

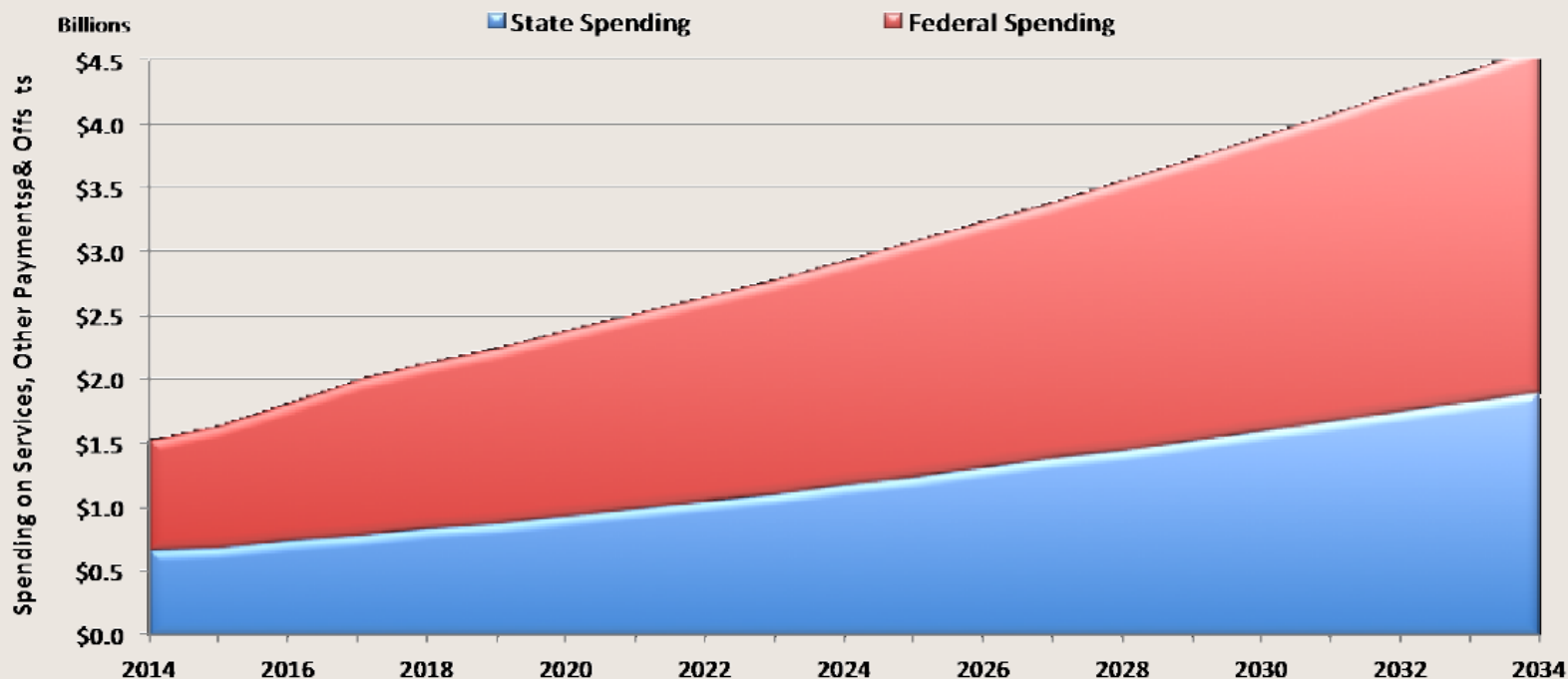


MESA—Highlights from Current Forecast

The **2006** forecast of total Medicaid spending was \$4.8 billion in 2025. We now project total Medicaid spending will be about \$2.8 billion in 2025.*

Lower projected growth is due to...

- Cost containment actions taken by the Department and Legislature
- Slower growth in healthcare price inflation
- Slower population growth projected by Alaska Department of Labor



*Total Medicaid spending includes non-claim related costs (including admin), which we estimate to be 5% of spending on services.