

Exhibit 2: Proposed CY 2016 Medicare Physician Fee Schedule Gastroenterology Impact

CPT	Description	2016 wRVU				Physician Fee Schedule Reimbursement				Estimated Impact Based Upon Benchmark Data				
		(Proposed)	2015 wRVU	Increase (Decrease)	% Change	2016 Facility Payment	2015 Facility Payment	Increase (Decrease)	% Change	Utilization Benchmark	wRVU Weighting	Impact	Professional Net Collections Weighting	Impact
(1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(4)	(5)	(8)	(9)	(10)	(11)	(12)
44385	Endoscopy of bowel pouch	1.23	1.82	(0.59)	-32.42%	\$77.64	\$111.39	(\$33.76)	-30.31%	0.00271%	0.24	(0.08)	\$9.20	(\$2.79)
45340	Sig w/tndsc balloon dilation	1.35	1.89	(0.54)	-28.57%	88.11	119.66	(31.55)	-26.37%	0.00452%	0.39	(0.11)	15.33	(4.04)
44386	Endoscopy bowel pouch/biops	1.53	2.12	(0.59)	-27.83%	96.05	131.52	(35.47)	-26.97%	0.00271%	0.24	(0.07)	9.20	(2.48)
45335	Sigmoidoscopy w/submuc inj	1.07	1.46	(0.39)	-26.71%	72.22	95.22	(23.00)	-24.16%	0.01538%	1.34	(0.36)	52.12	(12.59)
45334	Sigmoidoscopy for bleeding	2.10	2.73	(0.63)	-23.08%	130.36	168.17	(37.81)	-22.49%	0.01689%	1.47	(0.34)	57.23	(12.87)
45330	Diagnostic sigmoidoscopy	0.77	0.96	(0.19)	-19.79%	54.89	65.76	(10.87)	-16.53%	0.21113%	18.43	(3.65)	715.38	(118.27)
45380	Colonoscopy and biopsy	3.59	4.43	(0.84)	-18.96%	214.85	265.91	(51.06)	-19.20%	7.66806%	669.27	(126.90)	25,982.51	(4,988.78)
45341	Sigmoidoscopy w/ultrasound	2.15	2.60	(0.45)	-17.31%	132.88	160.26	(27.38)	-17.08%	0.01749%	1.53	(0.26)	59.27	(10.13)
45382	Colonoscopy w/control bleed	4.76	5.68	(0.92)	-16.20%	280.93	337.42	(56.48)	-16.74%	0.09018%	7.87	(1.27)	305.57	(51.15)
45386	Colonoscopy w/balloon dilat	3.87	4.57	(0.70)	-15.32%	231.10	273.09	(41.99)	-15.38%	0.01237%	1.08	(0.17)	41.90	(6.44)
45392	Colonoscopy w/endoscopic fmb	5.60	6.54	(0.94)	-14.37%	328.96	385.57	(56.61)	-14.68%	0.00060%	0.05	(0.01)	2.04	(0.30)
45381	Colonoscopy submucous njx	3.59	4.19	(0.60)	-14.32%	214.85	251.89	(37.04)	-14.71%	0.49132%	42.88	(6.14)	1,664.79	(244.81)
44380	Small bowel endoscopy br/wa	0.90	1.05	(0.15)	-14.29%	61.39	70.43	(9.04)	-12.84%	0.00633%	0.55	(0.08)	21.46	(2.76)
45385	Colonoscopy w/lesion removal	4.67	5.30	(0.63)	-11.89%	275.88	315.50	(39.62)	-12.56%	6.64561%	580.03	(68.95)	22,518.04	(2,827.73)
45384	Colonoscopy w/lesion removal	4.17	4.69	(0.52)	-11.09%	247.71	278.84	(31.13)	-11.16%	0.25245%	22.03	(2.44)	855.39	(95.50)
45378	Diagnostic colonoscopy	3.29	3.69	(0.40)	-10.84%	198.24	222.43	(24.19)	-10.87%	7.54742%	658.74	(71.41)	25,573.72	(2,780.86)
45391	Colonoscopy w/endoscope us	4.67	5.09	(0.42)	-8.25%	275.52	302.92	(27.40)	-9.05%	0.00060%	0.05	(0.00)	2.04	(0.18)
45338	Sigmoidoscopy w/tumr remove	2.15	2.34	(0.19)	-8.12%	133.61	145.17	(11.57)	-7.97%	0.01930%	1.68	(0.14)	65.41	(5.21)
45379	Colonoscopy w/fb removal	4.31	4.68	(0.37)	-7.91%	255.29	279.56	(24.27)	-8.68%	0.00784%	0.68	(0.05)	26.57	(2.31)
45333	Sigmoidoscopy & polypectomy	1.65	1.79	(0.14)	-7.82%	105.08	113.91	(8.83)	-7.75%	0.00694%	0.61	(0.05)	23.51	(1.82)
45331	Sigmoidoscopy and biopsy	1.07	1.15	(0.08)	-6.96%	72.22	77.62	(5.40)	-6.95%	0.19635%	17.14	(1.19)	665.30	(46.26)
45337	Sigmoidoscopy & decompress	2.20	2.36	(0.16)	-6.78%	127.83	146.97	(19.14)	-13.02%	0.00332%	0.29	(0.02)	11.24	(1.46)
44394	Colonoscopy w/snare	4.13	4.42	(0.29)	-6.56%	245.18	264.11	(18.93)	-7.17%	0.00271%	0.24	(0.02)	9.20	(0.66)
44382	Small bowel endoscopy	1.20	1.27	(0.07)	-5.51%	79.08	83.73	(4.65)	-5.55%	0.00664%	0.58	(0.03)	22.48	(1.25)
44392	Colonoscopy & polypectomy	3.63	3.81	(0.18)	-4.72%	216.30	225.66	(9.37)	-4.15%	0.00030%	0.03	(0.00)	1.02	(0.04)
44389	Colonoscopy with biopsy	3.05	3.13	(0.08)	-2.56%	184.52	190.45	(5.93)	-3.11%	0.00513%	0.45	(0.01)	17.37	(0.54)
44388	Colonoscopy thru stoma spx	2.75	2.82	(0.07)	-2.48%	167.55	172.48	(4.93)	-2.86%	0.01418%	1.24	(0.03)	48.03	(1.37)
44391	Colonoscopy for bleeding	4.22	4.31	(0.09)	-2.09%	250.24	258.72	(8.48)	-3.28%	0.00030%	0.03	(0.00)	1.02	(0.03)

Estimated net wRVU increase (decrease): (283.78)

Estimated net professional collections increase (decrease): (\$11,223)

(1) CPT codes and descriptors only are copyright 2014 American Medical Association. All Rights Reserved. Applicable FARS/DFARS apply.

(2) Centers for Medicare and Medicaid Services CY 2016 Proposed Rule, Addendum B.

(3) 2015 National Physician Fee Schedule Relative Value File July Release 0.5% Update File.

(4) Calculated as follows: 2016 Increase (Decrease) = 2016 Value - 2015 Value

(5) Calculated as follows: % Change = 2016 Increase (Decrease) / 2015 Value

(6) 2016 Physician Fee Schedule reimbursement based upon CY 2016 proposed conversion factor and calculated as follows (does not include Geographic Practice Cost Index adjustment):

$$\text{PFS Reimbursement} = 2016 \text{ RVU} \times \$36.1096$$

(7) 2015 Physician Fee Schedule reimbursement based upon 2015 National Physician Fee Schedule Relative Value File July Release 0.5% Update File conversion factor and calculated as follows (does not include Geographic Practice Cost Index adjustment):

$$\text{PFS Reimbursement} = 2016 \text{ RVU} \times \$35.9335$$

(8) Represents CPT code utilization as a percentage of total annual coding. Based upon MGMA Procedural Profile Module CPT coding utilization data for gastroenterologists with annual wRVU totals above median. Certain codes were included due to insufficient survey data.

(9) Based upon MGMA 2014 median wRVU benchmark, gastroenterology, all respondents (8,728 wRVUs). Calculated as follows:

$$\text{wRVU Weighting} = \text{Utilization Benchmark} \times 8,728$$

(10) Calculated as follows: wRVU Impact = wRVU Weighting x wRVU % Change

(11) Based upon MGMA 2014 median professional net collections benchmark, gastroenterology, all respondents. Calculated as follows:

Professional net collections benchmark	\$752,979
Assumed Medicare payor mix percentage	45%
Medicare professional net collections	<u>\$338,841</u>

$$\text{Professional Net Collections Weighting} = \text{Utilization Benchmark} \times \text{Medicare Professional Net Collections}$$

(12) Calculated as follows: Professional Net Collections Impact = Professional Net Collections Weighting x Physician Fee Schedule Reimbursement % Change

		8,728												
		\$752,979												
	45%	\$338,840.55												
45378	Diagnostic colonoscopy	1.65	0.96	0.69	0.71875 (6)	98.940304	65.758305	33.181999	0.504605449	7.54742020%	658.7388353	473.4685378		