

## Price Transparency

*The Centers for Medicare & Medicaid Services (CMS) has issued a final rule that requires hospitals to post their standard charges in a machine-readable format on the internet and update it at least annually, effective January 1, 2019.*

FHN is committed to price transparency and has posted this list of hospital charges for inpatient and outpatient services.

1) How can I use this hospital charge information to compare prices?

Charge information is not necessarily useful for consumers who are “comparison shopping” between hospitals, because the descriptions for a particular service and what is included in that service could vary from hospital to hospital. It is difficult to try to independently compare the charges for a procedure at one facility versus another.

2) What is the difference between charges, cost and price?

a) Total gross charge is the amount set before any discounts. Hospitals are required by the federal government to utilize uniform charges. Charges are based on the type of care provided and can differ from patient to patient, even for similar services.

b) Cost is the total expense incurred by the hospital to provide the healthcare. Hospitals have higher costs to provide care than freestanding or retail providers, even for the same type of service.

c) Total price is the amount actually paid to a hospital. Hospitals are paid by health plans and/or patients, but the total amount paid is **significantly** less than the starting charges.

i) Medicare and Medicaid pay hospitals according to a set fee schedule depending on the service provided, much less than the hospital’s total charge and actually less than their costs.

ii) Commercial insurers negotiate discounts with hospitals on behalf of their enrollees and pay hospitals at varying discount levels, but much less than starting charges.

iii) Hospitals provide Financial Assistance to those who are uninsured or under-insured who also meet geographic, income and financial requirements (based on family size). To be considered for the financial assistance programs, including the Illinois Hospital Uninsured Discount Act, you must complete an application and provide supporting documentation. Completing this application will help the hospital determine if you can receive free or discounted services or other public programs that can help pay for your healthcare. <https://www.fhn.org/patientAssist.asp>

3) What do the following Health Insurance terms mean?

a) **Deductible** – The amount the patient needs to pay for healthcare services before the health plan begins to pay. The deductible may not apply to all services.

b) **Copayment** – A fixed amount (for example, \$20) the patient pays for a covered healthcare service, such as a physician office visit, emergency room visit or prescription drug.

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- c) Coinsurance – The percentage the patient pays for a covered health service (example 20% of the bill) after you pay any deductibles. This is based on the allowed amount for the service. You pay coinsurance plus any deductibles you owe.

A patient's specific healthcare plan coverage and out-of-pocket responsibility varies depending on their individual health plan. Patients need to contact their individual health plan for information on in- and out-of-network services.

- 4) How much will I actually have to pay out of my pocket?
  - a) A patient **with** health insurance needs to pay the deductible, copay and/or coinsurance set by their health plan.
  - b) The financial obligations could differ depending on whether the hospital or physicians are "in-network" (contract) or are "out-of-network," meaning the health plan does not have a contract with them. Contact your insurance company to understand what your financial obligations will be.
  - c) A patient **without** health insurance may be eligible for a complete write-off or a substantial reduction of the charges in accordance with the Illinois Hospital Uninsured Patient Discount Act and the hospital's financial assistance program (patient must apply for this).
  - d) Please contact us at 815-599-7950 or 877-720-1555 to obtain further information about financial assistance available.
  
- 5) How can I get an estimate for a specific procedure?
  - a) FHN takes considerable care in setting their fees which reflect the complexity of care, skill and expertise required for your treatment. Charges may vary from visit to visit depending on the level of care you receive from your provider on any particular visit.
  - b) FHN respects your right to know the patient responsibility of services prior to receiving them. FHN Patient Financial Advocates can help you verify insurance benefits and eligibility to calculate your estimated out-of-pocket responsibility prior to receiving services.
  - c) If you need an estimate for a specific procedure or operation, please contact the Patient Estimates office at 866-417-0542.
  - d) The information provided is an estimate and is not a guarantee of the final billed charges. Final billed charges may vary from hospital estimates for many reasons, among them are the patient's medical condition, unknown circumstance or complications, final diagnosis and recommended treatment ordered by the physician.