

## EXHIBIT 2.5 Most Frequent Principal Diagnoses by Payer

Number of Discharges, Percent Distribution, and Growth of the Most Frequent Principal Diagnoses for Inpatient Hospital Stays by Payer, 1997 and 2008

PAYER AND PRINCIPAL CCS DIAGNOSIS	NUMBER OF DISCHARGES IN THOUSANDS		PERCENT OF PAYER-SPECIFIC TOTAL DISCHARGES		PERCENT OF TOTAL DISCHARGES FOR DIAGNOSIS		CUMULATIVE GROWTH
	1997	2008	1997	2008	1997	2008	1997-2008
<b>All payers, total discharges*</b>	<b>34,679</b>	<b>39,885</b>					<b>15%</b>
<b>Medicare</b>	<b>12,618</b>	<b>14,917</b>	<b>100.0%</b>	<b>100.0%</b>	<b>36.4%</b>	<b>37.4%</b>	<b>18</b>
Congestive heart failure	757	759‡	6.0	5.1	76.4	74.4	0.2
Pneumonia	703	666‡	5.6	4.5	57.1	57.7	-5
Septicemia	276	535	2.2	3.6	66.9	67.6	94
Cardiac dysrhythmias	375	515	3.0	3.5	65.6	64.5	37
Chronic obstructive pulmonary disease and bronchiectasis	380	502	3.0	3.4	68.8	70.1	32
<b>Medicaid</b>	<b>5,644</b>	<b>7,355</b>	<b>100.0</b>	<b>100.0</b>	<b>16.3</b>	<b>18.4</b>	<b>30</b>
Liveborn infant	1,224	1,722	21.7	23.4	32.4	40.5	41
Trauma to vulva and perineum due to childbirth	224	288	4.0	3.9	31.5	35.1	28
Previous C-section	84	214	1.5	2.9	31.0	40.1	155
Mood disorders	147	210	2.6	2.9	22.9	25.5	43
Pneumonia	166	157‡	2.9	2.1	13.5	13.6	-6
<b>Private Insurance</b>	<b>13,388</b>	<b>14,108‡</b>	<b>100.0</b>	<b>100.0</b>	<b>38.6</b>	<b>35.4</b>	<b>5</b>
Liveborn infant	2,204	2,169‡	16.5	15.4	58.4	51.0	-2
Trauma to vulva and perineum due to childbirth	431	476‡	3.2	3.4	60.4	58.0	10
Osteoarthritis	117	358	0.9	2.5	27.9	39.3	207
Spondylosis, intervertebral disc disorders, and other back problems	258	305	1.9	2.2	48.1	46.0	18
Coronary atherosclerosis	484	302	3.6	2.1	34.4	32.9	-38
<b>Uninsured**</b>	<b>1,676</b>	<b>2,126</b>	<b>100.0</b>	<b>100.0</b>	<b>4.8</b>	<b>5.3</b>	<b>27</b>
Liveborn infant	191	240‡	11.4	11.3	5.0	5.7	26
Mood disorders	55	79	3.3	3.7	8.6	9.6	44
Non-specific chest pain	39	68	2.3	3.2	7.3	9.4	73
Skin and subcutaneous tissue infections	28	67	1.7	3.1	8.5	10.8	138
Alcohol-related disorders	48	61‡	2.8	2.9	19.7	23.2	27

\* Excludes a small number of discharges (68,000 or 0.2 percent) with missing payer.

‡ 2008 discharges are not statistically different from 1997 discharges at p<0.05.

\*\* Includes discharges classified as self-pay or no charge.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2008.

This exhibit shows the top five reasons for hospital stays for each primary payer. The principal diagnoses for hospitalizations by primary payer generally varied, although some conditions were frequent across payers.

Medicare:

- Congestive heart failure was the most common principal diagnosis among discharges with Medicare as a primary payer. Medicare was responsible for payment for nearly 75 percent of all congestive heart failure discharges.
- Pneumonia, septicemia, cardiac dysrhythmias, and chronic obstructive pulmonary disease were also frequent reasons for hospital stays among Medicare discharges. In each case, the Medicare-covered discharges accounted for the majority of total discharges for the condition.

Medicaid:

- Three of the most common conditions with Medicaid as the primary payer were pregnancy and childbirth-related: liveborn infant, trauma to the vulva and perineum due to childbirth, and previous C-section. Altogether, stays for these conditions made up approximately 30 percent of all Medicaid stays.
- Liveborn infants covered by Medicaid accounted for 41 percent of all liveborn infant discharges in 2008. In 1997, just 32 percent of all liveborn infant discharges were covered by Medicaid.

Private Insurance:

- Liveborn infant stays were the most common hospital stay paid for by private insurance, accounting for 15 percent of all private insurance stays. There was no significant change in the number of private insurance liveborn infant stays between 1997 and 2008.
- Osteoarthritis and back problems were also among the top conditions for private insurance. Private insurance discharges for osteoarthritis increased by 207 percent between 1997 and 2008. Stays for treatment of a back problem increased by 18 percent during this period.

Uninsured:

- Three of the most common conditions for uninsured hospital stays increased from 1997 to 2008: mood disorders (44 percent), non-specific chest pain (73 percent), and skin and subcutaneous tissue infections (138 percent). Hospital stays for liveborn infants and alcohol-related disorders did not increase significantly between 1997 and 2008.
- Although the uninsured stays comprised only 5 percent of total discharges in 2008, they accounted for about one-quarter (23 percent) of all discharges for alcohol-related conditions and about 10 percent of all discharges for skin infections, mood disorders, and non-specific chest pain.