

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	1990Q1	1990Q2	1990Q3	1990Q4	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1993Q1	1993Q2	1993Q3	1993Q4
Index Levels:																		
Total - PPS02		100.000	0.690	0.696	0.707	0.718	0.725	0.730	0.738	0.744	0.751	0.756	0.765	0.770	0.776	0.781	0.786	0.791
Compensation		59.993	0.654	0.661	0.676	0.686	0.694	0.698	0.709	0.716	0.724	0.728	0.738	0.745	0.751	0.755	0.762	0.769
Wages	ECI- Hospital Workers (Civilian)	48.171	0.664	0.671	0.685	0.695	0.701	0.705	0.715	0.723	0.729	0.732	0.741	0.746	0.752	0.756	0.764	0.770
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.614	0.622	0.637	0.652	0.663	0.667	0.681	0.688	0.704	0.712	0.726	0.738	0.745	0.749	0.757	0.765
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.645	0.650	0.661	0.668	0.677	0.683	0.693	0.700	0.709	0.715	0.725	0.731	0.740	0.745	0.751	0.755
Utilities		1.251	0.739	0.749	0.766	0.758	0.773	0.788	0.826	0.788	0.788	0.808	0.851	0.817	0.817	0.840	0.882	0.847
Electricity	WPI - Commercial Electric Power	0.669	0.808	0.832	0.863	0.834	0.850	0.882	0.946	0.862	0.857	0.896	0.966	0.881	0.875	0.916	0.986	0.906
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.752	0.700	0.727	0.747	0.747	0.712	0.697	0.733	0.734	0.707	0.709	0.761	0.770	0.764	0.766	0.797
Water & Sewerage	CPI - Water & Sewage	0.376	0.610	0.618	0.632	0.638	0.648	0.663	0.682	0.688	0.696	0.708	0.725	0.734	0.740	0.748	0.761	0.769
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	0.930	0.930	0.932	0.935	0.937	0.940	0.945	0.953	0.963	0.971	0.978	0.986	0.998	1.006	1.008	1.003
All Other		31.657	0.750	0.757	0.762	0.773	0.782	0.787	0.789	0.794	0.798	0.804	0.808	0.812	0.817	0.823	0.823	0.826
All Other Products		20.336	0.775	0.782	0.787	0.798	0.804	0.806	0.805	0.810	0.814	0.820	0.824	0.827	0.832	0.838	0.836	0.839
Drugs	WPI - Prescription Drugs	5.855	0.544	0.556	0.561	0.571	0.586	0.602	0.611	0.619	0.631	0.642	0.649	0.654	0.664	0.672	0.677	0.680
Food-direct purchase	WPI - Processed Foods	1.664	0.884	0.899	0.902	0.895	0.898	0.897	0.891	0.892	0.892	0.899	0.897	0.895	0.901	0.910	0.912	0.917
Food-away from home	CPI - Food Away Fr. Home	1.180	0.739	0.750	0.758	0.764	0.768	0.776	0.782	0.786	0.789	0.792	0.795	0.798	0.802	0.806	0.810	0.813
Chemicals	WPI - Industrial Chem.	2.096	0.892	0.890	0.901	0.954	0.930	0.901	0.879	0.882	0.864	0.870	0.888	0.887	0.885	0.894	0.886	0.882
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.918	0.925	0.927	0.929	0.933	0.938	0.941	0.941	0.953	0.960	0.960	0.963	0.976	0.984	0.978	0.981
Photo Supplies	WPI - Photo Supplies	0.183	1.019	1.020	1.032	1.032	1.015	1.010	1.010	1.011	1.011	1.008	1.011	1.011	0.996	0.997	0.999	1.005
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.893	0.895	0.894	0.907	0.915	0.910	0.906	0.906	0.903	0.907	0.911	0.914	0.914	0.915	0.917	0.920
Paper Products	WPI - Convert. Paper And Paperboard	1.905	0.822	0.827	0.825	0.829	0.832	0.826	0.818	0.818	0.820	0.826	0.826	0.824	0.820	0.823	0.813	0.814
Apparel	WPI - Apparel	0.394	0.930	0.933	0.938	0.939	0.944	0.950	0.955	0.958	0.970	0.969	0.973	0.978	0.980	0.980	0.981	0.980
Machinery & Equipment	WPI - Mach. & Equipment	0.565	0.973	0.978	0.983	0.989	0.998	1.000	0.999	1.000	1.003	1.002	1.001	1.003	1.007	1.008	1.008	1.009
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.833	0.839	0.844	0.856	0.866	0.870	0.872	0.883	0.889	0.893	0.890	0.901	0.906	0.909	0.898	0.903
All Other Services		11.321	0.705	0.711	0.718	0.728	0.743	0.753	0.760	0.765	0.770	0.775	0.780	0.784	0.791	0.795	0.799	0.804
Telephone	CPI - Telephone Services	0.458	0.928	0.930	0.921	0.927	0.938	0.939	0.942	0.947	0.951	0.948	0.945	0.944	0.950	0.949	0.954	0.960
Postage	CPI - Postage	1.300	0.706	0.706	0.706	0.706	0.782	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820	0.820
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	0.667	0.674	0.679	0.689	0.695	0.706	0.716	0.722	0.729	0.733	0.741	0.744	0.753	0.758	0.764	0.767
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	0.715	0.723	0.736	0.747	0.753	0.758	0.764	0.770	0.775	0.781	0.788	0.793	0.800	0.806	0.809	0.815

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	1990Q1	1990Q2	1990Q3	1990Q4	1991Q1	1991Q2	1991Q3	1991Q4	1992Q1	1992Q2	1992Q3	1992Q4	1993Q1	1993Q2	1993Q3	1993Q4
Percent Changes																		
Total - PPS02		100.000	5.6	5.4	5.3	5.3	5.3	5.2	5.0	4.6	4.1	3.8	3.6	3.5	3.5	3.4	3.2	3.0
Compensation		59.993	6.7	6.7	6.6	6.6	6.4	6.2	5.8	5.2	4.8	4.5	4.3	4.2	4.0	3.9	3.7	3.5
Wages	ECI- Hospital Workers (Civilian)	48.171	6.3	6.2	6.1	6.1	5.9	5.7	5.3	4.8	4.4	4.1	3.8	3.6	3.4	3.3	3.2	3.2
Benefits	ECI- Hospital Workers (Civilian)	11.822	8.5	8.7	8.7	8.8	8.5	8.2	7.9	6.9	6.5	6.3	6.2	6.7	6.6	6.2	5.6	4.8
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	5.3	5.6	5.7	5.7	5.5	5.3	5.1	4.9	4.9	4.8	4.7	4.6	4.4	4.2	3.9	3.7
Utilities		1.251	4.1	3.3	2.4	2.4	2.8	3.6	5.4	4.8	4.1	2.9	2.8	3.2	3.6	3.7	3.7	3.7
Electricity	WPI - Commercial Electric Power	0.669	3.1	2.4	1.7	2.0	2.7	3.8	6.2	6.1	4.9	3.8	1.9	1.7	2.0	2.2	2.2	2.3
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	4.9	2.1	-1.2	-2.0	-2.5	-1.6	-0.4	-0.1	-0.4	-0.5	0.0	0.8	2.4	4.6	6.1	6.3
Water & Sewerage	CPI - Water & Sewage	0.376	6.2	6.3	6.6	6.7	6.5	6.6	7.0	7.3	7.6	7.5	7.1	6.8	6.5	6.2	5.9	5.4
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	-0.8	-1.1	-0.6	-0.1	0.1	0.5	0.8	1.3	1.8	2.4	2.9	3.3	3.5	3.6	3.4	3.0
All Other		31.657	4.5	3.9	3.7	3.7	3.9	4.0	4.0	3.6	3.0	2.6	2.3	2.3	2.4	2.2	2.1	2.1
All Other Products		20.336	4.7	3.9	3.5	3.5	3.6	3.5	3.3	2.6	2.0	1.7	1.7	1.9	2.1	2.2	2.0	1.8
Drugs	WPI - Prescription Drugs	5.855	9.3	9.5	9.1	8.9	8.4	8.1	8.3	8.4	8.4	7.9	7.2	6.5	5.9	5.4	5.0	4.5
Food-direct purchase	WPI - Processed Foods	1.664	3.5	3.3	3.7	3.5	3.2	2.0	0.7	0.0	-0.6	-0.4	0.0	0.1	0.5	0.8	1.0	1.6
Food-away from home	CPI - Food Away Fr. Home	1.180	4.6	4.7	4.8	4.7	4.6	4.2	3.8	3.4	3.1	2.7	2.3	2.0	1.7	1.7	1.7	1.8
Chemicals	WPI - Industrial Chem.	2.096	2.1	-2.0	-3.1	-1.4	0.9	2.7	2.3	-1.2	-4.0	-5.2	-4.4	-2.3	0.1	1.7	1.4	1.1
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	3.9	3.3	3.0	2.6	2.2	2.0	1.6	1.5	1.6	1.8	2.0	2.2	2.3	2.3	2.3	2.1
Photo Supplies	WPI - Photo Supplies	0.183	8.0	6.6	5.1	3.7	2.2	1.1	-0.3	-1.4	-1.4	-1.2	-0.6	-0.2	-0.4	-0.6	-1.0	-1.1
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	1.9	1.1	0.7	0.9	1.3	1.7	1.9	1.3	0.4	-0.1	-0.3	-0.1	0.5	0.9	0.9	0.9
Paper Products	WPI - Convert. Paper And Paperboard	1.905	6.0	4.9	3.9	2.6	1.9	1.1	0.4	-0.2	-0.9	-0.9	-0.5	0.0	0.4	0.3	-0.3	-0.8
Apparel	WPI - Apparel	0.394	2.4	2.5	2.7	2.6	2.3	2.0	1.8	1.8	2.1	2.1	2.2	2.2	1.8	1.5	1.3	0.8
Machinery & Equipment	WPI - Mach. & Equipment	0.565	3.6	3.4	3.1	2.8	2.6	2.5	2.2	1.9	1.4	0.9	0.5	0.3	0.2	0.3	0.4	0.5
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	4.2	4.1	3.9	3.7	3.7	3.7	3.6	3.5	3.2	2.9	2.7	2.4	2.2	2.0	1.7	1.2
All Other Services		11.321	4.0	3.9	4.0	4.2	4.5	5.0	5.4	5.5	5.1	4.3	3.6	3.0	2.7	2.6	2.6	2.6
Telephone	CPI - Telephone Services	0.458	1.3	1.1	0.4	0.4	0.4	0.5	1.2	1.6	1.7	1.7	1.2	0.6	0.2	0.0	0.2	0.7
Postage	CPI - Postage	1.300	0.0	0.0	0.0	0.0	0.7	6.7	10.8	14.8	13.1	8.8	4.9	1.2	0.0	0.0	0.0	0.0
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	4.5	4.5	4.6	4.7	4.6	4.6	4.8	4.8	5.0	4.7	4.2	3.8	3.4	3.3	3.2	3.2
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	5.0	4.8	5.0	5.4	5.4	5.5	5.1	4.2	3.6	3.2	3.0	3.0	3.1	3.1	3.0	3.0

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	1994Q1	1994Q2	1994Q3	1994Q4	1995Q1	1995Q2	1995Q3	1995Q4	1996Q1	1996Q2	1996Q3	1996Q4	1997Q1	1997Q2	1997Q3	1997Q4
Index Levels:																		
Total - PPS02		100.000	0.796	0.800	0.806	0.812	0.818	0.824	0.829	0.834	0.838	0.842	0.848	0.851	0.853	0.859	0.864	
Compensation		59.993	0.774	0.777	0.784	0.790	0.793	0.797	0.802	0.808	0.813	0.817	0.822	0.824	0.826	0.829	0.835	0.842
Wages	ECI- Hospital Workers (Civilian)	48.171	0.774	0.778	0.784	0.790	0.794	0.797	0.802	0.808	0.814	0.817	0.822	0.826	0.829	0.832	0.838	0.845
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.773	0.775	0.783	0.788	0.787	0.798	0.800	0.806	0.813	0.816	0.819	0.816	0.816	0.818	0.823	0.830
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.766	0.770	0.776	0.779	0.785	0.789	0.795	0.798	0.809	0.815	0.819	0.822	0.827	0.835	0.840	0.847
Utilities		1.251	0.850	0.861	0.891	0.859	0.862	0.872	0.901	0.865	0.871	0.892	0.920	0.887	0.898	0.897	0.932	0.907
Electricity	WPI - Commercial Electric Power	0.669	0.897	0.924	0.986	0.921	0.923	0.952	1.007	0.931	0.918	0.952	1.009	0.930	0.924	0.952	1.005	0.931
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	0.821	0.786	0.755	0.762	0.763	0.719	0.702	0.724	0.776	0.761	0.810	0.880	0.775	0.788	0.865	0.865
Water & Sewerage	CPI - Water & Sewage	0.376	0.780	0.789	0.799	0.803	0.809	0.813	0.821	0.826	0.841	0.859	0.849	0.853	0.860	0.864	0.882	0.888
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	0.989	0.989	0.989	0.956	0.951	0.951	0.951	0.948	0.946	0.946	0.946	0.946	0.934	0.934	0.934	0.934
All Other		31.657	0.831	0.835	0.841	0.850	0.865	0.874	0.879	0.882	0.884	0.888	0.890	0.893	0.895	0.896	0.900	0.904
All Other Products		20.336	0.843	0.847	0.853	0.866	0.880	0.892	0.898	0.900	0.900	0.903	0.905	0.906	0.906	0.905	0.907	0.911
Drugs	WPI - Prescription Drugs	5.855	0.690	0.695	0.695	0.699	0.702	0.711	0.716	0.728	0.730	0.737	0.742	0.742	0.753	0.757	0.761	0.769
Food-direct purchase	WPI - Processed Foods	1.664	0.927	0.925	0.917	0.914	0.923	0.920	0.934	0.952	0.956	0.972	0.995	0.991	0.981	0.989	0.984	0.979
Food-away from home	CPI - Food Away Fr. Home	1.180	0.816	0.820	0.823	0.828	0.833	0.838	0.843	0.847	0.851	0.857	0.864	0.872	0.878	0.882	0.888	0.895
Chemicals	WPI - Industrial Chem.	2.096	0.870	0.889	0.931	0.980	1.022	1.054	1.041	1.007	1.004	1.023	1.022	1.021	1.023	1.009	1.015	1.013
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.983	0.984	0.986	0.987	0.994	0.995	1.002	1.001	1.013	1.012	1.009	1.012	0.994	0.996	1.000	0.994
Photo Supplies	WPI - Photo Supplies	0.183	1.014	1.006	0.995	0.994	1.006	1.013	1.029	1.029	1.044	1.043	1.043	1.043	1.040	1.044	1.046	1.050
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.918	0.920	0.930	0.950	0.969	0.984	0.990	0.985	0.977	0.976	0.980	0.977	0.972	0.973	0.974	0.973
Paper Products	WPI - Convert. Paper And Paperboard	1.905	0.815	0.822	0.834	0.870	0.914	0.955	0.983	0.986	0.967	0.941	0.922	0.920	0.914	0.898	0.899	0.917
Apparel	WPI - Apparel	0.394	0.982	0.982	0.982	0.987	0.987	0.987	0.990	0.990	0.995	0.994	0.994	0.998	0.998	0.998	1.001	1.002
Machinery & Equipment	WPI - Mach. & Equipment	0.565	1.013	1.017	1.017	1.018	1.025	1.028	1.029	1.033	1.034	1.027	1.026	1.025	1.026	1.024	1.022	1.019
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.910	0.912	0.912	0.918	0.926	0.930	0.930	0.942	0.944	0.945	0.943	0.950	0.951	0.948	0.944	0.951
All Other Services		11.321	0.809	0.812	0.818	0.822	0.837	0.842	0.845	0.848	0.854	0.859	0.864	0.871	0.876	0.881	0.887	0.891
Telephone	CPI - Telephone Services	0.458	0.966	0.969	0.970	0.969	0.976	0.973	0.976	0.978	0.983	0.983	0.995	0.999	1.006	1.009	1.004	1.004
Postage	CPI - Postage	1.300	0.820	0.820	0.820	0.820	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904	0.904
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	0.774	0.777	0.782	0.789	0.792	0.796	0.801	0.804	0.808	0.812	0.818	0.828	0.834	0.841	0.855	0.861
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	0.820	0.825	0.832	0.836	0.843	0.851	0.855	0.859	0.866	0.875	0.880	0.886	0.892	0.895	0.899	0.903

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	1994Q1	1994Q2	1994Q3	1994Q4	1995Q1	1995Q2	1995Q3	1995Q4	1996Q1	1996Q2	1996Q3	1996Q4	1997Q1	1997Q2	1997Q3	1997Q4
Percent Changes																		
Total - PPS02		100.000	2.8	2.6	2.6	2.5	2.6	2.8	2.9	2.9	2.8	2.5	2.3	2.1	1.9	1.7	1.5	1.5
Compensation		59.993	3.3	3.2	3.1	2.9	2.7	2.6	2.5	2.4	2.4	2.4	2.5	2.4	2.1	1.9	1.7	1.7
Wages	ECI- Hospital Workers (Civilian)	48.171	3.1	3.0	2.9	2.8	2.7	2.6	2.5	2.4	2.4	2.4	2.5	2.4	2.3	2.1	1.9	2.0
Benefits	ECI- Hospital Workers (Civilian)	11.822	4.2	3.8	3.6	3.4	2.9	2.8	2.5	2.4	2.7	2.5	2.5	2.3	1.5	1.0	0.6	0.7
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	3.6	3.4	3.4	3.3	3.1	2.9	2.6	2.4	2.6	2.8	3.0	3.1	2.9	2.7	2.6	2.6
Utilities		1.251	3.8	3.4	2.7	2.2	1.3	1.1	1.0	1.3	1.1	1.0	1.3	1.6	2.0	2.5	2.0	1.8
Electricity	WPI - Commercial Electric Power	0.669	2.4	2.1	1.5	1.2	1.3	1.8	2.4	2.3	1.4	0.7	0.2	-0.1	0.2	0.2	0.1	0.1
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	6.8	5.5	3.2	0.9	-2.6	-5.4	-6.7	-6.9	-4.7	-1.2	2.6	6.9	10.0	8.9	7.7	6.4
Water & Sewerage	CPI - Water & Sewage	0.376	5.2	5.2	5.2	5.1	4.6	4.0	3.5	3.1	3.2	3.8	3.9	4.1	3.6	2.4	2.5	2.7
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	1.8	0.5	-0.7	-2.3	-3.0	-3.6	-4.1	-3.1	-2.3	-1.4	-0.6	-0.4	-0.6	-0.8	-1.0	-1.3
All Other		31.657	1.9	1.7	1.7	2.0	2.7	3.5	4.1	4.3	3.8	3.0	2.2	1.6	1.4	1.2	1.2	1.1
All Other Products		20.336	1.6	1.3	1.4	1.9	2.7	3.8	4.6	4.7	4.2	3.2	2.1	1.2	0.8	0.6	0.4	0.4
Drugs	WPI - Prescription Drugs	5.855	4.2	3.9	3.5	3.2	2.7	2.4	2.5	2.8	3.3	3.7	3.8	3.3	3.1	2.9	2.6	3.1
Food-direct purchase	WPI - Processed Foods	1.664	2.1	2.2	1.9	1.2	0.4	-0.2	0.1	1.3	2.2	3.8	5.0	5.0	4.7	3.7	1.8	0.5
Food-away from home	CPI - Food Away Fr. Home	1.180	1.8	1.8	1.7	1.7	1.8	2.0	2.2	2.3	2.3	2.3	2.3	2.5	2.7	2.9	2.9	2.8
Chemicals	WPI - Industrial Chem.	2.096	0.1	-0.8	0.5	3.5	8.2	13.1	14.7	12.3	7.4	2.2	-1.0	-1.3	-0.4	0.0	0.3	-0.2
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	1.7	1.1	0.8	0.5	0.6	0.9	1.1	1.3	1.5	1.6	1.4	1.3	0.4	-0.4	-0.8	-1.5
Photo Supplies	WPI - Photo Supplies	0.183	-0.3	0.2	0.4	0.3	-0.4	-0.4	0.6	1.7	2.9	3.5	2.9	2.3	1.3	0.6	0.3	0.2
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	0.7	0.6	0.8	1.4	2.7	4.3	5.6	5.7	4.4	2.5	0.6	-0.4	-0.8	-0.6	-0.6	-0.5
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-0.9	-0.9	0.1	2.2	5.4	9.5	13.3	14.9	13.1	8.5	2.5	-2.3	-5.0	-5.8	-4.9	-3.3
Apparel	WPI - Apparel	0.394	0.6	0.4	0.2	0.2	0.3	0.4	0.5	0.6	0.7	0.7	0.7	0.7	0.6	0.5	0.5	0.4
Machinery & Equipment	WPI - Mach. & Equipment	0.565	0.6	0.7	0.8	0.9	1.0	1.0	1.0	1.2	1.1	0.8	0.5	0.0	-0.4	-0.5	-0.5	-0.5
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	0.8	0.5	0.6	1.0	1.3	1.7	1.8	2.1	2.1	2.1	1.9	1.5	1.1	0.8	0.5	0.3
All Other Services		11.321	2.5	2.3	2.3	2.3	2.6	2.9	3.2	3.4	3.0	2.7	2.4	2.3	2.4	2.5	2.6	2.5
Telephone	CPI - Telephone Services	0.458	1.1	1.6	1.8	1.6	1.4	1.0	0.8	0.8	0.7	0.8	1.2	1.5	1.8	2.2	1.9	1.5
Postage	CPI - Postage	1.300	0.0	0.0	0.0	0.0	0.0	2.6	5.2	7.7	10.3	7.5	4.9	2.4	0.0	0.0	0.0	0.0
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	3.1	2.9	2.7	2.7	2.5	2.5	2.5	2.3	2.2	2.1	2.0	2.3	2.6	2.9	3.5	3.8
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	2.8	2.6	2.6	2.6	2.7	2.9	2.8	2.8	2.8	2.7	2.8	2.9	3.0	2.9	2.7	2.3

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																	
		Weights 2002	1998Q1	1998Q2	1998Q3	1998Q4	1999Q1	1999Q2	1999Q3	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	
Index Levels:																			
Total - PPS02		100.000	0.869	0.879	0.886	0.889	0.893	0.898	0.905	0.914	0.920	0.929	0.939	0.948	0.960	0.970	0.979	0.986	
Compensation		59.993	0.845	0.851	0.859	0.864	0.870	0.875	0.883	0.893	0.899	0.908	0.919	0.930	0.940	0.955	0.970	0.983	
Wages	ECI- Hospital Workers (Civilian)	48.171	0.849	0.855	0.863	0.867	0.874	0.878	0.886	0.896	0.902	0.910	0.921	0.932	0.941	0.956	0.971	0.984	
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.828	0.838	0.843	0.850	0.857	0.865	0.871	0.881	0.889	0.899	0.910	0.922	0.937	0.949	0.968	0.975	
Professional Fees																			
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.853	0.861	0.870	0.876	0.878	0.886	0.892	0.902	0.912	0.926	0.935	0.945	0.961	0.971	0.982	0.988	
Utilities																			
Electricity	WPI - Commercial Electric Power	1.251	0.893	0.904	0.934	0.902	0.892	0.901	0.939	0.913	0.911	0.935	0.996	1.000	1.072	1.045	1.051	1.000	
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.669	0.914	0.941	0.996	0.924	0.903	0.928	0.986	0.920	0.910	0.938	1.007	0.954	0.970	1.001	1.070	0.999	
Water & Sewerage	CPI - Water & Sewage	0.206	0.825	0.791	0.780	0.811	0.807	0.777	0.810	0.863	0.869	0.910	1.047	1.232	1.600	1.323	1.119	1.027	
Prof. Liability Insurance																			
Malpractice	CMS - Prof. Liab. Prem.	0.376	0.894	0.901	0.909	0.911	0.917	0.921	0.926	0.929	0.936	0.942	0.950	0.957	0.965	0.971	0.980	0.987	
All Other																			
All Other Products		1.589	0.934	0.934	0.939	0.946	0.953	0.953	0.953	0.958	0.956	0.960	0.964	0.969	0.975	0.981	0.987	0.987	
Drugs	WPI - Prescription Drugs	31.657	0.914	0.931	0.935	0.937	0.936	0.940	0.946	0.954	0.960	0.969	0.975	0.979	0.991	0.995	0.991	0.991	
Food-direct purchase	WPI - Processed Foods	20.336	0.924	0.948	0.951	0.953	0.948	0.950	0.957	0.965	0.972	0.980	0.986	0.989	1.001	1.002	0.995	0.993	
Food-away from home	CPI - Food Away Fr. Home	5.855	0.821	0.913	0.925	0.932	0.918	0.926	0.938	0.942	0.950	0.954	0.961	0.965	0.983	0.987	0.974	0.981	
Chemicals	WPI - Industrial Chem.	1.664	0.964	0.964	0.970	0.966	0.963	0.955	0.966	0.967	0.966	0.983	0.979	0.979	0.995	1.010	1.021	1.006	
Medical Instruments	WPI - Med. Inst. & Equip.	1.180	0.900	0.905	0.912	0.917	0.924	0.929	0.934	0.939	0.945	0.949	0.956	0.962	0.969	0.976	0.985	0.992	
Photo Supplies	WPI - Photo Supplies	2.096	0.998	0.979	0.966	0.957	0.942	0.939	0.952	0.986	1.014	1.036	1.053	1.042	1.077	1.057	1.013	0.978	
Rubber & Plastics	WPI - Rub. & Plast. Prod.	1.932	0.988	0.983	0.984	0.987	0.988	0.984	0.977	0.974	0.977	0.975	0.976	0.977	0.985	0.986	0.988	0.991	
Paper Products	WPI - Convert. Paper And Paperboard	0.183	1.032	1.037	1.037	1.037	1.033	1.032	1.032	1.030	1.001	1.003	1.007	1.016	1.014	1.040	1.040	1.040	
Apparel	WPI - Apparel	2.004	0.972	0.969	0.967	0.965	0.962	0.963	0.970	0.975	0.978	0.984	0.995	1.006	1.006	1.008	1.004	1.000	
Machinery & Equipment	WPI - Mach. & Equipment	1.905	0.934	0.932	0.931	0.922	0.916	0.932	0.944	0.961	0.969	0.999	1.003	1.006	1.004	1.008	1.005	1.005	
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	0.394	1.006	1.006	1.008	1.010	1.012	1.011	1.010	1.011	1.014	1.013	1.015	1.014	1.012	1.010	1.009	1.006	
All Other Services																			
Telephone	CPI - Telephone Services	0.565	1.019	1.016	1.013	1.012	1.013	1.010	1.008	1.008	1.007	1.007	1.008	1.008	1.007	1.007	1.007	1.003	1.002
Postage	CPI - Postage	2.558	0.952	0.955	0.954	0.967	0.972	0.970	0.968	0.982	0.981	0.983	0.984	0.994	0.996	0.998	0.998	1.003	
All Other: Labor Intensive	ECI - Service Occupations (Private)	11.321	0.895	0.900	0.905	0.908	0.916	0.922	0.926	0.933	0.940	0.948	0.954	0.960	0.973	0.981	0.985	0.989	
All Other: Non Labor Intensive	CPI - All Items (Urban)	0.458	1.005	1.014	1.013	1.011	1.008	1.002	0.999	1.008	1.001	0.984	0.983	0.984	0.993	0.992	0.998	1.001	
		1.300	0.904	0.904	0.904	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.931	0.974	
		4.228	0.869	0.873	0.882	0.886	0.896	0.903	0.905	0.916	0.924	0.934	0.941	0.951	0.963	0.970	0.975	0.989	
		5.335	0.905	0.910	0.913	0.917	0.920	0.929	0.935	0.941	0.950	0.960	0.968	0.973	0.982	0.992	0.994	0.991	

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	1998Q1	1998Q2	1998Q3	1998Q4	1999Q1	1999Q2	1999Q3	1999Q4	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4
Percent Changes																		
Total - PPS02		100.000	1.7	2.1	2.6	2.8	3.0	2.7	2.5	2.5	2.5	2.9	3.2	3.5	3.8	4.0	4.1	4.2
Compensation		59.993	1.9	2.2	2.5	2.6	2.8	2.8	2.8	3.0	3.1	3.3	3.6	3.8	4.1	4.5	4.9	5.3
Wages	ECI- Hospital Workers (Civilian)	48.171	2.1	2.4	2.6	2.7	2.8	2.8	2.7	2.9	3.0	3.2	3.5	3.7	4.0	4.4	4.7	5.1
Benefits	ECI- Hospital Workers (Civilian)	11.822	1.0	1.6	2.0	2.2	2.7	2.9	3.1	3.4	3.5	3.7	4.0	4.2	4.6	5.0	5.5	5.8
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	2.8	3.0	3.2	3.3	3.3	3.2	3.0	2.8	3.0	3.5	4.0	4.5	4.9	4.9	5.0	4.9
Utilities																		
Electricity	WPI - Commercial Electric Power	1.251	0.9	1.0	0.7	0.0	0.1	-0.2	0.3	0.9	1.9	3.3	5.4	9.3	11.3	11.0	8.5	8.5
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.669	-0.3	-0.6	-0.8	-1.0	-1.0	-1.0	-1.1	-1.0	-0.6	0.0	0.9	1.9	3.3	4.8	5.9	6.1
Water & Sewerage	CPI - Water & Sewage	0.206	1.2	1.3	0.2	-3.1	-1.9	-2.9	-1.7	1.6	4.1	8.8	15.1	24.6	44.3	50.7	43.0	24.9
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	0.376	3.1	4.0	3.8	3.5	3.1	2.6	2.3	2.2	2.0	2.1	2.2	2.5	2.7	2.9	3.1	3.1
All Other																		
All Other Products		1.589	-1.0	-0.7	-0.2	0.5	1.0	1.5	1.7	1.6	1.2	0.7	0.5	0.7	0.8	1.3	1.7	1.9
Drugs	WPI - Prescription Drugs	31.657	1.3	2.0	2.8	3.4	3.4	2.7	2.1	1.6	1.6	2.2	2.6	2.8	3.0	2.9	2.5	2.2
Food-direct purchase	WPI - Processed Foods	20.336	0.7	1.9	3.1	4.1	4.2	3.0	1.9	1.1	1.2	1.9	2.5	2.8	2.9	2.7	2.1	1.6
Food-away from home	CPI - Food Away Fr. Home	5.855	4.5	9.0	13.8	18.1	18.7	13.4	8.4	3.7	1.8	2.2	2.5	2.8	2.9	3.0	2.7	2.5
Chemicals	WPI - Industrial Chem.	1.664	-0.6	-1.6	-1.7	-1.8	-1.3	-0.9	-0.7	-0.3	-0.2	0.7	1.2	1.5	2.2	2.1	2.8	3.2
Medical Instruments	WPI - Med. Inst. & Equip.	1.180	2.7	2.6	2.6	2.6	2.6	2.6	2.5	2.5	2.4	2.3	2.3	2.4	2.5	2.7	2.9	
Photo Supplies	WPI - Photo Supplies	2.096	-1.3	-1.7	-2.8	-4.0	-4.8	-5.0	-4.2	-2.1	1.2	4.9	7.9	8.6	8.2	6.1	2.5	-0.5
Rubber & Plastics	WPI - Rub. & Plast. Prod.	1.932	-1.2	-1.1	-1.3	-1.1	-0.9	-0.5	-0.3	-0.5	-0.7	-1.0	-0.8	-0.5	0.0	0.6	0.9	1.2
Paper Products	WPI - Convert. Paper And Paperboard	0.183	0.1	-0.1	-0.4	-0.9	-0.7	-0.6	-0.5	-0.4	-1.2	-1.8	-2.3	-2.4	-1.4	0.3	1.7	2.6
Apparel	WPI - Apparel	2.004	-0.3	-0.4	-0.4	-0.5	-0.8	-0.8	-0.5	-0.1	0.6	1.3	1.8	2.4	2.7	2.8	2.4	1.4
Machinery & Equipment	WPI - Mach. & Equipment	1.905	-1.3	0.8	2.3	2.5	1.4	0.5	0.0	0.9	2.8	4.6	5.9	5.9	5.4	3.8	2.3	1.1
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	0.394	0.6	0.7	0.7	0.8	0.7	0.6	0.5	0.3	0.2	0.2	0.2	0.3	0.2	0.1	-0.2	-0.5
All Other Services																		
Telephone	CPI - Telephone Services	0.565	-0.5	-0.6	-0.8	-0.8	-0.7	-0.7	-0.6	-0.5	-0.6	-0.5	-0.3	-0.2	-0.1	0.0	-0.1	-0.3
Postage	CPI - Postage	2.558	0.2	0.3	0.5	0.9	1.4	1.6	1.7	1.6	1.4	1.3	1.4	1.3	1.4	1.5	1.5	1.4
All Other: Labor Intensive	ECI - Service Occupations (Private)	11.321	2.4	2.3	2.2	2.0	2.1	2.1	2.2	2.5	2.6	2.8	2.8	3.1	3.2	3.3	3.3	3.3
All Other: Non Labor Intensive	CPI - All Items (Urban)	0.458	0.9	0.4	0.4	0.5	0.6	0.2	-0.4	-0.6	-0.9	-1.0	-1.1	-1.6	-1.6	-1.0	-0.2	0.8
		1.300	0.0	0.0	0.0	0.0	0.7	1.5	2.2	3.0	2.2	1.5	0.7	0.0	0.7	1.6	2.7	3.9
		4.228	4.1	4.2	3.8	3.5	3.3	3.1	3.0	3.1	3.2	3.5	3.6	3.9	4.0	3.9	3.9	3.9
		5.335	2.0	1.8	1.6	1.6	1.6	1.7	1.9	2.2	2.2	2.6	2.9	3.2	3.4	3.4	3.2	2.8

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	2002Q1	2002Q2	2002Q3	2002Q4	2003Q1	2003Q2	2003Q3	2003Q4	2004Q1	2004Q2	2004Q3	2004Q4	2005Q1	2005Q2	2005Q3	2005Q4
Index Levels:																		
Total - PPS02		100.000	0.995	1.004	1.015	1.025	1.038	1.044	1.055	1.064	1.076	1.087	1.101	1.110	1.124	1.133	1.146	1.158
Compensation		59.993	0.995	1.005	1.017	1.029	1.041	1.046	1.059	1.070	1.080	1.088	1.102	1.110	1.123	1.131	1.143	1.152
Wages	ECI- Hospital Workers (Civilian)	48.171	0.995	1.005	1.016	1.028	1.035	1.041	1.052	1.063	1.071	1.076	1.089	1.097	1.107	1.114	1.125	1.134
Benefits	ECI- Hospital Workers (Civilian)	11.822	0.998	1.005	1.021	1.034	1.062	1.068	1.084	1.099	1.119	1.137	1.155	1.163	1.190	1.201	1.217	1.223
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	0.997	1.004	1.011	1.018	1.031	1.039	1.051	1.058	1.075	1.083	1.094	1.102	1.119	1.128	1.136	1.142
Utilities																		
Electricity	WPI - Commercial Electric Power	1.251	0.984	0.995	1.022	1.010	1.044	1.066	1.110	1.080	1.093	1.117	1.158	1.149	1.159	1.189	1.244	1.296
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.669	0.970	0.991	1.041	0.979	0.978	1.008	1.082	1.010	0.999	1.026	1.077	1.030	1.034	1.069	1.132	1.099
Water & Sewerage	CPI - Water & Sewage	0.206	1.002	0.990	0.980	1.094	1.283	1.307	1.307	1.332	1.408	1.431	1.473	1.558	1.564	1.609	1.713	2.118
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	0.376	0.998	1.004	1.011	1.020	1.029	1.038	1.053	1.068	1.089	1.106	1.128	1.138	1.161	1.172	1.186	1.196
All Other																		
All Other Products		1.589	0.995	1.002	1.016	1.037	1.033	1.070	1.111	1.148	1.203	1.254	1.296	1.335	1.379	1.418	1.452	1.479
Drugs	WPI - Prescription Drugs	31.657	0.995	1.002	1.012	1.020	1.036	1.039	1.044	1.050	1.062	1.077	1.088	1.099	1.111	1.121	1.135	1.151
Food-direct purchase	WPI - Processed Foods	20.336	0.996	1.003	1.009	1.019	1.039	1.043	1.047	1.055	1.068	1.087	1.101	1.116	1.132	1.141	1.159	1.182
Food-away from home	CPI - Food Away Fr. Home	5.855	0.997	1.006	1.016	1.031	1.048	1.061	1.076	1.086	1.102	1.124	1.130	1.137	1.155	1.175	1.215	1.217
Chemicals	WPI - Industrial Chem.	1.664	1.000	0.995	1.000	1.004	1.025	1.041	1.055	1.087	1.084	1.138	1.113	1.105	1.119	1.127	1.122	1.127
Medical Instruments	WPI - Med. Inst. & Equip.	1.180	0.997	1.002	1.009	1.014	1.018	1.024	1.030	1.037	1.046	1.053	1.063	1.070	1.079	1.086	1.095	1.103
Photo Supplies	WPI - Photo Supplies	2.096	0.971	1.012	1.040	1.067	1.161	1.133	1.123	1.134	1.205	1.250	1.346	1.425	1.451	1.453	1.505	1.645
Rubber & Plastics	WPI - Rub. & Plast. Prod.	1.932	0.999	1.005	1.005	1.006	1.029	1.033	1.035	1.033	1.040	1.045	1.051	1.038	1.051	1.051	1.048	1.048
Paper Products	WPI - Convert. Paper And Paperboard	0.183	1.045	0.958	0.958	0.950	0.954	0.954	0.936	0.936	0.939	0.923	0.919	0.920	0.956	0.962	0.972	0.971
Apparel	WPI - Apparel	2.004	0.996	1.000	1.005	1.007	1.017	1.033	1.030	1.031	1.037	1.046	1.059	1.085	1.110	1.121	1.128	1.184
Machinery & Equipment	WPI - Mach. & Equipment	1.905	0.999	0.997	0.999	1.008	1.011	1.012	1.010	1.008	1.002	1.014	1.041	1.057	1.070	1.076	1.074	1.086
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	0.394	1.000	0.997	0.997	0.999	1.001	0.999	0.999	1.002	0.998	0.998	0.997	1.004	1.001	0.998	1.000	0.997
All Other Services																		
Telephone	CPI - Telephone Services	0.565	1.002	0.999	0.997	0.995	0.993	0.992	0.990	0.988	0.987	0.992	0.993	0.995	1.002	1.005	1.006	1.006
Postage	CPI - Postage	2.558	1.001	1.001	0.995	1.004	1.002	0.998	0.998	1.010	1.011	1.014	1.013	1.031	1.038	1.040	1.040	1.048
All Other: Labor Intensive	ECI - Service Occupations (Private)	11.321	0.994	1.000	1.018	1.022	1.031	1.033	1.040	1.042	1.050	1.060	1.063	1.068	1.075	1.083	1.092	1.097
All Other: Non Labor Intensive	CPI - All Items (Urban)	0.458	1.003	0.992	1.005	1.003	1.006	0.984	0.981	0.975	0.972	0.964	0.956	0.951	0.953	0.952	0.948	0.953
		1.300	0.974	0.974	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077
		4.228	0.998	1.002	1.012	1.017	1.028	1.033	1.044	1.051	1.061	1.069	1.075	1.080	1.089	1.095	1.100	1.106
		5.335	0.994	1.005	1.010	1.013	1.023	1.027	1.032	1.032	1.041	1.056	1.060	1.066	1.073	1.087	1.101	1.106

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year																
		Weights 2002	2002Q1	2002Q2	2002Q3	2002Q4	2003Q1	2003Q2	2003Q3	2003Q4	2004Q1	2004Q2	2004Q3	2004Q4	2005Q1	2005Q2	2005Q3	2005Q4
Percent Changes																		
Total - PPS02		100.000	4.1	3.9	3.7	3.7	3.9	4.0	4.1	4.0	3.9	3.9	4.0	4.1	4.3	4.3	4.3	4.3
Compensation		59.993	5.6	5.6	5.4	5.1	4.8	4.5	4.4	4.2	4.0	4.0	3.9	3.9	3.9	3.9	3.9	3.9
Wages	ECI- Hospital Workers (Civilian)	48.171	5.5	5.4	5.3	4.9	4.6	4.2	3.9	3.7	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Benefits	ECI- Hospital Workers (Civilian)	11.822	6.1	6.2	5.9	6.0	5.9	6.0	6.2	6.3	6.0	6.1	6.2	6.1	6.3	6.1	5.8	5.6
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	4.6	4.2	3.7	3.3	3.2	3.2	3.5	3.7	3.9	4.1	4.1	4.2	4.2	4.1	4.0	4.0
Utilities																		
Electricity	WPI - Commercial Electric Power	1.251	1.9	-2.1	-4.1	-3.8	-0.2	2.8	5.8	7.2	6.9	6.3	5.1	5.0	5.3	5.8	6.6	8.2
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.669	4.5	2.5	0.1	-1.5	-1.3	-0.6	1.2	2.5	2.8	2.8	1.6	1.3	1.7	2.3	3.7	4.9
Water & Sewerage	CPI - Water & Sewage	0.206	-6.6	-20.4	-24.2	-19.8	-2.8	12.7	24.8	28.6	23.2	17.5	13.1	12.3	12.5	13.3	14.2	19.3
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	0.376	3.2	3.3	3.3	3.4	3.3	3.3	3.5	3.8	4.5	5.3	6.0	6.5	6.7	6.5	6.1	5.7
All Other																		
All Other Products		1.589	2.3	2.5	2.8	3.5	3.8	4.8	6.3	7.7	10.8	13.4	15.3	16.6	16.2	15.1	13.9	12.6
Drugs	WPI - Prescription Drugs	31.657	1.5	1.0	1.1	1.5	2.4	3.2	3.5	3.5	3.1	3.1	3.3	3.7	4.3	4.4	4.4	4.5
Food-direct purchase	WPI - Processed Foods	20.336	0.7	0.2	0.3	0.9	2.1	3.1	3.7	3.9	3.5	3.6	4.0	4.5	5.3	5.5	5.5	5.5
Food-away from home	CPI - Food Away Fr. Home	5.855	1.9	1.6	2.3	3.2	4.1	5.0	5.4	5.4	5.5	5.6	5.4	5.2	5.1	4.8	5.4	6.0
Chemicals	WPI - Industrial Chem.	1.664	2.5	1.5	-0.1	-0.8	-0.3	1.2	3.1	5.2	6.0	7.2	7.2	5.5	4.9	2.3	1.1	1.2
Medical Instruments	WPI - Med. Inst. & Equip.	1.180	3.0	2.9	2.8	2.6	2.4	2.2	2.2	2.1	2.3	2.5	2.7	3.0	3.1	3.2	3.1	3.1
Photo Supplies	WPI - Photo Supplies	2.096	-4.5	-6.1	-4.5	-0.9	6.5	10.7	12.1	11.3	7.4	7.1	10.1	14.8	19.1	20.4	18.2	15.8
Rubber & Plastics	WPI - Rub. & Plast. Prod.	1.932	1.3	1.5	1.6	1.7	2.0	2.3	2.6	2.9	2.4	2.0	1.6	1.1	1.0	0.9	0.4	0.5
Paper Products	WPI - Convert. Paper And Paperboard	0.183	3.1	0.1	-2.7	-5.4	-8.3	-6.5	-5.1	-3.4	-1.5	-2.1	-2.0	-2.1	-1.2	0.6	2.5	4.3
Apparel	WPI - Apparel	2.004	0.4	-0.4	-0.6	-0.3	0.5	1.6	2.2	2.6	2.5	2.0	2.1	2.8	4.1	5.6	6.5	7.5
Machinery & Equipment	WPI - Mach. & Equipment	1.905	0.1	-0.4	-0.6	-0.5	0.0	0.6	1.0	0.9	0.4	0.1	0.6	1.8	3.7	5.2	5.2	4.7
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	0.394	-0.7	-1.0	-1.1	-1.1	-0.8	-0.4	0.0	0.2	0.1	0.0	-0.1	-0.1	0.0	0.1	0.2	0.0
All Other Services																		
Telephone	CPI - Telephone Services	0.565	-0.4	-0.6	-0.6	-0.6	-0.7	-0.8	-0.8	-0.8	-0.7	-0.5	-0.2	0.1	0.6	1.0	1.2	1.3
Postage	CPI - Postage	2.558	1.1	0.8	0.3	0.1	0.0	-0.1	0.0	0.2	0.4	0.8	1.1	1.5	1.9	2.2	2.5	2.4
All Other: Labor Intensive	ECI - Service Occupations (Private)	11.321	2.9	2.6	2.6	2.7	3.1	3.4	3.1	3.2	2.3	2.1	2.2	2.3	2.4	2.3	2.4	2.5
All Other: Non Labor Intensive	CPI - All Items (Urban)	0.458	1.2	1.0	0.8	0.4	0.3	0.1	-0.7	-1.4	-2.3	-2.6	-2.7	-2.6	-2.3	-2.1	-1.6	-1.0
		1.300	3.5	3.0	4.5	6.0	8.2	10.5	7.7	5.0	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		4.228	3.7	3.6	3.6	3.4	3.3	3.2	3.1	3.2	3.2	3.3	3.2	3.1	3.0	2.7	2.6	2.5
		5.335	2.3	1.8	1.5	1.6	2.0	2.2	2.4	2.3	2.0	2.2	2.3	2.7	3.0	3.0	3.3	3.4

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year									Forecast 2008Q1	Forecast 2008Q2	Forecast 2008Q3	Forecast 2008Q4	Forecast 2009Q1	Forecast 2009Q2	Forecast 2009Q3	Forecast 2009Q4
		Weights 2002	2006Q1	2006Q2	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3	2007Q4								
Index Levels:																		
Total - PPS02		100.000	1.171	1.181	1.194	1.199	1.212	1.222	1.234	1.244	1.259	1.274	1.289	1.298	1.308	1.316	1.327	1.333
Compensation		59.993	1.164	1.173	1.187	1.197	1.209	1.217	1.229	1.238	1.248	1.259	1.272	1.284	1.295	1.304	1.318	1.328
Wages	ECI- Hospital Workers (Civilian)	48.171	1.144	1.153	1.167	1.177	1.189	1.198	1.210	1.218	1.229	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	1.246	1.252	1.271	1.278	1.294	1.296	1.305	1.318	1.326	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	1.154	1.163	1.178	1.187	1.198	1.210	1.219	1.226	1.237	-	-	-	-	-	-	-
Utilities		1.251	1.309	1.283	1.306	1.274	1.292	1.323	1.352	1.325	1.341	1.403	1.490	1.462	1.471	1.472	1.511	1.464
Electricity	WPI - Commercial Electric Power	0.669	1.141	1.170	1.213	1.144	1.152	1.199	1.250	1.187	1.188	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	2.021	1.755	1.720	1.731	1.777	1.789	1.757	1.775	1.828	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	1.218	1.227	1.245	1.255	1.276	1.289	1.312	1.324	1.348	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	1.501	1.519	1.533	1.541	1.544	1.543	1.542	1.542	1.545	1.555	1.572	1.596	1.624	1.657	1.692	1.725
All Other		31.657	1.166	1.179	1.188	1.184	1.198	1.214	1.225	1.241	1.264	1.289	1.303	1.307	1.314	1.320	1.324	1.324
All Other Products		20.336	1.197	1.211	1.222	1.216	1.232	1.248	1.260	1.281	1.312	1.341	1.358	1.362	1.369	1.373	1.374	1.372
Drugs	WPI - Prescription Drugs	5.855	1.249	1.269	1.276	1.272	1.300	1.313	1.331	1.343	1.383	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	1.122	1.121	1.132	1.140	1.177	1.210	1.224	1.235	1.282	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	1.112	1.120	1.129	1.137	1.149	1.158	1.172	1.183	1.195	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	1.656	1.709	1.762	1.693	1.711	1.791	1.824	1.945	2.020	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	1.045	1.047	1.044	1.035	1.049	1.050	1.046	1.045	1.058	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	0.977	0.978	0.978	0.978	0.986	0.986	0.991	0.991	0.999	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	1.209	1.209	1.217	1.223	1.216	1.218	1.227	1.238	1.264	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	1.107	1.121	1.136	1.137	1.137	1.140	1.149	1.165	1.178	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	0.999	1.001	1.002	1.005	1.010	1.010	1.010	1.012	1.014	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	1.012	1.023	1.032	1.034	1.035	1.034	1.033	1.034	1.043	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	1.054	1.056	1.052	1.065	1.072	1.074	1.076	1.088	1.098	-	-	-	-	-	-	-
All Other Services		11.321	1.109	1.121	1.128	1.127	1.138	1.154	1.163	1.170	1.179	1.196	1.205	1.209	1.215	1.226	1.233	1.236
Telephone	CPI - Telephone Services	0.458	0.954	0.956	0.962	0.970	0.975	0.985	0.991	0.992	0.992	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	1.135	1.135	1.135	1.135	1.135	1.158	1.179	1.179	1.179	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	1.115	1.122	1.131	1.140	1.156	1.163	1.177	1.183	1.192	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	1.112	1.131	1.137	1.127	1.139	1.161	1.164	1.172	1.186	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year									Forecast 2008Q2	Forecast 2008Q3	Forecast 2008Q4	Forecast 2009Q1	Forecast 2009Q2	Forecast 2009Q3	Forecast 2009Q4	
		Weights 2002	2006Q1	2006Q2	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3	2007Q4								
Percent Changes																		
Total - PPS02		100.000	4.2	4.2	4.2	4.0	3.8	3.6	3.4	3.5	3.6	3.8	4.1	4.2	4.2	4.0	3.6	3.2
Compensation		59.993	3.8	3.7	3.7	3.8	3.8	3.9	3.8	3.6	3.5	3.4	3.4	3.5	3.6	3.6	3.7	3.6
Wages	ECI- Hospital Workers (Civilian)	48.171	3.4	3.4	3.5	3.6	3.7	3.8	3.8	3.7	3.6	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	5.2	4.9	4.6	4.4	4.2	4.0	3.6	3.3	3.0	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	3.7	3.4	3.3	3.4	3.6	3.9	3.8	3.7	3.5	-	-	-	-	-	-	-
Utilities		1.251	9.9	10.2	9.5	5.8	2.3	1.2	0.9	2.3	3.6	4.3	6.1	7.6	9.1	8.7	6.5	3.9
Electricity	WPI - Commercial Electric Power	0.669	6.6	7.9	8.4	7.7	5.3	3.6	2.6	2.6	3.1	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	23.8	22.6	18.2	3.2	-6.4	-7.7	-7.3	-1.8	2.4	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	5.3	5.0	4.9	4.9	4.9	4.9	5.0	5.2	5.4	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	11.1	9.6	8.0	6.4	4.9	3.5	2.3	1.3	0.6	0.4	0.7	1.6	2.8	4.3	5.7	6.9
All Other		31.657	4.5	4.8	4.9	4.4	3.9	3.3	2.9	3.4	4.1	4.9	5.7	5.8	5.4	4.5	3.3	2.3
All Other Products		20.336	5.5	5.8	5.8	5.1	4.3	3.5	3.0	3.6	4.5	5.6	6.8	7.0	6.5	5.2	3.5	2.1
Drugs	WPI - Prescription Drugs	5.855	6.8	7.7	7.0	6.4	5.4	4.3	4.1	4.4	4.9	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	0.5	0.6	0.6	0.4	1.6	3.7	5.5	7.3	8.3	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	3.1	3.1	3.1	3.1	3.2	3.2	3.4	3.7	3.8	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	14.4	14.8	16.1	12.6	9.8	6.8	3.7	6.6	10.3	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	0.2	0.0	-0.1	-0.6	-0.4	-0.3	-0.1	0.4	0.6	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	4.4	3.8	2.5	1.3	1.0	0.7	0.9	1.1	1.2	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	8.0	8.1	8.4	7.0	4.8	3.1	1.4	0.8	1.7	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	3.8	3.4	4.0	4.5	4.3	3.7	2.6	2.0	2.3	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-0.1	-0.1	-0.1	0.3	0.6	0.7	0.9	0.9	0.7	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	1.2	1.3	1.6	2.0	2.4	2.2	1.6	0.9	0.5	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	2.1	1.9	1.5	1.5	1.5	1.5	1.8	2.0	2.1	-	-	-	-	-	-	-
All Other Services		11.321	2.7	3.0	3.2	3.2	3.0	2.9	2.9	3.2	3.4	3.5	3.6	3.5	3.4	3.1	2.8	2.5
Telephone	CPI - Telephone Services	0.458	-0.4	0.0	0.6	0.9	1.5	2.1	2.5	2.6	2.5	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	1.3	2.7	4.0	5.3	4.0	3.1	2.8	2.5	3.4	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	2.4	2.4	2.5	2.7	3.0	3.3	3.6	3.8	3.6	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	3.6	3.8	3.7	3.2	2.9	2.6	2.4	2.9	3.3	-	-	-	-	-	-	-

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2010Q1	Forecast 2010Q2	Forecast 2010Q3	Forecast 2010Q4	Forecast 2011Q1	Forecast 2011Q2	Forecast 2011Q3	Forecast 2011Q4	Forecast 2012Q1	Forecast 2012Q2	Forecast 2012Q3	Forecast 2012Q4	Forecast 2013Q1	Forecast 2013Q2	Forecast 2013Q3	Forecast 2013Q4
Index Levels:																		
Total - PPS02		100.000	1.343	1.352	1.362	1.369	1.380	1.390	1.402	1.411	1.422	1.431	1.444	1.453	1.465	1.475	1.489	1.498
Compensation		59.993	1.339	1.348	1.361	1.372	1.384	1.395	1.409	1.422	1.434	1.444	1.460	1.472	1.486	1.498	1.514	1.527
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		1.251	1.472	1.469	1.516	1.475	1.487	1.490	1.534	1.497	1.510	1.516	1.559	1.516	1.526	1.538	1.587	1.546
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	1.752	1.773	1.789	1.800	1.807	1.810	1.812	1.814	1.815	1.817	1.819	1.823	1.828	1.834	1.841	1.849
All Other		31.657	1.329	1.336	1.340	1.342	1.351	1.359	1.366	1.370	1.379	1.387	1.393	1.397	1.407	1.415	1.421	1.425
All Other Products		20.336	1.378	1.382	1.385	1.385	1.396	1.403	1.410	1.414	1.424	1.430	1.436	1.440	1.450	1.457	1.464	1.467
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		11.321	1.242	1.253	1.260	1.263	1.271	1.279	1.286	1.291	1.299	1.308	1.315	1.320	1.328	1.337	1.345	1.350
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2010Q1	Forecast 2010Q2	Forecast 2010Q3	Forecast 2010Q4	Forecast 2011Q1	Forecast 2011Q2	Forecast 2011Q3	Forecast 2011Q4	Forecast 2012Q1	Forecast 2012Q2	Forecast 2012Q3	Forecast 2012Q4	Forecast 2013Q1	Forecast 2013Q2	Forecast 2013Q3	Forecast 2013Q4
Percent Changes																		
Total - PPS02		100.000	2.9	2.8	2.7	2.7	2.7	2.7	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.1
Compensation		59.993	3.5	3.4	3.4	3.3	3.3	3.3	3.4	3.5	3.6	3.6	3.6	3.6	3.6	3.6	3.7	3.7
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		1.251	1.6	0.4	0.1	0.2	0.5	0.9	1.1	1.3	1.4	1.5	1.6	1.5	1.4	1.4	1.4	1.6
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	7.6	7.6	7.2	6.2	5.0	3.8	2.7	1.8	1.1	0.7	0.5	0.5	0.5	0.7	0.8	1.1
All Other		31.657	1.6	1.3	1.2	1.3	1.4	1.5	1.7	1.8	2.0	2.0	2.1	2.0	2.0	2.0	2.0	2.0
All Other Products		20.336	1.2	0.8	0.7	0.8	0.9	1.1	1.4	1.7	1.9	2.0	2.0	1.9	1.9	1.9	1.9	1.9
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		11.321	2.3	2.3	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2014Q1	Forecast 2014Q2	Forecast 2014Q3	Forecast 2014Q4	Forecast 2015Q1	Forecast 2015Q2	Forecast 2015Q3	Forecast 2015Q4	Forecast 2016Q1	Forecast 2016Q2	Forecast 2016Q3	Forecast 2016Q4	Forecast 2017Q1	Forecast 2017Q2	Forecast 2017Q3	Forecast 2017Q4
Index Levels:																		
Total - PPS02		100.000	1.510	1.521	1.534	1.544	1.556	1.567	1.581	1.590	1.603	1.614	1.628	1.638	1.651	1.663	1.678	1.688
Compensation		59.993	1.541	1.553	1.570	1.583	1.597	1.609	1.625	1.639	1.653	1.665	1.682	1.696	1.711	1.724	1.742	1.756
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		1.251	1.558	1.573	1.627	1.589	1.599	1.615	1.669	1.632	1.648	1.660	1.715	1.677	1.694	1.708	1.763	1.723
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	1.858	1.868	1.880	1.892	1.906	1.920	1.935	1.951	1.967	1.985	2.003	2.022	2.041	2.061	2.082	2.104
All Other		31.657	1.434	1.442	1.448	1.452	1.461	1.469	1.476	1.480	1.490	1.498	1.504	1.508	1.518	1.526	1.533	1.536
All Other Products		20.336	1.476	1.483	1.489	1.492	1.501	1.508	1.514	1.517	1.527	1.534	1.539	1.542	1.552	1.558	1.564	1.566
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		11.321	1.358	1.368	1.376	1.381	1.390	1.400	1.408	1.414	1.423	1.433	1.442	1.448	1.457	1.467	1.476	1.482
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2014Q1	Forecast 2014Q2	Forecast 2014Q3	Forecast 2014Q4	Forecast 2015Q1	Forecast 2015Q2	Forecast 2015Q3	Forecast 2015Q4	Forecast 2016Q1	Forecast 2016Q2	Forecast 2016Q3	Forecast 2016Q4	Forecast 2017Q1	Forecast 2017Q2	Forecast 2017Q3	Forecast 2017Q4
Percent Changes																		
Total - PPS02		100.000	3.1	3.1	3.1	3.1	3.1	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Compensation		59.993	3.7	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees																		
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		1.251	1.8	2.0	2.2	2.4	2.6	2.7	2.7	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance																		
Malpractice	CMS - Prof. Liab. Prem.	1.589	1.3	1.5	1.8	2.0	2.2	2.4	2.6	2.8	3.0	3.2	3.3	3.4	3.6	3.7	3.8	3.9
All Other		31.657	2.0	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9
All Other Products		20.336	1.9	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.6	1.6	1.6
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		11.321	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Telephone	CPI - Telephone Services	0.458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005

Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2018Q1	Forecast 2018Q2	Forecast 2018Q3	Forecast 2018Q4
Index Levels:						
Total - PPS02		100.000	1.702	1.714	1.729	1.740
Compensation		59.993	1.772	1.785	1.804	1.819
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-
Professional Fees						
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-
Utilities		1.251	1.741	1.757	1.815	1.774
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-
Prof. Liability Insurance						
Malpractice	CMS - Prof. Liab. Prem.	1.589	2.127	2.150	2.174	2.189
All Other		31.657	1.547	1.555	1.562	1.566
All Other Products		20.336	1.577	1.584	1.590	1.593
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-
All Other Services		11.321	1.492	1.503	1.512	1.518
Telephone	CPI - Telephone Services	0.458	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-

4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2002 Input Price Index using Global Insight Inc. Forecast Assumptions, by Expense Category: 1990-2018

Expense Category	Price/Wage Variable	Base Year Weights 2002	Forecast 2018Q1	Forecast 2018Q2	Forecast 2018Q3	Forecast 2018Q4
Percent Changes						
Total - PPS02		100.000	3.0	3.0	3.1	3.1
Compensation		59.993	3.5	3.5	3.5	3.6
Wages	ECI- Hospital Workers (Civilian)	48.171	-	-	-	-
Benefits	ECI- Hospital Workers (Civilian)	11.822	-	-	-	-
Professional Fees						
Professional Fees	ECI- Compensation Prof. and Tech. (Private)	5.510	-	-	-	-
Utilities		1.251	2.8	2.8	2.8	2.9
Electricity	WPI - Commercial Electric Power	0.669	-	-	-	-
Fuel, Oil, Coal, etc	WPI - Commercial Natural Gas	0.206	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.376	-	-	-	-
Prof. Liability Insurance						
Malpractice	CMS - Prof. Liab. Prem.	1.589	4.0	4.1	4.3	4.2
All Other		31.657	1.9	1.9	1.9	1.9
All Other Products		20.336	1.6	1.6	1.6	1.7
Drugs	WPI - Prescription Drugs	5.855	-	-	-	-
Food-direct purchase	WPI - Processed Foods	1.664	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	1.180	-	-	-	-
Chemicals	WPI - Industrial Chem.	2.096	-	-	-	-
Medical Instruments	WPI - Med. Inst. & Equip.	1.932	-	-	-	-
Photo Supplies	WPI - Photo Supplies	0.183	-	-	-	-
Rubber & Plastics	WPI - Rub. & Plast. Prod.	2.004	-	-	-	-
Paper Products	WPI - Convert. Paper And Paperboard	1.905	-	-	-	-
Apparel	WPI - Apparel	0.394	-	-	-	-
Machinery & Equipment	WPI - Mach. & Equipment	0.565	-	-	-	-
Miscellaneous Products	WPI - Finished Goods Less Food and Energy	2.558	-	-	-	-
All Other Services		11.321	2.4	2.4	2.4	2.4
Telephone	CPI - Telephone Services	0.458	-	-	-	-
Postage	CPI - Postage	1.300	-	-	-	-
All Other: Labor Intensive	ECI - Service Occupations (Private)	4.228	-	-	-	-
All Other: Non Labor Intensive	CPI - All Items (Urban)	5.335	-	-	-	-

SOURCE: GLOBAL INSIGHT, INC., 2nd Qtr, 2008; @USMACRO/CONTROL0508@CISSIM/TL0508.SIM Historical Data through 1st Qtr, 2008

market basket effective October 1, 2005