

The Collector Chronicle

North American Recovery

November 2024

America's Collection Authority

LAST MONTH'S LUCKY WINNER

The lucky winner of our client prize for October is Beehive Self Storage. They have been using our agency since 1992! We will be sending them a gift basket from Harry & David's! Enjoy!



THIS MONTH'S PRIZE

This month we will be giving away a gift basket from Harry and David's. Each client who sends new accounts during the month of November 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 basket!

*Don't miss out on your chance to win!
Send new accounts before the
end of the month!
Good luck!!*

Harry & David

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 fifteen days. This was a \$427 bill for a visit to an emergency room that was assigned to our office.

Like all accounts, we started by sending our first collection notice. This letter has the required legal disclaimers that inform the consumer of their rights. Fifteen days later, after sending our letter, we received a call from the consumer's spouse. The way this account played out is a good example of what happens with most medical bills.

During this first telephone call, the consumer's spouse told our collector that they had been having a difficult time working with their insurance company on paying the bill. In addition to this, their spouse had recently changed jobs, adding another layer of complications to their situation. They only wanted to pay part of the bill, but our collector informed them that the account would still report to their credit if it wasn't paid in full. They agreed to talk with their spouse about paying the full amount, then work out a reimbursement plan with the insurance company.

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The consumer's spouse called back ten minutes later and paid the full balance with their credit card. Success!! A paid-in-full account—and only fifteen days after it was assigned to our office!! (I wish they were all this easy.) 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 loans. Explaining all of this to the consumer really helps drive home the importance of paying now, which usually results in a successful collection.

Success Story #2

The next story is 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 were assigned a debt for an account where the credit card had been opened 25 years earlier. The consumer had consistently made monthly payments with dedication but, for some

reason, fell off the radar.

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 they didn't respond. We then made calls, left messages and tried to contact them. Again, no response. During this time, we verified that they owned the home, and since they continued to ignore the bill, we had no choice but to take legal action. When they received our attorney's first notice they still didn't respond. This resulted in our law office sending out the summons. When the consumer was served with the summons, they 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. They 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.

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 they weren't going anywhere.

Based on these factors and their sincerity in wanting to pay—and the fact that they owed \$20,806.34—we gave them the opportunity to pay \$500/month and agreed to not enter a judgment. They agreed and made the first \$500 payment.



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Then, for the next 45 months straight (nearly four years), they made a payment of \$500 each and every month until the balance was paid-in-full! I really have to hand it to this consumer for sticking to their agreement and paying their 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 their age, the history of the bill, and their recent purchase of a new home, all helped us understand who we were dealing with.

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 any necessary legal actions are handled quickly, efficiently, and with the highest level of professionalism.

Success Story #3

This third example perfectly illustrates why we don't settle certain accounts—the ones we know will pay in full. I spoke with this consumer on March 4, 2020 (you can listen to my call with the consumer [here](#)). During our conversation, they expressed interest in settling their account. Since we hadn't offered a settlement, I knew this was one of those accounts we wouldn't settle because we were confident they would ultimately pay in full.

I explained our policy: we don't settle. They weren't happy with that answer. The consumer tried a few tactics to change my mind, including the classic "peer pressure" approach, insisting that

"everyone else is settling." They suggested that if we didn't settle, they wouldn't pay at all.

We sent the account to our attorney, who initiated legal action. The result? Not only did the consumer pay the full balance, but due to their delay in payment, they ended up covering an additional \$418.80 in attorney fees and legal costs. I was simply trying to save them money by encouraging them to pay while the account was still in our office. But in the end, our approach ensured the account was paid in full. This is an example of why sticking to our principles pays off!

There you have it— three real-world examples of how we collect your accounts and why we succeed. We appreciate the opportunity to collect your accounts and take this responsibility very seriously. Thanks for reading and have a great month!

- Dave



The Collector Chronicle is published monthly by NORTH AMERICAN RECOVERY for prospective and current clients. Please direct questions or comments to the editor, Dave Saxton, at DaveSaxton@North-American-Recovery.com.

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