

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Index Levels:</b>																		
Total - PPS06		100.000	0.716	0.720	0.724	0.725	0.727	0.730	0.735	0.738	0.742	0.751	0.757	0.760	0.763	0.767	0.774	0.780
Compensation		59.627	0.696	0.699	0.703	0.705	0.707	0.710	0.715	0.720	0.723	0.729	0.735	0.739	0.744	0.749	0.755	0.764
Wages	ECl- Wages & Salaries Hospital Workers (Civilian)	47.213	0.707	0.711	0.715	0.718	0.721	0.724	0.729	0.735	0.739	0.744	0.751	0.755	0.760	0.764	0.770	0.779
Benefits	ECl- Benefits Hospital Workers (Civilian)	12.414	0.652	0.654	0.656	0.654	0.654	0.655	0.659	0.664	0.663	0.671	0.675	0.681	0.687	0.693	0.698	0.706
Utilities		2.180	0.696	0.728	0.763	0.715	0.710	0.724	0.759	0.709	0.688	0.704	0.738	0.688	0.672	0.702	0.748	0.709
Electricity	PPI - Commercial Electric Power	1.645	0.794	0.823	0.872	0.804	0.799	0.824	0.869	0.805	0.790	0.814	0.862	0.799	0.781	0.803	0.852	0.795
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	0.314	0.360	0.349	0.370	0.361	0.337	0.334	0.326	0.270	0.265	0.248	0.234	0.219	0.291	0.337	0.356
Water & Sewerage	CPI - Water & Sewage	0.117	0.688	0.703	0.695	0.699	0.704	0.707	0.722	0.727	0.732	0.737	0.744	0.746	0.751	0.754	0.758	0.760
Prof. Liability Insurance		1.661	0.624	0.624	0.624	0.624	0.616	0.616	0.616	0.616	0.616	0.616	0.616	0.619	0.624	0.628	0.628	0.628
Malpractice	HCFA - Prof. Liab. Prem.	1.661	0.624	0.624	0.624	0.624	0.616	0.616	0.616	0.616	0.616	0.616	0.616	0.619	0.624	0.628	0.628	0.628
All Other		36.533	0.754	0.758	0.762	0.763	0.765	0.768	0.771	0.775	0.783	0.796	0.801	0.803	0.804	0.808	0.813	0.818
All Other Products		19.473	0.780	0.783	0.787	0.785	0.784	0.786	0.786	0.789	0.798	0.818	0.821	0.822	0.819	0.821	0.827	0.831
Drugs	PPI - Prescription Drugs	5.380	0.583	0.583	0.592	0.593	0.601	0.605	0.607	0.614	0.655	0.729	0.739	0.744	0.733	0.739	0.749	0.752
Food-direct purchase	PPI - Processed Foods	3.982	0.849	0.864	0.884	0.880	0.871	0.878	0.874	0.870	0.856	0.856	0.862	0.858	0.856	0.848	0.858	0.859
Food-away from home	CPI - Food Away Fr. Home	0.575	0.763	0.768	0.774	0.781	0.787	0.790	0.796	0.802	0.806	0.811	0.817	0.822	0.828	0.832	0.836	0.841
Chemicals	Blend of PPI Chemicals	1.538	0.780	0.786	0.795	0.771	0.752	0.755	0.761	0.761	0.755	0.751	0.741	0.733	0.728	0.740	0.736	0.735
Blood	PPI - Blood and Organ Banks	1.078	0.898	0.898	0.896	0.902	0.903	0.901	0.897	0.904	0.905	0.907	0.907	0.919	0.923	0.922	0.920	0.933
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	0.891	0.891	0.886	0.886	0.887	0.889	0.890	0.889	0.890	0.888	0.890	0.894	0.896	0.900	0.898	0.900
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	0.811	0.810	0.813	0.811	0.807	0.808	0.809	0.808	0.807	0.804	0.802	0.801	0.798	0.800	0.805	0.809
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	0.870	0.846	0.829	0.827	0.822	0.808	0.808	0.825	0.840	0.838	0.838	0.829	0.824	0.838	0.849	0.864
Apparel	PPI - Apparel	0.325	0.996	0.995	0.995	0.998	0.998	0.999	1.001	1.003	1.007	1.007	1.008	1.011	1.012	1.012	1.010	1.011
Machinery & Equipment	PPI - Mach. & Equipment	0.163	1.015	1.009	1.008	1.007	1.008	1.006	1.004	1.001	1.001	0.998	0.996	0.994	0.995	0.992	0.990	0.990
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	0.898	0.898	0.896	0.902	0.903	0.901	0.897	0.904	0.905	0.907	0.907	0.919	0.923	0.922	0.920	0.933
All Other Services		17.060	0.725	0.730	0.734	0.738	0.743	0.749	0.755	0.760	0.766	0.771	0.778	0.782	0.787	0.792	0.796	0.804
Labor-Related Services		9.175	0.706	0.711	0.715	0.720	0.725	0.731	0.740	0.745	0.751	0.757	0.764	0.769	0.774	0.780	0.784	0.793
Professional fees (labor-related)	ECl- Compensation Prof. and Related (Private)	5.356	0.698	0.703	0.707	0.709	0.713	0.720	0.725	0.730	0.736	0.743	0.751	0.756	0.758	0.764	0.770	0.778
Administrative	ECl - Compensation, Office & Admin. Support Services	0.626	0.696	0.701	0.706	0.713	0.719	0.725	0.737	0.743	0.750	0.753	0.760	0.764	0.772	0.778	0.781	0.790
All Other (labor-related)	ECl - Service Occupations (Private)	3.193	0.722	0.727	0.732	0.739	0.745	0.751	0.764	0.770	0.777	0.781	0.788	0.792	0.801	0.807	0.810	0.819
Non Labor-Related Services		7.885	0.747	0.751	0.756	0.759	0.763	0.769	0.773	0.777	0.782	0.788	0.793	0.797	0.802	0.806	0.810	0.817
Professional fees (nonlabor-related)	ECl- Compensation Prof. and Related (Private)	4.074	0.698	0.703	0.707	0.709	0.713	0.720	0.725	0.730	0.736	0.743	0.751	0.756	0.758	0.764	0.770	0.778
Financial Services	ECl - Compensation, Financial Activities	1.281	0.683	0.687	0.692	0.700	0.705	0.711	0.723	0.729	0.735	0.739	0.745	0.749	0.758	0.763	0.766	0.774
Postage	CPI - Postage	0.963	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.807	0.832	0.832	0.832	0.832
Telephone	CPI - Telephone Services	0.627	1.028	1.028	1.040	1.045	1.051	1.054	1.049	1.049	1.050	1.059	1.058	1.056	1.053	1.047	1.045	1.053
All Other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	0.802	0.807	0.811	0.817	0.822	0.828	0.829	0.835	0.841	0.846	0.849	0.854	0.859	0.864	0.866	0.872

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Percent Changes:</b>																		
Total - PPS06		100.000	2.6	2.6	2.6	2.3	2.1	1.8	1.5	1.5	1.7	2.1	2.5	2.8	2.9	2.7	2.5	2.5
Compensation		59.627	2.4	2.4	2.5	2.4	2.1	1.9	1.7	1.7	1.9	2.2	2.5	2.6	2.8	2.8	2.8	3.0
Wages	ECl- Wages & Salaries Hospital Workers (Civilian)	47.213	2.3	2.4	2.5	2.4	2.3	2.1	1.9	2.0	2.1	2.4	2.6	2.7	2.8	2.8	2.7	2.8
Benefits	ECl- Benefits Hospital Workers (Civilian)	12.414	2.7	2.6	2.6	2.3	1.5	1.0	0.6	0.7	1.0	1.6	2.0	2.2	2.7	2.9	3.2	3.4
Utilities		2.180	1.7	1.0	1.0	1.3	1.7	1.3	0.7	0.0	-1.3	-1.8	-2.4	-2.9	-2.7	-2.1	-1.0	0.5
Electricity	PPI - Commercial Electric Power	1.645	1.4	0.7	0.2	-0.1	0.2	0.2	0.1	0.1	-0.3	-0.7	-0.8	-1.0	-1.0	-1.1	-1.1	-1.0
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	3.1	3.1	7.6	14.5	16.5	11.3	6.5	-2.6	-12.1	-15.7	-20.8	-25.0	-23.6	-16.9	-2.6	18.1
Water & Sewerage	CPI - Water & Sewage	0.117	3.2	3.8	3.9	4.1	3.6	2.4	2.5	2.7	3.1	4.0	3.8	3.5	3.1	2.6	2.3	2.1
Prof. Liability Insurance		1.661	-2.3	-1.4	-0.6	-0.4	-0.6	-0.8	-1.0	-1.3	-1.0	-0.7	-0.2	0.5	1.0	1.5	1.7	1.6
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-2.3	-1.4	-0.6	-0.4	-0.6	-0.8	-1.0	-1.3	-1.0	-0.7	-0.2	0.5	1.0	1.5	1.7	1.6
All Other		36.533	3.2	3.1	2.9	2.4	2.0	1.7	1.4	1.4	1.7	2.2	2.9	3.4	3.4	2.9	2.3	1.8
All Other Products		19.473	3.7	3.6	3.2	2.4	1.7	1.0	0.4	0.3	0.6	1.6	2.8	3.7	3.9	2.9	2.0	1.2
Drugs	PPI - Prescription Drugs	5.380	3.3	3.7	3.8	3.3	3.1	2.9	2.6	3.1	4.5	9.0	13.8	18.1	18.7	13.4	8.4	3.7
Food-direct purchase	PPI - Processed Foods	3.982	2.2	3.8	5.0	5.0	4.7	3.7	1.8	0.5	-0.6	-1.6	-1.7	-1.8	-1.4	-0.9	-0.7	-0.3
Food-away from home	CPI - Food Away Fr. Home	0.575	2.3	2.3	2.3	2.5	2.7	2.9	2.9	2.8	2.7	2.6	2.6	2.6	2.6	2.5	2.5	2.5
Chemicals	Blend of PPI Chemicals	1.538	7.5	7.2	7.2	5.1	2.3	-0.4	-3.0	-3.4	-2.3	-1.5	-1.0	-1.6	-2.6	-2.8	-2.4	-1.4
Blood	PPI - Blood and Organ Banks	1.078	2.2	2.1	1.9	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
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.0	1.4	1.5	1.3	0.6	0.1	0.0	0.0	0.2	0.2	0.1	0.2	0.3	0.6	0.9	0.9
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	4.4	2.5	0.7	-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
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	13.1	8.5	2.5	-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
Apparel	PPI - Apparel	0.325	0.7	0.7	0.7	0.7	0.6	0.5	0.5	0.4	0.6	0.7	0.7	0.8	0.7	0.6	0.5	0.3
Machinery & Equipment	PPI - Mach. & Equipment	0.163	1.1	0.8	0.5	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
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	2.2	2.1	1.9	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
All Other Services		17																

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Index Levels:</b>																		
Total - PPS06		100.000	0.785	0.793	0.802	0.809	0.819	0.829	0.839	0.844	0.852	0.859	0.869	0.877	0.887	0.893	0.904	0.911
Compensation		59.627	0.769	0.776	0.786	0.796	0.805	0.817	0.830	0.841	0.852	0.860	0.870	0.880	0.890	0.895	0.906	0.915
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	0.784	0.791	0.801	0.811	0.819	0.832	0.844	0.856	0.865	0.874	0.884	0.894	0.901	0.906	0.915	0.924
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	0.711	0.720	0.729	0.739	0.751	0.760	0.776	0.782	0.800	0.805	0.818	0.828	0.851	0.856	0.869	0.881
Utilities		2.180	0.714	0.740	0.790	0.757	0.761	0.788	0.824	0.759	0.738	0.767	0.804	0.768	0.789	0.793	0.847	0.798
Electricity	PPI - Commercial Electric Power	1.645	0.787	0.811	0.871	0.825	0.839	0.866	0.925	0.864	0.839	0.857	0.900	0.847	0.846	0.872	0.936	0.874
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	0.414	0.450	0.477	0.482	0.444	0.477	0.429	0.334	0.319	0.397	0.419	0.438	0.547	0.464	0.492	0.477
Water & Sewerage	CPI - Water & Sewage	0.117	0.766	0.772	0.777	0.783	0.790	0.795	0.802	0.808	0.817	0.822	0.828	0.835	0.843	0.850	0.862	0.874
Prof. Liability Insurance		1.661	0.632	0.630	0.633	0.636	0.639	0.643	0.647	0.651	0.656	0.661	0.670	0.684	0.681	0.706	0.733	0.757
Malpractice	HCFA - Prof. Liab. Prem.	1.661	0.632	0.630	0.633	0.636	0.639	0.643	0.647	0.651	0.656	0.661	0.670	0.684	0.681	0.706	0.733	0.757
All Other		36.533	0.823	0.831	0.836	0.842	0.853	0.859	0.862	0.864	0.869	0.872	0.880	0.886	0.898	0.903	0.911	0.919
All Other Products		19.473	0.834	0.841	0.845	0.849	0.858	0.863	0.861	0.860	0.863	0.864	0.868	0.876	0.887	0.894	0.901	0.911
Drugs	PPI - Prescription Drugs	5.380	0.758	0.761	0.767	0.770	0.785	0.788	0.777	0.783	0.796	0.803	0.811	0.823	0.836	0.847	0.859	0.867
Food-direct purchase	PPI - Processed Foods	3.982	0.858	0.873	0.870	0.870	0.884	0.897	0.907	0.893	0.888	0.884	0.888	0.892	0.911	0.924	0.938	0.965
Food-away from home	CPI - Food Away Fr. Home	0.575	0.847	0.851	0.857	0.862	0.868	0.875	0.883	0.888	0.894	0.898	0.904	0.909	0.912	0.917	0.923	0.929
Chemicals	Blend of PPI Chemicals	1.538	0.740	0.743	0.754	0.763	0.779	0.786	0.772	0.764	0.762	0.753	0.766	0.781	0.794	0.785	0.802	0.805
Blood	PPI - Blood and Organ Banks	1.078	0.932	0.934	0.935	0.944	0.947	0.949	0.949	0.953	0.951	0.951	0.946	0.954	0.952	0.949	0.948	0.960
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	0.904	0.905	0.907	0.911	0.917	0.919	0.922	0.927	0.933	0.936	0.938	0.943	0.957	0.959	0.961	0.967
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	0.812	0.817	0.826	0.835	0.835	0.837	0.833	0.830	0.826	0.830	0.834	0.836	0.844	0.857	0.855	0.856
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	0.871	0.888	0.902	0.905	0.902	0.907	0.904	0.904	0.898	0.897	0.898	0.907	0.909	0.910	0.908	0.906
Apparel	PPI - Apparel	0.325	1.014	1.013	1.015	1.015	1.013	1.010	1.009	1.006	1.001	0.997	0.997	1.000	1.001	1.000	1.000	1.002
Machinery & Equipment	PPI - Mach. & Equipment	0.163	0.989	0.989	0.991	0.990	0.989	0.989	0.985	0.984	0.984	0.982	0.979	0.977	0.975	0.974	0.972	0.970
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	0.932	0.934	0.935	0.944	0.947	0.949	0.949	0.953	0.951	0.951	0.946	0.954	0.952	0.949	0.948	0.960
All Other Services		17.060	0.811	0.820	0.827	0.834	0.847	0.854	0.863	0.868	0.877	0.882	0.893	0.898	0.910	0.915	0.923	0.927
Labor-Related Services		9.175	0.801	0.812	0.819	0.828	0.840	0.848	0.856	0.863	0.872	0.877	0.884	0.890	0.901	0.907	0.916	0.922
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	0.786	0.799	0.807	0.815	0.829	0.838	0.847	0.852	0.860	0.866	0.872	0.878	0.890	0.897	0.907	0.913
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	0.797	0.805	0.812	0.820	0.831	0.837	0.847	0.854	0.867	0.874	0.881	0.887	0.898	0.908	0.915	0.920
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	0.826	0.834	0.841	0.850	0.861	0.867	0.872	0.884	0.892	0.896	0.905	0.910	0.919	0.923	0.933	0.939
Non Labor-Related Services		7.885	0.823	0.830	0.836	0.842	0.855	0.862	0.871	0.874	0.883	0.887	0.904	0.907	0.920	0.924	0.930	0.933
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	0.786	0.799	0.807	0.815	0.829	0.838	0.847	0.852	0.860	0.866	0.872	0.878	0.890	0.897	0.907	0.913
Financial Services	ECI - Compensation, Financial Activities	1.281	0.782	0.789	0.796	0.804	0.815	0.823	0.830	0.829	0.852	0.864	0.867	0.867	0.907	0.916	0.924	0.926
Postage	CPI - Postage	0.963	0.832	0.832	0.832	0.832	0.856	0.860	0.870	0.870	0.870	0.870	0.961	0.961	0.961	0.961	0.961	0.961
Telephone	CPI - Telephone Services	0.627	1.046	1.029	1.028	1.029	1.038	1.037	1.043	1.046	1.048	1.037	1.050	1.048	1.051	1.029	1.026	1.019
All Other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	0.878	0.884	0.888	0.894	0.901	0.908	0.912	0.918	0.924	0.930	0.933	0.937	0.941	0.944	0.945	0.948

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Percent Changes:</b>																		
Total - PPS06		100.000	2.5	2.8	3.2	3.4	3.7	4.0	4.2	4.4	4.4	4.2	3.9	3.8	3.8	3.9	4.0	4.0
Compensation		59.627	3.0	3.3	3.6	3.8	4.1	4.5	4.9	5.3	5.6	5.6	5.4	5.1	4.8	4.5	4.4	4.2
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	3.0	3.2	3.5	3.7	4.0	4.4	4.8	5.1	5.5	5.4	5.3	4.9	4.6	4.2	3.9	3.7
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	3.4	3.6	3.9	4.2	4.7	5.1	5.6	5.8	6.1	6.2	5.9	6.0	5.9	6.0	6.2	6.3
Utilities		2.180	2.6	4.0	5.1	6.0	6.1	6.3	6.0	4.3	2.0	-0.2	-1.9	-1.7	0.6	2.1	4.2	4.8
Electricity	PPI - Commercial Electric Power	1.645	-0.6	0.0	0.9	1.9	3.4	4.8	5.9	6.1	4.5	2.5	0.1	-1.5	-1.3	-0.6	1.2	2.5
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	44.5	56.8	57.0	51.7	32.6	20.8	7.9	-7.7	-15.9	-21.3	-19.8	-6.5	15.5	26.3	32.1	25.8
Water & Sewerage	CPI - Water & Sewage	0.117	2.0	2.1	2.2	2.5	2.7	2.9	3.1	3.1	3.2	3.3	3.3	3.4	3.3	3.3	3.5	3.8
Prof. Liability Insurance		1.661	1.2	0.7	0.5	0.7	0.8	1.3	1.7	1.9	2.3	2.5	2.8	3.5	3.8	4.8	6.3	7.7
Malpractice	HCFA - Prof. Liab. Prem.	1.661	1.2	0.7	0.5	0.7	0.8	1.3	1.7	1.9	2.3	2.5	2.8	3.5	3.8	4.8	6.3	7.7
All Other		36.533	1.8	2.2	2.5	2.8	3.1	3.2	3.2	3.1	2.7	2.3	2.0	2.0	2.4	2.9	3.3	3.5
All Other Products		19.473	1.0	1.5	1.9	2.2	2.4	2.5	2.4	2.2	1.6	1.0	0.7	0.8	1.4	2.2	3.0	3.5
Drugs	PPI - Prescription Drugs	5.380	1.8	2.2	2.5	2.8	2.9	3.0	2.7	2.5	1.9	1.6	2.3	3.2	4.1	5.0	5.4	5.4
Food-direct purchase	PPI - Processed Foods	3.982	-0.3	0.7	1.2	1.5	2.2	2.1	2.9	3.2	2.5	1.5	-0.1	-0.8	-0.3	1.2	3.2	5.3
Food-away from home	CPI - Food Away Fr. Home	0.575	2.4	2.3	2.3	2.4	2.4	2.6	2.7	2.9	3.0	2.9	2.8	2.6	2.4	2.2	2.2	2.1
Chemicals	Blend of PPI Chemicals	1.538	-0.1	0.4	1.2	2.1	2.9	4.3	4.3	3.4	1.5	-1.0	-1.8	-1.3	0.3	2.5	3.9	4.1
Blood	PPI - Blood and Organ Banks	1.078	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
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.0	0.8	0.8	0.9	1.0	1.3	1.5	1.6	1.7	1.8	1.8	1.8	2.0	2.1	2.3	2.5
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	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
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	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
Apparel	PPI - Apparel	0.325	0.2	0.1	0.2	0.3	0.2	0.1	-0.2	-0.5	-0.7	-1.0	-1.1	-1.1	-0.8	-0.4	0.0	0.2
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-0.5	-0.5	-0.3	-0.2	-0.1	0.0	-0.1	-0.3	-0.4	-0.6	-0.6	-0.6	-0.7	-0.8	-0.8	-0.8
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	1.4	1.3	1.4	1.3	1.4	1.5	1.5	1.4	1.1							

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Index Levels:</b>																		
Total - PPS06		100.000	0.920	0.930	0.940	0.946	0.958	0.966	0.977	0.985	0.996	1.004	1.015	1.020	1.031	1.041	1.051	1.057
Compensation		59.627	0.924	0.931	0.942	0.949	0.961	0.967	0.978	0.985	0.996	1.003	1.016	1.024	1.034	1.041	1.051	1.059
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	0.931	0.936	0.947	0.954	0.963	0.969	0.979	0.986	0.995	1.003	1.015	1.024	1.034	1.042	1.053	1.059
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	0.897	0.911	0.925	0.932	0.954	0.963	0.976	0.980	0.998	1.003	1.018	1.024	1.037	1.038	1.046	1.056
Utilities		2.180	0.804	0.834	0.876	0.854	0.859	0.900	0.969	0.952	0.970	1.027	1.051	0.971	0.981	1.054	1.091	1.064
Electricity	PPI - Commercial Electric Power	1.645	0.864	0.887	0.932	0.891	0.894	0.925	0.979	0.951	0.987	1.012	1.050	0.990	0.997	1.037	1.081	1.026
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	0.540	0.602	0.644	0.689	0.695	0.784	0.929	0.947	0.897	1.090	1.066	0.884	0.900	1.121	1.131	1.208
Water & Sewerage	CPI - Water & Sewage	0.117	0.891	0.905	0.923	0.931	0.951	0.959	0.971	0.979	0.997	1.005	1.019	1.027	1.045	1.055	1.074	1.084
Prof. Liability Insurance		1.661	0.793	0.827	0.855	0.881	0.910	0.937	0.959	0.978	0.995	1.008	1.019	1.025	1.029	1.029	1.029	1.028
Malpractice	HCFA - Prof. Liab. Prem.	1.661	0.793	0.827	0.855	0.881	0.910	0.937	0.959	0.978	0.995	1.008	1.019	1.025	1.029	1.029	1.029	1.028
All Other		36.533	0.927	0.939	0.944	0.949	0.962	0.969	0.976	0.986	0.998	1.004	1.011	1.016	1.028	1.039	1.049	1.056
All Other Products		19.473	0.917	0.934	0.937	0.942	0.955	0.964	0.973	0.987	0.999	1.005	1.009	1.013	1.026	1.039	1.049	1.058
Drugs	PPI - Prescription Drugs	5.380	0.880	0.898	0.902	0.908	0.922	0.938	0.970	0.972	0.997	1.013	1.019	1.016	1.038	1.048	1.063	1.072
Food-direct purchase	PPI - Processed Foods	3.982	0.963	1.011	0.989	0.981	0.994	1.001	0.997	1.001	0.997	0.996	1.006	1.013	1.046	1.074	1.087	1.097
Food-away from home	CPI - Food Away Fr. Home	0.575	0.937	0.943	0.952	0.958	0.967	0.974	0.981	0.989	0.996	1.004	1.011	1.019	1.030	1.038	1.050	1.060
Chemicals	Blend of PPI Chemicals	1.538	0.820	0.820	0.858	0.872	0.895	0.905	0.911	1.000	1.016	0.998	0.986	1.022	0.995	1.035	1.044	1.067
Blood	PPI - Blood and Organ Banks	1.078	0.961	0.963	0.963	0.979	0.986	0.988	0.989	0.995	1.001	1.004	0.999	0.999	1.013	1.018	1.028	1.033
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	0.978	0.981	0.984	0.978	0.985	0.987	0.989	0.992	0.998	1.005	1.004	1.002	1.011	1.013	1.013	1.015
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	0.861	0.868	0.879	0.901	0.921	0.931	0.936	0.983	1.003	1.004	1.010	1.015	1.010	1.011	1.019	1.027
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	0.900	0.912	0.936	0.950	0.962	0.967	0.965	0.976	0.995	1.008	1.021	1.022	1.022	1.026	1.033	1.048
Apparel	PPI - Apparel	0.325	0.998	0.997	1.004	1.001	0.999	1.000	0.997	0.999	0.999	1.001	1.002	1.005	1.010	1.010	1.011	1.012
Machinery & Equipment	PPI - Mach. & Equipment	0.163	0.970	0.975	0.975	0.978	0.984	0.987	0.988	0.988	0.994	1.005	1.013	1.016	1.017	1.016	1.014	1.016
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	0.961	0.963	0.963	0.979	0.986	0.988	0.989	0.995	1.001	1.004	0.999	1.012	1.018	1.020	1.022	1.034
All Other Services		17.060	0.938	0.945	0.952	0.958	0.969	0.976	0.981	0.985	0.997	1.004	1.014	1.021	1.031	1.040	1.049	1.054
Labor-Related Services		9.175	0.935	0.943	0.950	0.957	0.969	0.976	0.982	0.987	0.996	1.003	1.014	1.022	1.033	1.042	1.051	1.057
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	0.927	0.934	0.944	0.951	0.966	0.974	0.981	0.985	0.995	1.003	1.016	1.024	1.034	1.044	1.051	1.057
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	0.934	0.945	0.952	0.959	0.968	0.976	0.982	0.986	0.995	1.005	1.013	1.020	1.031	1.040	1.046	1.053
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	0.948	0.956	0.961	0.966	0.974	0.979	0.984	0.989	0.997	1.003	1.011	1.019	1.033	1.040	1.052	1.058
Non Labor-Related Services		7.885	0.942	0.948	0.954	0.958	0.970	0.976	0.979	0.984	0.998	1.005	1.013	1.019	1.028	1.038	1.046	1.050
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	0.927	0.934	0.944	0.951	0.966	0.974	0.981	0.985	0.995	1.003	1.016	1.024	1.034	1.044	1.051	1.057
Financial Services	ECI - Compensation, Financial Activities	1.281	0.931	0.943	0.949	0.956	0.972	0.981	0.980	0.987	0.999	1.005	1.008	1.012	1.029	1.033	1.041	1.043
Postage	CPI - Postage	0.963	0.961	0.961	0.961	0.961	0.961	0.961	0.961	0.961	1.013	1.013	1.013	1.013	1.034	1.034	1.052	1.052
Telephone	CPI - Telephone Services	0.627	1.017	1.008	1.000	0.994	0.996	0.995	0.992	0.997	0.998	1.000	1.006	1.014	1.019	1.030	1.036	1.037
All Other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	0.953	0.961	0.963	0.968	0.975	0.981	0.983	0.989	0.996	1.005	1.010	1.015	1.022	1.028	1.032	1.038

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Percent Changes:</b>																		
Total - PPS06		100.000	3.9	4.0	4.0	3.9	4.0	4.0	3.9	4.0	4.0	4.0	4.0	3.8	3.7	3.6	3.6	3.6
Compensation		59.627	4.0	4.0	4.0	3.9	3.9	3.9	3.8	3.9	3.8	3.7	3.7	3.8	3.8	3.9	3.8	3.6
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.5	3.6	3.7	3.8	3.8	3.7
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	6.0	6.1	6.2	6.1	6.3	6.1	5.8	5.6	5.2	4.9	4.6	4.4	4.2	4.0	3.6	3.3
Utilities		2.180	3.6	4.1	3.6	4.4	5.6	6.3	8.2	9.2	10.7	12.3	11.7	9.3	6.3	3.6	2.4	4.2
Electricity	PPI - Commercial Electric Power	1.645	2.8	2.8	1.6	1.3	1.7	2.3	3.7	4.9	6.6	7.9	8.4	7.7	5.4	3.7	2.6	2.5
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	9.5	13.0	16.5	25.0	33.2	33.2	36.8	35.6	35.3	37.4	29.2	17.4	10.8	2.8	0.9	10.8
Water & Sewerage	CPI - Water & Sewage	0.117	4.5	5.3	6.0	6.5	6.7	6.5	6.1	5.7	5.3	5.0	4.9	4.9	4.9	4.9	5.0	5.2
Prof. Liability Insurance		1.661	10.8	13.4	15.3	16.6	16.2	15.2	14.1	12.8	11.4	10.0	8.5	7.0	5.5	4.1	2.8	1.7
Malpractice	HCFA - Prof. Liab. Prem.	1.661	10.8	13.4	15.3	16.6	16.2	15.2	14.1	12.8	11.4	10.0	8.5	7.0	5.5	4.1	2.8	1.7
All Other		36.533	3.5	3.6	3.6	3.5	3.7	3.5	3.4	3.6	3.6	3.7	3.7	3.5	3.3	3.3	3.3	3.5
All Other Products		19.473	3.7	3.9	4.0	3.8	4.0	3.7	3.6	4.0	4.1	4.4	4.3	3.8	3.3	3.1	3.2	3.6
Drugs	PPI - Prescription Drugs	5.380	5.5	5.6	5.4	5.2	5.1	4.8	5.4	6.0	6.8	7.7	7.0	6.4	5.4	4.3	4.1	4.4
Food-direct purchase	PPI - Processed Foods	3.982	6.0	7.3	7.2	5.5	4.9	2.3	1.2	1.3	0.5	0.6	0.7	0.5	1.6	3.7	5.5	7.3
Food-away from home	CPI - Food Away Fr. Home	0.575	2.3	2.5	2.7	3.0	3.1	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.2	3.2	3.4	3.6
Chemicals	Blend of PPI Chemicals	1.538	3.9	3.9	4.5	5.7	7.2	8.7	8.5	10.1	11.2	11.2	11.6	8.4	4.4	2.9	-2.4	2.9
Blood	PPI - Blood and Organ Banks	1.078	0.4	0.8	1.2	1.5	1.9	2.2	2.5	2.4	2.1	1.9	1.5	1.1	1.1	1.0	1.4	2.2
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	2.4	2.4	2.4	2.0	1.6	1.2	0.8	0.9	1.0	1.3	1.5	1.4	1.4	1.1	1.0	1.1
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	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
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	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
Apparel	PPI - Apparel	0.325	0.1	0.0	-0.1	-0.1	0.0	0.1	0.2	0.0	-0.1	-0.1	-0.1	0.2	0.6	0.7	0.9	0.9
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-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
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	0.4	0.8	1.2	1.5	1.9	2.2	2.5	2.4	2.1	1.9	1.5	1.5	1.5	1.5	1.8	

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4
<b>Index Levels:</b>																		
Total - PPS06		100.000	1.070	1.083	1.098	1.098	1.103	1.108	1.114	1.117	1.127	1.133	1.140	1.145	1.157	1.165	1.172	1.174
Compensation		59.627	1.068	1.076	1.087	1.093	1.101	1.107	1.113	1.118	1.124	1.129	1.134	1.140	1.145	1.149	1.154	1.159
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	1.069	1.079	1.090	1.098	1.105	1.111	1.117	1.121	1.125	1.129	1.133	1.138	1.142	1.146	1.151	1.156
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	1.063	1.066	1.074	1.075	1.088	1.091	1.100	1.107	1.121	1.129	1.136	1.147	1.157	1.161	1.166	1.168
Utilities		2.180	1.085	1.183	1.243	1.064	1.021	1.070	1.128	1.094	1.117	1.163	1.194	1.158	1.196	1.267	1.281	1.227
Electricity	PPI - Commercial Electric Power	1.645	1.027	1.079	1.140	1.093	1.095	1.118	1.159	1.099	1.106	1.148	1.193	1.121	1.125	1.154	1.188	1.136
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	1.310	1.613	1.680	0.923	0.685	0.848	0.980	1.031	1.121	1.186	1.163	1.257	1.432	1.682	1.620	1.536
Water & Sewerage	CPI - Water & Sewage	0.117	1.103	1.111	1.138	1.160	1.176	1.189	1.220	1.242	1.268	1.284	1.308	1.325	1.349	1.360	1.382	1.396
Prof. Liability Insurance		1.661	1.026	1.022	1.019	1.015	1.009	1.002	0.997	0.992	0.988	0.985	0.983	0.981	0.979	0.978	0.977	0.976
Malpractice	HCFA - Prof. Liab. Prem.	1.661	1.026	1.022	1.019	1.015	1.009	1.002	0.997	0.992	0.988	0.985	0.983	0.981	0.979	0.978	0.977	0.976
All Other		36.533	1.075	1.092	1.110	1.111	1.114	1.116	1.120	1.123	1.139	1.144	1.153	1.160	1.182	1.192	1.203	1.204
All Other Products		19.473	1.086	1.110	1.138	1.136	1.136	1.137	1.140	1.145	1.167	1.175	1.187	1.198	1.228	1.245	1.262	1.262
Drugs	PPI - Prescription Drugs	5.380	1.105	1.127	1.136	1.154	1.185	1.203	1.220	1.235	1.290	1.289	1.310	1.320	1.374	1.371	1.399	1.407
Food-direct purchase	PPI - Processed Foods	3.982	1.139	1.176	1.217	1.174	1.145	1.154	1.147	1.150	1.169	1.183	1.189	1.213	1.247	1.287	1.311	1.306
Food-away from home	CPI - Food Away Fr. Home	0.575	1.071	1.082	1.098	1.112	1.121	1.127	1.130	1.135	1.137	1.140	1.144	1.150	1.156	1.165	1.174	1.182
Chemicals	Blend of PPI Chemicals	1.538	1.125	1.213	1.316	1.285	1.266	1.206	1.197	1.187	1.198	1.206	1.230	1.246	1.284	1.332	1.351	1.338
Blood	PPI - Blood and Organ Banks	1.078	1.043	1.046	1.065	1.074	1.095	1.095	1.099	1.102	1.114	1.113	1.117	1.117	1.118	1.119	1.130	1.133
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.025	1.030	1.031	1.029	1.035	1.041	1.042	1.042	1.044	1.045	1.053	1.057	1.066	1.067	1.066	1.063
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	1.048	1.067	1.112	1.124	1.088	1.075	1.079	1.089	1.098	1.119	1.126	1.131	1.158	1.197	1.221	1.215
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	1.060	1.072	1.109	1.139	1.127	1.115	1.107	1.110	1.116	1.146	1.161	1.169	1.178	1.192	1.196	1.194
Apparel	PPI - Apparel	0.325	1.013	1.016	1.019	1.026	1.030	1.029	1.028	1.030	1.029	1.030	1.031	1.034	1.046	1.061	1.073	1.077
Machinery & Equipment	PPI - Mach. & Equipment	0.163	1.023	1.031	1.042	1.046	1.049	1.047	1.047	1.047	1.047	1.047	1.047	1.046	1.053	1.059	1.062	1.064
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	1.043	1.050	1.059	1.080	1.084	1.084	1.082	1.091	1.095	1.096	1.098	1.106	1.114	1.120	1.127	1.139
All Other Services		17.060	1.063	1.071	1.079	1.082	1.089	1.092	1.097	1.098	1.106	1.109	1.115	1.117	1.128	1.133	1.136	1.139
Labor-Related Services		9.175	1.066	1.074	1.082	1.086	1.094	1.095	1.100	1.101	1.108	1.112	1.118	1.120	1.131	1.135	1.138	1.141
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	1.067	1.074	1.083	1.087	1.094	1.095	1.098	1.098	1.106	1.110	1.117	1.119	1.129	1.134	1.137	1.140
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	1.063	1.070	1.077	1.081	1.090	1.094	1.098	1.101	1.111	1.116	1.122	1.125	1.135	1.142	1.146	1.149
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	1.066	1.075	1.082	1.086	1.094	1.096	1.104	1.105	1.111	1.114	1.120	1.122	1.132	1.134	1.137	1.141
Non Labor-Related Services		7.885	1.058	1.067	1.075	1.077	1.083	1.089	1.094	1.095	1.103	1.106	1.110	1.113	1.126	1.131	1.134	1.136
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	1.067	1.074	1.083	1.087	1.094	1.095	1.098	1.098	1.106	1.110	1.117	1.119	1.129	1.134	1.137	1.140
Financial Services	ECI - Compensation, Financial Activities	1.281	1.055	1.059	1.060	1.058	1.055	1.065	1.069	1.072	1.084	1.091	1.092	1.100	1.115	1.124	1.129	1.128
Postage	CPI - Postage	0.963	1.052	1.071	1.085	1.085	1.099	1.123	1.141	1.141	1.158	1.158	1.158	1.158	1.201	1.203	1.203	1.203
Telephone	CPI - Telephone Services	0.627	1.038	1.049	1.063	1.065	1.069	1.072	1.078	1.077	1.075	1.074	1.076	1.072	1.063	1.061	1.060	1.063
All Other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	1.046	1.052	1.058	1.059	1.064	1.071	1.074	1.077	1.078	1.081	1.083	1.085	1.090	1.097	1.104	1.109

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021\***

Expense Category	Price/Wage Variable	Base Year																
		Weights 2006	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3	2009Q4	2010Q1	2010Q2	2010Q3	2010Q4	2011Q1	2011Q2	2011Q3	2011Q4
<b>Percent Changes:</b>																		
Total - PPS06		100.000	3.7	3.8	4.0	4.1	3.9	3.4	2.6	2.1	1.9	1.9	2.1	2.3	2.5	2.6	2.7	2.7
Compensation		59.627	3.5	3.4	3.4	3.3	3.3	3.1	2.9	2.7	2.4	2.2	2.0	2.0	1.9	1.9	1.8	1.8
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	3.6	3.5	3.5	3.6	3.5	3.4	3.1	2.7	2.3	2.0	1.8	1.6	1.5	1.6	1.5	1.5
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	3.0	2.8	2.7	2.4	2.4	2.3	2.3	2.6	2.7	3.0	3.1	3.3	3.4	3.2	3.1	2.6
Utilities		2.180	6.6	9.0	11.7	9.2	5.1	-0.6	-6.4	-5.8	-2.3	2.4	6.7	7.4	6.8	6.9	7.3	7.3
Electricity	PPI - Commercial Electric Power	1.645	3.0	3.5	4.1	4.8	5.7	5.5	4.5	3.0	1.7	1.5	1.8	2.2	2.4	1.8	0.9	0.8
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	21.1	32.5	44.0	26.7	2.7	-21.4	-40.9	-35.9	-18.8	4.4	31.0	33.4	26.6	28.1	33.1	32.6
Water & Sewerage	CPI - Water & Sewage	0.117	5.4	5.4	5.6	6.0	6.2	6.7	7.0	7.0	7.3	7.5	7.5	7.4	7.0	6.5	6.1	5.8
Prof. Liability Insurance		1.661	0.8	0.1	-0.4	-0.8	-1.2	-1.5	-1.8	-2.0	-2.1	-2.0	-1.9	-1.6	-1.3	-1.1	-0.9	-0.7
Malpractice	HCFA - Prof. Liab. Prem.	1.661	0.8	0.1	-0.4	-0.8	-1.2	-1.5	-1.8	-2.0	-2.1	-2.0	-1.9	-1.6	-1.3	-1.1	-0.9	-0.7
All Other		36.533	3.9	4.3	4.9	5.2	4.9	4.2	2.9	1.9	1.6	1.7	2.2	2.8	3.1	3.6	3.9	4.0
All Other Products		19.473	4.4	5.3	6.4	7.2	6.8	5.7	3.6	2.0	1.5	1.8	2.8	3.7	4.3	5.0	5.5	5.7
Drugs	PPI - Prescription Drugs	5.380	5.0	6.0	6.6	7.2	7.3	7.1	7.2	7.1	7.5	7.6	7.6	7.6	7.0	6.8	6.6	6.6
Food-direct purchase	PPI - Processed Foods	3.982	8.3	8.7	9.7	9.3	7.1	4.2	-0.2	-2.4	-2.0	-0.9	1.5	3.4	4.6	6.2	7.9	8.4
Food-away from home	CPI - Food Away Fr. Home	0.575	3.8	4.0	4.2	4.4	4.6	4.6	4.2	3.5	2.7	1.9	1.5	1.3	1.6	2.0	2.3	2.3
Chemicals	Blend of PPI Chemicals	1.538	6.7	10.2	15.2	19.3	19.0	14.0	4.9	-1.7	-5.8	-5.6	-2.7	0.5	3.8	6.4	8.1	8.7
Blood	PPI - Blood and Organ Banks	1.078	2.6	3.0	3.2	3.3	3.8	4.3	4.2	3.9	3.1	2.3	1.9	1.6	1.2	0.9	0.8	0.9
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.1	1.4	1.6	1.6	1.4	1.3	1.1	1.1	1.1	0.9	0.9	0.9	1.2	1.7	1.7	1.5
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	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	7.1
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	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	3.6
Apparel	PPI - Apparel	0.325	0.7	0.6	0.6	0.8	1.1	1.3	1.3	1.0	0.6	0.3	0.2	0.2	0.6	1.3	2.3	3.2
Machinery & Equipment	PPI - Mach. & Equipment	0.163	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	1.3
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	2.1	2.5	2.8	3.4	3.7	3.8	3.4	2.6	1.8	1.3	1.1	1.2	1.4	1.7	2.0	2.4
All Other																		

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021**

Expense Category	Price/Wage Variable	Base Year Weights 2006	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
<b>Index Levels:</b>																		
Total - PPS06		100.000	1.183	1.190	1.199	1.205	1.214	1.221	1.231	1.237	1.246	1.255	1.267	1.273	1.284	1.295	1.308	1.316
Compensation		59.627	1.164	1.171	1.181	1.190	1.199	1.205	1.216	1.223	1.233	1.241	1.253	1.263	1.274	1.284	1.297	1.309
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	1.160	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	1.181	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		2.180	1.233	1.261	1.285	1.250	1.247	1.283	1.324	1.283	1.280	1.306	1.359	1.301	1.301	1.336	1.393	1.333
Electricity	PPI - Commercial Electric Power	1.645	1.121	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	1.618	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	1.423	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	0.976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	0.976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other		36.533	1.221	1.226	1.234	1.236	1.248	1.254	1.261	1.266	1.277	1.285	1.291	1.297	1.309	1.319	1.328	1.334
All Other Products		19.473	1.284	1.289	1.296	1.297	1.312	1.316	1.323	1.330	1.341	1.348	1.355	1.360	1.373	1.384	1.394	1.400
Drugs	PPI - Prescription Drugs	5.380	1.471	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	1.310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	1.191	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	1.347	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	1.139	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.069	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	1.218	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	1.198	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	1.081	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	1.070	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	1.147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		17.060	1.149	1.154	1.162	1.167	1.176	1.183	1.189	1.194	1.204	1.212	1.219	1.225	1.236	1.245	1.252	1.258
Labor-Related Services		9.175	1.150	1.156	1.162	1.167	1.177	1.184	1.190	1.195	1.206	1.215	1.222	1.229	1.240	1.249	1.257	1.264
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	1.151	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	1.159	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	1.147	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	1.147	1.153	1.163	1.168	1.175	1.183	1.189	1.192	1.201	1.210	1.216	1.221	1.231	1.240	1.247	1.252
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	1.151	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Services	ECI - Compensation, Financial Activities	1.281	1.130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	1.235	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	1.067	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	1.114	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price Index using IHS Global Insight Inc. (IGI) Forecast Assumptions, by Expense Category: 1996-2021\***

Expense Category	Price/Wage Variable	Base Year Weights 2006	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
<b>Percent Changes:</b>																		
Total - PPS06		100.000	2.6	2.4	2.3	2.3	2.4	2.6	2.6	2.6	2.7	2.7	2.8	2.8	2.9	3.0	3.1	3.2
Compensation		59.627	1.7	1.7	1.9	2.1	2.4	2.7	2.9	2.9	2.9	2.9	3.0	3.0	3.2	3.3	3.4	3.5
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	2.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		2.180	6.3	3.9	2.1	1.2	0.7	1.3	2.0	2.1	2.5	2.5	2.4	2.1	1.9	2.0	2.0	2.3
Electricity	PPI - Commercial Electric Power	1.645	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	28.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	5.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	-0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other		36.533	3.9	3.6	3.1	2.8	2.6	2.4	2.3	2.3	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.7
All Other Products		19.473	5.5	4.9	4.0	3.4	2.8	2.4	2.3	2.2	2.2	2.3	2.4	2.3	2.4	2.4	2.6	2.7
Drugs	PPI - Prescription Drugs	5.380	6.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	7.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	8.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	1.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	1.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	7.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	3.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		17.060	2.0	1.9	2.0	2.1	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.5	2.6	2.6	2.7	2.7
Labor-Related Services		9.175	1.9	1.8	1.9	2.0	2.2	2.3	2.4	2.4	2.4	2.5	2.6	2.7	2.7	2.8	2.8	2.8
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	2.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	2.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	1.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	2.1	2.0	2.1	2.3	2.4	2.6	2.5	2.4	2.3	2.2	2.2	2.3	2.4	2.4	2.5	2.5
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	2.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Services	ECI - Compensation, Financial Activities	1.281	2.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	3.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	-0.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	1.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Percent changes are calculated using more than ten decimal places.

Source: IHS Global Insight, 2012Q2, Historical Data through 2012Q1; Released by: CMS, OACT, National Health Statistics Group, (410) 786-6397

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Index Levels:</b>																		
Total - PPS06		100.000	1.327	1.338	1.350	1.357	1.369	1.379	1.391	1.398	1.410	1.420	1.433	1.440	1.452	1.462	1.474	1.481
Compensation		59.627	1.320	1.331	1.345	1.356	1.367	1.377	1.391	1.402	1.414	1.424	1.439	1.450	1.461	1.471	1.485	1.495
Wages	ECl- Wages & Salaries Hospital Workers (Civilian)	47.213	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECl- Benefits Hospital Workers (Civilian)	12.414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		2.180	1.326	1.359	1.421	1.346	1.336	1.371	1.438	1.365	1.357	1.391	1.458	1.381	1.375	1.412	1.481	1.403
Electricity	PPI - Commercial Electric Power	1.645	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other		36.533	1.346	1.355	1.363	1.367	1.379	1.388	1.396	1.401	1.414	1.422	1.429	1.434	1.447	1.455	1.463	1.468
All Other Products		19.473	1.413	1.421	1.428	1.431	1.443	1.452	1.459	1.463	1.476	1.482	1.488	1.492	1.505	1.512	1.519	1.523
Drugs	PPI - Prescription Drugs	5.380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		17.060	1.270	1.279	1.288	1.294	1.306	1.316	1.324	1.331	1.343	1.353	1.362	1.369	1.381	1.390	1.398	1.405
Labor-Related Services		9.175	1.277	1.286	1.295	1.302	1.315	1.324	1.334	1.341	1.355	1.364	1.373	1.381	1.395	1.404	1.413	1.420
Professional fees (labor-related)	ECl- Compensation Prof. and Related (Private)	5.356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	ECl - Compensation, Office & Admin. Support Services	0.626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other (labor-related)	ECl - Service Occupations (Private)	3.193	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	1.263	1.272	1.280	1.285	1.296	1.306	1.313	1.319	1.330	1.340	1.348	1.354	1.365	1.374	1.382	1.387
Professional fees (nonlabor-related)	ECl- Compensation Prof. and Related (Private)	4.074	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Services	ECl - Compensation, Financial Activities	1.281	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Percent Changes:</b>																		
Total - PPS06		100.000	3.3	3.3	3.3	3.3	3.2	3.2	3.1	3.1	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.9
Compensation		59.627	3.5	3.6	3.6	3.6	3.6	3.6	3.5	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.3	3.3
Wages	ECl- Wages & Salaries Hospital Workers (Civilian)	47.213	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefits	ECl- Benefits Hospital Workers (Civilian)	12.414	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities		2.180	2.3	2.2	2.0	1.7	1.4	1.2	1.0	1.1	1.3	1.4	1.4	1.4	1.3	1.4	1.4	1.5
Electricity	PPI - Commercial Electric Power	1.645	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other		36.533	2.8	2.8	2.8	2.7	2.6	2.5	2.5	2.5	2.5	2.4	2.4	2.4	2.4	2.3	2.3	2.3
All Other Products		19.473	2.9	2.9	2.7	2.6	2.4	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0	2.0	2.0	2.0
Drugs	PPI - Prescription Drugs	5.380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other Services		17.060	2.7	2.7	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.7
Labor-Related Services		9.175	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.9
Professional fees (labor-related)	ECl- Compensation Prof. and Related (Private)	5.356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative	ECl - Compensation, Office & Admin. Support Services	0.626	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other (labor-related)	ECl - Service Occupations (Private)	3.193	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.5
Professional fees (nonlabor-related)	ECl- Compensation Prof. and Related (Private)	4.074	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial Services	ECl - Compensation, Financial Activities	1.281	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\* Percent changes are calculated using more than ten decimal places.

**Quarterly Index Levels in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Index Levels:</b>										
Total - PPS06		100.000	1.492	1.502	1.515	1.522	1.534	1.545	1.559	1.567
Compensation		59.627	1.506	1.515	1.529	1.540	1.551	1.561	1.576	1.588
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	-	-	-	-	-	-	-	-
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	-	-	-	-	-	-	-	-
Utilities		2.180	1.394	1.429	1.505	1.432	1.433	1.480	1.563	1.488
Electricity	PPI - Commercial Electric Power	1.645	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-	-	-	-	-	-	-	-
All Other		36.533	1.481	1.489	1.497	1.502	1.515	1.524	1.532	1.538
All Other Products		19.473	1.536	1.544	1.550	1.554	1.568	1.577	1.583	1.588
Drugs	PPI - Prescription Drugs	5.380	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	-	-	-	-	-	-	-	-
All Other Services		17.060	1.417	1.427	1.435	1.442	1.455	1.465	1.474	1.481
Labor-Related Services		9.175	1.434	1.443	1.452	1.460	1.474	1.484	1.494	1.502
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	-	-	-	-	-	-	-	-
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	-	-	-	-	-	-	-	-
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	1.398	1.408	1.416	1.421	1.433	1.442	1.451	1.456
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	-	-	-	-	-	-	-	-
Financial Services	ECI - Compensation, Financial Activities	1.281	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	-	-	-	-	-	-	-	-
All Other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	-	-	-	-	-	-	-	-

**4 Quarter Moving Average Percent Changes in the CMS Prospective Payment System (IPPS) Hospital 2006 Input Price 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
<b>Percent Changes:</b>										
Total - PPS06		100.000	2.9	2.8	2.8	2.8	2.8	2.8	2.8	2.9
Compensation		59.627	3.2	3.1	3.1	3.0	3.0	3.0	3.0	3.1
Wages	ECI- Wages & Salaries Hospital Workers (Civilian)	47.213	-	-	-	-	-	-	-	-
Benefits	ECI- Benefits Hospital Workers (Civilian)	12.414	-	-	-	-	-	-	-	-
Utilities		2.180	1.5	1.4	1.4	1.6	1.9	2.5	3.1	3.6
Electricity	PPI - Commercial Electric Power	1.645	-	-	-	-	-	-	-	-
Fuel, Oil, Coal, etc	PPI - Petroleum Refineries	0.418	-	-	-	-	-	-	-	-
Water & Sewerage	CPI - Water & Sewage	0.117	-	-	-	-	-	-	-	-
Prof. Liability Insurance		1.661	-	-	-	-	-	-	-	-
Malpractice	HCFA - Prof. Liab. Prem.	1.661	-	-	-	-	-	-	-	-
All Other		36.533	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.4
All Other Products		19.473	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Drugs	PPI - Prescription Drugs	5.380	-	-	-	-	-	-	-	-
Food-direct purchase	PPI - Processed Foods	3.982	-	-	-	-	-	-	-	-
Food-away from home	CPI - Food Away Fr. Home	0.575	-	-	-	-	-	-	-	-
Chemicals	Blend of PPI Chemicals	1.538	-	-	-	-	-	-	-	-
Blood	PPI - Blood and Organ Banks	1.078	-	-	-	-	-	-	-	-
Medical Instruments	PPI - Surgical, Medical, and Personal Aid Devices	2.762	-	-	-	-	-	-	-	-
Rubber & Plastics	PPI - Rub. & Plast. Prod.	1.659	-	-	-	-	-	-	-	-
Paper & Printing Products	PPI - Convert. Paper And Paperboard	1.492	-	-	-	-	-	-	-	-
Apparel	PPI - Apparel	0.325	-	-	-	-	-	-	-	-
Machinery & Equipment	PPI - Mach. & Equipment	0.163	-	-	-	-	-	-	-	-
Miscellaneous Products	PPI - Finished Goods Less Food and Energy	0.519	-	-	-	-	-	-	-	-
All Other Services		17.060	2.7	2.7	2.6	2.6	2.6	2.7	2.7	2.7
Labor-Related Services		9.175	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Professional fees (labor-related)	ECI- Compensation Prof. and Related (Private)	5.356	-	-	-	-	-	-	-	-
Administrative	ECI - Compensation, Office & Admin. Support Services	0.626	-	-	-	-	-	-	-	-
All Other (labor-related)	ECI - Service Occupations (Private)	3.193	-	-	-	-	-	-	-	-
Non Labor-Related Services		7.885	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Professional fees (nonlabor-related)	ECI- Compensation Prof. and Related (Private)	4.074	-	-	-	-	-	-	-	-
Financial Services	ECI - Compensation, Financial Activities	1.281	-	-	-	-	-	-	-	-
Postage	CPI - Postage	0.963	-	-	-	-	-	-	-	-
Telephone	CPI - Telephone Services	0.627	-	-	-	-	-	-	-	-
All other (nonlabor-related)	CPI - All Items Less Food And Energy	0.940	-	-	-	-	-	-	-	-

\* Percent changes are calculated using more than ten decimal places.

Source: IHS Global Insight, 2012Q2, Historical Data through 2012Q1; Released by: CMS, OACT, National Health Statistics Group, (410) 786-6397