Ferrell Hospital
DEACONESS ILLINOIS PARTNER

Transparency of Hospital Charges

Requests to View Hospital Standard Charges:

Ferrell Hospital Community Foundation displays in our Registration areas the hospital charges for its most common procedures. A federal rule, effective 10/1/14, entitled Requirement for Transparency of Hospital Charges Rule in the Affordable Care Act, requires hospitals to make public their standard charges for items and services provided by the hospital. The rule allows hospitals to either make public a list of their charges (a copy of the charge master or another form of their choice) or their policy for allowing the public to view a list of those charges. Ferrell Hospital Community Foundation has elected the latter option. This handout explains the procedures for public viewing of hospital charges.

The Requirement for Transparency of Hospital Charges Rule is intended to assist patients in understanding their potential financial liability for services obtained at our hospital and to allow comparison for similar services across hospitals. However, hospital charge masters are lengthy and complex documents which do not provide information at a level that is easy to understand for this purpose. Therefore, additional information, as outlined below, is available to patients seeking price estimates so as to help aid better understanding of hospital charges.

Definitions:

Hospital charges are the amounts set before any discounts. Hospitals are required by the federal government to utilize uniform charges as the starting point for all bills. Charges are based on what type of care was provided and can differ from patient to patient for the same service depending on any complications or different treatment provided due to the patient's health. Therefore, actual charges for a specific patient will differ from the listed standard charges.

These charges represent the standard charges for procedures and diagnosis-related groups. The charge is for care without complications. Actual charges may be different for specific patients due to medical condition, length of time spent in surgery or recovery, necessary specific equipment, supplies or medication, complications requiring unanticipated procedures or other treatment ordered by the physician.

Discounts & Financial Assistance:

Many patients seeking hospital charge information are interested in knowing what their out-of-pocket financial responsibility will be. This is an opportunity to have important conversations regarding payment options, including prompt payment discounts for paying patient balances in full within 30 days of initial statement indicating the balance due from the patient.

If a patient has health insurance, significant discounts have already been obtained by the insurance company and the patient only needs to pay the deductible, copay and/or coinsurance. Patients should contact their health plan directly for their specific financial obligations that aren't reimbursed by insurance.

Ferrell Hospital Community Foundation has a financial assistance program where uninsured and insured patients may qualify for discounted services based on household income as compared to the Federal Poverty Level. Those without health insurance may also qualify for discounts under the Illinois Hospital Uninsured Patient Discount Act and any other discounts. Please review the Patient Financial Assistance section of the hospital website at www.ferrellhosp.org or inquire about the financial need assistance program and Illinois Hospital Uninsured Patient Discounts with our one of our Patient Financial Counselors for further assistance.

Frequently Asked Questions:

How much will I actually have to pay out of my pocket?

For insured patients, health plans such as Medicare, Medicaid, workers' compensation, commercial health insurance, the patient only pays the out-of-pocket amounts set by the health plan. Therefore, a patient with health insurance needs to pay the deductible, copay and/or coinsurance set by their health plan.

The financial obligations could differ depending on whether the hospital or physicians 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.

If you need help understanding your health care bill, please contact the Hospital's Billing Department.

A patient without health insurance will be able to discuss financial assistance options available that could include either a full or partial reduction of the charges in accordance with the Illinois Hospital Uninsured Patient Discount Act and the hospital's Financial Assistance Program.

Please visit our website at www.ferrellhosp.org or inquire about the financial assistance program and Illinois Hospital Uninsured Patient Discounts with one of our Patient Financial Counselors for further assistance.

What do the following terms mean?

Deductible: The deductible is the amount you owe for healthcare services you receive during the benefit year. Your health insurance company will not pay anything for you healthcare until you have paid the amount of your deductible. If your deductible is $500.00, you will need to pay $500.00 out of your own pocket before the insurance company pays anything. What you pay toward your deductible is tracked from the first day an insurance policy is in effect. If the policy starts January 1, nothing you have paid prior to January 1 counts toward the $500 deductible. There are often different deductible for different types of care. An example would be a $100 deductible for pharmacy services, or a separate deductible for lab and radiology services.

Copayment: The copayment (co-pay) is a flat payment amount that you are responsible for at the time of service. Typically, co-pays are collected for physician visits, eye exams, pharmaceutics, emergency room visits, surgical procedures, and some diagnostic testing. They can range in price depending on the patient's insurance coverage. Co-payments are paid each time you obtain a particular service.

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

A patient's specific health care plan coverage, including the deductible, copay and coinsurance, varies depending on what plan the patient has. Health plans also have differing networks of hospitals, physicians and other providers that the plan has contracted with. Patients need to contact their health plan for this specific information.

What is the difference between charges, cost and price?

Total Charge: The amount of a charge set before any discounts. Hospitals are required by the federal government to utilize uniform charges as the starting point for all bills.

The charges are based on what type of care was provided and can differ from patient to patient for similar services, depending on any complications or treatments provided due to the patient's health.

Cost: For a hospital, it is the total expense incurred to provide the health care. Hospitals have higher costs to provide care than freestanding or retail providers, even for the same type of service. Hospitals are open 24 hours a day, 7 days a week and are prepared to provide care in emergencies. Non-hospital health care providers can choose when to be available and typically would not provide services that would result in losses.

Total Price: 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.

How can I use this hospital charge information for comparing prices?

Charge information is not necessarily useful for consumers who are "comparison shopping" between hospitals because the descriptions for a particular service could vary from hospital to hospital and what is included in that description. It is difficult to try to independently compare the charges for a procedure at one facility versus another. An actual procedure is comprised of numerous components from several different departments - room and board, laboratory, other diagnostics, pharmaceuticals, therapies, etc.

A patient who has the specific insurance codes for services requested, available from their physician, can better gauge charge estimates across hospitals. Ask your physician to provide the technical name of the procedure that has been recommended as well as the specific ICD and CPT codes for service.

How can I get an estimate for a specific procedure?

If you need an estimate for a specific procedure or operation, please contact one of the Hospital's Patient Financial Counselors. They will assist in providing you with an estimate of what the total charges for the service you are receiving will be.

Such estimates will be an average charge for the procedure without complications. A physician or physicians make the determination regarding specific care needed based on considerations using the patient's diagnosis, general health condition and many other factors. For example, one individual may require only a one-day hospital stay for a particular procedure, while another may require a two-day stay for the exact same procedure.

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.

Please contact the Patient Financial Services Department at the following:

Patient Financial Counselor: 618-273-3361 ext 1663
Revenue Cycle Director: 618-273-3361 ext 1660

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