

Saale & Bailey, L.C.

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5 Strategies to Effective Collection

1. **Know Your Debtor.** Whether a walk-in patient at the local emergency room or clinic or a new business client who is purchasing services on credit, get as much information about him or her as possible. More is better! Always obtain the following:

- Name
- Address
- Date of Birth
- Social Security Number
- Employer
- Spouse
- Spouse's Employment
- Parent and Step-Parent (if minor, and addresses if different)
- Health Insurance Company
- Guarantor of payment if other than patient/debtor
- If Automobile Accident:
 - Automobile Insurance Company (patient's and other driver)
- If Work-Related Accidents:
 - Worker's compensation insurance company
 - Date of accident
 - Employer name

If possible, obtain the following:

- Bank Account Information. (If paid by check, keep a copy of the check for bank account information).
- References/Other Creditor Relationships (Business Clients)

Always update your debtor database to reflect changes in the above information when such changes are brought to your attention.

2. **Put It In Writing:** A written guarantee of payment will add to the theories of recovery as well as potentially lengthening the statute of limitations (time period within which you must bring an action against the debtor or be barred). If desirable, you can also include in your written guarantee provision for payment of interest, collection costs and attorney fees.
3. **If Flexible, Be Firm:** If the debtor/patient experiences financial difficulty, you may want to set up a payment plan. Smaller payments over time are better than no payments. If the debtor/patient fails to make payments as agreed, it is time to turn the account over to a collection specialist. You have exhausted your good faith efforts so don't waste time on hopes the debtor will keep promises of future payments.
4. **Time Is Of The Essence:** The longer you wait to pursue collection of an account, the greater the likelihood your information on the debtor's address, employment or assets will be out of date. This makes it more difficult to serve a lawsuit on a debtor or collect a judgment. He who hesitates may very well be lost.
5. **Hire An Aggressive Law Firm:** An overdue bill will rise to the top of the payment pile when a customer receives notice of a lawsuit. Law firms that specialize in collections become valuable allies. If the debt is undisputed and the debtor is viable, you will be paid. Excuses followed by delays are no longer options for the debtor.

Call us for your legal needs. We are licensed in Missouri and Illinois.

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