



# THE ReCOREder

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**Editors Note:** For those of you who make collection calls for your company, I have included an article from "Collection Advisor", written by Steven Gan, describing the four basic categories that people fall into when confronted with an outstanding debt obligation. Using this information may help you to understand how to communicate and respond to each of these categories of individuals and increase your "in-house" collection efforts. As always, we welcome your comments and suggestions. Please email them to: [support@corerecovery.biz](mailto:support@corerecovery.biz)

## *Dealing With 4 Types of Debtors*

*By Steven Gan*

In the 20 years that I have worked in the credit and collection field, I would say that I have spoken with at least two thousand debtors all over the world in the pursuit of collecting both consumer and commercial claims. I would also say that this experience has greatly helped me to understand how to communicate and respond with all kinds of debtors on a psychological level.

Since the reasons for non-payment and the degrees of cooperation (or non-cooperation) to pay a debt are as wide and various as peoples' personalities, it's imperative to get into the mind of the other person in order to effectively communicate with them. Over the years I have come to feel that a person, when confronted with an outstanding debt obligation, can be classified into four basic categories: Straightforward, Passive, Aggressive and Deceptive. Let me take a moment to introduce each type of debtor.

### *The Straightforward Debtor*

The straightforward Debtor is the kind of person that will call you before you call them. They will let you know in advance there is a

problem and they are trying to resolve it. They will let you know the score so, if possible, your firm can work with them in a proactive way, especially if they have been a customer for a long time. They will also always come to the phone if you call them and will speak to you politely. In other words, they try to maintain the relationship with your company. There are many people who become debtors due to reasons outside of their control but as long as they continue to stay in touch and communicate honestly, all we can do is continue to try and work with them as best as their situation will permit. When you hear comments from the debtor in which they have the will or volition to pay or resolve the problem, you can usually be assured that this person is also sincere in their intentions.

### *The Passive Debtor*

The Passive Debtor is the kind of person who avoids dealing with the debt obligation in a fair and timely way. They can either be vague as to when and how much payment will be forthcoming, or they will make promises to pay but easily break them with almost a happy-go-lucky attitude.

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# Patient Satisfaction More Important than Ever

## *Addressing the critical criteria*

Large or small, every health care provider has to address the issue of patient satisfaction. The rest of a facility may focus more on patient care, but when it comes to patient accounting, the main focus of the department is customer service. As a matter of fact, the way in which the patient accounting department serves the public seems to carry more weight and leave a longer lasting impression. That's because a patient may see the person who draws their blood only once, but there's a possibility that same patient could receive multiple bills, or letters from insurance companies, or even phone calls from patient accounting staff.

### *Courtesy, Observation, Education*

Let's talk about how employees can improve patient satisfaction. It should be understood, but customer service is just as important as whatever else an employee's main job function is. Some are up front, some are on the back end, but most are right on the front lines all day long.

There are three critical criteria that all employees must be cognizant of—courtesy, observation and education. Employees must learn to be courteous in all interactions with every single person they encounter, including one another. The working environment suffers if employees are considerate of the patients, but ill mannered with co-workers.

The second principle—observation—must be on all employees' minds. Employees must be vigilant about observing how people (patients and co-workers) react to them and to office policies and procedures. That may sometimes mean that they have to take into account their own feelings.

The third criterion is education. All employees should be well trained in their

specific jobs and duties, as well as office policy. As stated previously, they also should be educated about how to be courteous and observant and how to communicate with patients. You may think that this is something that should come naturally, but some people need a lot of help! It's easy to teach someone how to talk to patients; it's much harder to "communicate" with them; how to break down exactly what something means; how to take the time to make sure they understand; and how to listen to their concerns and actually hear what they're saying, which isn't always the same as words they're using.

It can be easier for employees to learn these skills in a group setting, so it helps to have people talking, in teams or in meetings, and sharing their views. One thing that employees often discover is that they're not alone with some of their thoughts and often that's all it takes to help employees help themselves and others.

### *Patient Finance Issues*

Some patient relation issues are quite specific to the patient financial services department and collections. For example, consider how much your facility is able to help patients with their insurance issues, beyond the usual phone calls asking whether insurance has paid. Large offices may have personnel available to help patients with their insurance, while smaller offices may not have the same resources. Some offices have even added a position that is dedicated to helping uninsured or underinsured patients to become eligible for funding or Medicaid.



### ***Maintain Staff Training***

Another thing to keep up with is making sure that no matter to whom a patient or guarantor talks, they're always going to get the same information. This means two things. One, educate all employees in the same way. We all get annoyed when we contact a payor and the person we speak to says one thing, then we call again and someone else gives us a totally different answer. Patients will feel the same way if that happens to them. That means that every single person who answers the phone needs to be trained to give the same responses as much as possible, no matter what department.

Two, take notes and share them with co-workers. If one person uses shortcuts, make sure everyone else knows the shortcuts. How frustrating is it when you have to call someone a second time and the new person has no idea what you have already discussed because either they don't understand the notes or notes weren't taken in the first place? The same is true with business offices. Every

facility I've ever been in has the capability of taking notes, but staff is usually taught speed rather than efficiency and courtesy. If our focus is on the patient, that should be reversed.

### ***Internal Customer Service***

The final piece is an easy one: Treat one another with courtesy in the workplace. If patients sense an atmosphere of low morale in an office, they likely will feel awkward and uncomfortable. Likewise, a patient can tell if the person they are speaking to on the telephone is in a bad mood. Bad moods are transferable and if they are left untreated, they will bring down the morale of the entire office. Everyone has a bad day now and then, but if you can keep it from disrupting the entire office, you will help maintain a serene mood among your employees and you will help increase patient satisfaction through osmosis!



## ***All for one***

*Jake Porter felt special because he was part of the football team at Northwest High School in McDermott, Ohio. But Jake was special for other reasons, too. He never missed a game—but never played a down. Mentally impaired, Jake couldn't risk the hard hits. So for three years he sat on the sidelines and cheered his teammates.*

*In Jake's final game, Coach David Franz decided it was time to return the favor. Northwest was playing archrival Waverly and, figuring to win, Franz told Jake he'd let him finish the game and by taking the handoff then kneeling down to run out the clock.*

*Unfortunately, things didn't go as planned. Near the end of the game, Northwest was trailing 42—0. And you don't take a knee when you're down 42 points. But Coach Franz wasn't the only person who figured Jake deserved a chance. With five seconds to go, Waverly's coach approached. "We need to let him score," he said. Franz told him just taking a knee would be enough, but the coach insisted and the officials agreed. Franz went back to the huddle. "Big Boy," he said, "you're takin' it to the house."*

*Jake stepped up to the line and took the snap. Confused, he started to kneel down. "Run", his teammates shouted. So Jake ran—through the opposing players who cheered and took chase. When he reached the end zone, the officials signaled touchdown and the crowd went wild.*

*"It really was just one team after it all happened 'cause the field was full of [players from] both sides and it was like one team cheering for Jake," his mother said later. "It was more than you could ever dream of."*

### ***Passive Debtors***, *continued from page 1*

The Passive Debtor will usually avoid your phone calls and other forms of contact because they just don't deal with debt obligation seriously. It is very frustrating to deal with this kind of person since we can never seem to pin them down to make and keep promises to pay. One of the most important points to always remember when collecting from this kind of debtor is to confirm how much, when and how the payment is going to be made. When a Passive Debtor used to tell me, "I'll send a check for the total amount tomorrow." I would always respond by saying, "Great, let me save you the stamp and pick it up." Depending on the amount and location, I would personally pick up the payment, or I would have Fed Ex or some other service pick it up. The point is, I would not allow the Passive Debtor to make idle promises.

### ***The Aggressive Debtor***

The aggressive Debtor is the kind of person, as the name strongly implies, who goes on the attack regarding the debt obligation. It's totally your fault that they haven't paid. They are very skillful at making you upset with their strong communication style. They may yell and use profanity on the phone in order to overpower you. They may also say things to you which are completely untrue to throw you off balance. They will even purposely entrap you to become angry at them in order to create an excuse to delay payment, or even to not pay you at all. The skillful collector always tries to remain calm and doesn't allow themselves to fall into this debtor's trap of getting into an argument. If you hear comments from the debtor that make you want to become angry, take a deep breath, let a couple of seconds pass and then speak slowly and softly. The only thing that will keep this kind of debtor from winning this wrestling match is not giving him the ammunition to hang up on you.

### ***The Deceptive Debtor***

The Deceptive Debtor is the kind of person who from the start has absolutely no

intention of paying you. They incorporate characteristics from both the Passive and Aggressive Debtor types. They will not only avoid phone calls or other forms of contact but when you finally get in touch with them, they will tell you something for the first time that is completely untrue and outrageous. Several weeks after payment is due, they may all of a sudden tell you of a problem with the merchandise or service. Without any substantiation, they will tell you their customers complained about the product and they are now preparing a law suit against your company for damages. They may tell you your salesman was rude or there is a problem with the contract. Out of the clear blue you are confronted with issues that would have normally been mentioned on a timely basis. All of these comments are only excuses to maneuver out from under the payment obligation. In reality, there is really not much you can do with this type of person except to hand the account immediately over to a collection agency or an attorney.

### ***Conclusion***

A debtor may start out in one category and move to another. An honest and straightforward person may eventually slide into the passive or aggressive category depending upon the continued pressure of trying to get out from underneath their debt problems. In the end, no matter what the country or culture, my experience has taught me that people are people and when confronted with debt obligations, they will react in some respect to one of the four categories above.

**Source:** "Dealing With 4 Types of Debtors", *Collection Advisor* magazine.

"Patient Satisfaction More Important Than Ever", *Healthcare Collector*, June 2004.

**Disclaimer:** This information is not presented to be used as legal or professional advice on specific facts or matters. Readers with specific questions should refer them to their own attorneys for guidance.