

## **How Amounts Generally Billed (AGB) is Calculated**

No individual determined eligible for financial assistance under Kedren financial assistance policies will be charged more for medically necessary hospital care than the amounts generally billed (“AGB”) to individuals with insurance covering such care.

The AGB for Kedren’s mental health services is calculated as follows:

(1) Every year, Kedren calculates the amount generally billed (AGB) annually based on the prospective method allowed under the IRS Section 501(r)(5). Kedren prepares a prospective analysis of the costs to carryout its acute hospital and outpatient services for specialty mental health services and submit a Provisional Rate Request (PRR) to the Los Angeles County Department of Mental Health (LACDMH) for approval. Once approved, the provisional rates are the amounts generally billed. The rates are based on Mode and service function codes.

(2) As part of the California Short/Doyle MediCal specialty mental health delivery system and per contract agreement with the LACDMH, the provisional rates or AGB are billed to the LACDMH for adjudication and payment. Therefore, Kedren does not submit any billing directly or indirectly to any of the specialty mental health patients. Since there is no billing ever send to the patients, there is absolutely no collection of any amount from the special mental health patient.