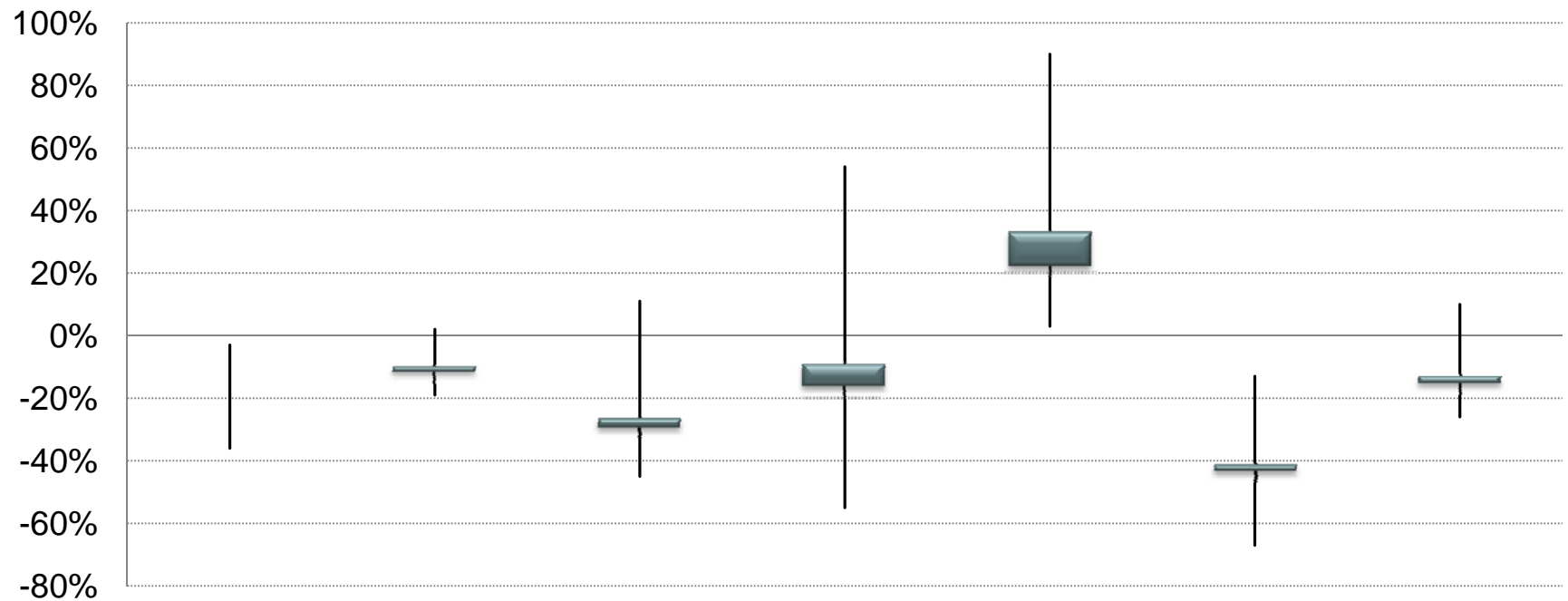


Preliminary MA vs. FFS Comparisons Based on Plan Data and FFS 5% File

Eight-Company Results: Percentage Difference in Utilization Rates, MA Rate vs. FFS Rate (per risk score value)



| | Inpatient Days | Inpatient Admissions | E.R. Visits | Outpatient Visits | Office Visits | Re-Admissions | Avoidable Admissions |
|--------|----------------|----------------------|-------------|-------------------|---------------|---------------|----------------------|
| mean | -18% | -10% | -27% | -10% | 33% | -42% | -13% |
| high | -3% | 2% | 11% | 54% | 90% | -13% | 10% |
| low | -36% | -19% | -45% | -55% | 3% | -67% | -26% |
| median | -18% | -12% | -30% | -17% | 22% | -44% | -16% |

Preliminary MA vs. FFS Comparisons Based on AHRQ (HCUP) Admissions



| Percentage Difference in Risk-Adjusted Utilization Rates, MA vs. FFS | | | | |
|--|--|------------|----------------------------|-------------------------------------|
| | Inpatient Days | Admissions | Same Quarter Re-Admissions | 13 Potentially Avoidable Admissions |
| | MA Rate vs. FFS Rate (Per Risk Score* Value) | | | |
| California – All Hospitals (acute care admissions) | | | | |
| All Patients | -28% | -4% | -12% | -4% |
| Diabetes Patients | -33% | -9% | -17% | -7% |
| Heart Disease Patients | -28% | -5% | -11% | -3% |
| Nevada – All Hospitals (acute care admissions) | | | | |
| All Patients | -21% | 0% | -24% | -6% |
| Diabetes Patients | -22% | +1% | -23% | -2% |
| Heart Disease Patients | -19% | -2% | -27% | -6% |

Calculations from California OSHPD Hospital Financial Data



| Facility Name | Medicare FFS Revenue to Expense Ratio | Revenue Loss If 50% Commercial Paid At FFS Rates And All Losses from Uninsured Covered (millions) | Net Income Margin If 50% Commercial Paid At FFS Rates And Losses from Uninsured Covered |
|--|---------------------------------------|---|---|
| CEDARS-SINAI MEDICAL CENTER | 72% | -260 | -9% |
| STANFORD UNIVERSITY HOSPITAL | 82% | -147 | 5% |
| UCSF MEDICAL CENTER | 84% | -139 | -2% |
| UNIVERSITY OF CALIFORNIA DAVIS MED CTR | 86% | -56 | 0% |
| SUTTER MEDICAL CENTER - SACRAMENTO | 79% | -83 | -4% |
| MERCY GENERAL HOSPITAL | 86% | -32 | 5% |
| EISENHOWER MEDICAL CENTER | 73% | -25 | 2% |
| KAWEAH DELTA DISTRICT HOSPITAL | 89% | -15 | 3% |
| BARTON MEMORIAL HOSPITAL | 70% | -13 | -1% |
| TRI-CITY MEDICAL CENTER | 84% | -10 | -6% |
| EL CENTRO REGIONAL MEDICAL CENTER | 73% | -3 | -2% |

Source: AHIP analysis of California Office of Statewide Health Planning and Development (OSHPD) data. Available at: <http://www.oshpd.state.ca.us/HID/Products/Hospitals/AnnFinanData/PivotProfles/default.asp>. Accessed April 24, 2009.