

Table 3b. Monthly Payment Amounts Calculations for 2007

Estimated Spending under 2006 Rates for Oxygen and Oxygen Contents for 2007

Equipment/Modality	Number of Beneficiaries	Monthly Payment	Percentage of Oxygen Users at Midpoint of:			Estimated Spending Per Year	
			Year 1	Year 2	Year 3	Year 1	Year 2
Stationary Only	327,863	\$199.84	61%	36%	26%	\$ 479,607,439	\$ 283,047,013
Liquid/Gas Stationary AND Portable	57,950	\$231.63	61%	36%	26%	\$ 98,256,056	\$ 57,987,181
Concentrator AND Portable	657,948	\$231.63	61%	36%	26%	\$ 1,115,571,625	\$ 658,370,139
Stationary AND Oxygen Generating Portable (New OGPE Class)	3,248	\$231.63	61%	36%	26%	\$ 5,507,087	\$ 3,250,084
TOTAL	1,047,009					\$ 1,698,942,207	\$1,002,654,417

ESTIMATED TOTAL SPENDING: \$ 2,701,596,624

Estimated Spending for Oxygen and Oxygen Contents under Revised Rates Prior to Application of Budget Neutrality for 2007

Equipment/Modality	Number of Beneficiaries	Monthly Payment	Percentage of Oxygen Users at Midpoint of:			Estimated Spending Per Year	
			Year 1	Year 2	Year 3	Year 1	Year 2
Stationary Only	311,470	\$199.84	61%	36%	26%	\$ 455,627,067	\$ 268,894,662
Liquid/Gas Stationary AND Portable	60,425	\$231.63	61%	36%	26%	\$ 102,452,497	\$ 60,463,769
Concentrator AND Portable	625,051	\$231.63	61%	36%	26%	\$1,059,793,044	\$ 625,451,632
Stationary AND Oxygen Generating Portable (New OGPE Class)	50,064	\$251.48	61%	36%	26%	\$ 92,158,665	\$ 54,388,720
TOTAL	1,047,009					\$ 1,710,031,273	\$1,009,198,784

ESTIMATED TOTAL SPENDING: \$ 2,719,230,057

Shift to New OGPE Class:	5.0%	Additional Spending under Revised Rates	\$ 17,633,433
		Budget Neutrality Factor	0.72%

Estimated Spending for Oxygen and Oxygen Contents and 2007 Rates After Budget Neutrality Adjustment

Equipment/Modality	Number of Beneficiaries	Budget Neutral Rates	Percentage of Oxygen Users at Midpoint of:			Estimated Spending Per Year	
			Year 1	Year 2	Year 3	Year 1	Year 2
Stationary Only	311,470	\$198.40	61%	36%	26%	\$ 452,346,552	\$ 266,958,621
Liquid/Gas Stationary AND Portable	60,425	\$230.19	61%	36%	26%	\$ 101,816,079	\$ 60,088,178
Concentrator AND Portable	625,051	\$230.19	61%	36%	26%	\$ 1,053,209,781	\$ 621,566,428
Stationary AND Oxygen Generating Portable (New OGPE Class)	50,064	\$250.03	61%	36%	26%	\$ 91,627,713	\$ 54,075,371
TOTAL	1,047,009					\$ 1,699,000,125	\$ 1,002,688,598

ESTIMATED TOTAL SPENDING: \$ 2,701,688,723