Calculation of I/M Waiver Adjusted for CPI

1. Use of the BLS data:

\[
\text{CPI adjustment for 1998} = \frac{\text{Average CPI for September 1997 - August 1998}}{\text{Average CPI for September 1988 - August 1989}}
\]

\[
\text{Average CPI-U for September 1997 - August 1998} = \frac{1}{12} \times \sum \text{CPI-U for each month from September 1997 through August 1998 (inclusive)}
\]

\[
\text{Average CPI-U for September 1988 - August 1989} = \frac{1}{12} \times \sum \text{CPI-U for each month from September 1997 through August 1998 (inclusive)}
\]

For example, the Average CPI-U for September 1988 - August 1989 =

\[
\frac{119.8 + 120.2 + 120.3 + 120.5 + 121.1 + 121.6 + 122.3 + 123.1 + 123.8 + 124.1 + 124.4 + 124.6}{12} = 122.15
\]

The Average CPI for 1998 = 162.18

\[
\text{CPI adjustment for 1998} = \frac{162.18}{122.15} = 1.3277
\]

2. The $450 + CPI value = (CPI adjustment for 1998 times $450) = 1.3277 \times 450 = $597.48

3. The data is available at the following Internet Bureau of Labor Statistics CPI home page:

http://stats.bls.gov/cpihome.htm

To retrieve the 1989 to 1998 data, select:
- "Most Requested Series"
- "Consumer Price Index-All Urban Consumers (Current Series)"
- "Consumer Price Index-All Urban Consumers"
- Select "U.S. All Items," Years to report for: "1989 to 1999"

To retrieve the September 1988 to December 1988 data, select:
- "Table Containing History of CPI-U U.S. All Items Indexes and Annual Percent Changes From 1913 to Present." (The direct URL is:
<table>
<thead>
<tr>
<th>Year</th>
<th>Average CPI-U</th>
<th>Final Waiver Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1989</td>
<td>122.2</td>
<td>$450.00</td>
</tr>
<tr>
<td>1995</td>
<td>151.1</td>
<td>$557.00</td>
</tr>
<tr>
<td>1996</td>
<td>155.2</td>
<td>$572.00</td>
</tr>
<tr>
<td>1997</td>
<td>159.5</td>
<td>$588.00</td>
</tr>
<tr>
<td>1998</td>
<td>162.2</td>
<td>$597.00</td>
</tr>
<tr>
<td>1999</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>