

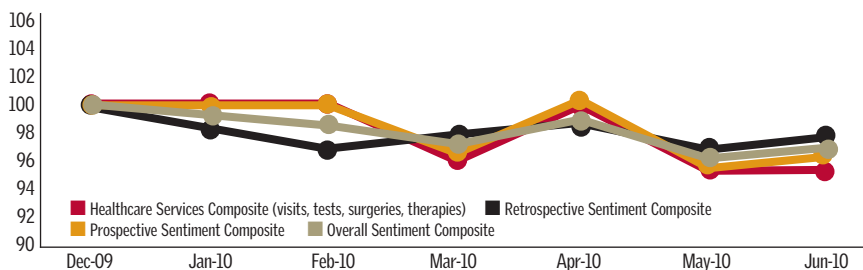
FACTFILE

Consumer Healthcare Sentiment Index

Americans continue to express serious concerns about their ability to access healthcare, according to the Thomson Reuters Consumer Healthcare Sentiment Index, which measures U.S. consumers' current and future ability to use and pay for healthcare. Although there was some improvement in one category in June—that healthcare treatment was postponed, delayed, or canceled less frequently than in May—over all, consumers report significantly worsened ability to access, use, and pay for healthcare services in the prior three months versus the December 2009 baseline.

STILL BELOW THE BASELINE

Midway through the year, all four composite indexes—Healthcare Services, Retrospective Sentiment, Prospective Sentiment, and Overall Sentiment (defined below)—were well below the December 2009 baseline, which was set at 100. There was some improvement in April, but those gains evaporated in May, indicating less consumer confidence in their ability to access, use, and pay for healthcare services.



SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

SOME VARIATION AMONG COMPONENTS

While the overall scores of the four composite indexes remain below the 100 baseline score, within the prospective and retrospective composite indexes, we can see how the individual components are faring. For example, among the forward-looking components, the sentiment that consumers face cancellation or reduction in health insurance coverage in the next three months was at 98 in June, which is below the December baseline score of 100. Even lower is the 93 score consumers rated the prospect that they would delay or cancel an elective surgery within the next three months.

| SENTIMENT SCORE COMPONENT | DEC-09 | FEB-10 | MAR-10 | APR-10 | MAY-10 | JUN-10 |
|--|--------|--------|--------|--------|--------|--------|
| Retrospective Components | | | | | | |
| Postponement, delay, or cancellation of healthcare treatment | 100 | 99 | 101 | 97 | 94 | 97 |
| Delay or failure to fill a prescription | 100 | 96 | 97 | 98 | 97 | 98 |
| Difficulty paying for healthcare insurance or services | 100 | 96 | 98 | 100 | 96 | 98 |
| Cancellation or reduction in health insurance coverage | 100 | 96 | 94 | 97 | 98 | 97 |
| Prospective Components | | | | | | |
| Difficulty paying for healthcare insurance or services | 100 | 99 | 95 | 102 | 96 | 96 |
| Delay or cancellation of a doctor visit | 100 | 100 | 97 | 101 | 96 | 97 |
| Delay or cancellation of a diagnostic test | 100 | 102 | 97 | 100 | 98 | 97 |
| Delay or cancellation of an elective surgery | 100 | 99 | 93 | 98 | 92 | 93 |
| Delay or cancellation of therapy | 100 | 99 | 96 | 99 | 95 | 95 |
| Delay or failure to fill a prescription | 100 | 99 | 96 | 98 | 94 | 96 |
| Cancellation or reduction in health insurance coverage | 100 | 100 | 97 | 100 | 96 | 98 |

SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

DEFINITION OF TERMS

Retrospective Composite: Decrease in the sentiment index means respondents were more likely to delay, cancel, or be unable to pay for healthcare services or experienced loss of or decrease in insurance coverage in the last three months.

Prospective Composite: Decrease in the sentiment index means respondents were more likely to believe that they would delay, cancel, or be unable to pay for healthcare services or would experience a loss of or decrease in insurance coverage in the next three months.

Healthcare Services Composite (Subset of Prospective Composite): Decrease in the sentiment index means respondents were more likely to believe they would delay or cancel doctor visits, tests, surgeries, or therapies in the next three months.

SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

Demand for Procedures

Over time, the demand for individual procedures may grow or shrink, based on medical, demographic, and other factors. Here is a look at selected procedures for inpatients who had been discharged from short-stay hospitals from 1990 through 2006.

| Sex and type of procedure | Rate per 1,000 population | | |
|---|---------------------------|--------------|--------------|
| | 1990 | 2000 | 2006 |
| Surgical procedures, total | 92.4 | 83.6 | 94.0 |
| Coronary artery bypass graft ^(a) | 1.6 | 1.9 | 1.5 |
| Cesarean section | 3.8 | 3.1 | 4.3 |
| Repair of current obstetric laceration | 3.2 | 4.1 | 4.4 |
| Cardiac catheterization | 4.0 | 4.4 | 3.7 |
| Reduction of fracture ^(b) | 2.4 | 2.3 | 2.3 |
| Male, total | 70.6 | 63.9 | 76.4 |
| Reduction of fracture ^(b) | 2.6 | 2.1 | 2.2 |
| Cardiac catheterization | 5.1 | 5.4 | 4.5 |
| Coronary artery bypass graft ^(a) | 2.4 | 2.7 | 2.2 |
| Female, total | 113.0 | 102.4 | 111.0 |
| Cesarean section | 7.4 | 6.0 | 8.5 |
| Repair of current obstetric laceration | 6.2 | 8.0 | 8.6 |
| Hysterectomy | 4.6 | 4.5 | 3.8 |
| Diagnostic and other nonsurgical procedures ^(c) | 70.0 | 60.2 | 60.1 |
| Angiocardiology and arteriography ^(d) | 7.0 | 7.2 | 5.7 |
| Respiratory therapy | 4.7 | 3.6 | 3.6 |
| Manual assisted delivery | 3.0 | 3.2 | 4.0 |
| Diagnostic ultrasound | 6.4 | 3.2 | 3.0 |
| Fetal electrocardiogram and fetal monitoring | 5.6 | 2.7 | 2.7 |
| Male, total ^(c) | 61.0 | 51.2 | 49.7 |
| Angiocardiology and arteriography ^(d) | 8.7 | 8.5 | 6.4 |
| Respiratory therapy | 4.9 | 3.7 | 3.8 |
| Computerized Axial Tomographic scan | 6.1 | 2.5 | 2.5 |
| Female, total ^(c) | 78.5 | 68.8 | 70.2 |
| Manual assisted delivery | 5.9 | 6.3 | 8.0 |
| Fetal electrocardiogram and fetal monitoring | 10.8 | 5.5 | 5.3 |
| Respiratory therapy | 4.5 | 3.4 | 3.5 |
| Diagnostic ultrasound | 7.3 | 3.5 | 3.1 |

NOTES: (a) Beginning 1996 includes separately coded "insertion of stent." (b) Excluding skull, nose, and jaw. (c) Includes other nonsurgical procedures not shown separately. (d) Using contrast material.

SOURCE: U.S. National Center for Health Statistics, Vital and Health Statistics, Series 13. Data on Health Resources Utilization; and unpublished data; www.census.gov/compendia/statab/cats/health_nutrition/health_care_utilization.html.

Upcoming Topic:
> Insurance Coverage

FACT FILE PARTNER:



THOMSON REUTERS™

healthcare.thomsonreuters.com



RELATIVE IMPORTANCE OF DEMOGRAPHIC FACTORS

Demographic characteristics can be used to demonstrate substantial differences in healthcare sentiment. An analysis of metrics by demographic factors shows that insurance coverage is the most important predictor of healthcare sentiment. This is followed closely by health status, generation, employment status, and income. Household composition, education, and geographic location have relatively small impacts on sentiment. Political party has a moderate impact on sentiment.

| Demographic Factor | Retrospective Sentiment | Prospective Sentiment | Overall Sentiment |
|--------------------------|-------------------------|-----------------------|-------------------|
| Insurance | 24% | 33% | 36% |
| Health status | 30% | 21% | 32% |
| Generation | 19% | 24% | 27% |
| Employment status | 6% | 11% | 10% |
| Income | 7% | 18% | 14% |
| Political party | 2% | 7% | 4% |
| Education | 5% | 2% | 1% |
| Location (state) | 1% | 2% | 2% |
| Total variance explained | 20% | 21% | 24% |

SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

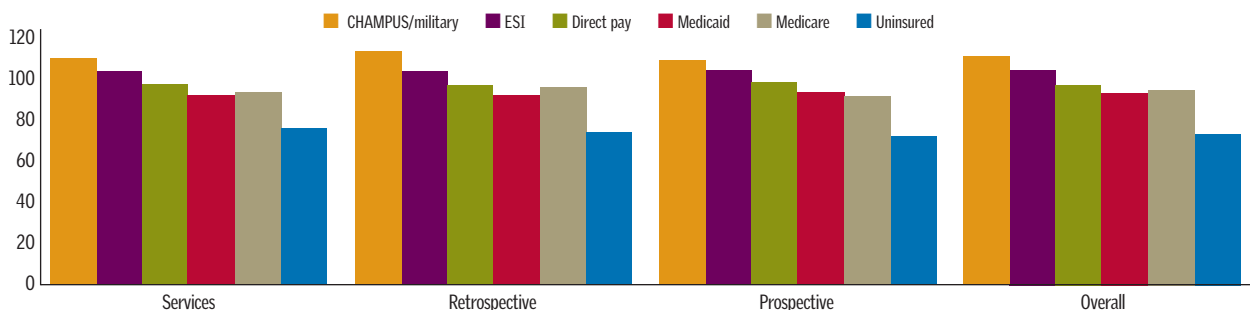
ABOUT THIS DATA

The Thomson Reuters Consumer Healthcare Sentiment Index measures U.S. consumers' current and future ability to use and pay for healthcare. It is based on the 100,000 household *PULSE™ Healthcare Survey*, the nation's longest running, privately funded household survey of health behavior, attitudes, and utilization. Data is weighted to be representative of all U.S. adults and households. The CHSI is published monthly, using results from the 3,000 household monthly survey subset. CHSI results in this *Fact File* are from Dec. 2009 through June 2010.

SOURCE: <http://healthcarescience.thomsonreuters.com/indexes/>

THE TYPE OF INSURANCE MATTERS

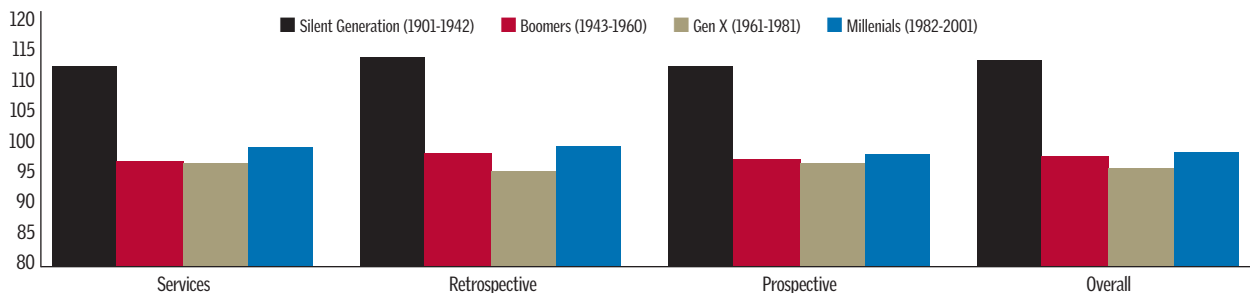
It is not surprising that insurance coverage (or, rather, the lack thereof) affects sentiment. Of interest is the way that coverage types play into the healthcare sentiment. Clearly, lack of insurance has a large negative effect on the various consumer sentiment index values. In contrast, consumers with military or employer-sponsored insurance coverage had the highest sentiment index values, exceeding the December 2009 baseline figure of 100.



SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

THE EXCEPTIONAL GENERATION

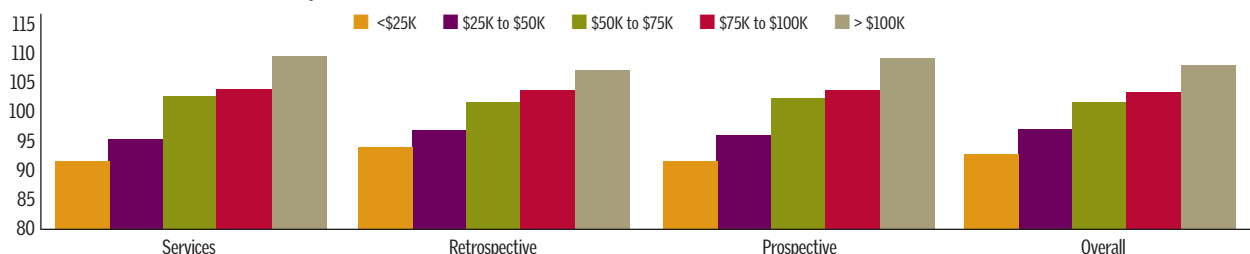
Generation is another predictor of healthcare sentiment. And the consumers in the silent generation report much higher sentiment levels than other generations. In fact, only the older age group has confidence indexes above the population average, and well over the December baseline figure.



SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

MONEY MAKES A DIFFERENCE

Income is another powerful determinant of sentiment levels. Sentiment levels increase uniformly as household income rises. In the overall composite index, for example, households earning more than \$100,000 a year have a sentiment score of 108, which is 15 points higher than the 93 score of those with incomes of less than \$25,000 a year.



SOURCE: Consumer Healthcare Sentiment Index, Thomson Reuters.

