



The state of collection

a state collection service, inc. newsletter

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where we'll be

AAHAM WI Fall Conference
La Crosse, WI, October 25-27, 2017
Lead #LikeAGirl 4.0
Milwaukee, WI, November 10, 2017

locations

Madison Beloit
Milwaukee Chicago

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tom haag, ceo



back to the basics

This issue features a topic I am very familiar with – getting back to the basics. Obviously, in the more than fifty years I have been engaged in the receivables industry, I have seen much change. From a shoebox full of ledger cards, knocks on doors, and collecting cash from cookie jars, to email, cell phones and electronic funds transfer.

Some things, however, have not changed. My father, who founded this business, had a favorite saying – “Remember, you collect more bees with honey than with vinegar.” That philosophy hasn’t changed, even after almost 70 years in business. Treating customers the way you expect to be treated generally works for the best. Do you always win? No, but you never really lose either. I remember once in a sales class, the instructor reminded me that when you receive a no answer, that should never be interpreted as a no forever. Only a no for the moment and that it simply tells you that you need to find a different approach or solution. Those things haven’t changed, but in today’s fast-paced world we tend to forget them.

There’s one other thing I learned from my mom and dad that I’ll bet you did too: The Golden Rule. “Do unto others as you would have them do unto you.” Is that back to the basics or what? Hopefully we all live by The Golden Rule. Enjoy the rest of this issue.





terry armstrong, president

reflecting on the basics

With the uncertainty of the Affordable Healthcare Act – will it be repealed, will it be changed, will be replaced, or something else entirely? – it's good to reflect on the basics that work for us. As you read the articles in this newsletter, you will notice that it reflects on how automation is assisting in getting us back to basics. How can that be? Our listings from clients now are about \$4 billion dollars per year. And even while we handle all of this business, we must never forget that the patient experience is paramount and our clients expect that we get results while maintaining patient satisfaction. As Tom highlighted in his piece, treating customers the way you want to be treated is really back to basics but it's also the foundation for how State Collection Service has treated clients and their customers for over 68 years. That will never change!

Our automation efforts continue to support improving the patient experience. Even the scoring article by Dave Hintz supports putting efforts into our work flows based on how patients pay. Marc Soderbloom's article points out how important it is to keep patient information private and all the regulations that protect consumers. However, a company must – and we DO – ensure that it has processes and procedures implemented to ensure compliance of these rules and regulations. Jim Warner outlines how security measures are key to all of this.

However, one of the best major investments State Collection Service has made is in our speech analytics product called EurekaLIVE! As Brandi Rudd describes the results of what EurekaLIVE has produced so far, for us it's key that we ensure we are providing the best patient experience while getting results for our clients. The product ensures we are using courtesy language, complying with all the regulations and compliance rules, and we are striving for first-call resolution, something even the patient wants. If at any time, a representative is not following the appropriate protocols, an indicator on the desktop will go from green to yellow to red. If it goes to red a supervisor will intervene and assist in solving the problem on the spot. It also provides client-specific assistance by producing fly-outs. For instance, if a patient asks about charity, the hospital's charity guidelines pop up. Or if the patient mentions Medicare, a series of Medicare guidelines pop up. And so on. We've invested heavily in all of this to ensure we are sticking to our basic principles while ensuring the best patient experience possible in real time and with every call.

We also consistently invest in our people with healthcare-specific training, not only our own but also using HFMA's CRCR program. This very intense training program for our representative is described by Jason Wallin in his article. We have also made major organizational change as outlined by Tracy Dudek in naming one of our senior leaders, Brandi Rudd, to a new role as Director of Patient Engagement and Jason Wallin as our new Director of Extended Business Office. By promoting from within the company we are ensuring that we are doing the best job possible of improving the patient experience for our clients.

Finally, I have to mention our receiving the award for being "One of the Best Places to Work in the Call Center Industry". It's the second year in a row we have won the award, but this year the award expanded in to all call centers not just companies in the collection business. Among all of our recent honors, this is one we are all exceptionally proud of. It may seem so basic, but it is key that we have happy employees to ensure that we have happy patients and clients.

State Collection Service is so proud to announce we have been honored with two very prestigious awards this past quarter, both for the second time!

We have been named as a Winner of the Best Call Centers to Work For by insideARM, moving up on the list from last year. This is an especially humbling award as it is based on anonymous feedback from our own employees.

We were also named to the Ince 5000 list of fastest growing companies for the second year in three years, in the good company of Yelp, Pandora, Timberland, Dell, Domino's Pizza, LinkedIn, and Zillow.



Winner
Best Call Centers
to Work For
PRESENTED BY  insideARM





back to basics - score model utilization

A lot can be said for the development and utilization of scoring models in the receivables industry over the past few decades. Numerous models have been built and refined by a host of companies in the industry. Along the way creditors and agencies have built those scoring models into their workflows to varying degrees and with varying desired outcomes and success rates.

At State Collection Service, we work with several scoring models common in the healthcare space along with internal data to maximize recoveries as well as assisting in driving patients towards a presumptive charity resolution when needed. Having worked with numerous scoring companies, we have gained unique insight to the varying approaches taken in generating the score models as well as customized methods to apply those models into the workflows. We then apply these workflows to the accounts placed with us for resolution. As I've written in the past, based on 501r requirements, there is still work to be done on each account we receive for self-pay follow up work. However, applying extra work effort on accounts with higher scores does yield higher recoveries while seeking out some sort of financial assistance for the patients scoring in the lowest tiers also helps reduce bad debt charge offs.

Over the lifecycle of an account, regular review of the outcomes of applied work effort is needed to make sure recoveries remain maximized. We regularly report performance based on scores to show the impact of the applied workflow. The goal of this review is to ensure maximized recoveries for our clients while monitoring changes in the ability of patients to pay over time. While monitoring for changing trends in a patient's ability to repay their obligations from one month to the next, we can modify our work strategy to accommodate for changes in your patient base over time. This regular review and adjustment is the critical component in maximizing the value of the scoring tool(s) applied.

When it comes down to it, utilizing scoring models and consistently reviewing our strategies have proven to be two of the factors that continually lead us to success. Like so many other things in life, it's important to always remember the basics.



Join us in congratulating the following individuals who have successfully passed the CRCR exam and earned CRCR certifications and those that have become re-certified. Well done!

Recertified (Every 2 Years):

*Martha Henes: Insurance Discovery Supervisor
Heidi Martinez: EBO Manager
Seneca Zachery: Training Specialist
Kathy Lukens: EBO Team Lead
Stephanie Larson: EBO Representative
Jennifer Bertone: EBO Representative
Brittany Tillman: EBO Team Lead
Paula Wallace: EBO Representative
Jody Eterno: Client Service Representative
Ronda Johnson: EBO Supervisor
Natalee Halstead: Insurance Discovery Representative
Jodi Gibson: EBO Representative
Kelly Gransee: EBO Representative
Denise Phelps: Client Service Representative*

Newly Certified:

*Leon Tschida: EBO Team Lead
Sheri Zeimet: EBO Representative
Jackie Matters: EBO Team Lead
Cindy Braspeninchx-Gerloff: EBO Team Lead
Jose Rodriguez: EBO Team Lead
Tierra Anderson: EBO Team Lead
Jana Webb: EBO Team Lead
Kathy Day: EBO Team Lead
Natasha LaBeau: EBO Team Lead
Tina Roberts: EBO Representative*



procedures and training

Compliance with state and federal laws and regulations as well as client policies is the foundation upon which all of our collection efforts are built. Without a strong compliance foundation, any business that is heavily regulated will ultimately struggle. A strong foundation, in the context of the collection industry, means procedures reasonably adapted to prevent errors, procedures designed to help employees achieve performance standards in a compliant manner and training to provide guidance in complying with those procedures.

Basic procedures should address: how you control information provided to your business by your clients; tracking activities that occur and relate to the information provided by the client; controls over the activities engaged in by employees and vendors; training; and, auditing and testing of your procedures. In addition, procedures should address issues you discover in your daily activities and through internal and external audits; that is, your procedures should address how you go about correcting issues that arise so that they do not occur again. While perfection is not possible, nor is it required, correcting issues is the essence of designing and maintaining procedures reasonably adapted to prevent errors.

When developing a procedure, the law and client policies are carefully considered along with maintaining an atmosphere in which employees can succeed. For us, that means, when it comes to the law and client policies, we need to address compliance with the Health Insurance Portability and Accountability Act and each client's policy and how we use and disclose protected health information. It means we must consider, among many other laws, the Fair Debt Collection Practices Act, Fair Credit Reporting Act and Telephone Consumer Protection Act and how each of those laws affects our daily business. It includes consideration of specific state laws concerning things like contacts and responsible parties. And those procedures must be revised and updated as laws are changed, as the interpretation of laws by the courts shifts, and as new regulations arise. In order for our employees to experience success, compliance with the law is of primary importance. Success is also achieved through the creation and positive use of measurements.

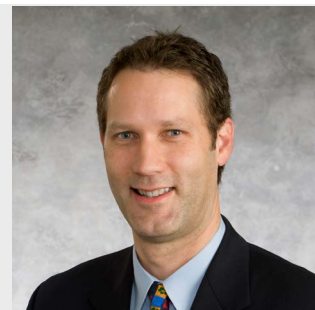
After the procedures are in place, training occurs. Training must take place not only with the adoption of new procedures, but as procedures are revised to reflect changes. So, training is continuous and evolves as procedures change with each shift in law, regulation or policy.

Procedures provide guidance to each department and employee on what is expected. With expectations set and proper training, every employee can help maintain the solid base that is built upon proper and compliant procedures.



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data security basics

Data security is a top priority and concern for State Collection Service, and arguably should be for all businesses alike. When you consider the vital data you store, process, and transmit—from financial to consumer private information—it's not difficult to realize the serious damage a breach would cause your organization. With a few basic security principles, you can help mature your security posture.

Establish strong password policy

Yes, it is annoying when your password must be changed so frequently, but deploying a strong password policy is probably the easiest principle to strengthen security. Avoid using personal data (e.g., birthdates), sequence of characters or numbers (e.g., Hello123), and letters that are close to one-another on a keyboard (e.g., qwerty). Regularly change your password; the industry standard is every 90-days. Never write down nor share your password with anyone; even your friendly IT Help Desk!

Deploy anti-virus software and regular updates

Anti-virus and anti-malware software is essential, as it's the last line of defense. The anti-virus software must also provide daily updates to virus definitions. Regular updates/patches to your operating system ties together with regular anti-virus updates/scans. This principle keeps you up-to-date on recent security fixes.

Educate your employees

Teach your employees about safe online habits and proactive care. It's rather commonplace to click on a link or download something believed to be harmless; however, this is the most common way that malware ends up on your computer/network. Make sure your employees understand it's their job too, not just IT's, to take measures to protect company data.

I could go on, as there are a handful more important security principles, but I'm sure I've already brought on a yawn. So, please feel free to drop me a note at jimw@stcol.com if you have further questions or concerns.

State's Continued Commitment to Charitable Giving BACK-TO-SCHOOL EDITION



This past month all four of our office locations worked extremely hard to raise money and collect supplies for local charities and school districts serving the homeless children in our communities. The amount of money and supplies that was collected by all of our sites was truly inspiring and is big reason we're all so proud to say we work for State Collection Service, Inc.

To our employees, a HUGE thank you for your generosity and continued support of our local charities and the vision we have for State Collection Service to be a partner in our communities.



welcome brandi rudd & jason wallin in to new roles within our state family

State Collection Service is pleased to announce the recent role transitions of Brandi Rudd and Jason Wallin! With new roles as Director of Patient Engagement (Rudd) and Director of Extended Business Office (Wallin), Brandi will oversee all aspects of how our organization manages patient engagement and satisfaction through training, coaching, and best-in-class customer service and Jason will oversee all aspects of our Early Out division across all offices.

Brandi has been with State Collection Service since 2013, starting out as an EBO Manager, quickly becoming Director of Extended Business Office. She has been in the healthcare industry for two decades with experience in third party insurance claims processing, call center and customer service, and overall revenue cycle.

Jason has been with State Collection Service since 2010, starting out as a Third Party Site Manager in our Chicago office and then in 2014 was promoted to Sr. Site Manager of the Extended Business Office for both our Beloit and Milwaukee offices. With over 25 years of customer service and collection experience, he has assisted clients and consumers in both the healthcare and financial services industries.



jason wallin, director of extended business office

ensuring our representatives are properly equipped to help patients

When you hear “training”, you might immediately think of new employee training. Of course, State Collection Service has a comprehensive new hire training program that includes two weeks of classroom training, covering everything from how to log into our network and systems to explaining an Explanation of Benefits to a patient. While this is definitely the right place to start, it’s important to remember that ongoing training and continued employee development as well as career-related professional certification opportunities are equally necessary.

As a company we are committed to a high standard of Customer Service Excellence that drives our continued focus on the training and development of our employees. Ongoing core training around Customer Service Excellence, Insurance and Payment Negotiations, One Call Resolution, and ongoing client system training all assist in building on the foundation of employee development. State Collection Service has invested in our Training Department and ongoing training requests are received daily and reviewed by our QA and Training Team.

Employees within our Extended Business Office have an opportunity to receive nationally recognized professional certification through HFMA’s Certified Revenue Cycle Representative (CRCR) program. We know that our Early Out employees need to have a broader understanding of the entire revenue cycle. The CRCR program is a platform that assists by offering a comprehensive online course consisting of multiple modules. We have tied these modules into a week-long instructor led classroom training. Both the content and exam are updated annually by HFMA.

HFMA’s CRCR program provides employees with the knowledge of the revenue cycle and empowers them to be solution providers, giving them the tools needed to handle a variety of patient questions and concerns. Employees who meet the requirements of this program earn the professional designation of “Certified Revenue Cycle Representative”. The initial test for certification is 150 questions with a maximum of 3 hours to complete. This is a rigorous test and in addition to the week-long instructor led classroom training; some may also choose to study on their own for the test. The certification is valid for 2 years and then re-certification entails another 75-question exam with a maximum time to complete of 90 minutes.

By providing our Extended Business Office employees with training, development and ongoing education, we maintain our high level of commitment to Customer Service Excellence, exceed performance metrics and goals, and continue to succeed in overall client and patient satisfaction.

brandi rudd, director of patient engagement

EurekaLIVE!

enforcing training and shaping employee behavior with real-time analytics



Last quarter, we shared the results from the first 90 days of our use of CallMiner's EurekaLIVE! within our Extended Business Office (EBO) division. These results have been phenomenal with a 22.84% increase in financial/negotiation language, an 11.22% decrease in the customer asking for a call back, a 48.9% increase in our scripted TCPA required language (telephone/cell phone consent), and a 17.5% reduction in risk language! We continue to be excited about the impact this tool has on our overall performance and the customer service we offer our patients and clients.

One of the features of EurekaLIVE! is the ability to provide training "flyouts" to our representatives via the desktop Agent Assistant. These flyouts are all client-specific and some describe it as a "trainer sitting on my shoulder". The flyout helps the representative answer the patient's questions thoroughly and completely, ensuring single-call resolution. When a representative is on a call with a patient, based on the language the patient uses, applicable training tips "fly out" to the representative to assist them. If the patient cannot pay in full, for example, guidelines will appear so that the representative is quickly reminded of the terms for setting up a payment plan for that particular client. Not only does this ensure compliance with our client's policies and procedures, it gives the representative more confidence in handling the phone call, and provides patients with immediate solutions to their needs! In the coming months, we will be expanding the use of flyouts to not only include short snippets about a client's specific processes, but to include hyperlinks that will route representatives to more detailed procedures, if needed, while on a phone call.

Not only has EurekaLIVE! allowed us to enhance our real-time coaching and de-escalation techniques as well as ensure continued compliance and provide our representatives with the tools they need to resolve the account, the technology is also allowing us to improve our ramp-up time for new hires and existing representatives. Because of the flyouts we've created, our teams have been able to improve our call handling times, abandonment rates, and average speed to answer, along with other metrics we establish with our clients. As we continue to work with EurekaLIVE!, we are excited to see what other improvements we can make in our overall training and ramp up, employee retention, and client and patient satisfaction.

CONGRATULATIONS TIM

Vice President of Support Service, Tim Haag, has been elected to the Great Lakes Credit and Collection Association (GLCCA) Board of Directors. GLCCA is a regional unit of ACA International.

"I am honored to have been elected to the Board of ACA International's largest regional unit," said Haag after his election during the association's Annual Conference in Delavan, WI last week. "I am proud to continue the legacy of my grandfather, Hilding Haag, and my father, Tom Haag, who both served extensively at the local and national levels. Equally important, I'm excited to keep State Collection Service at the center of legislative changes and industry growth," he continued.

During their first meeting, the 2017 GLCCA Board of Directors voted to elect Haag the Association's President-Elect. Haag was officially installed by ACA International's current President, Keith Kettelkamp.

Haag holds a Credit and Collection Compliance Officer designation from ACA International and is very involved with the association. Haag was awarded the ACA International Kurt Swersky Leadership Award in 2013 and was recognized as one of Madison's 40 outstanding professionals under 40 by InBusiness Magazine in 2015. He was also closely involved with helping State Collection Service win the 2014 Wisconsin Family Business of the Year Award as well as being named to the 2015 and 2017 Inc. 5000 list of America's fastest growing private companies and the list of 2016 and 2017 Best Places to Work in Collections.



SUMMER FUN WITH STATE



Oh Baby!

*Congratulations to Rachel Vester on the birth of her daughter, Malia,
and to Ruth Podest on the birth of her grandson, Zain!*

Malia Grace Grissom (left) arrived January 10, weighing 7 lbs 5 oz, 20.5 inches long.

Zain Robert (right) arrived August 18th, weighing 8 lbs 6 oz, 21 inches long.

Congrats Rachel and Ruth on your beautiful bundles of joy!

