Bon Secours Mercy Health
Supplement to the Healthcare Financial Assistance Policy
Amounts Generally Billed (AGB) Calculation Summary
Effective March 1, 2024

Pursuant to Treasury Regulations §1.501(r)-5(a)(1), a hospital must limit the amount charged for care provided to any individual who is eligible for assistance under its financial assistance policy to not more than amounts generally billed (AGB) in the case of emergency and other medically necessary care. §1.501(r)-5(b)(1) provides two methods for hospital facilities to use to determine AGB: (1) look-back method; or (2) prospective Medicare or Medicaid method. As stated in Bon Secours Mercy Health's Healthcare Financial Assistance Policy (FAP), Bon Secours Mercy Health calculates an AGB percentage for each Bon Secours Mercy Health hospital based on the look-back method for all existing hospitals, and the prospective Medicare method for any new hospitals without prior year claims data.

Bon Secours Mercy Health hospitals selected the "look-back" method based on actual claims paid to each hospital facility. See exception below for new hospital facilities licensed in the current year. In accordance with §1.501(r)-5(b)(3)(i), each Bon Secours Mercy Health hospital facility calculates its AGB percentage based on the Medicare fee-for-service and all private health insurers that pay claims to the hospital facility. The AGB for each hospital is calculated annually by dividing the sum of the amounts of all of its claims for emergency and other medically necessary care that have been allowed by Medicare and Commercial insurers during a prior 12-month period by the sum of the associated gross charges for those claims. For 2024, the 12-month period utilized for each hospital facility's AGB calculation was November 1, 2022 – October 31, 2023.

The AGB calculation was determined for each hospital. Correlating to the variation of the charge master and the managed care contract rates, the AGB calculations for the hospitals ranged from 9.7% to 43.0%. Each hospital applies its own AGB percentage to gross charges on a hospital-by-hospital basis. The AGB percentages by hospital are attached.

For any new hospital facilities licensed in the current year, Bon Secours Mercy Health hospitals use the prospective Medicare method to determine AGB. A hospital facility using the prospective method may determine AGB for any emergency or other medically necessary care provided to a FAP-eligible individual by using the billing and coding process the hospital facility would use if the FAP-eligible individual were a Medicare fee-for-service beneficiary. The hospital facility would set the AGB for the care at the amount the hospital facility determines would be the total amount Medicare would allow for the care (including the amount that would be reimbursed by Medicare and the amount the beneficiary would be personally responsible for paying in the form of co-payments, co-insurance, and deductibles). This method will be used for 2024 for the new Mercy Health – Kings Mills Hospital.

Bon Secours Mercy Health
Medicare and Commercial
11/1/22 to 10/31/23 ZBA's

Amounts Generally Billed (AGB)	**11/1/22 to 10/31/23**
	Net Allowed
St. Elizabeth Boardman	21.6%
St. Elizabeth	21.1%
St. Joseph	19.6%
Allen	24.3%
Regional	21.6%
Defiance	28.6%
Tiffin	33.9%
Willard	39.6%
St. Vincent (Includes St. Anne and St. Charles)	15.9%
St. Rita's Medical Center	21.4%
Springfield Regional	20.5%
Memorial	24.1%
Anderson	23.3%
Clermont	22.7%
Fairfield	22.5%
Jewish	23.6%
West	22.2%
Lourdes	21.1%
Marcum Wallace	28.4%
Mary Immaculate Hospital	23.9%
Maryview Medical Center	23.2%
Memorial Regional Medical Center	22.0%
Richmond Community Hospital	21.8%
St Francis Medical Center	24.5%
St Mary's Hospital	24.9%
Rappahannock	43.0%
Southside	9.7%
Southern Virginia	11.3%
Southampton Hospital	19.2%
St Francis Hospital	19.1%