

# The Collector Chronicle

NORTH AMERICAN RECOVERY

February 2015

America's Collection Authority

## LAST MONTH'S LUCKY WINNER

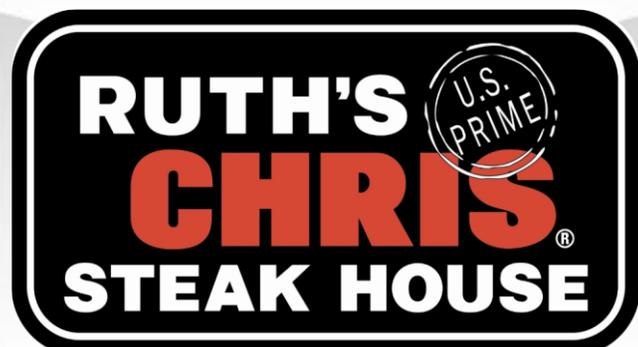
The lucky winner of our client prize for the month of January is Insight Laser & Cataract Eye. Congratulations! We have been working with Valerie for almost five years. We will be sending her a gift card for a dinner for two at PF Chang's China Bistro.



## THIS MONTH'S PRIZE

This month we will be giving away a gift card to Ruth's Chris Steak House. Each client who sends new accounts during the month of February will have their name entered into a drawing. At the end of the month we'll draw a name, and if it's yours, you'll win the gift card.

**Don't miss out on your chance to win;  
Send new accounts in February!  
Good luck!!**



## Success Stories

BY: David J. Saxton

President, NORTH AMERICAN RECOVERY

This month I want to share with you some examples of successful collections we've had over the years. I hope you enjoy reading them. Have a great month!

### Success Story #1

The first success story I want to share is about an account we collected very quickly—within 15 days. We don't always collect them this quickly, but you might be surprised at how many we do. This was a \$427 emergency room doctor bill that was assigned on the 20<sup>th</sup> of the month.

Like all accounts, we started by sending our first collection notice. This letter has the required legal disclaimers which inform a consumer of his or her rights. After sending our letter we received a call from the consumer's wife 15 days later. The way this account played-out is a good example of what happens with most ER doctor bills. During this first telephone call, the consumer's wife told our collector that she had been having a difficult time working with her insurance company on paying the bill. In addition to this, her husband had recently changed jobs and this added another layer of complications to their present situation. She only wanted to pay part of the bill, but our collector informed her the account would still report to her credit if it wasn't paid in full. Upon hearing this, she agreed to talk with her husband about paying the full amount, and then work out the details with her insurance company for reimbursement.

The consumer's wife called back 15 minutes later and paid the full balance with her credit card. Success!! A paid-in-full account—and only 15 days after it was assigned to our office!! (I wish they were all like this.)

What were the factors that allowed us to collect this account so quickly? First, our collectors are very knowledgeable when it comes to insurance billing, ER doctor bills and how the billing process works in an emergency room. This allows our collectors to fully explain how things work, and help the consumer understand the potential negative consequences they're facing if they don't pay their account. The fact that we report collection accounts to the credit bureaus makes a big difference as well. An unpaid collection account on a credit report can dramatically affect a person's overall credit score. More than ever, bad credit is preventing people from getting

# The Collector Chronicle

NORTH AMERICAN RECOVERY

February 2015

America's Collection Authority

loans. Explaining all of this to the consumer really helps drive home the importance of paying now, and that leads to a quick, successful collection.

## Success Story #2

For the next example I went way back in the archives, almost 13 years. I wanted to share this one because it's a perfect example of what we still do every day to collect hundreds of accounts. This account took a lot longer to collect, and involved much more follow-up. However, the result was the same: payment-in-full.

This example involves an unpaid credit card account. We have a few clients who purchase unpaid credit card bills for pennies on the dollar and then assign them to our agency. These accounts present more challenges when collecting because the documentation is sometimes difficult to obtain. In addition, it's usually been three to four years since the consumer used the card, or made a payment towards their balance. When a bill is this old, consumers tend to think that it's been "written off" and they don't have to pay. Our job is to convince them otherwise, and if they still won't pay, we will use the court system to collect the account.

This debt was assigned on March 13, 2002. The credit card was originally opened in 1977, (yes, that's 1977, it's not a typo) and the consumer actually paid each month until May 5, 2000. (That's 23 years!)

When we received the account, it had been about two years since the consumer made a payment. We began by sending our first notice, but he didn't respond. We then made calls, left messages and tried to contact him. Again, no response. During this time we verified that he owned his home, and since he continued to ignore the bill, we had no choice but to get the courts involved. When he received our attorney's first notice he still didn't respond. This resulted in our law office sending out the summons. When the consumer was served with the summons he still didn't respond! We waited two more weeks and right before our attorney was about to ask the court for judgment, the consumer finally called. He wanted to work out an arrangement to pay the bill. When we received this call we took a step back to consider all the factors on this account (and there were quite a few).

First, the consumer had paid on this credit card for 23 years. This was a very important point to consider

because some accounts truly are situations where good people have fallen on hard times. When we looked closer at the account we discovered that the consumer was a 52 year-old retired Master Sergeant who had just purchased a new home. It was clear that he wasn't going anywhere. Based on these factors, and his sincerity in wanting to pay—and the fact that he owed \$20,806.34—we gave him the opportunity to pay \$500/month and agreed to not enter a judgment. He agreed and made his first \$500 payment.

Then, for the next 45 months straight, (nearly four years) he made a payment of \$500 each and every month! He finally paid his account in full on April 24, 2006. I really have to hand it to this consumer for sticking to his agreement and paying his account. It doesn't always happen that way.

Why were we able to successfully collect such a large account? First, was our ability to skiptrace and gather several very important facts about the consumer. Things like his age, the history of the bill, and his recent purchase of a new home, all really helped us understand who we were dealing with. We sometimes make exceptions and let consumers make monthly payments. Our ability to truly understand who we're dealing with allows us this flexibility.

The other important factor on this account is our ability to have immediate, effective legal representation. We have developed a system over the years that allows a seamless integration with our Attorney's office. This close working relationship ensures that when we need to sue someone, it's going to be done quickly, efficiently and with the highest level of professionalism.

These aspects of our service, and many others not mentioned in this article, ensure that we collect much more money than the industry standards. It takes a dedicated staff of smart, talented and committed professionals working hard every day to achieve these type of success stories. That's exactly who you have working for you at NAR. We appreciate the opportunity to collect your accounts, we take this responsibility very seriously, and we work hard every day to succeed for you.

There you have it. Two real-world examples of how we collect your accounts and the reasons we succeed at the job. Thanks for reading and have a great month!



*The Collector Chronicle* is published monthly by NORTH AMERICAN RECOVERY for prospective and current clients. Please direct questions or comments to the Editor, Stephen Halling, at: [StephenHalling@North-American-Recovery.com](mailto:StephenHalling@North-American-Recovery.com)

1600 West 2200 South, Suite 410, West Valley City, Utah 84119

801-364-0777 • Fax: 801-364-0784

[www.North-American-Recovery.com](http://www.North-American-Recovery.com)