Agenda Item 4c

Inpatient	1/2004	1/2005	1/2006	1/2007*	PROJECTION 1/2008	1/2009	1/2010	1/2011	1/2012
Cost at Exempted Rate	$1,098,719,254	$1,226,047,334	$1,385,219,433	$1,657,163,213					
Year to Year Change		11.59%	12.98%	19.63%					
Average Annual Growth				14.68%	$1,900,457,375	$2,179,470,440	$2,499,446,427	$2,866,399,254	$3,287,225,761
Regression					$1,800,413,302	$1,983,863,700	$2,167,314,097	$2,350,764,495	$2,534,214,893
Cost at Capped Rate	$844,294,758	$884,703,728	$1,045,236,373	$1,105,235,334					
Year to Year Change		4.79%	18.15%	5.74%					
Average Annual Growth				9.39%	$1,209,042,730	$1,322,600,064	$1,446,823,081	$1,582,713,540	$1,731,367,285
Regression					$1,205,706,141	$1,300,041,578	$1,394,377,016	$1,488,712,453	$1,583,047,890
Cost to Exempt Historical Data	$254,424,495	$341,343,606	$339,983,060	$551,927,879					
Cost to Exempt using Regression					$594,707,161	$683,822,121	$772,937,082	$862,052,042	$951,167,003
Cost to Exempt using Avgerage Annual Growth					$691,414,645	$856,870,376	$1,052,623,346	$1,283,685,714	$1,555,858,477

Outpatient	1/2004	1/2005	1/2006	1/2007	PROJECTION 1/2008	1/2009	1/2010	1/2011	1/2012
Cost at Exempted Rate	$206,555,866	$246,936,896	$257,298,192	$330,083,127					
Year to Year Change		19.55%	4.20%	28.29%					
Average Annual Growth				16.91%	$385,909,309	$451,177,242	$527,483,787	$616,695,879	$720,996,201
Regression					$355,454,290	$393,548,597	$431,642,905	$469,737,213	$507,831,521
Cost at Capped Rate	$167,367,980	$182,639,825	$208,457,315	$244,518,286					
Year to Year Change		9.12%	14.14%	17.30%					
Average Annual Growth				13.47%	$277,454,006	$314,826,047	$357,231,965	$405,349,805	$459,948,942
Regression					$265,062,954	$290,789,795	$316,516,636	$342,243,477	$367,970,318
Cost to Exempt Historical Data	$39,187,886	$64,297,071	$48,840,876	$85,564,840					
Cost to Exempt using Regression					$90,391,336	$102,758,802	$115,126,269	$127,493,736	$139,861,203
Cost to Exempt using Avgerage Annual Growth					$108,455,303	$136,351,196	$170,251,823	$211,346,074	$261,047,259
Total Cost to Exempt (Using Average Growth)	$293,612,381	$405,640,677	$388,823,937	$637,492,719	$799,869,948	$993,221,572	$1,222,875,169	$1,495,031,788	$1,816,905,736
Match Required	$120,674,689	$166,758,882	$160,350,992	$274,695,613	$344,663,961	$427,979,175	$526,936,910	$644,209,198	$782,904,682
Total Cost to Exempt (Using Regression for Projection)	$293,612,381	$405,640,677	$388,823,937	$637,492,719	$685,098,497	$786,580,924	$888,063,351	$989,545,778	$1,091,028,206
Match Required	$120,674,689	$166,758,882	$160,350,992	$274,695,613	$295,208,942	$338,937,720	$382,666,498	$426,395,276	$470,124,054

*Note: The calculation for the costs using January 2007 reimbursement rates includes the new providers who may qualify for exemptions effective July 1, 2007 based on current policy.

| | 41.10% | 41.11% | 41.24% | 43.09% | 43.09% | 43.09% | 43.09% | 43.09% | 43.09% |