



FREQUENTLY ASKED QUESTIONS

ACA TRANSPARENCY REQUIREMENT

WHAT ARE HOSPITALS DOING TO BE TRANSPARENT?

Hospitals are committed to providing price information to consumers.

- For years, hospitals have complied with laws requiring charge information to be made available to the public.
- Because of widespread variation in health insurance coverage, it is difficult for hospitals to provide specific out of pocket cost information to a patient without access to very detailed information about a patient's health insurance coverage.
- Hospitals invest heavily to make cost information more accessible. For example, our hospital provides free price estimates.
 - You can contact our Business Office to obtain an estimate over the phone by calling (217) 774-3961. Colleagues are available to answer you calls Monday – Friday, 8:00 am to 4:30 pm.

WHAT IS A CHARGEMASTER?

A chargemaster is a comprehensive list of charges for each inpatient and outpatient service provided by a hospital – each test, exam, surgery or other procedures, room charges, etc.

- Given the broad scope of services provided by hospitals 24/7, a chargemaster contains thousands of services and charges.
- Hospitals are paid the insurance company's contract rate, which is often heavily discounted from the amount listed on the chargemaster.
- An individual hospital's charges vary based on its unique range of services, adoption of new medical technologies, government underfunding, patient demographics and other local and regional factors.

HOW IS INFORMATION SHARED WITH PATIENTS AND FAMILIES?

The chargemaster is not a useful tool for consumers who are comparison shopping between hospitals.

- Our hospital employs financial counselors and other resources to help our patients understand their financial obligations.
 - You can contact our Business Office to obtain an estimate over the phone by calling (217) 774-3961. Colleagues are available to answer you calls Monday – Friday, 8:00 am to 4:30 pm.
- We encourage patients to reach out and ask detailed financial questions – especially before scheduled services.
- Our hospital is ready to help patients and their families understand their financial obligations at any time during the treatment process.

ARE CHARGES DIFFERENT FROM PAYMENTS?

Yes, charges are different from payments. Chargemaster information is not particularly helpful for patients to estimate what health care services are going to cost them out of their own pocket.

- The chargemaster amounts are billed to an insurance company, Medicare, or Medicaid, and those insurers then apply their contracted rates to the services that are billed. In situations where a patient does not have insurance, our hospital has financial assistance policies that apply discounts to the amounts charged. More information on our financial assistance policies can be found at <http://www.hshs.org/fap>.
- Each hospital has different proportions of Medicare, Medicaid, commercial insurance or uninsured patients, which adds to the complicated nature of hospital billing.
- Every insurer pays the hospital differently. Medicare and Medicaid generally pay less than the actual cost of caring for patients.
- There are also patients who, unfortunately, can't pay their hospital bills. We continue to care for these patients and offer resources of other sources of payment or by offering financial assistance to those who qualify.
- Remember that the patient will not pay charges. Rather, the patient with health insurance will only pay the specified deductible, copay and coinsurance amounts established by their health plan. A patient without health insurance or sufficient financial resources may be eligible for significant discounts from charges.

WHY DO HOSPITAL COSTS OF CARING FOR PATIENTS VARY?

Every patient's case is special and requires different levels of care. Hospitals are prepared with doctors, nurses and high-tech equipment around the clock for illness or injury – from a twisted ankle to a major accident to a natural disaster.

- The price a patient sees on the hospital bill reflects many people who care for them and keep the hospital operating, not just the services provided, such as:
 - Nurses and caregivers at the bedside
 - Pharmacists, lab technicians, food service staff, environmental service professionals and security personnel who, among many others, keep the hospital running 24/7.
 - Specialty care providers
- Hospital costs have many factors, such as staffing, equipment, maintenance costs and the differences in care needed by each patient. Key components of hospital costs that vary by region, community and individual hospital include:
 - Services provided for the patient's unique care needs
 - 24/7/365 readiness to meet the community's health care needs
 - Charity care for people unable to pay
 - Medicare and Medicaid underpayments – programs that pay the hospital less than the cost of caring for patients with health coverage through the programs

WHAT ABOUT QUALITY OF CARE?

While the ACA requirement focuses on hospital charges, quality data is also essential for consumers.

- Quality measures, in conjunction with price information, allows users to better define health care "value".
- An important component for choosing a health care provider is determining quality of care. Your doctor can be a helpful resource in choosing where to obtain care. Further Medicare hospital-

specific quality outcome measures are located on the Hospital Compare website at www.medicare.gov/hospitalcompare.

- To compare hospital median charges for nearly 50 major diagnoses, quality and patient satisfaction metrics in Illinois, go to the Illinois Hospital Report Card website at www.healthcarereportcard.illinois.gov.