

## Reasonable Efforts Checklist

### 5 Steps for Reasonable Efforts

1. **Plain Language Summary:** The requirement to "offer" a plain language summary as part of the discharge or intake process is actually found under § 1.501(r)(4) of "widely publicizing." I feel, however, that it should be considered the starting point to make a "reasonable effort."

- Did you train the access and discharge teams to understand that hospital facilities only have to "offer" a plain language summary?
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2. **Three Bills/Statements** - Based on typical billing cycles reported by commenter's, the IRS suggests that the patient receive at least three bills before facing any Extraordinary Collection Actions. The IRS referenced HFMA's Medical Debt Flow Chart in this section - <http://www.hfma.org/WorkArea/DownloadAsset.aspx?id=21228>

- Conspicuous Written Notice (Statements): Does your billing statement include a **conspicuous written notice** that informs the recipient about the availability of FA under the hospital FAP that includes the telephone number of the hospital, department, or facility and direct web site address where copies of documents may be obtained? Also is it of sufficient size and clearly readable?
  - Mail Returns: "Provided" is the date it was mailed, emailed, or delivered by hand. Does your Billing and Collection Policy contain language similar to: "It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service or upon moving. If an account does not have a valid address, the determination for "Reasonable Effort" will have been made."
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3. **Plain Language Summary:** Final regulations require a plain language summary to be included with only one post-discharge communication (mail or email) and give hospitals the flexibility to send this one plain language summary to the subset of patients against whom the hospitals actually intend to use extraordinary collection actions.

- Will the mailed Plain Language Summary be included in 1) one of the three statements, 2) by itself, 3) backer of statement (back side) or 4) with the final notice?
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4. **Final Notice-** The regulation requires that the final notice include the "intended" Extraordinary Collection Actions along with a deadline date before Extraordinary Collection Actions can occur. The deadline date is required to be at least 30 days before Extraordinary Collection Actions can occur. The deadline date can be no earlier than 120 days from the first post discharge statement. Suggestion: Small Balance Accounts - Combine the third statement and the Final Notice to save postage charges.

- Did you update your final notice with the "intended" Extraordinary Collection Actions also mentioning that financial assistance is available? Suggestion for final notice language: *"Your account is past due and about to be listed with our collection agency partner. Financial Assistance is available to those who qualify. Please call 800-xxx-xxxx for assistance or visit www.xxxx.com for copies of our financial assistance information. We will allow and/or intend for our collection agency partner to place this account on your credit bureaus and/or take legal or judicial action at the*

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*discretion of our collection agency. The Deadline date for this account to be turned over to our collection agency is xx/xx/xxxx"*

- DEADLINE** - Did you inform the patient of the deadline date and is it no earlier than 30 days after the "intended" Extraordinary Collection Action final notice was sent by mail or electronic mail?
  - Does the DEADLINE date occur 120 days or more after the first post-discharge statement?
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**5. Oral Communication:** Did the hospital facility make a reasonable effort to verbally notify those patients against whom the hospital facility intends to engage in ECAs at least 30 days before they intend to initiate the ECA?

- Scripting Suggestion: *"financial assistance is available for those who qualify "*
- Remember that the hospital does not have to actually speak with the individual; it must only make a "reasonable effort" to communicate.