

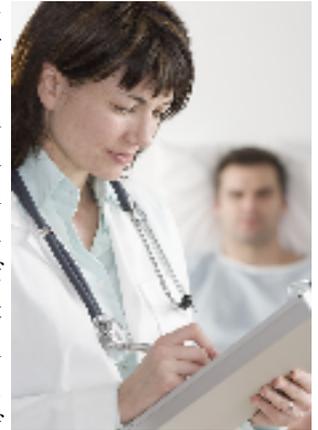
## Correlation Between Account Age and Collection Success

It's not a big secret that if you reduce the age of the accounts you place in collections, you will more than likely see an increase in the percentage of collection. A couple of reasons for this are the accuracy of the information being supplied and the patient's ability to recall the debt.

The age of the balance has a direct correlation to the accuracy of the information supplied from your office. Basically, the older the account is when placed for collection efforts, the less likely that the demographics will still be current. Statistically, older accounts have a higher percentage of disconnected phone numbers and bad addresses. If we receive accounts with inaccurate information, our likelihood of collections is greatly diminished. Instead of calling the patient to resolve the debt, we must first find them or skip trace the account to obtain new information pertaining to their current location. If the account is only three to four months old (90-120 days), chances are greater that the patient's phone number and home address are still current, thus leading to a greater chance for successful collections.

The second reason age has an effect on collection success, is the patient's ability to recall the treatment or service date. It is much easier to discuss and collect on a past-due bill

if the patient is still able to remember the services and the situation that led to the non-payment of the debt. If the age of the balance is 365 days and greater, there is a less of chance that the patient will remember the services and will use stall tactics to avoid paying the bill upon our telephone call. Stall tactics can range from requesting an itemized statement of services, request to check with their insurance, or a review of their records. Normally, we experience less of these stalls when the accounts are being placed within 90-120 days.



So now that you know why the ages of your balances affect our collection success, do you know what your average ages are when you place accounts? If you are not sure about your balance ages, please contact your salesman to learn more and to determine if there is potential to increase your collection success!

## HCI's Participation in Associations is Important

HCI's participation and leadership includes the following collection and medical associations:

### ACA International

Board of Directors

Committee positions

### Arizona Collectors Association

4 Past Presidents

Board of Directors

### HFMA

2 Past Presidents

Board of Directors

### AAHAM

Past President

Board of Directors

## Dave Chohon selected as Regional Executive for HFMA

## Collection Tip: Create Urgency

Dave Chohon, sales for Healthcare Collections, LLC, has been selected by the Arizona Chapter of Healthcare Financial Management Association as their choice for the position of Regional Executive of Regional 10. This position rotates from year to year among the seven chapters in the region which include chapters in Arizona, New Mexico, Utah, Colorado, Idaho, Wyoming and Montana.

The Regional Executives serve on the Regional Executive Council, which serves as the primary volunteer and policy link between the chapters and HFMA National. He will also be working with the current President-Elects for some of the chapters helping them prepare for their terms as Chapter Presidents in 2010-2011. He is looking forward to the opportunities of helping them grow as leading. It is said, "If no one follows a leader, his are the only footprints in the sand."

Creating an urgency to resolve a debt is crucial in collections. One way for your office to create urgency for your patient is to provide a deadline for the balanced owed to be assigned to collections. However, saying that the account will go to collections is not enough; you must sell them on the benefits of avoiding such an action, and create a strong sense of urgency for them to take action NOW to get the bill paid-in-full.



Some of the benefits of not being assigned to collections would be to protect their credit history and an escalation of collection efforts by a third party, such as HCI. If you need more assistance with "how to create urgency", please feel free to contact us for more details.

## HCI Supports the Healthcare Industry.



*If you would like to attend, call us!*

### Past...

#### Arizona MGMA

2009 Annual Conference, April 16-17, 2009

Attendees: Joe Spiek

Type of Sponsorship: Session & Speaker Sponsor

### Future...



AAHAM Audio Conference, May 13th, 2009

Join AAHAM and Charlotte Kohler, President of Kohler HealthCare Consulting, as they present "One Day Stays vs. Observation". Agenda and registration forms at [www.aaham.org](http://www.aaham.org). Call us if you need assistance.

## Our Sales Pitch - HCI offers wide range of consulting services.

HCI has decades of hands-on experience working with medical business offices and the issues they face daily. These years of experience have resulted in the ability to offer a wide range of consultative services including:

- Business office evaluations
- Personnel evaluations
- Staff training
- Seminars
- Webinars



Although these services are provided to any medical practices or hospital for a fee, a number of these services are provided at no charge to our established clients. Please contact a sales representative to learn more about using any of these services to streamline or boost your bottom line!