



Amounts Generally Billed Calculation

As a nonprofit health system, St. Luke's Health System is required to comply with section 501(r) of the 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 as of 10/1/2023 for our facilities is 44.23%. This results in a discount rate of 55.77% 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, 2022, to September 30, 2023. The total expected payment from allowed claims was divided by total billed charges for such claims.

AGB was calculated using "Medicare fee-for-service and all private health insurers" [1] for each of the St. Luke's hospital facilities. We have chosen to apply a facility rate more favorable to patients to all our facilities in 2024.

System Wide 2023 discount is 55.77%	
% Calculated discount by facility:	
Elmore	49.98%
Magic Valley	58.75%
McCall	39.02%
Nampa	57.82%
Treasure Valley	55.76%
Wood River	39.02%

References

[1] IRS, [Online]. Available: <https://www.irs.gov/charities-non-profits/limitation-on-charges-section-501r5>.