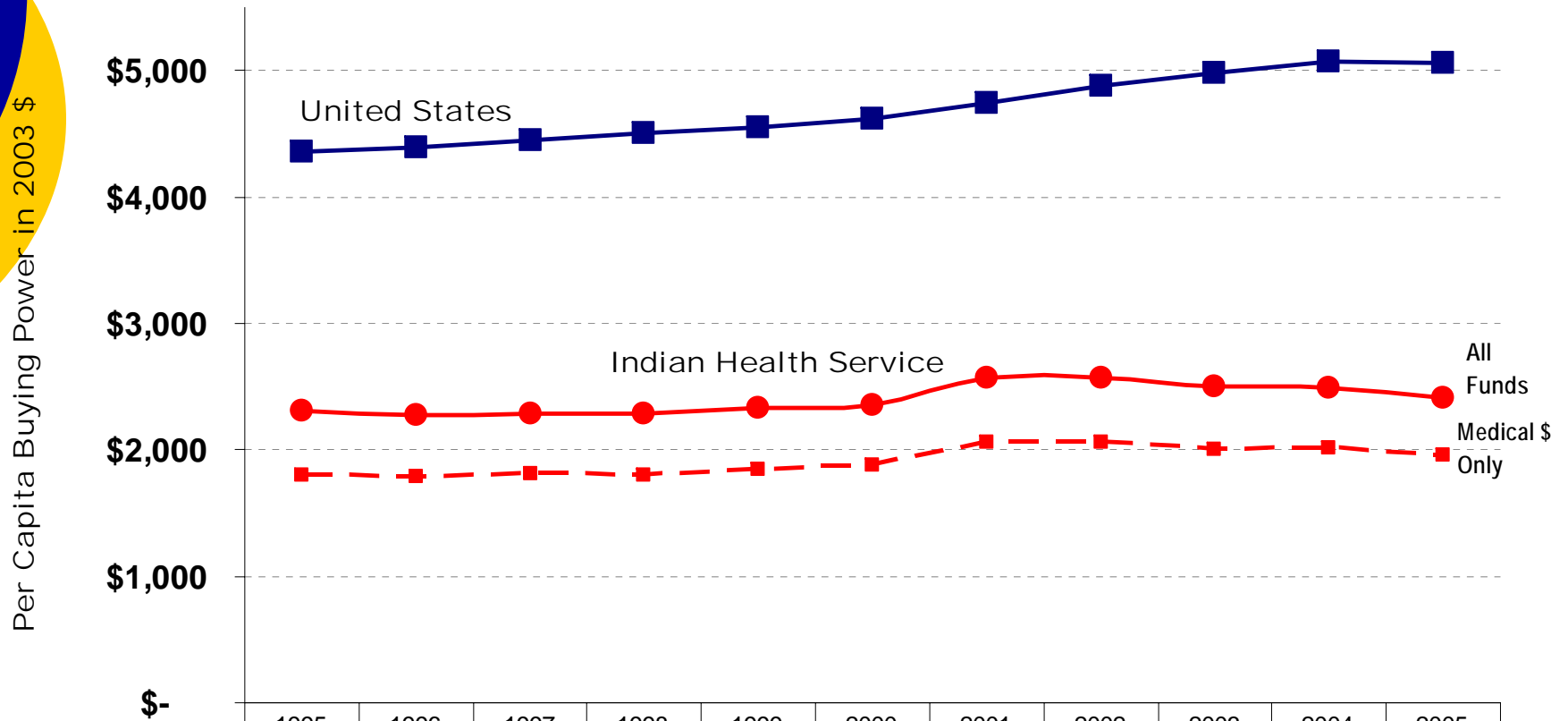


	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
● IHS All	\$1,713	\$1,744	\$1,808	\$1,860	\$1,964	\$2,070	\$2,357	\$2,465	\$2,497	\$2,601	\$2,629
■ US	\$3,233	\$3,375	\$3,516	\$3,668	\$3,835	\$4,049	\$4,352	\$4,695	\$4,985	\$5,298	\$5,518
- - IHS Med	\$1,337	\$1,376	\$1,427	\$1,471	\$1,559	\$1,649	\$1,888	\$1,979	\$2,007	\$2,100	\$2,130

Nominal Values Unadjusted for Medical Price Inflation

Chart 8

PER CAPITA BUYING POWER TREND - ESSENTIALLY FLAT



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
■ US	\$4,356	\$4,394	\$4,453	\$4,501	\$4,547	\$4,612	\$4,739	\$4,883	\$4,985	\$5,075	\$5,063
● IHS Total	\$2,308	\$2,271	\$2,289	\$2,283	\$2,328	\$2,357	\$2,567	\$2,564	\$2,497	\$2,491	\$2,412
■ IHS Med	\$1,801	\$1,791	\$1,808	\$1,805	\$1,849	\$1,878	\$2,055	\$2,058	\$2,007	\$2,012	\$1,954