



## Explanation of Amounts Generally Billed

Lexington Medical Center patients eligible for financial assistance, in accordance with Lexington Medical Center's Financial Assistance Policy, are not charged more than the amounts generally billed (AGB) to individuals who have insurance covering emergency or other medically necessary care.

Lexington Medical Center determines the AGB percentage using the Internal Revenue Service's "look-back" method, which is calculated as follows:

**1** On an annual basis, the AGB percentage is calculated using a prior 12-month period. An updated AGB percentage takes effect on July 1 of each year, and the calculation is based on the 12-month period of April 1-March 31 of each year.

**2** The AGB percentage is calculated as follows:

The sum of all allowed amounts (including co-insurance, co-payments and deductibles) for all claims allowed for all medical care during the prior 12-month period by Medicare fee-for-service and all private health insurers is divided by the sum of Lexington Medical Center's gross charges for those claims. The resulting amount is the AGB percentage.

$$\text{AGB\%} = \frac{\text{Sum of Allowed Amounts for Claims}}{\text{Sum of Gross Charges for Claims}}$$

**3** If a patient is eligible for financial assistance under Lexington Medical Center's Financial Assistance Policy, the AGB percentage is multiplied by the hospital's gross charges for the patient's encounter for emergency or other medically necessary care. This calculation determines the maximum amount of gross charges for which the eligible patient may be personally responsible.

**4** Lexington Medical Center's AGB percentage for July 1, 2021–June 30, 2022 is 70 percent.