

# Explanation of Amounts Generally Billed



North Kansas City Hospital patients who are deemed eligible for financial assistance in accordance with North Kansas City Hospital's Financial Assistance Policy will not be charged more than the amounts generally billed (AGB) for emergency or other medically necessary care to individuals who have insurance covering such care.

At North Kansas City Hospital the AGB percentage is determined under the "look-back" method described in Internal Revenue Service regulations and is calculated as follows:

**1** On an annual basis, the AGB percentage is calculated using a prior 12-month period. An updated AGB will take 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 the 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 North Kansas City Hospital's gross charges for those claims. The resulting quotient is the AGB percentage. **El**

**The calculation is summarized as follows:**

$$\text{AGB\%} = \frac{\text{Sum of allowed amounts for claims}}{\text{Sum of gross charges for claims}}$$

**3** If a patient is eligible for financial assistance under North Kansas City Hospital's Financial Assistance Policy, the AGB percentage is multiplied by North Kansas City Hospital's gross charges for the patient's encounter for emergency or other medically-necessary care to determine the maximum amount of the gross charges for which the eligible patient may be personally responsible.

**4** The North Kansas City Hospital AGB percentage for the year July 1, 2023-June 30, 2024, is 30%.