

What does Amounts Generally Billed (AGB) mean?

Amounts generally billed (AGB) means financial assistance-eligible patients will not be charged more than the amounts that are generally billed to individuals who have insurance covering the same care.

What this means for our patients is that an individual determined eligible for financial assistance in accordance with Providence Financial Assistance policies will not be charged more for emergency or medically necessary hospital care than the amounts generally billed to individuals with insurance covering such care.

How Amounts Generally Billed (AGB) is Calculated

Providence calculates the AGB percentage for each hospital facility under the “look-back method” described in Internal Revenue Service regulations, which is calculated as follows:

1. On an annual basis, the AGB percentage is calculated for each hospital facility using a prior 12-month period.
2. The AGB percentage is determined by dividing (a) the sum of amounts (including co-insurance, co-payments, and deductibles) allowed by Medicare fee-for-service by (b) the sum of associated gross charges for those claims.
3. Hospitals within certain geographic regions adopt the lowest AGB percentage from among all the Providence hospitals located within the same region, as set forth in the chart below.
4. If the patient is eligible for financial assistance under Providence Financial Assistance policies, the AGB percentage is applied to the gross charges for the patient’s encounter for emergency or other medically necessary care as a limitation on charges, to determine the maximum amount of the gross charges for which the eligible patient may be personally responsible.

What are the current AGB’s used by Providence and its Affiliates?

Based on Medicare contractual allowances between October 1, 2023, through September 30, 2024, Providence will charge patients eligible for financial assistance **no more** than the below-noted AGB percentage for emergency or medically necessary services received in 2025 and are calculated as follows:

System, location, or facility	AGB Method used	AGB Percentage %
Providence for Southern California hospitals located in Los Angeles County	Look-back	16.8%
Providence for Southern California hospitals located in Orange, and High Desert Counties	Look-back	20.6%
Providence for Northern California hospitals located in Sonoma and Humboldt Counties	Look-back	13.7%
Providence Alaska	Look-back	16.0%
Providence Montana	Look-back	42.3%
Providence Oregon	Look-back	31.4%
Swedish in Washington	Look-back	20.4%
Kadlec in Washington	Look-back	24.5%
Western Washington	Look-back	21.0%
Eastern Washington	Look-back	25.4%
Central Washington	Look-back	27.5%
Covenant hospitals located in Lubbock, Plainview, and Levelland, Texas	Look-back	8.7%
Covenant Health Hobbs, New Mexico	Look-back	21.4%