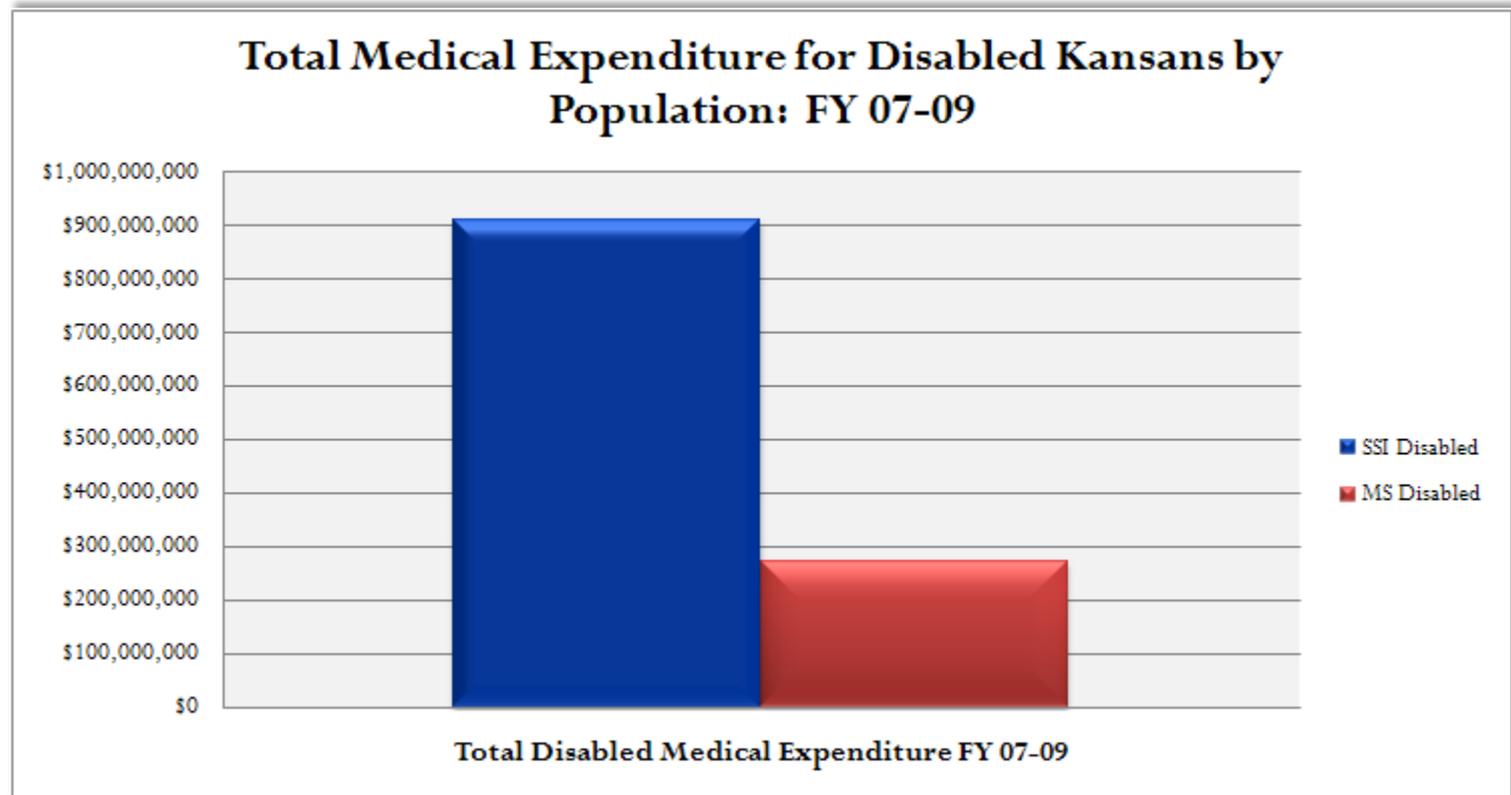


Review of Kansas Disabled Population

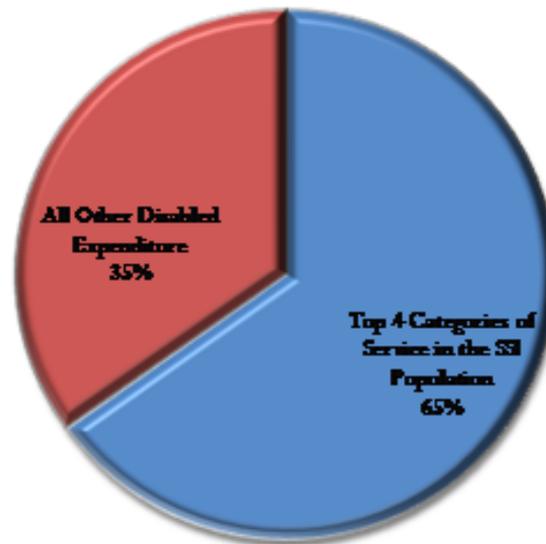
Results and Comparison to the Aging
Population

Where is all the Money Going?



Perspective

SSI Inpatient, Pharmacy, Physician and Outpatient Expenditures compared as a Percentage of the Total Disabled Expenditure FY 07-09



What is the Demographic of the SSI Population?

SSI Disabled Total Member Count by Age Group

Age Group	FY 2007 Member Count	FY 2008 Member Count	Year Over Year Growth in Member Count: FY 2008	FY 2009 Member Count	Year Over Year Growth in Member Count: FY 2009
5 Years of Age and Younger	2,043	2,053	0.5%	2,098	2.2%
6 to 18 Years of Age	6,780	6,910	1.9%	7,239	4.8%
19 to 29 Years of Age	7,269	7,595	4.5%	7,975	5.0%
30 to 39 Years of Age	5,988	6,051	1.1%	6,271	3.6%
40 to 49 Years of Age	9,389	9,444	0.6%	9,389	-0.6%
50 to 59 Years of Age	9,351	10,214	9.2%	10,954	7.2%
60 to 64 Years of Age	3,413	3,611	5.8%	3,805	5.4%
65 Years of Age and Older	112	120	7.1%	115	-4.2%
Total SSI Disabled Members	44,345	45,998	3.7%	47,846	4.0%

SSI Expenditure by Age Demographic

SSI Disabled Total Expenditure by Age Group

Age Group	FY 2007 Expenditure	FY 2008 Expenditure	Year Over Year Growth in Expenditure: FY 2008	FY 2009 Expenditure	Year Over Year Growth in Expenditure: FY 2009
5 Years of Age and Younger	\$ 19,613,688.29	\$ 22,454,110.41	14.5%	\$ 23,479,289.74	4.6%
6 to 18 Years of Age	\$ 39,024,221.96	\$ 32,043,686.03	-17.9%	\$ 37,888,623.71	18.2%
19 to 29 Years of Age	\$ 32,910,144.69	\$ 38,005,614.97	15.5%	\$ 38,641,526.28	1.7%
30 to 39 Years of Age	\$ 29,313,408.09	\$ 30,934,228.54	5.5%	\$ 31,361,704.80	1.4%
40 to 49 Years of Age	\$ 62,500,929.20	\$ 65,082,599.18	4.1%	\$ 66,729,907.76	2.5%
50 to 59 Years of Age	\$ 77,674,622.21	\$ 87,983,338.37	13.3%	\$ 92,278,713.95	4.9%
60 to 64 Years of Age	\$ 25,037,553.58	\$ 28,561,031.70	14.1%	\$ 31,121,173.09	9.0%
65 Years of Age and Older	\$ 71,733.84	\$ 49,779.66	-30.6%	\$ 41,372.34	-16.9%
Total SSI Disabled Expenditure	\$ 286,146,301.86	\$ 305,114,388.86	6.6%	\$ 321,542,311.67	5.4%

SSI Expenditure Per Member by Age Group

SSI Disabled Expenditure Per Member by Age Group

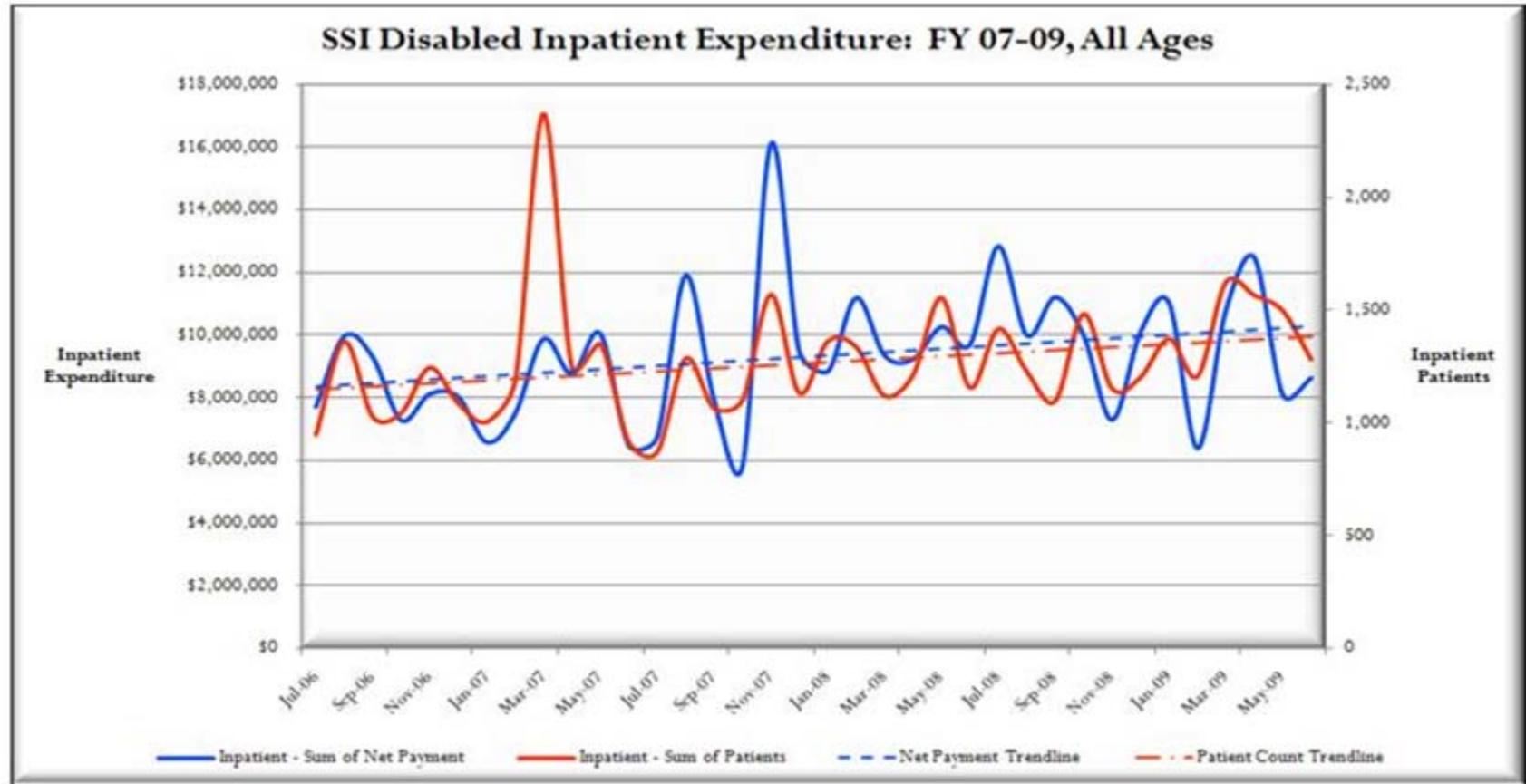
Age Group	FY 2007 Expenditure	FY 2008 Expenditure	Year Over Year Growth in Expenditure: FY 2008	FY 2009 Expenditure	Year Over Year Growth in Expenditure: FY 2009
5 Years of Age and Younger	\$ 9,600.43	\$ 10,937.22	13.9%	\$ 11,191.27	2.3%
6 to 18 Years of Age	\$ 5,755.78	\$ 4,637.29	-19.4%	\$ 5,233.96	12.9%
19 to 29 Years of Age	\$ 4,527.47	\$ 5,004.03	10.5%	\$ 4,845.33	-3.2%
30 to 39 Years of Age	\$ 4,895.36	\$ 5,112.25	4.4%	\$ 5,001.07	-2.2%
40 to 49 Years of Age	\$ 6,656.82	\$ 6,891.42	3.5%	\$ 7,107.24	3.1%
50 to 59 Years of Age	\$ 8,306.56	\$ 8,613.99	3.7%	\$ 8,424.20	-2.2%
60 to 64 Years of Age	\$ 7,335.94	\$ 7,909.45	7.8%	\$ 8,179.02	3.4%
65 Years of Age and Older	\$ 640.48	\$ 414.83	-35.2%	\$ 359.76	-13.3%
<i>Average SSI Disabled</i>					
<i>Expenditure Per Member</i>	\$ 6,452.73	\$ 6,633.21	2.8%	\$ 6,720.36	1.3%

What Services are Driving the SSI Expenditure Growth

SSI Disabled Top 10 Categories of Service by Total Expenditure: All Age Groups

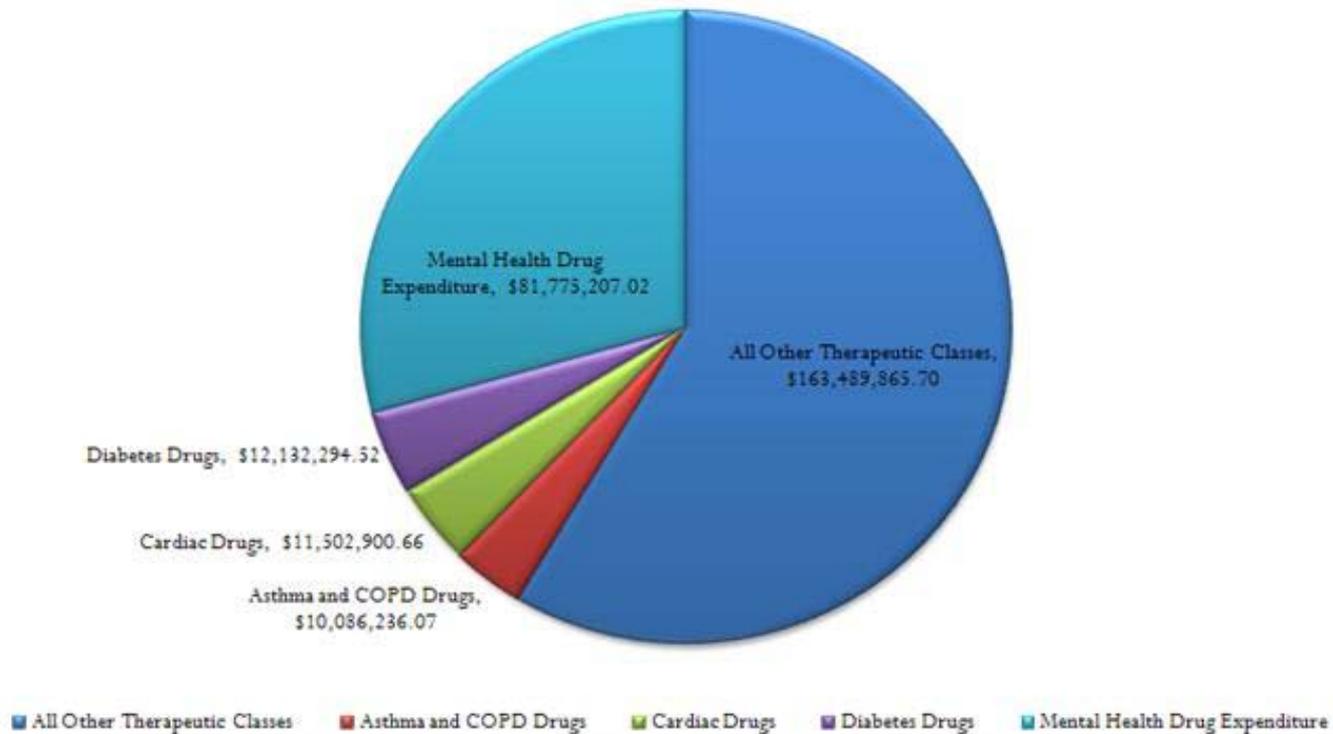
Category of Service	FY 2007 Expenditure	FY 2008 Expenditure	Year Over Year Growth in Expenditure: Fy 2008	FY 2009 Expenditure	Year Over Year Growth in Expenditure: Fy 2009
Inpatient Hospital	\$ 103,041,299.09	\$ 117,363,163.18	13.9%	\$ 111,716,136.78	-4.8%
Pharmacy	\$ 82,228,543.06	\$ 93,537,604.73	13.8%	\$ 102,638,734.20	9.7%
Physicians	\$ 35,862,158.82	\$ 36,826,453.86	2.7%	\$ 40,814,447.91	10.8%
Outpatient Hospital	\$ 16,829,040.97	\$ 18,077,906.42	7.4%	\$ 21,339,367.37	18.0%
LEA/Early Childhood Intervention	\$ 16,423,610.50	\$ 7,146,394.29	-56.5%	\$ 9,136,244.79	27.8%
Durable Medical Equipment	\$ 8,480,287.08	\$ 9,543,641.15	12.5%	\$ 10,274,691.93	7.7%
Home Health Agency	\$ 6,553,664.72	\$ 5,935,001.71	-9.4%	\$ 5,966,559.49	0.5%
NAMT	\$ 2,801,403.51	\$ 2,843,449.47	1.5%	\$ 3,001,812.74	5.6%
Hospice	\$ 2,538,234.51	\$ 2,471,541.77	-2.6%	\$ 2,755,199.27	11.5%
Rural Health Clinic Services	\$ 2,232,425.73	\$ 2,255,654.31		\$ 2,474,289.74	
Total Top 10 Expenditure	\$ 276,990,667.99	\$ 296,000,810.89	6.9%	\$ 310,117,484.22	4.8%

Inpatient Expenditure



Prescription Drugs

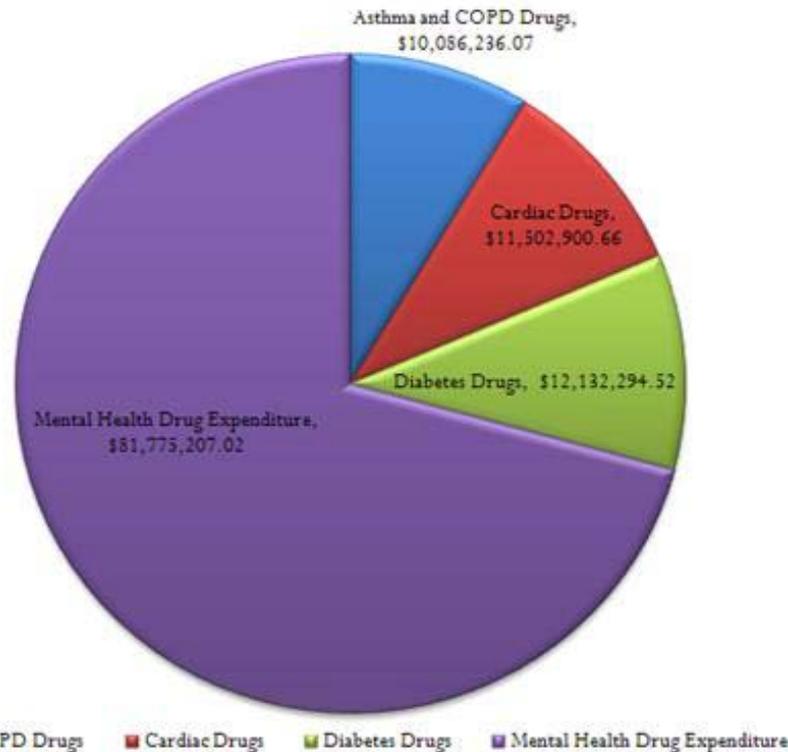
Prescription Expenditures by Therapeutic Class:
SSI Disabled, All Ages FY 07-09



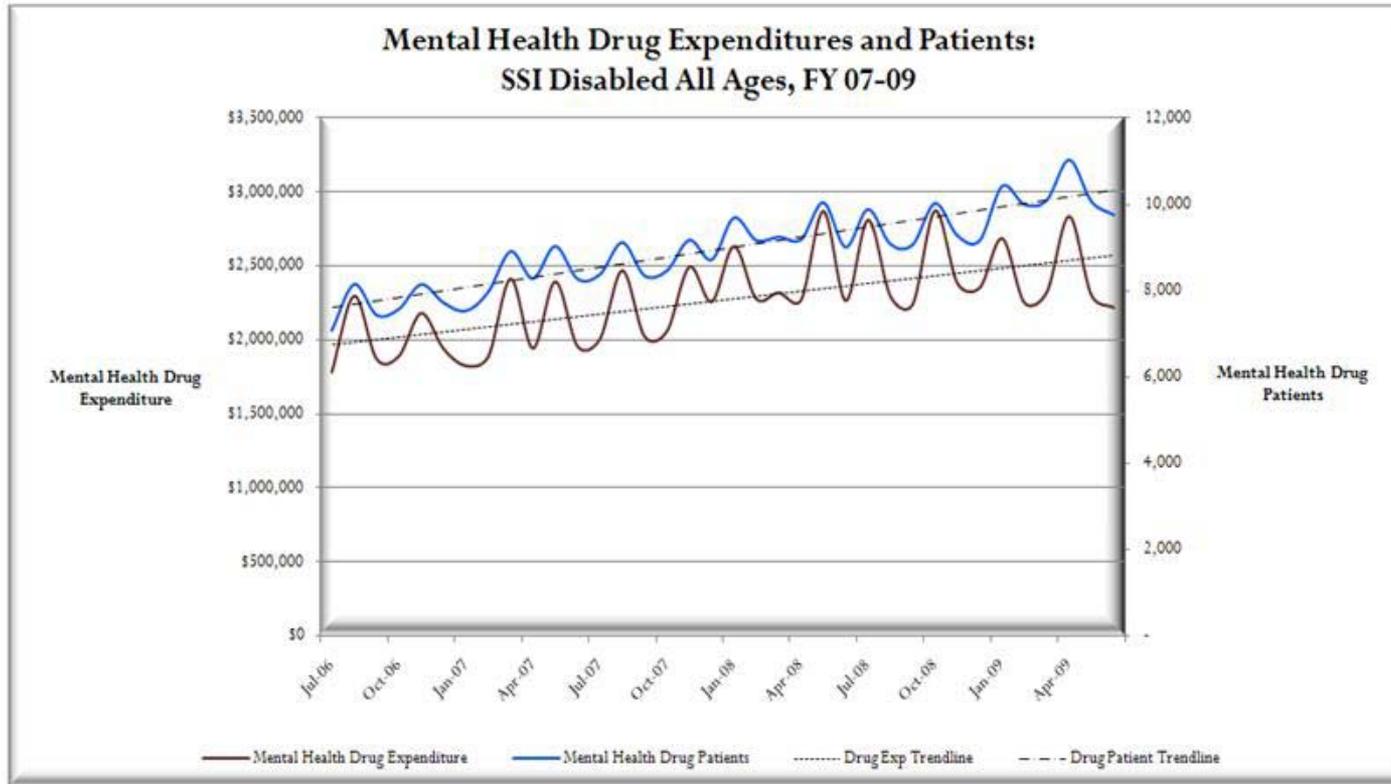
Prescription Drugs

Four Most Prominent Prescription Expenditures by Therapeutic Class: SSI Disabled, All Ages FY 07-09

These 4 categories alone account for \$115.5 million, or 42% of total prescription drug expenditure over the last 3 years. 71% of this expenditure comes from mental health prescription drugs.



Increases in People taking these drugs are slightly outpacing increases in expenses



SSI Prescriptions by Therapeutic Class

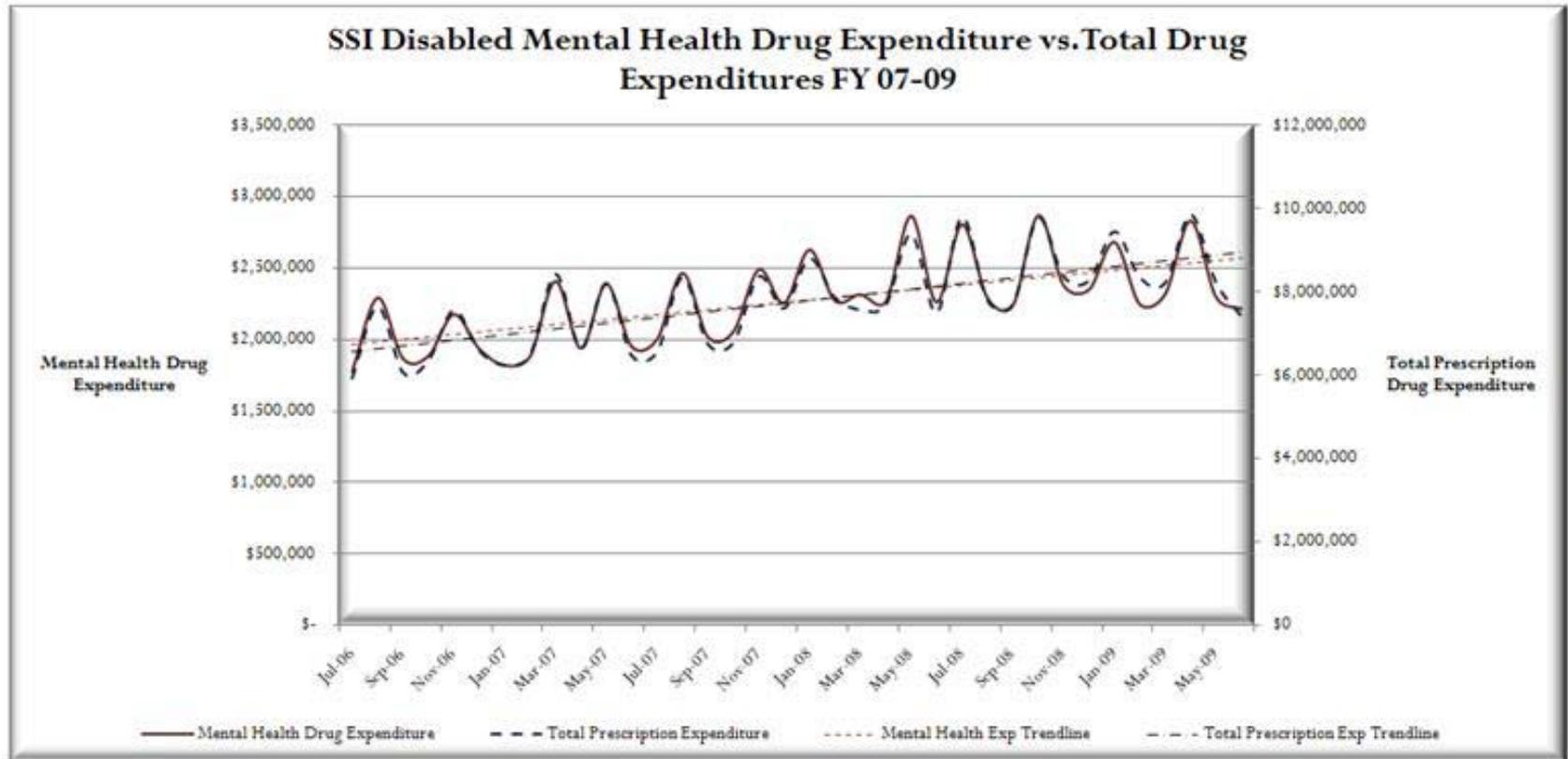
SSI Disabled Prescription Expenditure by Therapeutic Class

Therapeutic Class	FY 07 Expenditure	FY 08 Expenditure	Year Over Year Growth	
			in Expenditure FY 2008	in Expenditure FY 2008
Asthma and COPD Drugs	\$ 2,783,476.81	\$ 3,306,117.90	18.8%	\$ 3,996,641.36
Cardiac Drugs	\$ 3,829,094.84	\$ 3,745,417.43	-2.2%	\$ 3,928,388.39
Diabetes Drugs	\$ 3,582,483.45	\$ 3,895,042.41	8.7%	\$ 4,654,768.66
Mental Health Drugs	\$ 24,328,608.70	\$ 27,905,715.87	14.7%	\$ 29,540,882.45
All Other Therapeutic Classes	\$ 48,153,706.97	\$ 54,335,359.88	12.8%	\$ 61,000,798.85

SSI Disabled Prescription Count by Therapeutic Class

Therapeutic Class	FY 07 Prescriptions	FY 08 Prescriptions	Year Over Year Growth	
			in Prescriptions FY 2008	in Prescriptions FY 2008
Asthma and COPD Drugs	41,655	47,494	14.0%	52,849
Cardiac Drugs	143,220	158,150	10.4%	171,406
Diabetes Drugs	51,565	56,153	8.9%	60,270
Mental Health Drugs	186,090	210,439	13.1%	232,050
All Other Therapeutic Classes	704,629	797,280	13.1%	876,714

Mental Health Drugs Control Pharmacy Expenditure



Prescriptions are on the rise

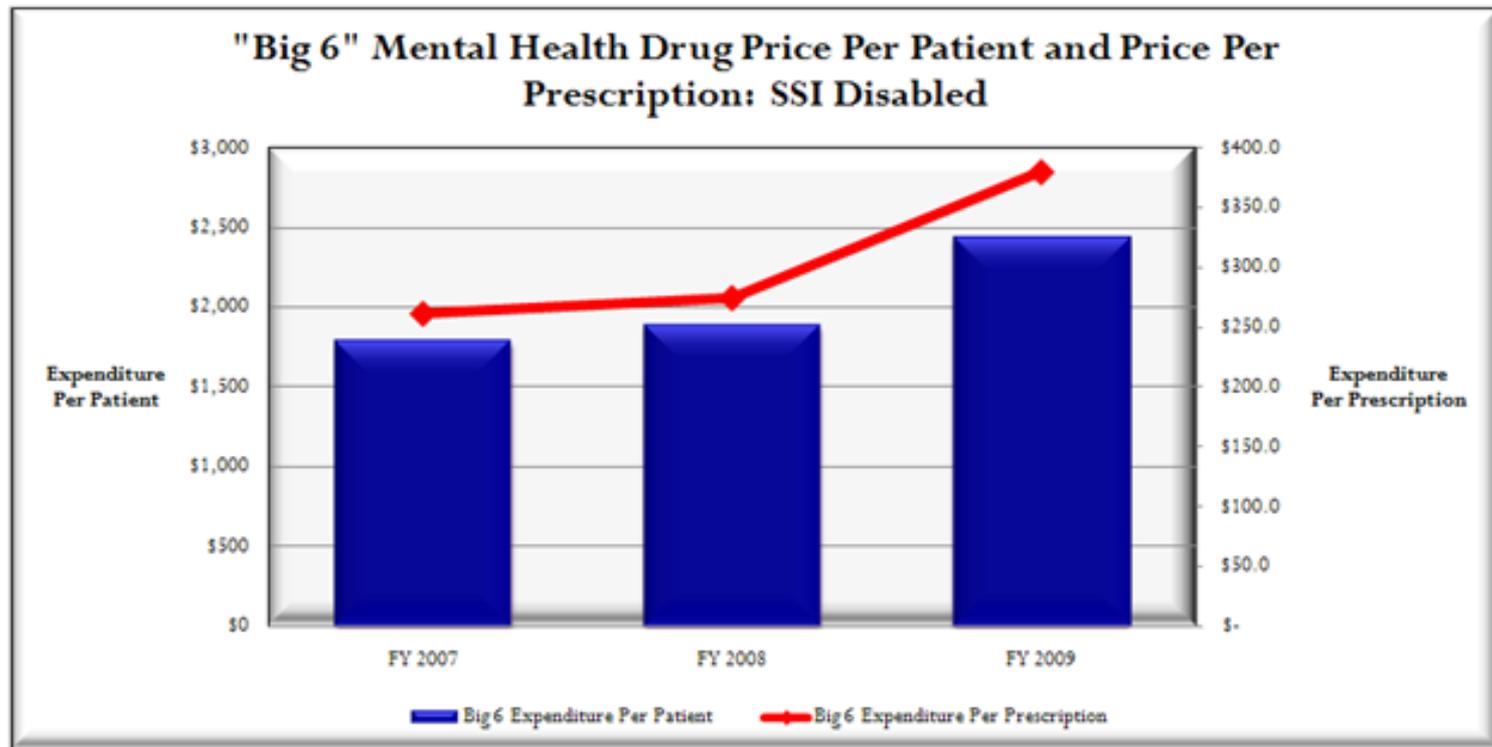
Mental Health Drug Expenditure Key Metrics: SSI Disabled, All Ages

Mental Health Averages	FY 2007	FY 2008	FY 2009
Average Monthly Price Per Prescription	\$ 131.09	\$ 132.59	\$ 127.71
Average Monthly Price Per Patient	\$ 252.53	\$ 256.18	\$ 250.32
Average Monthly Expenditure	\$ 2,027,384.06	\$ 2,325,476.32	\$ 2,461,740.20
Average Monthly Prescriptions	15,508	17,537	19,338
Average Monthly Patients	\$ 8,016.67	\$ 9,055.50	\$ 9,833.83
Average Monthly Prescriptions Per Patient	2	2	2

Avg. Monthly Prescription Expenditure vs. Avg. Monthly Price Per Prescription



What prices are going up?



Episodes of Care and Chronic Conditions

SSI Top 10 Expenditures by Episode of Care

Episode of Care	FY 2007 Expenditure	FY 2008 Expenditure	FY 2009 Expenditure	Total Expenditure FY 07-09	Total Prescription Expenditure FY 07-09	Percentage of Prescription Expenditure to Total Expenditure
*Mental Health	\$ 27,331,984.46	\$ 27,948,456.66	\$ 25,429,905.88	\$ 80,710,347.00	\$ 54,236,938.15	67.2%
Diabetes	\$ 13,473,004.54	\$ 16,429,622.65	\$ 16,056,291.31	\$ 45,958,918.50	\$ 21,417,341.72	46.6%
Pneumonia, Bacterial	\$ 9,170,313.90	\$ 11,240,091.51	\$ 9,079,037.22	\$ 29,489,442.63	\$ 394,497.16	1.3%
Condition Rel to Tx - Med/Surg	\$ 7,041,859.30	\$ 6,856,392.35	\$ 9,387,913.06	\$ 23,286,164.73	\$ 634,620.02	2.7%
Coronary Artery Disease	\$ 7,058,563.07	\$ 7,884,605.52	\$ 8,237,678.03	\$ 23,180,846.62	\$ 1,433,100.51	6.2%
Hematologic Disord, Congenital	\$ 4,933,442.21	\$ 8,697,230.91	\$ 7,834,314.34	\$ 21,464,987.46	\$ 14,426,462.35	67.2%
Osteoarthritis	\$ 6,376,728.24	\$ 7,205,978.30	\$ 7,525,585.79	\$ 21,108,292.33	\$ 6,184,585.66	29.3%
Hypertension, Essential	\$ 6,965,772.26	\$ 6,380,672.91	\$ 6,312,566.93	\$ 19,659,012.10	\$ 6,413,409.61	32.6%
Epilepsy	\$ 6,770,662.41	\$ 6,386,025.71	\$ 4,580,158.70	\$ 17,736,846.82	\$ 11,376,301.37	64.1%
Chronic Obstruc Pulm Dis(COPD)	\$ 5,045,598.49	\$ 5,585,844.73	\$ 6,227,090.22	\$ 16,858,533.44	\$ 4,040,688.28	24.0%
Top 10 Subtotal	\$ 94,167,928.88	\$ 104,614,921.25	\$ 100,670,541.50	\$ 299,453,391.63	\$ 120,557,944.83	40.3%



SSI Total Expenditure	\$ 286,146,301.86	\$ 305,114,388.86	\$ 321,542,311.67	\$ 912,803,002.39
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Top 10 Episodes of Care % of Total

SSI Expenditure	32.9%	34.3%	31.3%	32.8%
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Mental Health Episodes of Care	FY 2007 Expenditure	FY 2008 Expenditure	FY 2009 Expenditure	Total Expenditure FY 07-09	Total Prescription Expenditure FY 07-09	Percentage of Prescription Expenditure to Total Expenditure
Mental Hlth - Bipolar Disorder	\$ 11,346,423.47	\$ 11,915,934.47	\$ 10,510,331.56	\$ 33,772,689.50	\$ 25,604,413.57	75.8%
Mental Hlth - Schizophrenia	\$ 11,152,089.89	\$ 11,051,346.45	\$ 11,200,172.32	\$ 33,403,608.66	\$ 22,913,912.26	68.6%
Mental Hlth - Depression	\$ 4,833,471.10	\$ 4,981,175.74	\$ 3,719,402.00	\$ 13,534,048.84	\$ 5,718,612.32	42.3%
Total Mental Health Expenditure	\$ 27,331,984.46	\$ 27,948,456.66	\$ 25,429,905.88	\$ 80,710,347.00	\$ 54,236,938.15	67.2%

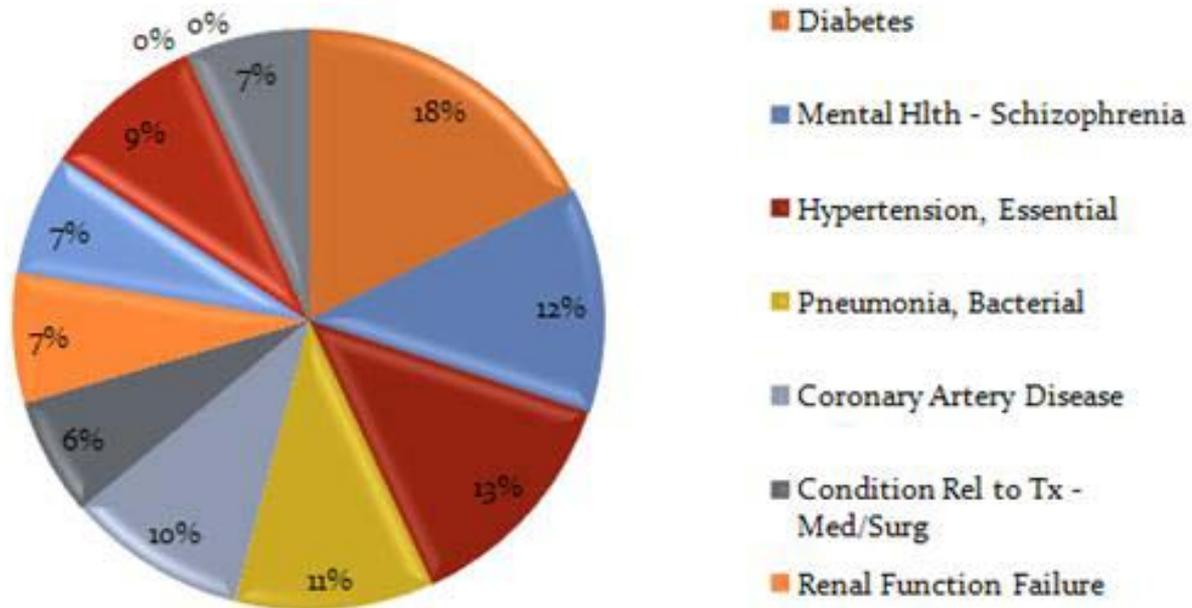
Hypertension

SSI Disabled Hypertension Patients Expenditure by Episodes of Care

Episode of Care	FY 07 Expenditure	FY 08 Expenditure	FY 09 Expenditure
*Mental Health	\$ 19,470,626.53	\$ 10,545,687.92	\$ 6,858,631.14
Diabetes	\$ 8,933,706.96	\$ 10,459,032.98	\$ 9,670,361.45
Mental Hlth - Schizophrenia	\$ 10,451,819.31	\$ 6,997,382.24	\$ 6,858,631.14
Hypertension, Essential	\$ 8,277,959.76	\$ 7,269,614.69	\$ 7,160,513.93
Pneumonia, Bacterial	\$ 4,505,617.72	\$ 5,807,120.88	\$ 6,002,822.42
Coronary Artery Disease	\$ 5,208,510.50	\$ 5,407,204.51	\$ 5,417,332.81
Condition Rel to Tx - Med/ Surg	\$ 4,547,452.49	\$ 3,898,230.61	\$ 3,579,839.59
Renal Function Failure	\$ 3,572,006.44	\$ 3,804,726.71	\$ 3,977,878.37
Osteoarthritis	\$ 3,379,792.86	\$ 3,822,380.31	\$ 3,690,618.09
Infec/ Inflam - Skin/ Subcu Tiss		\$ 5,681,519.28	\$ 4,869,995.61
Mental Hlth - Depression	\$ 3,552,531.06	\$ 3,548,305.68	
Mental Hlth - Bipolar Disorder	\$ 5,466,276.16		
Cerebrovascular Disease			\$ 3,699,274.31
Total Expenditure	\$ 57,895,673.26	\$ 56,695,517.89	\$ 54,927,267.72
			
Total SSI Population Expenditure	\$ 286,412,407.71	\$ 306,144,449.37	\$ 321,739,482.70
Hypertension Patients Percentage of SSI Total Expenditure	20.2%	18.5%	17.1%

Hypertension Comorbidities

Composition of Expenditure Among Hypertension Patients FY 2009



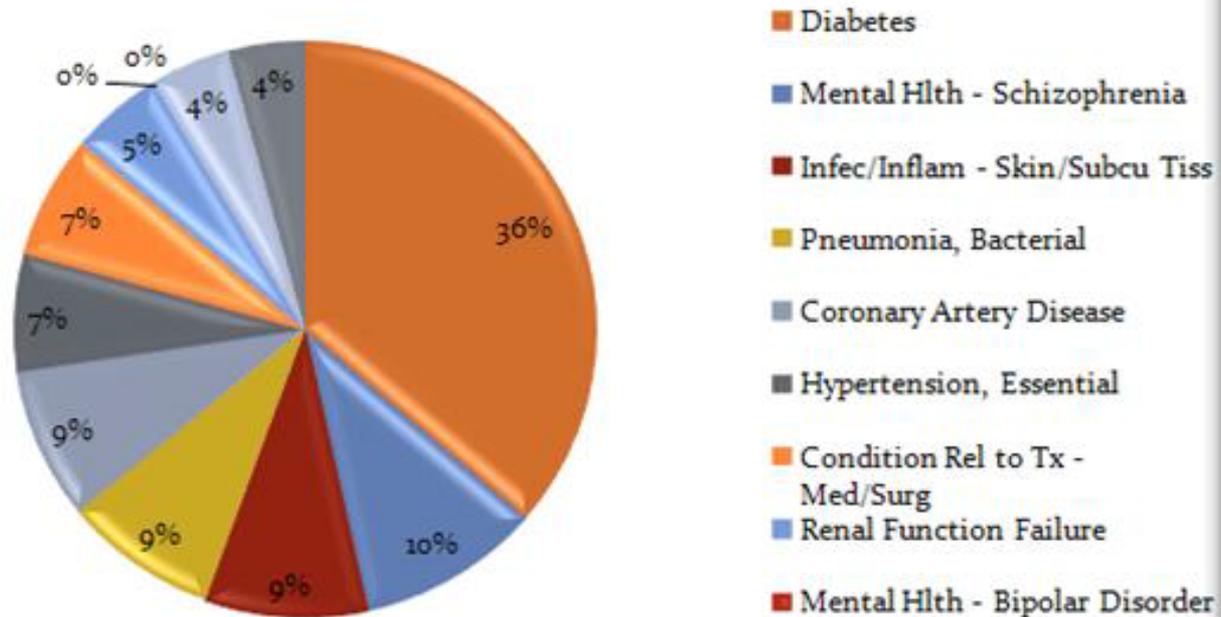
Diabetes

SSI Disabled Diabetes Patients Expenditure by Episodes of Care

Episode of Care	FY 07 Expenditure	FY 08 Expenditure	FY 09 Expenditure
*Mental Health	\$ 14,461,090.60	\$ 10,650,256.31	\$ 4,917,227.58
Diabetes	\$ 15,758,609.36	\$ 18,078,677.22	\$ 17,599,448.54
Mental Hlth - Schizophrenia	\$ 7,910,255.11	\$ 5,147,486.72	\$ 4,917,227.58
Infec/ Inflam - Skin/ Subcu Tiss	\$ 4,089,968.31	\$ 5,703,397.89	\$ 4,364,837.17
Pneumonia, Bacterial	\$ 4,106,881.89	\$ 4,293,006.98	\$ 4,156,101.39
Coronary Artery Disease	\$ 4,127,257.39	\$ 3,752,721.62	\$ 4,138,178.87
Hypertension, Essential	\$ 3,678,536.60	\$ 2,828,879.71	\$ 3,185,540.33
Condition Rel to Tx - Med/ Surg	\$ 3,115,907.88	\$ 2,990,364.12	\$ 3,353,517.37
Renal Function Failure	\$ 2,652,392.87	\$ 2,422,917.42	\$ 2,474,299.74
Mental Hlth - Bipolar Disorder	\$ 3,776,999.09	\$ 2,688,455.65	
Mental Hlth - Depression	\$ 2,773,836.40	\$ 2,814,313.94	
Chronic Obstruc Pulm Dis(COPD)			\$ 2,157,424.34
Osteoarthritis			\$ 2,050,514.94
Total Expenditure	\$ 51,990,644.90	\$ 50,720,221.27	\$ 48,397,090.27
			
Total SSI Population Expenditure	\$ 286,412,407.71	\$ 306,144,449.37	\$ 321,739,482.70
Diabetes Patients Percentage of SSI Total Expenditure	18.2%	16.6%	15.0%

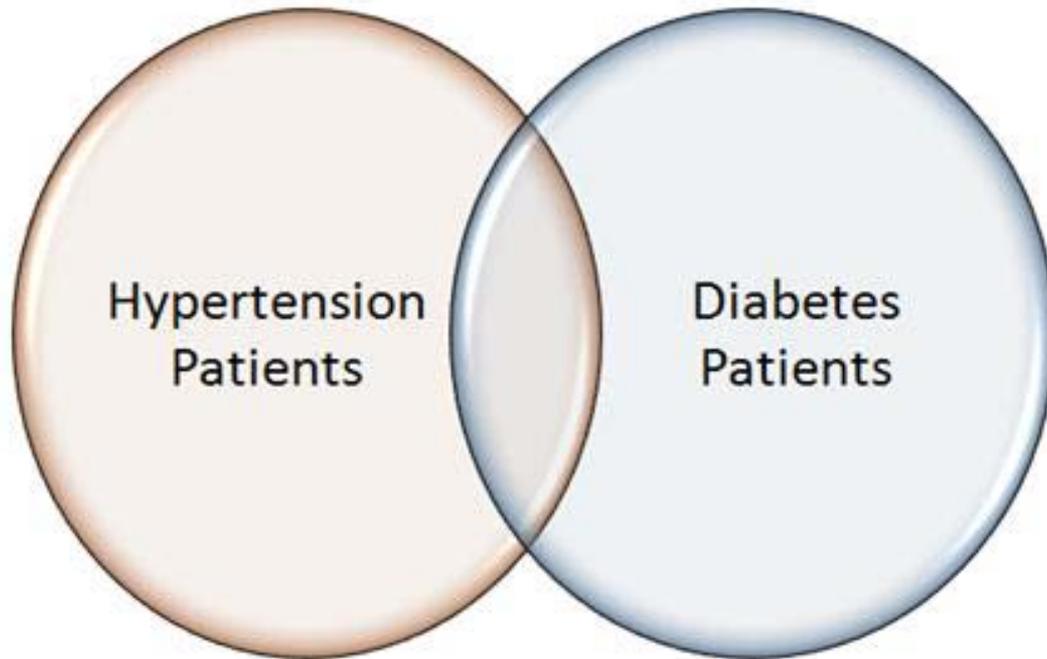
Diabetes Comorbidities

**Composition of Expenditure Among
Diabetes Patients FY 2009**



Inclusion

Hypertension and Diabetes Patients



Aging of the Population

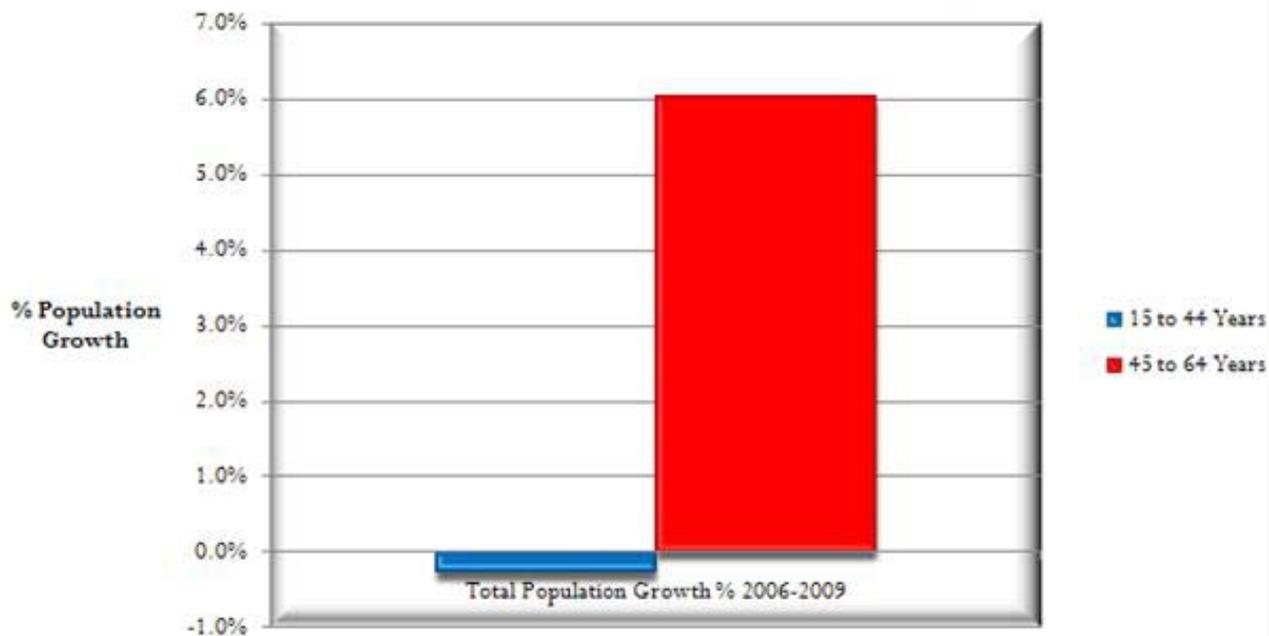
United States Population Figures by Age Group 2006 to 2009

Age Group	2006	2007	2008	2009	Total Population Growth 2006-2009	Total Population Growth % 2006-2009	Percentage of Aggregate Growth
Under 5 Years	20,417,636	20,724,125	21,005,852	21,299,656	882,020	4.3%	11.6%
5 to 13 Years	36,077,637	35,970,646	36,004,639	36,487,082	409,445	1.1%	5.4%
14 to 17 Years	17,240,289	17,206,962	16,931,357	16,761,477	(478,812)	-2.8%	-6.3%
18 to 24 Years	29,454,784	29,492,415	29,757,219	30,412,035	957,251	3.2%	12.6%
15 to 44 Years	126,518,355	126,258,301	126,006,034	126,173,674	(344,681)	-0.3%	-4.5%
45 to 64 Years	74,864,857	76,586,836	78,058,246	79,379,432	4,514,575	6.0%	59.3%
65 Years and Over	37,260,352	37,887,958	38,869,716	39,570,590	2,310,238	6.2%	30.4%
85 Years and Over	5,296,817	5,512,298	5,721,768	5,630,661	333,844	6.3%	4.4%
Total Population	299,398,484	301,621,157	304,059,724	307,006,550	7,608,066	2.5%	100.0%

*population numbers from US census bureau population estimates

Who Supports Who?

Comparison of US Population Growth 2006 to 2009:
15 to 44 and 45 to 64 Year Age Groups



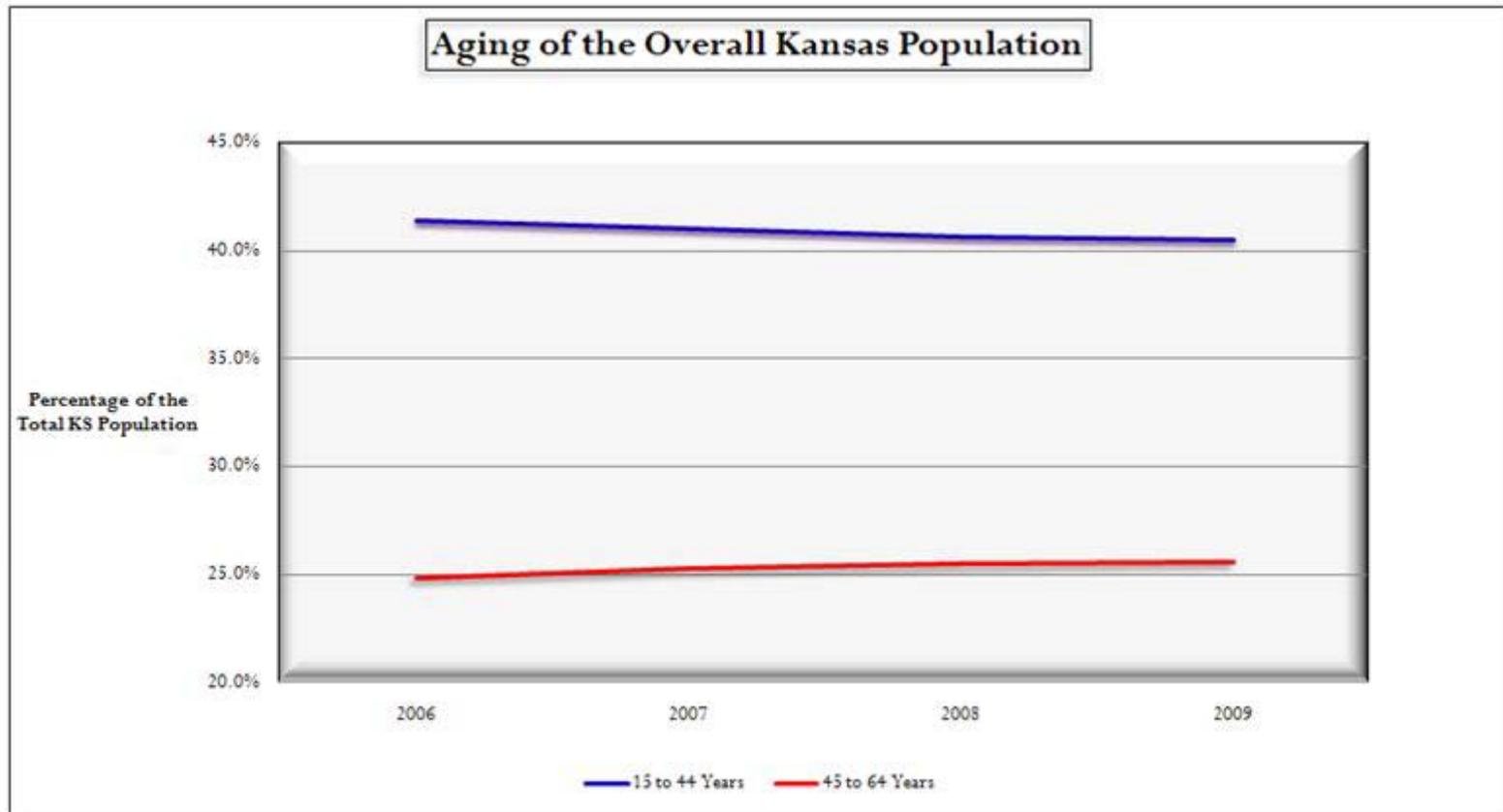
Kansas Population

Kansas Population Figures by Age Group 2006 to 2009

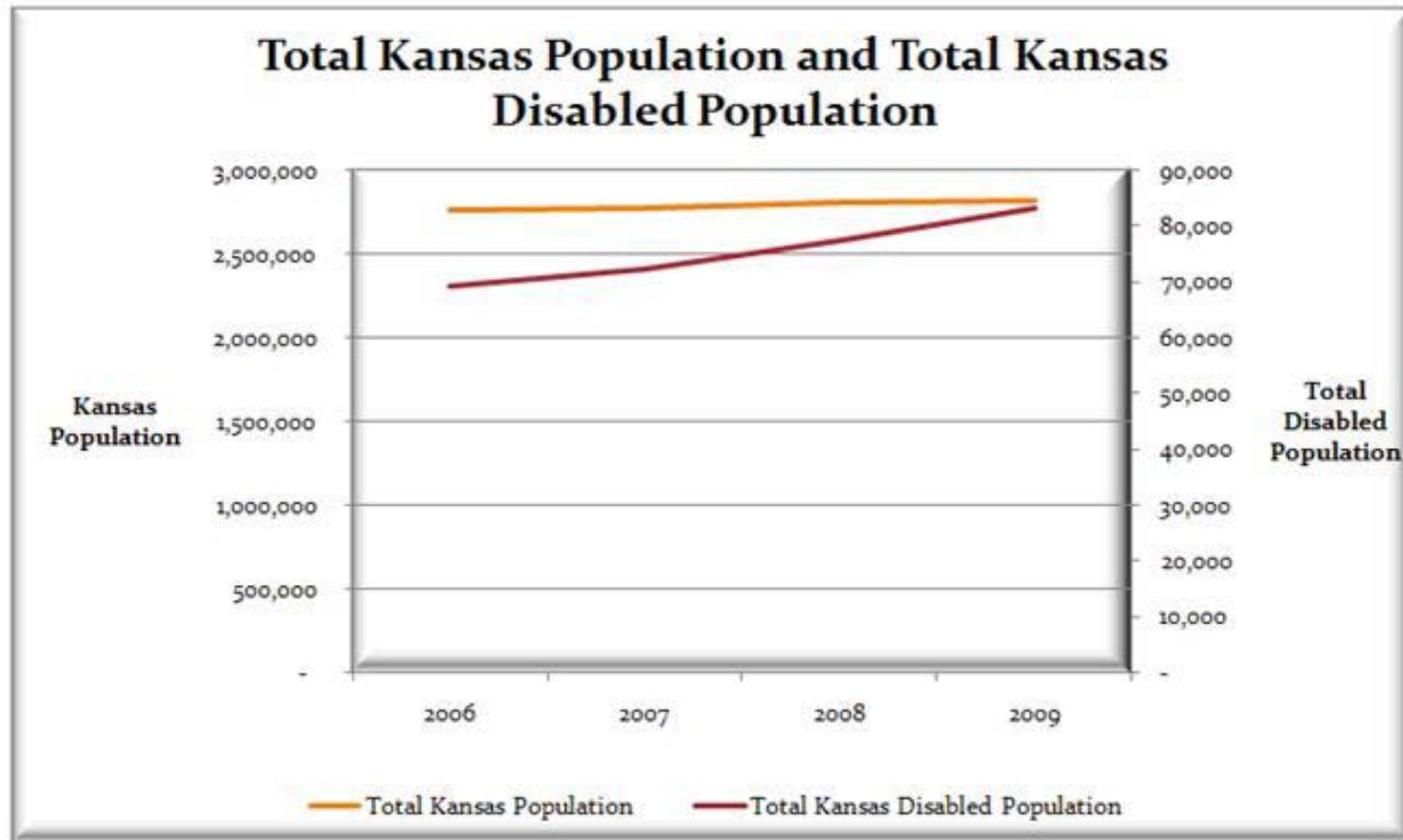
Age Group	2006	2007	2008	2009	Total Population Growth 2006-2009	Total Population Growth % 2006-2009	Percentage of Aggregate Growth
Under 5 Years	194,100	196,138	202,529	205,385	11,285	5.8%	20.6%
5 to 13 Years	340,282	340,593	342,134	345,088	4,806	1.4%	8.8%
14 to 17 Years	161,455	159,351	155,822	154,478	(6,977)	-4.3%	-12.8%
18 to 24 Years	292,820	289,947	293,114	307,284	14,464	4.9%	26.5%
15 to 44 Years	1,144,991	1,139,351	1,139,193	1,141,357	(3,634)	-0.3%	-6.6%
45 to 64 Years	687,278	701,097	713,663	721,321	34,043	5.0%	62.3%
65 Years and Over	357,709	360,216	366,706	367,546	9,837	2.8%	18.0%
85 Years and Over	59,518	60,712	62,319	60,498	980	1.6%	1.8%
Total Population	2,764,075	2,775,997	2,802,134	2,818,747	54,672	2.0%	100.0%

*population numbers from US census bureaus population estimates

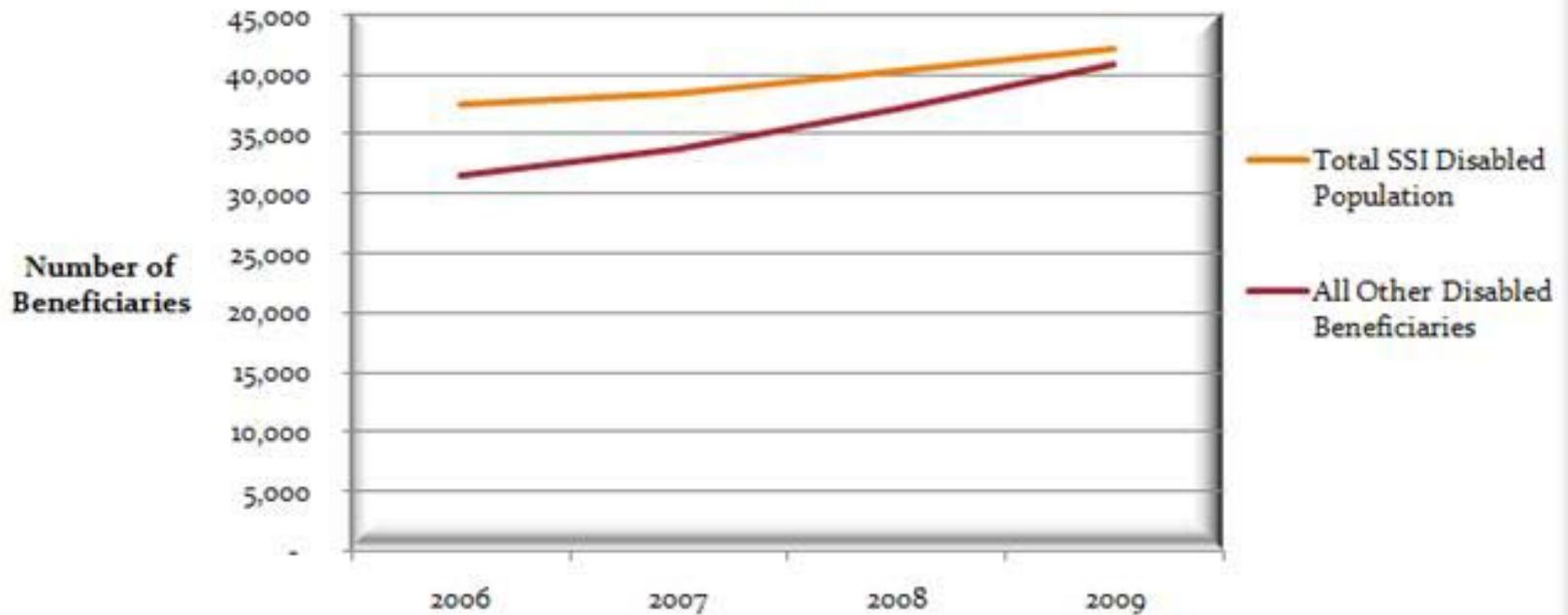
Kansas Aging



As Goes Age So Goes the Disabled

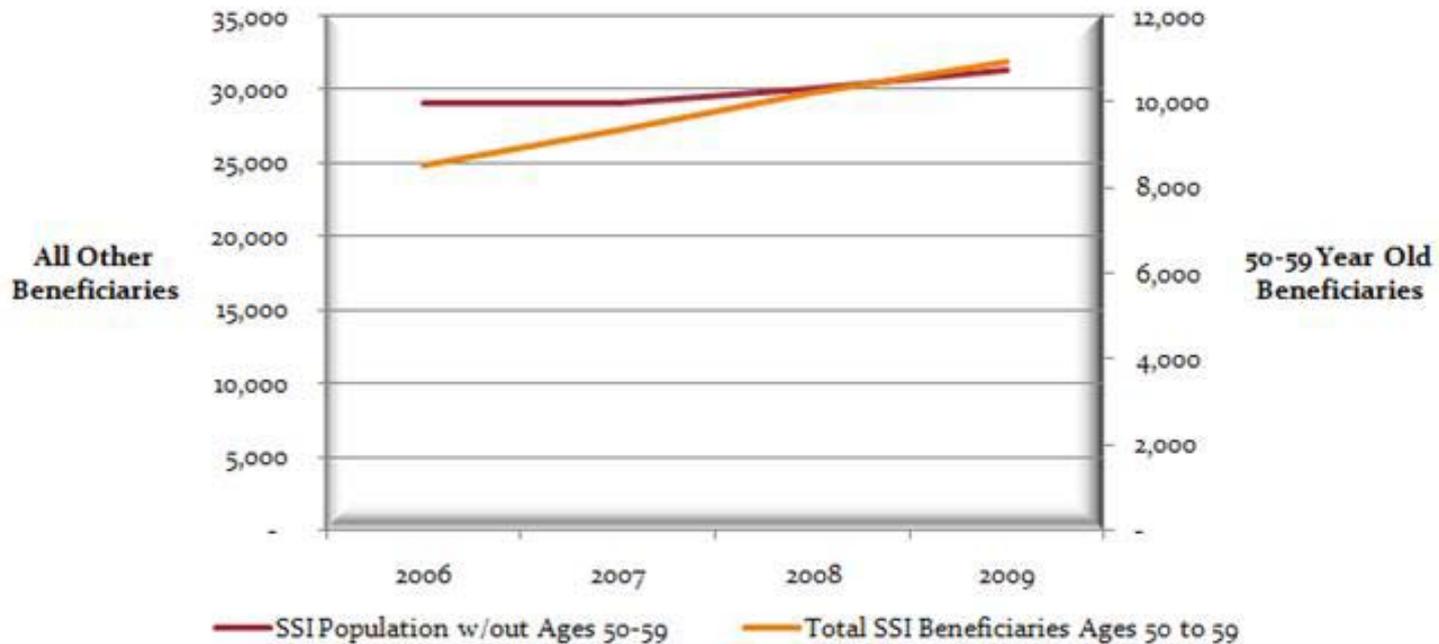


Growth in SSI Disabled Population vs. All Other Disabled Populations



50-59 Year-old Growth

SSI 50-59 Year Old Beneficiary Population Growth vs. All Other SSI Beneficiaries





Have a Nice Day!