

APPENDIX C
Amounts General Billed (AGB)

Amounts Generally Billed Calculation Sparrow Health System calculates the amounts generally billed (AGB) percentage using the “lookback” method. AGB is calculated by dividing the sum of all Medicare fee-for-service and private health insurers that have paid claims to the HFHS Facility during a 12-month period, by the sum of the associated gross charges for those claims, all in accordance with IRS Reg. Sec. 1.501(r)-5(b)(3). The AGB percentages will be updated annually. A consolidated AGB lower than some of the calculated facility will be used for simplicity. We will use the AGB for the Sparrow Health System listed below, 25%. January 2020 – December of 2020 data used to calculate AGB for FY 2021.AMOUNTS GENERAL BILLED (AGB).

January 2020 – December of 2020 data used to calculate AGB for FY 2021.

Location	AGB
Lansing	29%
Clinton	43%
Ionia	44%
Carson City	41%
Eaton	51%
SPARROW HEALTH SYSTEM	25%