



Appendix 2

Amounts Generally Billed Methodology and Calculation

To ensure patients without insurance do not get charged more than patients with insurance, Hendricks Regional Health applies an uninsured discount that reduces the amounts charged to uninsured patients to no more than the Amounts Generally Billed (AGB) to patients who have insurance coverage through Medicare Fee-for-Service and Private Health Insurers. The Look-Back Method is used to determine AGB. Patients or members of the public may obtain this summary document free of charge by contacting the hospital Customer Service department at 317.745.3534.

AGB is the sum of amounts allowed on claims by health insurers divided by the sum of the associated gross charges for those claims.

$$\text{AGB\%} = \text{Sum of Claims Allowed Amount} / \text{Sum of Gross Charges for those claims}$$

Allowed Amount = Total gross charges less contractual adjustments

Denial adjustments are excluded from the calculation as denials do not impact allowed amount.

Hendricks Regional Health will calculate AGB annually

- A 12-month period is used for the Look-Back period (Oct-Sept)
- Includes Medicare Fee-for-Service and Private Health Insurers

Hospital: Hendricks Regional Health Danville & Brownsburg Campuses

Amounts Generally Billed: 58%

Effective: January 1, 2020

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