
Health Care Indicators

Hospital, Employment, and Price Indicators for the Health Care Industry: Second Quarter 1995

Arthur L. Sensenig, Stephen K. Heffler, and Carolyn S. Donham

This regular feature of the journal includes a discussion of recent trends in health care employment and prices. The statistics presented in this article are valuable in their own right for understanding the relationship between the health care sector and the overall economy. In addition, they allow us to anticipate the direction and magnitude of health care cost changes prior to the availability of more comprehensive data.

KEY SECOND-QUARTER 1995 TRENDS

- The economy slowed, as real gross domestic product (GDP) growth continued to decelerate. Measured over the same quarter 1 year ago, real GDP grew 3.2 percent, the slowest rate in the last 6 quarters.
- Employment growth in the private non-farm business sector decelerated markedly. Employment in health services grew faster than employment in the private sector, providing evidence of the health sector's relative immunity from business cycle fluctuations.
- Medical care prices are still increasing faster than prices in the economy as a whole, but the differential between the two continues to diminish, according to the Consumer Price Index (CPI) for all urban consumers.
- The deceleration in medical care prices in recent quarters has been the

result of deceleration in prices for medical commodities.

- Growth in the HCFA prospective payment system (PPS) hospital input price index accelerated from 2.5 percent in the fourth quarter of 1994 to 2.9 percent in the second quarter of 1995 (measured over the same quarter 1 year earlier), a trend that Data Resources Inc./McGraw Hill (DRI) is forecasting to continue through the first quarter of 1996.

INTRODUCTION

This article presents statistics on health care utilization, prices, expenses, employment, and work hours, as well as on national economic activity. These statistics provide an early indication of changes occurring in the health care sector and within the general economy. We rely on indicators such as these to anticipate and predict changes in health care sector expenditures for the most recent year. Other indicators help to identify specific reasons (e.g., increases in price inflation or declines in utilization) for health care expenditure change.

The first eight of the accompanying tables report selected quarterly statistics and the calendar year aggregations of quarterly information for the past 4 years. Unless specifically noted, changes in quarterly statistics are shown from the same period 1 year earlier. For quarterly information, this calculation permits analysis of data to focus on the direction and magnitude of changes, without interference intro-

The authors are with the Office of the Actuary, Health Care Financing Administration (HCFA). The opinions expressed are those of the authors and do not necessarily reflect HCFA's views or policy positions.

duced by seasonal fluctuations. The last four tables in the report show base weights, quarterly index levels, and 4-quarter moving average percent changes in the input price indexes maintained by HCFA.

COMMUNITY HOSPITAL STATISTICS

The rate of hospital admissions and outpatient visits continued to increase in the second quarter of 1995, according to the American Hospital Association's (AHA) statistics on community hospital operations (American Hospital Association, 1995). These data are presented on Table 1 and Table 2. Admissions increased 1.2 percent in the second quarter of 1995. This rate of admissions growth, while slower than the 3.2 percent registered in the first quarter of 1995, reflects the recent trend of steadily increasing admissions that began in the third quarter of 1993. The growth in total admissions recorded in the first two quarters of 1995, if sustained for the remainder of the year, will result in the fastest annual growth in admissions since 1980.

The growth in total admissions in 1995 has been fueled by high rates of growth in admissions of those 65 years of age or over, essentially the Medicare population. Admissions for this age group increased 2.9 percent in the second quarter of 1995, after an increase of 5.2 percent in the first quarter of 1995. For the year ending in the second quarter of 1995, admissions for persons 65 years of age or over increased 3.0 percent over the previous year. Similar to the growth in total admissions, the first and second quarter growth in admissions for the population 65 years of age or over, if sustained for the remainder of 1995, would result in the fastest annual growth in admissions since 1983.

Further evidence of the recent trend in increased hospital utilization is found in the growth of outpatient visits at communi-

ty hospitals. Outpatient visits increased 9.2 percent in the second quarter of 1995, following an increase of 13.0 percent in the first quarter. Outpatient visits for the year ending in the second quarter of 1995 have grown faster than in any other year since 1970, when outpatient visits increased 15.4 percent from the previous year.

The trend in two key indicators of hospital expenses changed direction in the second quarter of 1995. As shown in Figure 1, inpatient expense per admission, and outpatient expense per visit, had both been decelerating since mid-1990. By the first quarter of 1995, both measures essentially bottomed out at 0.5-percent growth over the same period 1 year earlier. In the second quarter of 1995, both measures accelerated. Inpatient expense per admission increased 2.4 percent; outpatient expense per visit increased 1.1 percent.

HEALTH CARE SECTOR EMPLOYMENT TRENDS

Employment in private-sector health services grew faster than employment in the private non-farm business sector in the second quarter of 1995 (Figure 2). This is a reversal of the short-lived trend observed over preceding 5 quarters, when private non-farm employment grew faster than employment in health services.

The business cycle has had little effect on the growth in health care services employment in the last 15 years. As evident in Figure 2, the trend in health services employment has little relation to employment growth in the overall economy. Prior to 1994, the last period when employment in the non-farm business sector grew faster than health services employment began in the fourth quarter of 1983 and persisted for 7 quarters. During this period, aggregate employment was expanding rapidly after the 1981-1982 recession. Since 1982,

employment in the health services industry has grown at an average annual rate of 3.7 percent, while employment in the private non-farm business sector grew at an average annual growth rate of 2.1 percent.

In health services, there were significant developments in two industries, home health care services and hospitals. Employment growth in home health care services decelerated rapidly in the second quarter of 1995. This marked the fifth consecutive quarter of decelerating growth in home health care services, and was the first time that employment in the industry grew at less than a 10-percent rate, measured over the same period 1 year earlier, since data on home health care as a separate industry have been collected. In contrast, employment growth in hospitals accelerated in the second quarter of 1995. Hospital employment has grown very slowly in recent years. In 1994, employment in private hospitals registered very little change, decreasing 0.1 percent from 1993 levels. However, in the second quarter of 1995, private hospital employment growth accelerated, from 0.8-percent growth in the first quarter to 1.1-percent growth in the second quarter.

Implied non-supervisory payrolls, shown on Table 5, are the product of non-supervisory employment, average hourly earnings, and average weekly hours. By examining the trends in the components of implied payrolls, it is possible to attribute the overall change in the series to the movement in the components. For example, in the second quarter of 1995, implied non-supervisory payrolls in the non-farm private sector decelerated much more rapidly than employment due to the decrease in average weekly hours. Trends in implied non-supervisory payrolls provide important indicators of the change in overall labor costs in an industry. These labor cost trends are especially important as indi-

cators of overall costs in labor-intensive industries like home health care services.

The growth in implied non-supervisory payrolls in home health care services decelerated at an unprecedented rate in the second quarter of 1995. The 13.8-percent growth in implied non-supervisory payrolls for home health care services, measured over the same period a year earlier, is one-half the average annual rate of growth exhibited in the years from 1988 through 1992. The slowdown in home health care services' implied non-supervisory payrolls is attributable to rapidly decelerating employment growth coupled with gains in average hourly earnings and average weekly hours that are sluggish by historical standards in the home health industry.

OUTPUT AND PRICES

The economy grew slowly in the second quarter of 1995. Real, or inflation-adjusted, GDP increased 3.2 percent in the second quarter, measured over the same period a year earlier (Table 6). This rate of growth is less than the annual rate in 1994 and represents the third consecutive quarter of deceleration. The quarter-to-quarter change at seasonally adjusted annual rates, a more common expression of GDP growth, was 1.3 percent in the second quarter of 1995, compared with 2.7 percent in the first quarter and 5.1 percent in the fourth quarter of 1994.

Economy wide inflation accelerated slightly in the second quarter of 1995, yet remained moderate by historic standards. The CPI for all items increased 3.1 percent from the same period of the previous year. This increase follows increases of 2.8 percent in the first quarter of 1995 and 2.7 percent in the fourth quarter of 1994. The acceleration in the growth of the CPI was corroborated by an acceleration in the Producer Price Index (PPI). The PPI for

finished goods increased 2.2 percent in the second quarter of 1995, following increases of 1.7 percent in the first quarter and 1.2 percent in the fourth quarter of 1994. Energy prices contributed to the acceleration in the overall index. Energy prices in the PPI increased 4.3 percent in the second quarter, following an increase of 3.1 percent in the first quarter and 1.1 in the fourth quarter of 1994. Finished goods except for food and energy also accelerated in the PPI, increasing 2.1 percent in the second quarter after an increase of 1.5 in the first quarter.

MEDICAL PRICES

The growth in health care sector prices, which has historically been faster than growth in overall prices, continues to decelerate compared with accelerating overall prices, closing the differential between the two measures (Figure 3). As indicated in Table 6, the CPI for all items less medical care increased 3.0 percent in the second quarter of 1995, the highest growth rate in 15 quarters. The CPI for medical care decelerated to a growth rate of 4.6 percent over this same period, matching its lowest rate of growth in over a decade. While the recent historical difference between the CPI for all items less medical care and the CPI for medical care has been more than 2 percentage points, the two measures differed by just 1.6 percentage points in the second quarter of 1995, a downward trend that has developed over recent quarters.

The recent deceleration in aggregate medical care prices has been the result of rapid deceleration in the prices for medical care commodities. While the percentage change in the CPI for medical care decelerated by 0.2 percent between the fourth quarter of 1994 and the second quarter of 1995, the CPI for medical services

remained unchanged. Thus, most of the deceleration in the CPI for medical care has been caused by the CPI for medical care commodities, which decelerated from 3.0 percent in the fourth quarter of 1994 to 1.7 percent in the second quarter of 1995. While the CPI for medical care commodities has historically grown at about one-half the rate of the CPI for medical care, the 1.7-percent growth rate for medical care commodities in the second quarter of 1995 is only one-third of the growth rate in the CPI for medical care. Medical care commodity prices have also grown slower than overall prices during the first and second quarters of 1995, reversing the prior trend. A similar pattern of deceleration has also occurred in the PPI for medical commodities over the past 3 quarters. The PPI for medical, surgical, and personal aid devices was virtually unchanged in the second quarter of 1995, increasing 0.3 percent over the same period of the previous year. In past years this index grew in excess of 2 percent annually. The growth rate in the PPI for drugs and pharmaceuticals has dropped below 2.5 percent, continuing a long-term overall pattern of decelerating growth.

The CPI and the PPI for hospitals show differing trends in the growth rates for inpatient and outpatient hospital services. While prices for inpatient and outpatient services are growing at similar rates in the CPI, prices for outpatient services are growing considerably faster than prices for inpatient services in the PPI in the past 4 quarters. In past years, the CPI for hospital outpatient services had grown faster than the CPI for hospital room and other inpatient services. The CPI for hospitals grew at approximately equal rates for both inpatient and outpatient services in the first and second quarter of 1995. In contrast, the PPI for hospital outpatient treatments grew twice as fast as the PPI for hospital inpatient treatments during the same period.

Most of the faster growth in hospital outpatient producer prices is the result of accelerating growth in outpatient prices of all other patients. The differing trends in the CPI and the PPI are caused by the different scopes of the surveys: The CPI measures mainly list prices and the PPI measures transaction prices, which reflect mandated payments rates and discounts (see Background).

The growth rate in the PPI for hospitals has remained virtually unchanged over the past 6 quarters, the result of offsetting movements between Medicare and Medicaid, and private patients. By using the base year weights supplied by the Bureau of Labor Statistics (BLS), the inpatient and outpatient index levels for each type of patient can be added to produce totals for each type of patient. The hospital PPI for Medicare patients increased just 1.6 percent from the second quarter of 1994 to the second quarter of 1995, while the hospital PPI for Medicaid increased 3.8 percent over this same period. Each has decelerated from recent highs in the fourth quarter of 1994. On the other hand, the hospital PPI for all other patients increased by more than 5.0 percent in the first and second quarters of 1995. The 5.0-percent growth is an acceleration from prior quarters, which had growth in the range of 4.0 percent. As mentioned earlier, much of the acceleration over this period has been the result of an acceleration in the hospital PPI for outpatient services.

The HCFA prospective payment system (PPS) hospital input price index is forecasted by DRI to continue its recent acceleration in the next few quarters (Table 9), while the skilled nursing facility (SNF) (Table 10) and the home health agency (HHA) (Table 11) input price indexes are forecasted to remain virtually unchanged in the near-term (Figure 4). The 4-quarter moving-average percent change in the

HCFA PPS hospital input price index has accelerated from 2.5 percent in the fourth quarter of 1994 to 2.9 percent in the second quarter of 1995. This acceleration is consistent with that of the CPI for all items, which historically behaves similarly to the HCFA PPS hospital input price index as indicated in Figure 4. DRI is forecasting the acceleration in the HCFA PPS hospital input price index to continue to 3.4 percent in the first quarter of 1996. The SNF input price index, which has been decelerating over the past 2 quarters, and the HHA input price index, which has been accelerating over this period, are forecasted to maintain a virtually constant rate of growth through the first quarter of 1996.

BACKGROUND

Community Hospital Statistics

Since 1963, the AHA, in cooperation with member hospitals, has been collecting data on the operation of community hospitals through its National Hospital Panel Survey. Community hospitals, which comprised more than 80 percent of all hospital facilities in the United States in 1994, include all non-Federal, short-term general, and other special hospitals open to the public. They exclude hospital units of institutions; psychiatric facilities; tuberculosis, other respiratory, and chronic disease hospitals; institutions for the mentally retarded; and alcohol and chemical dependency hospitals.

The survey samples approximately one-third of all U.S. community hospitals. The sample is designed to produce estimates of community hospital indicators by bed size and region (American Hospital Association, 1963-94). In Tables 1 and 2, statistics covering expenses, utilization, beds, and personnel depict trends in the operation of community hospitals annually for 1991-94 and quarterly for 1991 forward.

For purposes of national health expenditures (NHE), survey statistics on revenues (not shown on Table 1) are analyzed in estimating the growth in the largest component of health care costs—community hospital expenditures. This one segment of NHE accounted for 37 percent of all health spending in 1993 (Levit et al., 1994a). The survey also identifies important factors influencing expenditure growth patterns, such as changes in the number of beds in operation, numbers of admissions, length of stay, use of outpatient facilities, and number of surgeries.

Private Health Sector: Employment, Hours, and Earnings

The BLS collects monthly information on employment for all workers, and employment, earnings, and work hours for non-supervisory workers in a sample of approximately 340,000 establishments. Data are collected through cooperative agreements with State agencies that also use this information to create State and local area statistics. The survey is designed to collect industry-specific information on wage and salary jobs in non-agricultural industries. It excludes statistics on self-employed persons and on those employed in the military (U.S. Department of Labor, 1995a).

Employment in this survey is defined as number of jobs. Persons holding multiple jobs would be counted multiple times. Approximately 5 percent of the population hold more than one job at any one time. (Other surveys that are household-based, such as the Current Population Survey [CPS], also record employment. In the CPS, however, each person's employment status is counted only once, as either employed, unemployed, or not in the labor force.) Once each year, monthly establishment-based employment statistics are

adjusted to benchmarks created from annual establishment census information, resulting in revisions to previously published employment estimates.

Tables 3, 4, and 5 were reformatted in the last "Health Care Indicators" article. The most significant change was the addition of data on the home health care services industry. The 1987 revision of the Standard Industrial Code (SIC) established Home Health Care Services as a separate industry, SIC 808. Prior to the 1987 revision, home health care was included in SIC 809, Allied Health Services, not elsewhere classified. Data on home health care services have been collected on the revised SIC basis since 1988. The format and content of Table 5 were also altered. Table 5 previously showed the percent change from the same period in the previous year of implied non-supervisory payrolls and work hours. The new table drops work hours in favor of the change in the three components of payrolls—employment, average weekly hours, and average hourly earnings. This format will facilitate a description of the composition of the change in payrolls, i.e., payrolls are increasing or decreasing because of changes in the number of workers, or the amount of hours worked, or amount workers are paid per hour. Changes in total work hours are implicit in this new format and can be calculated from the data in Tables 3 and 4.

National Economic Indicators

National economic indicators provide a context for understanding health-specific indicators and how change in the health sector relates to change in the economy as a whole. Table 6 presents national indicators of output and inflation.

GDP measures the output of the U.S. economy as the market value of goods and

services produced within the geographic boundaries of the United States by U.S. or foreign citizens or companies. Constant dollar or "real" GDP removes the effects of price changes from the valuation of goods and services produced, so that the growth of real GDP reflects changes in the "physical quantity" of the output of the economy (U.S. Department of Commerce, 1995).

Prices

Consumer Price Indexes

BLS publishes monthly information on changes in prices paid by consumers for a fixed market basket of goods and services. Tables 6, 7, and 8 present information on the all urban CPI, which measures changes in prices faced by 80 percent of the non-institutionalized population in the United States. (The more restrictive wage earner CPI gauges prices faced by wage earners and clerical workers. These workers account for 32 percent of the non-institutionalized population [U.S. Department of Labor, 1995b].)

The index reflects changes in prices charged for the same quality and quantity of goods or services purchased in the base period. For most items, the base period of 1982-84 is used to define the share of consumer expenditures devoted to specific services and products. Those shares or weights remain constant in all years, even though consumption patterns of the household may change over time. This type of index is called a fixed-weight or Laspeyres index.

CPIs for health care goods and services depict price changes for out-of-pocket expenditures and health insurance premium payments made directly by consumers. The composite CPI for medical care weights together product-specific or service-specific CPIs in proportion to household out-of-pocket expenditures for these

items. In addition, some medical care sector indexes measure changes in list or charged prices, rather than in prices actually received by providers after discounts are deducted. In several health care areas, received or transaction prices are difficult to capture, although BLS is making advances in this area.

In the NHE, a combination of CPIs for selected medical care items, input price indexes for nursing homes, and the PPI for hospitals are used as measures of inflation for the health industry. The indexes are used to develop a fixed-weight price index for personal health care to depict price changes affecting the entire health care industry more accurately than does the overall CPI medical care index (Levit et al., 1994b).

Producer Price Indexes

BLS produces monthly information on average changes in selling prices received by domestic producers for their output. These prices are presented in Tables 6, 7, and 8 as the PPI. The index is designed to measure transaction prices, and is different from the CPI, which in some cases measures list or full charge prices. The PPI is a fixed-weight or Laspeyres index, with base period weights determined by values of receipts. The base period varies among series.

The PPI consists of indexes in several major classification structures, including the industry and commodity classifications that are included in this article. The PPI by industry classification measures price changes received for the industry's output sold outside the industry. PPI changes for an industry are determined by price changes for products primarily made by establishments in that industry. The industry into which an establishment is classified is determined by those products accounting for the largest share of its total value of shipments. The PPI by commodity classifi-

cation measures price changes of the end product (end use or material composition). The classification system for PPI commodity groups is unique to the PPI, and is divided into 15 major commodity groupings.

While PPIs for medical commodities have existed for numerous years, PPIs for health service industries are relatively new. Most index series began in 1994, and the index series for the composite health services industry does not begin until December 1994. However, the PPI for hospitals began in December 1992, providing enough data for a useful time series. The PPI for hospitals is a measure of transaction prices, or net prices received by the producer from out-of-pocket, Medicare, Medicaid, and private third-party payor sources. The PPI for hospitals should not be compared with the CPI for hospital and related services. While other PPI and CPI series are somewhat comparable (for example, the PPI—office and clinics of doctors of medicine, and the CPI—physicians' services), the PPI and CPI for hospitals have important differences in survey scope and methodology. The PPI for hospitals measures price changes for the entire treatment path, measures net transaction price, includes Medicare and Medicaid, samples both urban and rural hospitals, and reflects total hospital revenue from all sources in its index weights. On the other hand, the CPI for hospitals measures price changes for a discrete sample of hospital services singly, measures published charges, excludes Medicare and Medicaid, samples only urban hospitals, and reflects only consumer out-of-pocket expenses and household health insurance premium payments in its index weights. These differences make a direct comparison between the PPI and CPI hospital services indexes inappropriate.

The PPI for the health services industry is available by detailed industry groupings. For example, general medical and surgical

hospitals consist of inpatient and outpatient treatments, which in turn consist of Medicare, Medicaid, and all other patients. These patient categories consist of more detail, such as diagnosis-related group (DRG) groupings for Medicare. While most of the data used to measure PPI price changes for health services are collected through a sample, there are specific instances in which data are collected from both a sample and from Federal regulation. This is the case for Medicare hospital inpatient services and Medicare offices and clinics of doctors of medicine. The producer price changes in Medicare hospital inpatient services are computed from a combination of a national sample of DRGs in hospitals, DRG relative weights from the PPS final rules published in the current and historical year, and other adjustments. The producer price changes in Medicare offices of doctors of medicine are computed from a combination of a geographic area sample of payments under the HCFA Common Procedure Coding System (HCPCS), HCPCS updates from the December 8, 1994, *Federal Register*, and other adjustments. Because of different methodologies, these two PPIs are not comparable to the national updates computed by HCFA and published in the *Federal Register*.

Input Price Indexes

In 1979, HCFA developed the Medicare hospital input price index (hospital market basket), which was designed to measure the pure price changes associated with expenditure changes for hospital services. In the early 1980s, the SNF and HHA input price indexes, often referred to as market baskets, were developed to price a consistent set of goods and services over time. Also in the early 1980s, the original Medicare hospital input price index was revised for use in

updating payment rates for the PPS. All of these indexes have played an important role in helping to set Medicare payment percent increases, and in understanding the contribution of input price increases to growing health expenditures.

The input price indexes, or market baskets, are Laspeyres or fixed-weight indexes that are constructed in two steps. First, a base period is selected. For example, for the PPS hospital input price index, the base period is 1987. Cost categories, such as food, fuel, and labor, are identified and their 1987 expenditure amounts determined. The proportion or share of total expenditures included in specific spending categories is calculated. These proportions are called cost or expenditure weights. There are 28 expenditure categories in the 1987-based PPS hospital input price index.

Second, a price proxy is selected to match each expenditure category. Its purpose is to measure the rate of price increases of the goods or services in that category. The price proxy index for each spending category is multiplied by the expenditure weight for the category. The sum of these products (weights multiplied by the price index) over all cost categories yields the composite input price index for any given time period, usually a fiscal year or a calendar year. The percent change in the input price index is an estimate of price change over time for a fixed quantity of goods and services purchased by a provider.

The input price indexes are estimated on a historical basis and forecasted out several years. The HCFA-chosen price proxies are forecasted under contract with DRI. Following every calendar-year quarter, in March, June, September, and December, DRI updates its macroeconomic forecasts of wages and prices based on updated historical information and revised forecast assumptions. Some of the data in Tables 9

through 11 are forecasted and are expected to change as more recent historical data become available and subsequent quarterly forecasts are revised.

The methodology and price proxy definitions used in the input price indexes are described in the Federal Register notices that accompany the revisions of the PPS, HHA, and SNF cost limits. A description of the current structure of the PPS input price index was published in the September 4, 1990, Federal Register. The most recent PPS update for payment rates was published in the September 1, 1995, Federal Register. The latest HHA regulatory input price index was published in the February 14, 1995, Federal Register, and the latest SNF input price index was published in the October 7, 1992, Federal Register (also see the January 6, 1994, Federal Register).

Periodically, the input price indexes are revised to a new base year so that cost weights will reflect changes in the mix of goods and services that are purchased. Each revision allows for new base weights, a new base year, and changes to certain price variables used for price proxies.

Each input price index is presented in a table with both an index level and a 4-quarter moving-average percent change. The hospital input price index for PPS is in Table 9, the SNF input price index is in Table 10, and the HHA input price index is in Table 11.

Medicare Economic Index

In 1972, Congress mandated the development of the Medicare Economic Index (MEI) to measure the changes in costs of physicians' time and operating expenses. The input price change measured by the MEI is considered in connection with the update factor for the Medicare Part B physician fee schedule under the resource-

based relative value scale (November 25, 1992, *Federal Register* and December 8, 1994, *Federal Register*), or is used as an advisory indicator by Congress in updating the fee schedule.

The MEI is a fixed-weighted sum of annual price changes for various inputs needed to produce physicians' services with an offset for productivity increases. Like a traditional Laspeyres index, the MEI is constructed in two steps. First, a base period is selected (1989 for the MEI), cost categories are identified, and the 1989 expenditure amounts by cost category are determined. Second, price proxies are selected to match each expenditure category. These proxies are weighted by the category weight determined from expenditure amounts, and summed to produce the composite MEI. Unlike a traditional Laspeyres index, the compensation portion of the MEI is adjusted for productivity so that economywide productivity and physician practice productivity are not both included in the update, resulting in a double counting of productivity.

Forecasts of the MEI are made periodically throughout the fiscal year by DRI for HCFA using several different sets of economic assumptions. DRI produces four main forecasts of the MEI: (1) a presidential budget forecast in December, (2) the mid-session review in June based on assumptions for the Federal budget exercises, (3) the Medicare Trustees Report forecast in February based on assumptions by the Medicare Trustees, and (4) the Medicare premium promulgation forecast in August based on baseline assumptions by DRI. DRI also produces forecasts of the MEI using their own economic assumptions forecast. The forecasts based on DRI assumptions are presented in this article. Much of the forecasted data change as more recent historical data become available and the assumptions change.

The methodology, weights, and price proxy definitions used in the MEI are described in the November 25, 1992, *Federal Register*. The MEI data are presented in Table 12 as index levels and 4-quarter moving-average percent changes.

REFERENCES

- American Hospital Association: National Hospital Panel Survey. Unpublished. Chicago. 1963-94.
- American Hospital Association: *Hospital Statistics, 1994-95 Edition*. Chicago. 1995.
- Federal Register*. Medicare Program; Changes to the Inpatient Hospital Prospective Payment System and Fiscal Year 1991 Rates; Final Rule. Vol. 55, No. 170, 36043-36050 and 36169-36173. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, September 4, 1990.
- Federal Register*. Medicare Program; Changes to the Inpatient Hospital Prospective Payment Systems and Fiscal Year 1995 Rates; Final Rule. Vol. 59, No. 169, 45330. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, September 1, 1995.
- Federal Register*. Medicare Program; Schedules of Limits of Home Health Agency Cost per Visit for Cost Reporting Periods Beginning on or After July 1, 1993. Vol. 60, No. 30, 8389-8406. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, February 14, 1995.
- Federal Register*. Medicare Program; Schedule of Limits for Skilled Nursing Facility Inpatient Routine Service Costs. Vol. 59, No.4, 762-767. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, January 6, 1994.
- Federal Register*. Medicare Program; Schedules of Limits of Skilled Nursing Facility Inpatient Routine Service Costs; Final Rule. Vol. 57, No. 129, 46177-48187. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, October 7, 1992.
- Federal Register*. Medicare Program; Revision of the Medicare Economic Index; Final Rule. Vol. 57, No. 228, 55896-56230. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, November 25, 1992.

Federal Register. Medicare Program; Physician Fee Schedule Update for Calendar Year 1995 and Physician Volume Performance Standard Rates of Increase for Federal Fiscal Year 1995; Final Notice. Vol. 59, No. 235, 63638-63646. Office of the Federal Register, National Archives and Records Administration. Washington. U.S. Government Printing Office, December 8, 1994.

Levit, K.R., Sensenig, A.L., Cowan, C.A., et al.: National Health Expenditures, 1993. *Health Care Financing Review* 18(2):1-30, Fall 1994.

Levit, K.R., Cowan, C.A., Lazenby, H.C., et al.: National Health Spending Trends: 1960-1993. *Health Affairs* 13(4):14-31, Winter 1994.

U.S. Department of Commerce: National Income and Product Accounts. *Survey of Current Business*. Vol. 75, No. 6. Bureau of Economic Analysis. Washington. U.S. Government Printing Office, June 1995.

U.S. Department of Labor: Establishment Data. *Employment and Earnings*. Vol. 42, No. 6. Bureau of Labor Statistics. Washington. U.S. Government Printing Office, June 1995.

U.S. Department of Labor: Notes on Current Labor Statistics: Price Data. *Monthly Labor Review*. Vol. 118, No. 6. Bureau of Labor Statistics. Washington. U.S. Government Printing Office, June 1995b.

For inquiries concerning market basket data, contact Stephen K. Heffler at (410) 786-1211. For all other inquiries, contact Carolyn S. Donham at (410) 786-7947.

Reprint Requests: Carolyn S. Donham, Office of the Actuary, Health Care Financing Administration, 7500 Security Boulevard, N-3-02-02, Baltimore, Maryland 21244-1850.

Table 1
Selected Community Hospital Statistics: 1991-95

Item	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
Utilization									
All Ages:									
Admissions in Thousands	32,670	32,411	32,652	32,938	8,182	8,075	8,160	8,357	8,102
Admissions Per 1,000 Population ¹	125	122	122	122	125	123	124	127	123
Inpatient Days in Thousands	211,475	206,440	202,078	196,117	52,681	51,459	52,756	54,238	51,306
Adult Length of Stay in Days	6.5	6.4	6.2	6.0	6.4	6.4	6.5	6.5	6.3
65 Years of Age or Over:									
Admissions in Thousands	11,659	11,860	12,209	12,456	2,918	2,810	2,981	3,077	2,969
Admissions Per 1,000 Population ¹	360	360	366	369	361	346	366	376	361
Inpatient Days in Thousands	99,468	98,920	97,042	94,877	24,801	23,759	25,248	26,080	24,682
Adult Length of Stay in Days	8.5	8.3	7.9	7.6	8.5	8.5	8.5	8.5	8.3
Under 65 Years of Age:									
Admissions in Thousands	21,011	20,551	20,443	20,483	5,264	5,265	5,180	5,280	5,133
Admissions Per 1,000 Population ¹	92	89	87	87	92	92	90	91	89
Inpatient Days in Thousands	112,007	107,520	105,036	101,240	27,880	27,701	27,509	28,158	26,624
Adult Length of Stay in Days	5.3	5.2	5.1	4.9	5.3	5.3	5.3	5.3	5.2
Surgical Operations in Thousands	21,983	22,463	22,710	23,286	5,572	5,534	5,498	5,608	5,641
Outpatient Visits in Thousands	344,116	366,243	390,188	417,684	86,331	87,648	87,666	89,168	91,572
Adjusted Patient Days in Thousands ²	282,874	281,502	278,911	276,182	70,590	69,496	70,804	72,789	70,021
Beds in Thousands	912	908	902	891	913	910	909	909	910
Adult Occupancy Rate ³	63.5	62.1	61.4	60.3	63.4	61.4	63.1	65.6	62.0
Operating Expenses									
Total in Millions	\$238,633	\$260,994	\$278,880	\$292,801	\$58,930	\$60,214	\$62,301	\$63,739	\$64,532
Labor in Millions	128,704	140,112	149,733	156,826	31,692	32,516	33,526	34,143	34,501
Non-Labor in Millions	109,929	120,882	129,147	135,975	27,238	27,698	28,775	29,597	30,031
Inpatient Expense in Millions									
Amount per Patient Day	\$178,401	\$191,401	\$202,055	\$207,918	\$43,979	\$44,586	\$46,421	\$47,495	\$47,284
Amount per Admission	844	927	1,000	1,060	835	866	880	876	922
Amount per Admission	5,461	5,905	6,188	6,312	5,375	5,522	5,689	5,683	5,836
Outpatient Expense									
Amount per Outpatient Visit	\$60,233	\$69,593	\$76,825	\$84,883	\$14,951	\$15,627	\$15,880	\$16,244	\$17,248
Amount per Outpatient Visit	175	190	197	203	173	178	181	182	188

¹Admissions per 1,000 population is calculated using population estimates prepared by the Social Security Administration.

²Adjusted patient days is an aggregate figure reflecting the number of days of inpatient care, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient day in terms of level of effort. It is derived by multiplying the number of outpatient visits by the ratio of outpatient revenue per outpatient visit to inpatient revenue per inpatient day, and adding the product to the number of inpatient days.

³Adult occupancy rate is the ratio of average daily census to the average number of beds maintained during the reporting period.

NOTES: Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: American Hospital Association: *National Hospital Panel Survey Reports*. Chicago. Monthly reports for January 1991-June 1995.

Table 1—Continued
Selected Community Hospital Statistics: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
8,005	7,947	8,351	8,086	8,083	8,133	8,368	8,180	8,154	8,236	8,634	8,281
121	120	125	121	121	121	124	121	121	121	127	122
50,387	50,509	53,228	50,150	49,089	49,611	51,709	48,648	47,657	48,102	50,377	47,296
6.3	6.4	6.4	6.2	6.1	6.1	6.2	5.9	5.8	5.8	5.8	5.7
2,881	2,932	3,138	3,042	2,944	3,085	3,211	3,098	3,022	3,125	3,379	3,187
349	354	378	365	352	368	382	367	357	368	397	374
23,875	24,283	25,822	24,274	22,990	23,956	25,551	23,493	22,631	23,203	24,778	22,823
8.3	8.3	8.2	8.0	7.8	7.8	8.0	7.6	7.5	7.4	7.3	7.2
5,124	5,015	5,213	5,044	5,139	5,047	5,158	5,082	5,132	5,111	5,255	5,094
88	86	89	86	88	86	88	86	87	86	88	85
26,513	26,225	27,406	25,875	26,099	25,655	26,158	25,155	25,027	24,899	25,598	24,472
5.2	5.2	5.3	5.1	5.1	5.1	5.1	5.0	4.9	4.9	4.9	4.8
5,630	5,584	5,646	5,721	5,677	5,665	5,664	5,864	5,840	5,918	6,028	5,965
93,271	92,232	94,677	97,637	99,212	98,662	98,341	104,079	107,022	108,241	111,088	113,699
69,286	69,332	72,306	69,334	68,351	68,860	71,244	68,776	67,711	68,363	71,226	68,146
908	904	905	904	901	897	895	893	888	886	881	877
60.3	60.7	65.3	61.0	59.2	60.1	64.2	59.8	58.3	59.0	63.5	59.3
\$65,829	\$66,894	\$68,527	\$69,245	\$70,002	\$71,106	\$71,677	\$72,618	\$73,468	\$75,039	\$76,259	\$76,751
35,396	36,073	36,782	37,250	37,578	38,123	38,420	38,828	39,408	40,170	40,529	40,768
30,434	30,821	31,746	31,994	32,424	32,983	33,257	33,790	34,059	34,869	35,730	35,983
\$47,873	\$48,733	\$50,447	\$50,085	\$50,274	\$51,229	\$52,023	\$51,366	\$51,709	\$52,800	\$53,936	\$53,268
950	965	948	999	1,024	1,033	1,006	1,056	1,085	1,098	1,071	1,126
5,980	6,133	6,041	6,194	6,220	6,299	6,217	6,279	6,341	6,411	6,247	6,432
\$17,956	\$18,161	\$18,080	\$19,160	\$19,728	\$19,877	\$19,654	\$21,252	\$21,758	\$22,239	\$22,323	\$23,483
193	197	191	196	199	201	200	204	203	205	201	207

Table 2
Percent Change in Selected Community Hospital Statistics: 1991-95

Item	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
	Annual Percent Change				Percent Change From the Same Period of Previous Year				
Utilization									
All Ages:									
Admissions	-1.1	-0.8	0.7	0.9	-1.4	-1.2	1.6	1.3	-1.0
Admissions Per 1,000 Population	-2.1	-1.8	-0.3	-0.1	-2.5	-2.2	0.5	0.2	-2.0
Inpatient Days	-2.5	-2.4	-2.1	-2.9	-2.3	-2.9	0.0	-0.6	-2.6
Adult Length of Stay	-1.4	-1.6	-2.8	-3.8	-0.9	-1.8	-1.6	-1.9	-1.6
65 Years of Age or Over:									
Admissions	2.5	1.7	2.9	2.0	2.3	2.6	6.7	4.3	1.7
Admissions Per 1,000 Population	0.7	0.1	1.5	0.8	0.6	0.9	4.9	2.6	0.1
Inpatient Days	0.4	-0.6	-1.9	-2.2	0.8	0.4	4.2	1.6	-0.5
Adult Length of Stay	-2.0	-2.2	-4.7	-4.2	-1.5	-2.2	-2.3	-2.6	-2.2
Under 65 Years of Age:									
Admissions	-2.9	-2.2	-0.5	0.2	-3.4	-3.1	-1.1	-0.4	-2.5
Admissions Per 1,000 Population	-3.8	-3.2	-1.5	-0.8	-4.3	-4.0	-2.1	-1.4	-3.5
Inpatient Days	-4.9	-4.0	-2.3	-3.6	-4.9	-5.6	-3.6	-2.6	-4.5
Adult Length of Stay	-2.1	-1.9	-1.8	-3.8	-1.6	-2.6	-2.5	-2.2	-2.1
Surgical Operations	0.4	2.2	1.1	2.5	-0.2	0.7	2.2	4.2	1.2
Outpatient Visits	5.4	6.4	6.5	7.0	4.5	5.1	8.0	8.1	6.1
Adjusted Patient Days	-0.4	-0.5	-0.9	-1.0	-0.2	-0.6	1.7	1.2	-0.8
Beds	-1.0	-0.5	-0.7	-1.2	-1.3	-1.0	-0.7	-0.6	-0.3
Adult Occupancy Rate ¹	-0.9	-1.4	-0.7	-1.1	-0.7	-1.2	0.4	-0.7	-1.5
Operating Expenses									
Total	9.9	9.4	6.9	5.0	9.7	9.7	11.2	11.5	9.5
Labor	9.2	8.9	6.9	4.7	9.1	8.6	9.9	10.2	8.9
Non-Labor	10.7	10.0	6.8	5.3	10.3	11.0	12.9	12.9	10.3
Inpatient Expense									
Amount per Patient Day	7.6	7.3	5.6	2.9	7.3	7.1	9.3	9.4	7.5
Amount per Admission	10.3	9.9	7.8	6.0	9.9	10.3	9.3	10.1	10.4
Amount per Admission	8.8	8.1	4.8	2.0	8.9	8.3	7.6	8.0	8.6
Outpatient Expense									
Amount Per Outpatient Visit	17.4	15.5	10.4	10.5	17.1	17.9	17.2	17.9	15.4
Amount Per Outpatient Visit	11.4	8.6	3.6	3.2	12.0	12.2	8.5	9.0	8.8

¹Change in rate, rather than percent change.

NOTES: Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: American Hospital Association: *National Hospital Panel Survey Reports*. Chicago. Monthly reports for January 1990-June 1995.

Table 2—Continued
Percent Change in Selected Community Hospital Statistics: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Percent Change From the Same Period of Previous Year											
-0.9	-2.6	-0.1	-0.2	1.0	2.3	0.2	1.2	0.9	1.3	3.2	1.2
-1.9	-3.7	-1.1	-1.2	-0.1	1.3	-0.8	0.2	-0.1	0.3	2.2	0.3
-2.1	-4.3	-1.9	-2.3	-2.6	-1.8	-2.9	-3.0	-2.9	-3.0	-2.6	-2.8
-1.2	-1.7	-1.8	-2.1	-3.5	-4.0	-3.1	-4.1	-3.8	-4.3	-5.6	-4.0
2.5	-1.6	2.0	2.5	2.2	5.2	2.3	1.8	2.6	1.3	5.2	2.9
0.9	-3.1	0.5	1.0	0.8	3.9	1.1	0.6	1.4	0.1	4.0	1.7
0.5	-3.8	-1.0	-1.7	-3.7	-1.3	-1.1	-3.2	-1.6	-3.1	-3.0	-2.9
-2.0	-2.2	-2.9	-4.0	-5.8	-6.3	-3.3	-5.0	-4.1	-4.4	-7.8	-5.6
-2.7	-3.2	-1.3	-1.7	0.3	0.7	-1.1	0.7	-0.1	1.3	1.9	0.2
-3.6	-4.1	-2.3	-2.7	-0.7	-0.3	-2.0	-0.2	-1.1	0.3	0.9	-0.7
-4.3	-4.7	-2.7	-2.8	-1.6	-2.2	-4.6	-2.8	-4.1	-2.9	-2.1	-2.7
-1.7	-1.5	-1.4	-1.1	-1.8	-2.8	-3.5	-3.5	-4.0	-4.2	-4.0	-3.0
1.7	1.6	0.7	1.4	0.8	1.5	0.3	2.5	2.9	4.5	6.4	1.7
6.4	5.2	6.2	6.6	6.4	7.0	3.9	6.6	7.9	9.7	13.0	9.2
-0.3	-2.1	-0.7	-1.0	-1.3	-0.7	-1.5	-0.8	-0.9	-0.7	0.0	-0.9
-0.3	-0.5	-0.4	-0.7	-0.8	-0.8	-1.2	-1.2	-1.4	-1.2	-1.5	-1.8
-1.1	-2.4	-0.2	-1.0	-1.1	-0.6	-1.1	-1.1	-0.9	-1.1	-0.7	-0.6
9.3	7.4	7.5	7.3	6.3	6.3	4.6	4.9	5.0	5.5	6.4	5.7
8.9	7.6	7.7	8.0	6.2	5.7	4.5	4.2	4.9	5.4	5.5	5.0
9.9	7.1	7.3	6.5	6.5	7.0	4.8	5.6	5.0	5.7	7.4	6.5
7.4	5.0	6.2	5.9	5.0	5.1	3.1	2.6	2.9	3.1	3.7	3.7
9.7	9.7	8.2	8.4	7.8	7.0	6.2	5.7	5.9	6.3	6.4	6.7
8.3	7.8	6.3	6.1	4.0	2.7	2.9	1.4	2.0	1.8	0.5	2.4
14.9	14.4	11.3	11.1	9.9	9.4	8.7	10.9	10.3	11.9	13.6	10.5
8.0	8.7	4.8	4.2	3.3	2.3	4.7	4.1	2.2	2.0	0.5	1.1

Table 3
Employment, Hours, and Earnings in Private-Sector¹ Health Service Establishments,
by Selected Type of Establishment: 1991-95

Type of Establishment	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
Total Employment in Thousands									
Non-Farm Private Sector	89,854	89,959	91,889	94,917	89,884	90,548	90,194	88,112	89,971
Health Services	8,183	8,490	8,756	9,001	8,131	8,247	8,321	8,375	8,453
Offices and Clinics of Physicians	1,404	1,463	1,506	1,540	1,394	1,420	1,432	1,440	1,455
Offices and Clinics of Dentists	528	541	556	575	525	532	535	534	538
Nursing Homes	1,493	1,533	1,585	1,649	1,485	1,505	1,515	1,518	1,526
Private Hospitals	3,655	3,750	3,779	3,774	3,636	3,673	3,696	3,720	3,741
Home Health Care Services	344	398	469	555	340	351	364	375	393
Non-Supervisory Employment in Thousands									
Non-Farm Private Sector	72,850	72,930	74,777	77,476	72,662	73,331	73,047	71,127	72,929
Health Services	7,276	7,546	7,770	7,974	7,231	7,334	7,396	7,444	7,516
Offices and Clinics of Physicians	1,155	1,202	1,231	1,257	1,148	1,168	1,176	1,184	1,196
Offices and Clinics of Dentists	463	473	487	502	461	468	469	467	471
Nursing Homes	1,347	1,385	1,431	1,487	1,340	1,359	1,368	1,371	1,378
Private Hospitals	3,353	3,442	3,464	3,451	3,334	3,370	3,392	3,415	3,434
Home Health Care Services	319	369	435	514	315	325	337	347	364
Average Weekly Hours									
Non-Farm Private Sector	34.3	34.4	34.5	34.7	34.3	34.6	34.4	34.1	34.3
Health Services	32.5	32.8	32.8	32.8	32.5	32.7	32.6	32.8	32.6
Offices and Clinics of Physicians	31.9	32.2	32.2	32.4	31.9	32.0	32.0	32.3	32.0
Offices and Clinics of Dentists	28.3	28.3	28.3	28.1	28.3	28.2	28.3	28.5	28.2
Nursing Homes	32.1	32.3	32.2	32.3	32.0	32.4	32.2	32.2	32.0
Private Hospitals	34.2	34.4	34.6	34.6	34.2	34.4	34.3	34.4	34.4
Home Health Care Services	26.1	27.4	27.8	28.2	25.9	26.3	26.5	27.3	27.0
Average Hourly Earnings									
Non-Farm Private Sector	10.32	10.57	10.83	11.12	10.29	10.34	10.44	10.50	10.52
Health Services	10.96	11.39	11.78	12.10	10.90	11.05	11.16	11.23	11.31
Offices and Clinics of Physicians	11.13	11.41	11.89	12.24	11.08	11.15	11.31	11.22	11.32
Offices and Clinics of Dentists	10.62	11.02	11.44	11.96	10.58	10.64	10.78	10.91	10.97
Nursing Homes	7.56	7.86	8.17	8.49	7.52	7.59	7.66	7.75	7.82
Private Hospitals	12.50	13.03	13.46	13.83	12.43	12.66	12.75	12.85	12.90
Home Health Care Services	9.38	10.00	10.41	10.66	9.28	9.46	9.62	9.83	9.98
Addenda: Hospital Employment in Thousands									
Total	4,958	5,068	5,100	5,089	4,937	4,979	5,004	5,036	5,058
Private	3,655	3,750	3,779	3,774	3,636	3,673	3,696	3,720	3,741
Federal	234	235	234	233	233	235	235	236	235
State	417	419	414	405	417	415	417	420	420
Local	653	665	673	676	651	656	656	659	662

¹Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTES: Data presented here conform to the 1987 Standard Industrial Classification. Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1991-September 1995.

Table 3—Continued
Employment, Hours, and Earnings in Private-Sector¹ Health Service Establishments,
by Selected Type of Establishment: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
90,823	90,928	89,478	91,706	92,970	93,402	92,096	94,745	96,180	96,646	95,206	97,327
8,536	8,596	8,638	8,724	8,808	8,854	8,878	8,970	9,054	9,101	9,145	9,229
1,473	1,484	1,489	1,502	1,516	1,516	1,519	1,534	1,551	1,558	1,564	1,581
543	547	548	554	559	563	565	573	577	583	587	595
1,539	1,548	1,553	1,573	1,597	1,617	1,626	1,642	1,661	1,666	1,671	1,682
3,767	3,771	3,776	3,782	3,788	3,771	3,762	3,768	3,784	3,784	3,792	3,809
403	420	432	458	481	505	523	550	566	582	591	603
73,752	73,913	72,541	74,614	75,777	76,175	74,878	77,352	78,630	79,045	77,588	79,564
7,588	7,636	7,669	7,747	7,815	7,847	7,869	7,953	8,016	8,056	8,096	8,175
1,209	1,216	1,219	1,229	1,238	1,236	1,242	1,254	1,265	1,269	1,274	1,289
476	479	480	485	489	492	495	501	504	508	513	520
1,392	1,399	1,402	1,421	1,442	1,459	1,465	1,481	1,498	1,502	1,506	1,517
3,458	3,462	3,465	3,469	3,471	3,452	3,441	3,448	3,458	3,457	3,466	3,484
374	389	400	424	446	469	485	510	523	538	547	559
34.6	34.5	34.0	34.5	34.8	34.6	34.3	34.7	34.9	34.8	34.3	34.4
32.9	32.8	32.7	32.8	32.9	32.8	32.8	32.8	32.8	32.8	32.8	32.7
32.2	32.2	32.1	32.2	32.3	32.3	32.4	32.3	32.3	32.6	32.4	32.3
28.3	28.4	28.1	28.4	28.2	28.3	28.2	28.2	28.0	28.2	28.0	28.0
32.7	32.3	32.0	32.2	32.6	32.1	32.1	32.2	32.5	32.4	32.3	32.2
34.5	34.4	34.6	34.5	34.7	34.6	34.7	34.6	34.7	34.6	34.7	34.5
27.6	27.6	27.5	27.8	27.9	27.9	28.0	28.2	28.2	28.5	28.7	28.7
10.57	10.69	10.77	10.79	10.82	10.96	11.05	11.06	11.11	11.28	11.36	11.38
11.44	11.57	11.69	11.71	11.80	11.92	12.00	12.02	12.13	12.24	12.36	12.36
11.47	11.65	11.72	11.86	11.91	12.07	12.16	12.21	12.27	12.33	12.41	12.39
10.99	11.20	11.26	11.35	11.46	11.68	11.78	11.91	12.00	12.16	12.24	12.34
7.90	7.96	8.06	8.11	8.20	8.31	8.40	8.44	8.52	8.61	8.70	8.72
13.11	13.25	13.37	13.37	13.49	13.61	13.70	13.70	13.90	14.04	14.18	14.16
10.04	10.15	10.32	10.35	10.47	10.50	10.58	10.62	10.71	10.75	10.84	10.84
5,088	5,090	5,093	5,101	5,114	5,091	5,080	5,083	5,098	5,093	5,100	5,116
3,767	3,771	3,776	3,782	3,788	3,771	3,762	3,768	3,784	3,784	3,792	3,809
234	233	231	233	235	235	235	234	233	231	229	230
419	417	415	414	414	412	409	407	404	401	399	393
668	669	670	672	677	674	673	674	678	677	680	684

Table 4
Percent Change in Employment, Hours, and Earnings in Private-Sector¹ Health Service Establishments, by Selected Type of Establishment: 1991-95

Type of Establishment	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
	Annual Percent Change				Percent Change From the Same Period of Previous Year				
Total Employment									
Non-Farm Private Sector	-1.4	0.1	2.1	3.3	-1.6	-1.6	-1.3	-0.8	0.1
Health Services	4.7	3.8	3.1	2.8	4.7	4.6	4.6	4.3	4.0
Offices and Clinics of Physicians	5.0	4.2	2.9	2.3	4.7	5.1	5.3	5.0	4.4
Offices and Clinics of Dentists	2.9	2.5	2.9	3.3	2.4	3.3	3.7	2.8	2.6
Nursing Homes	5.5	2.7	3.4	4.0	5.7	5.5	4.7	3.5	2.8
Private Hospitals	3.0	2.6	0.8	-0.1	3.0	2.8	2.8	2.9	2.9
Home Health Care Services	18.5	15.5	17.9	18.4	19.9	16.5	16.5	16.0	15.5
Non-Supervisory Employment									
Non-Farm Private Sector	-1.6	0.4	2.5	3.6	-1.9	-1.7	-1.3	-0.6	0.4
Health Services	4.7	3.7	3.0	2.6	4.7	4.6	4.6	4.2	3.9
Offices and Clinics of Physicians	4.6	4.0	2.4	2.2	4.4	4.7	4.9	4.8	4.2
Offices and Clinics of Dentists	3.1	2.1	2.8	3.2	2.6	3.7	3.8	2.5	2.1
Nursing Homes	5.4	2.8	3.3	3.9	5.5	5.4	4.6	3.6	2.9
Private Hospitals	3.2	2.7	0.6	-0.4	3.2	3.0	3.0	3.0	3.0
Home Health Care Services	18.6	15.6	17.9	18.3	20.1	16.7	16.6	16.4	15.7
Average Weekly Hours									
Non-Farm Private Sector	-0.6	0.2	0.3	0.6	-0.7	-0.6	0.0	0.7	0.2
Health Services	0.0	0.7	0.1	0.0	0.2	-0.3	0.2	1.3	0.3
Offices and Clinics of Physicians	0.4	0.8	0.2	0.5	1.2	0.1	0.7	1.6	0.1
Offices and Clinics of Dentists	-0.4	0.2	-0.3	-0.5	-0.1	-1.1	-0.6	0.7	-0.4
Nursing Homes	0.1	0.5	-0.3	0.3	0.3	-0.5	-0.2	0.8	0.1
Private Hospitals	0.0	0.6	0.5	0.2	0.1	-0.1	0.5	1.2	0.4
Home Health Care Services	3.2	4.8	1.4	1.7	2.9	2.9	3.1	5.9	4.2
Average Hourly Earnings									
Non-Farm Private Sector	3.1	2.4	2.5	2.7	3.2	3.0	2.9	2.8	2.3
Health Services	5.3	3.9	3.4	2.7	5.8	5.6	5.2	4.7	3.7
Offices and Clinics of Physicians	5.3	2.5	4.2	3.0	5.9	4.6	4.0	2.0	2.2
Offices and Clinics of Dentists	4.7	3.8	3.8	4.6	4.9	4.0	4.3	4.2	3.7
Nursing Homes	4.4	3.9	4.0	3.9	4.5	4.2	3.7	3.9	3.9
Private Hospitals	6.0	4.2	3.3	2.8	6.5	6.7	6.2	5.6	3.8
Home Health Care Services	7.8	6.6	4.1	2.5	7.5	7.7	7.4	7.2	7.6
Addenda: Hospital Employment									
Total	2.2	2.2	0.6	-0.2	2.1	2.1	2.2	2.5	2.5
Private	3.0	2.6	0.8	-0.1	3.0	2.8	2.8	2.9	2.9
Federal	0.8	0.5	-0.4	-0.2	0.3	1.3	2.2	2.2	1.0
State	-2.2	0.5	-1.2	-2.0	-2.5	-2.2	-1.3	0.5	0.6
Local	1.1	1.8	1.3	0.3	0.9	1.1	1.0	1.6	1.8

¹Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTES: Data presented here conform to the 1987 Standard Industrial Classification. Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1991-September 1995.

Table 4—Continued

Percent Change in Employment, Hours, and Earnings in Private-Sector¹ Health Service Establishments, by Selected Type of Establishment: 1991-95

1992 Q3	1992 Q4	1993 Q1	1993 Q2	1993 Q3	1993 Q4	1994 Q1	1994 Q2	1994 Q3	1994 Q4	1995 Q1	1995 Q2
Percent Change From the Same Period of Previous Year											
0.3	0.8	1.5	1.9	2.4	2.7	2.9	3.3	3.5	3.5	3.4	2.7
3.5	3.3	3.1	3.2	3.2	3.0	2.8	2.8	2.8	2.8	3.0	2.9
3.7	3.6	3.4	3.2	2.9	2.2	2.0	2.1	2.3	2.8	3.0	3.1
2.3	2.2	2.7	3.0	2.8	3.1	3.1	3.4	3.3	3.4	3.8	3.9
2.3	2.2	2.3	3.1	3.7	4.5	4.7	4.4	4.0	3.0	2.8	2.4
2.6	2.0	1.5	1.1	0.6	0.0	-0.4	-0.3	-0.1	0.3	0.8	1.1
14.8	15.5	15.2	16.5	19.3	20.3	21.0	20.2	17.8	15.2	13.0	9.6
0.6	1.2	2.0	2.3	2.7	3.1	3.2	3.7	3.8	3.8	3.6	2.9
3.5	3.2	3.0	3.1	3.0	2.8	2.6	2.7	2.6	2.7	2.9	2.8
3.5	3.4	3.0	2.7	2.4	1.6	1.9	2.0	2.2	2.7	2.6	2.8
1.8	1.9	2.7	2.9	2.8	2.9	3.1	3.4	3.0	3.2	3.6	3.8
2.4	2.3	2.3	3.1	3.6	4.3	4.5	4.2	3.9	3.0	2.8	2.5
2.6	2.1	1.5	1.0	0.4	-0.3	-0.7	-0.6	-0.4	0.2	0.7	1.1
15.0	15.6	15.1	16.5	19.3	20.4	21.3	20.3	17.3	14.9	12.8	9.5
0.0	0.1	-0.1	0.5	0.6	0.4	0.7	0.6	0.4	0.6	0.1	-0.9
0.6	0.5	-0.2	0.5	0.0	0.0	0.1	0.0	-0.1	0.0	0.1	-0.2
0.8	0.7	-0.4	0.7	0.2	0.3	0.7	0.4	0.0	0.9	0.1	-0.2
0.4	0.1	-1.3	0.7	-0.2	-0.2	0.1	-0.7	-0.8	-0.5	-0.7	-0.9
0.8	0.3	-0.7	0.4	-0.3	-0.7	0.2	0.0	-0.2	1.0	0.6	0.2
0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.2	0.1	-0.1	-0.2	-0.2
4.9	4.2	0.6	2.7	1.2	1.0	1.7	1.6	1.1	2.4	2.6	1.9
2.3	2.4	2.5	2.5	2.3	2.5	2.6	2.5	2.7	2.9	2.8	2.9
3.6	3.7	4.1	3.6	3.1	3.0	2.7	2.6	2.8	2.7	2.9	2.8
2.9	3.0	4.4	4.8	3.8	3.6	3.8	3.0	3.0	2.1	2.0	1.4
3.3	3.9	3.2	3.4	4.2	4.3	4.7	5.0	4.7	4.1	3.8	3.6
4.1	3.8	4.0	3.8	3.8	4.4	4.2	4.1	3.9	3.6	3.6	3.3
3.6	3.9	4.1	3.6	2.9	2.8	2.4	2.5	3.0	3.1	3.5	3.4
6.2	5.5	5.0	3.7	4.2	3.5	2.6	2.7	2.3	2.3	2.5	2.1
2.2	1.7	1.1	0.8	0.5	0.0	-0.3	-0.3	-0.3	0.0	0.4	0.6
2.6	2.0	1.5	1.1	0.6	0.0	-0.4	-0.3	-0.1	0.3	0.8	1.1
-0.2	-1.0	-1.9	-1.1	0.4	1.0	1.7	0.5	-1.1	-1.9	-2.9	-1.7
0.8	0.0	-1.1	-1.3	-1.1	-1.3	-1.5	-1.6	-2.4	-2.5	-2.5	-3.6
1.9	2.0	1.6	1.5	1.3	0.7	0.5	0.2	0.1	0.5	1.1	1.6

Table 5

Percent Change in Implied Non-Supervisory Payrolls, Employment, Average Weekly Hours, and Average Hourly Earnings in Private-Sector¹ Health Service Establishments, by Selected Type of Establishment: 1991-95

Type of Establishment and Measure	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
	Annual Percent Change				Percent Change From the Same Period of Previous Year				
Health Services									
Payrolls	10.3	8.5	6.6	5.4	11.0	10.1	10.2	10.6	8.1
Employment	4.7	3.7	3.0	2.6	4.7	4.6	4.6	4.2	3.9
Average Weekly Hours	0.0	0.7	0.1	0.0	0.2	-0.3	0.2	1.3	0.3
Average Hourly Earnings	5.3	3.9	3.4	2.7	5.8	5.6	5.2	4.7	3.7
Offices and Clinics of Physicians									
Payrolls	10.6	7.5	6.9	5.8	11.8	9.6	9.9	8.6	6.6
Employment	4.6	4.0	2.4	2.2	4.4	4.7	4.9	4.8	4.2
Average Weekly Hours	0.4	0.8	0.2	0.5	1.2	0.1	0.7	1.6	0.1
Average Hourly Earnings	5.3	2.5	4.2	3.0	5.9	4.6	4.0	2.0	2.2
Offices and Clinics of Dentists									
Payrolls	7.5	6.2	6.5	7.4	7.4	6.7	7.6	7.6	5.5
Employment	3.1	2.1	2.8	3.2	2.6	3.7	3.8	2.5	2.1
Average Weekly Hours	-0.4	0.2	-0.3	-0.5	-0.1	-1.1	-0.6	0.7	-0.4
Average Hourly Earnings	4.7	3.8	3.8	4.6	4.9	4.0	4.3	4.2	3.7
Nursing Homes									
Payrolls	10.1	7.4	7.1	8.3	10.6	9.3	8.3	8.5	7.1
Employment	5.4	2.8	3.3	3.9	5.5	5.4	4.6	3.6	2.9
Average Weekly Hours	0.1	0.5	-0.3	0.3	0.3	-0.5	-0.2	0.8	0.1
Average Hourly Earnings	4.4	3.9	4.0	3.9	4.5	4.2	3.7	3.9	3.9
Private Hospitals									
Payrolls	9.4	7.6	4.5	2.5	10.1	9.8	9.9	10.1	7.3
Employment	3.2	2.7	0.6	-0.4	3.2	3.0	3.0	3.0	3.0
Average Weekly Hours	0.0	0.6	0.5	0.2	0.1	-0.1	0.5	1.2	0.4
Average Hourly Earnings	6.0	4.2	3.3	2.8	6.5	6.7	6.2	5.6	3.8
Home Health Care Services									
Payrolls	31.8	29.3	24.5	23.0	32.8	29.4	29.1	32.2	29.7
Employment	18.6	15.6	17.9	18.3	20.1	16.7	16.6	16.4	15.7
Average Weekly Hours	3.2	4.8	1.4	1.7	2.9	2.9	3.1	5.9	4.2
Average Hourly Earnings	7.8	6.6	4.1	2.5	7.5	7.7	7.4	11.3	7.6
Non-Farm Private Sector									
Payrolls	0.9	3.1	5.4	7.0	0.6	0.6	1.5	2.9	2.9
Employment	-1.6	0.4	2.5	3.6	-1.9	-1.7	-1.3	-0.6	0.4
Average Weekly Hours	-0.6	0.2	0.3	0.6	-0.7	-0.6	0.0	0.7	0.2
Average Hourly Earnings	3.1	2.4	2.5	2.7	3.2	3.0	2.9	2.8	2.3

¹Excludes hospitals, clinics, and other health-related establishments run by all governments.

NOTES: Data presented here conform to the 1987 Standard Industrial Classification. Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1990-September 1995.

Table 5—Continued

Percent Change in Implied Non-Supervisory Payrolls, Employment, Average Weekly Hours, and Average Hourly Earnings in Private-Sector¹ Health Service Establishments, by Selected Type of Establishment: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Percent Change From the Same Period of Previous Year											
7.8	7.6	7.0	7.3	6.2	5.8	5.5	5.3	5.4	5.5	6.0	5.5
3.5	3.2	3.0	3.1	3.0	2.8	2.6	2.7	2.6	2.7	2.9	2.8
0.6	0.5	-0.2	0.5	0.0	0.0	0.1	0.0	-0.1	0.0	0.1	-0.2
3.6	3.7	4.1	3.6	3.1	3.0	2.7	2.6	2.8	2.7	2.9	2.8
7.4	7.3	7.1	8.5	6.5	5.6	6.5	5.5	5.2	5.8	4.8	4.0
3.5	3.4	3.0	2.7	2.4	1.6	1.9	2.0	2.2	2.7	2.6	2.8
0.8	0.7	-0.4	0.7	0.2	0.3	0.7	0.4	0.0	0.9	0.1	-0.2
2.9	3.0	4.4	4.8	3.8	3.6	3.8	3.0	3.0	2.1	2.0	1.4
5.5	6.0	4.6	7.2	6.9	7.1	8.1	7.8	7.0	6.9	6.8	6.4
1.8	1.9	2.7	2.9	2.8	2.9	3.1	3.4	3.0	3.2	3.6	3.8
0.4	0.1	-1.3	0.7	-0.2	-0.2	0.1	-0.7	-0.8	-0.5	-0.7	-0.9
3.3	3.9	3.2	3.4	4.2	4.3	4.7	5.0	4.7	4.1	3.8	3.6
7.5	6.5	5.6	7.4	7.2	8.2	9.1	8.4	7.7	7.7	7.1	6.1
2.4	2.3	2.3	3.1	3.6	4.3	4.5	4.2	3.9	3.0	2.8	2.5
0.8	0.3	-0.7	0.4	-0.3	-0.7	0.2	0.0	-0.2	1.0	0.6	0.2
4.1	3.8	4.0	3.8	3.8	4.4	4.2	4.1	3.9	3.6	3.6	3.3
6.7	6.4	6.1	5.2	3.8	3.0	2.2	2.1	2.7	3.2	4.1	4.2
2.6	2.1	1.5	1.0	0.4	-0.3	-0.7	-0.6	-0.4	0.2	0.7	1.1
0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.2	0.1	-0.1	-0.2	-0.2
3.6	3.9	4.1	3.6	2.9	2.8	2.4	2.5	3.0	3.1	3.5	3.4
28.1	26.9	21.6	24.0	25.9	25.8	26.5	25.4	21.3	20.3	18.6	13.8
15.0	15.6	15.1	16.5	19.3	20.4	21.3	20.3	17.3	14.9	12.8	9.5
4.9	4.2	0.6	2.7	1.2	1.0	1.7	1.6	1.1	2.4	2.6	1.9
6.2	5.5	5.0	3.7	4.2	3.5	2.6	2.7	2.3	2.3	2.5	2.1
2.8	3.7	4.5	5.4	5.7	6.0	6.7	6.9	7.0	7.4	6.6	4.9
0.6	1.2	2.0	2.3	2.7	3.1	3.2	3.7	3.8	3.8	3.6	2.9
0.0	0.1	-0.1	0.5	0.6	0.4	0.7	0.6	0.4	0.6	0.1	-0.9
2.3	2.4	2.5	2.5	2.3	2.5	2.6	2.5	2.7	2.9	2.8	2.9

Table 6
Selected National Economic Indicators: 1991-95

Indicator	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
Gross Domestic Product									
Billions of Dollars	\$5,725	\$6,020	\$6,343	\$6,738	\$5,706	\$5,760	\$5,797	\$5,897	\$5,971
Billions of 1987 Dollars	\$4,868	\$4,979	\$5,135	\$5,344	\$4,868	\$4,880	\$4,881	\$4,919	\$4,948
Implicit Price Deflator (1987 = 100.0)	117.6	120.9	123.5	126.1	117.2	118.0	118.8	119.9	120.7
Personal Income									
Personal Income in Billions	\$4,860	\$5,154	\$5,375	\$5,702	\$4,841	\$4,869	\$4,934	\$5,032	\$5,102
Disposable Income in Billions	\$4,237	\$4,506	\$4,689	\$4,960	\$4,220	\$4,246	\$4,303	\$4,401	\$4,463
Prices¹									
Consumer Price Index, All Items	136.2	140.3	144.5	148.2	135.6	136.7	137.7	138.7	139.8
All Items Less Medical Care	133.8	137.5	141.2	144.7	133.3	134.3	135.1	136.0	137.0
Energy	102.4	103.0	104.1	104.6	101.7	103.1	101.8	99.3	102.6
Food and Beverages	136.8	138.7	141.6	144.9	137.4	136.8	136.9	138.3	138.5
Medical Care	177.0	190.1	201.4	211.0	175.3	178.7	181.7	185.9	188.7
Producer Price Index,² Finished									
Consumer Goods	120.4	121.7	123.0	123.3	120.4	120.3	120.7	120.2	121.7
Energy	78.1	77.8	78.0	77.0	77.4	78.5	77.7	74.3	78.1
Food	124.1	123.3	125.6	126.8	125.5	123.5	122.8	123.1	123.0
Finished Goods Except Food & Energy	133.7	137.2	138.5	139.0	133.1	133.6	135.4	136.5	137.3
	Annual Percent Change				Percent Change From the Same Period of Previous Year				
Gross Domestic Product									
Billions of Dollars	3.2	5.2	5.4	6.2	3.0	3.2	3.5	4.6	4.7
Billions of 1987 Dollars	-0.6	2.3	3.1	4.1	-1.0	-0.5	0.3	1.6	1.6
Implicit Price Deflator (1987 = 100.0)	3.8	2.8	2.2	2.1	4.0	3.7	3.3	3.0	3.0
Personal Income									
Personal Income in Billions	4.0	6.1	4.3	6.1	4.1	3.6	3.7	4.9	5.4
Disposable Income in Billions	4.6	6.4	4.1	5.8	5.0	4.2	4.1	5.4	5.8
Prices¹									
Consumer Price Index, All Items	4.2	3.0	3.0	2.6	4.8	3.9	3.0	2.9	3.1
All Items Less Medical Care	3.9	2.7	2.7	2.5	4.6	3.6	2.6	2.6	2.8
Energy	0.4	0.5	1.1	0.5	4.5	-0.7	-8.1	-3.7	0.9
Food and Beverages	3.6	1.4	2.1	2.3	4.7	3.1	2.4	1.6	0.8
Medical Care	8.7	7.4	6.0	4.8	9.0	8.5	8.0	7.8	7.7
Producer Price Index,² Finished									
Consumer Goods	1.9	1.0	1.1	0.2	3.5	1.7	-1.1	-0.2	1.1
Energy	4.2	-0.4	0.3	-1.2	13.7	4.9	-11.2	-5.7	0.9
Food	-0.2	-0.7	1.9	0.9	1.2	-0.9	-1.5	-1.4	-2.0
Finished Goods Except Food & Energy	3.8	2.7	0.9	0.3	3.8	3.6	3.5	2.9	3.1

¹Base period = 1982-84, unless noted.

²Formerly called the Wholesale Price Index.

NOTES: Q designates quarter of year. Unlike Tables 1-5, quarterly data on gross domestic product, personal income, and disposable personal income are seasonally adjusted at annual rates.

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis: *Survey of Current Business*. Washington, U.S. Government Printing Office. Monthly reports for January 1990-September 1995; U.S. Department of Labor, Bureau of Labor Statistics: *Employment and Earnings*. Washington, U.S. Government Printing Office. Monthly reports for January 1990-September 1995.

Table 6—Continued
Selected National Economic Indicators: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
\$6,044	\$6,169	\$6,236	\$6,300	\$6,359	\$6,478	\$6,575	\$6,690	\$6,792	\$6,897	\$6,977	\$7,025
\$4,991	\$5,061	\$5,075	\$5,105	\$5,139	\$5,218	\$5,261	\$5,314	\$5,367	\$5,434	\$5,470	\$5,485
121.1	121.9	122.9	123.4	123.7	124.1	125.0	125.9	126.5	126.9	127.6	128.1
\$5,148	\$5,335	\$5,256	\$5,365	\$5,396	\$5,485	\$5,556	\$5,660	\$5,735	\$5,857	\$5,962	\$6,004
\$4,500	\$4,659	\$4,598	\$4,679	\$4,701	\$4,778	\$4,833	\$4,914	\$4,990	\$5,102	\$5,184	\$5,197
140.9	141.9	143.1	144.2	144.8	145.8	146.7	147.6	148.9	149.6	150.9	152.2
138.0	138.9	140.0	141.0	141.5	142.4	143.3	144.1	145.4	146.0	147.1	148.4
105.8	104.3	102.7	104.7	105.4	103.8	101.7	103.5	107.8	105.4	103.7	106.5
138.7	139.3	140.7	141.4	141.5	142.7	143.9	144.1	145.2	146.2	147.9	148.7
191.5	194.1	197.7	200.3	202.8	204.8	207.5	209.8	212.2	214.7	217.6	219.3
122.3	122.5	122.8	124.2	122.8	122.3	122.4	123.0	123.9	123.7	124.5	125.7
80.5	78.3	77.0	79.5	79.4	76.1	74.4	76.7	80.2	76.9	76.7	80.0
123.2	123.8	124.5	126.3	125.4	126.4	127.1	126.5	126.4	127.2	128.3	128.0
136.9	138.4	139.3	139.8	137.3	137.6	138.6	138.7	138.7	139.8	140.8	141.6
Percent Change From the Same Period of Previous Year											
4.9	6.4	5.8	5.5	5.2	5.0	5.4	6.2	6.8	6.5	6.1	5.0
2.3	3.7	3.2	3.2	3.0	3.1	3.7	4.1	4.4	4.1	4.0	3.2
2.6	2.6	2.5	2.2	2.2	1.8	1.7	2.0	2.3	2.2	2.1	1.7
5.7	8.1	4.4	5.1	4.8	2.8	5.7	5.5	6.3	6.8	7.3	6.1
6.0	8.3	4.5	4.8	4.5	2.6	5.1	5.0	6.2	6.8	7.3	5.8
3.1	3.1	3.2	3.1	2.7	2.7	2.5	2.4	2.9	2.7	2.8	3.1
2.8	2.8	2.9	2.9	2.5	2.5	2.4	2.2	2.7	2.5	2.7	3.0
2.6	2.4	3.4	2.0	-0.3	-0.4	-0.9	-1.1	2.3	1.5	1.9	2.9
1.4	1.7	1.8	2.1	2.0	2.5	2.3	1.9	2.7	2.5	2.7	3.2
7.2	6.8	6.3	6.1	5.9	5.5	5.0	4.7	4.6	4.8	4.9	4.6
1.6	1.5	2.1	2.1	0.4	-0.2	-0.3	-1.0	0.9	1.2	1.7	2.2
2.5	0.8	3.6	1.8	-1.3	-2.8	-3.4	-3.5	1.0	1.1	3.1	4.3
-0.3	0.8	1.2	2.7	1.8	2.1	2.0	0.2	0.8	0.6	1.0	1.2
2.5	2.2	2.1	1.9	0.3	-0.5	-0.5	-0.8	1.0	1.6	1.5	2.1

Table 7
Index Levels of Medical Prices: 1991-95

Indicator	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
Consumer Price Indexes, All Urban Consumers¹									
Medical Care Services ²	177.1	190.5	202.9	213.4	175.2	178.7	181.8	186.1	188.9
Professional Services	165.7	175.8	184.7	192.5	164.5	167.0	169.1	172.3	174.7
Physicians' Services	170.5	181.2	191.3	199.8	169.3	171.6	173.6	177.2	180.3
Dental Services	167.4	178.7	188.1	197.1	165.5	169.4	172.1	174.7	177.0
Hospital and Related Services	196.1	214.0	231.9	245.6	193.2	197.9	202.3	208.1	211.3
Hospital Room	191.9	208.7	226.4	239.2	189.5	193.3	197.4	202.8	206.1
Other Inpatient Services (1986=100)	158.0	172.3	185.7	197.1	155.4	159.5	163.3	168.0	170.2
Outpatient Services (1986=100)	153.4	168.7	184.3	195.0	151.1	155.1	158.5	163.5	166.4
Medical Care Commodities	176.8	188.1	195.0	200.7	175.4	178.9	181.0	184.9	187.8
Prescription Drugs	199.7	214.7	223.0	230.6	197.6	202.4	205.6	210.9	214.5
Non-Prescription Drugs and Medical Supplies (1986=100)	126.3	131.2	135.5	138.1	125.9	127.2	127.8	129.3	131.1
Internal and Respiratory Over-the-Counter Drugs	152.4	158.2	163.5	165.9	151.9	153.7	153.7	155.3	158.4
Non-Prescription Medical Equipment and Supplies	145.0	150.9	155.9	160.0	144.8	145.9	148.0	150.1	150.4
Producer Price Indexes³									
Industry Groupings:⁴									
Health Services (12/94=100)	—	—	—	—	—	—	—	—	—
Offices and Clinics of Doctors of Medicine (12/93=100)	—	—	—	102.8	—	—	—	—	—
Medicare Treatments (12/93=100)	—	—	—	104.7	—	—	—	—	—
Non-Medicare Treatments (12/93=100)	—	—	—	102.3	—	—	—	—	—
Hospitals (12/92=100)	—	—	102.5	106.2	—	—	—	—	—
General Medical and Surgical Hospitals (12/92=100)	—	—	102.4	106.0	—	—	—	—	—
Inpatient Treatments (12/92=100)	—	—	102.5	106.0	—	—	—	—	—
Medicare Patients (12/92=100)	—	—	100.6	102.6	—	—	—	—	—
Medicaid Patients (12/92=100)	—	—	102.3	107.1	—	—	—	—	—
All Other Patients (12/92=100)	—	—	103.5	107.7	—	—	—	—	—
Outpatient Treatments (12/92=100)	—	—	102.5	106.7	—	—	—	—	—
Medicare Patients (12/92=100)	—	—	103.7	107.0	—	—	—	—	—
Medicaid Patients (12/92=100)	—	—	101.6	103.3	—	—	—	—	—
All Other Patients (12/92=100)	—	—	102.4	106.9	—	—	—	—	—
Skilled and Intermediate Care Facilities (12/94=100)	—	—	—	—	—	—	—	—	—
Public Payors (12/94=100)	—	—	—	—	—	—	—	—	—
Private Payors (12/94=100)	—	—	—	—	—	—	—	—	—
Medical Laboratories (6/94=100)	—	—	—	—	—	—	—	—	—
Commodity Groupings:									
Drugs and Pharmaceuticals	182.6	192.2	200.9	206.0	181.8	184.7	186.2	188.5	191.8
Ethical (Prescription) Preparations	217.5	231.7	242.2	250.0	216.7	219.9	222.8	227.1	230.9
Proprietary (Over-the-Counter) Preparations	165.4	173.6	180.0	183.2	165.4	168.2	167.8	168.9	173.7
Medical, Surgical, and Personal Aid Devices	130.3	133.9	137.8	140.4	130.1	130.7	131.0	132.9	133.8
Personal Aid Equipment	117.1	120.2	122.3	130.1	116.0	117.0	120.0	120.0	120.2
Medical Instruments and Equipment (6/82=100)	120.7	123.4	126.0	126.7	120.6	121.0	121.0	122.6	123.4
Surgical Appliances and Supplies (6/83=100)	140.7	145.0	151.0	155.7	140.5	141.1	141.3	143.6	144.9
Ophthalmic Goods (12/83=100)	116.0	118.0	119.0	119.6	115.5	116.1	117.0	117.6	118.1
Dental Equipment and Supplies (6/85=100)	121.2	126.6	131.5	135.2	120.3	122.0	122.4	126.0	125.6

¹Unless otherwise noted, base year is 1982-84=100

²Includes the net cost of private health insurance, not shown separately.

³Unless otherwise noted, base year is 1982=100. Producer price indexes are classified by industry (price changes received for the industry's output sold outside the industry) and commodity (price changes by similarity of end use or material composition).

⁴Further detail for Producer Price Index industry groupings, such as types of physician practices, hospital diagnosis-related group groupings, etc., are available from the Bureau of Labor Statistics.

NOTES: Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCES: U.S. Department of Labor, Bureau of Labor Statistics: CPI Detailed Report. Washington. U.S. Government Printing Office. Monthly reports for January 1991-June 1995; U.S. Department of Labor, Bureau of Labor Statistics: Producer Price Indexes. Washington. U. S. Government Printing Office. Monthly reports for January 1991-August 1995.

Table 7—Continued
Index Levels of Medical Prices: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
192.1	195.0	198.8	201.8	204.4	206.7	209.5	212.0	214.6	217.5	221.0	223.0
177.0	179.0	181.6	184.1	185.9	187.1	189.3	191.8	193.5	195.5	198.3	200.2
182.6	184.6	187.7	190.5	192.7	194.2	196.7	199.2	200.7	202.4	205.6	208.1
180.4	182.6	184.8	187.6	189.2	190.8	193.0	196.1	198.3	201.1	204.0	205.8
216.0	220.6	226.2	230.0	233.8	237.7	241.3	243.4	247.2	250.6	254.2	255.6
210.6	215.2	220.6	224.6	228.2	232.0	235.3	237.2	240.9	243.5	247.8	249.4
173.9	177.0	181.1	183.9	187.2	190.4	193.5	195.4	198.2	201.2	204.0	205.2
170.1	174.7	179.9	183.0	185.6	188.7	191.5	192.9	196.3	199.4	201.5	202.3
189.0	190.4	193.0	194.2	196.0	196.7	198.5	200.1	201.6	202.6	203.4	203.6
215.6	218.0	221.4	221.6	223.9	225.2	228.0	230.5	231.0	232.8	233.4	233.9
132.1	132.1	133.2	135.6	136.7	136.5	136.7	136.8	139.4	139.4	140.5	140.0
159.9	159.3	160.4	163.4	165.3	164.9	165.2	165.5	166.6	166.4	167.1	166.0
151.2	152.1	153.8	156.4	156.5	156.7	156.7	156.7	163.1	163.6	165.8	166.3
—	—	—	—	—	—	—	—	—	—	101.6	102.0
—	—	—	—	—	—	101.8	102.4	102.9	104.0	106.3	106.8
—	—	—	—	—	—	104.7	104.7	104.7	104.7	109.6	109.6
—	—	—	—	—	—	101.0	101.8	102.4	103.8	105.5	106.2
—	—	101.2	101.7	103.0	104.0	105.0	105.4	106.7	107.7	109.2	109.5
—	—	101.3	101.6	102.9	103.9	104.8	105.2	106.5	107.5	109.0	109.3
—	—	101.2	101.5	102.9	104.2	104.9	105.2	106.4	107.5	108.5	108.7
—	—	100.0	100.0	100.0	102.3	102.3	102.3	102.3	103.6	103.6	103.6
—	—	100.9	101.2	103.0	104.3	105.3	106.0	108.1	108.9	109.5	109.8
—	—	101.9	102.5	104.5	105.3	106.3	106.7	108.4	109.4	111.0	111.3
—	—	101.5	102.0	103.0	103.4	105.0	105.8	107.6	108.2	111.9	112.4
—	—	103.1	103.3	104.4	104.1	105.5	106.0	107.5	108.8	110.2	110.6
—	—	100.7	101.5	102.4	101.9	101.8	101.2	105.1	105.1	105.7	105.8
—	—	101.3	101.8	102.8	103.4	105.2	106.2	107.8	108.4	112.7	113.3
—	—	—	—	—	—	—	—	—	—	101.9	102.5
—	—	—	—	—	—	—	—	—	—	101.8	102.3
—	—	—	—	—	—	—	—	—	—	102.1	102.9
—	—	—	—	—	—	—	—	100.0	99.9	101.6	101.1
193.4	195.1	198.7	200.6	202.0	202.4	204.6	205.9	206.3	207.0	208.5	210.2
233.3	235.4	239.0	241.8	243.5	244.5	248.3	250.1	250.0	251.4	252.7	255.6
175.1	176.7	177.4	179.3	181.6	181.6	181.4	182.6	184.4	184.5	185.5	186.4
134.1	134.7	137.1	138.1	137.8	138.3	140.1	140.3	140.6	140.5	140.7	140.7
120.3	120.4	122.6	122.6	121.9	121.9	127.8	130.8	130.9	130.9	131.2	131.7
123.5	123.9	125.5	126.5	125.8	126.2	126.4	126.5	126.8	126.9	127.8	127.8
145.2	146.3	150.0	151.1	151.1	151.7	155.4	155.7	156.1	155.4	154.3	154.1
118.4	117.7	118.4	118.7	119.3	119.4	120.0	119.4	119.4	119.8	121.7	120.8
126.8	127.9	130.4	131.8	132.0	131.6	134.2	135.0	136.0	135.7	136.4	138.2

Table 8
Percent Change in Medical Prices From Same Period a Year Ago: 1991-95

Indicator	Calendar Year				1991	1991	1991	1992	1992
	1991	1992	1993	1994	Q2	Q3	Q4	Q1	Q2
	Annual Percent Change				Percent Change From the Same Period of Previous Year				
Consumer Price Indexes, All Urban Consumers¹									
Medical Care Services ²	8.9	7.6	6.5	5.2	9.2	8.5	8.0	7.9	7.8
Professional Services	6.2	6.1	5.1	4.3	6.1	5.9	6.0	6.2	6.2
Physicians' Services	6.0	6.3	5.6	4.4	5.9	5.5	5.5	5.9	6.5
Dental Services	7.5	6.7	5.3	4.8	7.2	7.8	8.1	7.4	6.9
Hospital and Related Services	10.2	9.1	8.4	5.9	10.8	9.8	8.9	9.0	9.4
Hospital Room	9.4	8.8	8.5	5.7	10.0	8.9	8.4	8.3	8.8
Other Inpatient Services (1986=100)	10.7	9.1	7.8	6.1	11.5	10.2	8.9	9.3	9.5
Outpatient Services (1986=100)	10.6	10.0	9.3	5.8	10.8	10.7	9.8	9.8	10.1
Medical Care Commodities	8.2	6.4	3.7	2.9	8.1	8.4	7.8	7.7	7.1
Prescription Drugs	9.9	7.6	3.9	3.4	9.7	10.1	9.8	9.3	8.5
Non-Prescription Drugs and Medical Supplies (1986=100)	4.7	3.9	3.3	1.9	4.8	5.0	3.7	4.2	4.1
Internal and Respiratory Over-the-Counter Drugs	4.5	3.8	3.3	1.5	4.8	5.0	2.6	3.3	4.3
Non-Prescription Medical Equipment and Supplies	5.0	4.1	3.3	2.7	4.8	5.0	5.8	6.2	3.9
Producer Price Indexes³									
Industry Groupings:⁴									
Health Services (12/94=100)	—	—	—	—	—	—	—	—	—
Offices and Clinics of Doctors of Medicine (12/93=100)	—	—	—	—	—	—	—	—	—
Medicare Treatments (12/93=100)	—	—	—	—	—	—	—	—	—
Non-Medicare Treatments (12/93=100)	—	—	—	—	—	—	—	—	—
Hospitals (12/92=100)	—	—	—	3.6	—	—	—	—	—
General Medical and Surgical Hospitals (12/92=100)	—	—	—	3.5	—	—	—	—	—
Inpatient Treatments (12/92=100)	—	—	—	3.5	—	—	—	—	—
Medicare Patients (12/92=100)	—	—	—	2.0	—	—	—	—	—
Medicaid Patients (12/92=100)	—	—	—	4.6	—	—	—	—	—
All Other Patients (12/92=100)	—	—	—	4.0	—	—	—	—	—
Outpatient Treatments (12/92=100)	—	—	—	4.1	—	—	—	—	—
Medicare Patients (12/92=100)	—	—	—	3.1	—	—	—	—	—
Medicaid Patients (12/92=100)	—	—	—	1.7	—	—	—	—	—
All Other Patients (12/92=100)	—	—	—	4.4	—	—	—	—	—
Skilled and Intermediate Care Facilities (12/94=100)	—	—	—	—	—	—	—	—	—
Public Payors (12/94=100)	—	—	—	—	—	—	—	—	—
Private Payors (12/94=100)	—	—	—	—	—	—	—	—	—
Medical Laboratories (6/94=100)	—	—	—	—	—	—	—	—	—
Commodity Groupings:									
Drugs and Pharmaceuticals	6.9	5.3	4.5	2.5	6.9	7.8	6.9	6.2	5.5
Ethical (Prescription) Preparations	8.4	6.5	4.5	3.2	8.3	8.9	8.4	7.7	6.5
Proprietary (Over-the-Counter) Preparations	5.5	5.0	3.7	1.8	5.7	7.1	5.1	5.5	5.0
Medical, Surgical, and Personal Aid Devices	2.3	2.7	3.0	1.8	2.3	2.3	2.0	2.6	2.8
Personal Aid Equipment	2.9	2.6	1.7	6.4	2.9	1.9	3.8	3.8	3.6
Medical Instruments and Equipment (6/82=100)	1.5	2.2	2.1	0.5	1.4	1.5	1.2	2.2	2.3
Surgical Appliances and Supplies (6/83=100)	3.5	3.1	4.1	3.1	3.6	3.2	2.6	2.7	3.1
Ophthalmic Goods (12/83=100)	0.9	1.7	0.9	0.6	0.3	0.8	1.7	1.8	2.3
Dental Equipment and Supplies (6/85=100)	1.9	4.5	3.8	2.9	1.9	2.9	2.6	5.1	4.4

¹Unless otherwise noted, base year is 1982-84=100.

²Includes the net cost of private health insurance, not shown separately.

³Unless otherwise noted, base year is 1982=100. Producer price indexes are classified by industry (price changes received for the industry's output sold outside the industry) and commodity (price changes by similarity of end use or material composition).

⁴Further detail for Producer Price Index industry groupings, such as types of physician practices, hospital diagnosis-related group groupings, etc., are available from the Bureau of Labor Statistics.

NOTES: Q designates quarter of year. Quarterly data are not seasonally adjusted.

SOURCES: U.S. Department of Labor, Bureau of Labor Statistics: *CPI Detailed Report*. Washington, U.S. Government Printing Office. Monthly reports for January 1991-June 1995; U.S. Department of Labor, Bureau of Labor Statistics: *Producer Price Indexes*. Washington, U.S. Government Printing Office. Monthly reports for January 1991-August 1995.

Table 8—Continued
Percent Change in Medical Prices From Same Period a Year Ago: 1991-95

1992	1992	1993	1993	1993	1993	1994	1994	1994	1994	1995	1995
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Percent Change From the Same Period of Previous Year											
7.5	7.2	6.8	6.8	6.4	6.0	5.4	5.1	5.0	5.2	5.5	5.2
6.0	5.8	5.4	5.3	5.0	4.5	4.3	4.2	4.1	4.5	4.7	4.4
6.4	6.3	5.9	5.7	5.6	5.2	4.8	4.5	4.2	4.3	4.5	4.5
6.5	6.1	5.8	6.0	4.9	4.5	4.4	4.5	4.8	5.4	5.7	4.9
9.1	9.0	8.7	8.8	8.3	7.8	6.7	5.8	5.7	5.4	5.3	5.0
9.0	9.0	8.8	9.0	8.4	7.8	6.6	5.6	5.5	5.0	5.3	5.1
9.1	8.4	7.8	8.0	7.6	7.6	6.8	6.3	5.9	5.7	5.5	5.0
9.7	10.2	10.1	10.0	9.1	8.0	6.5	5.4	5.7	5.7	5.2	4.9
5.7	5.2	4.3	3.4	3.7	3.3	2.9	3.0	2.8	3.0	2.5	1.7
6.5	6.0	5.0	3.3	3.8	3.3	3.0	4.0	3.2	3.4	2.4	1.5
3.9	3.4	3.0	3.5	3.4	3.3	2.6	0.9	2.0	2.1	2.8	2.3
4.0	3.7	3.3	3.2	3.4	3.5	3.0	1.3	0.8	0.9	1.1	0.3
3.6	2.7	2.4	4.0	3.5	3.1	1.9	0.1	4.2	4.4	5.8	6.1
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	4.5	4.3
—	—	—	—	—	—	—	—	—	—	4.7	4.7
—	—	—	—	—	—	—	—	—	—	4.5	4.3
—	—	—	—	—	—	3.8	3.6	3.6	3.5	4.0	3.9
—	—	—	—	—	—	3.5	3.5	3.5	3.4	4.0	3.9
—	—	—	—	—	—	3.7	3.6	3.5	3.1	3.4	3.3
—	—	—	—	—	—	2.3	2.3	2.3	1.3	1.3	1.3
—	—	—	—	—	—	4.3	4.7	5.0	4.5	4.0	3.6
—	—	—	—	—	—	4.3	4.1	3.8	3.9	4.4	4.3
—	—	—	—	—	—	3.4	3.7	4.4	4.7	6.6	6.3
—	—	—	—	—	—	2.3	2.6	3.0	4.6	4.5	4.3
—	—	—	—	—	—	1.1	-0.3	2.7	3.1	3.8	4.5
—	—	—	—	—	—	3.8	4.3	4.8	4.8	7.2	6.7
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—	—	—
4.7	4.8	5.4	4.6	4.4	3.7	3.0	2.6	2.1	2.3	1.9	2.1
6.1	5.7	5.2	4.7	4.4	3.8	3.9	3.4	2.7	2.8	1.8	2.2
4.1	5.3	5.1	3.2	3.7	2.8	2.2	1.8	1.6	1.6	2.3	2.1
2.5	2.9	3.2	3.2	2.8	2.6	2.1	1.6	2.0	1.6	0.5	0.3
2.8	0.4	2.2	2.0	1.3	1.2	4.3	6.7	7.4	7.4	2.6	0.7
2.1	2.4	2.3	2.5	1.9	1.9	0.8	0.1	0.8	0.6	1.1	1.0
2.9	3.5	4.5	4.3	4.1	3.7	3.6	3.1	3.3	2.4	-0.8	-1.1
2.0	0.7	0.7	0.5	0.8	1.4	1.4	0.5	0.1	0.3	1.4	1.2
3.9	4.5	3.5	4.9	4.1	2.9	2.9	2.4	3.0	3.1	1.6	2.4

Table 9
Quarterly Index Levels and Four-Quarter Moving-Average Percent Change in the Prospective Payment System (PPS) Hospital Input Price Index, by Expense Category: 1993-97

Expense Category ¹	Price/Wage Variable	Base Year Weights FY 1987 ²	1993 Q3	1993 Q4	1994 Q1	1994 Q2
Index Levels						
Total	—	100.000	129.5	130.1	131.0	131.6
Compensation	—	61.713	132.8	133.6	134.9	135.7
Wages and Salaries	HCFA Occupational Wage Index ⁴	52.216	130.0	130.9	131.8	132.7
Employee Benefits	HCFA Occupational Benefits Index ⁴	9.497	147.7	148.9	151.6	152.1
Other Professional Fees	ECI—W/S: Professional/Technical (Private)	1.649	130.3	131.0	132.0	132.9
Energy and Utilities ³	—	2.368	115.9	113.0	109.6	110.1
Professional Liability Insurance	HCFA—Professional Liability Premium	1.433	139.5	140.6	137.5	136.3
All Other	—	32.837	123.7	124.1	124.8	125.2
Other Products ³	—	21.788	123.5	123.8	124.3	124.8
Pharmaceuticals	PPI—Prescription Drugs	3.873	158.8	159.4	161.9	163.1
Food ³	—	3.299	118.6	119.1	120.1	120.2
Chemicals	PPI—Industrial Chemicals	3.126	118.0	117.3	115.8	118.3
Medical Instruments	PPI—Medical Instruments/Equipment	2.672	115.4	115.8	116.0	116.1
Photographic Supplies	PPI—Photographic Supplies	2.623	112.8	113.5	114.6	113.7
Rubber and Plastics	PPI—Rubber/Plastic Products	2.323	113.8	114.1	113.9	114.1
Other Services ³	—	11.050	124.2	124.7	126.0	126.1
Business Services	AHE—Business Services	3.845	122.5	122.4	124.8	123.9
Computer Services	AHE—Data Processing Services	1.992	137.1	138.8	140.9	141.3
4-Quarter Moving-Average Percent Change						
Total	—	100.000	3.0	2.9	2.7	2.5
Compensation	—	61.713	3.5	3.5	3.3	3.2
Wages and Salaries	HCFA Occupational Wage Index ⁴	52.216	3.1	3.1	3.0	3.0
Employee Benefits	HCFA Occupational Benefits Index ⁴	9.497	5.8	5.3	4.9	4.4
Other Professional Fees	ECI—W/S: Professional/Technical (Private)	1.649	3.4	3.3	3.1	3.0
Energy and Utilities ³	—	2.368	0.9	-0.3	-2.0	-4.0
Professional Liability Insurance	HCFA—Professional Liability Premium	1.433	2.8	3.0	2.3	1.1
All Other	—	32.837	1.9	1.9	1.8	1.7
Other Products ³	—	21.788	1.9	1.7	1.6	1.4
Pharmaceuticals	PPI—Prescription Drugs	3.873	5.0	4.5	4.2	3.9
Food ³	—	3.299	1.3	1.7	2.0	2.0
Chemicals	PPI—Industrial Chemicals	3.126	1.4	1.1	0.1	-0.8
Medical Instruments	PPI—Medical Instruments/Equipment	2.672	2.3	2.1	1.7	1.1
Photographic Supplies	PPI—Photographic Supplies	2.623	-0.9	-1.1	-0.3	0.2
Rubber and Plastics	PPI—Rubber/Plastic Products	2.323	0.9	0.8	0.7	0.6
Other Services ³	—	11.050	2.0	2.2	2.3	2.3
Business Services	AHE—Business Services	3.845	1.5	1.5	1.8	1.7
Computer Services	AHE—Data Processing Services	1.992	3.5	4.1	4.7	4.5

¹For data sources used to estimate the input price index relative weights and choice of price proxies, see the September 4, 1990, *Federal Register*. For the most recent PPS update for payment rates, see the September 1, 1995, *Federal Register*.

²Category weights may not sum to total or subtotals because of detail not included.

³Represents a subtotal. Detailed categories not shown are listed below by subtotal, detailed category, and base year weight:

Energy and Utilities: Fuel Oil, Coal, and Other Fuel (0.624), Electricity (1.135), Natural Gas (0.343), and Motor Gasoline (0.230).

Other Products: Paper Products (1.399), Apparel (1.142), Machinery and Equipment (.0497), and Miscellaneous Products (0.833).

Food: Direct Purchase (2.111) and Contract Service (1.188).

Other Services: Transportation and Shipping (1.233), Telephone (0.987), Blood Services (0.588), Postage (0.372),

Other—Labor Intensive (1.233), and Other—Non-Labor Intensive (0.800).

⁴The HCFA Occupational Wage and Occupational Benefit Indexes are computed as the weighted-average of 10 ECI categories (ECI for Hospital workers and 9 ECI occupational categories).

NOTES: A dash (—) in the Price/Wage Variable column denotes a total or subtotal produced by adding 2 or more categories. ECI represents Employment Cost Index, PPI represents Producer Price Index, and AHE represents average hourly earnings. HCFA is Health Care Financing Administration. W/S is wages and salaries. FY is fiscal year. Q designates quarter of year. The 4-quarter moving-average percent change for the quarter indicated by the column heading is the rate of change in the average index level for 4 quarters ending in that quarter over the same period of the previous year. The 4-quarter moving-average index level for the quarter indicated by the column heading is computed by summing the index level for that quarter and the prior 3 quarters and dividing by 4. The process is repeated to compute the 4-quarter moving-average index level for the same quarter a year ago. The average index level for the quarter indicated by the column heading is divided by the average index level of the same quarter a year ago, and the quotient is subtracted from 1 and multiplied by 100 to determine the 4-quarter moving-average percent change in the index.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Third quarter 1995 forecasts were produced under contract to HCFA by Data Resources, Inc./ McGraw-Hill.

Table 9—Continued

Quarterly Index Levels and Four-Quarter Moving-Average Percent Change in the Prospective Payment System (PPS) Hospital Input Price Index, by Expense Category: 1993-97

1994 Q3	1994 Q4	1995 Q1	1995 Q2	Forecast							
				1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
132.7	133.6	134.8	135.9	137.2	138.2	139.5	140.4	141.7	142.6	143.8	144.7
136.8	137.6	138.5	139.3	140.6	141.7	143.0	143.8	145.4	146.5	147.8	148.6
133.7	134.6	135.5	136.2	137.5	138.6	139.8	140.6	142.2	143.2	144.4	145.3
153.6	154.0	155.1	156.3	157.6	158.7	160.7	161.4	163.2	164.3	166.4	167.3
133.9	134.8	135.6	136.3	137.5	138.5	139.7	140.5	142.2	143.1	144.3	145.2
114.3	109.3	107.4	112.7	112.6	111.6	111.0	113.6	114.5	114.8	113.7	115.3
135.9	136.2	137.0	137.3	138.1	139.4	140.9	142.2	143.5	145.0	146.5	148.0
126.1	127.6	129.8	131.3	132.6	133.7	134.9	135.9	136.6	137.3	138.4	139.2
125.7	127.6	129.9	131.7	133.4	134.5	135.7	136.7	137.4	137.8	138.9	139.5
163.1	163.9	164.8	166.6	167.6	168.7	169.8	171.4	171.9	172.1	174.4	175.6
119.8	119.7	120.8	120.7	122.0	122.5	123.7	124.7	125.6	125.9	127.1	128.1
123.9	130.4	136.0	140.4	141.6	143.7	146.3	147.4	146.7	146.9	147.4	147.5
116.3	116.4	117.3	117.1	118.3	119.3	120.4	121.0	120.7	121.2	122.1	122.4
112.4	112.3	113.6	114.5	118.7	119.4	120.6	121.5	123.3	124.6	125.7	126.1
115.3	117.9	120.3	122.1	123.3	123.8	123.9	124.2	125.0	125.2	125.2	125.6
126.8	127.7	129.6	130.5	131.1	132.0	133.2	134.2	135.1	136.2	137.4	138.5
124.4	125.2	128.0	128.7	129.1	129.8	131.8	132.6	133.4	134.6	136.6	137.4
142.2	143.7	145.0	146.3	147.2	148.5	149.7	150.4	152.1	153.5	154.9	156.3
2.5	2.5	2.6	2.9	3.1	3.3	3.4	3.4	3.4	3.3	3.2	3.1
3.1	3.1	2.9	2.8	2.8	2.8	2.9	3.1	3.2	3.3	3.3	3.4
2.9	2.9	2.8	2.8	2.8	2.8	2.9	3.0	3.2	3.3	3.3	3.3
4.2	4.0	3.4	3.1	2.8	2.7	3.0	3.1	3.4	3.5	3.5	3.6
2.9	2.9	2.8	2.7	2.7	2.7	2.8	2.9	3.1	3.2	3.3	3.3
-3.4	-3.4	-3.1	-1.1	-1.1	0.2	1.6	1.2	2.0	2.2	1.9	2.1
-0.3	-1.8	-1.9	-1.3	-0.3	1.1	1.9	2.6	3.2	3.6	3.9	4.0
1.7	2.0	2.5	3.4	4.2	4.7	4.7	4.3	3.8	3.3	3.0	2.7
1.4	1.8	2.6	3.7	4.8	5.4	5.4	5.0	4.2	3.4	2.9	2.5
3.5	3.2	2.7	2.4	2.4	2.4	2.7	2.9	2.8	2.6	2.5	2.4
1.8	1.4	0.9	0.6	0.8	1.3	1.8	2.5	2.8	2.9	2.9	2.8
0.5	3.5	8.2	13.1	15.4	15.0	12.5	9.1	6.5	4.5	2.9	1.6
0.9	0.5	0.6	0.8	1.1	1.5	1.9	2.5	2.6	2.4	2.1	1.6
0.4	0.3	-0.4	-0.4	1.1	2.9	4.7	6.1	5.6	5.1	4.6	4.1
0.7	1.4	2.7	4.3	5.7	6.1	5.4	4.1	2.8	1.8	1.3	1.2
2.2	2.3	2.3	2.7	3.0	3.3	3.3	3.1	3.0	2.9	3.1	3.2
1.7	1.9	2.0	2.6	3.1	3.5	3.5	3.4	3.2	3.3	3.4	3.6
4.4	4.1	3.5	3.4	3.3	3.3	3.4	3.2	3.2	3.2	3.2	3.5

Table 10
Quarterly Index Levels and Four-Quarter Moving Average Percent Change
in the Skilled Nursing Facility Input Price Index, by Expense Category: 1993-97

Expense Category ¹	Price/Wage Variable	Base Year	1993	1993	1994	1994
		Weights CY 1977 ²	Q3	Q4	Q1	Q2
Index Levels						
Total	—	100.000	249.7	252.4	254.9	256.2
Compensation	—	70.620	254.0	257.2	260.0	261.4
Wages and Salaries	AHE—Nursing Facilities	63.020	251.1	254.3	257.1	258.4
Employee Benefits	BEA—Supplement to Wages/Salaries per Worker	7.600	278.0	280.7	284.3	285.9
Fuel and Other Energy	—	4.270	232.6	231.3	233.0	232.8
Fuel Oil and Coal	IPD—Fuel Oil and Coal	1.660	206.7	202.4	205.4	203.8
Electricity	IPD—Electricity	1.210	224.5	224.3	221.8	221.2
Natural Gas	IPD—Natural Gas	0.910	250.2	250.7	254.0	254.6
Water and Sewerage Maintenance	CPI(U)—Water and Sewage	0.490	307.5	310.7	315.1	318.7
Food	—	9.740	191.2	193.0	194.0	193.9
Direct Purchase	PPI—Processed Foods	4.930	167.9	169.4	170.9	169.8
Contract Service	CPI(U)—Food and Beverages	4.810	215.1	217.2	217.6	218.6
All Other	—	15.370	271.8	273.6	276.1	278.1
Pharmaceuticals	PPI—Prescription Drugs	1.500	370.4	371.9	377.8	380.4
Supplies	CPI(U)—All Items	3.280	238.9	240.9	242.1	243.7
Health Services	CPI(U)—Physicians' Services	1.210	329.5	331.9	336.2	340.5
Other Business Services	CPI(U)—Services	4.590	282.0	284.4	286.8	288.9
Miscellaneous Costs	CPI(U)—All Items	4.790	238.9	240.9	242.1	243.7
4-Quarter Moving-Average Percent Change						
Total	—	100.000	3.7	3.8	3.8	3.8
Compensation	—	70.620	4.0	4.1	4.1	4.2
Wages and Salaries	AHE—Nursing Facilities	63.020	3.8	4.0	4.1	4.1
Employee Benefits	BEA—Supplement to Wages/Salaries per Worker	7.600	5.3	4.7	4.8	4.5
Fuel and Other Energy	—	4.270	2.7	2.6	2.4	1.6
Fuel Oil and Coal	IPD—Fuel Oil and Coal	1.660	0.0	-0.2	-0.9	-2.0
Electricity	IPD—Electricity	1.210	2.0	1.9	1.9	1.2
Natural Gas	IPD—Natural Gas	0.910	6.1	6.2	6.4	5.6
Water and Sewerage Maintenance	CPI(U)—Water and Sewage	0.490	5.9	5.4	5.2	5.2
Food	—	9.740	1.5	1.9	2.2	2.2
Direct Purchase	PPI—Processed Foods	4.930	1.0	1.6	2.1	2.2
Contract Service	CPI(U)—Food and Beverages	4.810	1.9	2.1	2.3	2.3
All Other	—	15.370	3.8	3.7	3.5	3.3
Pharmaceuticals	PPI—Prescription Drugs	1.500	5.0	4.5	4.2	3.9
Supplies	CPI(U)—All Items	3.280	3.1	3.0	2.8	2.6
Health Services	CPI(U)—Physicians' Services	1.210	5.9	5.6	5.3	5.0
Other Business Services	CPI(U)—Services	4.590	3.9	3.8	3.8	3.7
Miscellaneous Costs	CPI(U)—All Items	4.790	3.1	3.0	2.8	2.6

¹For data sources used to estimate the input price index relative weights and choice of price proxies, see the October 7, 1992, *Federal Register*.

²Category weights may not sum to total because of rounding.

NOTES: A dash (—) in the Price/Wage Variable column denotes a total or subtotal produced by adding 2 or more categories. AHE represents average hourly earnings, BEA represents Bureau of Economic Analysis, IPD represents implicit price deflator from the Department of Commerce, CPI(U) represents Consumer Price Index for all urban consumers, and PPI represents Producer Price Index. CY is calendar year. Q designates quarter of year. An example of how a percent change is calculated is shown in the Notes at the end of Table 9.

SOURCES: Health Care Financing Administration, Office of the Actuary: Data from the Office of National Health Statistics, Division of Health Cost Analysis. Third quarter 1995 forecasts were produced under contract to HCFA by Data Resources, Inc./McGraw-Hill.

Table 10—Continued

**Quarterly Index Levels and Four-Quarter Moving Average Percent Change
in the Skilled Nursing Facility Input Price Index, by Expense Category: 1993-97**

1994 Q3	1994 Q4	1995 Q1	1995 Q2	Forecast							
				1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
258.2	260.2	262.7	263.8	266.2	268.3	271.4	273.0	275.5	277.4	280.9	282.3
263.7	266.1	269.1	269.9	272.6	274.8	278.4	279.7	282.5	284.5	288.6	289.9
260.9	263.4	266.3	267.0	269.6	271.8	275.6	276.6	279.3	281.3	285.4	286.4
286.9	288.3	292.3	294.2	297.0	299.9	302.2	305.4	308.6	311.2	315.6	319.0
232.8	231.7	231.4	231.0	231.7	231.8	233.8	236.1	237.7	239.2	239.8	240.4
203.6	201.3	200.6	201.2	201.8	200.7	202.5	205.7	206.6	208.3	207.2	206.2
223.6	224.3	225.5	225.7	225.5	225.6	226.1	226.3	226.7	227.2	227.6	228.3
249.8	246.9	243.9	239.9	240.6	241.6	243.9	246.4	248.3	250.1	251.8	253.4
322.5	324.2	326.8	328.4	332.0	334.1	340.7	344.2	350.6	353.5	357.9	362.4
194.8	195.5	196.6	196.9	198.7	200.3	201.7	202.9	204.2	205.5	206.7	207.9
169.0	168.9	170.1	168.7	171.0	172.3	173.3	174.2	175.1	176.0	176.9	177.8
221.3	222.8	223.8	225.9	227.1	228.9	230.7	232.4	234.2	235.7	237.2	238.8
280.1	281.9	284.4	287.1	289.1	291.4	293.9	296.5	298.8	301.0	303.9	306.4
380.4	382.5	384.5	388.7	391.1	393.5	396.0	399.8	400.9	401.5	406.9	409.6
245.8	247.2	249.1	251.1	252.7	254.7	256.8	259.0	261.0	263.1	265.1	267.2
343.1	346.0	351.5	355.8	359.3	362.2	366.7	369.9	373.2	375.8	381.3	385.1
291.1	293.2	296.0	298.9	301.3	303.8	306.6	309.5	312.3	315.1	318.0	320.9
245.8	247.2	249.1	251.1	252.7	254.7	256.8	259.0	261.0	263.1	265.1	267.2
3.7	3.5	3.3	3.1	3.1	3.1	3.1	3.3	3.3	3.4	3.5	3.5
4.1	3.9	3.7	3.5	3.4	3.4	3.4	3.4	3.5	3.6	3.6	3.6
4.2	3.9	3.8	3.6	3.5	3.4	3.3	3.4	3.5	3.5	3.6	3.5
4.1	3.7	3.1	2.9	3.0	3.3	3.5	3.7	3.8	3.7	4.0	4.1
1.0	0.8	0.0	-0.3	-0.4	-0.5	0.0	0.7	1.5	2.3	2.6	2.5
-2.0	-1.4	-1.7	-1.4	-1.3	-1.2	-0.4	0.5	1.3	2.3	2.7	2.2
0.4	0.0	0.1	0.8	1.1	1.3	0.9	0.5	0.4	0.5	0.6	0.7
3.7	2.1	-0.5	-2.9	-3.7	-3.9	-2.9	-0.8	0.9	2.3	3.2	3.2
5.2	5.0	4.6	4.0	3.5	3.2	3.3	3.8	4.4	5.1	5.3	5.4
2.2	1.9	1.6	1.5	1.6	1.8	2.1	2.5	2.7	2.7	2.7	2.6
1.9	1.2	0.4	-0.2	-0.1	0.5	1.1	2.1	2.4	2.4	2.5	2.2
2.4	2.5	2.6	2.9	2.9	2.9	2.9	2.8	3.0	3.0	2.9	2.9
3.2	3.1	3.0	3.1	3.1	3.2	3.3	3.3	3.3	3.3	3.3	3.3
3.5	3.2	2.7	2.4	2.4	2.4	2.7	2.9	2.8	2.6	2.5	2.4
2.6	2.6	2.7	2.9	2.8	2.9	3.0	3.0	3.1	3.2	3.2	3.3
4.7	4.4	4.4	4.4	4.5	4.6	4.6	4.4	4.2	4.0	3.9	3.9
3.5	3.3	3.2	3.2	3.3	3.5	3.5	3.6	3.6	3.6	3.6	3.7
2.6	2.6	2.7	2.9	2.8	2.9	3.0	3.0	3.1	3.2	3.2	3.3

Table 11
Quarterly Index Levels and Four-Quarter Moving-Average Percent Change
of the Home Health Agency (HHA) Input Price Index, by Expense Category: 1993-97

Expense Category ¹	Price/Wage Variable	Base Year Weights CY 1976 ²	1993 Q3	1993 Q4	1994 Q1	1994 Q2
Index Levels						
Total	—	100.000	298.8	301.4	303.3	303.9
Compensation	—	73.040	310.2	313.0	315.1	315.4
Wages and Salaries	AHE—Hospitals	65.140	310.3	313.1	315.0	315.1
Employee Benefits	BEA—Supplement to Wages/Salaries per Worker	7.900	309.0	312.0	316.0	317.8
Transportation	CPI(U)—Transportation	4.870	236.4	239.9	239.5	241.6
Office Costs	CPI(U)—Services	2.790	303.7	306.2	308.8	311.1
Medical and Nursing Supplies	CPI(U)—Medical Equipment/Supplies	2.810	258.6	259.0	259.0	258.9
Rental and Leasing	CPI(U)—Residential Rent	1.350	246.5	248.0	249.8	250.8
Energy and Utilities	—	1.170	262.2	260.8	262.9	262.7
Miscellaneous Costs	CPI(U)—All Items	7.100	254.4	256.4	257.8	259.4
Contract Services	Composite—All Other Costs ³	6.870	298.8	301.4	303.3	303.9
4-Quarter Moving-Average Percent Change						
Total	—	100.000	3.7	3.4	3.1	2.8
Compensation	—	73.040	3.8	3.5	3.1	2.8
Wages and Salaries	AHE—Hospitals	65.140	3.6	3.3	2.9	2.7
Employee Benefits	BEA—Supplement to Wages/Salaries per Worker	7.900	5.3	4.7	4.8	4.5
Transportation	CPI(U)—Transportation	4.870	3.1	3.0	2.6	2.4
Office Costs	CPI(U)—Services	2.790	3.9	3.8	3.8	3.7
Medical and Nursing Supplies	CPI(U)—Medical Equipment/Supplies	2.810	3.2	3.3	3.1	2.1
Rental and Leasing	CPI(U)—Residential Rent	1.350	2.4	2.3	2.4	2.3
Energy and Utilities	—	1.170	2.8	2.7	2.5	1.7
Miscellaneous Costs	CPI(U)—All Items	7.100	3.1	3.0	2.8	2.6
Contract Services	Composite—All Other Costs ³	6.870	3.7	3.4	3.1	2.8

¹For data sources used to estimate the input price index relative weights and choice of price proxies, see the July 8, 1993, *Federal Register*. For the latest HHA regulation, see the February 14, 1995, *Federal Register*.

²Category weights may not sum to total because of rounding.

³The price/wage variable for Contract Services, Composite—All Other Costs, is the composite of all other HHA cost category weights and variables in the HHA input price index.

NOTES: A dash (—) in the Price/Wage Variable column denotes a total or subtotal produced by adding 2 or more categories. AHE represents average hourly earnings, BEA represents Bureau of Economic Analysis, and CPI(U) represents Consumer Price Index for all urban consumers. CY is calendar year. Q designates quarter of year. An example of how a percent change is calculated is shown in the Notes at the end of Table 9.

SOURCES: Health Care Financing Administration, Office of the Actuary. Data from the Office of National Health Statistics, Division of Health Cost Analysis. Third quarter 1995 forecasts were produced under contract to HCFA by Data Resources, Inc./McGraw-Hill.

Table 11—Continued
Quarterly Index Levels and Four-Quarter Moving Average Percent Change
of the Home Health Agency (HHA) Input Price Index, by Expense Category: 1993-97

1994 Q3	1994 Q4	1995 Q1	1995 Q2	Forecast							
				1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
307.9	310.6	313.7	314.2	317.4	319.5	321.6	325.0	328.9	331.5	333.7	337.1
319.5	322.6	326.0	325.9	329.7	331.8	334.0	337.4	341.9	344.5	346.9	350.3
319.6	322.8	326.1	325.7	329.6	331.6	333.8	337.2	341.8	344.4	346.5	349.8
318.8	320.5	324.9	327.0	330.1	333.3	335.9	339.4	343.0	345.9	350.7	354.6
245.9	248.3	249.8	254.5	254.2	256.8	256.2	261.3	262.1	264.8	265.2	270.5
313.5	315.7	318.7	321.9	324.5	327.2	330.1	333.2	336.3	339.3	342.4	345.6
269.5	270.4	274.0	274.8	273.7	275.7	277.8	282.5	285.2	287.4	289.1	293.3
252.6	254.3	255.8	257.2	259.0	261.7	262.8	263.7	265.4	266.8	268.1	269.8
262.6	261.4	261.0	260.6	261.5	261.6	264.0	266.6	268.5	270.2	270.9	271.7
261.7	263.2	265.2	267.4	269.1	271.1	273.4	275.7	277.9	280.1	282.3	284.4
307.9	310.6	313.7	314.2	317.4	319.5	321.6	325.0	328.9	331.5	333.7	337.1
2.8	2.8	3.0	3.2	3.2	3.2	3.0	3.0	3.1	3.3	3.7	3.7
2.8	2.9	3.0	3.2	3.3	3.2	3.0	3.0	3.1	3.4	3.7	3.8
2.7	2.8	3.0	3.2	3.3	3.2	2.9	2.9	3.1	3.4	3.7	3.8
4.1	3.7	3.1	2.9	3.0	3.3	3.5	3.7	3.8	3.7	4.0	4.1
2.8	3.0	3.6	4.3	4.1	4.1	3.7	3.0	2.9	2.9	3.1	3.3
3.5	3.3	3.2	3.2	3.3	3.5	3.5	3.6	3.6	3.6	3.6	3.7
2.3	2.7	3.6	5.1	4.4	3.8	2.7	1.9	2.6	3.2	3.8	4.1
2.3	2.4	2.4	2.5	2.5	2.6	2.7	2.7	2.7	2.4	2.2	2.2
1.1	0.8	0.1	-0.3	-0.4	-0.5	0.0	0.8	1.6	2.4	2.7	2.6
2.6	2.6	2.7	2.9	2.8	2.9	3.0	3.0	3.1	3.2	3.2	3.3
2.8	2.8	3.0	3.2	3.2	3.2	3.0	3.0	3.1	3.3	3.7	3.7

Table 12

Quarterly Index Levels and Four-Quarter Moving-Average Percent Change in the HCFA Medicare Economic Index (MEI) with DRI Forecast Assumptions, by Expense Category: 1993-97

Expense Category ¹	Price/Wage Variable	Base Year Weights CY 1989 ²	1993 Q3	1993 Q4	1994 Q1	1994 Q2
Index Levels						
Total	—	100.000	111.1	111.8	112.7	112.9
Physician Earnings	—	54.155	109.5	110.4	111.3	111.2
Wages and Salaries	AHE—Private ³	45.342	107.2	108.3	108.9	108.7
Benefits	ECI—Benefits, Private ³	8.813	121.4	121.6	123.5	124.2
Practice Expenses	—	45.845	112.9	113.4	114.3	114.9
Non-Physician Compensation	—	16.296	112.7	113.1	113.9	114.4
Wages and Salaries	—	13.786	111.3	111.6	112.2	112.7
Professional/Technical	ECI—W/S: Professional/Technical ³	3.790	112.8	113.0	113.5	114.1
Managers	ECI—W/S: Administrative/Managerial ³	2.620	110.7	111.2	111.6	112.2
Clerical	ECI—W/S: Clerical ³	5.074	111.4	111.9	112.5	113.1
Craft	ECI—W/S: Craft ³	0.069	108.9	109.0	109.5	110.1
Services	ECI—W/S: Service Occupations ³	2.233	109.3	109.3	109.9	110.1
Employee Benefits	ECI—Benefits, Private White Collar ³	2.510	120.6	121.0	123.4	124.1
Office Expenses	CPI(U)—Housing	10.280	115.6	115.6	116.7	117.3
Medical Materials/Supplies	PPI—Drugs/PPI-Surgical/CPI-Medical Supplies	5.251	122.6	123.0	124.6	125.0
Professional Liability Insurance	HCFA—Professional Liability Premiums	4.780	93.6	94.5	95.3	96.0
Medical Equipment	PPI—Medical Instruments/Equipment	2.348	108.6	108.9	109.1	109.2
Other Professional Expenses	—	6.890	117.1	118.2	118.9	119.8
Automobile	CPI(U)—Private Transportation	1.400	112.7	114.3	113.7	115.2
All Other	CPI(U)—All Items Less Food/Energy	5.490	118.2	119.2	120.2	121.0
4-Quarter Moving-Average Percent Change						
Total	—	100.000	2.3	2.3	2.2	2.1
Physician Earnings	—	54.155	1.7	1.8	1.8	1.7
Wages and Salaries	AHE—Private ³	45.342	1.2	1.2	1.3	1.3
Benefits	ECI—Benefits, Private ³	8.813	4.2	4.2	3.9	3.5
Practice Expenses	—	45.845	3.0	2.9	2.8	2.6
Non-Physician Compensation	—	16.296	2.1	2.2	2.1	2.1
Wages and Salaries	—	13.786	1.8	1.9	1.9	1.8
Professional/Technical	ECI—W/S: Professional/Technical ³	3.790	2.2	2.1	1.9	1.8
Managers	ECI—W/S: Administrative/Managerial ³	2.620	1.4	1.9	1.9	1.9
Clerical	ECI—W/S: Clerical ³	5.074	2.0	2.1	2.2	2.2
Craft	ECI—W/S: Craft ³	0.069	1.6	1.6	1.6	1.7
Services	ECI—W/S: Service Occupations ³	2.233	0.9	0.9	1.0	1.1
Employee Benefits	ECI—Benefits, Private White Collar ³	2.510	3.8	3.8	3.6	3.4
Office Expenses	CPI(U)—Housing	10.280	2.7	2.7	2.7	2.6
Medical Materials/Supplies	PPI—Drugs/PPI-Surgical/CPI-Medical Supplies	5.251	4.1	4.0	3.8	3.2
Professional Liability Insurance	HCFA—Professional Liability Premiums	4.780	6.0	5.5	4.7	4.0
Medical Equipment	PPI—Medical Instruments/Equipment	2.348	2.3	2.1	1.7	1.1
Other Professional Expenses	—	6.890	3.2	3.1	2.9	2.8
Automobile	CPI(U)—Private Transportation	1.400	2.6	2.3	1.9	1.8
All Other	CPI(U)—All Items Less Food/Energy	5.490	3.4	3.3	3.2	3.0

¹For data sources used to estimate the index relative weights and choice of price proxies, see the November 25, 1992, *Federal Register*.

²Category weights may not sum to total because of rounding.

³Series are adjusted for productivity using 10-year moving average of output per hour for the non-farm business sector. All series in the compensation portion of the MEI are adjusted for productivity so both economy-wide productivity and physician-practice productivity are not included in the update.

NOTES: A dash (—) in the Price/Wage Variable column denotes a total or subtotal produced by adding 2 or more categories. Q designates quarter of year. AHE represents average hourly earnings, ECI represents Employment Cost Index, CPI(U) represents Consumer Price Index for all urban consumers, and PPI represents Producer Price Index. An example of how a percent change is calculated is shown in the Notes at the end of Table 9.

SOURCES: Health Care Financing Administration, Office of the Actuary; Data from the Office of National Health Statistics, Division of Health Cost Analysis. Third quarter 1995 forecasts were produced under contract to HCFA by Data Resources Inc./McGraw-Hill(DRI).

Table 12—Continued

Quarterly Index Levels and Four-Quarter Moving-Average Percent Change in the HCFA Medicare Economic Index (MEI) with DRI Forecast Assumptions, by Expense Category: 1993-97

1994 Q3	1994 Q4	1995 Q1	1995 Q2	Forecast							
				1995 Q3	1995 Q4	1996 Q1	1996 Q2	1996 Q3	1996 Q4	1997 Q1	1997 Q2
113.4	114.2	114.8	115.1	115.5	116.3	117.0	117.6	118.2	119.0	119.7	120.2
111.4	112.5	113.0	112.9	113.1	114.1	114.7	114.9	115.2	116.1	116.7	116.8
108.8	110.1	110.6	110.4	110.5	111.6	112.1	112.2	112.4	113.4	113.8	113.9
124.8	124.7	125.6	125.8	126.3	126.7	128.0	128.7	129.7	130.0	131.3	131.8
115.8	116.1	117.0	117.6	118.2	118.9	119.8	120.7	121.8	122.4	123.3	124.2
115.1	115.4	116.1	116.3	117.0	117.4	118.3	118.8	119.6	120.1	120.9	121.2
113.3	113.7	114.3	114.5	115.2	115.6	116.4	116.8	117.6	118.1	118.8	119.1
114.6	115.0	115.3	115.5	116.2	116.6	117.2	117.5	118.4	118.7	119.3	119.6
113.1	113.2	114.1	114.3	114.9	115.5	116.4	117.0	117.6	118.1	118.9	119.3
113.7	114.0	114.8	115.0	115.7	116.1	117.0	117.5	118.2	118.7	119.6	119.9
111.0	110.8	111.3	111.9	112.6	112.7	113.2	113.7	114.3	114.5	115.0	115.4
110.5	111.3	111.5	111.7	112.4	113.2	113.9	114.0	115.0	115.5	116.1	116.1
124.9	124.9	126.3	126.6	127.1	127.5	128.9	129.7	130.7	131.0	132.3	133.0
118.4	118.3	119.4	120.2	120.8	120.9	121.9	123.1	124.8	125.1	126.1	127.2
126.7	126.9	127.4	128.1	128.7	129.8	130.9	132.4	133.0	133.5	134.6	136.0
96.4	97.1	97.9	98.9	99.7	100.7	101.8	103.0	104.4	105.6	106.9	108.1
109.4	109.5	110.3	110.3	110.6	111.5	112.4	112.7	112.3	112.9	113.8	114.1
120.8	121.8	122.9	124.0	124.8	126.1	126.7	128.1	129.0	130.4	131.1	132.7
117.5	119.1	119.6	121.5	122.5	123.6	123.3	125.9	126.2	127.4	127.3	130.0
121.7	122.5	123.7	124.7	125.4	126.7	127.5	128.7	129.7	131.2	132.1	133.3
2.1	2.1	2.0	2.0	1.9	1.9	1.9	1.9	2.1	2.2	2.3	2.3
1.7	1.7	1.7	1.7	1.6	1.5	1.5	1.5	1.6	1.7	1.8	1.8
1.4	1.5	1.5	1.6	1.6	1.5	1.5	1.5	1.5	1.5	1.6	1.6
3.1	2.8	2.4	2.1	1.7	1.4	1.5	1.7	2.1	2.4	2.6	2.6
2.5	2.4	2.4	2.4	2.3	2.3	2.3	2.4	2.6	2.8	2.9	2.9
2.1	2.1	2.0	1.9	1.8	1.8	1.8	1.9	2.0	2.1	2.2	2.2
1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.8	1.9	2.0	2.1	2.1
1.7	1.7	1.6	1.5	1.5	1.4	1.4	1.5	1.7	1.8	1.8	1.8
1.9	1.8	2.0	2.0	1.9	1.9	1.9	2.0	2.2	2.2	2.3	2.2
2.1	2.0	2.0	1.9	1.9	1.8	1.8	1.9	2.0	2.1	2.2	2.2
1.7	1.7	1.7	1.7	1.6	1.6	1.6	1.6	1.7	1.6	1.6	1.5
1.2	1.4	1.4	1.5	1.6	1.6	1.7	1.9	2.0	2.1	2.1	2.0
3.4	3.4	3.1	2.8	2.4	2.1	2.0	2.1	2.3	2.5	2.7	2.7
2.6	2.5	2.4	2.4	2.3	2.3	2.2	2.2	2.5	2.8	3.1	3.4
3.1	3.0	2.8	2.9	2.4	2.1	2.2	2.5	2.9	3.1	3.1	2.9
3.6	3.3	3.0	2.9	3.0	3.2	3.5	3.8	4.1	4.4	4.7	4.9
0.9	0.5	0.6	0.9	0.9	1.3	1.4	1.8	1.9	1.7	1.6	1.3
2.8	2.9	3.1	3.3	3.3	3.4	3.4	3.3	3.3	3.3	3.4	3.5
2.5	3.0	3.9	4.8	4.8	4.7	4.2	3.7	3.4	3.2	3.2	3.2
2.9	2.9	2.9	2.9	3.0	3.1	3.2	3.2	3.3	3.3	3.4	3.5

Figure 1
Percent Change in Inpatient Expense per Admission and Outpatient Expense
per Visit From the Same Period of Previous Year: 1986-95

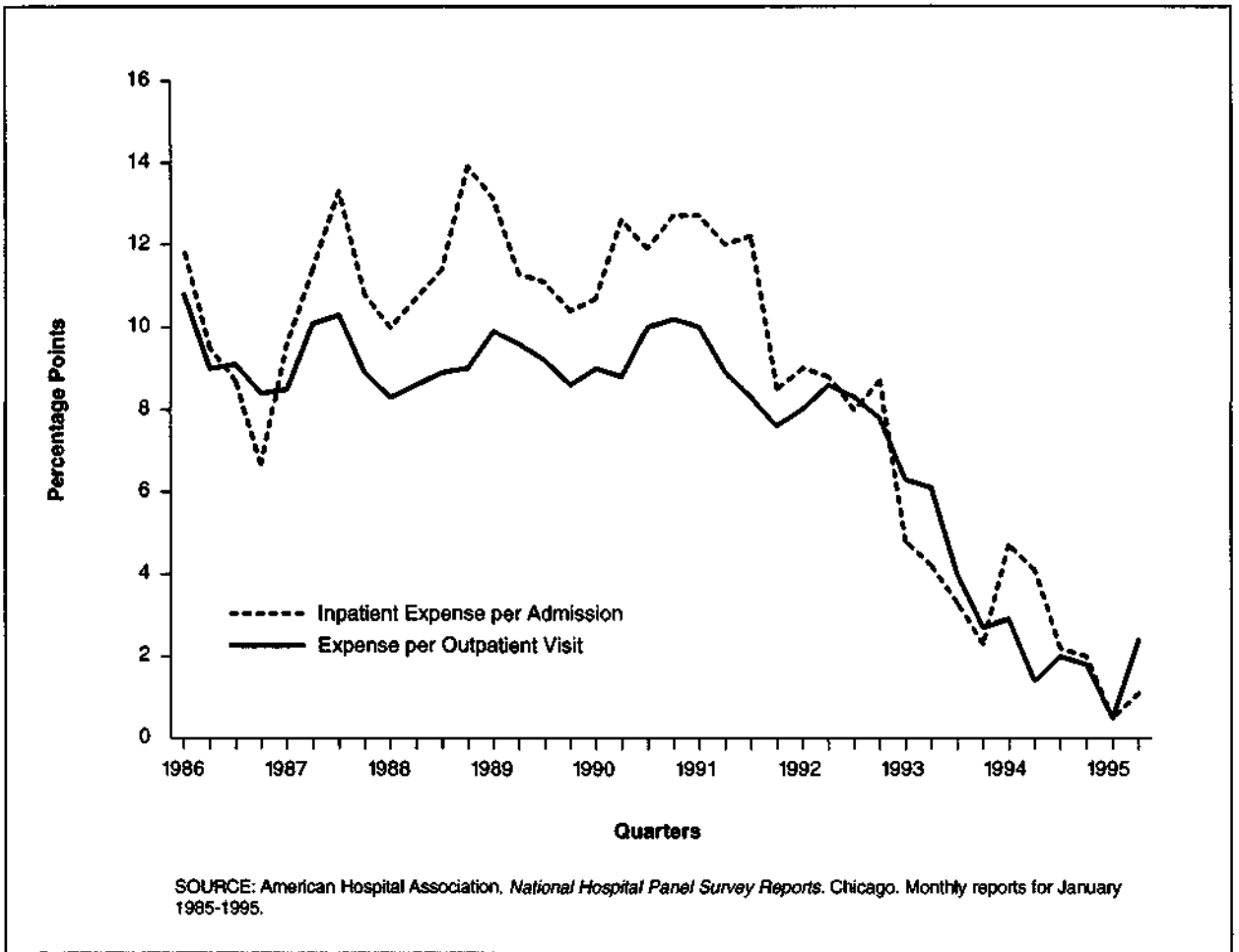


Figure 2
Percent Change in Employment From the Same Period of Previous Year: 1986-95

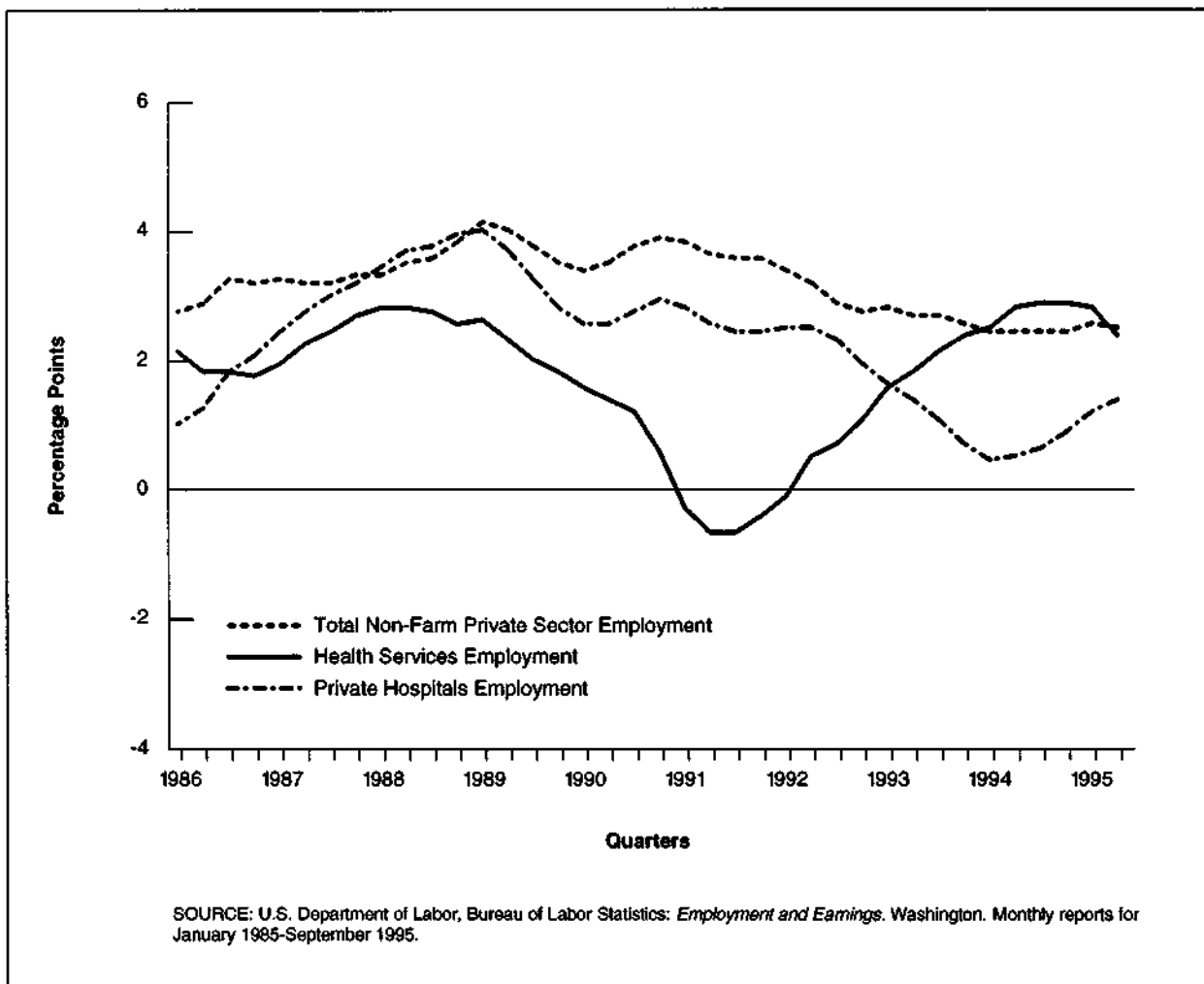


Figure 3

Percent Change in Consumer Price Indexes From the Same Period of Previous Year: 1986-95

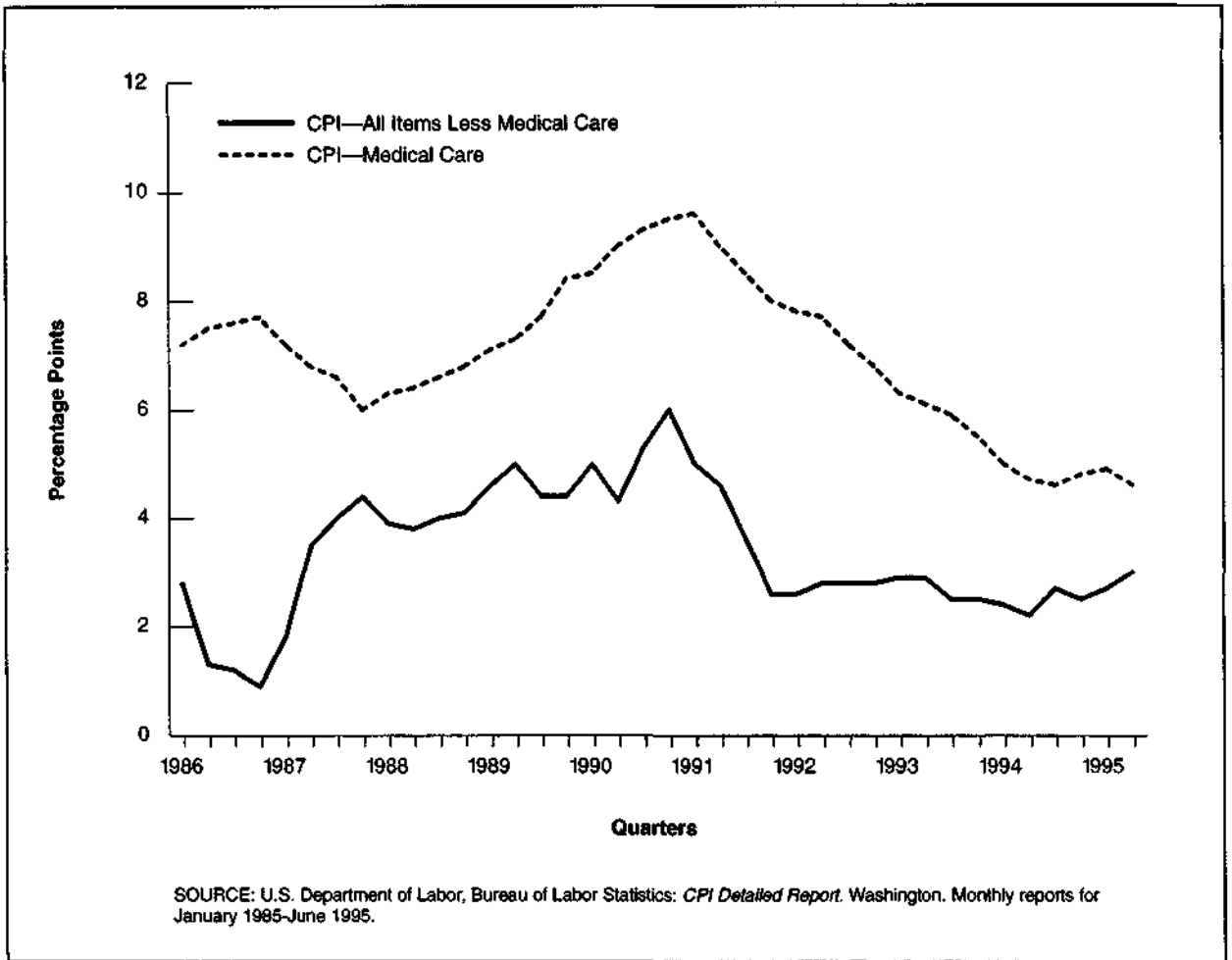


Figure 4

Four-Quarter Moving Average Percent Change in the Prospective Payment System (PPS) Hospital, Skilled Nursing Facility (SNF), and Home Health Agency (HHA) Input Price Indexes, 1992-96

