



## Amounts Generally Billed Calculation

As a nonprofit health system, St. Luke's is required to comply with section 501(r) of Federal Internal Revenue Code. Patients who are eligible for financial care will not be charged more than the amounts generally billed (AGB) to individuals who have insurance, for emergency and other medically necessary care. St. Luke's utilizes the "look-back" method to determine the AGB to individuals who have insurance covering Emergency or other Medically Necessary Care.

The AGB percentage applicable as of 10/1/2018 at each of our facilities is 56% resulting in a discount of 56% applied to gross charges. The percentage was calculated using all claims allowed by both private pay insurers (including Medicare Advantage) and Medicare (Traditional) for both inpatient and outpatient services having discharge dates from October 1, 2017 to September 30, 2018. Total expected payment from allowed claims was divided by total billed charges for such claims.

AGB was calculated using this private pay plus Medicare approach for each of the St. Luke's hospital facilities. We have chosen to apply the facility rate most favorable to patients to all our facilities through FY 2021.

System Wide 2018 discount is 56%	
% Calculated discount by facility:	
Elmore	45%
Jerome	24%
Magic Valley	55%
McCall	34%
Nampa	56%
Treasure Valley	52%
Wood River	32%