

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	1996Q1	1996Q2	1996Q3	1996Q4	1997Q1	1997Q2	1997Q3	1997Q4	1998Q1	1998Q2	1998Q3	1998Q4	1999Q1	1999Q2	1999Q3	1999Q4
Index Levels:																		
Total - MEI (Unadjusted)		100.000	0.717	0.721	0.725	0.732	0.737	0.741	0.746	0.755	0.761	0.764	0.770	0.777	0.783	0.787	0.793	0.801
Physician Compensation		48.266	0.705	0.709	0.714	0.724	0.732	0.734	0.740	0.753	0.761	0.764	0.769	0.780	0.786	0.792	0.797	0.808
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	0.710	0.714	0.720	0.730	0.738	0.741	0.747	0.760	0.768	0.772	0.777	0.788	0.795	0.801	0.806	0.817
Benefits	ECI - Benefits - Private Industry Workers	4.386	0.653	0.657	0.661	0.663	0.667	0.670	0.674	0.679	0.683	0.688	0.692	0.695	0.698	0.705	0.711	0.719
Practice Expenses		51.734	0.729	0.732	0.736	0.739	0.743	0.747	0.752	0.756	0.761	0.765	0.770	0.774	0.779	0.783	0.788	0.794
Non-physician Compensation		19.153	0.692	0.696	0.702	0.705	0.711	0.717	0.723	0.730	0.736	0.742	0.750	0.754	0.759	0.766	0.772	0.779
Non-physician Wages		13.752	0.712	0.717	0.723	0.727	0.734	0.740	0.749	0.755	0.763	0.769	0.778	0.782	0.790	0.796	0.802	0.809
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	0.713	0.718	0.722	0.724	0.730	0.738	0.746	0.752	0.757	0.764	0.773	0.779	0.785	0.791	0.796	0.803
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	0.694	0.700	0.710	0.713	0.722	0.728	0.737	0.748	0.760	0.765	0.777	0.775	0.783	0.795	0.807	0.814
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	0.708	0.712	0.718	0.722	0.730	0.736	0.743	0.749	0.757	0.764	0.771	0.776	0.785	0.791	0.798	0.804
Services	ECI - Wages And Salaries - Service Occupations	1.834	0.736	0.741	0.747	0.757	0.763	0.769	0.783	0.790	0.795	0.801	0.809	0.815	0.824	0.830	0.832	0.841
Non-phys benefits	Composite Benefit Index	5.401	0.640	0.643	0.647	0.649	0.652	0.657	0.659	0.664	0.669	0.674	0.681	0.689	0.681	0.688	0.695	0.702
Other Practice Expenses		26.308	0.734	0.736	0.739	0.743	0.744	0.747	0.752	0.754	0.757	0.759	0.764	0.768	0.772	0.775	0.779	0.784
Office Expenses		20.035	0.778	0.780	0.785	0.789	0.793	0.796	0.802	0.806	0.809	0.813	0.818	0.821	0.825	0.828	0.833	0.838
Utilities	CPI - Fuel and Other Utilities	1.266	0.642	0.651	0.665	0.662	0.671	0.667	0.677	0.671	0.656	0.661	0.671	0.651	0.647	0.655	0.677	0.668
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	0.786	0.786	0.785	0.790	0.791	0.789	0.785	0.791	0.792	0.794	0.794	0.804	0.808	0.807	0.805	0.817
Paper	PPI - Convert. Paper And Paperboard	0.657	0.860	0.837	0.820	0.817	0.812	0.799	0.799	0.816	0.831	0.829	0.828	0.820	0.815	0.829	0.840	0.854
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	0.805	0.804	0.807	0.804	0.800	0.801	0.802	0.801	0.800	0.798	0.796	0.795	0.792	0.793	0.798	0.802
Telephone	CPI - Telephone Services	1.501	1.023	1.024	1.036	1.040	1.046	1.049	1.044	1.044	1.045	1.055	1.053	1.052	1.049	1.042	1.040	1.048
Postage	CPI - Postage	0.898	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.797	0.821	0.821	0.821
	ECI - Compensation - Service Occupations (Private)	3.582	0.716	0.721	0.726	0.734	0.740	0.746	0.758	0.764	0.771	0.775	0.782	0.786	0.795	0.801	0.804	0.812
All Other Services		0.500	0.797	0.802	0.806	0.811	0.817	0.822	0.824	0.829	0.835	0.840	0.844	0.849	0.853	0.858	0.861	0.866
All Other Products	CPI - All Items Less Food and Energy	8.957	0.735	0.739	0.745	0.751	0.755	0.760	0.767	0.773	0.779	0.785	0.792	0.799	0.803	0.807	0.812	0.818
Fixed Capital	PPI - Owner's Equivalent Rent	1.353	1.008	1.002	1.001	1.000	1.001	0.999	0.997	0.994	0.994	0.991	0.989	0.987	0.988	0.985	0.983	0.983
Moveable Capital	PPI - Mach. & Equipment	4.295	0.419	0.419	0.420	0.420	0.420	0.422	0.423	0.423	0.423	0.423	0.430	0.439	0.447	0.447	0.459	0.466
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	1.978	0.972	0.970	0.967	0.970	0.953	0.955	0.959	0.953	0.947	0.942	0.944	0.946	0.947	0.944	0.936	0.934
Medical Equipment	PPI - Medical instruments and equipment	1.760	0.875	0.878	0.875	0.871	0.881	0.885	0.887	0.891	0.901	0.897	0.896	0.905	0.907	0.908	0.915	0.918
Drugs and Supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	0.875	0.878	0.875	0.871	0.881	0.885	0.887	0.891	0.901	0.897	0.896	0.905	0.907	0.908	0.915	0.918
Medical supplies		4.513	0.797	0.802	0.806	0.811	0.817	0.822	0.824	0.829	0.835	0.840	0.844	0.849	0.853	0.858	0.861	0.866
Other Professional Expenses		4.513	0.797	0.802	0.806	0.811	0.817	0.822	0.824	0.829	0.835	0.840	0.844	0.849	0.853	0.858	0.861	0.866
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	0.797	0.802	0.806	0.811	0.817	0.822	0.824	0.829	0.835	0.840	0.844	0.849	0.853	0.858	0.861	0.866

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	1996Q1	1996Q2	1996Q3	1996Q4	1997Q1	1997Q2	1997Q3	1997Q4	1998Q1	1998Q2	1998Q3	1998Q4	1999Q1	1999Q2	1999Q3	1999Q4
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	NA	NA	NA	2.0	2.0	2.2	2.2	2.3	2.4	2.5	2.6	2.5	2.4	2.4	2.2	2.2
10-yr moving average BLS non-farm multifactor productivity		N/A	NA	NA	NA	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.8	0.8	0.8
Total - MEI (Unadjusted)		100.000	NA	NA	NA	2.7	2.7	2.8	2.8	2.9	3.0	3.1	3.2	3.1	3.0	3.0	3.0	3.0
Physician Compensation		48.266	NA	NA	NA	3.2	3.4	3.5	3.6	3.7	3.8	3.9	4.0	3.9	3.7	3.6	3.6	3.6
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	NA	NA	NA	3.3	3.5	3.6	3.7	3.9	3.9	4.0	4.1	4.0	3.8	3.7	3.7	3.7
Benefits	ECI - Benefits - Private Industry Workers	4.386	NA	NA	NA	1.8	1.9	2.0	2.0	2.1	2.1	2.3	2.5	2.5	2.4	2.4	2.5	2.8
Practice Expenses		51.734	NA	NA	NA	2.2	2.1	2.1	2.1	2.2	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4
Non-physician Compensation		19.153	NA	NA	NA	2.9	2.9	2.9	2.9	3.1	3.3	3.4	3.6	3.5	3.4	3.3	3.1	3.2
Non-physician Wages		13.752	NA	NA	NA	3.2	3.2	3.2	3.3	3.4	3.7	3.8	3.9	3.8	3.7	3.6	3.5	3.4
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	NA	NA	NA	3.3	3.1	2.9	2.9	3.1	3.4	3.6	3.7	3.7	3.6	3.6	3.4	3.3
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	NA	NA	NA	3.8	4.0	4.1	4.0	4.2	4.5	4.8	5.2	4.8	4.2	4.0	3.6	4.0
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	NA	NA	NA	3.1	3.2	3.3	3.3	3.4	3.5	3.6	3.7	3.7	3.8	3.7	3.6	3.5
Services	ECI - Wages And Salaries - Service Occupations	1.834	NA	NA	NA	2.8	3.1	3.4	3.9	4.1	4.2	4.4	4.0	3.8	3.6	3.4	3.3	3.3
Non-phys benefits	Composite Benefit Index	5.401	NA	NA	NA	2.0	2.0	2.0	2.0	2.0	2.2	2.3	2.6	2.7	2.5	2.4	2.2	2.3
Other Practice Expenses		26.308	NA	NA	NA	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.7	1.8	1.9	2.0	2.1
Office Expenses		20.035	NA	NA	NA	2.0	1.9	1.9	2.0	2.0	2.0	2.1	2.1	2.0	2.0	1.9	1.8	1.9
Utilities	CPI - Fuel and Other Utilities	1.266	NA	NA	NA	3.1	3.8	3.6	3.3	2.5	0.9	0.0	-0.7	-1.8	-1.6	-1.6	-1.1	0.3
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	NA	NA	NA	1.5	1.1	0.8	0.5	0.3	0.2	0.3	0.5	0.9	1.4	1.6	1.7	1.7
Paper	PPI - Convert. Paper And Paperboard	0.657	NA	NA	NA	-2.3	-5.0	-5.8	-4.9	-3.3	-1.3	0.8	2.3	2.5	1.4	0.5	0.0	0.9
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	NA	NA	NA	-0.4	-0.8	-0.7	-0.6	-0.5	-0.3	-0.4	-0.4	-0.5	-0.8	-0.8	-0.5	-0.1
Telephone	CPI - Telephone Services	1.501	NA	NA	NA	1.5	1.8	2.2	1.9	1.5	0.9	0.4	0.4	0.5	0.6	0.2	-0.4	-0.6
Postage	CPI - Postage	0.898	NA	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.5	2.2	3.0
	ECI - Compensation - Service Occupations (Private)	3.582	NA	NA	NA	2.3	2.6	2.9	3.5	3.8	4.1	4.2	3.9	3.5	3.2	3.1	3.0	3.1
All Other Services		0.500	NA	NA	NA	2.7	2.6	2.6	2.5	2.4	2.3	2.2	2.3	2.3	2.3	2.3	2.2	2.1
All Other Products	CPI - All Items Less Food and Energy	8.957	NA	NA	NA	3.2	3.0	2.9	2.9	2.9	3.0	3.1	3.2	3.2	3.2	3.1	3.0	2.7
Fixed Capital	PPI - Owner's Equivalent Rent	1.353	NA	NA	NA	0.0	-0.4	-0.5	-0.5	-0.5	-0.5	-0.7	-0.7	-0.8	-0.7	-0.7	-0.6	-0.5
Moveable Capital	PPI - Mach. & Equipment	4.295	NA	NA	NA	-1.1	0.1	0.5	0.5	0.6	0.7							

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	2002Q3	2002Q4	2003Q1	2003Q2	2003Q3	2003Q4
Index Levels:																		
Total - MEI (Unadjusted)		100.000	0.809	0.815	0.822	0.831	0.840	0.846	0.853	0.861	0.869	0.873	0.880	0.888	0.901	0.903	0.909	0.915
Physician Compensation		48.266	0.818	0.823	0.830	0.843	0.851	0.856	0.862	0.872	0.878	0.881	0.887	0.900	0.909	0.909	0.913	0.921
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	0.826	0.831	0.838	0.851	0.859	0.864	0.869	0.880	0.885	0.887	0.894	0.907	0.915	0.913	0.917	0.925
Benefits	ECI - Benefits - Private Industry Workers	4.386	0.736	0.746	0.753	0.759	0.773	0.780	0.790	0.796	0.807	0.817	0.824	0.830	0.853	0.864	0.876	0.884
Practice Expenses		51.734	0.801	0.807	0.814	0.820	0.831	0.836	0.845	0.851	0.861	0.866	0.873	0.877	0.894	0.898	0.905	0.909
Non-physician Compensation		19.153	0.790	0.800	0.808	0.815	0.828	0.836	0.845	0.852	0.861	0.868	0.874	0.879	0.892	0.899	0.908	0.913
Non-physician Wages		13.752	0.818	0.829	0.836	0.843	0.854	0.862	0.871	0.877	0.887	0.892	0.897	0.901	0.910	0.916	0.923	0.928
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	0.809	0.822	0.829	0.837	0.848	0.857	0.866	0.872	0.879	0.883	0.888	0.892	0.899	0.905	0.914	0.919
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	0.823	0.830	0.839	0.843	0.853	0.863	0.871	0.877	0.887	0.901	0.903	0.900	0.926	0.933	0.942	0.945
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	0.816	0.825	0.834	0.839	0.851	0.858	0.869	0.875	0.888	0.894	0.898	0.904	0.911	0.919	0.924	0.927
Services	ECI - Wages And Salaries - Service Occupations	1.834	0.850	0.858	0.864	0.873	0.882	0.887	0.891	0.902	0.910	0.912	0.918	0.923	0.929	0.932	0.940	0.945
Non-phys benefits	Composite Benefit Index	5.401	0.719	0.729	0.738	0.744	0.762	0.771	0.780	0.786	0.796	0.806	0.814	0.822	0.845	0.855	0.868	0.876
Other Practice Expenses		26.308	0.789	0.792	0.799	0.804	0.815	0.819	0.828	0.833	0.846	0.849	0.859	0.862	0.885	0.887	0.894	0.896
Office Expenses		20.035	0.843	0.847	0.855	0.861	0.871	0.876	0.882	0.887	0.891	0.895	0.906	0.910	0.916	0.918	0.923	0.925
Utilities	CPI - Fuel and Other Utilities	1.266	0.676	0.690	0.729	0.738	0.782	0.782	0.784	0.737	0.722	0.733	0.755	0.740	0.769	0.798	0.819	0.790
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	0.816	0.818	0.818	0.827	0.829	0.831	0.831	0.834	0.833	0.832	0.828	0.835	0.834	0.831	0.830	0.840
Paper	PPI - Convert. Paper And Paperboard	0.657	0.861	0.888	0.891	0.894	0.892	0.896	0.894	0.893	0.888	0.887	0.888	0.897	0.899	0.900	0.898	0.896
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	0.805	0.810	0.819	0.829	0.828	0.831	0.827	0.823	0.820	0.823	0.827	0.829	0.838	0.851	0.848	0.849
Telephone	CPI - Telephone Services	1.501	1.042	1.024	1.024	1.024	1.034	1.033	1.039	1.042	1.043	1.033	1.045	1.043	1.046	1.024	1.021	1.015
Postage	CPI - Postage	0.898	0.821	0.821	0.821	0.821	0.846	0.849	0.859	0.859	0.859	0.859	0.859	0.949	0.949	0.949	0.949	0.949
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	0.820	0.828	0.835	0.844	0.855	0.860	0.865	0.877	0.885	0.889	0.898	0.903	0.912	0.916	0.926	0.932
All Other Products	CPI - All Items Less Food and Energy	0.500	0.872	0.879	0.883	0.888	0.896	0.902	0.906	0.912	0.918	0.924	0.927	0.931	0.935	0.938	0.939	0.942
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	0.825	0.830	0.836	0.845	0.852	0.860	0.870	0.882	0.891	0.898	0.905	0.912	0.918	0.920	0.924	0.931
Moveable Capital	PPI - Mach. & Equipment	1.353	0.982	0.982	0.984	0.983	0.982	0.982	0.979	0.977	0.978	0.975	0.973	0.970	0.968	0.968	0.965	0.964
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	0.471	0.471	0.478	0.479	0.491	0.491	0.518	0.528	0.583	0.583	0.589	0.590	0.693	0.696	0.715	0.719
Medical Equipment	PPI - Medical instruments and equipment	1.978	0.937	0.935	0.936	0.937	0.945	0.945	0.948	0.950	0.958	0.963	0.964	0.965	0.987	0.991	0.993	0.991
Drugs and Supplies		1.760	0.925	0.924	0.925	0.932	0.932	0.935	0.932	0.943	0.943	0.942	0.942	0.949	0.954	0.952	0.955	0.967
	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)																	
Medical supplies		1.760	0.925	0.924	0.925	0.932	0.932	0.935	0.932	0.943	0.943	0.942	0.942	0.949	0.954	0.952	0.955	0.967
Other Professional Expenses		4.513	0.872	0.879	0.883	0.888	0.896	0.902	0.906	0.912	0.918	0.924	0.927	0.931	0.935	0.938	0.939	0.942
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	0.872	0.879	0.883	0.888	0.896	0.902	0.906	0.912	0.918	0.924	0.927	0.931	0.935	0.938	0.939	0.942

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2000Q1	2000Q2	2000Q3	2000Q4	2001Q1	2001Q2	2001Q3	2001Q4	2002Q1	2002Q2	2002Q3	2002Q4	2003Q1	2003Q2	2003Q3	2003Q4
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	2.3	2.4	2.6	2.8	2.8	2.9	2.8	2.8	2.6	2.4	2.2	2.1	2.2	2.3	2.3	2.3
10-yr moving average BLS non-farm multifactor productivity		N/A																
Total - MEI (Unadjusted)		100.000	3.1	3.2	3.4	3.6	3.7	3.8	3.8	3.8	3.7	3.5	3.3	3.2	3.3	3.4	3.4	3.4
Physician Compensation		48.266	3.7	3.8	3.9	4.1	4.1	4.1	4.1	3.9	3.6	3.3	3.1	3.0	3.1	3.2	3.2	3.0
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	3.7	3.8	3.8	3.9	4.0	4.0	4.0	3.8	3.5	3.2	3.0	2.9	3.0	3.0	3.0	2.7
Benefits	ECI - Benefits - Private Industry Workers	4.386	3.6	4.4	5.2	5.7	5.6	5.3	5.0	4.8	4.7	4.7	4.6	4.4	4.8	5.0	5.5	6.1
Practice Expenses		51.734	2.5	2.7	2.9	3.1	3.3	3.4	3.6	3.7	3.7	3.7	3.6	3.4	3.5	3.5	3.6	3.7
Non-physician Compensation		19.153	3.4	3.7	4.2	4.5	4.7	4.7	4.6	4.6	4.4	4.2	3.9	3.6	3.5	3.4	3.6	3.7
Non-physician Wages		13.752	3.4	3.6	3.8	4.0	4.2	4.2	4.2	4.1	4.0	3.9	3.6	3.3	3.0	2.7	2.7	2.8
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	3.1	3.3	3.6	3.9	4.3	4.4	4.5	4.4	4.1	3.8	3.4	2.9	2.6	2.4	2.5	2.6
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	4.5	4.6	4.6	4.3	3.9	3.8	3.7	3.8	3.9	4.1	4.0	3.7	3.8	3.6	3.7	4.3
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	3.6	3.8	4.1	4.3	4.4	4.3	4.2	4.2	4.2	4.2	4.0	3.8	3.4	3.1	2.9	2.7
Services	ECI - Wages And Salaries - Service Occupations	1.834	3.1	3.1	3.4	3.6	3.8	3.7	3.5	3.4	3.2	3.1	2.9	2.6	2.4	2.3	2.3	2.3
Non-phys benefits	Composite Benefit Index	5.401	3.3	4.2	5.2	5.9	6.1	6.0	5.9	5.8	5.4	5.1	4.7	4.5	4.9	5.4	5.9	6.4
Other Practice Expenses		26.308	2.1	2.2	2.3	2.4	2.6	2.9	3.2	3.4	3.6	3.7	3.7	3.7	3.9	4.1	4.2	4.3
Office Expenses		20.035	2.0	2.1	2.3	2.5	2.8	3.0	3.2	3.2	3.0	2.7	2.5	2.4	2.6	2.7	2.5	2.2
Utilities	CPI - Fuel and Other Utilities	1.266	1.7	3.3	5.1	7.1	9.9	11.9	11.7	8.9	2.9	-1.8	-4.5	-4.4	-1.0	2.9	6.1	7.7
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	1.4	1.3	1.4	1.3	1.4	1.5	1.5	1.4	1.1	0.8	0.3	0.1	0.0	-0.1	0.0	0.2
Paper	PPI - Convert. Paper And Paperboard	0.657	2.8	4.6	5.8	5.9	5.4	3.8	2.3	1.1	0.1	-0.4	-0.6	-0.5	0.0	0.6	1.0	0.9
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	0.6	1.3	1.8	2.4	2.7	2.8	2.4	1.4	0.4	-0.4	-0.6	-0.3	0.5	1.6	2.2	2.6
Telephone	CPI - Telephone Services	1.501	-0.9	-1.0	-1.1	-1.6	-1.6	-1.0	-0.2	0.8	1.2	1.0	0.8	0.4	0.3	0.1	-0.7	-1.4
Postage	CPI - Postage	0.898	2.2	1.5	0.7	0.0	0.7	1.6	2.7	3.9	3.5	3.0	4.5	6.0	8.2	10.5	7.7	5.0
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	3.2	3.2	3.5	3.6	3.8	4.0	3.9	3.9	3.8	3.6	3.6	3.4	3.3	3.2	3.1	3.2
All Other Products	CPI - All Items Less Food and Energy	0.500	2.1	2.2	2.3	2.4	2.6	2.6	2.6	2.7	2.6	2.6	2.5	2.3	2.1	1.9	1.7	1.5
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	2.6	2.6	2.7	3.0	3.1	3.3	3.6	3.8	4.2	4.3	4.3	4.1	3.7	3.2	2.8	2.4
Moveable Capital	PPI - Mach. & Equipment	1.353	-0.5	-0.5	-0.3	-0.2	-0.1	0.0	-0.1	-0.3	-0.4	-0.6	-0.6	-0.7	-0.8	-0.8	-0.8	-0.8
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	6.0	5.9	5.3	4.3	4.0											

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2004Q1	2004Q2	2004Q3	2004Q4	2005Q1	2005Q2	2005Q3	2005Q4	2006Q1	2006Q2	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3	2007Q4
Index Levels:																		
Total - MEI (Unadjusted)		100.000	0.928	0.933	0.940	0.947	0.959	0.963	0.969	0.978	0.989	0.996	1.004	1.012	1.020	1.027	1.036	1.043
Physician Compensation		48.266	0.928	0.931	0.937	0.946	0.955	0.958	0.964	0.976	0.987	0.994	1.003	1.016	1.025	1.033	1.043	1.053
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	0.930	0.932	0.937	0.947	0.954	0.956	0.963	0.976	0.987	0.994	1.003	1.016	1.027	1.034	1.045	1.055
Benefits	ECI - Benefits - Private Industry Workers	4.386	0.911	0.927	0.935	0.942	0.961	0.970	0.977	0.980	0.989	0.996	1.004	1.010	1.011	1.022	1.029	1.035
Practice Expenses		51.734	0.928	0.934	0.942	0.947	0.962	0.968	0.973	0.979	0.990	0.997	1.005	1.009	1.015	1.022	1.029	1.034
Non-physician Compensation		19.153	0.926	0.934	0.942	0.949	0.960	0.967	0.973	0.978	0.987	0.995	1.005	1.012	1.023	1.032	1.040	1.046
Non-physician Wages		13.752	0.936	0.942	0.949	0.954	0.962	0.968	0.973	0.978	0.987	0.996	1.005	1.013	1.025	1.033	1.042	1.048
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	0.930	0.934	0.944	0.949	0.959	0.964	0.972	0.976	0.985	0.994	1.006	1.015	1.026	1.035	1.044	1.050
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	0.946	0.953	0.958	0.962	0.969	0.974	0.972	0.977	0.990	0.999	1.004	1.007	1.023	1.031	1.039	1.042
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	0.936	0.943	0.950	0.955	0.961	0.969	0.973	0.979	0.988	0.997	1.004	1.011	1.023	1.032	1.037	1.044
Services	ECI - Wages And Salaries - Service Occupations	1.834	0.948	0.953	0.958	0.963	0.970	0.973	0.979	0.983	0.989	0.996	1.003	1.012	1.029	1.035	1.047	1.053
Non-phys benefits	Composite Benefit Index	5.401	0.901	0.916	0.924	0.934	0.956	0.965	0.972	0.977	0.988	0.995	1.006	1.012	1.018	1.029	1.034	1.040
Other Practice Expenses		26.308	0.922	0.928	0.937	0.940	0.961	0.966	0.972	0.979	0.991	0.997	1.005	1.007	1.010	1.016	1.022	1.027
Office Expenses		20.035	0.929	0.936	0.943	0.949	0.956	0.962	0.968	0.978	0.988	0.996	1.006	1.010	1.019	1.025	1.035	1.041
Utilities	CPI - Fuel and Other Utilities	1.266	0.802	0.820	0.858	0.846	0.856	0.888	0.943	0.991	1.003	0.994	1.022	0.982	1.003	1.029	1.052	1.037
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	0.841	0.866	0.901	0.949	0.973	0.971	0.956	0.986	0.999	0.998	1.007	0.996	1.014	0.999	1.026	1.074
Paper	PPI - Convert. Paper And Paperboard	0.657	0.890	0.901	0.925	0.940	0.951	0.957	0.954	0.965	0.984	0.996	1.010	1.011	1.010	1.014	1.021	1.036
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	0.854	0.861	0.872	0.893	0.914	0.923	0.929	0.975	0.995	0.996	1.002	1.007	1.001	1.002	1.010	1.019
Telephone	CPI - Telephone Services	1.501	1.012	1.003	0.995	0.990	0.992	0.991	0.987	0.992	0.993	0.996	1.001	1.010	1.015	1.025	1.031	1.032
Postage	CPI - Postage	0.898	0.949	0.949	0.949	0.949	0.949	0.949	0.949	0.949	1.000	1.000	1.000	1.000	1.000	1.021	1.039	1.039
	ECI - Compensation - Service Occupations (Private)	3.582	0.941	0.949	0.954	0.959	0.966	0.971	0.976	0.981	0.989	0.996	1.004	1.012	1.025	1.032	1.044	1.050
All Other Services	CPI - All Items Less Food and Energy	0.500	0.947	0.954	0.956	0.962	0.969	0.975	0.976	0.982	0.989	0.999	1.004	1.008	1.015	1.022	1.025	1.031
All Other Products		8.957	0.936	0.942	0.947	0.952	0.959	0.963	0.969	0.975	0.983	0.995	1.006	1.016	1.024	1.030	1.036	1.045
Fixed Capital	CPI - Owner's Equivalent Rent	1.353	0.963	0.968	0.969	0.971	0.977	0.980	0.982	0.981	0.987	0.998	1.006	1.009	1.010	1.009	1.007	1.008
Moveable Capital	PPI - Mach. & Equipment	4.295	0.855	0.858	0.876	0.876	0.964	0.966	0.974	1.001	1.001	0.999	0.999	0.974	0.974	0.974	0.974	0.974
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	1.978	0.998	1.002	1.008	0.995	1.007	1.007	1.005	1.002	1.004	1.001	0.993	1.006	1.006	1.003	1.003	1.002
Medical Equipment	PPI - Medical instruments and equipment	1.760	0.975	0.975	0.978	0.984	0.983	0.982	0.982	0.993	0.997	0.999	0.999	1.004	1.005	1.006	1.010	1.018
Drugs and Supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	0.975	0.975	0.978	0.984	0.983	0.982	0.982	0.993	0.997	0.999	0.999	1.004	1.005	1.006	1.010	1.018
Medical supplies		4.513	0.947	0.954	0.956	0.962	0.969	0.975	0.976	0.982	0.989	0.999	1.004	1.008	1.015	1.022	1.025	1.031
Other Professional Expenses		4.513	0.947	0.954	0.956	0.962	0.969	0.975	0.976	0.982	0.989	0.999	1.004	1.008	1.015	1.022	1.025	1.031
Other Professional Expenses	CPI - All Items Less Food and Energy																	

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2004Q1	2004Q2	2004Q3	2004Q4	2005Q1	2005Q2	2005Q3	2005Q4	2006Q1	2006Q2	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3	2007Q4
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	2.0	1.8	1.7	1.8	1.8	1.8	1.7	1.6	1.6	1.6	1.8	1.8	1.9	1.9	1.8	1.8
10-yr moving average BLS non-farm multifactor productivity		N/A																
Total - MEI (Unadjusted)		100.000	3.2	3.1	3.1	3.3	3.3	3.3	3.3	3.2	3.2	3.2	3.4	3.4	3.4	3.4	3.3	3.2
Physician Compensation		48.266	2.6	2.5	2.4	2.5	2.7	2.8	2.8	2.9	3.1	3.3	3.6	3.8	3.9	3.9	3.9	3.9
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	2.3	2.1	2.0	2.1	2.3	2.4	2.6	2.8	3.0	3.3	3.7	3.9	4.0	4.1	4.1	4.0
Benefits	ECI - Benefits - Private Industry Workers	4.386	6.3	6.7	6.8	6.8	6.5	5.9	5.3	4.6	4.0	3.5	3.1	2.9	2.7	2.7	2.6	2.4
Practice Expenses		51.734	3.7	3.8	3.9	4.0	4.0	3.9	3.7	3.5	3.3	3.1	3.0	3.0	2.8	2.6	2.5	2.5
Non-physician Compensation		19.153	3.8	3.9	3.9	3.9	3.8	3.7	3.6	3.4	3.2	3.0	3.0	3.1	3.4	3.5	3.6	3.5
Non-physician Wages		13.752	2.9	2.9	2.9	2.8	2.8	2.8	2.7	2.7	2.6	2.6	2.8	3.1	3.4	3.6	3.7	3.7
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	3.0	3.2	3.3	3.3	3.2	3.2	3.1	3.0	3.0	2.9	3.0	3.3	3.7	4.0	4.0	3.9
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	3.7	3.4	2.7	2.0	2.0	2.1	2.0	1.9	1.8	1.9	2.4	2.8	3.1	3.3	3.3	3.3
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	2.7	2.7	2.7	2.8	2.8	2.8	2.7	2.6	2.6	2.6	2.8	3.1	3.3	3.4	3.4	3.4
Services	ECI - Wages And Salaries - Service Occupations	1.834	2.2	2.2	2.1	2.0	2.1	2.1	2.1	2.2	2.1	2.2	2.2	2.4	2.9	3.3	3.8	4.1
Non-phys benefits	Composite Benefit Index	5.401	6.5	6.7	6.7	6.7	6.5	6.1	5.8	5.3	4.6	4.0	3.6	3.4	3.3	3.4	3.2	3.0
Other Practice Expenses		26.308	4.2	4.2	4.4	4.6	4.6	4.5	4.2	4.0	3.7	3.5	3.5	3.1	2.8	2.5	2.1	1.9
Office Expenses		20.035	1.9	1.7	1.8	2.0	2.4	2.6	2.7	2.8	2.9	3.1	3.5	3.5	3.3	3.0	3.0	3.0
Utilities	CPI - Fuel and Other Utilities	1.266	7.1	5.6	4.7	4.8	5.4	6.7	8.0	10.6	13.2	14.0	13.5	8.7	4.6	2.7	1.4	3.0
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	0.4	1.5	3.6	6.7	10.4	12.3	11.6	9.3	6.0	3.8	3.7	2.9	2.6	1.9	1.1	2.8
Paper	PPI - Convert. Paper And Paperboard	0.657	0.4	0.1	0.6	1.8	3.7	5.2	5.2	4.7	3.8	3.4	4.0	4.5	4.3	3.7	2.6	2.0
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	2.5	2.0	2.1	2.8	4.1	5.6	6.5	7.5	8.0	8.1	8.4	6.9	4.8	3.0	1.3	0.8
Telephone	CPI - Telephone Services	1.501	-2.3	-2.6	-2.6	-2.6	-2.3	-2.1	-1.6	-1.0	-0.4	0.0	0.6	1.0	1.4	2.1	2.5	2.6
Postage	CPI - Postage	0.898	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	2.7	4.0	5.3	4.0	3.1	2.8	2.5
	ECI - Compensation - Service Occupations (Private)	3.582	3.2	3.3	3.2	3.1	3.0	2.7	2.6	2.5	2.4	2.4	2.5	2.7	3.0	3.3	3.6	3.8
All Other Services	CPI - All Items Less Food and Energy	0.500	1.3	1.4	1.5	1.8	2.0	2.1	2.2	2.2	2.1	2.2	2.4	2.5	2.6	2.6	2.4	2.3
All Other Products		8.957	2.2	2.1	2.2	2.3	2.4	2.4	2.3	2.3	2.4	2.6	3.0	3.5	3.9	4.0	3.7	3.4
Fixed Capital	CPI - Owner's Equivalent Rent	1.353	-0.7	-0.5	-0.2	0.1	0.7	1.0	1.2	1.3	1.2	1.3	1.6	2.0	2.4	2.2	1.6	0.9
Moveable Capital	PPI - Mach. & Equipment	4.295	21.6	22.6	22.8	22.7	19.7	17.0	14.3									

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year															Forecast 2011Q4	
		Weights 2006	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2		2011Q3
Index Levels:																		
Total - MEI (Unadjusted)		100.000	1.052	1.059	1.068	1.076	1.081	1.081	1.086	1.092	1.098	1.100	1.104	1.110	1.119	1.122	1.125	1.132
Physician Compensation		48.266	1.065	1.070	1.079	1.092	1.103	1.100	1.107	1.119	1.128	1.130	1.133	1.143	1.154	1.154	1.156	1.167
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	1.067	1.072	1.081	1.096	1.107	1.104	1.112	1.124	1.132	1.134	1.137	1.148	1.158	1.156	1.159	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	1.043	1.048	1.053	1.055	1.060	1.062	1.065	1.082	1.087	1.094	1.096	1.114	1.131	1.131	-	-
Practice Expenses		51.734	1.040	1.049	1.059	1.061	1.061	1.062	1.066	1.066	1.069	1.072	1.077	1.078	1.086	1.092	1.096	1.099
Non-physician Compensation		19.153	1.056	1.063	1.071	1.075	1.082	1.084	1.087	1.089	1.097	1.101	1.107	1.110	1.121	1.126	1.129	1.135
Non-physician Wages		13.752	1.058	1.066	1.074	1.079	1.086	1.089	1.092	1.094	1.100	1.104	1.110	1.113	1.120	1.123	1.128	1.133
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	1.061	1.069	1.078	1.082	1.089	1.091	1.094	1.094	1.101	1.105	1.112	1.114	1.121	1.124	1.128	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	1.057	1.065	1.072	1.075	1.078	1.078	1.079	1.083	1.094	1.100	1.102	1.106	1.113	1.118	1.123	-
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	1.054	1.062	1.069	1.074	1.082	1.087	1.090	1.094	1.098	1.102	1.109	1.112	1.120	1.124	1.129	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	1.061	1.070	1.079	1.083	1.091	1.093	1.102	1.104	1.107	1.108	1.114	1.116	1.123	1.123	1.127	-
Non-phys benefits	Composite Benefit Index	5.401	1.051	1.056	1.062	1.064	1.070	1.071	1.074	1.074	1.090	1.095	1.101	1.103	1.123	1.133	1.133	1.140
Other Practice Expenses		26.308	1.031	1.041	1.054	1.055	1.048	1.048	1.052	1.051	1.051	1.054	1.058	1.058	1.064	1.071	1.075	1.078
Office Expenses		20.035	1.051	1.064	1.081	1.082	1.082	1.082	1.086	1.086	1.088	1.092	1.097	1.097	1.107	1.115	1.122	1.125
Utilities	CPI - Fuel and Other Utilities	1.266	1.061	1.138	1.204	1.117	1.094	1.072	1.091	1.071	1.086	1.100	1.125	1.090	1.106	1.134	1.163	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	1.122	1.155	1.277	1.314	1.244	1.186	1.198	1.217	1.227	1.251	1.268	1.297	1.369	1.452	1.461	-
Paper	PPI - Convert. Paper And Paperboard	0.657	1.048	1.060	1.096	1.126	1.114	1.103	1.094	1.097	1.104	1.133	1.148	1.156	1.165	1.179	1.185	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	1.040	1.058	1.103	1.115	1.079	1.067	1.071	1.080	1.090	1.110	1.117	1.122	1.149	1.188	1.211	-
Telephone	CPI - Telephone Services	1.501	1.033	1.044	1.058	1.060	1.064	1.067	1.073	1.073	1.070	1.069	1.071	1.067	1.058	1.057	1.055	-
Postage	CPI - Postage	0.898	1.039	1.058	1.071	1.071	1.085	1.109	1.127	1.127	1.143	1.143	1.143	1.143	1.143	1.186	1.187	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	1.058	1.066	1.073	1.077	1.086	1.088	1.096	1.097	1.103	1.106	1.112	1.114	1.123	1.125	1.128	-
All Other Products	CPI - All Items Less Food and Energy	0.500	1.039	1.045	1.051	1.052	1.057	1.064	1.067	1.070	1.071	1.074	1.076	1.078	1.083	1.090	1.096	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	1.052	1.057	1.062	1.068	1.074	1.078	1.079	1.078	1.077	1.076	1.077	1.080	1.083	1.086	1.092	-
Moveable Capital	PPI - Mach. & Equipment	1.353	1.016	1.024	1.035	1.038	1.041	1.040	1.040	1.039	1.039	1.039	1.038	1.038	1.046	1.052	1.056	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	0.946	0.946	0.946	0.946	0.905	0.905	0.905	0.905	0.893	0.893	0.893	0.893	0.884	0.884	0.884	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	1.009	1.011	1.011	1.010	1.016	1.020	1.021	1.018	1.020	1.019	1.025	1.024	1.021	1.021	1.016	-
Drugs and Supplies		1.760	1.021	1.018	1.020	1.028	1.033	1.034	1.034	1.039	1.033	1.025	1.031	1.034	1.039	1.038	1.030	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	1.021	1.018	1.020	1.028	1.033	1.034	1.034	1.039	1.033	1.025	1.031	1.034	1.039	1.038	1.030	-
Other Professional Expenses		4.513	1.039	1.045	1.051	1.052	1.057	1.064	1.067	1.070	1.071	1.074	1.076	1.078	1.083	1.090	1.096	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	1.039	1.045	1.051	1.052	1.057	1.064	1.067	1.070	1.071	1.074	1.076	1.078	1.083	1.090	1.096	-

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year															Forecast 2011Q4	
		Weights 2006	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2		2011Q3
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	1.7	1.6	1.7	1.7	1.7	1.7	1.6	1.3	1.0	0.7	0.6	0.6	0.6	0.6	0.7	0.8
10-yr moving average BLS non-farm multifactor productivity		N/A																
Total - MEI (Unadjusted)		100.000	3.2	3.1	3.1	3.1	3.0	2.8	2.4	2.0	1.7	1.6	1.6	1.7	1.8	1.8	1.9	2.0
Physician Compensation		48.266	3.9	3.8	3.6	3.6	3.6	3.4	3.2	2.9	2.6	2.5	2.4	2.4	2.3	2.2	2.1	-
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	4.0	3.9	3.7	3.7	3.7	3.5	3.3	3.0	2.7	2.6	2.5	2.4	2.3	2.2	2.1	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	2.7	2.7	2.6	2.5	2.1	1.8	1.5	1.2	1.3	1.6	2.0	2.5	2.8	3.2	3.3	-
Practice Expenses		51.734	2.5	2.5	2.6	2.7	2.5	2.2	1.6	1.1	0.8	0.7	0.8	1.0	1.2	1.4	1.6	1.8
Non-physician Compensation		19.153	3.4	3.2	3.1	3.0	2.8	2.5	2.2	1.8	1.6	1.5	1.6	1.7	1.9	2.0	2.1	2.2
Non-physician Wages		13.752	3.5	3.4	3.3	3.1	3.0	2.7	2.3	2.0	1.6	1.4	1.4	1.5	1.6	1.7	1.7	1.7
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	3.7	3.5	3.3	3.2	3.1	2.7	2.3	1.8	1.4	1.2	1.3	1.4	1.6	1.7	1.7	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	3.3	3.4	3.3	3.3	2.9	2.4	1.7	1.1	1.0	1.2	1.6	2.0	2.0	1.9	1.8	-
	ECI - Wages And Salaries - Admin Support incl																	
Clerical	Clerical (Private)	4.466	3.3	3.2	3.1	3.0	2.9	2.7	2.5	2.3	1.9	1.7	1.6	1.5	1.7	1.8	1.8	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	3.9	3.7	3.4	3.1	3.0	2.7	2.5	2.3	2.0	1.7	1.5	1.2	1.2	1.2	1.2	-
Non-phys benefits	Composite Benefit Index	5.401	3.1	2.9	2.8	2.7	2.4	2.1	1.7	1.3	1.4	1.6	1.9	2.3	2.6	2.9	3.0	3.2
Other Practice Expenses		26.308	1.9	2.1	2.4	2.6	2.5	2.0	1.2	0.5	0.1	0.1	0.3	0.5	0.8	1.0	1.3	1.6
Office Expenses		20.035	3.0	3.2	3.6	3.8	3.8	3.3	2.2	1.3	0.7	0.6	0.7	0.9	1.2	1.5	1.8	2.2
Utilities	CPI - Fuel and Other Utilities	1.266	4.5	6.3	9.2	9.7	8.9	4.6	-1.5	-4.2	-5.1	-3.1	0.2	1.7	2.3	2.5	2.5	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	5.1	9.0	14.7	18.4	18.2	14.7	6.8	-0.5	-3.2	-2.6	0.4	4.1	7.4	10.1	12.4	-
Paper	PPI - Convert. Paper And Paperboard	0.657	2.3	3.0	4.5	6.1	6.7	6.6	4.7	1.8	0.1	-0.2	1.0	3.0	4.6	5.0	4.5	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	1.6	2.8	4.9	7.0	7.0	5.7	2.7	-0.4	-1.1	-0.3	1.5	3.3	4.4	5.2	6.2	-
Telephone	CPI - Telephone Services	1.501	2.5	2.2	2.1	2.2	2.5	2.6	2.3	1.9	1.3	0.8	0.4	0.0	-0.4	-0.7	-1.1	-
Postage	CPI - Postage	0.898	3.4	3.8	3.6	3.4	3.6	3.9	4.4	4.9	5.2	4.7	3.7	2.8	2.4	2.6	3.2	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	3.6	3.6	3.3	3.0	2.9	2.5	2.4	2.2	1.9	1.8	1.6	1.5	1.6	1.6	1.7	-
All Other Products	CPI - All Items Less Food and Energy	0.500	2.3	2.3	2.4	2.3	2.1	2.0	1.8	1.7	1.6	1.4	1.2	1.0	0.9	1.0	1.3	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	3.0	2.8	2.6	2.5	2.4	2.2	2.0	1.7	1.2	0.6	0.2	0.0	0.1	0.4	0.8	-
Moveable Capital	PPI - Mach. & Equipment	1.353	0.4	0.5	1.2	1.9	2.4	2.4	1.9	1.2	0.5	0.1	0.0	-0.1	0.1	0.4	0.8	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-2.7	-2.7	-2.8	-2.9	-3.2	-3.6	-4.0	-4.3	-3.6	-2.9	-2.1	-1.3	-1.2	-1.1	-1.0	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	0.4	0.5	0.7	0.6	0.7	0.8	0.8	0.8	0.7	0.5	0.3	0.3	0.3	0.4	0.0	

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2012Q1	Forecast 2012Q2	Forecast 2012Q3	Forecast 2012Q4	Forecast 2013Q1	Forecast 2013Q2	Forecast 2013Q3	Forecast 2013Q4	Forecast 2014Q1	Forecast 2014Q2	Forecast 2014Q3	Forecast 2014Q4	Forecast 2015Q1	Forecast 2015Q2	Forecast 2015Q3	Forecast 2015Q4
Index Levels:																		
Total - MEI (Unadjusted)		100.000	1.138	1.141	1.147	1.154	1.163	1.166	1.175	1.184	1.196	1.200	1.208	1.218	1.229	1.233	1.242	1.252
Physician Compensation		48.266	1.173	1.176	1.182	1.192	1.199	1.204	1.210	1.222	1.229	1.233	1.241	1.254	1.263	1.269	1.278	1.291
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		51.734	1.105	1.108	1.115	1.119	1.130	1.131	1.141	1.149	1.166	1.169	1.177	1.184	1.197	1.199	1.208	1.215
Non-physician Compensation		19.153	1.144	1.151	1.157	1.163	1.175	1.184	1.192	1.198	1.211	1.221	1.228	1.235	1.248	1.257	1.266	1.273
Non-physician Wages		13.752	1.141	1.148	1.155	1.162	1.171	1.179	1.188	1.195	1.205	1.214	1.222	1.229	1.239	1.248	1.258	1.265
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	1.153	1.159	1.164	1.167	1.185	1.195	1.202	1.207	1.226	1.237	1.244	1.250	1.269	1.280	1.288	1.295
Other Practice Expenses		26.308	1.082	1.082	1.089	1.092	1.103	1.099	1.113	1.122	1.145	1.143	1.154	1.160	1.175	1.170	1.181	1.188
Office Expenses		20.035	1.128	1.131	1.138	1.140	1.148	1.154	1.163	1.167	1.174	1.179	1.187	1.192	1.200	1.205	1.213	1.218
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2012Q1	Forecast 2012Q2	Forecast 2012Q3	Forecast 2012Q4	Forecast 2013Q1	Forecast 2013Q2	Forecast 2013Q3	Forecast 2013Q4	Forecast 2014Q1	Forecast 2014Q2	Forecast 2014Q3	Forecast 2014Q4	Forecast 2015Q1	Forecast 2015Q2	Forecast 2015Q3	Forecast 2015Q4
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	0.7	0.6	0.7	0.7	1.0	1.1	1.2	1.5	1.6	1.9	2.1	2.2	2.1	2.1	2.2	2.1
10-yr moving average BLS non-farm multifactor productivity		N/A	1.2	1.2	1.1	1.1	1.0	1.0	1.0	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.6	0.6
Total - MEI (Unadjusted)		100.000	1.9	1.8	1.8	1.8	2.0	2.1	2.2	2.4	2.5	2.7	2.8	2.9	2.8	2.8	2.8	2.7
Physician Compensation		48.266	2.0	1.9	2.0	2.0	2.1	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.7	2.8	2.8	2.9
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		51.734	1.8	1.7	1.7	1.7	1.8	2.0	2.1	2.3	2.6	2.9	3.1	3.2	3.1	2.9	2.7	2.6
Non-physician Compensation		19.153	2.1	2.1	2.3	2.3	2.5	2.6	2.8	2.9	3.0	3.1	3.1	3.1	3.1	3.0	3.0	3.1
Non-physician Wages		13.752	1.8	1.9	2.1	2.3	2.4	2.6	2.7	2.8	2.9	2.9	2.9	2.9	2.9	2.9	2.8	2.9
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	3.1	2.8	2.7	2.5	2.5	2.8	2.9	3.2	3.3	3.4	3.5	3.5	3.5	3.5	3.6	3.6
Other Practice Expenses		26.308	1.7	1.5	1.4	1.3	1.4	1.6	1.8	2.1	2.6	3.2	3.6	3.7	3.4	3.0	2.7	2.4
Office Expenses		20.035	2.2	2.0	1.8	1.5	1.5	1.6	1.8	2.0	2.2	2.2	2.2	2.2	2.1	2.1	2.2	2.2
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** Percent Changes are calculated using more than ten decimal places.

Source: IHS Global Insight, 2011Q4, Historical Data through 2011Q3; Released by: CMS, OACT, National Health Statistics Group, (410) 786-6397

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2016Q1	Forecast 2016Q2	Forecast 2016Q3	Forecast 2016Q4	Forecast 2017Q1	Forecast 2017Q2	Forecast 2017Q3	Forecast 2017Q4	Forecast 2018Q1	Forecast 2018Q2	Forecast 2018Q3	Forecast 2018Q4	Forecast 2019Q1	Forecast 2019Q2	Forecast 2019Q3	Forecast 2019Q4
Index Levels:																		
Total - MEI (Unadjusted)		100.000	1.264	1.267	1.276	1.286	1.299	1.301	1.310	1.321	1.334	1.335	1.344	1.355	1.369	1.370	1.379	1.390
Physician Compensation		48.266	1.300	1.306	1.315	1.329	1.338	1.344	1.352	1.366	1.374	1.380	1.388	1.402	1.410	1.415	1.424	1.438
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		51.734	1.230	1.230	1.239	1.246	1.262	1.262	1.271	1.278	1.295	1.293	1.303	1.311	1.331	1.327	1.338	1.346
Non-physician Compensation		19.153	1.287	1.286	1.305	1.312	1.326	1.335	1.344	1.351	1.365	1.374	1.383	1.390	1.404	1.414	1.423	1.430
Non-physician Wages		13.752	1.275	1.294	1.293	1.300	1.311	1.319	1.329	1.336	1.346	1.354	1.363	1.370	1.381	1.389	1.398	1.405
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	1.315	1.327	1.336	1.342	1.364	1.376	1.384	1.391	1.412	1.425	1.434	1.442	1.464	1.476	1.485	1.492
Other Practice Expenses		26.308	1.205	1.199	1.209	1.216	1.236	1.227	1.239	1.246	1.268	1.255	1.268	1.277	1.305	1.288	1.302	1.312
Office Expenses		20.035	1.226	1.231	1.238	1.243	1.251	1.256	1.264	1.269	1.276	1.282	1.290	1.295	1.303	1.308	1.315	1.320
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2016Q1	Forecast 2016Q2	Forecast 2016Q3	Forecast 2016Q4	Forecast 2017Q1	Forecast 2017Q2	Forecast 2017Q3	Forecast 2017Q4	Forecast 2018Q1	Forecast 2018Q2	Forecast 2018Q3	Forecast 2018Q4	Forecast 2019Q1	Forecast 2019Q2	Forecast 2019Q3	Forecast 2019Q4
Percent Change																		
Total - MEI (Adjusted for Productivity)		100.000	2.2	2.2	2.2	2.2	2.2	2.2	2.0	2.0	2.0	2.0	1.9	1.9	1.9	1.8	1.7	1.7
10-yr moving average BLS non-farm multifactor productivity		N/A	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.9	0.9
Total - MEI (Unadjusted)		100.000	2.8	2.8	2.8	2.8	2.8	2.8	2.7	2.7	2.7	2.7	2.6	2.6	2.6	2.6	2.6	2.6
Physician Compensation		48.266	2.9	3.0	3.0	3.0	2.9	2.9	2.9	2.8	2.8	2.7	2.7	2.6	2.6	2.6	2.6	2.6
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Expenses		51.734	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.5	2.6	2.6	2.6	2.7
Non-physician Compensation		19.153	3.1	3.1	3.1	3.1	3.1	3.0	3.0	3.0	3.0	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Non-physician Wages		13.752	2.9	2.9	2.9	2.8	2.8	2.8	2.8	2.8	2.7	2.7	2.7	2.6	2.6	2.6	2.6	2.6
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6
Other Practice Expenses		26.308	2.4	2.4	2.4	2.5	2.4	2.4	2.4	2.5	2.5	2.4	2.4	2.4	2.5	2.6	2.7	2.7
Office Expenses		20.035	2.2	2.2	2.2	2.1	2.1	2.1	2.0	2.1	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** Percent Changes are calculated using more than ten decimal places.

Source: IHS Global Insight, 2011Q4, Historical Data through 2011Q3; Released by: CMS, OACT, National Health Statistics Group, (410) 786-6397

Quarterly Index Levels in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2020Q1	Forecast 2020Q2	Forecast 2020Q3	Forecast 2020Q4	Forecast 2021Q1	Forecast 2021Q2	Forecast 2021Q3	Forecast 2021Q4
Index Levels:										
Total - MEI (Unadjusted)		100.000	1.406	1.406	1.416	1.427	1.443	1.443	1.453	1.465
Physician Compensation		48.266	1.446	1.451	1.460	1.474	1.483	1.489	1.498	1.513
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-
Practice Expenses		51.734	1.368	1.363	1.374	1.382	1.406	1.399	1.411	1.420
Non-physician Compensation		19.153	1.444	1.453	1.463	1.470	1.485	1.495	1.505	1.513
Non-physician Wages		13.752	1.416	1.424	1.433	1.440	1.451	1.460	1.470	1.477
P&T Wages	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	1.515	1.528	1.538	1.545	1.570	1.583	1.594	1.603
Other Practice Expenses		26.308	1.344	1.325	1.340	1.349	1.383	1.362	1.377	1.386
Office Expenses		20.035	1.328	1.334	1.342	1.347	1.356	1.362	1.371	1.377
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-

4 Quarter Moving Average Percent Change in the CMS Medicare Economic Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year Weights 2006	Forecast 2020Q1	Forecast 2020Q2	Forecast 2020Q3	Forecast 2020Q4	Forecast 2021Q1	Forecast 2021Q2	Forecast 2021Q3	Forecast 2021Q4
Percent Change										
Total - MEI (Adjusted for Productivity)		100.000	1.7	1.7	1.8	1.9	1.9	1.9	1.9	2.0
10-yr moving average BLS non-farm multifactor productivity		N/A	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.7
Total - MEI (Unadjusted)		100.000	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.7
Physician Compensation		48.266	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Wages and Salaries	AHE - Private Nonagricultural (Esit)	43.880	-	-	-	-	-	-	-	-
Benefits	ECI - Benefits - Private Industry Workers	4.386	-	-	-	-	-	-	-	-
Practice Expenses		51.734	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
Non-physician Compensation		19.153	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.9
Non-physician Wages		13.752	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.5
P&T	ECI - Wages And Salaries - Professional and Technical (Private)	6.006	-	-	-	-	-	-	-	-
Management	ECI - Wages And Salaries - Managers & Administrators (Private)	1.446	-	-	-	-	-	-	-	-
Clerical	ECI - Wages And Salaries - Admin Support incl Clerical (Private)	4.466	-	-	-	-	-	-	-	-
Services	ECI - Wages And Salaries - Service Occupations	1.834	-	-	-	-	-	-	-	-
Non-phys benefits	Composite Benefit Index	5.401	3.5	3.5	3.5	3.5	3.5	3.6	3.6	3.7
Other Practice Expenses		26.308	2.8	2.8	2.9	2.9	2.9	2.8	2.8	2.8
Office Expenses		20.035	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1
Utilities	CPI - Fuel and Other Utilities	1.266	-	-	-	-	-	-	-	-
Chemicals	PPI - Other Basic Organic Chemical Manufacturing	0.723	-	-	-	-	-	-	-	-
Paper	PPI - Convert. Paper And Paperboard	0.657	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	0.598	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	1.501	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.898	-	-	-	-	-	-	-	-
All Other Services	ECI - Compensation - Service Occupations (Private)	3.582	-	-	-	-	-	-	-	-
All Other Products	CPI - All Items Less Food and Energy	0.500	-	-	-	-	-	-	-	-
Fixed Capital	CPI - Owner's Equivalent Rent	8.957	-	-	-	-	-	-	-	-
Moveable Capital	PPI - Mach. & Equipment	1.353	-	-	-	-	-	-	-	-
Professional Liability Insurance	CMS - Prof. Liab. Phys. Prem. Survey	4.295	-	-	-	-	-	-	-	-
Medical Equipment	PPI - Medical instruments and equipment	1.978	-	-	-	-	-	-	-	-
Drugs and Supplies		1.760	-	-	-	-	-	-	-	-
Medical supplies	Composite - PPI Surg. Appl. & CPIU Med. Supl. (CY2000)	1.760	-	-	-	-	-	-	-	-
Other Professional Expenses		4.513	-	-	-	-	-	-	-	-
Other Professional Expenses	CPI - All Items Less Food and Energy	4.513	-	-	-	-	-	-	-	-

** Percent Changes are calculated using more than ten decimal places.

Source: IHS Global Insight, 2011Q4, Historical Data through 2011Q3; Released by: CMS, OACT, National Health Statistics Group, (410) 786-6397