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UPDATING THE GEOGRAPHIC PRACTICE COST INDEX: THE MALPRACTICE GPCI



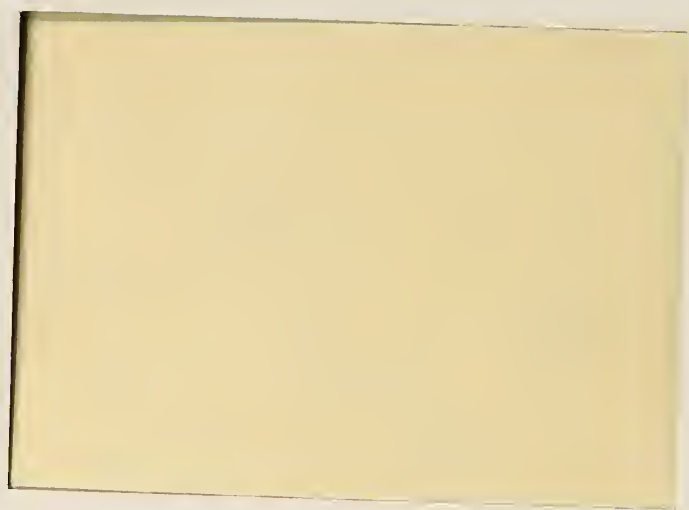
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EXECUTIVE SUMMARY

The goal of this study is to develop an updated version of the Malpractice Geographic Practice Cost Index (MGPCI) used in the Medicare Fee Schedule (MFS) for physician services. The index measures geographic differences in malpractice costs by comparing premiums charged for a mature claims-made insurance policy with \$1 million/ \$3 million limits of coverage. Adjustments are made to acknowledge states that require mandatory contributions into a fund set up to cover large settlements. The MGPCI originally used in the Medicare physician payment system relies on premium data from 1985 and 1986 from a relatively limited number of insurance companies and is based on premiums for three specialties that were selected to represent low, middle, and high degrees of malpractice risk.

In order to improve the index, data are required that are both more recent and more broadly representative of the insurers in each state. As such, the first part of this report discusses the data collection efforts. A state-by-state survey allowed us to collect information for 1990-1992 from 59 insurers, including both for-profit and physician-owned companies. The market shares of the insurers that provided data totalled at least 65 percent in all states. In many states, over three-quarters of the market was represented. With this large a share of the insurance markets represented, policymakers can feel more confident that the most important premiums in each state are, in fact, determining the MGPCI.

These data are then used to develop alternative updates of the MGPCI. These updates vary the number of specialties whose premiums are included in the computation (the original three specialties versus the 20 most important Medicare specialties) and the number of years of data upon which the index is based (a three-year average versus the single most recent year). For all options, there would be large changes in most MGPCI values. Even for an

option that relies on the same three specialties that are currently used and averages across all three years of recent data, 60 out of 232 localities would have MGPCIs that change by more than 40 percent. Of course, it is important to keep in mind that the MGPCI accounts for only about 5 percent of the overall geographic adjustment factor in the MFS. Therefore, a 40 percentage point change in the MGPCI would result in only about a 2 percent change in a fee.

The magnitude of these changes could raise questions about the validity of the MGPCI update options. We examined every state whose index changed by more than 10 percentage points and concluded that most of the large changes were the result of replacing apparently unrepresentative data with data that better reflected the state's insurance market. There were some exceptions to this, however. For example, California's premiums have fallen dramatically relative to the rest of the country. This seems to be associated with the tort reforms, particularly the cap on non-economic awards, that California implemented during the 1970's.

The choice of approach for updating the MGPCI needs to be guided by the soundness of the methodology and the data as opposed to the actual index values. Given the potential volatility in premiums over time and the cyclical nature of premium changes, it is preferable to develop a cross-sectional index based on an average of several years of data. A two-year average, as is used in the current MGPCI, is the minimum acceptable approach that could smooth fluctuations. More years of data would further enhance stability. There is a risk, however, of incorporating outdated information by using too many years of data. To balance the desire to use current data against the need to smooth fluctuations, we favor an index based in three years of data; in this case premiums from 1990-1992.

Decisions on the number of specialties whose premiums are directly incorporated into the index are dependent on the extent of geographic variation in the numbers of risk classes used to establish premiums and the mapping between specialties and risk classes. The results show that there is sufficient variation in these factors so as to make the MGPCI somewhat sensitive to the number of specialties directly represented in the index. Given this, it seems hard to defend an index that is based on a small number of specialties. As such, we propose an MGPCI that is based on premiums from the top twenty Medicare specialties, defined in terms of 1990 Medicare spending.

The decision-making process at HCFA has concurred that the updated MGPCI should be based on 1990-1992 premium data for twenty specialties. In addition, the index values should be derived relative to a weighted national average premium that uses total service volume (measured in terms of malpractice relative value units) as the weights. The index currently in the MFS uses population as the basis for computing national average premiums. In order to ensure that the MGPCI updating does not affect the total amount spent for malpractice RVUs through the MFS, HCFA actuaries developed a multiplicative scaling factor to be applied to all MGPCI values. The factor raised all values by 2.3 percent. The final set of updated MGPCI values that will be used in 1996 are displayed in Appendix G, by locality. When this updating is not carried out annually, Congress requires that there be a transition years in which index values are a simple average of the current and updated indices. This transition year will be 1995. Values for this year are also shown in Appendix G.

I. INTRODUCTION

The Malpractice Geographic Practice Cost Index (MGPCI) is used to adjust physician payments made under the Medicare Fee Schedule (MFS) for differences in the cost of medical malpractice insurance. Other Geographic Practice Cost Index (GPCI) components adjust for differences in employee wages, office rents and the costs of physicians' own time. In this report, we present options for updating and revising the methodology used in the MGPCI. The index currently being used is based on 1985 and 1986 premium data for three specialties from a relatively small number of insurers. The changes considered here relate to improving the timeliness and validity of the data upon which the index is based and expanding the number of specialties whose premiums are captured by the index. These revisions are intended to strengthen the methodological foundation of the MGPCI so that it more accurately measures differences in the costs of medical malpractice insurance across areas.¹ Any changes in the MGPCI will have a much smaller impact on fees in a locality than is suggested by the size of the index change, because malpractice RVUs represent only about 5 percent of the total RVUs upon which payment rates are based.

The original MGPCI measures geographic differences in malpractice costs by comparing premiums charged for a \$1 million/ \$3 million mature claims-made policy.² An exception to this occurs in three states - Kansas, Pennsylvania, and Wisconsin - that have established mandatory Patient Compensation Funds (PCFs). PCFs are a way of limiting the physician's liability in the event of large suits and are funded through a surcharge on the

¹Using more recent data would address one of the major comments HCFA received in response to the preliminary MFS rules. Moreover, having premium data that could be defended as being representative of each state would make it more difficult for any one state to argue that the data somehow misrepresented its position relative to other states.

²The phrase "original MPGCI" refers to the malpractice cost adjuster used in the MFS from 1992 through 1994.

malpractice premium the physician pays for a required minimum level of coverage. The MGPCI treats the costs of the required coverage plus the surcharge as the relevant premium for comparison purposes. (A complete discussion of how the PCF adjustment was incorporated in the original MGPCI can be found in Zuckerman and Norton (1991)).

The data used to compute the original index was derived from HCFA's Survey of Insurers designed to collect data capable of estimating the update in the malpractice component of the Medicare Economic Index, essentially an index of input price change. These data are largely drawn from a single nationwide insurer (St. Paul) and are supplemented by several state-specific carriers in major states in which St. Paul does not offer coverage. At the time the MGPCI was developed these were the best premium data available. Unfortunately, subsequent analyses suggest that these data are likely to be unrepresentative of the insurers operating in many states (see Zuckerman, Norton and Wadler, 1992). In particular, the HCFA survey data does not include many physician-owned insurance companies that have grown rapidly throughout the 1980s and that tend to price coverage differently than for-profit insurers (Zuckerman, Bovbjerg and Sloan, 1990). To the extent that the importance of physician-owned companies varies across states, their exclusion could distort MGPCI values leading to overpayment in some areas and underpayment in others. The data used in this revision of the MGPCI were collected through a state-based survey designed to be representative of each state. These new data are discussed in more detail below.

The decision to use three specialties' premiums in the original index, as opposed to a broader set of specialties, was based on the observation that relative premiums from different specialties were highly correlated across geographic areas. In large part, this may have been

due to the fact that St. Paul, the single large insurer in the HCFA data, created the risk classification system in most areas. By relying on the premiums for general practitioners, general surgeons, and orthopedists (a low-, middle-, and high-risk specialty), the data base construction and the computation of the index was simplified. Each specialty's premium was weighted by the share of Medicare spending accounted for by the risk class containing that specialty.³ However, analyses of premium data in Zuckerman, Norton, and Wadler (1992) show that variations in companies' risk classification systems may mean that the MGPCI is sensitive to the number of specialties whose premiums are reflected in the index. Therefore, we present indices based on premiums for a broader set of Medicare specialties as well as for the three specialties used previously.

As part of the overall revision of the MGPCI, HCFA requested that the current locality structure and an alternative weighting scheme be used to compute the index. To create the MGPCI, it is necessary to express each area's premium relative to the national average premium. Because all areas are not of equal size (measured in terms of population, numbers of physicians, or Medicare spending or service volume), it is desirable to compute the national average premium as a weighted average. In the original MGPCI, the weight applied to each premium is the area's population in 1980. As an alternative, HCFA has expressed interest in using weights that better reflect the geographic distribution of service volume as reflected in the total number of relative value units (RVUs) provided in the area.

³The weights were based on 1983 Medicare physician spending as reported in Burney and Scheiber (1985). The weight was 55 percent for general practitioners, 33 percent for general surgeons, and 12 percent for orthopedists.

In addition, the final revised index needs to incorporate changes in the locality structure that have taken place between 1992 and 1994.⁴

Using alternative weights does not affect any area's position relative to another area. However, to the extent that new weights affect the national average premium, they can affect each area's index value. An increase in the weighted national average, for example, would lower index values by the same percentage in all areas. Specifically, all values would be lowered by the percentage increase in the national average resulting from a change in the weights. In this report, we use population weights to analyze revised MGPCIs so that they can be easily compared to the original MGPCIs. The impact of reweighting based on the preferred RVU-weight alternative is considered separately.

This report is organized as follows: Section II describes the new data collection effort in detail. It is the availability and use of these new data that are the central elements of the revised MGPCIs. Other methodological revisions and a series of alternative MGPCIs are presented in section III. In addition to more recent data, the revisions consider using a three-year average of premiums (instead of the two-year average in the current index), basing the index on the single most recent year of data, and expanding from 3 specialties to the 20 most important Medicare specialties. Section IV explores the impact of each option on MGPCI values. Section V concludes with an assessment of the options, taking into account that there is a mandated transition period when the MGPCIs are revised less frequently than annually. Section VI concludes the report by showing the effect of replacing the population weights with RVU weights and structuring the index around the locality configuration that is in place

⁴The major changes in the locality structure are the Ohio and North Carolina are now statewide localities. In addition, two localities in the state of Washington have been combined. These changes reduce the number of localities from 232 to 216.

as of 1995. This final section focuses on the index that appears to be the preferred option, given HCFA's decisions based on the earlier analyses in the report.

II. NEW DATA COLLECTION

The data collection approach used in this project replicates that used in Zuckerman, Norton, and Wadler (1992). They collected premium data for 1989, 1990, and 1991 in a process involving two phases. In the initial phase, they conducted telephone interviews with staff at state insurance departments. These interviews were designed to identify the major physician liability insurers in each state, as well as other significant characteristics of the insurance market. The characteristics that were reported related to the existence of Patient Compensatory Funds (PCFs) or Joint Underwriting Associations (JUA) and the approximate market share for each of the major insurers in the physician liability market for the state.⁵ In particular, they acquired information that allowed them to determine how a PCF or JUA might affect physician costs (discussed below). The survey update undertaken for this study extended the earlier data base through 1992.

Where possible, the state insurance department provided \$1 million/ \$3 million mature claims-made premiums by risk class, risk class specifications, and sub-state malpractice pricing area definitions for the major insurers. However, in most instances this was not possible and the process entered a second company-level phase. In this phase, using data on

⁵Joint Underwriting Associations (JUAs) were established as a reaction to the availability crisis of the 1970s. These organizations usually function as the insurer of last resort--covering providers who cannot obtain coverage from other sources, much like assigned risk pools in automobile insurance. The stated purpose of JUAs is to assure availability of malpractice insurance coverage to health care providers at affordable levels. The JUA derives its income from premiums assessed policyholders. However, if premium income is insufficient to cover loss payments and expenses, each member company is assessed to make up the shortfall.

key personnel at each company provided by the state, we contacted insurers and requested premium data directly. Virtually every insurer suggested by the state was willing to provide the necessary data. Despite refusals from some minor insurers (discussed below), there was no difficulty in meeting our goal of having premium data from companies representing at least 50 percent of the market in all states.

Sample of Insurance Companies. Premium information was collected for 59 companies. Insurers operating in more than one state are only counted once in this total. Table 1 displays the names of the insurers in the sample and their approximate market shares by state. In addition to a target of at least 50 percent of the market, the process was designed to collect information from at least one for-profit company and from at least one physician-owned mutual or reciprocal operating in each state. This would provide both the major insurers in all states and a mix of insurer types. However, due to the nature of some markets, this goal was not always relevant. In five states -- Arkansas, Delaware, Kansas, Vermont and West Virginia -- there was not a major physician-owned company. On the other hand, in Alaska, California, Colorado, Hawaii, Maryland, Massachusetts, Michigan, Nevada, New Hampshire, New York and Rhode Island we found no for-profit company. In both sets of states the excluded type of insurer either did not operate or had an insignificant share of the market according to the state insurance department.

In 47 of the states we collected information from at least two companies. In five states we collected only 1 company, but that company represented over 70 percent of the market in all cases. On average we collected information from companies which represented approximately 82 percent of the physicians insured in a particular state. Using the market

Table 1

**Insurance Company, Market Shares by Company and Total Market
by State**

State	Company	Insurer Type	Market Share	Total Market
Alabama	Mutual Assurance	PO	70	85
	St. Paul	FP	15	
Alaska	NORCAL (MICA prior to 1991)	PO	50	85
	MIEC	PO	35	
Arizona	MICAZ	PO	60	75
	St. Paul	FP	15	
Arkansas	St. Paul	FP	75	75
California	SCPIE	PO	35	90
	Doctors' Company	PO	30	
	NORCAL	PO	25	
Colorado	COPIC	PO	60	85
	Doctors' Company	PO	25	
Connecticut	CT Medical	PO	60	85
	CNA/Phys Plans	FP	25	
Delaware	PHICO	FP	65	90
	St. Paul	FP	25	
Dist. of Columb.	Nat'l Capital Recip	PO	75	85
	St. Paul	FP	10	
Florida	Phys Protective	PO	35	65
	FL Phys Ins	PO	15	
	CNA	FP	15	
Georgia	St. Paul	FP	40	80
	Mag Mutual	PO	40	
Hawaii	MIEC	PO	60	80
	Doctors' Company	PO	20	
Idaho	CNA	FP	70	95
	MIEC	PO	25	
Illinois	IL State Med Exchange	PO	70	85
	St. Paul	FP	15	
Indiana	Medical Protective	FP	55	85
	Phys Ins of Indiana	PO	30	
Iowa	St. Paul	FP	50	90
	Phys Mutual Ins Trust	PO	40	
Kansas	St. Paul	FP	40	80
	Medical Protective	FP	40	

Table 1 (continued)
Page 2

State	Company	Insurer Type	Market Share	Total Market
Kentucky	KMIC	PO	35	70
	Medical Protective	FP	25	
	St. Paul	FP	10	
Louisiana	LAMMICO	PO	40	70
	St. Paul	FP	30	
Maine	Medical Mutual of ME	PO	45	85
	St. Paul	FP	40	
Maryland	Medical Mutual Liability	PO	90	90
Massachusetts	MA MMJUA	SO	90	90
Michigan	MI Phys Mutual Liability	PO	35	70
	PICOM	PO	35	
Minnesota	Midwest Medical	PO	50	90
	St. Paul	FP	40	
Mississippi	Medical Assurance	PO	60	90
	St. Paul	FP	30	
Missouri	Medical Defense	PO	25	60
	MOMEDICO	PO	20	
	Medical Protective	FP	15	
Montana	Doctors' Company	PO	40	60
	St. Paul	FP	20	
Nebraska	St. Paul	FP	55	70
	Medical Liab Mutual of NE	PO	15	
Nevada	Doctors' Company	PO	55	95
	NV Med Liab Ins Co	PO	25	
	Med Ins Exchange of CA (1989-1991)	PO	15	
New Hampshire	NH MMJUA	SO	95	95
New Jersey	Med Inter-Ins Exchange	PO	60	90
	Princeton Insurance Co	FP	30	
New Mexico	NM Phys Mutual Liability	PO	85	90
	Medical Protective	FP	5	
New York	Medical Liability Mutual NY	PO	40	80
	Med Malp Insurance Assoc	PO	20	
	Phys Recip	PO	20	
North Carolina	St. Paul	FP	45	80
	Medical Mutual Insurance	PO	35	
North Dakota	Midwest Medical Insur Co	PO	50	90
	St. Paul	FP	40	

Table 1 (continued)

Page 3

State	Company	Insurer Type	Market Share	Total Market
Ohio	PIE Mutual	FP	75	95
	Phys Insurance Co of OH	PO	20	
Oklahoma	Phys Liab Ins Co of OK	PO	85	90
	St. Paul	FP	5	
Oregon	CNA	FP	45	85
	NW Physician Mutual	PO	30	
	NORCAL	PO	10	
Pennsylvania	PA Med Soc Liab Ins Co	PO	35	75
	Phys Insurance Co of PA	FP	30	
	Medical Protective	FP	10	
Puerto Rico	Seguro Triple-S (Corporacion Insular prior to 1991)	FP	25	75
	SIMED	SO	60	
Rhode Island	MMJUA of RI	SO	85	85
South Carolin	SC MMJUA	SO	75	85
	St. Paul	FP	10	
South Dakota	St. Paul	FP	50	85
	Midwest Med Insurance Co	PO	35	
Tennessee	State Volunteer Mutual	PO	80	90
	St. Paul	FP	10	
Texas	Medical Protective	FP	40	70
	TX Medical Liability Trust	PO	30	
Utah	UT Medical Insurance Assoc	PO	75	85
	St. Paul	FP	10	
Vermont	PHICO	FP	60	90
	St. Paul	FP	30	
Virginia	St. Paul	FP	55	90
	VA Insurance Reciprocal	PO	35	
Washington	WA St Phys Ins Exchange	PO	60	85
	CNA	FP	25	
West Virginia	PIE Mutual	FP	40	80
	CNA	FP	40	
Wisconsin	Physician Insurance of WI	PO	30	80
	Medical Protective	FP	30	
	WI Health Care Liability	PO	20	
Wyoming	Doctors' Co	PO	65	75
	St. Paul	FP	10	

FP = For-Profit;

PO = Physician-Owned;

SO = State-Operated (JUA).

GLOSSARY OF COMPANYS IN SURVEY

<u>COMPANY ABBREV.</u>	<u>COMPANY</u>
CNA	CNA
COPIC	Colorado Physicians Insurance Company
CORPORAC	Corporacion Insular de Seguras
CT Medical	Connecticut Medical Insurance Company
DOCTORS COMPANY	Doctors Company (WY,CA,CO,HI)
Fl Phys Ins	Florida Physicians Insurance Company
IL State Med Exchange	Illinois State Medical Exchange
KMIC	Kentucky Medical Insurance Company
LAMMICO	Louisiana Medical Mutual Insurance Company
MAG MUTUAL	MAG Mutual Insurance Company (Georgia)
MA MMJUA	Massachusetts Joint Underwriting Authority
Med Assurance	Medical Assurance of Mississippi
Med Defense	Medical Defense Association (Missouri)
Med Inter-Ins Exch	Medical Inter-Insurance Exchange (New Jersey)
Med Liab Mut of NE	Medical Liability Mutual of Nebraska
Med Mal Ins Assoc	Medical Malpractice Insurance Association (NY)
Med Mutual	Medical Mutual (North Carolina)
Med Mut Liab	Medical Mutual Liability Insurance Society of MD
Med Mut of ME	Medical Mutual Insurance Company of Maine
Med Liab Mut of NY	Medical Liability Mutual of New York
MEDICAL PROTECTIVE	Medical Protective (IN,TX,WI,NM,KS,KY)
MICA	Mutual Insurance Company of Alaska
MICAZ	Mutual Insurance Company of Arizona
MIEC	Medical Insurance Exchange of California
MI PHYS MUT LIAB	Michigan Physician Mutual Liability Company
Midwest Medical	Midwest Medical Insurance Company (ND,MN,SD)
MOMEDICO	Missouri Medical Insurance Company
Mutual Assurance	Mutual Assurance (Alabama)
Natl Capital Recip	National Capital Reciprocal Insurance Company (DC)
NH MMJUA	New Hampshire Joint Underwriting Authority
NM Phys Mut Liab	New Mexico Physicians Mutual Liability Company
NORCAL	NORCAL Mutual Insurance company (AK,CA)
NV Med liab Insur	Nevada Medical Liability Insurance Company
NW Phys	Northwest Physician Mutual Insurance Company (OR)
PHICO	PHICO Insurance Company (VT,DE)
Phys Ins	Physicians Insurance (Washington)
Physicians Insur Co	Physicians Insurance Company (Pennsylvania)
Phys Ins of Indiana	Physicians Insurance of Indiana
Phys Mut Ins Trust	Iowa Physicians Mutual Insurance Trust
Phys Protective	Physician Protective Trust Fund (Florida)
Phys Recip	Physicians Reciprocal Insurers
PICO	Physicians Insurance Company of Ohio
PICOM	Physicians Insurance Company of Michigan
PIE Mutual	Pie Mutual Insurance Company (Ohio)
PLICO	Physician Liability Insurance Company (Oklahoma)
PMSLIC	Pennsylvania Medical Society Liability Insurance
Princeton Insurance	The Princeton Insurance Company (New Jersey)
RI MMJUA	Rhode Island Joint Underwriting Authority
SCPIE	Southern California Physician Insurance Exchange
SC MMJUA	South Carolina Joint Underwriting Authority
Seguro Triple-S	Seguro Triple-S (Puerto Rico)
SIMED	SIMED (Puerto Rico)
State Volunteer	State Volunteer Mutual Insurance Company (TN)
ST PAUL	St Paul
Texas Med Liab Trust	Texas Medical Liability Trust
Utah med Insur Assoc	Utah Medical Insurance Association
VA Insur Recip	Virginia Insurance Reciprocal
WI HC Liab Ins Plan	Wisconsin Health Care liability Insurance Plan
WI Phys Ins Co	Wisconsin Physicians Insurance Company

shares supplied by the state insurance agencies and information on the numbers of doctors in each state, we computed the national market shares of the companies in our sample.⁵ Table 2 displays the results of these computations. These figures are quite similar to those published by AM Best for 1991. For example, in our data St. Paul has a national market share of 10.2 percent, whereas Best reports their share at about 12 percent. Differences may be attributable to Best's inclusion of the hospital insurance market in their analysis.

This 1992 follow-up of the initial survey to collect representative premium information identified changes in insurance markets which resulted in a slight modification of our sample of companies. Except in New York, Nevada and Puerto Rico, the insurance companies and their market shares were the same as those in our previous study. In New York, Physicians Reciprocal Insurers, who supplied approximately 20 percent of the insurance to physicians in New York was added. In Nevada, state insurance officials suggested that the Medical Insurance Exchange of California no longer provided a significant share of the liability insurance and did not provide us with data. In Puerto Rico, Corporacion Insular De Seguros was replaced by Seguro Triple-S. According to officials at the Puerto Rican Medical Association, SIMED, the other primary supplier of liability insurance increased its market share to 60 percent by 1992. Overall, we collected premium information from 59 companies, 46 physician-owned, 9 for-profit and 4 JUAs.

PCF Costs. Eight states have PCF programs. In four states -- Kansas, Pennsylvania, New Mexico and Wisconsin -- participation in the fund is mandatory. In the rest of the states -- Indiana, Louisiana, Nebraska and South Carolina -- participation in the fund is optional. Knowing the required basic limits and the surcharge by year allows us to compute the

⁵Information on the number of doctors in each state in 1990 was derived from the 1992 Area Resource File.

Table 2

**National Market Shares of Top 15
Medical Malpractice Insurers**

Companies	Percentage of Doctors in Sample
St. Paul	10.17%
Medical Protective	6.33
Doctors Company	6.17
SCPIE	5.95
Medical Liability of New York	4.55
Norcal	4.50
IL State Medical Exchange	3.86
Pie Mutual	3.83
MA MMJUA	3.48
CNA	3.38
Medical Mutual Liability	2.78
Medical Inter-Insurance Exchange	2.70
Physician Protective	2.41
Medical Malpractice Insurance Assoc.	2.27
Phys Reciprocal	2.27

Source: Urban Institute Survey of State Insurance Agencies and Area Resource File 1992.

premium reflecting PCF costs. These relevant characteristics of the PCF programs in 1990, 1991 and 1992 are displayed in Table 3. All the companies in these states provided a premium for the required privately-purchased coverage limits. These premiums are then multiplied by the PCF surcharge to arrive at the costs of malpractice coverage in each PCF state.

Following the methodology for the index used in the MFS, we only apply the PCF factors in those states that mandate contributions. In this way, the MGPCI captures geographic cost differences that are beyond the physicians control. However, it may not be appropriate to assume that PCF coverage is necessarily equal to that provided by a \$1 million/\$3 million policy. This is especially true when the maximum PCF coverage limits are substantially lower than \$1 million per claim. In New Mexico, a mandatory PCF state, coverage is only up to \$500,000 per claim, suggesting that the PCF adjustment should not be applied to the base premiums. This means that New Mexico, and the optional PCF states, will be treated as non-PCF states. Their MGPCIs will be based on the premium for a \$1 million/\$3 million policy charged by their major insurers.

JUA Costs. In four states -- New Hampshire, South Carolina, Rhode Island and Massachusetts -- physicians are insured largely through JUAs. During the period covered by our data, only two of these JUAs (New Hampshire and Massachusetts) imposed retroactive premium adjustments for the purposes of covering a deficit from a previous year, and as a result, require adjustment for use in the MGPCI computation. In South Carolina, the JUA

Table 3
PCF Adjustments

	Required Limits	Surcharge to Basic Premium	PCF Limit
<u>Mandatory PCFs</u>			
Kansas			
1990	200/600	135.0	1m/3m ¹
1991	200/600	120.0	1m/3m ¹
1992	200/600	85.0	1m/3m ¹
Pennsylvania			
1990	200/600	50.0	1m/3m
1991	200/600	68.0	1m/3m
1992	200/600	90.0	1m/3m
Wisconsin			
1990	400/1m	n.a. ²	Unlimited
1991	400/1m	n.a. ²	Unlimited
1992	400/1m	n.a. ²	Unlimited
New Mexico			
1990	100/300	66.0	500/unlimited
1991	100/300	66.0	500/unlimited
1992	150/450 ³	66.0	500/unlimited
<u>Optional PCFs</u>			
Indiana			
1990	100/300	125.0	750/unlimited
1991	100/300	125.0	750/unlimited
1992	100/300	125.0	750/unlimited
South Carolina			
1990	100/300	30.0	Unlimited
1991	100/300	20.0	Unlimited
1992	100/300	10.0	Unlimited
Louisiana			
1990	100/300	33.0	500/unlimited
1991	100/300	35.6	500/unlimited
1992	100/300	39.0	500/unlimited
Nebraska			
1990	200/600	40.0	1m/3m
1991	200/600	35.0	1m/3m
1992	200/600	40.0	1m/3m

Source: Urban Institute Survey of State Insurance Agencies.

1. Three limits offered; 65 percent chose 1m/3m policy shown.
2. Wisconsin has specific premiums by class which it charges for PCF coverage.
3. Starting July 1, 1991, 150/450 instead of 100/300.

typically recovers underwriting losses by adjusting premiums charged to policy holders each year, much as other insurance agencies adjust premiums to reflect market conditions.⁶

In Rhode Island, physicians are required to pay an amount equal to 1/3 of their first year premium into a contingency fund to cover potential shortfalls. Because this is a one-time payment, it would have to somehow be amortized over the career of a physician to be included in the annual premium for a malpractice policy. Rather than making some arbitrary decisions regarding how to allocate these up-front payments, we have not included it in the premium data. This is analogous to excluding the costs of "tail" coverage that physicians are required to purchase to insure against as yet unmade claims when they retire or change companies.

In 1987, the Massachusetts JUA began billing policy holders for deficits accumulated for the years 1983 through 1985. The recovery was completed over a five year period, ending in 1991. Surcharges were computed as a percentage of each year's premiums and varied both over time and according to the physician's risk class. In New Hampshire, physicians have been paying 15 percent in excess of their premiums to a stabilization reserve fund since 1986. These payments will not end until the states determines that deficits incurred prior to 1986 have been paid-off. All relevant years of Massachusetts and New Hampshire data are adjusted to reflect these surcharges.

Other Adjustments and Caveats. Five companies could not supply 1m/3m premiums because they did not offer a 1m/3m policy at some point during the survey period. The three companies that offered or are offering only 1m/1m are: in Oklahoma (Physicians

⁶South Carolina also has provisions for retroactive assessment, where policy holders can be charged up to 100 percent of their current premium, and insurance companies may be assessed for lost funds. These options, however, have never been utilized.

Insurance Liability Company); in Iowa (Iowa Physician Mutual Insurance Trust); and in Virginia (Virginia Insurance Reciprocal). In Puerto Rico, SIMED and Corporacion Insular de Seguros offered only 100/300 limits of coverage. In order to facilitate comparisons across areas, we use the St. Paul excess coverage factors to adjust premiums from 100/300 in Puerto Rico and 1m/1m in Iowa, Oklahoma, and Virginia to the 1m/3m used for the rest of the states. In Hawaii, the Doctors' Company, representing 20 percent of the market, could not provide policy information for 1990. This limited the information available to the MGPCI calculation in Hawaii in 1990.

III. ALTERNATIVE UPDATES OF THE MGPCI

The goal of the MGPCI is to accurately measure geographic differences in the cost of malpractice insurance providing a uniform level of coverage. The original index uses the premium for a \$1 million/ \$3 million mature claims-made policy for 1985 and 1986 as the basis for comparison because it is the modal level of coverage purchased by physicians. For each area, geographic differentials for general practitioners, general surgeons, and orthopedists are averaged to arrive at a differential relevant to a range of risk classes. In addition, in three states (Kansas, Pennsylvania, and Wisconsin) that mandate that their physicians join PCFs, premiums have been adjusted to reflect these costs. Each specialty's index value is equal to the ratio of the area's premium to the population-weighted average premium across all areas. In order to capture intra-state variations in premiums, the premium data are mapped from county-specific observations to the locality level using a crosswalk developed by the Urban Institute. (This crosswalk has been updated for this report by Health Economics Research, Inc. to reflect the distribution of population in 1990.)

In developing updates of the MGPCI, there are several changes that are common to all alternatives. First, all of the population data used in creating state-level or national averages are drawn from the 1990 Census. The earlier indices used U.S. population weights from 1980. Second, premiums in Massachusetts and New Hampshire are adjusted to take into account the "deferred premium liability" assessments imposed by the JUA in these states. These are mandatory payments that affect physician costs in a manner analogous to the PCF surcharges and are similarly incorporated into the MGPCI. Third, premium information for Puerto Rico is used in the computation of the national average premiums. In earlier versions, Puerto Rico premiums were compared to national averages computed without data from Puerto Rico.

The three areas of potential revisions in the MGPCI that generate the options to be considered relate to the number of years of data upon which to base the index, the number of specialties whose premiums are represented, and the use of population weights versus relative values for weighting purposes. When developing the original MGPCI, Welch, Zuckerman, and Pope (1989) observed a substantial amount of variability in the geographic differentials between 1985 and 1986. This led them to base the MGPCI on an average of two years of data in order to reduce its sensitivity to atypical patterns in any single year. This was important because of the significant lag between the year of the data and the year of the implementation of the Fee Schedule. The new data available allows us to further reduce the impact of year-to-year variations and enhance the MGPCI's stability by basing the index on a three-year average of geographic differentials in malpractice costs.

In addition, the completeness of the new premium data affords us the opportunity to expand the number of specialties from the three used originally to all of the major Medicare

specialties. The goal of expanding the number of specialties included in the MGPCI would be to enhance its credibility as a representative measure of the average differential in premiums across all specialties. The reason for wanting the MGPCI to be representative of all specialties is that the MFS uses the same index to adjust the malpractice component of all fees. Selecting the precise number of specialties to include is somewhat arbitrary. We decided to develop an index based on the 20 specialties accounting for the largest shares of Medicare physician spending. These specialties accounted for 74 percent of total Part B spending in 1990 and an even larger share of spending covered under the Medicare Fee Schedule.

Specific MGPCI Alternatives. There are four specific MGPCI alternatives that we consider. The first two rely on using the three-year average of premiums for 1990, 1991, and 1992. One is based on the same three specialties (i.e., risk classes) used previously and the other is based on the 20 specialties shown in Table 4. As can be seen, the weights assigned to each of the 20 specialties can be combined into the weights used for the three specialties. Conceptually, as discussed above, there is reason to favor the three-year, 20-specialty option for the revised MGPCI.

Perhaps the major drawback of this approach is that it incorporates data that would be five years old in 1995, the likely update year. If there were another three year period before further updating, HCFA would be using an MGPCI with seven year old data in 1997. These concerns might suggest that updates be based on the most recent year of available data. This would keep the gap between the data and the current year to a minimum. Therefore, we develop two MGPCI options using only 1992 data; again with one based on three specialties and one based on 20 specialties. Although this approach runs the risk of basing the MGPCI

Table 4

MGPCI Weights by Low, Medium and High risk
for Top 20 Medicare Specialties (1990)

Specialty	MGPCI Weights
Low Risk	58.70%
Cardiology	9.00
Dermatology	2.12
General/Family Practice	9.42
Gastroenterology	2.95
Internal Medicine	18.46
Neurology	1.54
Pathology	1.47
Psychiatry	1.64
Pulmonary Disease	1.83
Radiology	10.27
Medium Risk	34.70%
General Surgery	7.16
Anesthesiology	4.34
Obstetrics/Gynecology ^a	0.81
Ophthalmology	13.09
Plastic Surgery	0.56
Thoracic Surgery	3.41
Urology	4.06
Otolaryngology	1.25
High Risk	6.60%
Neurosurgery	0.98
Orthopedic Surgery	5.62

Source: 1990 Medicare Part B Annual Data Procedure File

Note: The weight for low-risk is used as the weight for GP premiums in the 3-specialty MGPCI, medium risk for general surgeons, and high risk for orthopedic surgeons. In the original MGPCI the weights are 0.55, 0.33, 0.12 for the low-, middle-, and high-risk specialties, respectively.

- a. Obstetrics is listed as a medium-risk specialty because this specialty does not generally provide high-risk services (i.e., obstetrics) to the Medicare population. The premium used for this specialty in the MGPCI is the one insurers charge to OB/GYNs who provided gynecologic care only.

on a single, potentially atypical year, it may be acceptable because of the mandated transition that requires HCFA to blend updated GPCIs with current GPCIs if the indices are not revised annually. This transition will give equal weight to the updated and current indices in the first year and reduces the initial change in the magnitude of the index value by 50 percent. This process reduces the impact of possible anomalies in a single year index and may make employing a "most recent data" approach more feasible than it might have been otherwise.

Computation Method. Data from the 59 companies were compiled into 52 individual state-specific files (including Puerto Rico and District of Columbia). In each file, there was a unique observation for each company/rating area/year combination that is present. Using the risk classification definitions provided by each insurer, we translated the risk class premiums into individual specialty premiums. These raw data were used as the input into a county-level file that is the basis for the analyses that follow.

The state files were mapped to the county-level according to the rating area definitions used by each company. In 39 states, the rating area was the entire state for all companies (i.e., every county in the state received the same premium value). For the remaining 13 states, company-level rating area definitions were applied to create an accurate mapping algorithm.⁷ In states where malpractice rates vary, the insurer charges rates based on the county within which the physician practices. The Southern California Physician Insurance Exchange (SCPIE), for example, has separate premiums for five areas -- defined by groupings of counties -- in California. Within our sample, sub-state insurance pricing areas are not uniform across companies within a state, nor in some cases, consistent across

⁷The 13 states with sub-state rating areas are California, Florida, Illinois, Indiana, Louisiana, Maryland, Michigan, Missouri, New York, Ohio, Pennsylvania, Texas, and Virginia.

time within a company. Thus, while SCPIE has a sub-state pricing area that includes only Los Angeles county, the Doctor's Company has a sub-state pricing area that includes Los Angeles, San Bernadino and San Diego.

For each specialty on this county-level file, the premiums for different companies are aggregated to a "market-weighted" average. The weights are equal to the overall market share of each company, as reported by the state insurance departments. Although each insurer may not have the same market share for all specialties, we had no alternative but to assume the company's overall market share applied to all specialties. In addition to premium information, the analysis files contain specialty expenditure weights from the 1990 BMAD Procedure File. Table 4 displays the twenty specialties with the greatest share of Medicare allowed charges and their shares of Medicare physician spending used as weights in the MGPCI. From these data, the weights for the three specialties used in the original MGPCI-- general practitioners (a low risk group), general surgeons (a moderate-risk group), and orthopedic surgeons (a high risk group) -- can also be derived.⁸ Each weight represents the approximate share of Medicare allowed charges for each risk grouping.

The steps involved in computing the actual index follow our earlier work and are fairly straightforward. Given the county-level premiums for each specialty, we computed a population-weighted national average premium by specialty using 1990 population as the weights. A county-level, specialty-specific index is derived by dividing each premium by the

⁸When three specialties are used to compute the MGPCI, the weight for general practitioners equals the weight for that specialty plus the weights for cardiology, dermatology, gastroenterology, internal medicine, neurology, pathology, psychiatry, pulmonary diseases, and radiology. The weight for general surgeons equals the sum of the weights for general surgery, anesthesiology, obstetrics/gynecology, ophthalmology, plastic surgery, thoracic surgery, urology, and otorhinolaryngology. The weight for orthopedic surgeons also includes the weight for neurosurgeons. This is the same approach used to derive weights for the three specialties used in the current MGPCI.

national average for that specialty. These county-level indices are combined to either the state or locality based again on the population in each county. To create a single MGPCI from the specialty-specific indices, we aggregate across specialties using each specialty's national share of 1990 Medicare allowed charges as the weight. These are the weights shown in Table 4. As can be seen, the 20 specialties can be aggregated to the 3 specialties used previously.

IV. IMPACT OF MGPCI ALTERNATIVES

To assess the impact of the various alternatives, we compute the changes in the MGPCI value that would occur in each locality as a result of moving from the original index to each option. The changes are presented on a locality-by-locality basis in Appendices A through D. In each appendix the localities are listed in ascending order from those losing the most to those gaining the most. It is important to think about these changes in the MGPCI in the context of the overall geographic adjustment factor (GAF) in the MFS. Given that the share of the GAF that is associated with malpractice costs is only about 5 percent, any change in the MGPCI only applies to about 5 percent of the fee on average. Therefore, fee changes resulting from MGPCI changes will only be one-twentieth as large as the MGPCI change. For example, the 75 percentage point decrease in the MGPCI in some of the smaller California localities (using the 20-specialty, 1990-1992 approach in Appendix B) would result in a less than 4 percentage point decrease in fees, on average, in those localities. At the other extreme, is the Detroit, MI locality. Though the corresponding MGPCI increases by 148 percentage points, the area's average fees would be projected to rise by about 7 percentage

points. We summarize the contents of Appendices A through D in Table 5 in order to contrast the options more easily.

Table 5 shows that the changes associated with all of the options are large in most localities. At least 70 percent of the localities will experience changes greater than 10 percentage points no matter which option is selected. Over one-fifth of localities would see their MGPCI value change by over 40 percentage points. There tend to be more gaining than losing localities because of some large reductions in premiums in several populous state that reduced the population-weighted national average premiums. In addition, relatively low premiums in Puerto Rico - that are now included in the MGPCI computation - lower the national average slightly, adding to the number of gaining localities.

Looking across all of the options it is hard to favor one over another in the interest of keeping the MGPCIs stable. However, there are some differences worth noting. The single-year, 20-specialty index causes changes of over 40 percentage points in 92 out of the 232 localities. The three-year, 20-specialty index, on the other hand, results in changes of over 40 percentage point in only 55 localities; a large number but well below the single-year version. If a decision is made to expand the number of specialties represented in the MGPCI, it appears that using an index that averages across three years will result in smaller changes and may be preferable.

If the 3-specialty approach is retained, then these distributions indicate that choosing an index based on the single most recent year of data may be feasible. Although there are fewer changes of less than 10 percentage points associated with the single-year index than the three-year average, the changes are not so large as to make it obviously less desirable in this instance. The main arguments against selecting an update based solely on 1992 data is that

Table 5

Distribution of Changes in MGPCI Values by Update Alternative
(Total Number of Localities = 232)

Change	1990-1991-1992		1992	
	3 Specialty	20 Specialty	3 Specialty	20 Specialty
Greater than 40% Decrease	39 (17%)	30 (13%)	40 (17%)	37 (16%)
25% to 40% Decrease	22 (9%)	26 (11%)	21 (9%)	19 (8%)
10% to 25% Decrease	17 (7%)	26 (11%)	21 (9%)	33 (14%)
10% Decrease to 10% Increase	70 (30%)	39 (17%)	41 (18%)	38 (16%)
10% to 25% Increase	22 (9%)	54 (23%)	39 (17%)	27 (12%)
25% to 40% Increase	43 (19%)	32 (14%)	46 (20%)	23 (10%)
Greater than 40% Increase	21 (9%)	25 (11%)	24 (10%)	55 (24%)

geographic differentials in premiums have been shown to be volatile (see Welch, et.al., 1989) and that premiums during the 1990-1992 period have been stable or falling in many areas. It could be that future updates would be done at different points in the malpractice premium cycle eliminating the similarities between a three-year and a single-year approach. This suggests that basing the decision to update with a single-year index on the empirical findings from the period covered in this study is not advisable.

Explaining the Changes. Beyond merely contrasting the alternatives with each other, it is useful to explore the causes of the widespread changes in the MGPCI values more closely. Because of the largely state-based nature of malpractice markets and the premium data being used, this discussion can focus on the types of changes in state-level indices that were explained in Zuckerman, Norton, and Wadler (1992). Using a 3-specialty index based on 1989-1991 data, they found 33 states whose MGPCI changed by more than 10 percentage points when the representative data set was used instead of the original data. In 28 of these 33 states, they found that the large changes could be traced to the source of premium data. We compute similar state-level indices for a 3-specialty, 3-year (1990-1992) MGPCI to facilitate discussion of the changes.

According to data in Table 6, we find 32 states with changes in excess of 10 percentage points. Though the composition of states is not identical to the earlier study, it is still the case that 28 of these 32 states are based on substantially different companies' data than used in the original index. In most of these instances, this means replacing St. Paul premiums with either other companies' premiums or a combination of premiums from St.

Table 6
Impact of 3-Specialty 1990-92 Data on MGPCI, by State
(ascending order of change)

State	Original MGPCI	3-Specialty 1990-92 MGPCI	Change
California	1.370	0.789	-0.58
Pennsylvania	1.268	0.820	-0.45
New Jersey	1.153	0.758	-0.40
Illinois	1.458	1.088	-0.37
Washington	1.064	0.787	-0.28
Oregon	0.951	0.683	-0.27
South Dakota	0.688	0.421	-0.27
Idaho	0.889	0.632	-0.26
Nevada	1.144	0.952	-0.19
Puerto Rico	0.466	0.299	-0.17
Indiana	0.529	0.378	-0.15
Minnesota	0.748	0.613	-0.13
South Carolina	0.448	0.336	-0.11
North Dakota	0.688	0.594	-0.09
Virginia	0.632	0.544	-0.09
Vermont	0.533	0.449	-0.08
Utah	0.739	0.660	-0.08
Missouri	1.247	1.182	-0.07
Connecticut	1.102	1.080	-0.02
Oklahoma	0.516	0.496	-0.02
District of Columbia	0.922	0.911	-0.01
Louisiana	0.913	0.909	-0.00
Nebraska	0.435	0.442	0.01
Iowa	0.666	0.691	0.03
Ohio	0.920	0.963	0.04
North Carolina	0.378	0.425	0.05
Hawaii	1.025	1.074	0.05
Kansas	1.134	1.185	0.05
Mississippi	0.650	0.703	0.05
New York	1.547	1.626	0.08
Alabama	0.824	0.907	0.08
Montana	0.718	0.802	0.08
Delaware	0.664	0.752	0.09
Arkansas	0.302	0.417	0.12
Maryland	0.921	1.036	0.12
New Mexico	0.767	0.903	0.14
Kentucky	0.667	0.804	0.14
Wyoming	0.641	0.793	0.15
Maine	0.716	0.885	0.17
Georgia	0.752	0.942	0.19
Massachusetts	0.855	1.053	0.20
Tennessee	0.407	0.614	0.21
Colorado	0.683	0.973	0.29
West Virginia	0.688	0.993	0.30
New Hampshire	0.602	0.932	0.33
Arizona	1.255	1.602	0.35
Texas	0.530	0.916	0.39
Wisconsin	0.762	1.202	0.44
Florida	1.258	1.726	0.47
Rhode Island	0.734	1.486	0.75
Alaska	1.042	1.862	0.82
Michigan	1.447	2.523	1.08

Note: District of Columbia, Maryland, and Virginia are based on state boundaries, not Medicare carrier designations.

Paul and another company.⁹ For example, for the MGPCI option used in Table 6, the new data source suggests an increase of 39 percentage points in Texas, a state where St. Paul data was replaced by data from three other insurers. In the case of New Jersey, completely replacing the St. Paul data leads to a 40 percentage point decrease in the MGPCI. Partially replacing St. Paul can lead to similarly diverse effects. For example, substantially reducing St. Paul's importance results in a 37 percentage point reduction and a 21 percentage point increase in Illinois and Tennessee, respectively.

Of the remaining 4 states whose MGPCI value changes by more than 10 percentage points in Table 6, two experienced large increases (Massachusetts and Arkansas) and two experienced large decreases (California and Puerto Rico). The increase in Massachusetts is due to the inclusion of the JUA deferred premium liability adjustment that was relevant in 1990 and 1991. Arkansas is simply an example of a state which experienced substantial premium growth relative to the rest of the country; there were no changes in the source of premium data. The reduction in Puerto Rico is due to the fact that nominal premiums in that area have not changed since 1986.¹⁰

Given its population size and the magnitude of the reduction in its MGPCI, California is the state that warrants careful attention. Medical Liability Monitor (MLM) -- a professional liability industry newsletter -- cites the state's tort reform program as the reason for its move from being one of the most expensive states in the country to one of the least

⁹We had no premium data for 1985 or 1986 in five states included in the original index. These were Alaska, Hawaii, New Hampshire, New Mexico, and Rhode Island. Premiums were imputed in these states. As Table 1 shows, we now have actual premiums for all areas. With the exception of Hawaii, the MGPCI changes by more than 10 percentage points in these states (Table 6).

¹⁰Our survey of insurers suggests that premiums are likely to rise substantially in 1993. This is probably worth keeping in mind in light of the low MGPCI value in Puerto Rico and the likelihood that an update will not occur until 1995.

expensive. While MLM's attribution of the reduction to the tort reforms appears to be based on anecdotal evidence, a premium survey conducted by the newsletter shows that California's premiums were among the lowest in the country by the late 1980's. Data presented in Welch, Zuckerman, and Pope (1989) also showed the beginning of this downward movement in this state. In 1985, California's premiums were 65 percent above the national average. However, by 1986, this differential had fallen to 12 percent. In light of the fact that the updated MGPCI is based on three years of data, it appears to provide an accurate estimate of the current relative costliness of malpractice premiums in California.

The decision regarding the number of specialties to include in the MGPCI should not be viewed as being without empirical consequence. As shown in Zuckerman, Norton, and Wadler (1992), expanding the number of specialties can increase or decrease MGPCI values substantially. For example, they found that moving from the 3-specialty approach to the 20-specialty approach raised the MGPCI by 28 percentage points in the District of Columbia and lowered it in Arizona and New York by 26 and 24 percentage points, respectively. However, it is worth noting that in 45 of 52 states (including DC and Puerto Rico) the change in the numbers of specialties changed the MGPCI by less than 10 percentage points. They showed that, in the areas where changes were large, the relative premiums for some or all of the specialties not included in the 3-specialty approach differed considerably from the 3 included specialties. In the District of Columbia, for example, GPs had premiums that are 35 percent below the national average for GPs, whereas internists and radiologists (2 of the 10 specialties represented by GPs) had premiums 12 percent above their respective national averages. Table 7 shows the state-level differences between the 3-specialty and 20-specialty MGPCI using

Table 7
Impact of Expanding Number of Specialties in MGPCI Based on 1990-92 Data, by State
(ascending order of change)

State Name	3 Speciality 1990-92 MGPCI	20 Specialty 1990-92 MGPCI	Change
Arizona	1.603	1.373	-0.230
New York	1.627	1.436	-0.191
Alaska	1.863	1.681	-0.182
Hawaii	1.075	0.956	-0.119
Colorado	0.974	0.860	-0.114
Maine	0.885	0.790	-0.095
California	0.789	0.699	-0.090
New Mexico	0.902	0.823	-0.079
Tennessee	0.614	0.544	-0.070
Connecticut	1.080	1.041	-0.039
Massachusetts	1.052	1.016	-0.036
Nevada	0.952	0.922	-0.030
Michigan	2.525	2.500	-0.025
Idaho	0.632	0.612	-0.020
Puerto Rico	0.299	0.279	-0.020
Oregon	0.683	0.663	-0.020
Montana	0.802	0.787	-0.015
Washington	0.787	0.778	-0.009
Indiana	0.377	0.368	-0.009
Georgia	0.942	0.939	-0.003
Wisconsin	1.202	1.207	0.005
Minnesota	0.613	0.618	0.005
Oklahoma	0.496	0.501	0.005
Utah	0.660	0.669	0.009
Iowa	0.691	0.706	0.015
Nebraska	0.442	0.462	0.020
New Hampshire	0.932	0.952	0.020
Vermont	0.449	0.470	0.021
Arkansas	0.417	0.444	0.027
North Carolina	0.425	0.453	0.028
Maryland	1.036	1.065	0.029
Florida	1.726	1.759	0.033
New Jersey	0.757	0.792	0.035
Virginia	0.544	0.580	0.036
South Carolina	0.335	0.375	0.040
South Dakota	0.421	0.461	0.040
North Dakota	0.594	0.641	0.047
Kentucky	0.804	0.852	0.048
Missouri	1.182	1.231	0.049
Wyoming	0.793	0.844	0.051
West Virginia	0.993	1.044	0.051
Mississippi	0.703	0.756	0.053
Kansas	1.186	1.240	0.054
Alabama	0.907	0.964	0.057
Louisiana	0.909	0.971	0.062
Delaware	0.752	0.824	0.072
Texas	0.916	1.009	0.093
Illinois	1.088	1.191	0.103
Pennsylvania	0.820	0.946	0.126
Ohio	0.963	1.095	0.132
Rhode Island	1.486	1.632	0.146
District of Columbia	0.910	1.202	0.292

Note: District of Columbia, Maryland, and Virginia are based on state boundaries, not Medicare carrier designations.

1990, 1991 and 1992 premium data. These differences identify the same states as the earlier analysis as being most affected by the specialty decision.

V. ASSESSMENT OF MGPCI ALTERNATIVES

As has been true at all stages of the development of the GPCIs, decisions about the best approach to follow need to be based on the soundness of the methodology and the data as opposed to the resulting GPCI values. This is equally true in updating the MGPCI. All of the updates differ substantially from the original index, although the conceptual basis of the options - a comparison of premiums for a \$1 million/\$3 million mature claims made policy - has not changed. The main methodological refinements relate to the source of the data and the range of risk classes represented in the index. Given the magnitude of the changes associated with the 3-specialty, 3-year MGPCI option (the approach closest to the original index), it appears that relying on a new source of data that is both more recent and drawn from a more representative set of companies is the primary cause of the changes.

However, given geographic (i.e., insurer) variation in the classification of specialties into risk groups, the specific MGPCI values that are used in the update are sensitive to the choice of specialties included in the index. In some areas (e.g., District of Columbia, Arizona, and New York), the geographic differentials in premiums for general practitioners, general surgeons, and orthopedists (the three original specialties) relative to each specialty's national average are quite different than the differentials that exist for other specialties. This means that choosing to expand the range of specialties used to compute the index on the grounds that it provides a better method for deriving an index to be applied to all specialties is a decision that will have some redistributive impact (discussed below). However, it might

be difficult to defend the 3-specialty approach in areas whose index values would increase as result of incorporating more specialties' premiums in the MGPCI. Moreover, areas that are hurt by a move to a 20-specialty index will find it difficult to argue that major Medicare specialties (e.g., thoracic surgeons, ophthalmologists, and cardiologists) should be excluded from the MGPCI. This leads to the conclusion that expanding the number of specialties from 3 to 20 is a desirable refinement of the MGPCI methodology.

In terms of the number of years of data to be used in the computation of the MGPCI, the potential for instability in geographic differentials across years makes it desirable to average across several years. This update expands the number of years of data used in the averaging from 2 to 3.¹¹ The main argument against using additional years of data is that it increases the resources required for data collection. In the limit, using the most recent single year could seem like an attempt to keep the MGPCI as current as possible. However, given the lags between development and implementation of the MGPCI and the inherent instability of an annual index, an index based on a single year of data runs the risk of introducing inappropriate anomalies into the malpractice adjuster. Based on the options presented here, this suggests a preference for the 3-year index based on data from 1990, 1991, and 1992.

To gauge the extent of the redistribution that would be caused by an expansion of the number of specialties and years of data used in the index, we computed an overall GAF assuming only the MGPCI component had been revised. We replaced the original MGPCI with the revised index based on 20 specialties and 1990-1992 data. In the original GAF, malpractice costs represents about 5.6 percent of total costs, on average. Therefore, to conduct this simulation, we assign the MGPCI a weight of 5.6 percent. Locality-level results

¹¹ Analysis not discussed above shows that moving from 2 to 3 three years has little impact on the MGPCI.

are shown in Appendix E. This simulation indicates that no locality will experience an average fee reduction of greater than 4.2 percent. In fact, about 84 percent of localities (194 out of 232) would see their fee fall, on average, by less than 3 percent. Although changes associated with this revision of the MGPCI would not be trivial, these results show that average fees would change by much less than the MGPCI itself.

VI. RVU WEIGHTING AND CURRENT LOCALITIES

In order to facilitate comparison between the original MGPCI used during the first three years of MFS and the options for revision, the previous sections in this report have used both population weighting to derive national average premiums and the locality structure that was in place in 1992 (the year the MGPCI was first used). However, a revised MGPCI that can be used in 1995 needs both to reflect the locality structure that will be in effect in 1995 and, given HCFA's interest in weights based on service volume, to compute national average premiums using RVU weights, as opposed to population. As a result of Ohio and North Carolina deciding to use statewide payment areas in 1994, the number of localities has been reduced from 232 to 216. The tables in this section reflect this locality configuration.

Appendix F shows the MGPCI values from the population-weighted MGPCI based on 20 specialties and three years of premium data and an otherwise similar index that uses RVU weighting. As can be seen, all of the MGPCI values decline as a result of moving to RVU weighting.¹² The reason for this is that the RVU-weighted national average premiums are all higher than the population-weighted average premiums. In fact, averaging across all

¹²The reader may note some small differences between the population-weighted values presented in this section and those presented in earlier sections. This is caused by revisions in the 1990 population counts that occurred at the time the revised county-to-locality crosswalk (that results in 216 localities) was being finalized.

specialties, the national average premium is about 6.6 percent higher using RVU weights. This results in a near-uniform percent reduction across all areas.¹³ In absolute terms, however, the MGPCI value falls by more in the high-premium areas than in low-premium areas. This narrows the range of MGPCI values, i.e., the low-premium areas gain relative to the high-premium areas. Recall that all changes in fees will be substantially smaller than the changes in the MGPCIs.

Based on the analysis presented in this report, HCFA has decided to revise the MGPCI by replacing the original index with one computed from 1990-1992 premium data for 20 specialties using RVU weights. Given this decision, there are two issues that must be addressed. First, because the MGPCI is simply designed to distribute payments for malpractice costs across localities according to actual premiums differences, a revision should not affect the total payments made for malpractice RVUs under the MFS. However, HCFA actuaries determined that the changes embodied in the RVU-weighted index presented in Appendix F would result in a reduction in malpractice payments. To correct this unintended consequence of the revision, the actuaries derived a rescaling factor that raises the MGPCI in all areas. The value of this multiplicative rescaling factor is 1.02307, suggesting that the revision might have reduced payments by 2.3 percent. The rescaled MGPCI revision is presented in Appendix G.

¹³At the county-level, all of the MGPCI values fall by the same amount in percentage terms when RVUs replace population as the basis of weighting. However, within localities (aggregations of counties or parts of counties) the distribution of RVUs differs from the distribution of population. This can cause the locality-level change in the MGPCI to differ from the change in the component counties. These differences can be large when the counties have dramatically different relative malpractice costs. For example the Rockford, IL locality is made up of Boone, Winnebago and McHenry counties. Premiums are about 60 percent higher in McHenry than in the other two counties. But, McHenry county gets a smaller weight based on RVUs than based on population. As a result the RVU-weighted MGPCI for the Rockford, IL locality is reduced by more than the county-level MGPCIs. This occurs because the higher-cost locality gets a smaller weight using RVUs.

The second issue relates to the Congressionally-required transition. If any of the GPCIs are not updated annually, when they are revised there must be a transition year during which the GPCI is the simple average of the old and new index numbers. The effect of this rule is that only 50 percent of the impact of the revised index will be experienced during the transition year. The transition year index is also presented in Appendix G. The revised index would be fully implemented in 1996, with 1995 being the transition year. The labelling of the indices in Appendix G reflects this timing.

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APPENDIX A

Impact of 3-Specialty 1990-92 MGPCI, by Locality

APPENDIX A

IMPACT OF 3-SPECIALTY 1990-92 MGPCI, BY LOCALITY
(ascending order of change)

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1990-92 MGPCI	Change
00542	01	N. COASTAL CNTYS, CA	1.370	0.701	-.669
00542	02	NE RURAL CA	1.370	0.701	-.669
00542	03	MARIN/NAPA/SOLANO, CA	1.370	0.701	-.669
00542	04	SACRAMENTO/SURR. CNTYS, CA	1.370	0.701	-.669
00542	05	SAN FRANCISCO, CA	1.370	0.701	-.669
00542	06	SAN MATEO, CA	1.370	0.701	-.669
00542	07	OAKLAND-BERKELEY, CA	1.370	0.701	-.669
00542	08	STOCKTON/SURR. CNTYS, CA	1.370	0.701	-.669
00542	09	SANTA CLARA, CA	1.370	0.701	-.669
00542	10	MERCED/SURR. CNTYS, CA	1.370	0.701	-.669
00542	11	FRESNO/MADERA, CA	1.370	0.701	-.669
00542	12	MONTEREY/SANTA CRUZ, CA	1.370	0.701	-.669
00542	13	KINGS/TULARE, CA	1.370	0.701	-.669
02050	28	SAN DIEGO/IMPERIAL, CA	1.370	0.730	-.640
00542	27	RIVERSIDE, CA	1.370	0.781	-.589
00865	02	LG. PENNSYLVANIA CITIES	1.440	0.855	-.585
00542	14	BAKERSFIELD, CA	1.370	0.804	-.566
02050	16	SANTA BARBARA, CA	1.370	0.804	-.566
02050	17	VENTURA, CA	1.370	0.804	-.566
00621	12	EAST ST. LOUIS, IL	1.579	1.059	-.520
00542	15	SAN BERNADINO/E.CENTRAL CA	1.370	0.875	-.495
02050	18	LOS ANGELES, CA (1ST OF 8)	1.370	0.879	-.491
02050	19	LOS ANGELES, CA (2ND OF 8)	1.370	0.879	-.491
02050	20	LOS ANGELES, CA (3RD OF 8)	1.370	0.879	-.491
02050	21	LOS ANGELES, CA (4TH OF 8)	1.370	0.879	-.491
02050	22	LOS ANGELES, CA (5TH OF 8)	1.370	0.879	-.491
02050	23	LOS ANGELES, CA (6TH OF 8)	1.370	0.879	-.491
02050	24	LOS ANGELES, CA (7TH OF 8)	1.370	0.879	-.491
02050	25	LOS ANGELES, CA (8TH OF 8)	1.370	0.879	-.491
02050	26	ANAHEIM-SANTA ANA, CA	1.370	0.879	-.491
00621	16	CHICAGO, IL	1.773	1.315	-.458
00621	01	NORTHWEST, IL	1.137	0.694	-.443
00621	04	ROCK ISLAND, IL	1.137	0.694	-.443
00621	05	PEORIA, IL	1.137	0.694	-.443
00621	07	QUINCY, IL	1.137	0.694	-.443
00621	09	SPRINGFIELD, IL	1.137	0.694	-.443
00621	13	SOUTHEAST IL	1.137	0.694	-.443
00865	01	PHILLY/PITT MED SCHS/HOSPS	1.552	1.139	-.413
00621	03	DE KALB, IL	1.137	0.734	-.403
00621	14	SOUTHERN IL	1.137	0.740	-.397
00860	01	NORTHERN NEW JERSEY	1.153	0.757	-.396
00860	02	MIDDLE NEW JERSEY	1.153	0.757	-.396
00860	03	SOUTHERN NEW JERSEY	1.153	0.757	-.396
00621	08	NORMAL, IL	1.137	0.762	-.375
00621	11	DECATUR, IL	1.137	0.788	-.349
00865	04	REST OF PENNSYLVANIA	0.986	0.649	-.337
00621	06	KANKAKEE, IL	1.137	0.809	-.328
00865	03	SMALL PENNSYLVANIA CITIES	0.986	0.660	-.326
00621	02	ROCKFORD, IL	1.137	0.855	-.282
00932	01	W + SE WA (EXCL SEATTLE)	1.064	0.787	-.277
00932	02	SEATTLE (KING CNTY), WA	1.064	0.787	-.277
00932	03	SPOKANE+RICHLND(CITIES)	1.064	0.787	-.277
00932	04	E.CEN+NE WA (EXCL SPOKANE)	1.064	0.787	-.277
01380	01	PORTLAND, ET AL (CITIES), OR	0.951	0.683	-.268
01380	02	EUGENE, ET AL (CITIES), OR	0.951	0.683	-.268
01380	03	SALEM, ET AL (CITIES), OR	0.951	0.683	-.268
01380	12	SW OR. CITIES(CITY LIMITS)	0.951	0.683	-.268
01380	99	REST OF OREGON	0.951	0.683	-.268
00820	02	SOUTH DAKOTA	0.688	0.421	-.267
05130	11	SOUTH IDAHO	0.889	0.632	-.257
05130	12	NORTH IDAHO	0.889	0.632	-.257
00528	01	NEW ORLEANS, LA	1.185	0.971	-.214
01290	01	LAS VEGAS, ET AL(CITIES), NV	1.144	0.952	-.192
01290	02	RENO, ET AL (CITIES), NV	1.144	0.952	-.192
01290	03	ELKO & ELY (CITIES), NV	1.144	0.952	-.192
01290	99	REST OF NEVADA	1.144	0.952	-.192

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1990-92 MGPCI	Change
00621	10	CHAMPAIGN-URBANA, IL	1.137	0.953	-.184
00973	20	PUERTO RICO	0.466	0.299	-.167
10490	02	TIDEWATER+N. VA COUNTIES	0.703	0.537	-.166
00630	01	METROPOLITAN INDIANA	0.547	0.389	-.158
11260	01	ST. LOUIS/LG. E.CITIES, MO	1.352	1.200	-.152
10230	02	SW CONNECTICUT	1.231	1.080	-.151
00630	02	URBAN INDIANA	0.516	0.369	-.147
00630	03	REST OF INDIANA	0.516	0.369	-.147
00720	00	NORTHERN MINNESOTA	0.748	0.613	-.135
10240	00	ST. PAUL-MINNEAPOLIS, MN	0.748	0.613	-.135
00880	01	SOUTH CAROLINA	0.448	0.335	-.113
10230	03	SOUTH CENTRAL CONN.	1.188	1.080	-.108
00580	01	D.C. + MD/VA SUBURBS	0.947	0.851	-.096
00820	01	NORTH DAKOTA	0.688	0.594	-.094
00780	50	VERMONT	0.533	0.449	-.084
00910	09	UTAH	0.739	0.660	-.079
00621	15	SUBURBAN CHICAGO, IL	1.137	1.104	-.033
10490	03	SM. TOWN/INDUSTRIAL VA	0.531	0.505	-.026
00740	01	ST. JOSEPH, MO	1.179	1.156	-.023
00740	06	RURAL NW COUNTIES, MO	1.179	1.156	-.023
11260	03	REST OF MO	1.179	1.156	-.023
10490	04	REST OF VIRGINIA	0.522	0.500	-.022
01370	00	REST OF OKLAHOMA	0.516	0.496	-.020
00801	01	BUFFALO/SURR. CNTYS, NY	0.963	0.964	0.001
00801	02	ROCHESTER/SURR. CNTYS, NY	0.963	0.964	0.001
00801	03	N. CENTRAL CITIES, NY	0.963	0.964	0.001
00801	04	REST OF NEW YORK	0.963	0.964	0.001
11260	02	SMALL E. CITIES	1.179	1.184	0.005
00655	00	URBAN (CNTY POP>25000) NE	0.435	0.442	0.007
10490	01	RICHMOND+CHARLOTTE SVL, VA	0.462	0.473	0.011
00740	02	N. K.C. (CLAY/PLATTE), MO	1.179	1.193	0.014
16360	05	DAYTON, OH	0.920	0.936	0.016
16360	02	CINCINATI, OH	0.920	0.937	0.017
00640	01	SE IOWA (INCL IOWA CITY)	0.666	0.691	0.025
00640	02	NORTHEAST IOWA	0.666	0.691	0.025
00640	03	NORTH CENTRAL IOWA	0.666	0.691	0.025
00640	04	S.CEN. IA (EXCL DES MOINES)	0.666	0.691	0.025
00640	05	DES MOINES (POLK/WARREN), IA	0.666	0.691	0.025
00640	06	NORTHWEST IOWA	0.666	0.691	0.025
00640	07	SOUTHWEST IOWA	0.666	0.691	0.025
00690	02	WESTERN MARYLAND	0.843	0.870	0.027
00740	03	K.C. (JACKSON COUNTY), MO	1.179	1.207	0.028
10230	04	EASTERN CONN.	1.036	1.080	0.044
05535	94	URBAN (CITY LIMITS) NC	0.378	0.425	0.047
05535	95	REST OF NORTH CAROLINA	0.378	0.425	0.047
00690	03	SOUTH + E. SHORE MD	0.820	0.870	0.050
16360	01	AKRON, OH	0.920	0.970	0.050
16360	03	CLEVELAND, OH	0.920	0.970	0.050
16360	04	COLUMBUS, OH	0.920	0.970	0.050
16360	06	NORTHWEST (LIMA) OH	0.920	0.970	0.050
16360	07	MANSFIELD, OH	0.920	0.970	0.050
16360	08	SPRINGFIELD, OH	0.920	0.970	0.050
16360	09	E. CENTRAL (STEUBENVL), OH	0.920	0.970	0.050
16360	10	TOLEDO (LUCAS/WOOD), OH	0.920	0.970	0.050
16360	11	YOUNGSTOWN, OH	0.920	0.970	0.050
16360	12	W. CENTR (LAKE PLAINS), OH	0.920	0.970	0.050
16360	13	MARION + SURR. CNTYS., OH	0.920	0.970	0.050
16360	14	SCIOTO VALLEY, OH	0.920	0.970	0.050
16360	15	SOUTHEAST (OHIO VALLEY) OH	0.920	0.970	0.050
01120	01	HAWAII	1.025	1.075	0.050
00650	01	REST OF KANSAS	1.134	1.186	0.052
00740	04	SUBURBAN KANSAS CITY, KS	1.134	1.186	0.052
00740	05	KANSAS CITY, KS	1.134	1.186	0.052
10250	01	REST OF MISSISSIPPI	0.650	0.703	0.053
10250	02	URBAN MS (CITY LIMITS)	0.650	0.703	0.053
10230	01	NW AND N.CENTRAL CONN.	1.025	1.080	0.055
00528	50	REST OF LOUISIANA	0.824	0.890	0.066
00528	02	SHREVEPORT, LA	0.808	0.886	0.078
00528	03	BATON ROUGE, LA	0.808	0.886	0.078

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1990-92 MGPCI	Change
00528	04	LAKE CHARLES, LA	0.808	0.886	0.078
00528	05	MONROE, LA	0.808	0.886	0.078
00528	06	LAFAYETTE, LA	0.808	0.886	0.078
00528	07	ALEXANDRIA, LA	0.808	0.886	0.078
00510	01	NORTHWEST AL	0.824	0.907	0.083
00510	02	NORTH CENTRAL AL	0.824	0.907	0.083
00510	03	SOUTHEAST AL	0.824	0.907	0.083
00510	04	MOBILE, AL	0.824	0.907	0.083
00510	05	BIRMINGHAM, AL	0.824	0.907	0.083
00510	06	REST OF AL	0.824	0.907	0.083
00751	01	MONTANA	0.718	0.802	0.084
00570	01	DELAWARE	0.664	0.752	0.088
00803	03	POUGHKEPSIE/N.Y.C SUBURBS	1.325	1.420	0.095
00520	13	ARKANSAS	0.302	0.417	0.115
00803	02	NYC SUBURBS/LONG I., NY	1.929	2.052	0.123
14330	04	QUEENS, NY	1.861	1.987	0.126
01360	05	NEW MEXICO	0.767	0.902	0.135
00660	01	LEXINGTON & LOUISVILLE, KY	0.667	0.804	0.137
00660	02	SM CITIES (CITY LIMITS) KY	0.667	0.804	0.137
00660	03	REST OF KENTUCKY	0.667	0.804	0.137
00825	21	WYOMING	0.641	0.793	0.152
00690	01	BALTIMORE/SURR. CNTYS, MD	0.927	1.095	0.168
21200	01	NORTHERN MAINE	0.716	0.885	0.169
21200	02	CENTRAL MAINE	0.716	0.885	0.169
21200	03	SOUTHERN MAINE	0.716	0.885	0.169
00803	01	MANHATTAN, NY	1.647	1.817	0.170
01040	01	ATLANTA, GA	0.752	0.942	0.190
01040	02	SMALL GA CITIES 02	0.752	0.942	0.190
01040	03	SMALL GA CITIES 03	0.752	0.942	0.190
01040	04	REST OF GEORGIA	0.752	0.942	0.190
00700	01	MASSACHUSETTS URBAN	0.855	1.052	0.197
00700	02	MASS.SUBURBS/RURAL(CITIES)	0.855	1.052	0.197
05440	35	TENNESSEE	0.407	0.614	0.207
00900	02	NORTHEAST RURAL TEXAS	0.504	0.780	0.276
00900	04	WESTERN RURAL TEXAS	0.504	0.780	0.276
00900	06	TEMPLE, TX	0.504	0.780	0.276
00900	07	SAN ANTONIO, TX	0.504	0.780	0.276
00900	08	TEXARKANA, TX	0.504	0.780	0.276
00900	10	BROWNSVILLE, TX	0.504	0.780	0.276
00900	12	DENTON, TX	0.504	0.780	0.276
00900	13	ODESSA, TX	0.504	0.780	0.276
00900	16	GRAYSON, TX	0.504	0.780	0.276
00900	17	LONGVIEW, TX	0.504	0.780	0.276
00900	19	MC ALLEN, TX	0.504	0.780	0.276
00900	21	LUBBOCK, TX	0.504	0.780	0.276
00900	22	WACO, TX	0.504	0.780	0.276
00900	23	MIDLAND, TX	0.504	0.780	0.276
00900	24	CORPUS CHRISTI, TX	0.504	0.780	0.276
00900	25	ORANGE, TX	0.504	0.780	0.276
00900	26	AMARILLO, TX	0.504	0.780	0.276
00900	27	TYLER, TX	0.504	0.780	0.276
00900	29	ABILENE, TX	0.504	0.780	0.276
00900	30	SAN ANGELO, TX	0.504	0.780	0.276
00900	31	AUSTIN, TX	0.504	0.780	0.276
00900	32	VICTORIA, TX	0.504	0.780	0.276
00900	33	LAREDO, TX	0.504	0.780	0.276
00900	34	WICHITA FALLS, TX	0.504	0.780	0.276
00550	01	COLORADO	0.683	0.974	0.291
16510	16	CHARLESTON, WV	0.688	0.993	0.305
16510	17	WHEELING, WV	0.688	0.993	0.305
16510	18	EASTERN VALLEY, WV	0.688	0.993	0.305
16510	19	OHIO RIVER VALLEY, WV	0.688	0.993	0.305
16510	20	SOUTHERN VALLEY, WV	0.688	0.993	0.305
00900	03	SOUTHEAST RURAL TEXAS	0.504	0.827	0.323
00780	40	NEW HAMPSHIRE	0.602	0.932	0.330
00590	01	REST OF FLORIDA	1.108	1.448	0.340
00590	02	N/NC FLORIDA CITIES	1.108	1.448	0.340
00900	11	DALLAS, TX	0.504	0.844	0.340
00900	14	EL PASO, TX	0.504	0.844	0.340

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1990-92 MGPCI	Change
00900	28	FORT WORTH, TX	0.504	0.844	0.340
01030	01	PHEONIX, AZ	1.255	1.603	0.348
01030	02	TUCSON (CITY), AZ	1.255	1.603	0.348
01030	05	FLAGSTAFF (CITY), AZ	1.255	1.603	0.348
01030	07	PRESCOTT (CITY), AZ	1.255	1.603	0.348
01030	08	YUMA (CITY), AZ	1.255	1.603	0.348
01030	99	REST OF ARIZONA	1.255	1.603	0.348
00951	04	MILWAUKEE, WI	0.762	1.202	0.440
00951	12	NORTHWEST WISCONSIN	0.762	1.202	0.440
00951	13	CENTRAL WISCONSIN	0.762	1.202	0.440
00951	14	SOUTHWEST WISCONSIN	0.762	1.202	0.440
00951	15	MADISON, WI (DANE COUNTY)	0.762	1.202	0.440
00951	19	LA CROSSE, WI (W-CENTRAL)	0.762	1.202	0.440
00951	36	WAUSAU, WI (N-CENTRAL)	0.762	1.202	0.440
00951	40	GREEN BAY, WI (NORTHEAST)	0.762	1.202	0.440
00951	46	MILWAUKEE SUBURBS, WI (SE)	0.762	1.202	0.440
00951	54	JANESVILLE, WI (S-CENTRAL)	0.762	1.202	0.440
00951	60	OSHKOSH, WI (E-CENTRAL)	0.762	1.202	0.440
00590	03	FORT LAUDERDALE, FL	1.376	1.959	0.583
00900	18	HOUSTON, TX	0.656	1.350	0.694
00870	01	RHODE ISLAND	0.734	1.486	0.752
00710	02	MICHIGAN, NOT DETROIT	1.196	1.948	0.752
01020	01	ALASKA	1.042	1.863	0.821
00590	04	MIAMI, FL	1.641	2.483	0.842
00900	09	BRAZORIA, TX	0.504	1.350	0.846
00900	15	GALVESTON, TX	0.504	1.350	0.846
00900	20	BEAUMONT, TX	0.504	1.350	0.846
00710	01	DETROIT, MI	1.736	3.226	1.490

APPENDIX B

Impact of 20-Specialty 1990-92 MGPCI, by Locality

APPENDIX B

IMPACT OF 20-SPECIALTY 1990-92 MGPCI, BY LOCALITY
(ascending order of change)

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1990-92 MGPCI	Change
00542	01	N. COASTAL CNTYS, CA	1.370	0.620	-.750
00542	02	NE RURAL CA	1.370	0.620	-.750
00542	03	MARIN/NAPA/SOLANO, CA	1.370	0.620	-.750
00542	04	SACRAMENTO/SURR. CNTYS, CA	1.370	0.620	-.750
00542	05	SAN FRANCISCO, CA	1.370	0.620	-.750
00542	06	SAN MATEO, CA	1.370	0.620	-.750
00542	07	OAKLAND-BERKELEY, CA	1.370	0.620	-.750
00542	08	STOCKTON/SURR. CNTYS, CA	1.370	0.620	-.750
00542	09	SANTA CLARA, CA	1.370	0.620	-.750
00542	10	MERCED/SURR. CNTYS, CA	1.370	0.620	-.750
00542	11	FRESNO/MADERA, CA	1.370	0.620	-.750
00542	12	MONTEREY/SANTA CRUZ, CA	1.370	0.620	-.750
00542	13	KINGS/TULARE, CA	1.370	0.620	-.750
02050	28	SAN DIEGO/IMPERIAL, CA	1.370	0.642	-.728
00542	27	RIVERSIDE, CA	1.370	0.693	-.677
00542	14	BAKERSFIELD, CA	1.370	0.713	-.657
02050	16	SANTA BARBARA, CA	1.370	0.713	-.657
02050	17	VENTURA, CA	1.370	0.713	-.657
00542	15	SAN BERNADINO/E.CENTRAL CA	1.370	0.779	-.591
02050	18	LOS ANGELES, CA (1ST OF 8)	1.370	0.782	-.588
02050	19	LOS ANGELES, CA (2ND OF 8)	1.370	0.782	-.588
02050	20	LOS ANGELES, CA (3RD OF 8)	1.370	0.782	-.588
02050	21	LOS ANGELES, CA (4TH OF 8)	1.370	0.782	-.588
02050	22	LOS ANGELES, CA (5TH OF 8)	1.370	0.782	-.588
02050	23	LOS ANGELES, CA (6TH OF 8)	1.370	0.782	-.588
02050	24	LOS ANGELES, CA (7TH OF 8)	1.370	0.782	-.588
02050	25	LOS ANGELES, CA (8TH OF 8)	1.370	0.782	-.588
02050	26	ANAHEIM-SANTA ANA, CA	1.370	0.782	-.588
00865	02	LG. PENNSYLVANIA CITIES	1.440	0.983	-.457
00621	12	EAST ST. LOUIS, IL	1.579	1.158	-.421
00621	01	NORTHWEST, IL	1.137	0.761	-.376
00621	04	ROCK ISLAND, IL	1.137	0.761	-.376
00621	05	PEORIA, IL	1.137	0.761	-.376
00621	07	QUINCY, IL	1.137	0.761	-.376
00621	09	SPRINGFIELD, IL	1.137	0.761	-.376
00621	13	SOUTHEAST IL	1.137	0.761	-.376
00860	01	NORTHERN NEW JERSEY	1.153	0.792	-.361
00860	02	MIDDLE NEW JERSEY	1.153	0.792	-.361
00860	03	SOUTHERN NEW JERSEY	1.153	0.792	-.361
00621	16	CHICAGO, IL	1.773	1.438	-.335
00621	03	DE KALB, IL	1.137	0.804	-.333
00621	14	SOUTHERN IL	1.137	0.811	-.326
00621	08	NORMAL, IL	1.137	0.835	-.302
01380	01	PORTLAND, ET AL (CITIES), OR	0.951	0.663	-.288
01380	02	EUGENE, ET AL (CITIES), OR	0.951	0.663	-.288
01380	03	SALEM, ET AL (CITIES), OR	0.951	0.663	-.288
01380	12	SW OR. CITIES(CITY LIMITS)	0.951	0.663	-.288
01380	99	REST OF OREGON	0.951	0.663	-.288
00932	01	W + SE WA (EXCL SEATTLE)	1.064	0.778	-.286
00932	02	SEATTLE (KING CNTY), WA	1.064	0.778	-.286
00932	03	SPOKANE+RICHLND(CITIES)	1.064	0.778	-.286
00932	04	E.CEN+NE WA (EXCL SPOKANE)	1.064	0.778	-.286
05130	11	SOUTH IDAHO	0.889	0.612	-.277
05130	12	NORTH IDAHO	0.889	0.612	-.277
00621	11	DECATUR, IL	1.137	0.862	-.275
00621	06	KANKAKEE, IL	1.137	0.886	-.251
00865	01	PHILLY/PITT MED SCHS/HOSPS	1.552	1.307	-.245
00865	04	REST OF PENNSYLVANIA	0.986	0.753	-.233
00820	02	SOUTH DAKOTA	0.688	0.461	-.227
00865	03	SMALL PENNSYLVANIA CITIES	0.986	0.764	-.222
01290	01	LAS VEGAS, ET AL (CITIES), NV	1.144	0.922	-.222
01290	02	RENO, ET AL (CITIES), NV	1.144	0.922	-.222
01290	03	ELKO & ELY (CITIES), NV	1.144	0.922	-.222
01290	99	REST OF NEVADA	1.144	0.922	-.222
00621	02	ROCKFORD, IL	1.137	0.935	-.202
10230	02	SW CONNECTICUT	1.231	1.041	-.190

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1990-92 MGPCI	Change
00973	20	PUERTO RICO	0.466	0.279	-.187
00630	01	METROPOLITAN INDIANA	0.547	0.380	-.167
00630	02	URBAN INDIANA	0.516	0.360	-.156
00630	03	REST OF INDIANA	0.516	0.360	-.156
00528	01	NEW ORLEANS, LA	1.185	1.035	-.150
10230	03	SOUTH CENTRAL CONN.	1.188	1.041	-.147
10490	02	TIDEWATER+N. VA COUNTIES	0.703	0.572	-.131
00720	00	NORTHERN MINNESOTA	0.748	0.618	-.130
10240	00	ST. PAUL-MINNEAPOLIS, MN	0.748	0.618	-.130
00803	02	NYC SUBURBS/LONG I., NY	1.929	1.810	-.119
00801	01	BUFFALO/SURR. CNTYS, NY	0.963	0.853	-.110
00801	02	ROCHESTER/SURR. CNTYS, NY	0.963	0.853	-.110
00801	03	N. CENTRAL CITIES, NY	0.963	0.853	-.110
00801	04	REST OF NEW YORK	0.963	0.853	-.110
14330	04	QUEENS, NY	1.861	1.753	-.108
11260	01	ST. LOUIS/LG. E.CITIES, MO	1.352	1.249	-.103
00621	10	CHAMPAIGN-URBANA, IL	1.137	1.042	-.095
00880	01	SOUTH CAROLINA	0.448	0.375	-.073
00910	09	UTAH	0.739	0.669	-.070
00803	03	POUGHKPSIE/N.NYC SUBURBS	1.325	1.255	-.070
01120	01	HAWAII	1.025	0.956	-.069
00780	50	VERMONT	0.533	0.470	-.063
00820	01	NORTH DAKOTA	0.688	0.641	-.047
00803	01	MANHATTAN, NY	1.647	1.607	-.040
01370	00	REST OF OKLAHOMA	0.516	0.501	-.015
00580	01	D.C. + MD/VA SUBURBS	0.947	0.950	0.003
10230	04	EASTERN CONN.	1.036	1.041	0.005
10490	03	SM. TOWN/INDUSTRIAL VA	0.531	0.538	0.007
10490	04	REST OF VIRGINIA	0.522	0.533	0.011
10230	01	NW AND N.CENTRAL CONN.	1.025	1.041	0.016
00740	01	ST. JOSEPH, MO	1.179	1.206	0.027
00740	06	RURAL NW COUNTIES, MO	1.179	1.206	0.027
11260	03	REST OF MO	1.179	1.206	0.027
00655	00	URBAN (CNTY POP>25000) NE	0.435	0.462	0.027
00640	01	SE IOWA (INCL IOWA CITY)	0.666	0.706	0.040
00640	02	NORTHEAST IOWA	0.666	0.706	0.040
00640	03	NORTH CENTRAL IOWA	0.666	0.706	0.040
00640	04	S.CEN. IA (EXCL DES MOINES)	0.666	0.706	0.040
00640	05	DES MOINES (POLK/WARREN), IA	0.666	0.706	0.040
00640	06	NORTHWEST IOWA	0.666	0.706	0.040
00640	07	SOUTHWEST IOWA	0.666	0.706	0.040
10490	01	RICHMOND+CHARLOTTESVL, VA	0.462	0.504	0.042
00690	02	WESTERN MARYLAND	0.843	0.896	0.053
11260	02	SMALL E. CITIES	1.179	1.233	0.054
01360	05	NEW MEXICO	0.767	0.823	0.056
00740	02	N. K.C. (CLAY/PLATTE), MO	1.179	1.242	0.063
00621	15	SUBURBAN CHICAGO, IL	1.137	1.206	0.069
00751	01	MONTANA	0.718	0.787	0.069
21200	01	NORTHERN MAINE	0.716	0.790	0.074
21200	02	CENTRAL MAINE	0.716	0.790	0.074
21200	03	SOUTHERN MAINE	0.716	0.790	0.074
05535	94	URBAN (CITY LIMITS) NC	0.378	0.453	0.075
05535	95	REST OF NORTH CAROLINA	0.378	0.453	0.075
00690	03	SOUTH + E. SHORE MD	0.820	0.896	0.076
00740	03	K.C. (JACKSON COUNTY), MO	1.179	1.256	0.077
00650	01	REST OF KANSAS	1.134	1.240	0.106
00740	04	SUBURBAN KANSAS CITY, KS	1.134	1.240	0.106
00740	05	KANSAS CITY, KS	1.134	1.240	0.106
10250	01	REST OF MISSISSIPPI	0.650	0.756	0.106
10250	02	URBAN MS (CITY LIMITS)	0.650	0.756	0.106
01030	01	PHEONIX, AZ	1.255	1.373	0.118
01030	02	TUCSON (CITY), AZ	1.255	1.373	0.118
01030	05	FLAGSTAFF (CITY), AZ	1.255	1.373	0.118
01030	07	PRESCOTT (CITY), AZ	1.255	1.373	0.118
01030	08	YUMA (CITY), AZ	1.255	1.373	0.118
01030	99	REST OF ARIZONA	1.255	1.373	0.118
00528	50	REST OF LOUISIANA	0.824	0.951	0.127
05440	35	TENNESSEE	0.407	0.544	0.137
00528	02	SHREVEPORT, LA	0.808	0.947	0.139

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1990-92 MGPCI	Change
00528	03	BATON ROUGE, LA	0.808	0.947	0.139
00528	04	LAKE CHARLES, LA	0.808	0.947	0.139
00528	05	MONROE, LA	0.808	0.947	0.139
00528	06	LAFAYETTE, LA	0.808	0.947	0.139
00528	07	ALEXANDRIA, LA	0.808	0.947	0.139
00510	01	NORTHWEST AL	0.824	0.964	0.140
00510	02	NORTH CENTRAL AL	0.824	0.964	0.140
00510	03	SOUTHEAST AL	0.824	0.964	0.140
00510	04	MOBILE, AL	0.824	0.964	0.140
00510	05	BIRMINGHAM, AL	0.824	0.964	0.140
00510	06	REST OF AL	0.824	0.964	0.140
00520	13	ARKANSAS	0.302	0.444	0.142
16360	05	DAYTON, OH	0.920	1.064	0.144
16360	02	CINCINATI, OH	0.920	1.065	0.145
00570	01	DELAWARE	0.664	0.824	0.160
00700	01	MASSACHUSETTS URBAN	0.855	1.016	0.161
00700	02	MASS.SUBURBS/RURAL(CITIES)	0.855	1.016	0.161
00550	01	COLORADO	0.683	0.860	0.177
16360	01	AKRON, OH	0.920	1.103	0.183
16360	03	CLEVELAND, OH	0.920	1.103	0.183
16360	04	COLUMBUS, OH	0.920	1.103	0.183
16360	06	NORTHWEST (LIMA) OH	0.920	1.103	0.183
16360	07	MANSFIELD, OH	0.920	1.103	0.183
16360	08	SPRINGFIELD, OH	0.920	1.103	0.183
16360	09	E. CENTRAL (STEUBENVL), OH	0.920	1.103	0.183
16360	10	TOLEDO (LUCAS/WOOD), OH	0.920	1.103	0.183
16360	11	YOUNGSTOWN, OH	0.920	1.103	0.183
16360	12	W. CENTR (LAKE PLAINS), OH	0.920	1.103	0.183
16360	13	MARION + SURR. CNTYS., OH	0.920	1.103	0.183
16360	14	SCIOTO VALLEY, OH	0.920	1.103	0.183
16360	15	SOUTHEAST (OHIO VALLEY) OH	0.920	1.103	0.183
00660	01	LEXINGTON & LOUISVILLE, KY	0.667	0.852	0.185
00660	02	SM CITIES (CITY LIMITS) KY	0.667	0.852	0.185
00660	03	REST OF KENTUCKY	0.667	0.852	0.185
01040	01	ATLANTA, GA	0.752	0.939	0.187
01040	02	SMALL GA CITIES 02	0.752	0.939	0.187
01040	03	SMALL GA CITIES 03	0.752	0.939	0.187
01040	04	REST OF GEORGIA	0.752	0.939	0.187
00690	01	BALTIMORE/SURR. CNTYS, MD	0.927	1.126	0.199
00825	21	WYOMING	0.641	0.844	0.203
00780	40	NEW HAMPSHIRE	0.602	0.952	0.350
00900	02	NORTHEAST RURAL TEXAS	0.504	0.860	0.356
00900	04	WESTERN RURAL TEXAS	0.504	0.860	0.356
00900	06	TEMPLE, TX	0.504	0.860	0.356
00900	07	SAN ANTONIO, TX	0.504	0.860	0.356
00900	08	TEXARKANA, TX	0.504	0.860	0.356
00900	10	BROWNSVILLE, TX	0.504	0.860	0.356
00900	12	DENTON, TX	0.504	0.860	0.356
00900	13	ODESSA, TX	0.504	0.860	0.356
00900	16	GRAYSON, TX	0.504	0.860	0.356
00900	17	LONGVIEW, TX	0.504	0.860	0.356
00900	19	MC ALLEN, TX	0.504	0.860	0.356
00900	21	LUBBOCK, TX	0.504	0.860	0.356
00900	22	WACO, TX	0.504	0.860	0.356
00900	23	MIDLAND, TX	0.504	0.860	0.356
00900	24	CORPUS CHRISTI, TX	0.504	0.860	0.356
00900	25	ORANGE, TX	0.504	0.860	0.356
00900	26	AMARILLO, TX	0.504	0.860	0.356
00900	27	TYLER, TX	0.504	0.860	0.356
00900	29	ABILENE, TX	0.504	0.860	0.356
00900	30	SAN ANGELO, TX	0.504	0.860	0.356
00900	31	AUSTIN, TX	0.504	0.860	0.356
00900	32	VICTORIA, TX	0.504	0.860	0.356
00900	33	LAREDO, TX	0.504	0.860	0.356
00900	34	WICHITA FALLS, TX	0.504	0.860	0.356
16510	16	CHARLESTON, WV	0.688	1.044	0.356
16510	17	WHEELING, WV	0.688	1.044	0.356
16510	18	EASTERN VALLEY, WV	0.688	1.044	0.356
16510	19	OHIO RIVER VALLEY, WV	0.688	1.044	0.356

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1990-92 MGPCI	Change
16510	20	SOUTHERN VALLEY, WV	0.688	1.044	0.356
00590	01	REST OF FLORIDA	1.108	1.475	0.367
00590	02	N/NC FLORIDA CITIES	1.108	1.475	0.367
00900	03	SOUTHEAST RURAL TEXAS	0.504	0.912	0.408
00900	11	DALLAS, TX	0.504	0.929	0.425
00900	14	EL PASO, TX	0.504	0.929	0.425
00900	28	FORT WORTH, TX	0.504	0.929	0.425
00951	04	MILWAUKEE, WI	0.762	1.207	0.445
00951	12	NORTHWEST WISCONSIN	0.762	1.207	0.445
00951	13	CENTRAL WISCONSIN	0.762	1.207	0.445
00951	14	SOUTHWEST WISCONSIN	0.762	1.207	0.445
00951	15	MADISON, WI (DANE COUNTY)	0.762	1.207	0.445
00951	19	LA CROSSE, WI (W-CENTRAL)	0.762	1.207	0.445
00951	36	WAUSAU, WI (N-CENTRAL)	0.762	1.207	0.445
00951	40	GREEN BAY, WI (NORTHEAST)	0.762	1.207	0.445
00951	46	MILWAUKEE SUBURBS, WI (SE)	0.762	1.207	0.445
00951	54	JANESVILLE, WI (S-CENTRAL)	0.762	1.207	0.445
00951	60	OSHKOSH, WI (E-CENTRAL)	0.762	1.207	0.445
00590	03	FORT LAUDERDALE, FL	1.376	1.998	0.622
01020	01	ALASKA	1.042	1.681	0.639
00710	02	MICHIGAN, NOT DETROIT	1.196	1.913	0.717
00900	18	HOUSTON, TX	0.656	1.485	0.829
00590	04	MIAMI, FL	1.641	2.531	0.890
00870	01	RHODE ISLAND	0.734	1.632	0.898
00900	09	BRAZORIA, TX	0.504	1.485	0.981
00900	15	GALVESTON, TX	0.504	1.485	0.981
00900	20	BEAUMONT, TX	0.504	1.485	0.981
00710	01	DETROIT, MI	1.736	3.213	1.477

APPENDIX C

Impact of 3-Specialty 1992 MGPCI, by Locality

APPENDIX C
IMPACT OF 3-SPECIALTY 1992 MGPCI, BY LOCALITY
(ascending order of change)

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1992 MGPCI	Change
00542	01	N. COASTAL CNTYS, CA	1.370	0.742	-.715
00542	02	NE RURAL CA	1.370	0.742	-.715
00542	03	MARIN/NAPA/SOLANO, CA	1.370	0.742	-.715
00542	04	SACRAMENTO/SURR. CNTYS, CA	1.370	0.742	-.715
00542	05	SAN FRANCISCO, CA	1.370	0.742	-.715
00542	06	SAN MATEO, CA	1.370	0.742	-.715
00542	07	OAKLAND-BERKELEY, CA	1.370	0.742	-.715
00542	08	STOCKTON/SURR. CNTYS, CA	1.370	0.742	-.715
00542	09	SANTA CLARA, CA	1.370	0.742	-.715
00542	10	MERCED/SURR. CNTYS, CA	1.370	0.742	-.715
00542	11	FRESNO/MADERA, CA	1.370	0.742	-.715
00542	12	MONTEREY/SANTA CRUZ, CA	1.370	0.742	-.715
00542	13	KINGS/TULARE, CA	1.370	0.742	-.715
02050	28	SAN DIEGO/IMPERIAL, CA	1.370	0.758	-.702
00542	14	BAKERSFIELD, CA	1.370	0.794	-.660
02050	16	SANTA BARBARA, CA	1.370	0.794	-.660
02050	17	VENTURA, CA	1.370	0.794	-.660
00542	27	RIVERSIDE, CA	1.370	0.796	-.652
00542	15	SAN BERNADINO/E.CENTRAL CA	1.370	0.867	-.593
02050	18	LOS ANGELES, CA (1ST OF 8)	1.370	0.870	-.590
02050	19	LOS ANGELES, CA (2ND OF 8)	1.370	0.870	-.590
02050	20	LOS ANGELES, CA (3RD OF 8)	1.370	0.870	-.590
02050	21	LOS ANGELES, CA (4TH OF 8)	1.370	0.870	-.590
02050	22	LOS ANGELES, CA (5TH OF 8)	1.370	0.870	-.590
02050	23	LOS ANGELES, CA (6TH OF 8)	1.370	0.870	-.590
02050	24	LOS ANGELES, CA (7TH OF 8)	1.370	0.870	-.590
02050	25	LOS ANGELES, CA (8TH OF 8)	1.370	0.870	-.590
02050	26	ANAHEIM-SANTA ANA, CA	1.370	0.870	-.590
00621	12	EAST ST. LOUIS, IL	1.579	0.991	-.459
00865	02	LG. PENNSYLVANIA CITIES	1.440	0.922	-.408
00621	01	NORTHWEST, IL	1.137	0.649	-.401
00621	04	ROCK ISLAND, IL	1.137	0.649	-.401
00621	05	PEORIA, IL	1.137	0.649	-.401
00621	07	QUINCY, IL	1.137	0.649	-.401
00621	09	SPRINGFIELD, IL	1.137	0.649	-.401
00621	13	SOUTHEAST IL	1.137	0.649	-.401
00621	03	DE KALB, IL	1.137	0.649	-.401
00621	16	CHICAGO, IL	1.773	1.213	-.391
00621	14	SOUTHERN IL	1.137	0.696	-.351
01380	01	PORTLAND, ET AL (CITIES), OR	0.951	0.688	-.343
01380	02	EUGENE, ET AL (CITIES), OR	0.951	0.688	-.343
01380	03	SALEM, ET AL (CITIES), OR	0.951	0.688	-.343
01380	12	SW OR. CITIES(CITY LIMITS)	0.951	0.688	-.343
01380	99	REST OF OREGON	0.951	0.688	-.343
00621	08	NORMAL, IL	1.137	0.718	-.327
05130	11	SOUTH IDAHO	0.889	0.591	-.327
05130	12	NORTH IDAHO	0.889	0.591	-.327
00860	01	NORTHERN NEW JERSEY	1.153	0.793	-.317
00860	02	MIDDLE NEW JERSEY	1.153	0.793	-.317
00860	03	SOUTHERN NEW JERSEY	1.153	0.793	-.317
00621	11	DECATUR, IL	1.137	0.743	-.299
00621	06	KANKAKEE, IL	1.137	0.765	-.276
00932	01	W + SE WA (EXCL SEATTLE)	1.064	0.792	-.257
00932	02	SEATTLE (KING CNTY), WA	1.064	0.792	-.257
00932	03	SPOKANE+RICHLND(CITIES)	1.064	0.792	-.257
00932	04	E.CEN+NE WA (EXCL SPOKANE)	1.064	0.792	-.257
00621	02	ROCKFORD, IL	1.137	0.809	-.227
00820	02	SOUTH DAKOTA	0.688	0.421	-.224
01290	01	LAS VEGAS, ET AL(CITIES), NV	1.144	0.938	-.221
01290	02	RENO, ET AL (CITIES), NV	1.144	0.938	-.221
01290	03	ELKO & ELY (CITIES), NV	1.144	0.938	-.221
01290	99	REST OF NEVADA	1.144	0.938	-.221
00865	04	REST OF PENNSYLVANIA	0.986	0.682	-.215
00865	03	SMALL PENNSYLVANIA CITIES	0.986	0.697	-.199
10230	02	SW CONNECTICUT	1.231	1.078	-.195
00973	20	PUERTO RICO	0.466	0.310	-.176
00630	01	METROPOLITAN INDIANA	0.547	0.407	-.170

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1992 MGPCI	Change
00801	01	BUFFALO/SURR. CNTYS, NY	0.963	0.896	-.162
00801	02	ROCHESTER/SURR. CNTYS, NY	0.963	0.896	-.162
00801	03	N. CENTRAL CITIES, NY	0.963	0.896	-.162
00801	04	REST OF NEW YORK	0.963	0.896	-.162
00865	01	PHILLY/PITT MED SCHS/HOSPS	1.552	1.249	-.157
00720	00	NORTHERN MINNESOTA	0.748	0.610	-.157
10240	00	ST. PAUL-MINNEAPOLIS, MN	0.748	0.610	-.157
00630	02	URBAN INDIANA	0.516	0.388	-.156
00630	03	REST OF INDIANA	0.516	0.388	-.156
14330	04	QUEENS, NY	1.861	1.915	-.153
10230	03	SOUTH CENTRAL CONN.	1.188	1.078	-.152
00803	02	NYC SUBURBS/LONG I., NY	1.929	1.994	-.151
11260	01	ST. LOUIS/LG. E.CITIES, MO	1.352	1.160	-.143
00700	01	MASSACHUSETTS URBAN	0.855	0.711	-.134
00700	02	MASS.SUBURBS/RURAL(CITIES)	0.855	0.711	-.134
10490	02	TIDEWATER+N. VA COUNTIES	0.703	0.540	-.132
00880	01	SOUTH CAROLINA	0.448	0.288	-.130
00621	10	CHAMPAIGN-URBANA, IL	1.137	0.909	-.120
00650	01	REST OF KANSAS	1.134	0.996	-.109
00740	04	SUBURBAN KANSAS CITY, KS	1.134	0.996	-.109
00740	05	KANSAS CITY, KS	1.134	0.996	-.109
00803	03	POUGHKPSIE/N.NYC SUBURBS	1.325	1.367	-.105
01120	01	HAWAII	1.025	1.042	-.086
00910	09	UTAH	0.739	0.644	-.062
00803	01	MANHATTAN, NY	1.647	1.782	-.056
00820	01	NORTH DAKOTA	0.688	0.594	-.044
01370	00	REST OF OKLAHOMA	0.516	0.523	-.027
00780	50	VERMONT	0.533	0.488	-.018
01030	01	PHEONIX, AZ	1.255	1.461	-.014
01030	02	TUCSON (CITY), AZ	1.255	1.461	-.014
01030	05	FLAGSTAFF (CITY), AZ	1.255	1.461	-.014
01030	07	PRESCOTT (CITY), AZ	1.255	1.461	-.014
01030	08	YUMA (CITY), AZ	1.255	1.461	-.014
01030	99	REST OF ARIZONA	1.255	1.461	-.014
00740	01	ST. JOSEPH, MO	1.179	1.117	-.011
00740	06	RURAL NW COUNTIES, MO	1.179	1.117	-.011
11260	03	REST OF MO	1.179	1.117	-.011
10230	04	EASTERN CONN.	1.036	1.078	0.000
01360	05	NEW MEXICO	0.767	0.947	0.005
10490	03	SM. TOWN/INDUSTRIAL VA	0.531	0.509	0.007
10490	04	REST OF VIRGINIA	0.522	0.504	0.011
10230	01	NW AND N.CENTRAL CONN.	1.025	1.078	0.011
11260	02	SMALL E. CITIES	1.179	1.144	0.015
00655	00	URBAN (CNTY POP>25000) NE	0.435	0.439	0.016
00740	02	N. K.C. (CLAY/PLATTE), MO	1.179	1.153	0.024
21200	01	NORTHERN MAINE	0.716	0.868	0.032
21200	02	CENTRAL MAINE	0.716	0.868	0.032
21200	03	SOUTHERN MAINE	0.716	0.868	0.032
00640	01	SE IOWA (INCL IOWA CITY)	0.666	0.694	0.034
00640	02	NORTHEAST IOWA	0.666	0.694	0.034
00640	03	NORTH CENTRAL IOWA	0.666	0.694	0.034
00640	04	S.CEN. IA (EXCL DES MOINES)	0.666	0.694	0.034
00640	05	DES MOINES (POLK/WARREN), IA	0.666	0.694	0.034
00640	06	NORTHWEST IOWA	0.666	0.694	0.034
00640	07	SOUTHWEST IOWA	0.666	0.694	0.034
00740	03	K.C. (JACKSON COUNTY), MO	1.179	1.166	0.037
00621	15	SUBURBAN CHICAGO, IL	1.137	1.055	0.041
10490	01	RICHMOND+CHARLOTTE SVL, VA	0.462	0.476	0.042
00580	01	D.C. + MD/VA SUBURBS	0.947	0.911	0.050
00751	01	MONTANA	0.718	0.810	0.068
05535	94	URBAN (CITY LIMITS) NC	0.378	0.458	0.112
05535	95	REST OF NORTH CAROLINA	0.378	0.458	0.112
00528	01	NEW ORLEANS, LA	1.185	1.250	0.119
00690	02	WESTERN MARYLAND	0.843	0.970	0.119
00520	13	ARKANSAS	0.302	0.403	0.119
00510	01	NORTHWEST AL	0.824	0.947	0.123
00510	02	NORTH CENTRAL AL	0.824	0.947	0.123
00510	03	SOUTHEAST AL	0.824	0.947	0.123
00510	04	MOBILE, AL	0.824	0.947	0.123

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1992 MGPCI	Change
00510	05	BIRMINGHAM, AL	0.824	0.947	0.123
00510	06	REST OF AL	0.824	0.947	0.123
05440	35	TENNESSEE	0.407	0.619	0.133
00690	03	SOUTH + E. SHORE MD	0.820	0.970	0.142
10250	01	REST OF MISSISSIPPI	0.650	0.735	0.144
10250	02	URBAN MS (CITY LIMITS)	0.650	0.735	0.144
00570	01	DELAWARE	0.664	0.783	0.184
00550	01	COLORADO	0.683	0.961	0.184
16360	05	DAYTON, OH	0.920	0.990	0.201
16360	02	CINCINATI, OH	0.920	0.991	0.203
00660	01	LEXINGTON & LOUISVILLE, KY	0.667	0.836	0.213
00660	02	SM CITIES (CITY LIMITS) KY	0.667	0.836	0.213
00660	03	REST OF KENTUCKY	0.667	0.836	0.213
01040	01	ATLANTA, GA	0.752	1.039	0.216
01040	02	SMALL GA CITIES 02	0.752	1.039	0.216
01040	03	SMALL GA CITIES 03	0.752	1.039	0.216
01040	04	REST OF GEORGIA	0.752	1.039	0.216
00825	21	WYOMING	0.641	0.805	0.224
00690	01	BALTIMORE/SURR. CNTYS, MD	0.927	1.222	0.282
16360	01	AKRON, OH	0.920	1.063	0.283
16360	03	CLEVELAND, OH	0.920	1.063	0.283
16360	04	COLUMBUS, OH	0.920	1.063	0.283
16360	06	NORTHWEST (LIMA) OH	0.920	1.063	0.283
16360	07	MANSFIELD, OH	0.920	1.063	0.283
16360	08	SPRINGFIELD, OH	0.920	1.063	0.283
16360	09	E. CENTRAL (STEUBENVL), OH	0.920	1.063	0.283
16360	10	TOLEDO (LUCAS/WOOD), OH	0.920	1.063	0.283
16360	11	YOUNGSTOWN, OH	0.920	1.063	0.283
16360	12	W. CENTR (LAKE PLAINS), OH	0.920	1.063	0.283
16360	13	MARION + SURR. CNTYS., OH	0.920	1.063	0.283
16360	14	SCIOTO VALLEY, OH	0.920	1.063	0.283
16360	15	SOUTHEAST (OHIO VALLEY) OH	0.920	1.063	0.283
00590	01	REST OF FLORIDA	1.108	1.440	0.352
00590	02	N/NC FLORIDA CITIES	1.108	1.440	0.352
00528	50	REST OF LOUISIANA	0.824	1.125	0.355
00528	02	SHREVEPORT, LA	0.808	1.119	0.364
00528	03	BATON ROUGE, LA	0.808	1.119	0.364
00528	04	LAKE CHARLES, LA	0.808	1.119	0.364
00528	05	MONROE, LA	0.808	1.119	0.364
00528	06	LAFAYETTE, LA	0.808	1.119	0.364
00528	07	ALEXANDRIA, LA	0.808	1.119	0.364
00780	40	NEW HAMPSHIRE	0.602	0.987	0.405
00900	02	NORTHEAST RURAL TEXAS	0.504	0.835	0.413
00900	04	WESTERN RURAL TEXAS	0.504	0.835	0.413
00900	06	TEMPLE, TX	0.504	0.835	0.413
00900	07	SAN ANTONIO, TX	0.504	0.835	0.413
00900	08	TEXARKANA, TX	0.504	0.835	0.413
00900	10	BROWNSVILLE, TX	0.504	0.835	0.413
00900	12	DENTON, TX	0.504	0.835	0.413
00900	13	ODESSA, TX	0.504	0.835	0.413
00900	16	GRAYSON, TX	0.504	0.835	0.413
00900	17	LONGVIEW, TX	0.504	0.835	0.413
00900	19	MC ALLEN, TX	0.504	0.835	0.413
00900	21	LUBBOCK, TX	0.504	0.835	0.413
00900	22	WACO, TX	0.504	0.835	0.413
00900	23	MIDLAND, TX	0.504	0.835	0.413
00900	24	CORPUS CHRISTI, TX	0.504	0.835	0.413
00900	25	ORANGE, TX	0.504	0.835	0.413
00900	26	AMARILLO, TX	0.504	0.835	0.413
00900	27	TYLER, TX	0.504	0.835	0.413
00900	29	ABILENE, TX	0.504	0.835	0.413
00900	30	SAN ANGELO, TX	0.504	0.835	0.413
00900	31	AUSTIN, TX	0.504	0.835	0.413
00900	32	VICTORIA, TX	0.504	0.835	0.413
00900	33	LAREDO, TX	0.504	0.835	0.413
00900	34	WICHITA FALLS, TX	0.504	0.835	0.413
16510	16	CHARLESTON, WV	0.688	1.051	0.416
16510	17	WHEELING, WV	0.688	1.051	0.416
16510	18	EASTERN VALLEY, WV	0.688	1.051	0.416

Carrier	Locality	Locality Name	Original MGPCI	3 Specialty 1992 MGPCI	Change
16510	19	OHIO RIVER VALLEY, WV	0.688	1.051	0.416
16510	20	SOUTHERN VALLEY, WV	0.688	1.051	0.416
00900	03	SOUTHEAST RURAL TEXAS	0.504	0.887	0.471
00951	04	MILWAUKEE, WI	0.762	1.253	0.481
00951	12	NORTHWEST WISCONSIN	0.762	1.253	0.481
00951	13	CENTRAL WISCONSIN	0.762	1.253	0.481
00951	14	SOUTHWEST WISCONSIN	0.762	1.253	0.481
00951	15	MADISON, WI (DANE COUNTY)	0.762	1.253	0.481
00951	19	LA CROSSE, WI (W-CENTRAL)	0.762	1.253	0.481
00951	36	WAUSAU, WI (N-CENTRAL)	0.762	1.253	0.481
00951	40	GREEN BAY, WI (NORTHEAST)	0.762	1.253	0.481
00951	46	MILWAUKEE SUBURBS, WI (SE)	0.762	1.253	0.481
00951	54	JANESVILLE, WI (S-CENTRAL)	0.762	1.253	0.481
00951	60	OSHKOSH, WI (E-CENTRAL)	0.762	1.253	0.481
00900	11	DALLAS, TX	0.504	0.905	0.490
00900	14	EL PASO, TX	0.504	0.905	0.490
00900	28	FORT WORTH, TX	0.504	0.905	0.490
01020	01	ALASKA	1.042	1.781	0.496
00590	03	FORT LAUDERDALE, FL	1.376	1.934	0.588
00710	02	MICHIGAN, NOT DETROIT	1.196	1.919	0.705
00870	01	RHODE ISLAND	0.734	1.312	0.713
00590	04	MIAMI, FL	1.641	2.453	0.848
00900	18	HOUSTON, TX	0.656	1.468	0.958
00900	09	BRAZORIA, TX	0.504	1.468	1.110
00900	15	GALVESTON, TX	0.504	1.468	1.110
00900	20	BEAUMONT, TX	0.504	1.468	1.110
00710	01	DETROIT, MI	1.736	2.986	1.361

APPENDIX D

Impact of 20-Specialty 1992 MGPCI, by Locality

APPENDIX D

IMPACT OF 20-SPECIALTY 1992 MGPCI, BY LOCALITY
(ascending order of change)

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1992 MGPCI	Change
00542	01	N. COASTAL CNTYS, CA	1.370	0.655	-.628
00542	02	NE RURAL CA	1.370	0.655	-.628
00542	03	MARIN/NAPA/SOLANO, CA	1.370	0.655	-.628
00542	04	SACRAMENTO/SURR. CNTYS, CA	1.370	0.655	-.628
00542	05	SAN FRANCISCO, CA	1.370	0.655	-.628
00542	06	SAN MATEO, CA	1.370	0.655	-.628
00542	07	OAKLAND-BERKELEY, CA	1.370	0.655	-.628
00542	08	STOCKTON/SURR. CNTYS, CA	1.370	0.655	-.628
00542	09	SANTA CLARA, CA	1.370	0.655	-.628
00542	10	MERCED/SURR. CNTYS, CA	1.370	0.655	-.628
00542	11	FRESNO/MADERA, CA	1.370	0.655	-.628
00542	12	MONTEREY/SANTA CRUZ, CA	1.370	0.655	-.628
00542	13	KINGS/TULARE, CA	1.370	0.655	-.628
02050	28	SAN DIEGO/IMPERIAL, CA	1.370	0.668	-.612
00621	12	EAST ST. LOUIS, IL	1.579	1.120	-.588
00542	14	BAKERSFIELD, CA	1.370	0.710	-.576
02050	16	SANTA BARBARA, CA	1.370	0.710	-.576
02050	17	VENTURA, CA	1.370	0.710	-.576
00542	27	RIVERSIDE, CA	1.370	0.718	-.574
00621	16	CHICAGO, IL	1.773	1.382	-.560
00865	02	LG. PENNSYLVANIA CITIES	1.440	1.032	-.518
00542	15	SAN BERNADINO/E.CENTRAL CA	1.370	0.777	-.503
02050	18	LOS ANGELES, CA (1ST OF 8)	1.370	0.780	-.500
02050	19	LOS ANGELES, CA (2ND OF 8)	1.370	0.780	-.500
02050	20	LOS ANGELES, CA (3RD OF 8)	1.370	0.780	-.500
02050	21	LOS ANGELES, CA (4TH OF 8)	1.370	0.780	-.500
02050	22	LOS ANGELES, CA (5TH OF 8)	1.370	0.780	-.500
02050	23	LOS ANGELES, CA (6TH OF 8)	1.370	0.780	-.500
02050	24	LOS ANGELES, CA (7TH OF 8)	1.370	0.780	-.500
02050	25	LOS ANGELES, CA (8TH OF 8)	1.370	0.780	-.500
02050	26	ANAHEIM-SANTA ANA, CA	1.370	0.780	-.500
00621	01	NORTHWEST, IL	1.137	0.736	-.488
00621	04	ROCK ISLAND, IL	1.137	0.736	-.488
00621	05	PEORIA, IL	1.137	0.736	-.488
00621	07	QUINCY, IL	1.137	0.736	-.488
00621	09	SPRINGFIELD, IL	1.137	0.736	-.488
00621	13	SOUTHEAST IL	1.137	0.736	-.488
00621	03	DE KALB, IL	1.137	0.736	-.488
00621	14	SOUTHERN IL	1.137	0.786	-.441
00621	08	NORMAL, IL	1.137	0.810	-.419
00621	11	DECATUR, IL	1.137	0.838	-.394
00621	06	KANKAKEE, IL	1.137	0.861	-.372
00860	01	NORTHERN NEW JERSEY	1.153	0.836	-.360
00860	02	MIDDLE NEW JERSEY	1.153	0.836	-.360
00860	03	SOUTHERN NEW JERSEY	1.153	0.836	-.360
00621	02	ROCKFORD, IL	1.137	0.910	-.328
00865	04	REST OF PENNSYLVANIA	0.986	0.771	-.304
00865	01	PHILLY/PITT MED SCHS/HOSPS	1.552	1.395	-.303
05130	11	SOUTH IDAHO	0.889	0.562	-.298
05130	12	NORTH IDAHO	0.889	0.562	-.298
00865	03	SMALL PENNSYLVANIA CITIES	0.986	0.787	-.289
00932	01	W + SE WA (EXCL SEATTLE)	1.064	0.807	-.272
00932	02	SEATTLE (KING CNTY), WA	1.064	0.807	-.272
00932	03	SPOKANE+RICHLND(CITIES)	1.064	0.807	-.272
00932	04	E.CEN+NE WA (EXCL SPOKANE)	1.064	0.807	-.272
00820	02	SOUTH DAKOTA	0.688	0.464	-.267
01380	01	PORTLAND, ET AL (CITIES), OR	0.951	0.608	-.263
01380	02	EUGENE, ET AL (CITIES), OR	0.951	0.608	-.263
01380	03	SALEM, ET AL (CITIES), OR	0.951	0.608	-.263
01380	12	SW OR. CITIES(CITY LIMITS)	0.951	0.608	-.263
01380	99	REST OF OREGON	0.951	0.608	-.263
00621	10	CHAMPAIGN-URBANA, IL	1.137	1.017	-.228
01290	01	LAS VEGAS, ET AL(CITIES), NV	1.144	0.923	-.206
01290	02	RENO, ET AL (CITIES), NV	1.144	0.923	-.206
01290	03	ELKO & ELY (CITIES), NV	1.144	0.923	-.206
01290	99	REST OF NEVADA	1.144	0.923	-.206

Carrier	Locality	Locality Name	Original MGPCI	20 1992 Specialty MGPCI	Change
11260	01	ST. LOUIS/LG. E.CITIES, MO	1.352	1.209	-.192
10490	02	TIDEWATER+N. VA COUNTIES	0.703	0.571	-.163
00880	01	SOUTH CAROLINA	0.448	0.318	-.160
00973	20	PUERTO RICO	0.466	0.290	-.156
10230	02	SW CONNECTICUT	1.231	1.036	-.153
00700	01	MASSACHUSETTS URBAN	0.855	0.721	-.144
00700	02	MASS.SUBURBS/RURAL(CITIES)	0.855	0.721	-.144
00630	01	METROPOLITAN INDIANA	0.547	0.377	-.140
00650	01	REST OF KANSAS	1.134	1.025	-.138
00740	04	SUBURBAN KANSAS CITY, KS	1.134	1.025	-.138
00740	05	KANSAS CITY, KS	1.134	1.025	-.138
00720	00	NORTHERN MINNESOTA	0.748	0.591	-.138
10240	00	ST. PAUL-MINNEAPOLIS, MN	0.748	0.591	-.138
00630	02	URBAN INDIANA	0.516	0.360	-.128
00630	03	REST OF INDIANA	0.516	0.360	-.128
10230	03	SOUTH CENTRAL CONN.	1.188	1.036	-.110
00910	09	UTAH	0.739	0.677	-.095
00820	01	NORTH DAKOTA	0.688	0.644	-.094
00621	15	SUBURBAN CHICAGO, IL	1.137	1.178	-.082
00801	01	BUFFALO/SURR. CNTYS, NY	0.963	0.801	-.067
00801	02	ROCHESTER/SURR. CNTYS, NY	0.963	0.801	-.067
00801	03	N. CENTRAL CITIES, NY	0.963	0.801	-.067
00801	04	REST OF NEW YORK	0.963	0.801	-.067
00740	01	ST. JOSEPH, MO	1.179	1.168	-.062
00740	06	RURAL NW COUNTIES, MO	1.179	1.168	-.062
11260	03	REST OF MO	1.179	1.168	-.062
00780	50	VERMONT	0.533	0.515	-.045
00580	01	D.C. + MD/VA SUBURBS	0.947	0.997	-.036
11260	02	SMALL E. CITIES	1.179	1.194	-.035
00740	02	N. K.C. (CLAY/PLATTE), MO	1.179	1.203	-.026
10490	03	SM. TOWN/INDUSTRIAL VA	0.531	0.538	-.022
10490	04	REST OF VIRGINIA	0.522	0.533	-.018
00740	03	K.C. (JACKSON COUNTY), MO	1.179	1.216	-.013
00655	00	URBAN (CNTY POP>25000) NE	0.435	0.451	0.004
01370	00	REST OF OKLAHOMA	0.516	0.489	0.007
10490	01	RICHMOND+CHARLOTTE SVL, VA	0.462	0.504	0.014
01120	01	HAWAII	1.025	0.939	0.017
00640	01	SE IOWA (INCL IOWA CITY)	0.666	0.700	0.028
00640	02	NORTHEAST IOWA	0.666	0.700	0.028
00640	03	NORTH CENTRAL IOWA	0.666	0.700	0.028
00640	04	S.CEN. IA (EXCL DES MOINES)	0.666	0.700	0.028
00640	05	DES MOINES (POLK/WARREN), IA	0.666	0.700	0.028
00640	06	NORTHWEST IOWA	0.666	0.700	0.028
00640	07	SOUTHWEST IOWA	0.666	0.700	0.028
00803	03	POUGHKEPSIE/N.NYC SUBURBS	1.325	1.220	0.042
10230	04	EASTERN CONN.	1.036	1.036	0.042
10230	01	NW AND N.CENTRAL CONN.	1.025	1.036	0.053
14330	04	QUEENS, NY	1.861	1.708	0.054
00803	02	NYC SUBURBS/LONG I., NY	1.929	1.778	0.065
00528	01	NEW ORLEANS, LA	1.185	1.304	0.065
16360	05	DAYTON, OH	0.920	1.121	0.070
16360	02	CINCINATI, OH	0.920	1.123	0.071
05535	94	URBAN (CITY LIMITS) NC	0.378	0.490	0.080
05535	95	REST OF NORTH CAROLINA	0.378	0.490	0.080
10250	01	REST OF MISSISSIPPI	0.650	0.794	0.085
10250	02	URBAN MS (CITY LIMITS)	0.650	0.794	0.085
00751	01	MONTANA	0.718	0.786	0.092
00520	13	ARKANSAS	0.302	0.421	0.101
00570	01	DELAWARE	0.664	0.848	0.119
00510	01	NORTHWEST AL	0.824	0.947	0.123
00510	02	NORTH CENTRAL AL	0.824	0.947	0.123
00510	03	SOUTHEAST AL	0.824	0.947	0.123
00510	04	MOBILE, AL	0.824	0.947	0.123
00510	05	BIRMINGHAM, AL	0.824	0.947	0.123
00510	06	REST OF AL	0.824	0.947	0.123
00690	02	WESTERN MARYLAND	0.843	0.962	0.127
00803	01	MANHATTAN, NY	1.647	1.591	0.135
16360	01	AKRON, OH	0.920	1.203	0.143
16360	03	CLEVELAND, OH	0.920	1.203	0.143

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1992 MGPCI	Change
16360	04	COLUMBUS, OH	0.920	1.203	0.143
16360	06	NORTHWEST (LIMA) OH	0.920	1.203	0.143
16360	07	MANSFIELD, OH	0.920	1.203	0.143
16360	08	SPRINGFIELD, OH	0.920	1.203	0.143
16360	09	E. CENTRAL (STEUBENVL), OH	0.920	1.203	0.143
16360	10	TOLEDO (LUCAS/WOOD), OH	0.920	1.203	0.143
16360	11	YOUNGSTOWN, OH	0.920	1.203	0.143
16360	12	W. CENTR (LAKE PLAINS), OH	0.920	1.203	0.143
16360	13	MARION + SURR. CNTYS., OH	0.920	1.203	0.143
16360	14	SCIOTO VALLEY, OH	0.920	1.203	0.143
16360	15	SOUTHEAST (OHIO VALLEY) OH	0.920	1.203	0.143
00690	03	SOUTH + E. SHORE MD	0.820	0.962	0.150
21200	01	NORTHERN MAINE	0.716	0.748	0.152
21200	02	CENTRAL MAINE	0.716	0.748	0.152
21200	03	SOUTHERN MAINE	0.716	0.748	0.152
00825	21	WYOMING	0.641	0.865	0.164
00660	01	LEXINGTON & LOUISVILLE, KY	0.667	0.880	0.169
00660	02	SM CITIES (CITY LIMITS) KY	0.667	0.880	0.169
00660	03	REST OF KENTUCKY	0.667	0.880	0.169
01360	05	NEW MEXICO	0.767	0.772	0.180
01030	01	PHEONIX, AZ	1.255	1.241	0.206
01030	02	TUCSON (CITY), AZ	1.255	1.241	0.206
01030	05	FLAGSTAFF (CITY), AZ	1.255	1.241	0.206
01030	07	PRESCOTT (CITY), AZ	1.255	1.241	0.206
01030	08	YUMA (CITY), AZ	1.255	1.241	0.206
01030	99	REST OF ARIZONA	1.255	1.241	0.206
05440	35	TENNESSEE	0.407	0.540	0.212
00550	01	COLORADO	0.683	0.867	0.278
01040	01	ATLANTA, GA	0.752	0.968	0.287
01040	02	SMALL GA CITIES 02	0.752	0.968	0.287
01040	03	SMALL GA CITIES 03	0.752	0.968	0.287
01040	04	REST OF GEORGIA	0.752	0.968	0.287
00690	01	BALTIMORE/SURR. CNTYS, MD	0.927	1.209	0.295
00528	50	REST OF LOUISIANA	0.824	1.179	0.301
00528	02	SHREVEPORT, LA	0.808	1.172	0.311
00528	03	BATON ROUGE, LA	0.808	1.172	0.311
00528	04	LAKE CHARLES, LA	0.808	1.172	0.311
00528	05	MONROE, LA	0.808	1.172	0.311
00528	06	LAFAYETTE, LA	0.808	1.172	0.311
00528	07	ALEXANDRIA, LA	0.808	1.172	0.311
00900	02	NORTHEAST RURAL TEXAS	0.504	0.917	0.331
00900	04	WESTERN RURAL TEXAS	0.504	0.917	0.331
00900	06	TEMPLE, TX	0.504	0.917	0.331
00900	07	SAN ANTONIO, TX	0.504	0.917	0.331
00900	08	TEXARKANA, TX	0.504	0.917	0.331
00900	10	BROWNSVILLE, TX	0.504	0.917	0.331
00900	12	DENTON, TX	0.504	0.917	0.331
00900	13	ODESSA, TX	0.504	0.917	0.331
00900	16	GRAYSON, TX	0.504	0.917	0.331
00900	17	LONGVIEW, TX	0.504	0.917	0.331
00900	19	MC ALLEN, TX	0.504	0.917	0.331
00900	21	LUBBOCK, TX	0.504	0.917	0.331
00900	22	WACO, TX	0.504	0.917	0.331
00900	23	MIDLAND, TX	0.504	0.917	0.331
00900	24	CORPUS CHRISTI, TX	0.504	0.917	0.331
00900	25	ORANGE, TX	0.504	0.917	0.331
00900	26	AMARILLO, TX	0.504	0.917	0.331
00900	27	TYLER, TX	0.504	0.917	0.331
00900	29	ABILENE, TX	0.504	0.917	0.331
00900	30	SAN ANGELO, TX	0.504	0.917	0.331
00900	31	AUSTIN, TX	0.504	0.917	0.331
00900	32	VICTORIA, TX	0.504	0.917	0.331
00900	33	LAREDO, TX	0.504	0.917	0.331
00900	34	WICHITA FALLS, TX	0.504	0.917	0.331
00590	01	REST OF FLORIDA	1.108	1.460	0.332
00590	02	N/NC FLORIDA CITIES	1.108	1.460	0.332
16510	16	CHARLESTON, WV	0.688	1.104	0.363
16510	17	WHEELING, WV	0.688	1.104	0.363
16510	18	EASTERN VALLEY, WV	0.688	1.104	0.363

Carrier	Locality	Locality Name	Original MGPCI	20 Specialty 1992 MGPCI	Change
16510	19	OHIO RIVER VALLEY, WV	0.688	1.104	0.363
16510	20	SOUTHERN VALLEY, WV	0.688	1.104	0.363
00900	03	SOUTHEAST RURAL TEXAS	0.504	0.975	0.383
00780	40	NEW HAMPSHIRE	0.602	1.007	0.385
00900	11	DALLAS, TX	0.504	0.994	0.401
00900	14	EL PASO, TX	0.504	0.994	0.401
00900	28	FORT WORTH, TX	0.504	0.994	0.401
00951	04	MILWAUKEE, WI	0.762	1.243	0.491
00951	12	NORTHWEST WISCONSIN	0.762	1.243	0.491
00951	13	CENTRAL WISCONSIN	0.762	1.243	0.491
00951	14	SOUTHWEST WISCONSIN	0.762	1.243	0.491
00951	15	MADISON, WI (DANE COUNTY)	0.762	1.243	0.491
00951	19	LA CROSSE, WI (W-CENTRAL)	0.762	1.243	0.491
00951	36	WAUSAU, WI (N-CENTRAL)	0.762	1.243	0.491
00951	40	GREEN BAY, WI (NORTHEAST)	0.762	1.243	0.491
00951	46	MILWAUKEE SUBURBS, WI (SE)	0.762	1.243	0.491
00951	54	JANESVILLE, WI (S-CENTRAL)	0.762	1.243	0.491
00951	60	OSHKOSH, WI (E-CENTRAL)	0.762	1.243	0.491
00590	03	FORT LAUDERDALE, FL	1.376	1.964	0.558
00870	01	RHODE ISLAND	0.734	1.447	0.578
00710	02	MICHIGAN, NOT DETROIT	1.196	1.901	0.723
01020	01	ALASKA	1.042	1.538	0.739
00900	18	HOUSTON, TX	0.656	1.614	0.812
00590	04	MIAMI, FL	1.641	2.489	0.812
00900	09	BRAZORIA, TX	0.504	1.614	0.964
00900	15	GALVESTON, TX	0.504	1.614	0.964
00900	20	BEAUMONT, TX	0.504	1.614	0.964
00710	01	DETROIT, MI	1.736	3.097	1.250

APPENDIX E

Simulated Impact of MGPCI Update on Average Medicare Fees, by Locality

APPENDIX E
 Simulated Impact of MGPCI Update on Average Medicare Fees,
 by Locality

Carrier	Locality	Locality Name	Original MGPCI	20 Spec 3 Year MGPCI	Absolute Change	Simulated Impact on Fees
00542	01	N. COASTAL CNTYS	1.370	0.620	-.750	-.042
00542	02	NE RURAL	1.370	0.620	-.750	-.042
00542	03	MARIN/NAPA/SOLANO	1.370	0.620	-.750	-.042
00542	04	SACRAMENTO/SURR. CNTYS	1.370	0.620	-.750	-.042
00542	05	SAN FRANCISCO	1.370	0.620	-.750	-.042
00542	06	SAN MATEO	1.370	0.620	-.750	-.042
00542	07	OAKLAND/BERKLEY	1.370	0.620	-.750	-.042
00542	08	STOCKTON/SURR. CNTYS	1.370	0.620	-.750	-.042
00542	09	SANTA CLARA	1.370	0.620	-.750	-.042
00542	10	MERCED/SURR.CNTYS	1.370	0.620	-.750	-.042
00542	11	FRESNO/MADERA	1.370	0.620	-.750	-.042
00542	12	MONTEREY/SANTA CLARA	1.370	0.620	-.750	-.042
00542	13	KINGS/TULARE	1.370	0.620	-.750	-.042
02050	28	SAN DIEGO/IMPERIAL	1.370	0.642	-.728	-.041
00542	27	RIVERSIDE	1.370	0.693	-.677	-.038
00542	14	BAKERSFIELD	1.370	0.713	-.657	-.037
02050	16	SANTA BARBERA	1.370	0.713	-.657	-.037
02050	17	VENTURA	1.370	0.713	-.657	-.037
00542	15	SAN BERNADINO/E. CNTRL CNTYS	1.370	0.779	-.591	-.033
02050	18	LOS ANGELES (1ST OF 8)	1.370	0.782	-.588	-.033
02050	19	LOS ANGELES (2ND OF 8)	1.370	0.782	-.588	-.033
02050	20	LOS ANGELES (3RD OF 8)	1.370	0.782	-.588	-.033
02050	21	LOS ANGELES (4TH OF 8)	1.370	0.782	-.588	-.033
02050	22	LOS ANGELES (5TH OF 8)	1.370	0.782	-.588	-.033
02050	23	LOS ANGELES (6TH OF 8)	1.370	0.782	-.588	-.033
02050	24	LOS ANGELES (7TH OF 8)	1.370	0.782	-.588	-.033
02050	25	LOS ANGELES (8TH OF 8)	1.370	0.782	-.588	-.033
02050	26	ANAHEIM/SANTA ANA	1.370	0.782	-.588	-.033
00865	02	LG PA CITIES	1.440	0.983	-.457	-.026
00621	12	EAST ST. LOUIS	1.579	1.158	-.421	-.024
00621	01	NORTHWEST	1.137	0.761	-.376	-.021
00621	04	ROCK ISLAND	1.137	0.761	-.376	-.021
00621	05	PEORIA	1.137	0.761	-.376	-.021
00621	07	QUINCY	1.137	0.761	-.376	-.021
00621	08	NORMAL	1.137	0.761	-.376	-.021
00621	13	SOUTHEAST	1.137	0.761	-.376	-.021
00860	01	NORTHERN NJ	1.153	0.792	-.361	-.020
00860	02	MIDDLE NJ	1.153	0.792	-.361	-.020
00860	03	SOUTHERN NJ	1.153	0.792	-.361	-.020
00621	16	CHICAGO	1.773	1.438	-.335	-.019
00621	03	DE KALB	1.137	0.804	-.333	-.019
00621	14	SOUTHERN	1.137	0.811	-.326	-.018
01380	01	PORTLAND, ET AL. (CITIES)	0.951	0.663	-.288	-.016
01380	02	EUGENE, ET AL. (CITIES)	0.951	0.663	-.288	-.016
01380	03	SALEM, ET AL. (CITIES)	0.951	0.663	-.288	-.016
01380	12	SW OR CITIES (CITY LIMITS)	0.951	0.663	-.288	-.016
01380	99	REST OF OREGON	0.951	0.663	-.288	-.016
00932	01	W & SE WA (EXCL SEATTLE)	1.064	0.778	-.286	-.016

Appendix E (continued)
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Carrier	Locality	Locality Name	Original MGPCI	20 Spec 3 Year MGPCI	Absolute Change	Simulated Impact on Fees
00932	02	SEATTLE (KING CNTY)	1.064	0.778	-.286	-.016
00932	03	SPOKANE & RICHLAND (CITIES)	1.064	0.778	-.286	-.016
00932	04	E CNTRL & NE WA (EXLC SPOKANE)	1.064	0.778	-.286	-.016
05130	11	SOUTH IDAHO	0.889	0.612	-.277	-.016
05130	12	NORTH IDAHO	0.889	0.612	-.277	-.016
00621	11	DECATUR	1.137	0.862	-.275	-.015
00621	06	KANKAKEE	1.137	0.886	-.251	-.014
00865	01	PHILLY/PITT MED SCHLS/HOSPS	1.552	1.307	-.245	-.014
00865	04	REST OF PA	0.986	0.753	-.233	-.013
00820	02	SOUTH DAKOTA	0.688	0.461	-.227	-.013
00865	03	SM PA CITIES	0.986	0.764	-.222	-.012
01290	01	LAS VEGAS, ET AL. (CITIES)	1.144	0.922	-.222	-.012
01290	02	RENO, ET AL. (CITIES)	1.144	0.922	-.222	-.012
01290	03	ELKO & ELY (CITIES)	1.144	0.922	-.222	-.012
01290	99	REST OF NEVADA	1.144	0.922	-.222	-.012
00621	02	ROCKFORD	1.137	0.935	-.202	-.011
10230	02	SW CT	1.231	1.041	-.190	-.011
00621	09	SPRINGFIELD	1.137	0.948	-.189	-.011
00973	20	PURTO RICO	0.466	0.279	-.187	-.010
00630	01	METROPOLITAN IN	0.547	0.380	-.167	-.009
00630	02	UREAN IN	0.516	0.360	-.156	-.009
00630	03	REST OF IN	0.516	0.360	-.156	-.009
00528	01	NEW ORLEANS	1.185	1.035	-.150	-.008
10230	03	S. CNTRL CT	1.188	1.041	-.147	-.008
10490	02	TIDEWATER & N VA CNTYS	0.703	0.572	-.131	-.007
00720	00	MINNESOTA (BLUE SHIELD)	0.748	0.618	-.130	-.007
10240	00	MINNESOTA (TRAVELERS)	0.748	0.618	-.130	-.007
00803	02	NYC SUBURBS/LONG I.	1.929	1.810	-.119	-.007
00801	01	BUFFALO/SURR. CNTYS	0.963	0.853	-.110	-.006
00801	02	ROCHESTER/SURR. CNTYS	0.963	0.853	-.110	-.006
00801	03	N. CENTRAL CITIES	0.963	0.853	-.110	-.006
00801	04	REST OF NEW YORK	0.963	0.853	-.110	-.006
14330	04	QUEENS	1.861	1.753	-.108	-.006
11260	01	ST. LOUIS/LG E. CITIES	1.352	1.250	-.102	-.006
00621	10	CHAMPAIGN-UREANA	1.137	1.042	-.095	-.005
00880	01	SOUTH CAROLINA	0.448	0.375	-.073	-.004
00803	03	POUGHKEPSIE/N NYC SUBURBS	1.325	1.255	-.070	-.004
00910	09	UTAH	0.739	0.669	-.070	-.004
01120	01	HAWAII	1.025	0.956	-.069	-.004
00780	50	VERMONT	0.533	0.470	-.063	-.004
00820	01	NORTH DAKOTA	0.688	0.641	-.047	-.003
00803	01	MANHATTAN	1.647	1.607	-.040	-.002
01370	00	OKLAHOMA	0.516	0.501	-.015	-.001
00580	01	DC +MD/VA SUBURBS	0.947	0.950	0.003	0.000
10230	04	EASTERN CT	1.036	1.041	0.005	0.000
10490	03	SM TOWN/INDUSTRIAL VA	0.531	0.538	0.007	0.000
10490	04	REST OF VA	0.522	0.533	0.011	0.001
10230	01	NW AND N. CNTRL CT	1.025	1.041	0.016	0.001

Carrier	Locality	Locality Name	Original MGPCI	20 Spec 3 Year MGPCI	Absolute Change	Simulated Impact on Fees
00740	01	ST JOSEPH	1.179	1.206	0.027	0.002
00740	06	RURAL NW COUNTIES	1.179	1.206	0.027	0.002
11260	02	SM E. CITIES	1.179	1.206	0.027	0.002
11260	03	REST OF MO	1.179	1.206	0.027	0.002
00655	00	NEBRASKA	0.435	0.462	0.027	0.002
00640	01	SE IOWA	0.666	0.706	0.040	0.002
00640	02	NORTHEAST IOWA	0.666	0.706	0.040	0.002
00640	03	NORTH CENTRAL IOWA	0.666	0.706	0.040	0.002
00640	04	S CNTRL IA (EXCL. DES MOINES)	0.666	0.706	0.040	0.002
00640	05	DES MOINES (FOLK/WARREN)	0.666	0.706	0.040	0.002
00640	06	NORTHWEST IOWA	0.666	0.706	0.040	0.002
00640	07	SOUTHWEST	0.666	0.706	0.040	0.002
10490	01	RICHMOND & CHARLOTTEVILLE	0.462	0.504	0.042	0.002
00690	02	WESTERN MD	0.843	0.896	0.053	0.003
01360	05	NEW MEXICO	0.767	0.823	0.056	0.003
00740	02	N K.C. (CLAY/PLATTE)	1.179	1.242	0.063	0.004
00621	15	SUBURBAN CHICAGO	1.137	1.206	0.069	0.004
00751	01	MONTANA	0.718	0.787	0.069	0.004
21200	01	NORTHERN MAINE	0.716	0.790	0.074	0.004
21200	02	CENTRAL MAINE	0.716	0.790	0.074	0.004
21200	03	SOUTHERN MAINE	0.716	0.790	0.074	0.004
05535	94	URBAN (CITY LIMITS) NC	0.378	0.453	0.075	0.004
05535	95	REST OF NC	0.378	0.453	0.075	0.004
00690	03	SOUTH & E. SHORE MD	0.820	0.896	0.076	0.004
00740	03	K.C. (JACKSON CNTY)	1.179	1.256	0.077	0.004
00650	01	REST OF KANSAS	1.134	1.240	0.106	0.006
00740	04	SUBURBAN KANSAS CITY	1.134	1.240	0.106	0.006
10250	01	KANSAS CITY	1.134	1.240	0.106	0.006
10250	02	REST OF MISSISSIPPI	0.650	0.756	0.106	0.006
10250	05	URBAN MISSISSIPPI	0.650	0.756	0.106	0.006
01030	01	PHOENIX	1.255	1.373	0.118	0.007
01030	02	TUSCON	1.255	1.373	0.118	0.007
01030	05	FLAGSTAFF	1.255	1.373	0.118	0.007
01030	07	PRESCOTT	1.255	1.373	0.118	0.007
01030	08	YUMA	1.255	1.373	0.118	0.007
01030	99	REST OF AZ	1.255	1.373	0.118	0.007
00528	50	REST OF LA	0.824	0.951	0.127	0.007
00528	35	TENNESSEE	0.824	0.951	0.127	0.007
00528	02	SHREVEPORT	0.407	0.544	0.137	0.008
00528	03	BATON ROUGE	0.808	0.947	0.139	0.008
00528	04	LAKE CHARLES	0.808	0.947	0.139	0.008
00528	05	MONROE	0.808	0.947	0.139	0.008
00528	06	LAFAYETTE	0.808	0.947	0.139	0.008
00528	07	ALEXANDRIA	0.808	0.947	0.139	0.008
00510	01	NORTHWEST	0.824	0.964	0.140	0.008
00510	02	NORTH CENTRAL	0.824	0.964	0.140	0.008
00510	03	SOUTHEAST	0.824	0.964	0.140	0.008
00510	04	MOBILE	0.824	0.964	0.140	0.008

Carrier	Locality	Locality Name	Original MGPCI	20 Spec 3 Year MGPCI	Absolute Change	Simulated Impact on Fees
00510	05	BIRMINGHAM	0.824	0.964	0.140	0.008
00510	06	REST OF AL	0.824	0.964	0.140	0.008
00520	13	ARKANSAS	0.302	0.444	0.142	0.008
16360	05	DAYTON	0.920	1.064	0.144	0.008
16360	02	CINCINNATI	0.920	1.065	0.145	0.008
00570	01	DELAWARE	0.664	0.824	0.160	0.009
00700	01	URBAN MASS	0.855	1.016	0.161	0.009
00700	02	MASS SUBURBS/RURAL CITIES	0.855	1.016	0.161	0.009
00550	01	COLORADO	0.683	0.860	0.177	0.010
16360	01	AKRON	0.920	1.103	0.183	0.010
16360	03	CLEVELAND	0.920	1.103	0.183	0.010
16360	04	COLUMBUS	0.920	1.103	0.183	0.010
16360	06	NORTHWEST (LIMA) OH	0.920	1.103	0.183	0.010
16360	07	MANSFIELD	0.920	1.103	0.183	0.010
16360	08	SPRINGFIELD	0.920	1.103	0.183	0.010
16360	09	E. CNTRL OH (STEBENVILLE)	0.920	1.103	0.183	0.010
16360	10	TOLEDO (LUCAS/WOOD)	0.920	1.103	0.183	0.010
16360	11	YOUNGSTOWN	0.920	1.103	0.183	0.010
16360	12	W. CNTRL OH (LAKE PLAINS)	0.920	1.103	0.183	0.010
16360	13	MARION/SURR. CNTYS	0.920	1.103	0.183	0.010
16360	14	SCIOTO VALLEY	0.920	1.103	0.183	0.010
16360	15	SOUTHEAST OHIO VALLEY	0.920	1.103	0.183	0.010
00660	01	LEXINGTON & LOUISVILLE	0.667	0.852	0.185	0.010
00660	02	SM CITIES (CITY LIMITS)	0.667	0.852	0.185	0.010
00660	03	REST OF KENTUCKY	0.667	0.852	0.185	0.010
01040	01	ATLANTA	0.752	0.939	0.187	0.010
01040	02	SMALL GA CITIES 02	0.752	0.939	0.187	0.010
01040	03	SMALL GA CITIES 03	0.752	0.939	0.187	0.010
01040	04	REST OF GA	0.752	0.939	0.187	0.010
00690	01	BALTIMORE/SURR. CNTYS	0.927	1.126	0.199	0.011
00825	21	WYOMING	0.641	0.844	0.203	0.011
00780	40	NEW HAMPSHIRE	0.602	0.952	0.350	0.020
00900	02	NORTHEAST RURAL TX	0.504	0.860	0.356	0.020
00900	04	WESTERN TX	0.504	0.860	0.356	0.020
00900	06	TEMPLE	0.504	0.860	0.356	0.020
00900	07	SAN ANTONIO	0.504	0.860	0.356	0.020
00900	08	TEXARKANA	0.504	0.860	0.356	0.020
00900	10	BROWNSVILLE	0.504	0.860	0.356	0.020
00900	12	DENTON	0.504	0.860	0.356	0.020
00900	13	ODESSA	0.504	0.860	0.356	0.020
00900	16	GRAYSON	0.504	0.860	0.356	0.020
00900	17	LONGVIEW	0.504	0.860	0.356	0.020
00900	19	MC ALLEN	0.504	0.860	0.356	0.020
00900	21	LUBBOCK	0.504	0.860	0.356	0.020
00900	22	WACO	0.504	0.860	0.356	0.020
00900	23	MIDLAND	0.504	0.860	0.356	0.020
00900	24	CORPUS CHRISTI	0.504	0.860	0.356	0.020

Carrier	Locality	Locality Name	Original MGPCI	20 Spec 3 Year MGPCI	Absolute Change	Simulated Impact on Fees
00900	25	ORANGE	0.504	0.860	0.356	0.020
00900	26	AMARILLO	0.504	0.860	0.356	0.020
00900	27	TYLER	0.504	0.860	0.356	0.020
00900	29	ABILENE	0.504	0.860	0.356	0.020
00900	30	SAN ANGELO	0.504	0.860	0.356	0.020
00900	31	AUSTIN	0.504	0.860	0.356	0.020
00900	32	VICTORIA	0.504	0.860	0.356	0.020
00900	33	LAREDO	0.504	0.860	0.356	0.020
00900	34	WICHITA FALLS	0.504	0.860	0.356	0.020
16510	16	CHARLESTON	0.688	1.044	0.356	0.020
16510	17	WHEELING	0.688	1.044	0.356	0.020
16510	18	EASTERN VALLEY	0.688	1.044	0.356	0.020
16510	19	OHIO RIVER VALLEY	0.688	1.044	0.356	0.020
16510	20	SOUTHERN VALLEY	0.688	1.044	0.356	0.020
00590	01	REST OF FLORIDA	1.108	1.475	0.367	0.021
00590	02	N/NC FL CITIERS	1.108	1.475	0.367	0.021
00900	03	SOUTHEAST RURAL TX	0.504	0.912	0.408	0.023
00900	11	DALLAS	0.504	0.929	0.425	0.024
00900	14	EL PASO	0.504	0.929	0.425	0.024
00900	28	FORT WORTH	0.504	0.929	0.425	0.024
00951	04	MILWAUKEE	0.762	1.207	0.445	0.025
00951	12	NORTHWEST WI	0.762	1.207	0.445	0.025
00951	13	CENTRAL WI	0.762	1.207	0.445	0.025
00951	14	SOUTHWEST WI	0.762	1.207	0.445	0.025
00951	15	MADISON (DANE CNTY)	0.762	1.207	0.445	0.025
00951	19	LA CROSSE (W CNTRL)	0.762	1.207	0.445	0.025
00951	36	WAUSAU (N CNTRL)	0.762	1.207	0.445	0.025
00951	40	GREEN BAY (NORTHEAST)	0.762	1.207	0.445	0.025
00951	46	MILWAUKEE SURBURBS (SE)	0.762	1.207	0.445	0.025
00951	54	JANESVILLE (S CNTRL)	0.762	1.207	0.445	0.025
00951	60	OSHKOSH (R CNTRL)	0.762	1.207	0.445	0.025
00590	03	FORT LAUDERDALE	1.376	1.998	0.622	0.035
01020	01	ALASKA	1.042	1.681	0.639	0.036
00710	02	MICHIGAN, NOT DETROIT	1.196	1.913	0.717	0.040
00900	18	HOUSTON	0.656	1.485	0.829	0.046
00590	04	MIAMI	1.641	2.531	0.890	0.050
00870	01	RHODE ISLAND	0.734	1.632	0.898	0.050
00900	09	BRAZORIA	0.504	1.485	0.981	0.055
00900	15	GALVESTON	0.504	1.485	0.981	0.055
00500	20	BEAUMONT	0.504	1.485	0.981	0.055
00710	01	DETROIT	1.736	3.213	1.477	0.083

APPENDIX F

Impact on MGPCI of Changing from Population Weighting to RVU Weighting, by Locality

Appendix F
Impact on MGPCI of Changing From Population
Weighting to RVU Weighting,
By Locality

Carrier	Locality 1994	Locality Name	Population Weighted MGPCI	RVU Weighted MGPCI	Absolute Difference	Percent Difference
00510	05	BIRMINGHAM, AL	0.966	0.906	-.060	-6.21
00510	04	MOBILE, AL	0.966	0.906	-.060	-6.21
00510	02	NORTH CENTRAL AL	0.966	0.906	-.060	-6.21
00510	01	NORTHWEST AL	0.966	0.906	-.060	-6.21
00510	06	REST OF AL	0.966	0.906	-.060	-6.21
00510	03	SOUTHEAST AL	0.966	0.906	-.060	-6.21
00510	01	ALASKA	1.683	1.581	-.102	-6.06
01030	05	FLAGSTAFF, AZ	1.375	1.291	-.084	-6.11
01030	01	PHOENIX, AZ	1.375	1.291	-.084	-6.11
01030	07	PRESCOTT, AZ	1.375	1.291	-.084	-6.11
01030	99	REST OF AZ	1.375	1.291	-.084	-6.11
01030	02	TUCSON, AZ	1.375	1.291	-.084	-6.11
01030	08	YUMA, AZ	1.375	1.291	-.084	-6.11
00520	13	ARKANSAS	0.445	0.417	-.028	-6.29
02050	26	ANAHEIM/SANTA ANA, CA	0.783	0.735	-.048	-6.13
00542	14	BAKERSFIELD, CA	0.714	0.671	-.043	-6.02
00542	11	FRESNO/MADERA, CA	0.621	0.583	-.038	-6.12
00542	13	KINGS/TULARE, CA	0.621	0.583	-.038	-6.12
02050	18	LOS ANGELES (1ST OF 8)	0.783	0.735	-.048	-6.13
02050	19	LOS ANGELES (2ND OF 8)	0.783	0.735	-.048	-6.13
02050	20	LOS ANGELES (3RD OF 8)	0.783	0.735	-.048	-6.13
02050	21	LOS ANGELES (4TH OF 8)	0.783	0.735	-.048	-6.13
02050	22	LOS ANGELES (5TH OF 8)	0.783	0.735	-.048	-6.13
02050	23	LOS ANGELES (6TH OF 8)	0.783	0.735	-.048	-6.13
02050	24	LOS ANGELES (7TH OF 8)	0.783	0.735	-.048	-6.13
02050	25	LOS ANGELES (8TH OF 8)	0.783	0.735	-.048	-6.13
00542	03	MARIN/NAPA/SOLANO, CA	0.621	0.583	-.038	-6.12
00542	10	MERCED/SURR.CNTYS, CA	0.621	0.583	-.038	-6.12
00542	12	MONTEREY/SANTA CRUZ, CA	0.621	0.583	-.038	-6.12
00542	01	N. COASTAL CNTYS, CA	0.621	0.583	-.038	-6.12
00542	02	NE RURAL, CA	0.621	0.583	-.038	-6.12
00542	07	OAKLAND/BERKLEY, CA	0.621	0.583	-.038	-6.12
00542	27	RIVERSIDE, CA	0.694	0.652	-.042	-6.05
00542	04	SACRAMENTO/SURR. CNTYS, CA	0.621	0.583	-.038	-6.12
00542	15	SAN BERNADINO/E.CTRL CNTYS CA	0.780	0.732	-.048	-6.15
02050	28	SAN DIEGO/IMPERIAL, CA	0.643	0.604	-.039	-6.07
00542	05	SAN FRANCISCO, CA	0.621	0.583	-.038	-6.12
00542	06	SAN MATEO, CA	0.621	0.583	-.038	-6.12
02050	16	SANTA BARBARA, CA	0.714	0.671	-.043	-6.02
00542	09	SANTA CLARA, CA	0.621	0.583	-.038	-6.12
00542	08	STOCKTON/SURR. CNTYS, CA	0.621	0.583	-.038	-6.12
02050	17	VENTURA, CA	0.714	0.671	-.043	-6.02
00550	01	COLORADO	0.861	0.808	-.053	-6.16
10230	04	EASTERN CT	1.042	0.978	-.064	-6.14
10230	01	NW AND N. CNTRL CT	1.042	0.978	-.064	-6.14
10230	03	S. CNTRL CT	1.042	0.978	-.064	-6.14
10230	02	SW CT	1.042	0.978	-.064	-6.14
00570	01	DELAWARE	0.825	0.774	-.051	-6.18

Carrier	Locality 1994	Locality Name	Population Weighted MGPCI	RVU Weighted MGPCI	Absolute Difference	Percent Difference
00580	01	DC +MD/VA SUBURBS	0.977	0.958	-.019	-1.94
00590	03	FORT LAUDERDALE, FL	2.001	1.825	-.176	-8.80
00590	04	MIAMI, FL	2.534	2.401	-.133	-5.25
00590	02	N/NC FL CITIES	1.477	1.385	-.092	-6.23
00590	01	REST OF FLORIDA	1.477	1.385	-.092	-6.23
01040	01	ATLANTA, GA	1.477	1.385	-.092	-6.23
01040	04	REST OF GA	0.940	0.882	-.058	-6.17
01040	02	SMALL GA CITIES 02	0.940	0.882	-.058	-6.17
01040	03	SMALL GA CITIES 03	0.940	0.882	-.058	-6.17
01120	01	HAWAII/GUAM	0.957	0.899	-.058	-6.06
05130	12	NORTH IDAHO	0.613	0.575	-.038	-6.20
05130	11	SOUTH IDAHO	0.613	0.575	-.038	-6.20
00621	10	CHAMPAIGN-URBANA, IL	1.044	0.985	-.059	-5.65
00621	16	CHICAGO, IL	1.440	1.351	-.089	-6.18
00621	03	DE KALE, IL	0.805	0.762	-.043	-5.34
00621	11	DECATUR, IL	0.864	0.860	-.004	-0.46
00621	12	EAST ST. LOUIS, IL	1.160	1.175	0.015	1.29
00621	06	KANKAKEE, IL	0.887	0.881	-.006	-.676
00621	08	NORMAL, IL	0.762	0.715	-.047	-6.17
00621	01	NORTHWEST, IL	0.762	0.715	-.047	-6.17
00621	05	PEORIA, IL	0.762	0.715	-.047	-6.17
00621	07	QUINCY, IL	0.762	0.715	-.047	-6.17
00621	04	ROCK ISLAND, IL	0.762	0.715	-.047	-6.17
00621	02	ROCKFORD, IL	0.937	0.795	-.142	-15.2
00621	13	SOUTHEAST IL	0.762	0.715	-.047	-6.17
00621	14	SOUTHERN IL	0.812	0.803	-.009	-1.11
00621	09	SPRINGFIELD, IL	0.949	0.925	-.024	-2.53
00621	15	SUBURBAN CHICAGO, IL	1.208	1.133	-.075	-6.21
00630	01	METROPOLITAN IN	0.361	0.355	-.005	-6.58
00630	03	REST OF IN	0.361	0.338	-.023	-6.37
00630	02	URBAN IN	0.361	0.338	-.023	-6.37
00640	05	DES MOINES (POLK/WARREN), IA	0.707	0.664	-.043	-6.08
00640	03	NORTH CENTRAL IOWA	0.707	0.664	-.043	-6.08
00640	02	NORTHEAST IOWA	0.707	0.664	-.043	-6.08
00640	06	NORTHWEST IOWA	0.707	0.664	-.043	-6.08
00640	04	S CNTRL IA (EXCL. DES MOINES)	0.707	0.664	-.043	-6.08
00640	01	SOUTHEAST IOWA	0.707	0.664	-.043	-6.08
00640	07	SOUTHWEST IOWA	0.707	0.664	-.043	-6.08
00740	05	KANSAS CITY	1.242	1.164	-.078	-6.28
00650	01	REST OF KANSAS	1.242	1.164	-.078	-6.28
00740	04	SUBURBAN KANSAS CITY	1.242	1.164	-.078	-6.28
00660	01	LEXINGTON & LOUISVILLE, KY	0.853	0.801	-.052	-6.10
00660	03	REST OF KENTUCKY	0.853	0.801	-.052	-6.10
00660	02	SM CITIES (CITY LIMITS) KY	0.853	0.801	-.052	-6.10
00528	07	ALEXANDRIA, LA	0.949	0.890	-.059	-6.22
00528	03	BATON ROUGE, LA	0.949	0.890	-.059	-6.22
00528	06	LAFAYETTE, LA	0.949	0.890	-.059	-6.22
00528	04	LAKE CHARLES, LA	0.949	0.890	-.059	-6.22
00528	05	MONROE, LA	0.949	0.890	-.059	-6.22

Appendix F (continued)
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Carrier	Locality 1994	Locality Name	Population Weighted MGPCI	RVU Weighted MGPCI	Absolute Difference	Percent Difference
00528	01	NEW ORLEANS, LA	1.037	0.975	-.062	-5.98
00528	50	REST OF LA	0.953	0.953	0.000	0.00
00528	02	SHREVEPORT, LA	0.949	0.890	-.059	-6.22
21200	02	CENTRAL MAINE	0.791	0.742	-.049	-6.19
21200	01	NORTHERN MAINE	0.791	0.742	-.049	-6.19
21200	03	SOUTHERN MAINE	0.791	0.742	-.049	-6.19
00690	01	BALTIMORE/SURR. CNTYS, MD	1.127	1.090	-.037	-3.28
00690	03	SOUTH & E. SHORE MD	0.897	0.843	-.054	-6.02
00690	02	WESTERN MD	0.897	0.843	-.054	-6.02
00700	02	MASS SUBURBS/RURAL CITIES	1.018	0.956	-.062	-6.09
00700	01	UREAN MASS	1.018	0.956	-.062	-6.09
00710	01	DETROIT, MI	3.218	2.982	-.236	-7.33
00710	02	MICHIGAN, NOT DETROIT	1.916	1.802	-.114	-5.95
00720	00	MINNESOTA (BLUE SHIELD)	0.619	0.581	-.038	-6.14
10240	00	MINNESOTA (TRAVELERS)	0.619	0.581	-.038	-6.14
10250	01	REST OF MISSISSIPPI	0.757	0.710	-.047	-6.21
10250	02	UREAN MISSISSIPPI	0.757	0.710	-.047	-6.21
00740	03	K.C. (JACKSON CNTY), MO	1.257	1.180	-.077	-6.13
00740	02	N.K.C. (CLAY/PLATTE), MO	1.243	1.177	-.066	-5.31
11260	03	REST OF MO	1.207	1.133	-.074	-6.13
00740	06	RURAL NW COUNTIES, MO	1.207	1.133	-.074	-6.13
11260	02	SM E. CITIES, MO	1.207	1.133	-.074	-6.13
00740	01	ST JOSEPH, MO	1.207	1.133	-.074	-6.13
11260	01	ST. LOUIS/LG E. CITIES, MO	1.251	1.166	-.085	-6.79
00751	01	MONTANA	0.788	0.739	-.049	-6.22
00655	00	NEBRASKA	0.462	0.434	-.028	-6.06
01290	03	ELKO & ELY (CITIES), NV	0.923	0.867	-.056	-6.07
01290	01	LAS VEGAS, ET AL. (CITIES), NV	0.923	0.867	-.056	-6.07
01290	02	RENO, ET AL. (CITIES), NV	0.923	0.867	-.056	-6.07
01290	99	REST OF NEVADA	0.923	0.867	-.056	-6.07
00780	40	NEW HAMPSHIRE	0.954	0.895	-.059	-6.18
00860	02	MIDDLE NJ	0.793	0.745	-.048	-6.05
00860	01	NORTHERN NJ	0.793	0.745	-.048	-6.05
00860	03	SOUTHERN NJ	0.793	0.745	-.048	-6.05
01360	05	NEW MEXICO	0.824	0.774	-.050	-6.07
00801	01	BUFFALO/SURR. CNTYS, NY	0.854	0.802	-.052	-6.09
00801	01	MANHATTAN, NY	1.609	1.511	-.098	-6.09
00801	03	N. CENTRAL CITIES, NY	0.854	0.802	-.052	-6.09
00803	02	NYC SUBURBS/LONG I., NY	1.812	1.719	-.093	-5.13
00803	03	POUGHKEPSIE/N NYC SUBURBS, NY	1.257	1.191	-.066	-5.25
14330	04	QUEENS, NY	1.755	1.648	-.107	-6.10
00801	04	REST OF NEW YORK	0.854	0.802	-.052	-6.09
00801	02	ROCHESTER/SURR. CNTYS, NY	0.854	0.802	-.052	-6.09
05535	00	NORTH CAROLINA	0.454	0.425	-.029	-6.39
00820	01	NORTH DAKOTA	0.642	0.603	-.039	-6.07
16360	00	OHIO	1.097	1.025	-.072	-6.56
01370	00	OKLAHOMA	0.501	0.470	-.031	-6.19
01380	02	EUGENE, ET AL. (CITIES), OR	0.664	0.623	-.041	-6.17
01380	01	PORTLAND, ET AL. (CITIES), OR	0.664	0.623	-.041	-6.17

Appendix F (continued)
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Carrier	Locality 1994	Locality Name	Population Weighted MGPCI	RVU Weighted MGPCI	Absolute Difference	Percent Difference
01380	99	REST OF OREGON	0.664	0.623	-.041	-6.17
01380	03	SALEM, ET AL. (CITIES), OR	0.664	0.623	-.041	-6.17
01380	12	SW OR CITIES (CITY LIMITS)	0.664	0.623	-.041	-6.17
00865	02	LG PA CITIES	0.984	0.915	-.069	-7.01
00865	01	PHILLY/PLTT MED SHCLs/HOSPS, PA	1.309	1.186	-.123	-9.40
00865	04	REST OF PA	0.753	0.703	-.050	-6.64
00865	03	SM PA CITIES	0.765	0.719	-.046	-6.01
00870	01	RHODE ISLAND	1.634	1.534	-.100	-6.12
00880	01	SOUTH CAROLINA	0.376	0.353	-.023	-6.12
00820	02	SOUTH DAKOTA	0.462	0.433	-.029	-6.28
05440	35	TENNESSEE	0.545	0.512	-.033	-6.06
00900	29	ABILENE, TX	0.862	0.808	-.054	-6.26
00900	26	AMARILLO, TX	0.862	0.808	-.054	-6.26
00900	31	AUSTIN, TX	0.862	0.808	-.054	-6.26
00900	20	BEADWONT, TX	1.488	1.396	-.092	-6.18
00900	09	BRAZORIA, TX	1.488	1.396	-.092	-6.18
00900	10	BROWNSVILLE, TX	0.862	0.808	-.054	-6.26
00900	24	CORPUS CHRISTI, TX	0.862	0.808	-.054	-6.26
00900	11	DALLAS, TX	0.930	0.873	-.057	-6.13
00900	12	DENTON, TX	0.862	0.808	-.054	-6.26
00900	14	EL PASO, TX	0.930	0.873	-.057	-6.13
00900	28	FORT WORTH, TX	0.930	0.873	-.057	-6.13
00900	15	GALVESTON, TX	1.488	1.396	-.092	-6.18
00900	16	GRAYSON, TX	0.862	0.808	-.054	-6.26
00900	18	HOUSTON, TX	1.488	1.396	-.092	-6.18
00900	33	LAREDO, TX	0.862	0.808	-.054	-6.26
00900	17	LONGVIEW, TX	0.862	0.808	-.054	-6.26
00900	21	LUBBOCK, TX	0.862	0.808	-.054	-6.26
00900	19	MC ALLEN, TX	0.862	0.808	-.054	-6.26
00900	23	MIDLAND, TX	0.862	0.808	-.054	-6.26
00900	02	NORTHEAST RURAL TX	0.862	0.808	-.054	-6.26
00900	13	ODESSA, TX	0.862	0.808	-.054	-6.26
00900	25	ORANGE, TX	0.862	0.808	-.054	-6.26
00900	30	SAN ANGELO, TX	0.862	0.808	-.054	-6.26
00900	07	SAN ANTONIO, TX	0.862	0.808	-.054	-6.26
00900	03	SOUTHEAST RURAL TX	0.913	0.869	-.044	-4.82
00900	06	TEMPLE, TX	0.862	0.808	-.054	-6.26
00900	08	TEXARKANA, TX	0.862	0.808	-.054	-6.26
00900	27	TYLER, TX	0.862	0.808	-.054	-6.26
00900	32	VICTORIA, TX	0.862	0.808	-.054	-6.26
00900	22	WACO, TX	0.862	0.808	-.054	-6.26
00900	04	WESTERN TX	0.862	0.808	-.054	-6.26
00900	34	WICHITA FALLS, TX	0.862	0.808	-.054	-6.26
00910	09	UTAH	0.670	0.629	-.041	-6.12
00780	50	VERMONT	0.442	0.422	-.020	-4.52
10490	04	REST OF VA	0.530	0.493	-.037	-6.98
10490	01	RICHMOND & CHARLOTTEVILLE, VA	0.515	0.499	-.016	-3.11
10490	03	SM TOWN/INDUSTRIAL VA	0.539	0.505	-.034	-6.31
10490	02	TIDEWATER & N VA CNTYS	0.575	0.518	-.057	-9.91

Appendix F (continued)
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Carrier	Locality 1994	Locality Name	Population Weighted MPCI	RVU Weighted MPCI	Absolute Difference	Percent Difference
01390	03	E CNTRL & NE WA	0.779	0.731	-.048	-6.16
01390	02	SEATTLE (KING CNTY), WA	0.779	0.731	-.048	-6.16
01390	01	W & SE WA (EXCL SEATTLE)	0.779	0.731	-.048	-6.16
16510	16	CHARLESTON, WV	1.045	0.981	-.064	-6.12
16510	18	EASTERN VALLEY, WV	1.045	0.981	-.064	-6.12
16510	19	OHIO RIVER VALLEY, WV	1.045	0.981	-.064	-6.12
16510	20	SOUTHERN VALLEY, WV	1.045	0.981	-.064	-6.12
16510	17	WHEELING, WV	1.045	0.981	-.064	-6.12
00951	13	CENTRAL WI	1.209	1.134	-.075	-6.20
00951	40	GREEN BAY (NORTHEAST), WI	1.209	1.134	-.075	-6.20
00951	54	JAMESVILLE (S CNTRL), WI	1.209	1.134	-.075	-6.20
00951	19	LA CROSSE (W CNTRL), WI	1.209	1.134	-.075	-6.20
00951	15	MADISON (DANE CNTY), WI	1.209	1.134	-.075	-6.20
00951	46	MILWAUKEE SUBURBS (SE), WI	1.209	1.134	-.075	-6.20
00951	04	MILWAUKEE, WI	1.209	1.134	-.075	-6.20
00951	12	NORTHWEST WI	1.209	1.134	-.075	-6.20
00951	60	OSHKOSH (E CNTRL), WI	1.209	1.134	-.075	-6.20
00951	14	SOUTHWEST WI	1.209	1.134	-.075	-6.20
00951	36	WAUSAU (N CNTRL), WI	1.209	1.134	-.075	-6.20
00825	21	WYOMING	0.845	0.793	-.052	-6.15
00973	20	PUERTO RICO	0.279	0.262	-.017	-6.09

APPENDIX G

Original MGPCI and 1996 and 1995 Updated MGPCIs, by Locality

Appendix G
Current MGPCI and 1995 and 1996 Updated MGPCIs,
by Locality

Carrier	Locality 1994	Locality Name	Original MGPCI	1996 MGPCI	1995 MGPCI (Transition Index)
00510	05	BIRMINGHAM, AL	0.824	0.927	0.876
00510	04	MOBILE, AL	0.824	0.927	0.876
00510	02	NORTH CENTRAL AL	0.824	0.927	0.876
00510	01	NORTHWEST AL	0.824	0.927	0.876
00510	06	REST OF AL	0.824	0.927	0.876
00510	03	SOUTHEAST AL	0.824	0.927	0.876
01020	01	ALASKA	1.042	1.617	1.330
01030	05	FLAGSTAFF, AZ	1.255	1.321	1.288
01030	01	PHOENIX, AZ	1.255	1.321	1.288
01030	07	PRESCOTT, AZ	1.255	1.321	1.288
01030	99	REST OF AZ	1.255	1.321	1.288
01030	02	TUCSON, AZ	1.255	1.321	1.288
01030	08	YUMA, AZ	1.255	1.321	1.288
00520	13	ARKANSAS	0.302	0.427	0.364
02050	26	ANAHEIM/SANTA ANA, CA	1.370	0.752	1.061
00542	14	BAKERSFIELD, CA	1.370	0.686	1.028
00542	11	FRESNO/MADERA, CA	1.370	0.596	0.983
00542	13	KINGS/TULARE, CA	1.370	0.596	0.983
02050	18	LOS ANGELES (1ST OF 8)	1.370	0.752	1.061
02050	19	LOS ANGELES (2ND OF 8)	1.370	0.752	1.061
02050	20	LOS ANGELES (3RD OF 8)	1.370	0.752	1.061
02050	21	LOS ANGELES (4TH OF 8)	1.370	0.752	1.061
02050	22	LOS ANGELES (5TH OF 8)	1.370	0.752	1.061
02050	23	LOS ANGELES (6TH OF 8)	1.370	0.752	1.061
02050	24	LOS ANGELES (7TH OF 8)	1.370	0.752	1.061
02050	25	LOS ANGELES (8TH OF 8)	1.370	0.752	1.061
00542	03	MARIN/NAPA/SOLANO, CA	1.370	0.596	0.983
00542	10	MERCED/SURR.CNTYS, CA	1.370	0.596	0.983
00542	12	MONTREY/SANTA CRUZ, CA	1.370	0.596	0.983
00542	01	N. COASTAL CNTYS, CA	1.370	0.596	0.983
00542	02	NE RURAL, CA	1.370	0.596	0.983
00542	07	OAKLAND/BERKLEY, CA	1.370	0.667	1.018
00542	27	RIVERSIDE, CA	1.370	0.596	0.983
00542	04	SACRAMENTO/SURR. CNTYS, CA	1.370	0.596	0.983
00542	15	SAN BERNARDINO/E.CTRL CNTYS, CA	1.370	0.749	1.060
02050	28	SAN DIEGO/IMPERIAL, CA	1.370	0.618	0.994
00542	05	SAN FRANCISCO, CA	1.370	0.596	0.983
00542	06	SAN MATEO, CA	1.370	0.596	0.983
02050	16	SANTA BARBARA, CA	1.370	0.686	1.028
00542	09	SANTA CLARA, CA	1.370	0.596	0.983
00542	08	STOCKTON/SURR. CNTYS, CA	1.370	0.596	0.983
02050	17	VENTURA, CA	1.370	0.686	1.028
00550	01	COLORADO	0.683	0.827	0.755
10230	04	EASTERN CT	1.036	1.001	1.018
10230	01	NW AND N. CNTRL CT	1.025	1.001	1.013
10230	03	S. CNTRL CT	1.188	1.001	1.094
10230	02	SW CT	1.231	1.001	1.116
00570	01	DELAWARE	0.664	0.792	0.728
00580	01	DC +MD/VA SUBURBS	0.947	0.980	0.964

Carrier	Locality 1994	Locality Name	Original MGPCI	1996 MGPCI	1995 MGPCI (Transition Index)
00590	03	FORT LAUDERDALE, FL	1.376	1.867	1.622
00590	04	MIAMI, FL	1.641	2.456	2.049
00590	02	N/NC FL CITIES	1.108	1.417	1.262
00590	01	REST OF FLORIDA	1.108	1.417	1.262
01040	01	ATLANTA, GA	0.752	0.902	0.827
01040	04	REST OF GA	0.752	0.902	0.827
01040	02	SMALL GA CITIES 02	0.752	0.902	0.827
01040	03	SMALL GA CITIES 03	0.752	0.902	0.827
01120	01	HAWAII/GUAM	1.025	0.921	0.973
05130	12	NORTH IDAHO	0.889	0.588	0.738
05130	11	SOUTH IDAHO	0.889	0.588	0.738
00621	10	CHAMPAIGN-URBANA, IL	1.137	1.008	1.072
00621	16	CHICAGO, IL	1.773	1.382	1.578
00621	03	DE KALB, IL	1.137	0.780	0.958
00621	11	DECATUR, IL	1.137	0.880	1.008
00621	12	EAST ST. LOUIS, IL	1.579	1.202	1.390
00621	06	KANKAKEE, IL	1.137	0.901	1.019
00621	08	NORMAL, IL	1.137	0.731	0.934
00621	01	NORTHWEST, IL	1.137	0.731	0.934
00621	05	PEORIA, IL	1.137	0.731	0.934
00621	07	QUINCY, IL	1.137	0.731	0.934
00621	04	ROCK ISLAND, IL	1.137	0.731	0.934
00621	02	ROCKFORD, IL	1.137	0.813	0.975
00621	13	SOUTHEAST IL	1.137	0.731	0.934
00621	14	SOUTHERN IL	1.137	0.822	0.980
00621	09	SPRINGFIELD, IL	1.137	0.946	1.042
00621	15	SUBURBAN CHICAGO, IL	1.137	1.159	1.148
00630	01	METROPOLITAN IN	0.547	0.363	0.455
00630	03	REST OF IN	0.516	0.346	0.431
00630	02	URBAN IN	0.516	0.346	0.431
00640	05	DES MOINES (POLK/WARREN), IA	0.666	0.679	0.672
00640	03	NORTH CENTRAL IOWA	0.666	0.679	0.672
00640	02	NORTHEAST IOWA	0.666	0.679	0.672
00640	06	NORTHWEST IOWA	0.666	0.679	0.672
00640	04	S CENTRAL IA (EXCL. DES MOINES)	0.666	0.679	0.672
00640	01	SOUTHWEST IOWA	0.666	0.679	0.672
00740	05	KANSAS CITY	1.134	1.191	1.162
00650	01	REST OF KANSAS	1.134	1.191	1.162
00740	04	SUBURBAN KANSAS CITY	1.134	1.191	1.162
00660	01	LEXINGTON & LOUISVILLE, KY	0.667	0.819	0.743
00660	03	REST OF KENTUCKY	0.667	0.819	0.743
00660	02	SM CITIES (CITY LIMITS) KY	0.667	0.819	0.743
00528	07	ALEXANDRIA, LA	0.808	0.911	0.860
00528	03	BATON ROUGE, LA	0.808	0.911	0.860
00528	06	LAFAYETTE, LA	0.808	0.911	0.860
00528	04	LAKE CHARLES, LA	0.808	0.911	0.860
00528	05	MONROE, LA	0.808	0.911	0.860
00528	01	NEW ORLEANS, LA	1.185	0.997	1.091

Carrier	Locality 1994	Locality Name	Original MGPCI	1996 MGPCI	1995 MGPCI (Transition Index)
00528	50	REST OF LA	0.824	0.913	0.868
00528	02	SHEVEPORT, LA	0.808	0.911	0.860
21200	02	CENTRAL MAINE	0.716	0.759	0.738
21200	01	NORTHERN MAINE	0.716	0.759	0.738
21200	03	SOUTHERN MAINE	0.716	0.759	0.738
00690	01	BALTIMORE/SURR. CNTYS, MD	0.927	1.115	1.021
00690	03	SOUTH & E. SHORE MD	0.820	0.862	0.841
00690	02	WESTERN MD	0.843	0.862	0.852
00700	02	MASS SUBURBS/RURAL CITIES	0.855	0.978	0.916
00700	01	URBAN MASS	0.855	0.978	0.916
00710	01	DETROIT, MI	1.736	3.051	2.394
00710	02	MICHIGAN, NOT DETROIT	1.196	1.844	1.520
00720	00	MINNESOTA (BLUE SHIELD)	0.748	0.594	0.671
10240	00	MINNESOTA (TRAVELERS)	0.748	0.594	0.671
10250	01	REST OF MISSISSIPPI	0.650	0.726	0.688
10250	02	URBAN MISSISSIPPI	0.650	0.726	0.688
00740	03	K.C. (JACKSON CNTY), MO	1.179	1.207	1.193
00740	02	N K.C. (CLAY/PLATTE), MO	1.179	1.204	1.192
11260	03	REST OF MO	1.179	1.159	1.169
00740	06	RURAL NW COUNTIES, MO	1.179	1.159	1.169
11260	02	SM E. CITIES, MO	1.179	1.159	1.169
00740	01	ST JOSEPH, MO	1.179	1.159	1.169
11260	01	ST. LOUIS/LG E. CITIES, MO	1.352	1.193	1.272
00751	01	MONTANA	0.718	0.756	0.737
00655	00	NEBRASKA	0.435	0.444	0.440
01290	03	ELKO & ELY (CITIES), NV	1.144	0.887	1.016
01290	01	LAS VEGAS, ET AL. (CITIES), NV	1.144	0.887	1.016
01290	02	RENO, ET AL. (CITIES), NV	1.144	0.887	1.016
01290	99	REST OF NEVADA	1.144	0.887	1.016
00780	40	NEW HAMPSHIRE	0.602	0.916	0.759
00860	02	MIDDLE NJ	1.153	0.762	0.958
00860	01	NORTHERN NJ	1.153	0.762	0.958
00860	03	SOUTHERN NJ	1.153	0.762	0.958
01360	05	NEW MEXICO	0.767	0.792	0.780
00801	01	BUFFALO/SURR. CNTYS, NY	0.963	0.821	0.892
00801	01	MANHATTAN, NY	1.647	1.546	1.596
00801	03	N. CENTRAL CITIES, NY	0.963	0.821	0.892
00803	02	NYC SUBURBS/LONG I., NY	1.929	1.759	1.844
00803	03	POUGHKEPSIE/NYC SUBURBS, NY	1.325	1.218	1.272
14330	04	QUEENS, NY	1.861	1.686	1.774
00801	04	REST OF NEW YORK	0.963	0.821	0.892
00801	02	ROCHESTER/SURR. CNTYS, NY	0.963	0.821	0.892
05535	00	NORTH CAROLINA	0.378	0.435	0.406
00820	01	NORTH DAKOTA	0.688	0.617	0.652
16360	00	OHIO	0.920	1.049	0.984
01370	00	OKLAHOMA	0.516	0.481	0.498
01380	02	EUGENE, ET AL. (CITIES), OR	0.951	0.637	0.794
01380	01	PORTLAND, ET AL. (CITIES), OR	0.951	0.637	0.794
01380	99	REST OF OREGON	0.951	0.637	0.794

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01380	03 SALEM, ET AL. (CITIES), OR	0.951	0.637	0.794
01380	12 SW OR CITIES (CITY LIMITS)	0.951	0.637	0.794
00865	02 LG PA CITIES	1.440	0.936	1.188
00865	01 PHILLY/PITT MERD SHCLS/HOSPS, PA	1.552	1.213	1.382
00865	04 REST OF PA	0.986	0.719	0.852
00865	03 SM PA CITIES	0.986	0.736	0.861
00870	01 RHODE ISLAND	0.734	1.569	1.152
00880	01 SOUTH CAROLINA	0.448	0.361	0.404
00820	02 SOUTH DAKOTA	0.688	0.443	0.566
05440	35 TENNESSEE	0.407	0.524	0.466
00900	29 ABILENE, TX	0.504	0.827	0.666
00900	26 AMARILLO, TX	0.504	0.827	0.666
00900	31 AUSTIN, TX	0.504	0.827	0.666
00900	20 BEAUMONT, TX	0.504	1.428	0.966
00900	09 BRAZORIA, TX	0.504	1.428	0.966
00900	10 BROWNSVILLE, TX	0.504	0.827	0.666
00900	24 CORPUS CHRISTI, TX	0.504	0.827	0.666
00900	11 DALLAS, TX	0.504	0.893	0.698
00900	12 DENTON, TX	0.504	0.827	0.666
00900	14 EL PASO, TX	0.504	0.893	0.698
00900	28 FORT WORTH, TX	0.504	0.893	0.698
00900	15 GALVESTON, TX	0.504	1.428	0.966
00900	16 GRAYSON, TX	0.504	0.827	0.666
00900	18 HOUSTON, TX	0.656	1.428	1.042
00900	33 LAREDO, TX	0.504	0.827	0.666
00900	17 LONGVIEW, TX	0.504	0.827	0.666
00900	21 LUBBOCK, TX	0.504	0.827	0.666
00900	19 MC ALLEN, TX	0.504	0.827	0.666
00900	23 MIDLAND, TX	0.504	0.827	0.666
00900	02 NORTHEAST RURAL TX	0.504	0.827	0.666
00900	13 ODESSA, TX	0.504	0.827	0.666
00900	25 ORANGE, TX	0.504	0.827	0.666
00900	30 SAN ANGELO, TX	0.504	0.827	0.666
00900	07 SAN ANTONIO, TX	0.504	0.827	0.666
00900	03 SOUTHEAST RURAL TX	0.504	0.889	0.696
00900	06 TEMPLE, TX	0.504	0.827	0.666
00900	08 TEXARKANA, TX	0.504	0.827	0.666
00900	27 TYLER, TX	0.504	0.827	0.666
00900	32 VICTORIA, TX	0.504	0.827	0.666
00900	22 WACO, TX	0.504	0.827	0.666
00900	04 WESTERN TX	0.504	0.827	0.666
00900	34 WICHITA FALLS, TX	0.504	0.827	0.666
00910	09 UTAH	0.739	0.644	0.692
00780	50 VERMONT	0.533	0.452	0.492
10490	04 REST OF VA	0.522	0.504	0.513
10490	01 RICHMOND & CHARLOTTESVILLE, VA	0.462	0.511	0.486
10490	03 SM TOWN/INDUSTRIAL VA	0.531	0.517	0.524
10490	02 TIDEWATER & N VA CNTYS	0.703	0.530	0.616
01390	03 E CNTRL & NE WA	1.064	0.748	0.906

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01390	02	SEATTLE (KING CNTY), WA	1.064	0.748	0.906
01390	01	W & SE WA (EXCL SEATTLE)	1.064	0.748	0.906
16510	16	CHARLESTON, WV	0.688	1.004	0.846
16510	18	EASTERN VALLEY, WV	0.688	1.004	0.846
16510	19	OHIO RIVER VALLEY, WV	0.688	1.004	0.846
16510	20	SOUTHERN VALLEY, WV	0.688	1.004	0.846
16510	17	WHEELING, WV	0.688	1.004	0.846
00951	13	CENTRAL WI	0.762	1.160	0.961
00951	40	GREEN BAY (NORTHEAST), WI	0.762	1.160	0.961
00951	54	JANESVILLE (S CNTRL), WI	0.762	1.160	0.961
00951	19	LA CROSSE (W CNTRL), WI	0.762	1.160	0.961
00951	15	MADISON (DANE CNTY), WI	0.762	1.160	0.961
00951	46	MILWAUKEE SURBURBS (SE), WI	0.762	1.160	0.961
00951	04	MILWAUKEE, WI	0.762	1.160	0.961
00951	12	NORTHWEST WI	0.762	1.160	0.961
00951	60	OSHKOSH (E CNTRL), WI	0.762	1.160	0.961
00951	14	SOUTHWEST WI	0.762	1.160	0.961
00951	36	WAUSAU (N CNTRL), WI	0.762	1.160	0.961
00825	21	WYOMING	0.641	0.811	0.726
00973	20	PUERTO RICO	0.466	0.268	0.367

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