

MAINECARE RATE ANALYSIS: PROJECTION TO INCREASE FEES TO 53% OF 2005 MEDICARE FEE
Claims Data from SFY04 based on Service Date (7/1/2003-6/30/2004) [1]
ANESTHESIA AND RADIOLOGY SERVICES

| ANESTHESIA SPECIALTY | Charged Amount | MaineCare Line Paid SFY04 [2] | Estimate of Medicare Payment [3] | Estimated MaineCare Paid at 53% Medicare [4] | Estimated Additional Dollars Required | Percent Increase | Number of Providers | Number of Procedures Billed | Number of Procedures Increased | Percent of Procedures Receiving Increase |
|--------------------------|---------------------|-------------------------------|----------------------------------|--|---------------------------------------|------------------|---------------------|-----------------------------|--------------------------------|--|
| Anesthesia E&M [5] | \$300,403.70 | \$75,210.18 | \$171,526.92 | \$93,731.47 | \$18,521.29 | 25% | 69 | 35 | 16 | 46% |
| Anesthesia Non-E&M [5] | \$1,263,930.19 | \$254,093.55 | \$517,449.71 | \$301,695.03 | \$47,601.48 | 19% | 145 | 102 | 60 | 59% |
| Anesthesia Services [6] | \$9,681,411.61 | \$1,290,139.92 | \$2,685,666.88 | \$1,444,646.34 | \$154,506.46 | 12% | 198 | | | |
| ANESTHESIA TOTALS | \$11,245,746 | \$1,619,444 | \$3,374,644 | \$1,840,073 | \$220,629 | 14% | | | | |

| RADIOLOGY SPECIALTY | Charged Amount | MaineCare Line Paid SFY04 [2] | Estimate of Medicare Payment [3] | Estimated MaineCare Paid at 53% Medicare [4] | Estimated Additional Dollars Required | Percent Increase | Number of Providers | Number of Procedures Billed | Number of Procedures Increased | Percent of Procedures Receiving Increase |
|-------------------------|---------------------|-------------------------------|----------------------------------|--|---------------------------------------|------------------|---------------------|-----------------------------|--------------------------------|--|
| Radiology E&M[5] | \$146,583 | \$40,855 | \$78,424 | \$43,804 | \$2,950 | 7% | 94 | 25 | 12 | 48% |
| Radiology Non-E&M[5] | \$17,877,226 | \$4,726,020 | \$9,036,385 | \$6,036,318 | \$1,371,336 | 29% | 294 | 329 | 179 | 54% |
| Radiology Services [7] | \$12,216,679 | \$2,530,369 | \$4,164,980 | \$348,858 | \$363,819 | 14% | 215 | 334 | 131 | 39% |
| RADIOLOGY TOTALS | \$30,240,488 | \$7,297,244 | \$13,279,788 | \$6,428,980 | \$1,738,104 | 24% | | | | |

| GRAND TOTALS | Charged Amount | MaineCare Line Paid SFY04 [2] | Estimate of Medicare Payment [3] | Estimated MaineCare Paid at 53% Medicare [4] | Estimated Additional Dollars Required | Percent Increase |
|-------------------------------|----------------------|-------------------------------|----------------------------------|--|---------------------------------------|------------------|
| TOTALS FOR E&M PROCEDURES | \$60,842,113 | \$21,826,912 | \$38,762,123 | \$22,868,478 | \$1,041,565 | 5% |
| TOTALS FOR NON-E&M PROCEDURES | \$91,654,272 | \$23,848,518 | \$45,111,835 | \$29,199,076 | \$5,350,559 | 22% |
| ANESTHESIA TOTALS[4] | \$11,245,746 | \$1,619,444 | \$3,374,644 | \$1,840,073 | \$220,629 | 24% |
| RADIOLOGY TOTALS | \$30,240,488 | \$7,297,244 | \$13,279,788 | \$6,428,980 | \$1,738,104 | 24% |
| GRAND TOTAL | \$193,982,618 | \$54,592,118 | \$100,528,389 | \$60,336,606 | \$8,350,857 | 15% |

[1] See attached Appendix A for data file construction and parameters.

[2] Represents amount paid at line level of claim. Does not reflect any co pays or third party liability.

[3] Payment estimated using 2005 Fee Schedules.

[4] Payment estimated using the greater of 53% of Medicare 2005 fee schedule or current fee.

[5] These procedures would continue to be paid on the physician fee schedule, not based on anesthesiology or radiology fees.

[6] Fee increase statistics are related to calculated values that include the pricing units and time, not a procedure specific fee. Fee increase at 53% of 2005 CF of \$16.96 (Rest of Maine).

[7] Fee increase statistics are related to calculated values that include pricing status, pricing units, modifiers, and percentages of allowed amounts as defined by BMS.