Region Presidents...

REGION 1
Francesca Strucksberg
Tel: 510-632-3366
Francesca@myarmteam.com

REGION 2
Kelly Parsons O’Brien
Tel: 707-432-2401
kelly@cbacredit.com

REGION 3
Courtney Reynaud
Tel: 559-485-7900
courtney@fresnocredit.com

REGION 4
David Cotter
Tel: 619-295-1200
dcotter@absoluteresolutions.com

REGION 5
Shawn Suhr
Tel: 805-899-4431
shawn@contcred.com

UPCOMING REGION EVENTS

REGION 1+2
Friday, January 23
Program followed by lunch
Stockton Country Club
Stockton

REGION 3
Thursday, January 15
Program followed by lunch
Fort Washington Country Club
Fresno

REGION 4
Tuesday, February 10
Dinner followed by program
Sheraton Mission Valley
San Diego

REGION 5
Friday, February 6
Program followed by lunch
Wine Cask
Santa Barbara

UPCOMING STATEWIDE EVENTS

2015 LEGISLATIVE DAY
AND PAC FUND RAISER
March 22-23, 2015
Sacramento

98TH ANNUAL
CONFERENCE & EXPO
October 12-13, 2015
Monterey
### TABLE OF contents

- CAC Volunteer Leadership .................................................. 5
- President’s Article ............................................................... 7
- Director’s Message ............................................................. 9
- Legislative Update ............................................................. 11
- General Counsel Update ..................................................... 13
- ACA International Update .................................................. 15
- Member’s Corner ............................................................... 17
- 3 Tips for Practicing Mindfulness in a Multitasking Workplace ... 20
- CAC Legislative Day Registration ......................................... 23-26
- Change Makers ................................................................. 27
- 5 KPIs That Require Revenue Cycle Managers’ Attention ....... 31
- 5 Trends that will create Disruption and Opportunity on a Global Level ... 36
- The Five-Sentence Email ..................................................... 39
- Member Spotlight: Ewing Bartgis ......................................... 46

©2015 California Association of Collectors, Inc. All rights reserved. Materials may not be reproduced without written permission.
Best of class **Inbound, Outbound, and Blended environments**, plus much more like agent dashboard and sub-second connection speeds.

Be sure to check out our built-in Compliance Tools.

**CELL PHONE SCRUB**
Eliminates and cancels calls to cell phones in real time.

**MANUAL DIAL ONLY**
Requires agents to manually type the number before it is called.

**CALL RECORDING**
100% free call recording on TCN's platform.

---

Local Touch™
is a Technovation award-winning dynamic caller ID management solution provided by NobelBiz that increases contact rates of customer campaigns by a minimum of 30%.

Let us provide the LOCAL Touch to your telephony

Everyone values LOCAL products!

Call us today  (800) 98-NOBEL
sales@nobelbiz.com
www.nobelbiz.com
Collector's Ink welcomes letters to the editor and submissions from CAC members, however, we cannot guarantee that we publish any of the articles we receive. Collector's Ink editors also reserve the right to edit all submissions.

Advertisement of products or services in Collector's Ink does not constitute an endorsement by CAC.

Collector's Ink (ISSN 0199-2341) is published bi-monthly by the California Association of Collectors.

The annual subscription rate for members of the Association is $30 included in the annual membership dues. Collector's Ink is the official publication of the California Association of Collectors, Inc.

Information contained in Collectors Ink is not intended to be legal advice and may not be used as legal advice. Every effort has been made to ensure this information is up-to-date as of the date of publication. It is not intended to be a full and exhaustive explanation of the law in any area, nor should it be used to replace the advice of your own counsel. You are encouraged to seek the advice of counsel relating to any matters affecting you or your business.

Mailing Address:
Collector's Ink
1455 Response Road, Suite 240
Sacramento, CA 95815
Phone: 916-929-2125
Fax: 916-929-7682
Website: www.calcollectors.net
Email: cac@calcollectors.net
30 YEARS
OF INSIGHT WENT INTO CREATING THE
RIGHT SOLUTION
FOR TODAY.

“WE PROVE TO OURSELVES EVERY DAY THAT WE MADE THE RIGHT CHOICE GOING WITH COLUMBIA ULTIMATE’S
NEWEST INNOVATION, AJILITY.” — THOMAS OLDANI, VICE PRESIDENT, ANN ARBOR CREDIT BUREAU, INC.

Introducing Ajility® – the most powerful solution for growing your revenue. To stay ahead you need
a strong competitive edge. That’s why we designed Ajility. Its intuitive setup and configurable business rules put you in
control for maximum productivity. It’s worked for others. See how it can work for you.

AJILITY
COLUMBIA ULTIMATE®

(800) 488-4420
© 2012 Columbia Ultimate. All Rights Reserved.
www.columbiaultimate.com
Happy New Year to all, and hoping it is a healthy year as well!! As 2015 begins, and as I write this note, we are planning our Board of Governors meeting to be held in Sacramento on January 12. It’s “old school” style, i.e. we are meeting “face-to-face” to review the association’s recent activities as well as continuing to plan for the future. We began adding some in-person meetings to attempt to better connect and to allow the time to have meaningful dialogue, so that we may best serve the association.

The other key element in making this association work and create the most value is to interact with our membership. In the executive director’s message, Vickie has continued her introduction to the officers, our streamlined structure and the various individuals that make up the governance group. I’d like to strongly encourage all of you to make the contact with officers or Board members at region meetings or with phone call, emails, etc., with thoughts or ideas about how the association can help your business.

An engaged membership is critical to our collective success, and hearing from all of you will help us tremendously in identifying content for the Legislative Conference, Annual Conference and Region Meetings. I will be making an effort to attend all the first quarter Regional meetings, so let’s get engaged. Ideas don’t fit into a calendar date—so when you’re thinking about our industry and how to make it better, drop a quick email to your Region President, the staff or me (pcollins@hpsears.com) and we’ll get it on the table.

I’d also like to take a moment to talk about membership. As the industry has consolidated, the membership headcount both statewide and nationally has been reduced, so a highly engaged membership is very important. However, that doesn’t mean there is no new business for our association. Always be thinking about new agencies, potential MAP members and vendors that would benefit from our association. Our staff is always prepared to provide information or follow up on any potential new members; or perhaps bring a guest to a region meeting which is a great first introduction to our group.

Lastly, while we will always welcome your ideas and thoughts, if you would like to consider being more actively involved in the association, let me know. If it’s financial literacy and our Education Scholarship Foundation to introducing legislation and interacting with our legislators, we can discuss the committees, their roles and time commitments, and what might be the best avenue for you to consider expanded involvement in the association.

Again, have a happy and prosperous 2015!

Patrick Collins is the owner of Herbert P. Sears Company, Inc. He can be reached at pcollins@hpsears.com or (661) 283-0229.
THE RIGHT COLLECTION SOFTWARE WILL MAKE A BIG DIFFERENCE

Minimize costs. Maximize results.

¬ Healthcare
¬ Legal
¬ Retail
¬ Subrogation
¬ First Party

¬ Insurance
¬ Debt Buyer
¬ Commercial
¬ Student Loan
¬ Payday Loan

¬ Pre-Collect
¬ Utilities
¬ Government
¬ Automobile
¬ Banks

www.collectone.com | 888.816.3333 | info@collectone.com
In my last message to you I wrote about the staff, the retained professionals and some of the volunteer leaders who work on your behalf to keep CAC a vital organization. This message will expand on that topic.

The Board of Governors of CAC is charged with oversight of the organization…strategic, fiduciary, and financial responsibility. The Board is comprised of eleven members; the five Executive Committee members whose faces and contact information you can see on page five of this magazine in every issue, the five region presidents and one at-large member representative. The region presidents are listed with contact information on page two of this magazine. The member representative this year is Mike Cheek with the California Business Bureau. The Board meets in person two or three times each year and has conference calls as needed. If ever an issue arises that you think warrants discussion, legislative attention, or an article in this magazine, please contact me or a Board member to share your thoughts or to discuss the challenges.

The region presidents could be the first CAC member that you get to know. As you attend region meetings and benefit from the networking and education provided by our hired speakers or expert industry professionals, you expand your knowledge of the industry while expanding your circle of friends. The regions truly are the heart and heartbeat of CAC.

CAC has several vital committees. The committees and the chairs of those committees are listed on page five of this magazine with contact information. Each of the committees has a liaison to the CAC Executive Committee making communication easy and direct.

I want to encourage all of you to attend our upcoming Legislative Day at the Capitol on March 22-23 in Sacramento. On Sunday, March 22nd, General Counsel, Tom Griffin, and Legislative Council chair, Cindy Marler, will once again prepare a sumptuous meal at the River Ranch of Larry Cassidy. This event is an annual fundraiser for the CAC PAC. Plan to be there to enjoy a spectacular sunset and great camaraderie while supporting the PAC.

On Monday, March 23rd, we will hear from legislative leaders and policy makers. You will have the opportunity to meet legislators and/or their staffs in teams of three to five. The events of the day culminate with the Scholarship Presentation Banquet, an outstanding program of financial literacy education. If you have not participated in this event before, come join your peers, it is more enjoyable than you think…and certainly important for the vitality of your business.

See you there…
Specializing In:
- Errors & Omissions
- Workers Compensation
- General Liability
- Property
- Health/Life
- Bonds

Since 1960, DiBuduo & DeFendis has grown to become one of California’s largest independent insurance agencies. While our size enables us to find the best insurance options from a wide range of quality carriers, we still provide the personal attention that ensures your insurance needs are met at the most efficient cost.
The California Legislature began its 2015-16 Legislative Session on Monday, December 1. The Legislature came to Sacramento to swear in all 80 Members of the State Assembly who are elected to two-year terms, as well as 20 of the 40 Senators.

They elected Toni Atkins (D-San Diego) as Speaker and Senator Kevin De Leon (D-Los Angeles) as the new Senate Leader, known as the President Pro Tempore. Atkins replaced John Perez as Speaker in March and De Leon replaced Darrell Steinberg. Both Perez and Steinberg were termed out and are no longer in the Legislature.

After a day full of swearing-in ceremonies and receptions sponsored by Members, County Delegations and Caucuses, the Legislature recessed until January 5. The new Legislature has a substantial number of new Members, there are 37 freshmen. When this freshman class is combined with last year’s, over 80% of the Legislature will have served for two years or less. So the State Legislature that returns to Sacramento in January to begin work in earnest is generally new and inexperienced. It may be less polarized than the past. The November election was held under open primary rules which meant many seats in November wound up contests between candidates from the same party. Either two Rs or two Ds were running against each other. This may result in a more moderate, more centrist Legislature. Democrats remain firmly in control but they lost their two-thirds majority in both Houses.

The November election not only saw Republican gains in both Houses, but also saw some interesting surprises and the exodus of many familiar names in addition to Perez and Steinberg. The most high profile partisan races were in Orange County where Democratic State Senator Lou Correa was forced out by term limits. An R leaning district held by a moderate Democrat, the contest ran well over ten million dollars spent on former Democratic Assemblyman Jose Solorio running against Orange County Supervisor Janet Nguyen; CAC supported Nguyen. This race was pivotal as to whether Democrats would keep their two-thirds majority. Nguyen defeated Solorio handily and Senate Democrats lost their two-thirds majority. They made a run at Republican Senator Andy Vidak in the Central Valley. Vidak had captured a Democratic seat held by former Senator Mike Rubio in a special election; CAC supported Vidak. He won re-election handily. The Senate is now 26 Democrats and 14 Republicans.

Meanwhile in the Orange County ground zero partisan contests in the Assembly, Democrat Sharon Quirk-Silva was running for re-election after one term having captured the seat held by Republican Mike Rubio in 2012. This time she was defeated by Republican Young Kim. In other State Assembly races Democrat Steve Fox who won by less than two hundred votes in 2012, was defeated by Republican Tom Lackey in Palmdale. In Torrance, Democrat Al Muratsuchi was beaten by Republican David Hadley. Up North an open seat vacated by Democrat Joan Buchanan flipped Republican and elected Catharine Baker. These four Republican pickups were offset by losing the seat vacated by Jeff Gorell who gave it up to run for Congress. Democrat Jacqui Irwin took this seat for the Democrats. These results gave the Republican a net gain of three seats with the line up in the Assembly now 52 Democrats and 28 Republicans. In other interesting news, safe Democrat incumbent Raul Bocanegra lost his San Fernando Valley seat to political unknown Democrat Patty Lopez whose name appeared at the top of the ballot as a D. Neither spent any real money and the speculation is that Democratic voters saw her name first and assumed she was the only Democrat without looking any further. Republicans dumped over a million dollars into a last minute campaign to unseat moderate democrat Adam Grey in the Central Valley with not much to show for their money.

So, many familiar names are gone due to term limits, Senators Calderon, Correa, Corbett, Padilla, Steinberg and Wyland are
all termed out. In addition, Senators De-Saulnier, Knight, Lieu, Torres and Walters were elected to Congress. There will be special elections for DeSaulnier’s, Knight’s, and Walter’s seats. Rod Wright went to jail and his seat was just filled by Isadore Hall in a December special election. Noreen Evans chose not to run for re-election. Reapportionment moved Leland Yee’s San Francisco Democratic seat to Riverside where Republican Jeff Stone defeated Republican Bonnie Garcia in this newly created seat. A familiar name comes back; former Speaker Bob Hertzberg was elected to the Senate to replace Alex Padilla.

During December, all these new Members will be hiring staff and setting up their offices. They may introduce bills during December but so far this has been a trickle. The bill introduction deadline is not until the end of February, which is when the bulk of bills are introduced. Leadership is busy figuring out Committee Chairs and Membership. The Assembly released its list of Chairs last week, Democrat Mark Stone of Monterey was appointed Chair of Judiciary, Matt Dababneh was appointed to Banking and Jimmy Gomez replaced Mike Gatto at Appropriations. The Assembly Leadership created a new Assembly standing Committee called Privacy and Consumer Protection.

The Senate released Committee Chairs this week. Hannah-Beth Jackson remains Chair of Senate Judiciary while Marty Block was appointed Chair of Banking and Ricardo Lara the Chair of Appropriations. Bob Hertzberg was given Governance and Finance where he will push tax reform, including a tax on services. The creation of the new Standing Committee on Privacy has raised expectations that this will continue to be a major subject of Legislative interest next year. Kamala Harris, the State Attorney General issued a report in October, “The California Data Breach Report” that called for legislation to address data breaches. The Sacramento Bee has highlighted the issue with an opinion section lead article, “Big data, big money collide with privacy – A constitutional right, or business privilege.”

Meanwhile, CAC is planning an active proactive legislative agenda; all should make for an interesting year in 2015 in Sacramento, Happy New Year.

Cliff Berg is CAC’s Legislative Advocate. He can be reached at cberg@govadv.com or by phone at (916)448-8240.
Bankruptcy Credit Reporting, Envelopes (Yes, Envelopes) and the Big Apple State

Bankruptcy Credit Reporting

When I started at our firm more than 23 years ago, the partners asked in which areas I wanted to practice. I responded that I would work in any area, just not bankruptcy. So, of course, that is where I found myself. Since my early years with the firm, I have represented creditors, trustees and (occasionally) debtors in Bankruptcy Court.

As a result of this bankruptcy experience, I am often asked questions about bankruptcy issues by agency owners and collectors once a consumer files a bankruptcy. One common question is how the debt at issue should be reported once a bankruptcy is filed. As furnishers of credit information to the credit report agencies, collectors want to be accurate and it is not always clear how to report debt accurately once a bankruptcy has been filed.

The primary goal in filing a bankruptcy is to obtain a discharge, which extinguishes the debtor's liability for certain debt, e.g., credit card debt, medical debt, personal loans, deficiencies, (most) judgments and certain tax obligations (unless a creditor is able to prove in a lawsuit within the bankruptcy that an exception to the discharge exists). A chapter 7 bankruptcy is a liquidation in which any non-exempt assets of the debtor are sold by the trustee and creditors are paid from the funds raised. In a chapter 7 case, the discharge is entered about four months after a case is filed. So, when a debtor files a chapter 7 case and before the discharge is entered, it is accurate to report the debt owed as "included in bankruptcy," "subject to bankruptcy," "listed in bankruptcy" or something similar. Once the debtor receives the discharge, it is accurate to report the debt at issue as "discharged in bankruptcy," "discharged by bankruptcy" or something similar as long as the reporting includes the words "discharge" or "discharged."

A chapter 13 case is a re-payment plan over time, usually five years. The payments to unsecured creditors may be very small or even nothing at all. In a chapter 13 case, the debtor does not receive a discharge until the chapter 13 plan payments have all been made, which may take as long as sixty months. And, statistically, the majority of the chapter 13 plans are not completed; instead, most are either dismissed or converted to a chapter 7 bankruptcy. For these reasons, a collector should be careful, particularly when the consumer files a chapter 13 case, not to report the debt as discharged or to list the debt as discharged in its own system until the discharge is actually entered. When a chapter 13 case is dismissed, the automatic stay is no longer in effect and the collection activities may resume. Reporting the debt as discharged too early (before it is actually discharged) may pose problems for the agency that wants to resume collection activities once the chapter 13 case is dismissed.

In summary, when a bankruptcy has been filed, the reporting of the debt should note that it is included in, subject to or listed in a bankruptcy. The credit reporting should note that the debt has been discharged only after the discharge has been entered.

Envelopes

You may have heard about a curious court decision from the Third Circuit involving the information visible in envelope
windows of collection letters. In *Douglas v. Convert Outsourcing*, the appellate court reversed the lower court and determined that the visibility of the consumer's account number and QR ("quick response" code) in the envelope window of a collection letter constituted a violation of Section 1692f(8) of the FDCPA. The Third Circuit rejected the "benign language" exception to the requirements of Section 1692f(8) followed by certain other circuit courts and district courts.

In response to this case, collectors are advised to work with their letter vendors to re-position the text to insure that only the debtor's name and address appear in the envelope window and to be sure that codes or account numbers do not appear on the outside of their envelopes.

**Big Apple State**

CAC has quite a few members that engage in collection efforts in other states including in New York. New rules will be taking effect in New York starting in 2015. Certain express language must be included when the debt at issue is, or may be, subject to a statute of limitations defense, an itemization of the debt must be provided, the collector must advise the consumer how to make a written request for validation when the consumer disputes the debt orally, the collector must provide the consumer with a statutorily-proscribed list of the types of income that are not subject to collection activities, and the validation materials provided to the consumer must include a chain of title statement along with records relating to prior settlement offers.

Some of the new rules will become effective in March and the balance will become effective in August of 2015.

Members of CAC who collect debt from consumers who reside in New York when the account is assigned or who subsequently move there must confer with counsel and their vendors to be sure they are in compliance with these new rules. And, additional (even more stringent and perhaps conflicting) rules promulgated by the New York City Department of Consumer Affairs are already in effect concerning collection activity within the five boroughs of New York City.

Tom Griffin is CAC’s General Counsel and can be reached at TGriffin@hsmlaw.com or (916)925-6620.
I am pleased to report that members of the ACA Unit Study Special Committee gathered face-to-face in Miami on Dec 2 to discuss the issues that ACA Units face and how ACA can work to help ensure that the Units remain strong and effective. Among the committee members in attendance were Committee Chair Nick Jarman, of Missouri, and ten other committee members representing California, Arkansas, Kentucky, Minnesota, Florida, Texas, New Jersey, Oregon, New York, and North Carolina. Also joining the meeting was ACA President Richard Doane, who established the group. The face-to-face meeting was a follow-up to two phone meetings that took place earlier this fall.

The ACA Unit Special Committee was created in June of 2014 at the ACA Annual Convention to seek ideas and recommendations for the ACA Board - ideas on how to help sustain and strengthen local engagement, grow Unit membership, and provide efficiencies to reduce costs and enhance effectiveness as local industry advocates. The Committee has been tasked with reviewing the current status of ACA’s Unit structure, creating a strategic plan for the future of ACA Units, and providing a recommendation to the ACA Board of Directors before the Committee’s sunset at the July 2015 ACA Annual Convention.

It’s a big job.

The Committee is digging deep to learn more about how ACA Units manage membership, meeting planning, technology services, and advocacy. They are asking tough questions about the scope and model of ACA Units as well as thinking through new ideas for member growth and retention and creative ways that ACA might provide resources and services that will help Units save time and money with daily and event operations.

This is an engaged and passionate Committee focused on getting it right. They have done a lot of work so far, and the next few months will be busy for them.

ACA Units are facing new challenges, and it is important that they have the tools and resources they need to function at a high level. The ACA Board of Directors appreciates the involvement of the CAC in this effort, and understands that Units like the California Association of Collectors need workable solutions that serve their specific members while advancing the whole industry. I have no doubt that this very special “Special Committee” will produce very valuable recommendations that reflect our Units’ very real needs.

Pat Morris is CEO of ACA International. He can be reached at Morris@acainternational.org.
Technology is paving the way to optimum collections.

Received management solutions from LexisNexis® combine the largest repository of relevant data with innovative proprietary linking and proven analytics to improve success rates and make the entire collections process more efficient and precise.

For more information, call 866.528.0780 or visit lexisnexis.com/risk/receivables-management.

LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. Other products and services may be trademarks or registered trademarks of their respective companies. Copyright © 2012 LexisNexis. All rights reserved.

Significantly reduce accounts receivable!

PDC4U A/R Payment Solution gives your payers multiple easy ways to pay in a manner which not only promotes them to pay, but also enhances a positive experience of paying. This single, simple process will allow you the experience of success by greatly increasing your cash flow and reducing your accounts receivable.
MEMBER’S corner

In Memoriam

Pearl Joyce Turpin passed away on November 27, 2014. Pearl was the Chapter 8 (now Region 5) president in 1990 and had been very active in that chapter for a number of years. She is remembered as a wealth of wisdom about the industry and how to run a unit or chapter meeting. She was noted as one of a kind.

Welcome to the newest CAC members:

- TruAccord Corp
- Qrixxs, Inc.
- CIR, Law Offices

ATTENTION MEMBERS

Do you have news or accolades to share about your agency? Please let us know at cac@calcollectors.net.

If you would like to submit editorial ideas, contact: Vickie Kirk at CAC 916-929-2125 or vickie@calcollectors.net

Rachel and Madison sorting toys during the CAC staff community service outing to the Mustard Seed School for homeless children.
Over the past decade, Global Connect has helped client partners make billions of calls, while maximizing productivity, reducing costs, and ensuring compliance.

Leverage the power, the flexibility and the functionality of GC1 Peak Dialer.

The Cloud is our playground.

And we’re at the top of our game.
Wouldn’t it be amazing to have software that actually powers revenue?

We think so too.

CollectSavvy

800-283-3227 | www.collectsavvy.com

© 2012 Ontario Systems, LLC. All rights reserved.
3 Tips for Practicing Mindfulness in a Multitasking Workplace

Neurologist Also Shares the Science Behind Its Effectiveness

Google, eBay, Intel and General Mills offer classes on it. So do Harvard Business School, Ross School of Business and Claremont Graduate University, among other campuses. Mindfulness is not just a corporate trend, but a proven method for success.

Mindfulness – being focused and fully present in the here and now – is not only good for individuals, but also a business’s bottom line. How can people practice it in a workplace where multitasking is the norm, and concerns for future profits can add to workplace stress?

“Even if a company doesn’t make it part of the culture, employees and managers can substitute their multitasking habits with mindfulness in order to reduce stress and increase productivity,” says Dr. Romie Mushtaq, www.BrainBodyBeauty.com, a neurologist, with expertise in Mind-Body medicine and Mindful Living.

“The result is that you and your colleagues will notice is that you’re sharper, more efficient and more creative.”

Dr. Romie says the physiological benefits of clearing away distractions and living in the moment have been documented in many scientific and medical studies.

“Practicing mindfulness, whether it’s simply taking deep breaths, or actually meditating or doing yoga, has been shown to alter the structure and function of the brain, which is what allows us to learn, acquire new abilities, and improve memory,” she says. “Advances in neuroimaging techniques has taught us how these mindfulness based techniques affect neuroplasticity.

“Multitasking, on the other hand, depresses the brain’s memory and analytical functions, and it reduces blood flow to the part of the right temporal lobe which contributes to our creative thinking. In today’s marketplace creativity is key for innova-
tion, sustainability, and leadership.

How can people practice mindfulness in a multitasking business? Romie offers these tips:

Focus on a single task for an allotted amount of time. You might say, “For 15 minutes, I’m going to read through my emails, and then for 1 hour, I’m going to make my phone calls,” Dr. Romie says. If your job comes with constant interruptions that demand your attention, take several deep breaths and then prioritize them. Resist the urge to answer the phone every time it rings -- unless it’s your boss.

If someone asks you to drop what you’re doing to help with a problem, it’s OK to tell them, “I’ll be finished with what I’m doing in 10 minutes, then I’m all yours.”

When you get “stuck” in a task, change your physical environment to restimulate your senses. Sometimes we bounce from one task to another because we just don’t know have the words to begin writing that strategic plan, or we’re staring at a problem and have no ideas for solutions. “That’s the time to get up, take a walk outside and look at the flowers and the birds -- change what you’re seeing,” Dr. Romie says. “Or turn on some relaxing music that makes you feel happy.” Offering your senses pleasant and different stimulation rewire your brain for relaxation, reduces the effects of stress hormones, and this helps to unfreezes your creativity center.

Delegate! We often have little control over the external stresses in our life, particularly on the job. How can you not multitask when five people want five different things from you at the same time? “Have compassion for yourself, and reach out for help,” Dr. Romie says. “If you can assign a task to somebody else who’s capable of handling it, do so. If you need to ask a colleague to help you out, ask!”

This will not only allow you to focus on the tasks that most need your attention, it will reduce your stress.

“And who knows? The colleague you’re asking for help wants to feel appreciated and part of your team!”

While it is possible to practice mindfulness in a hectic workplace, Dr. Romie says she encourages business leaders to make it part of the company culture. Stress related illnesses are the number one cause of missed employee workdays. “Offering mindfulness training and yoga classes or giving people time and a place to meditate is an excellent investment,” she says. “Your company’s performance will improve, you’ll see a reduction in stress related illnesses and you’ll be a more successful businessperson.”

ABOUT DR. ROMIE MUSHTAQ

Romila “Dr. Romie” Mushtaq, MD, ABIHM is a board certified physician with expertise in mind-body medicine. She did her medical education and training at the Medical University of South Carolina, University of Pittsburgh Medical Center and University of Michigan, where she won numerous teaching and research awards. She brings to healing both her expertise of traditional Western medical training and Eastern modalities of mindfulness. She is currently a corporate health consultant and professional health and wellness life coach at the Center for Natural and Integrative Medicine in Orlando, Florida. She is also an international professional speaker, addressing corporate audiences, health and wellness conferences and non-profit organizations. Her website is www.brainbodybeauty.com.
Thank you CAC!

ACT, Inc.
Accurate Computer Technology, Inc.

Collection Industry Efficiency PRODUCTS:
- Documents Management System
- Power Dialer
- Real Time Interfaces to predictive dialers
- Online Client Data Access

Collection Industry Efficiency SERVICES:
- Notices / Bill printing, mailing & e-billing
- Custom Programming
- Hardware / Software Integration & Installation

EFFICIENCY | QUALITY | RELIABILITY

Since it’s inception in 1990, Accurate Computer Technology, Inc. has been a very versatile business partner to nationwide collection agencies. We specialize in integrating latest technology and automation tools to deliver product and services to our clients that result in quality, reliable, and cost effective solutions for our clients.

VISIT US AT
www.act-mail.com

Accurate Computer Technology, Inc.
17821 Sky Park Circle, Suite "J"
Irvine, CA 92614

p 949.261.6677
f 949.261.0633
info@act-mail.com
CAC 2015 Legislative Day

Monday, March 23
Hyatt Regency, Sacramento

Sunday, March 22
PAC Fundraising Dinner and Silent Auction
At the riverfront home of a CAC member

Register Online at www.calcollectors.net

“CAC’s Legislative Day is on my calendar every year! Not only do I get a chance to network with other collection professionals, but I feel I make a difference by visiting my legislators and helping educate them on issues that affect our industry. The information we share can influence our leaders to make the best decisions possible for our organization and others throughout California. The Scholarship Banquet is also a highlight, as we impact the lives of young people with the giving of $6,000 in scholarship funds.”

Kris Davisson
Vice President
Financial Credit Network, Inc.
CAC 2015 Legislative Day Events

2015 Legislation Day
Monday, March 23
Hyatt Regency, Sacramento

PAC Fundraising Dinner and Silent Auction
Sunday, March 22
At the riverfront home of a CAC member

Sunday, March 22

6:00 – 9:00 p.m.  **PAC Fundraising Dinner and Silent Auction**  
Socialize with your colleagues and support the CAC PAC during a lovely evening at the home of a CAC member along the Sacramento River. Separate fee required ($150/Attendee). Transportation provided.

Monday, March 23

8:00 – 8:45 a.m.  **Breakfast With a Legislator**  
Enjoy breakfast and a presentation by one of the legislative leaders from the Capitol.

9:00 – 11:00 a.m.  **Legislator Presentations**  
- Presentations by members of the California Legislature and policymakers
- Legislative Overview and Capitol Visit Preparation
  - Review of current issues affecting the collection industry being considered by the California Legislature
  - Preparation for visits to the Capitol — how to make the most of your visits

11:00 a.m. – 12:30 p.m.  **Legal Panel** — bring your questions

12:30 – 1:00 p.m.  **Lunch**  

1:00 – 4:00 p.m.  **Visits to the California State Capitol**  
Meet with Legislators and attend committee hearings

4:00 – 5:00 p.m.  **Debriefing of Capitol Visits**

6:00 – 9:00 p.m.  **Scholarship Banquet**  
Three finalists will read their essays and will be awarded scholarships. Banquet is included for Legislative Day attendees. Additional attendees may register as well. ($85/Additional Attendee)

Annual PAC Dinner & Silent Auction
The third annual PAC Dinner at Larry’s River Ranch will again prove to be a must-attend evening! CAC General Counsel Tom Griffin and Legislative Council Chair Cindy Marler plan to prepare a sumptuous meal served as dinner guests overlook the lazy Sacramento River at sunset. Auction items always include golf outings, sporting events, wine, and travel adventures! Separate fee required ($150 per person). Transportation provided.

The CAC Political Action Committee (PAC) Fund
Several thousand bills are introduced into the California Legislature every session. Several hundred of these bills may affect the collection industry and, ultimately, your business. The CAC PAC Fund needs your support to help elect legislators who favor creating a pro-business environment in California, an environment that allows businesses like yours to grow and prosper.
Full refund/credit less $25 processing fee per registrant will be granted to cancellations received by CAC in writing no later than February 27. No refunds will be granted after February 27. However, you may send a substitute in your place from your agency or company. No refunds for no shows. All refunds will be issued after the conference.

**HOTEL RESERVATIONS:**

The Hyatt Regency Sacramento is conveniently located across from the State Capitol and is adjacent to Sacramento’s trendiest nightclubs, restaurants and shopping. The Hyatt has reserved a block of rooms for the CAC at the special group rate of $170 (plus tax) for single or double occupancy. To receive this special group rate, contact the Hyatt today, by calling central reservations at 1-800-233-1234 and identify yourself as a member of our group. Be sure to make your reservations by February 26. After this date, reservations will be accepted on a space and rate available basis. This is an extremely busy time in Sacramento so make your reservations today. Once CAC’s block is full, or the cut-off date passes, rates can easily jump to over $200.

**ACCOMMODATION:**

If you have a disability that may require accommodation regarding your participation in this meeting, please check the box. One of our staff will contact you prior to the event to discuss your request. We cannot assure timely availability of appropriate accommodations without prior notification.

**CANCELLATION POLICY:**

Full refund/credit less $25 processing fee per registrant will be granted to cancellations received by CAC in writing no later than February 27. No refunds will be granted after February 27. However, you may send a substitute in your place from your agency or company. No refunds for no shows. All refunds will be issued after the conference.

---

**Event Pricing:**

<table>
<thead>
<tr>
<th>Legislative Day</th>
<th>Early Bird Registration Before March 5, 2015</th>
<th>Late Registration After March 5, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 23</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CAC Member</strong></td>
<td>$345</td>
<td>$395</td>
</tr>
<tr>
<td>Add’l staff from same agency</td>
<td>$250</td>
<td>$305</td>
</tr>
<tr>
<td><strong>PAC Fundraiser</strong></td>
<td>$150</td>
<td></td>
</tr>
<tr>
<td>March 22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Visiting Legislators**

You will be visiting key legislators in teams of three to five people. We will be making appointments and will provide talking points for you as well.

**Event Pricing:**

<table>
<thead>
<tr>
<th>Legislative Day</th>
<th>Early Bird Registration Before March 5, 2015</th>
<th>Late Registration After March 5, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 23</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CAC Member</strong></td>
<td>$345</td>
<td>$395</td>
</tr>
<tr>
<td>Add’l staff from same agency</td>
<td>$250</td>
<td>$305</td>
</tr>
<tr>
<td><strong>PAC Fundraiser</strong></td>
<td>$150</td>
<td></td>
</tr>
<tr>
<td>March 22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Payment Information:**

- Visa
- Mastercard
- AMEX
- Check Enclosed (make payable to CAC)

Card Holder’s Name:

Card Number:

Expiration Date:

Security Code:

Billing Address:

City:  State:  ZIP Code:

Signature:  Date:
CAC’s 2015 Legislative Day
Sponsorship Opportunities

LEGISLATIVE ACTIVITIES
☐ Breakfast with Legislator $750 ** †
☐ Afternoon Break $300
☐ Name Badge Lanyard $450

SCHOLARSHIP FOUNDATION***
☐ Scholarship Reception $1000 ** †
☐ Scholarship Banquet $1,500 ** † (two available)
☐ Finalist and parent travel and housing $1,000 †
☐ Finalist and parent tour of the Capitol $200
☐ Yes I would like to donate to the scholarship fund.

Amount $ ________________________________

SPONSORS WILL RECEIVE:
• Visibility via signage throughout our Legislative Day events*
• Exposure in the May/June edition of the Collector’s Ink magazine
• A one month banner ad on CAC’s website
• Recognition from the podium throughout the conference
• Sponsor Ribbon
• Sponsor acknowledgement on CAC website

* Placement of signage will be determined by CAC.
** With CAC approval, you may produce cups, napkins, tent cards, and other items with a company logo or product name for your sponsored social event.
*** The CAC Educational Scholarship Foundation is a 501 (c)3 charitable corporation. All donations are tax deductible. Tax ID Number 56-2521491.
† Includes one conference registration.

SPONSOR REGISTRATION FORM:

Contact Person: ________________________________________________________________
Company: ______________________________________________________________________________________________
Address: ________________________________________________________________________________________________
City/State/ZIP: ____________________________________________________________________________________________
Phone: __________________________ Fax: __________________________ Cell: __________________________
E-mail: ___________________________________ Website: __________________________________

TOTAL DUE $ ______________________________

Payment: ☐ Visa ☐ MC ☐ AMEX ☐ Ck # ________ Card Holder’s Name: ____________________________________________________________
Billing Address: ______________________________________________________________________________________________
City: __________________________ State: __________________________ ZIP: __________________________
Card Number: __________________________ Exp: __________________________ Security Code: __________________________
Signature: __________________________ Date: __________________________
When it comes to over-hyped marketing and workplace topics, the millennials win hands down. As the father of three millennials and employer of several more, I find myself unable to resist this topic. But instead of rehashing the oft-repeated warnings about millennials (they’re selfish, entitled, apathetic) and listing all the ways to “deal” with them, I’m going to share my own experiences with them as a hybrid boomer/gen Xer, as a parent, a marketer and an employer.

I’ll give you the punchline first: Millennials are going to change everything, probably for the better, and the rest of us should stop fighting it and get on board.

**Who are millennials?**

Born between the early 1980s and the early 2000s, millennials are the largest generation, with a population of around 76.6 million, and are the most diverse generation in American history.

Millennials currently comprise about 36 percent of the global workforce, and by 2025 will account for a full 75 percent. They’re also the most highly educated generation in U.S. history. As of 2013, 34 percent of 25- to 32-year-olds held at least a bachelor’s
degree (versus 25 percent of gen Xers and 24 percent of boomers when they were the same age), according to the Pew Research Center. And their pocketbooks are growing too. They have an estimated $1.68 trillion in purchasing power now and will later be inheriting about $41 trillion in wealth transfer, so its worth getting on their good side.

And that’s not even the interesting part.

Millennials are a cohort raised with permanent crisis and fluctuation as the norm. In their most formative years, they faced the fallout of 9/11, Hurricane Katrina, two wars on terror, an alarming number of school shootings and fiscal devastation from the latest recession. During the market crash, they saw parents struggle through pay cuts, job losses and other economic disruptions. Then they graduated from college with $1 trillion in student debt for degrees that no longer guarantee stable employment.

As a result, millennials are a generation defined by their coping skills and a subsequent refusal to be defeated by obstacles. They are inventing new and better ways to conduct business while cultivating a make-the-best-of-it attitude and questioning everything the rest of us view as fact.

Simply put, they are changing everything.

Millennials are approaching adulthood differently than previous generations. They’re postponing marriage and families, record numbers of them have no religious affiliation, and they’re far more tolerant than previous generations. Polls show they are less prone to casting negative moral judgments on LGBT issues, inter-racial marriages, single mothers, working mothers and unwed couples living together.

Chastened by the tough economy, this tendency for tolerance has driven millennials to seek happiness and value over material gains. Lacking access to traditional career paths available to previous generations, they’re constructing their own definitions of work, choosing to pursue personally fulfilling strategies over the long-game ladder climb. And it’s not that they expect it to be easy or to be handed to them. I’ve watched my own sons work their way through college, start their own businesses when no jobs could be found, take on multiple internships and volunteer positions, and move back in and then back out of home as needed. Millennials are willing to sacrifice, take risks and work together to reach their goals.

They challenge the norms. In the millennial world, nothing is sacred. The old ways hold little value. Their parents’ constant supervision and over-scheduling have produced a generation of young adults with no patience for inefficiency, stodgy institutions or the status quo.

Companies who understand millennials’ changing lifestyles and desire for unique, shareable experiences will capture their attention and spending. The same can be said for businesses that create efficient solutions to solve millennials’ problems.

In the marketplace, millennials are graduating from college with unprecedented levels of debt and degrees that barely open doors. The result? They care more about achievements than degrees. As they begin taking on leadership positions, we’ll see recruitment look away from educational backgrounds and focus instead on achieved results. Hierarchies and ladder-climbing mean less to millennials than working on interesting projects and having their voices heard.

They force transparency. Transparency is one of the central qualities millennials look for in the places they work and shop. Throughout their lifetimes, the news has been unrelenting with reports of scandals in business and government, so millennials value honest, open cultures. With social media ingrained in their lives, constant sharing is expected.

Millennials know how to find any information they want thanks to their overwhelming access to technology. They are the most informed consumer generation yet. Millennials notice companies that communicate honestly. They reward brands that provide customer-friendly services and quality products. Furthermore, they recommend and review them through word-of-mouth marketing, exponentially enhanced by their social media networks.

They expect generosity and community support. Millennials are often called selfish, but how can a generation trained from birth to do community service (it will look great on a college application, after all) not grow up to view philanthropy as the norm? Millennials are incredibly giving, just not in the ways previous generations have been. They want to see philanthropy in the products they buy and places they go. Millennials believe that a company should be measured not only by financial success but by their employees, products and social contributions as well.

This expectation carries into the nonprofit world. Millennials will not blindly give to an organization or even donate to a long-term solution without seeing short-term gains and proof that their money and time is making an impact. When inspired, millennials will act impulsively in a number of ways, from small donations to short volunteer stints, provided there are opportunities readily available and the barriers to entry are low.
Lacking access to traditional career paths available to previous generations, they’re constructing their own definitions of work, choosing to pursue personally fulfilling strategies over the long-game ladder climb.

_They demand collaboration_. While their parents and grandparents preferred working alone, millennials were raised on group projects and team sports, so they’re group-oriented. In their professional lives, it’s less about the company they work for and more about whom they get to work with and the types of projects they work on. Corporate hierarchies make little sense to them, and they flourish where collaboration is mainstream.

As consumers, millennials don’t want to be talked at, they want to converse. Broad marketing and traditional media just won’t work. Distinct and relevant content, solutions and products are more likely to capture their attention. This 2-way dialogue allows millennials to share ideas and concerns, effectively co-creating the products and services they purchase.

**Bottom line: Millennials are important to your brand.**

Millennials are a big enough generation to force the rest of us to cater to their preferences. Consider life in the millennial image: Personal lives devoted to pursuing your own definition of happiness, careers focused on flexibility and meaning, and day-to-day routines defined by efficiency, convenience, honesty and affordability.

Doesn’t sound too bad to me. And, with the millennials’ relentless spirit and sheer numbers, I’m not betting against them.

_A self described “generation motivation” expert, Gordon Fowler is the president and CEO of 3fold Communications, a Sacramento-based communications agency._

_This article originally appeared in Comstock’s magazine._

---

**FIND THE DEBTOR.**

**RECOVER THE DEBT.**

**CLEAR® WITH CELL PHONE LISTINGS & NEW NUMBERS**

CLEAR is the next-generation research tool that can help make your collections work faster and easier. CLEAR provides current addresses, new numbers, cell phone listings – and even identifies probable aliases that make it easier to find the person you’re looking for. And the more people you find, the more productive you can be.

Go to clear.thomsonreuters.com or call 1-800-262-0602.

© 2013 Thomson Reuters. L-386873/8 13

Thomson Reuters and the Kinesis logo are trademarks of Thomson Reuters.

The data provided to you by CLEAR may not be used as a factor in establishing a consumer’s eligibility for credit, insurance, employment purposes or for any other purpose authorized under the FCRA.
RevSpring’s *emerge* is an all-encompassing technology platform built for the changing demands of consumers and your customer service team. Available in Q3, RevSpring’s *emerge* is designed for multi-channel communication and payment options, built for improved performance and optimized for a satisfying consumer experience online from any mobile or tablet device.

Enable your organization to harness the power of email, text, IVR, mobile payments, mailed documents and online negotiation all from a single provider.

To learn more about how the *emerge* platform can benefit your organization:

learnmore@revspringinc.com • www.revspringinc.com • 248.567.7300
5 KPIs That Require Revenue Cycle Managers’ Attention

Given the sheer number of revenue cycle key performance indicators (KPIs), the best approach to use when assessing performance is to focus on KPIs that have the greatest potential impact on A/R and cash flow.

By Devendra Saharia

Revenue cycle management literature is replete with methods for measuring team performance, whether in patient access, health information management (HIM), patient accounting, or physician practice areas. Various articles within *hfm* alone have listed more than 300 key performance indicators (KPIs) within revenue cycle management, not including the critical measures involved in contract negotiation and general accounting. These KPIs are all important indicators of an organization’s health—but the volume can overwhelm the management team.

The best way to address this challenge is to limit the in-depth review of KPIs to those that fall outside acceptable value ranges.

In the current environment, with implementation of the Affordable Care Act (ACA) and the transition to value-based pricing well underway, the following five KPIs, in particular, warrant the attention of the revenue cycle management team because of the extent of their potential impact on accounts receivable (A/R) and cash flow.

**Cash Ratio**

The cash ratio (cash collected as a percentage of net revenue) is the first and best KPI to monitor for success because it represents an objective standard that serves as a sentinel for performance issues. This measure does not represent the monthly collection goal, however. Monthly cash goals should include cash expected from trended net revenue figures (generally the monthly average of last 90 days of net revenue) and shortfalls in collections from previous periods that are expected to be recovered in this period.

Whether net revenue is tracked monthly or bimonthly or trended, the cash ratio over time should be between 97.5 and 103.5 percent in any given month—and trending to 100 percent of expected cash, as Zane Newitt and Brian Robertson indicate in a toolbox published in the May 2007 issue of *hfm*.

There are many variations in cash goal-setting; what is most important is to understand the underlying drivers of good or bad performance and to act on the results of the cash ratio.

**AT A GLANCE**

Revenue cycle leaders can gain the clearest insight into their organizations’ revenue cycle performance by focusing in particular on five key performance indicators:

> Cash ratio
> Medicare-billed accounts receivable (A/R) over 30 days as a percentage of total Medicare A/R
> Third-party aging over 90 days
> Bad debt expense
> Customer experience

---

Identity Theft continued from previous page

each month. To understand the variances involved, it is important to monitor trends by tracking daily cash against monthly targets and to respond immediately to cash shortfalls as they occur in any given month.

Key concept No. 1. Trended A/R performance (opening balance, new charges, adjustments, and cash) by payer will help disclose problems early.

Key concept No. 2. Cash targets should reflect booked net revenue, valid shortfalls in previous months’ collections, and expected shortfalls in current-month insurance payments resulting from extraordinary circumstances outside the control of revenue cycle management. State budget shortfalls are an example of such circumstances.

Medicare Billed A/R over 30 Days

The revenue cycle management team should examine the trend in Medicare inpatient A/R aged greater than 30 days from discharge as a percentage of total Medicare A/R. If the trend regarding this measure shows an increase or stagnation at a level over 5 percent, the organization may need to address a number of issues. Net days receivable outstanding for Medicare A/R should not exceed 22 days overall, according to Robertson and Newitt.

For many hospitals, Medicare (traditional Medicare, not the managed care replacement plans) is one of the largest payers. Any issues that cause delays in processing Medicare claims therefore are likely to have an immediate and measurable impact on a hospital’s cash flow. When Medicare A/R over 30 days is greater than 5 percent of total Medicare A/R, the revenue cycle management team should examine causes of the delays, denials, or suspended accounts.

It is important to ensure the billing profile contains clear and correct rules for managing charges according to Medicare rules. Most governmental billing will be quickly adjudicated (if not paid) within a few weeks of submission. Attaining a 95 percent clean-claims rate for bills sent to Medicare (and other governmental payers) is a reasonable goal for a high-performing manager.

A short-term task force should be established to identify and correct all issues relating to delayed or rejected Medicare claims. The task force should be charged with ensuring clean inputs and resolving throughput errors quickly.

The goal should be to correct errors in as timely a manner as possible, with a clear benefit to be gained from making corrections on the day of billing. Claims processing and payment can be unnecessarily delayed if the organization tends not to review claims until after they are accepted by Medicare or, worse, until it receives return-to-provider (RTP) reports.

Key concept No. 1. Hospitals should have processes and technology in place to address standard Medicare billing routines in an efficient and timely manner (daily—before submission).

Key concept No. 2. Processes and supporting technology also should be in place to assist in fixing Medicare RTP issues in real time. A recommended target is to limit RTP rejections to no more than 3 percent of claims with an RTP report.

Key concept No. 3. Developing best practices regarding clean claim submission to Medicare will help ensure a compliant posture within the organization, and a clear profile with Medicare.

Third-Party Aging over 90 Days

The key components affecting the cash ratio include billing input and throughput, payer response, and both internal and outsourced productivity relating to A/R workflows. A/R management is dynamic, but clear performance indicators begin to show after 90 days, making it useful to review billed A/R aged over 90 days from discharge as a percentage of total billed A/R. For the average business office, this measure may be 22 to 25 percent, but for a high-performing business office, it will be less than 17 percent.

Revenue cycle managers should watch for declining performance from nongovernmental payers where net insurance cash falls below projections, where patient co-insurance and deductibles are rising, and where unresolved accounts are increasing. Based on the best-practice measure cited by Newitt and Robertson, the revenue cycle management team should consider intervening when this KPI is stagnant and higher than 20 percent, depending on factors such as the type of hospital and its case mix.

Efforts to manage this nongovernmental KPI include various audits of the A/R by groups of accounts; by service type, payer, and balance range; and by account activity. The revenue cycle management team should look for underpayment or adjustment trends by service line to determine whether major payers or employers have changed how they pay for treatment. These basic audits may include:

> Open insurance balances with payments but no adjustments
> Open insurance balances with adjustments but no payments
> Open insurance balances with adjustments and payments

The team also should monitor shifts in case mix, level of care, and treatment setting (inpatient versus outpatient, for example) and whether length of stay has been reduced to determine the extent that these variables contribute to changes in A/R aging.b

b. See, for example, Osten, J., “Leave No Money on the Table,” hfm, March 2011.
Key concept No. 1. Managing volumes of accounts is critical to success; a Pareto Analysis—i.e., applying the 80/20 rule—could help highlight problem accounts that the hospital might consider outsourcing to alleviate the burden on internal staff who have too many competing priorities to address these problems.

Key concept No. 2. The revenue cycle management team should ascertain the extent to which out-of-pocket values (e.g., copays, coinsurance amounts, and deductibles) per case might be increasing, both for newly obtained ACA policies and existing policies from major employers. This analysis will anticipate the growth in self-pay A/R and help establish the priority for increased point-of-service collection efforts, including improved quality of preregistration, additional tools for patient balance estimation, and enhanced training for registrars regarding collections.

Bad Debt Expense
In states with expanded Medicaid (post-ACA implementation), the revenue cycle management team should watch for bad debt expense that is increasing or stagnant and over 3 percent of total gross revenues. The team also should monitor charity care levels after Medicaid expansion; there should be a drop in charity care due to the transfer of patients from “uninsured” to Medicaid-eligible (eligible for presumptive coverage as well as expanded coverage), and from uninsured to ACA-insured. Charity care in most non-safetynet hospitals should not exceed 2 percent of gross A/R.

True self-pay accounts—where patients have no insurance at the time of final billing—also should decline significantly. A recent study by the Colorado Hospital Association showed a 25 percent decrease in self-pay accounts as a result of enrollment in both Medicaid (Colorado is an expansion state) and newly purchased ACA insurance policies. In states where the Medicaid program has not been expanded, the key values will be the traditional ones—rising bad debt and bad debt costs, increased charity care, lower point-of-service collections, and lower overall self-pay collections from all sources.

An increase in presumptive Medicaid classes of patients should help decrease both charity care and bad debt, as these patients are reclassified from self-pay to Medicaid. Every state has the opportunity to work with uninsured poor populations to determine who might be presumptively eligible for Medicaid, and this effort will have an immediate impact on self-pay A/R for hospitals in the state. As the accounts migrate from self-pay to other payer types, the hospital should be able to reduce its allowance for doubtful accounts proportionately.

Key concept No. 1. Expanded Medicaid populations should have a measurable impact on both charity care and bad debt. If a hospital’s state has chosen to expand its Medicaid program under the ACA and the hospital does not see an increase in Medicaid volumes and a decrease in both bad debt and charity care, its revenue cycle leaders should launch an investigation.

Key concept No. 2. The team should monitor the growth of the self-pay population, in terms of both the number of accounts and actual dollars involved. Many recent studies have projected a growth trend for the self-pay population of up to 200 percent of its current level (from about 10 percent to more than 30 percent of revenues).

Customer Experience
Key components of the value-based pricing mechanism for Medicare DRG reimbursement are the HCAHPS questionnaires, which measure patient satisfaction. The revenue cycle management team should ensure that the overall goals of the hospital’s revenue integrity program are clearly defined and easy to achieve so the clinical teams can focus a high percentage of their efforts on delivering exemplary patient care and providing high-quality clinical documentation. HCAHPS responders (patients and their families) are contacted within weeks of their discharge, so the on-site experience, including patient access and financial counseling services, will have a measurable impact on the hospital’s value-based purchasing scores (and thus on the hospital’s future Medicare payments).

Patients want to know what they will be expected to pay for the services they receive. The prevailing practice has been to avoid talking about the patient’s financial responsibility until late in the revenue cycle. Reports show, however, that effective up-front financial counseling actually promotes rather than negatively influences patient satisfaction. At the highest level, excellent financial counselors have a clear understanding of what patients want from the hospital and are able to inform patients of the hospital’s expectation for payment in clear and simple language, up front and in writing.

Now is a good time, in light of the IRS’s soon-to-be-implemented 501(r) regulations regarding financial assistance and billing and collections requirements for providers, to review all financial counseling policies, especially those that relate to patient balances, charity care, and “amount generally billed” discounts. Again, clarity in communicating with patients is key. Hospitals should have a clearly written, board-approved policy and should share it

c. See, for example, Bohnsack, J., and Hawig, S. “Choosing the Right Strategy for POS Collections,” hfm, September 2012.
d. For details on the IRS Section 501(r) requirements, see, Hearle, K., “Preparing for Section 501(r),” hfm, June 2014.
with patients in the appropriate forums—including via brochures, the organization’s website, and Facebook—to give patients many opportunities to read about and respond to financial policies. Finally, seamless management of the financial policies requires coordination with vendors.

Key concept No. 1. Clinical teams should be free of unnecessary charge capture burdens so they can address patient and documentation issues without distraction.

Key concept No. 2. Hospitals should have trained financial counseling staff equipped with the proper tools to help patients clearly understand their financial responsibilities at the time of registration.

Key concept No. 3. Hospitals can promote patient satisfaction by providing patients with easy access to online payments.

A Dynamic Process

It is incumbent on revenue cycle leaders to observe the many seemingly discrete moving parts in the process of managing the business of health care. The journey starts with the first step: opening the discussion with the managers involved in each process and framing the discussion in terms of measuring and improving process. The revenue cycle management team then should not only define, but also consistently refine the KPIs that are to be measured. The issues won’t be the same every month, and in fact, it is best not to focus on only a few KPIs over time. As the team reviews the values to be monitored, its members should commit themselves to the task and strive to reach consensus on how to manage the issues.

As the revenue cycle management team grows, and as processes improve, it should continuously examine the big picture to look for important variances and decide where to focus its efforts each month or quarter. Success also will depend, of course, on the extent to which leaders demand accountability for performance and reward results.

Devendra Saharia is CEO, AGS Health, Inc., New York, and a member of HFMA’s New Jersey Chapter (devendra.saharia@agshealth.com).

Reprinted from the September 2014 issue of hfm magazine. Copyright 2014 by Healthcare Financial Management Association, Three Westbrook Corporate Center, Suite 600, Westchester, IL 60154-5732. For more information, call 800-252-HFMA or visit www.hfma.org.
WELCOME TO TRUSTED INNOVATION & COMPLIANCE

Proven Performance for nearly 30 years in the world’s toughest collections market. Debtmaster suits agencies of all shapes and sizes with Collection Software, Telephony, and Online Client Reporting.

Comtronic Systems

800.414.2814
debtmaster.com
No matter what industry you’re in, your company can’t survive without technology. From smartphones and tablets to mobile apps and cloud-based technology, there’s a plethora of advancements not only to keep track of, but also to profit from. Over the next five short years the following game-changing technologies will transform how we sell, market, communicate, collaborate, educate, train, innovate, and much more.

1. **BIG DATA WILL GET BIGGER AND BECOME A SERVICE** Companies are learning the hard way that big data can get you into trouble fast, so there is a new push to focus on the quality of the data as it is being captured. High-speed analytics using advanced cloud services will increasingly be used as a complement to existing information-management systems and programs to tame the massive data explosion.

2. **CLOUD COMPUTING WILL GET PERSONAL** Companies of all sizes are using the cloud to cut costs in IT, human resources, and sales-management functions. As individuals increasingly use personal mobile clouds, we will see a shift to services and less of a focus on the devices we use to access our services. This shift will also help us address the three limiting factors of mobility: battery life, memory, and processors.
3. THE BIRTH OF EVERYTHING-AS-A-SERVICE (XAAS) On-demand services will increasingly be offered to companies needing to rapidly deploy new services. The rapid growth of Collaboration-as-a-Service (CaaS), Security-as-a-Service (SaaS), Networking-as-a-Service (NaaS), and many more are all giving birth to Everything-as-a-Service (XaaS). These services will help companies cut costs as they provide access to powerful software programs and the latest technology without having the expense of a large IT staff and time-consuming, expensive upgrades.

4. VIRTUALIZATION OF STORAGE, DESKTOPS, APPLICATIONS, AND NETWORKING We will see continued acceptance and growth of these technologies by both large and small businesses as virtualization security improves. In addition to storage, we will continue to see the virtualization of processing power, allowing mobile devices to access supercomputer capabilities and apply it to processes such as purchasing and logistics, to name a few.

5. THE CONSUMERIZATION OF IT As consumers become the driving source for innovation and technology, which is fueled by rapid advances in processing power, storage, and bandwidth, IT will become more commercialized. Smart companies have recognized that this is a hard trend that will continue and have stopped fighting consumerization. Encouraging employees to share productivity-enhancing consumer technology will become a wise strategy.

Hiring Our Heroes

America’s military are returning home and need jobs! ACA has teamed up with Hiring Our Heroes, a free program that matches employers with veterans or military spouses. Find well-trained, prospective employees for your organization. Register at www.hiringourheroes.org.
The average worker spends about 28 percent of the work day on email. Some productivity experts – and the website five.sentenc.es – recommend that you limit yourself to writing no more than five sentences, which increases the likelihood that your message will be read and acted upon. “Proper email is a balance between politeness and succinctness,” entrepreneur and brief-email practitioner Guy Kawasaki told entrepreneur.com. “Less than five sentences is often abrupt and rude, more than five sentences wastes time.”

SOURCE: convn.org/keep-it-to-five
The Educational Scholarship Foundation was founded in 2005 by the California Association of Collectors (CAC). The California Association of Collector’s Educational Scholarship Foundation (CACESF) awards three scholarships during the CAC Legislative Day Conference in Sacramento each spring. First place is awarded $2,500, second place $2,000 and third place $1,500. To date, the foundation has awarded $54,000 to high school seniors. The scholarship requires a simple one-page application and an essay on “The Importance of Establishing and Maintaining Good Financial Credit During Your College Years.” The scholarship is available to any California high school senior for their use at any accredited college, university, or vocational school.

Annually, CACESF receives nearly 800 scholarship applications. CACESF expects the numbers to grow each year. CACESF would like you to consider supporting the scholarship program. Help our future leaders by giving them the opportunity to research, learn, and share with others the importance of good credit while also demonstrating the generosity of the collection industry.

2014 SUPPORTERS

Financial Credit Network – Alicia Sundstrom
Credit Consulting Services, Inc – Rodney Meeks
Tavelli Co. Inc. – Robert Tavelli
Fresno Credit Bureau – Courtney Reynaud
CB Merchant Services – Linda Guinn
USCB America – Albert Cadena
Union Adjustment Co. – Nat & Alma Rubinfeld
States Recovery Systems – John Yaklin
Kronick Moskovitz Tiedemann & Girard – June Coleman
Collection Consultants of California – Matt Logan
Anonymous Donor
Tim McDonald
Billing Tree
Carlson & Messer – Jeffery Carlson

Vickie Kirk
Brian Wiggins
Collection Bureau of America – Shawn DeLuna
Continental Credit Control – Shawn Suhr
Credit Bureau Associates – Kathy Parsons
Credit Bureau of Ukiah – Bob & Melissa Burke
Dix & Associates – Lloyd & Mary Dix
HP Sears – Patrick Collins
Rash Curtis & Associates – Terry Paff
Credit Bureaus of San Luis Obispo & Santa Barbara Counties – Sandy Lubin
Techlock
Kris Davisson
Franklin J. Love
Boston Private Bank

If you would like to donate to the scholarship fund, a 501(c)3, charitable foundation, call the CAC office at 916-929-2125 to make a pledge and receive an invoice, or visit the website, cacesf.org, or print page 41 of this magazine.
CACESF Pledge Form

Company Name: ____________________________________________________________

Contact Person: __________________________________________________________

Address: __________________________________________________________________

City: ___________________________________ State: ___________ Zip: ___________

Phone: _____________________________ Email: __________________________________

Name(s) under which donation will list in Collector's Ink: __________________________

Please select from the following choices:

**Award Levels**

<table>
<thead>
<tr>
<th>Role</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Founder</strong></td>
<td>$500 single payment OR $50 per month ($600)</td>
</tr>
<tr>
<td><strong>Benefactor</strong></td>
<td>$250 single payment OR $25 per month ($300)</td>
</tr>
<tr>
<td><strong>Donor</strong></td>
<td>Single contribution of $ ____________________</td>
</tr>
</tbody>
</table>

Enclosed $ ____________________________

- Save me the paperwork!
- Renew my pledge annually until I choose to cancel.

- Check enclosed
- (Please make separate checks payable to CACESF)

- MasterCard
- Visa
- AMEX

Card Holder’s Name: _______________________________________________________________________________________

Card Number: ___________________________ Expiration Date: __________________ Security Code: _________________

Billing Address: __________________________________________________________________________________________

City: _____________________________________ State: ___________ Zip: _______________________

Signature: ______________________________ Date: ________________________________

The CACESF is a 501(c)(3) non-profit charitable foundation. All donations are tax deductible. Tax ID Number: 56-2521491
CAC needs your support for both the PAC and the L&L Funds to ensure the continued promotion of CAC’s principles in the legislative process. Remember, your donations, no matter what size, make a difference. With your help and support, we will continue to improve your business environment and protect your right to conduct business in California. CAC extends its thanks to contributors to the current PAC and L&L Fund campaigns. Contact the CAC office at 916-929-2125 to make a pledge and receive an invoice, or print page 43 of this magazine.

**PAC**

**SUSTAINING DIAMOND FOUNDERS**
Collection Bureau of America – Shawn DeLuna
Collection Consultants of California – Ewing Bartgis & Matt Logan
Credit Consulting Services, Inc. – Rodney Meeks
Northern CA Collection Service, Inc. – Larry Cassidy
Union Adjustments Co. Inc – Nat Rubinfeld
USCB America – Mel Shaw & Albert Cadena

**DIAMOND FOUNDERS**
Financial Credit Network, Inc. – Alicia Sundstrom

**CRYSTAL FOUNDERS**
Rash Curtis & Associates dba Professional Recovery Systems – Terry Paff
States Recovery Systems, Inc. – John & Judy Yaklin

**PLATINUM FOUNDERS**
Herbert P Sears Company, Inc. – Patrick Collins

**FOUNDERS**
Credit Bureau Associates – Kathy Parsons
Ellis Law Group – Mark Ellis

**BENEFACTOR**
Ellis Law Group – Mark Ellis
Terri Collins Team (CAC First Lady for 2015)

**DONORS**
Butte County Credit Bureau – Patti Souza
CIR, Law Offices – Felipe Becerra

**L&L**

**SUSTAINING DIAMOND FOUNDERS**
Collection Consultants of California – Ewing Bartgis & Matt Logan
Northern CA Collection Service, Inc. – Larry Cassidy
USCB America – Mel Shaw & Albert Cadena

**DIAMONDFounders**
Sierra Receivables Management, Inc. – Carmen Saylor

**PLATINUM FOUNDERS**
Collection Bureau of America – Shawn DeLuna

**GOLD FOUNDERS**
Credit Consulting Services, Inc. – Rodney Meeks

**FOUNDERS**
CAC Region 5
Ellis Law Group – Mark Ellis
Rash Curtis & Associates dba Professional Recovery Systems – Terry Paff

**BENEFACTORS**
Butte County Credit Bureau – Patti Souza
CB Merchant Services – Linda Guinn
CIR, Law Offices – Felipe Becerra

**DONORS**
Financial Credit Network, Inc. – Alicia Sundstrom
### Political Action Committee (PAC) Fund

Several thousand bills continue to be introduced into the Legislature every session. Several hundred of these bills may affect the collection industry and, ultimately, your business. The CAC PAC Fund needs your support to help elect legislators who favor creating a pro-business environment in California; an environment that allows businesses like yours to grow and prosper.

### Legal & Legislative (L&L) Fund

The Legal & Legislative Fund may be utilized for CAC's direct involvement in legal or legislative issues that affect the collection industry as a whole. The L&L Fund allows our Association to draft and support legislation beneficial to the collection industry, as well as to actively oppose anti-business and anti-industry legislation. It also provides the funding for the Association to support or oppose legal challenges in both state and federal courts on behalf of the collection industry.

---

**Company Name:** __________________________________________________________________________________________

**Contact Person:** __________________________________________________________________________________________

**Address:** ________________________________________________________________________________________________

**City:** ___________________________ **State:** ___________ **Zip:** ______________________

**Phone:** ___________________________ **Fax:** ___________________________ **Email:** __________________________________________________________________________

**Name(s) under which donation will list in Collector’s Ink:** ____________________________________________________________

**Please select from the following choices:**

**PAC Fund**

- **Founder:**
  - $1,500 single payment OR
  - $125 per month

- **Benefactor:**
  - $500 single payment OR
  - $50 per month ($600)

- **Donor:**
  - Single contribution of
  - $ ______________________

**L&L Fund**

- **Founder:**
  - $500 single payment OR
  - $50 per month ($600)

- **Benefactor:**
  - $250 single payment OR
  - $25 per month ($300)

- **Donor:**
  - Single contribution of
  - $ ______________________

Enclosed $ _____________________ Please make separate checks payable to CAC-PAC and/or CAC L&L Fund.

- Save me the paperwork! Renew my pledge annually until I choose to cancel.
- Check enclosed  [ ] MasterCard  [ ] Visa  [ ] AMEX

**Card Holder's Name:** __________________________________________________________________________________________

**Card Number:** ___________________________ **Expiration Date:** ___________________________ **Security Code:** ___________________________

**Billing Address:** ________________________________________________________________________________________________

**City:** ___________________________ **State:** ___________ **Zip:** ______________________

**Signature:** ___________________________ **Date:** ___________________________
Collectors Insurance Agency—here for you, your business and your future. Together, we protect an industry.

Contact us today at (952) 926-6547 or collectorsinsurance@acainternational.org.

Your professional staff at Collectors Insurance Agency apply the vital experience required to address your complex insurance, bond and licensing needs. Your business is our only business.

**Commercial insurance** – Statutory and client bonds

Licensing/qualifications/annual reports – Industry-specific loss prevention
Coverage review and audits – Contract reviews – Invested carrier partners
Proactive review of corrective measures – New service exposure analysis
INDEX OF advertisers

ACA 38, 44
Accurate Computer Technology, Inc.* 22
Advanced Payment Systems* 19
Billing Tree* 38
CDS Software* 8
CLEAR, Thomson Reuters* 29
Columbia Ultimate* 3, 6
Compumail* 12
Comtech Systems, Inc.* 14
Comtronic Systems, LLC* 35
DAKCS Software Systems, Inc.* Back Cover
DiBuduo & DeFendis Insurance Brokers, LLC* 10
Global Connect* 18
IAT Interactive Data* 34
LexisNexis* 16
NobelBiz* 4
Ontario Systems* 19
PDC4U – Pay Day Center, LLC* 16
RevSpring* 30
TCN, Inc.* 4
TechLock, Inc.* 47

*denotes CAC Vendor Members

ADVERTISE WITH CAC!
The best strategy to reach collection agencies and potential business partners is an integrated media program that combines the best of print and online communications. Our readers are likely to support your brand when you become a part of their world.

California Association of Collectors, Inc.
1455 Response Road, Suite 240
Sacramento, CA 95815
cac@calcollectors.net
916-929-2125 • www.calcollectors.net

BUSINESS SERVICES

Expert Agency Appraisals from $300.
Call Ray Edwards,
760-231-1147

Business address changed?
New website or email address?
Help us keep our membership records current so that you receive the most up-to-date information possible. Send your changes to Rachel@calcollectors.net or call 916-929-2125.
MEMBER spotlight

How long have you been in the collections industry? How did you hear about the industry as a career choice?

In my previous life I used a collection agency for the business I was in. When I changed jobs the owner of the collection agency wanted my business. He realized I wasn’t too happy where I was and he offered me a job...that was March 31, 1973. So I went to work for him, I worked there for 14 years. I bought into this company (Collection Consultants of California) and later bought out the previous owner...my own August 1987.

Please share a brief history of your company.

I began running the company on a shoestring and it grew...we got clients, collected money, did well. The other side of the company...I hired Matt at my previous company...then he was hired away from me. I subsequently bought this company and tell him I did it so I could be his boss!

Please describe your involvement in CAC and ACA committees and leadership roles...your two terms as president, etc.

When I became President of CAC the first person I called was Mel Shaw. I knew I could get the history and ideas from him. While I was serving as President, my President-elect, Glen Ruddy, passed away. It took us many discussions to decide what to do. I stayed for an additional year as President so Christina Harbridge could serve her time as President elect and then take the President position.

I learned a lot from Bob Morris while he was President. Bob started the CAC PAC.

I never served as a region officer; I went straight to Leg Council then Member at Large.

I served on the ACA ACPAC for a few years, and chaired it one year after I was CAC president.

What is the best book on business, sales or leadership that you have read lately?

Things That Matter: Three Decades of Passions, Pastimes and Politics by Charles Krauthammer. He is a paraplegic; commentator on Fox 40, columnist for The Washington Post. He is a fascinating guy to listen to. He puts complex things into simple terms...political and business...one of the smartest men you will ever hear.

Are you doing anything in your community to bring positive PR to your agency? Anything involved with financial literacy education?

YES, we sponsor a scholarship through CAC Educational Scholarship Fund.

What is your hometown? Where were you raised?

Downey, California.

What is your hometown? Where were you raised?

Downey, California.

If you could meet any famous person or historical figure, who would it be and what would you ask/tell him/her?

It would have to be a golfer and I would ask him to straighten out my swing! Arnold Palmer...the classiest guy in the golf world.

Danny Thomas would be another great person...he has contributed a lot to this country.
Is this consuming too much of your time?

Balancing multiple regulatory and industry standards along with the added client requirements takes your valuable time away from managing your core business. Our consultants understand what it takes for security and information technology solutions to be an integral part of organizations.

Allow Tech Lock to ease the burden, increase efficiency and provide you and your clients the comfort of a secure environment. Our holistic approach to technology provides cost effective, cutting-edge solutions for our ever-changing industry.

Contact us for more information:
Phone: 866 638 3788
Email: info@techlockinc.com
URL: www.techlockinc.com

Follow us on Facebook® and Twitter™ or subscribe to our mailing list on www.techlockinc.com/subscribe to keep you updated with regulation changes, security news, and industry trends.

Your Partner, Real Solutions
One vendor. All the solutions.

For over 30 years, DAKCS Software Systems has been a leader in simplifying the business of accounts receivable and collection management by creating integrated, innovative cloud and on premise software solutions.

Arrange your online demo today.

Don’t settle for other vendors definition of “integration”.

To arrange your online demonstration call 1.800.873.2527 or visit us at dakcs.com/CAC to learn more.