



REASONS A SIGNED CONTRACT IS IMPORTANT

- There is less of a chance that the person will try to get out of the bill when we can produce a contract with their signature agreeing to pay.
- A person clearly accepts responsibility to pay the account when they sign that agreement. It lessens the customer's most common argument, that 3rd parties are responsible for the bill, when clauses to that effect are put in a contract.
- Having an agreement with a clause for attorney fees means that we are able to sue your account to recover your money due and collect the attorney fees from the guarantor. If there is no signed agreement on file, we have to pay the attorney fees. This means that fewer accounts are sued for clients that have no contracts. When we are unable to recover our attorney fees we require a higher balance in order to initiate a lawsuit, because we have to pay attorney fees, so we need to be able to recover a higher amount on our contingency fee to cover our cost of a lawsuit.
- It is much easier to prove a case in Court when the case is based on a contract signed, rather than just "services rendered" with no agreement. Cases will go to trial much less often when there is a contract in place.
- In an industry where you deal with many 3rd parties to obtain payment (insurance, employers, etc.) it is extremely important that you lay out the customer's financial obligation for the bill in black and white. That way they understand exactly what you expect of them.
- We have found that we have a much higher recovery rate for clients with good patient questionnaires and solid contracts. We have a lower rate of disputed accounts and a much higher rate of voluntary pays. We believe that signed financial agreements play a significant part in determining our effectiveness as a collection agency.
- If there is a signed contract agreeing to it, you are able to add collection fees to your accounts to recover all or part of the money you have to pay a 3rd party collection agency to recover your debt.