

## FINANCIAL ASSISTANCE POLICY

### WVU Hospitals Policy II.015

#### CALCULATION OF AMOUNTS GENERALLY BILLED (AGB)

To calculate *Amounts Generally Billed (AGB)*, we have chosen to use a “look-back” method based on actual past claims paid to WVUH by Medicare fee-for-service together with all private health insurers. This calculation is based on all Medicare and private health insurance volume for inpatient and outpatient acute services in calendar year 2014.

<b>Payer Group</b>	<b>Total Inpatient and Outpatient Charges for 2013</b>	<b>Total Inpatient and Outpatient Discounts for 2013</b>	<b>Discount Rate for 2013 Inpatient and Outpatient Services for 2013</b>
Medicare	\$591,258,335	\$387,576,952	66%
All Private Health Insurers	\$365,677,455	\$59,447,289	16%
<b>Combined Medicare and Insurance Reimbursement</b>	<b>\$956,935,790</b>	<b>\$447,024,241</b>	<b>47%</b>

Based on the data listed above, WVUH allowed a 66% discount for Medicare volume, and a 16% discount for Private Health Insurance in 2014. The blended discount rate for this volume is equivalent to 47%. The policy allows for a discount that is the greater of 50% or the AGB Calculation. Therefore, the discount effective September 1, 2015 will be 50% and will be recalculated annually (Next Update May 1, 2016).