

**COOK COUNTY, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**November 30, 2018**

For those patients that do not qualify for Medicaid or any other Federal programs, CCHHS has a charity care program for Cook County residents that evaluates the patient's need based on family size and income. The guidelines to qualify for charity care are adjusted each year based on changes in the Federal Government's poverty guidelines. The charity program covers patients with incomes up to 600% of the Federal Poverty guidelines.

Patients that are not residents of Cook County that need financial assistance in paying for their medical services are also offered a discount under the Illinois Uninsured Patient Discount program if their income is less than 600% of the Federal Poverty guidelines.

Charity care is measured based on the CCHHS's estimated direct and indirect costs of providing charity care services. That estimate is made by calculating a ratio of cost to gross charges, applied to the uncompensated charges associated with providing charity care to patients. Fiscal year 2018 amounts are as follows:

Charges forgone for charity care	<u>\$557,497,668</u>
Estimated costs incurred for charity care	<u>\$347,866,711</u>

During FY 2018, the CCHHS's payer utilization was as follows, based on gross patient service revenue:

Self-Pay	\$ 677,121,748
Medicaid (including CountyCare)	441,745,803
Medicare	255,172,922
Other	<u>77,811,504</u>
	<u>\$ 1,451,851,977</u>

For the year ended November 30, 2018, estimated gross charges associated with services provided to CountyCare patients totaled approximately \$238 million. Charges related to CountyCare patients are excluded from the table above as CCHHS is reimbursed through capitation rather than through patient service revenue, and any gross charges associated with CCHHS services provided to CountyCare patients are eliminated in combination.

**(3) Interagency Transfer Agreements**

The CCHHS receives enhanced Medicaid reimbursement by means of an Interagency Agreement (the "Agreement") between the County Board and the Illinois Department of Healthcare and Family Services ("DHFS"). Under terms of the Agreement, DHFS will direct additional funding to CCHHS for cost reimbursement methodologies. In addition, the Agreement requires DHFS to provide CCHHS additional funding to assist the CCHHS in offsetting the cost of its uncompensated care from disproportionate share and Medicare, Medicaid and SCHIP Benefits Improvement and Protections Act of 2000 (BIPA). Such adjustment amounts include federal matching funds.