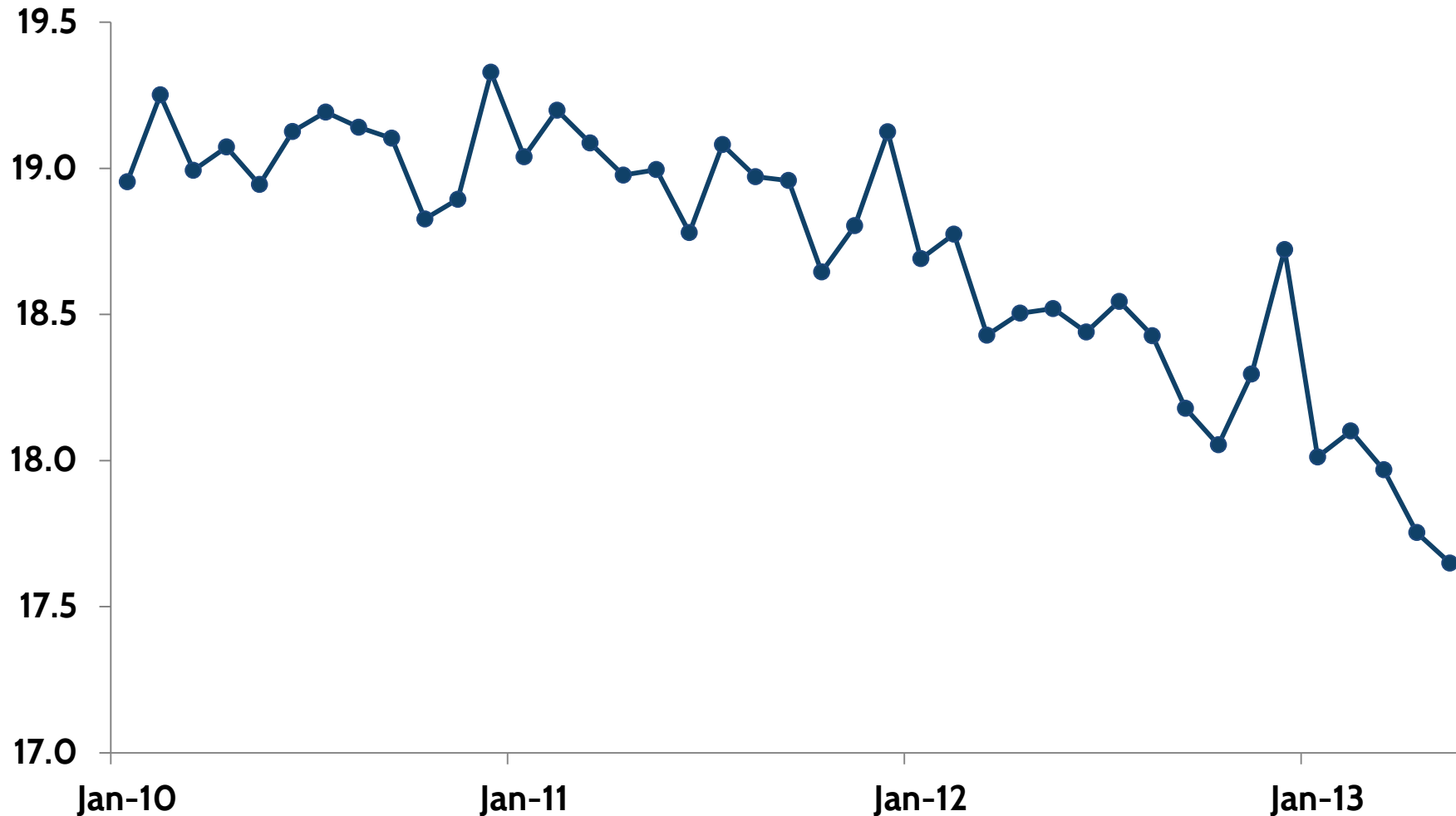


Exhibit 1. All-Cause, 30-Day Hospital Readmission Rate Steadily Declines

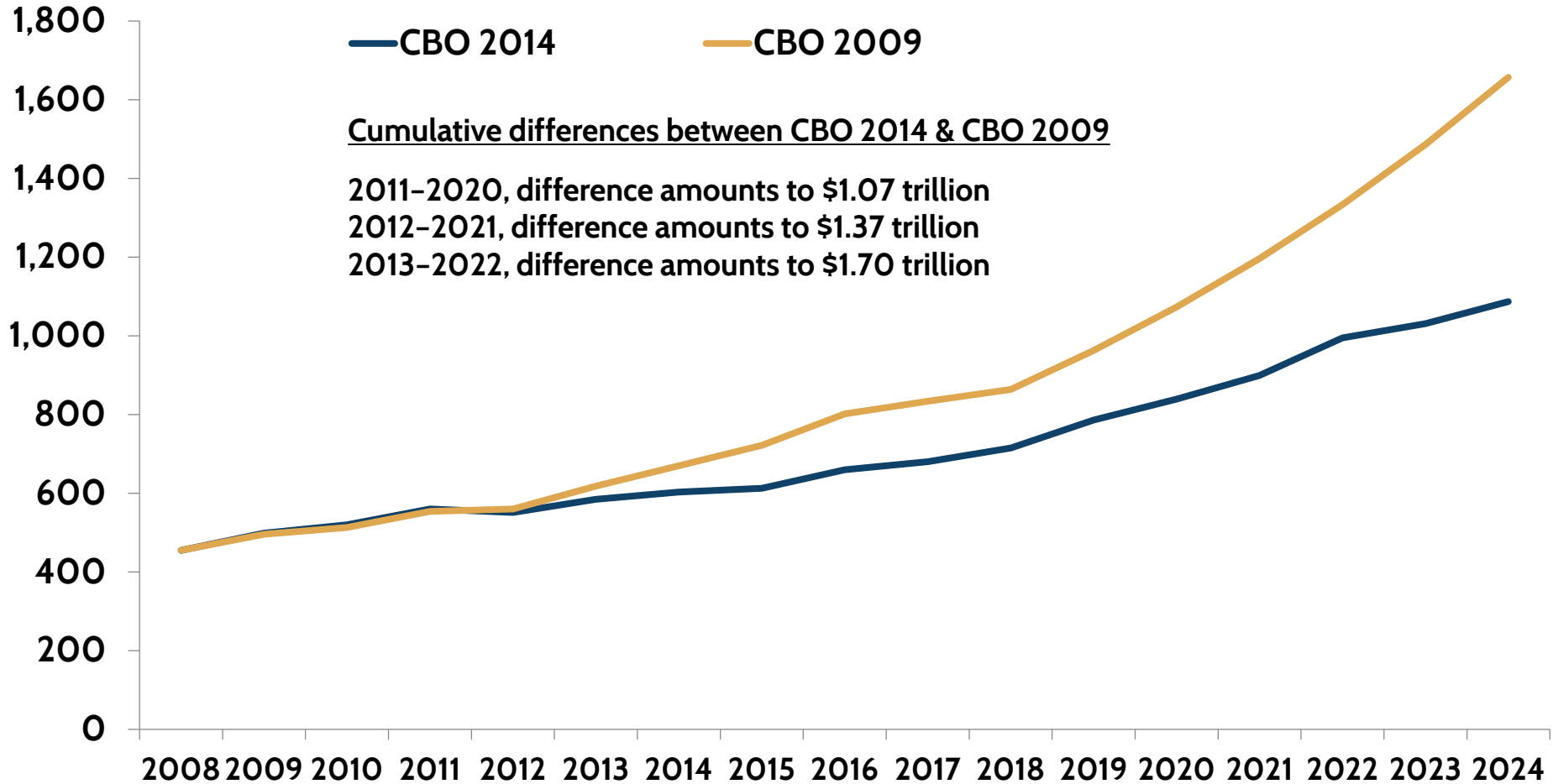
Percent



Source: Patrick Conway; Office of Information Products and Data Analytics, Centers for Medicare and Medicaid Services.

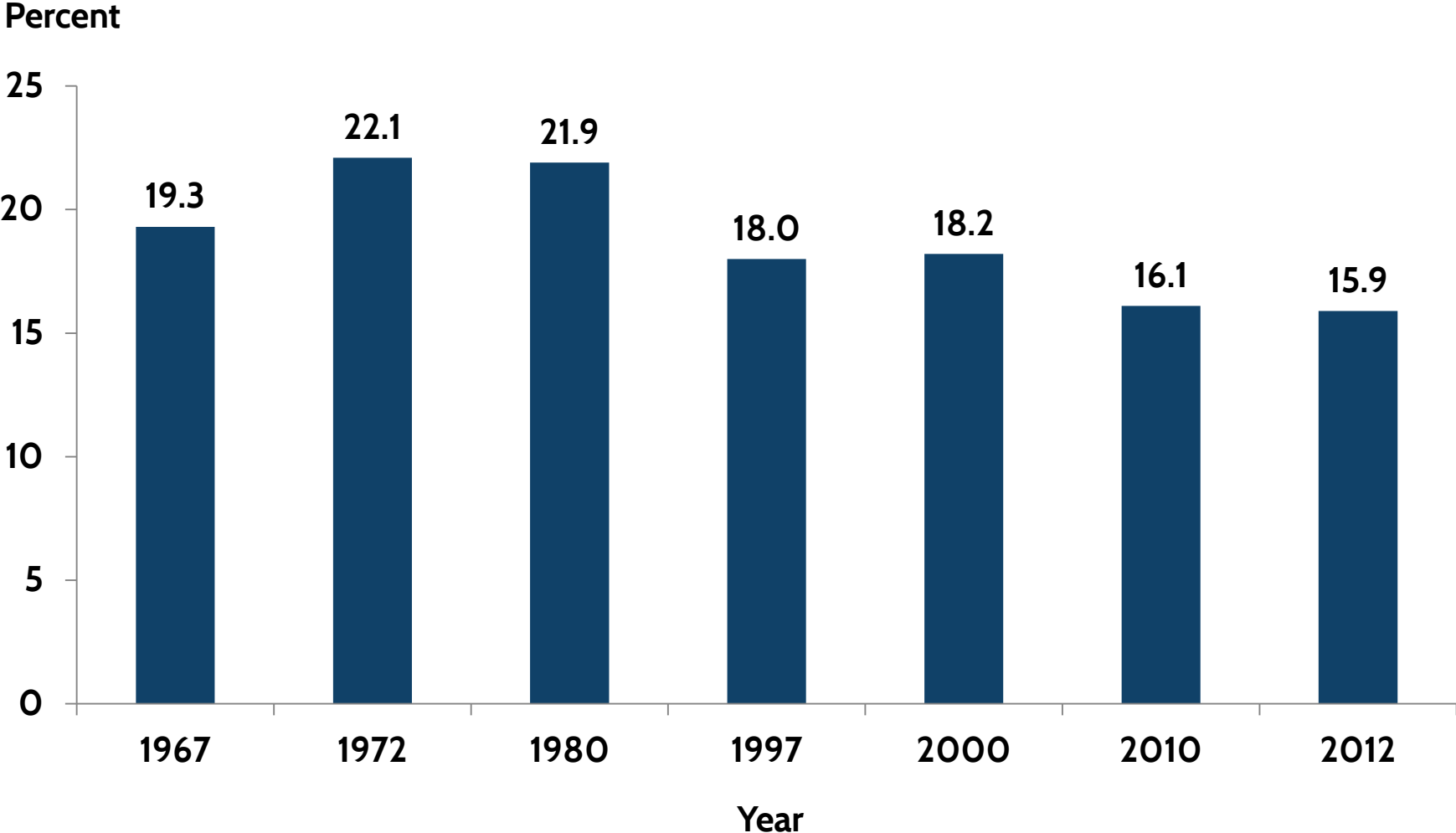
Exhibit 2. Ten-Year Medicare Spending Projections Reduced by \$1 Trillion

Dollars (billions)



Source: Karen Davis and Jeromie Ballreich, Roger C. Lipitz Center for Integrated Health Care, Johns Hopkins Bloomberg School of Public Health, based on annual Congressional Budget Office (CBO) reports.

Exhibit 3. Decline in Annual Hospitalization Rate, Age 65 and Older, Helps to Slow Spending

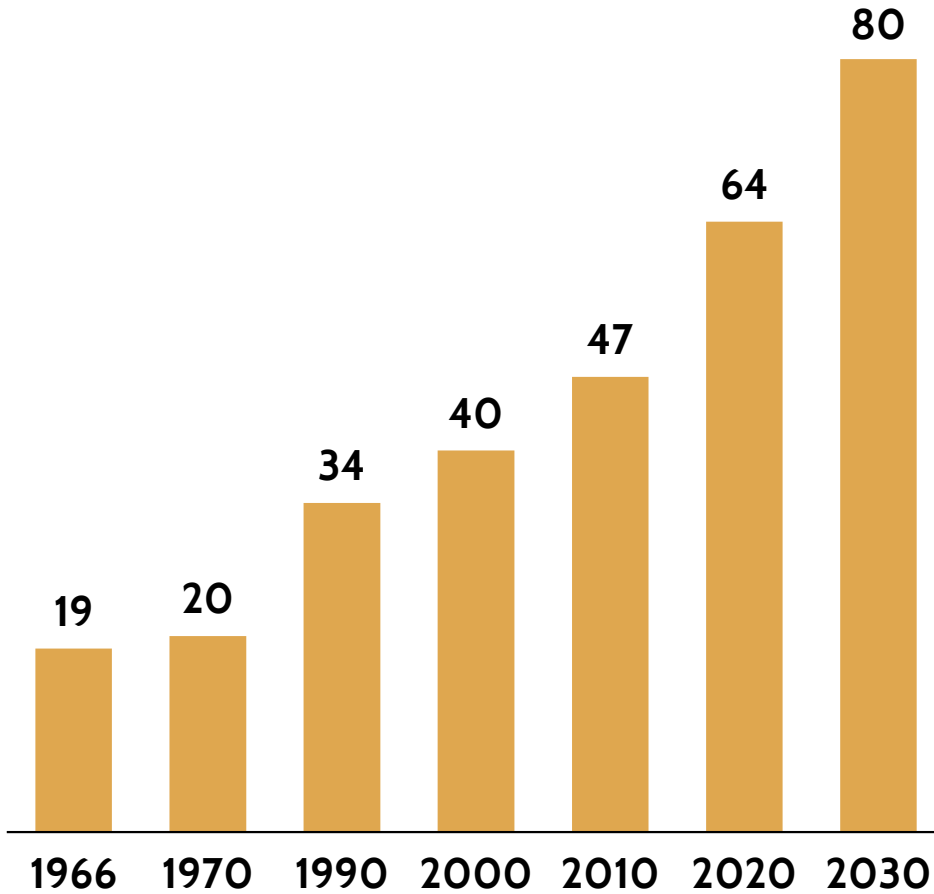


Note: Although the recent decline in hospital admissions for people age 65 and older is partly the result of an increase in the proportion of younger beneficiaries (ages 65-69), who have lower rates of hospitalization, hospitalization rates have in fact fallen for each age group in Medicare.

Source: Centers for Disease Control and Prevention, National Center for Health Statistics, National Health Interview Survey, family core and sample adult questionnaires, 2013.

Exhibit 4. Federal Budgetary and Trust Fund Solvency Concerns as the U.S. Population Ages

Number of beneficiaries (in millions)



Number of workers per beneficiary

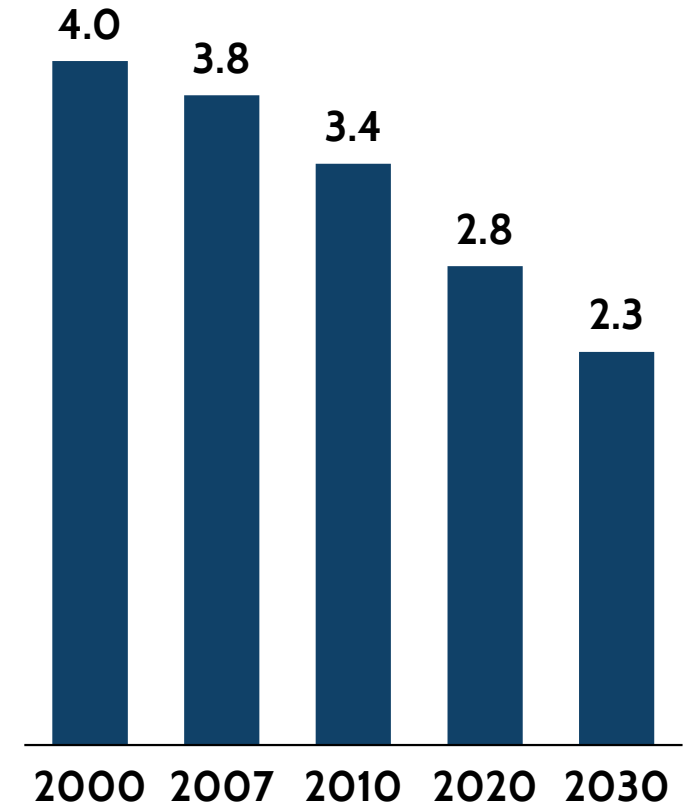


Exhibit 5. Medicare Hospital Insurance Trust Fund: Years Remaining Until Projected Insolvency, 1990–2014

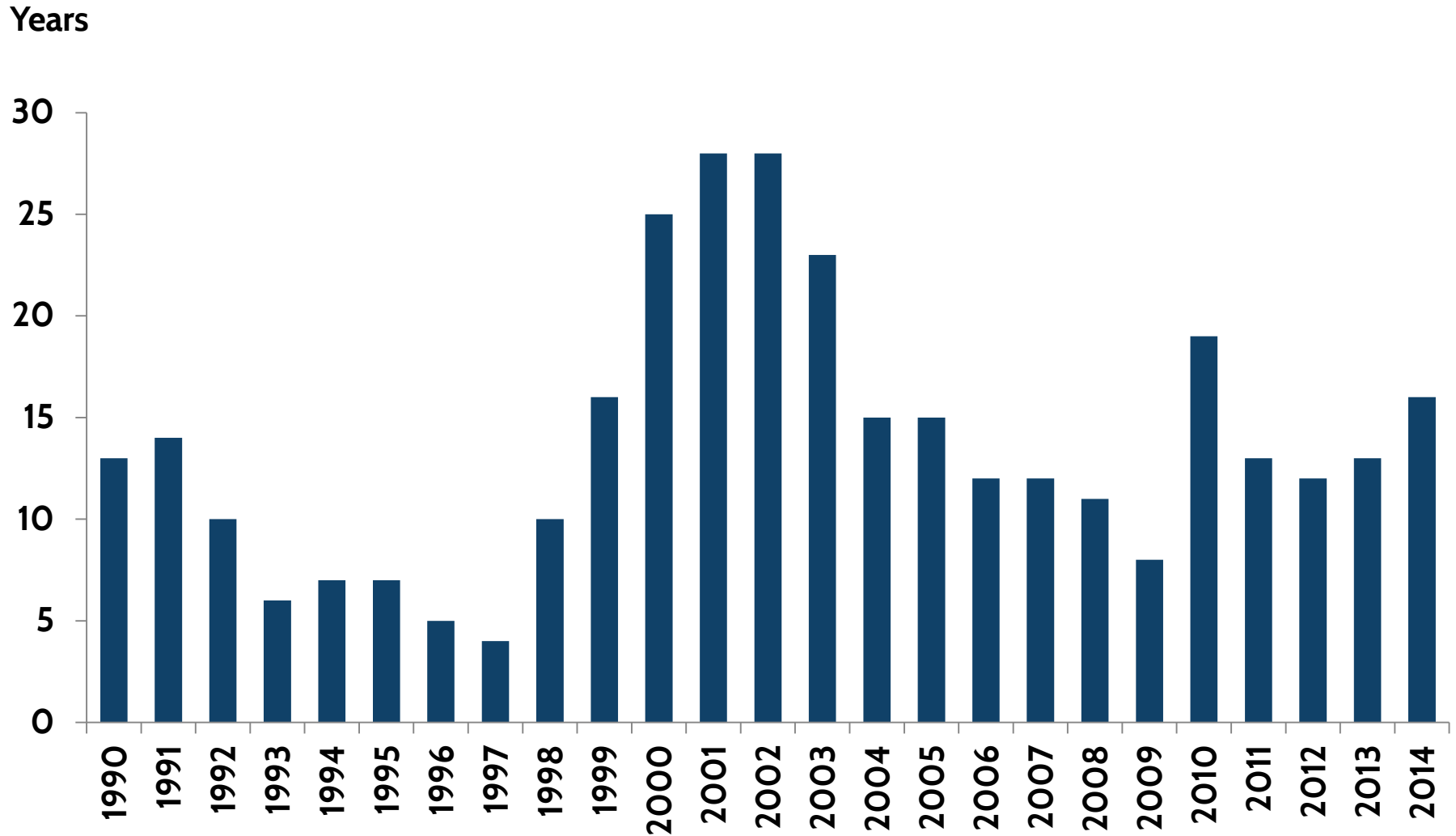
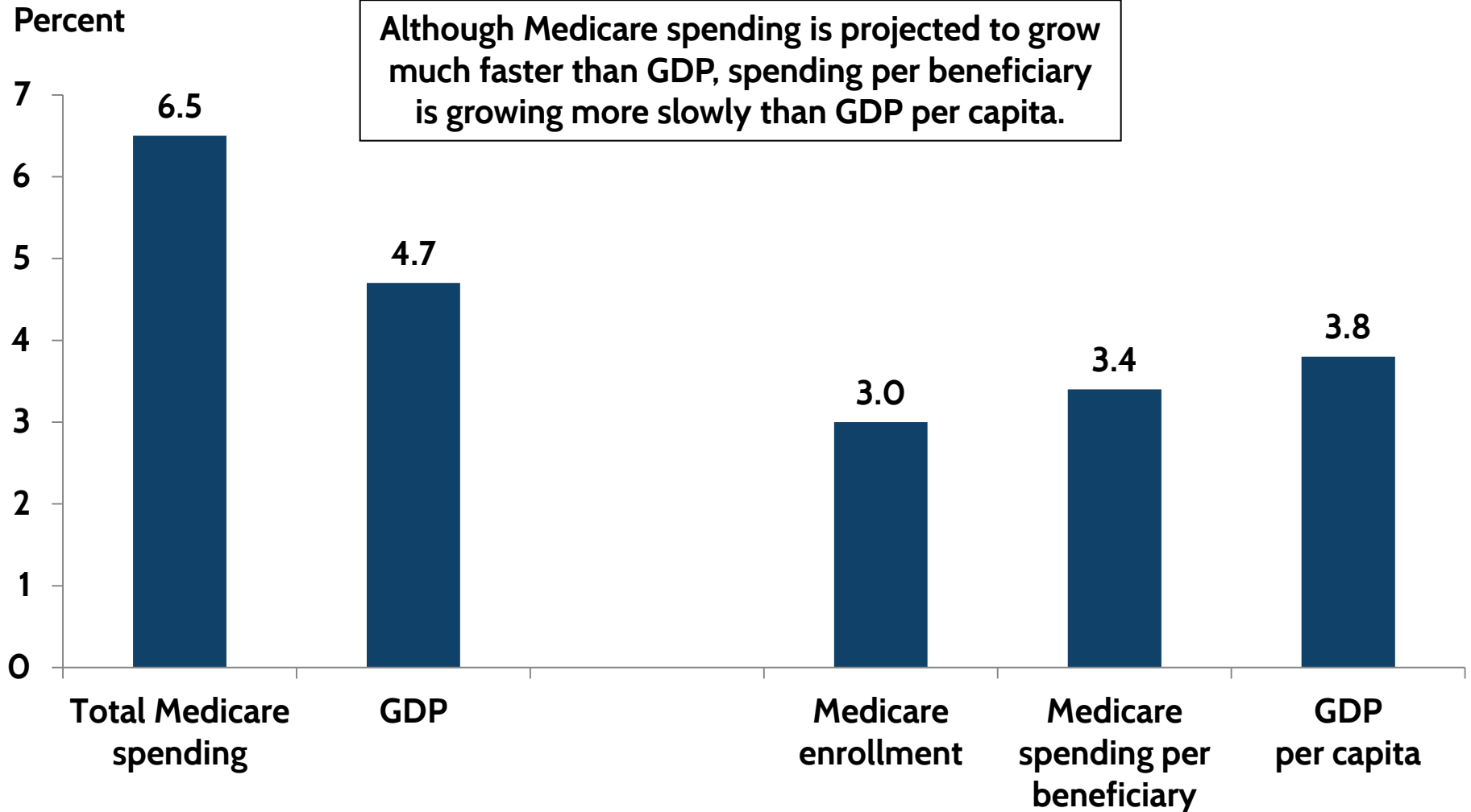


Exhibit 6. Projected Annual Growth Rates for Total Medicare Spending, GDP, Medicare Enrollment, Spending per Beneficiary, and GDP per Capita, 2013–2023



Note: GDP refers to gross domestic product.

Source: Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Expenditure Projections, 2013–2023.