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Welcome to Alliance Collection Service, Inc.

Text Messaging As the Next Frontier in Collection Communication January 27, 2010

Forget about cell phone communication for collection calls. The real needle-mover for the ARM industry could be text-messaging -- if current laws are changed.

**by Phill Britt
insideARM
January 27, 2010**

Information technology research and advisory firm Gartner Inc. recently predicted that SMS money transfers will be the number one mobile application by 2012.

Even if money transfers fail to become No. 1 in the next couple of years, there is no denying the growing popularity of utilities for handheld communications devices -- especially text messaging, or SMS. In the six months ending in June 2009, the latest figures available, there were nearly 750 billion text messages sent in the U.S., according to CTIA - the Wireless Association. That was nearly double the number from a year earlier.

Yet rules and regulations have kept text messaging out of the collection industry. Even cryptic text messages -- like asking the handheld device owner to call a phone number -- have been avoided due to fear of violating the law.

[ACSI "A company large enough for what you need, small enough for what you want."](#)

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HEALTHY TIP



YOGA BENEFITS

1. Improved aerobic fitness - Yoga exercises increase the heart and breathing rates for the duration of the practice, usually 1 hour or more, making it an effective cardio-vascular exercise for a healthy heart. In addition through breath control and various yoga exercises yoga helps to increase lung strength and capacity improving oxygen intake for improved mental capacity and reduced muscles and mind fatigue.

2. Improved anaerobic fitness - Many yoga poses are based on the principles resistance exercises. Other yoga exercises help to increase joint flexibility and range of motion. These factors makes them highly effective in building muscle strength, muscles mass and muscle tone which helps to make your body look more toned, fit and healthy. The longer periods of sustained work on the muscles helps to increase the body's stamina and endurance.

3. Fat burning - The body stores fat when more energy (calories) are taken in than are used by the body. Therefore fat loss is achieved through reduced calorie intake, increased calorie burn or a combination of both. Yoga is effective in both. It is effective in reducing appetite reducing the calorie in take. In addition, increased activity, stronger, bigger muscles and increased metabolism all help to increase calorie burn even when no longer practicing yoga. These effects help to reduce body fat and achieve weight loss to reach your ideal body weight.

It is a situation many in the industry hope to change by updating the Fair Debt Collection Practices Act (FDCPA), which went into effect in the late 1970s, when the state of the art of wireless communications was a CB radio. But experts say that any change in this area would have to come from consumers seeking change in permitted methods of communications.

"The top 10 card issuers in the U.S. all use text messaging for fraud and other alerts," said Tim Smith, senior vice president of collections for Firstsource Solutions, based in Mumbai, India, with U.S. collection headquarters in Amherst, N.Y. "But those notices don't come under the same incredible regulatory scrutiny as notices from collection firms."

Under the FDCPA, a communication with a consumer must include a notice that the message is from a debt collector, leading to problems regarding right party contacts and the 160-character maximum length of SMS messages. Another thorny issue is the payment of the message, much like with cell phone contacts. Currently, there is no way for a collection firm to know if a debtor has a plan that includes unlimited calls or text messages. And regulators have determined that if a contact is paid for by the receiver, it is illegal.

FDCPA reform could fix some of the issues. But Roger Knauf, executive director for debt purchasing trade group DBA International, said that health care, the budget, cap and trade and several other issues are likely to be addressed in Congress first. And with mid-term elections in November, little if any legislation is likely to be addressed after July.

One piece of legislation that likely will be addressed before July is the financial reform legislation that is already approved in the House and pending in the Senate. There is a possibility that the FDCPA could be readdressed by the proposed Consumer Financial Protection Agency (CFPA), according to Knauf. But he prefers that any changes be handled directly through Congress rather than through a regulatory agency. Due to the other pending legislative matters and the mid-term elections, Knauf doesn't expect any changes until the next session of Congress at the earliest. Some issues regarding text messages might be resolved using Internet links that would display disclosures and private information only upon entering information like a PIN and password.

But whether such a communication would be considered lawful has yet to be tested in the courts, said Smith and David D. Cherner, ACA International legal counsel and director of state government affairs. And collection firms don't see the potential risk being worth the reward of lower costs.

<http://www.insidearm.com/>



4. Back pain relief - Despite popular thought, exercise is an essential part of back health and the treatment of back pain and sciatica. Yoga exercises that focus on back bends and back twists strengthen back muscles, increase back flexibility and realign vertebrae and disks in the back. The movement increases the flow of nutrient rich fluid circulation to the spine speeding the recovery of damaged soft tissues.

5. Improved posture - Yoga helps to strengthen back, neck and shoulder muscles used to support the weight of the upper body and head. Yoga also helps the practitioner become more aware of their body and alignment. These 2 factors help to improve body posture, making you appear more confident and attractive.

6. Improved metabolism - The message and stimulation to the organs and glands help to regulate their function and secretions. One effect of this is improved digestive function, appetite suppression and increased metabolism all of which helps to regulate your weight to a natural level.

7. Improved concentration - The meditative effects of yoga help to bring mental calmness, mental focus and clarity. This helps to improve concentration for both your work and leisure activities.

8. Improved emotional health - The meditative effects of yoga bring a calmer mind, improved sleep, more pleasant thoughts and positive emotions.

9. Improved immune system - Through improved secretions from glands, increased red blood cell count and decreased white blood cell count, the immune system is improved helping to reduce the incidence and severity of illness.

10. Treatment of chronic illness - Some yoga masters profess the ability to develop specific yoga routines to treat chronic illnesses such as asthma, arthritis, diabetes, high blood pressure, depression and other mental illness and many more.

<http://www.totalyogapractice.com/YogaTopTens/TopTenYogaBenefits.php>

FDCPA Lawsuits Reach Record Levels in 2009

ACA members have undoubtedly read about the record-level number of lawsuits filed in 2009 alleging violations of the Fair Debt Collection Practices Act (FDCPA).

Lawsuits alleging FDCPA violations in 2009 reached 8,300, which far exceeded the 2008 mark of 5,188 according to U.S. district court complaint docket information supplied to ACA by the FDCPA Case Listing Service. For the calendar year of 2009, there were a total of 9,307 plaintiffs. California led the country with 1,446 plaintiffs followed by New York (1,123),

Failure: A Cornerstone of Success

I recently experienced a professional failure that threatened my confidence, my positive self-esteem and my naturally optimistic outlook. Without going into too much detail, let me just sum up the experience by saying that it was a disappointing end to a sales project I spent a lot of time on. Two years of relationship building failed to overcome simple economics. For a few days, I took it very badly.

Then one day, not too long ago, I picked up a copy of January's Wired magazine. This periodical usually contains articles on gadgets, new technologies, the internet and gaming. However, this month's issue featured a number of stories about snatching success from the jaws of failure. Most of the examples were from the fields of science and technology, but it did get me thinking. Why do we usually see failure, both professionally and personally, as an exclusively bad outcome? Is it hardwired into our DNA to become emotionally crippled by circumstances that don't turn out like we thought they should? And more importantly, what can we do about it?

After going through my recent setback, I spent some time evaluating the situation and came up with a few thoughts on the subject of failure. I think most of these ideas are common sense. The challenge comes from making yourself aware of them on a daily basis and putting them into practice.

* Failure is universal. - Don't ever get caught up in the idea that you are the only person in the world that, "can't seem to get things right." History books are filled with failures and missed opportunities. In fact, this phenomenon is so common, it has become a cliché. Some of our greatest leaders and scientific minds experienced years of failure before finding success. More often than not, their achievements came out of the very failures they were so afraid of.

* Failure can be an invaluable roadmap if you let it. - We have all heard the phrase "lesson learned." Most intelligent people look for ways to avoid continued failure and disappointment. However, this doesn't mean that you won't find yourself experiencing multiple "wrong turns." It just means that the pursuit of excellence is a journey. The tragedy is when we don't face reality and continue to go down dead end streets. It is not as easy as it seems. The hardest habits to break are the bad ones.

* Give it some time. - We all need more self-examination. All too often we try and "fix" a failure or negative outcome by going right back into the same pattern of behavior or thinking that got us there in the first place. It is critical that each of us take the time to figure out what went wrong and why. Getting back on the horse that bucked you is certainly the right attitude. Just

Florida (894), Pennsylvania (792), and Illinois (762). The number of plaintiffs in California, New York and Florida for 2009 equaled the number of cases filed in the United States for the entire calendar year of 2007.

Almost half of the suits filed alleged violations of the FDCPA related to leaving messages for consumers.

Ken Dulaney
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OPINION

RAC - Recovery Audit Contractor

In the unlikely event that some of our medical friends have not yet heard, our government, namely CMS, has devised a system to recover money with little or no incentive to be "provider friendly".

The Centers for Medicare and Medicaid Services, utilizing the authority given it in Section 302 - Tax Relief and Health Care Act of 2006, has begun to expand it's pilot program dubbed the "RAC" program or "Recovery Audit Contractor" program. This program secures the services of outside agencies to audit medical provider's medical records for Medicare discrepancies.

We will be working to bring you the details of this program in order to help you to understand what it entails but this is what we know so far:

CMS selected 4 states, and four agencies to conduct the trial program. It was said by some that the program would return funds to the Medicare Trust Fund and identify "overpayments" AND "underpayments." Keep that in mind. In those four states, \$1.3 billion dollars was recovered. \$992.7 million went back to Medicare and only \$37.8 million went back to providers.

The program falls under HHS and was originally called "The Medicare Modernization Act of 2003" which established the Medicare Recovery Audit Contractor Program and the Secretary was required to expand the program to all 50 states by 2010.

At first glance this appears to be a very

make sure you both have time to settle down a bit first.

* Blaming others is a waste of time. - Failure is usually a product of more than one person's actions. While it is certainly true that most failures are not strictly personal, it is also a fact that becoming fixated on someone else's contribution to a negative outcome is always harmful. You are not going to "fix" them. You can't solve their problems. Focus on your role and your responsibilities. This is what it means to lead by example. This behavior usually breeds future success in yourself and others.

* Know when to admit defeat. - Salespeople are probably more guilty of this than any other group of professionals. We want to "close the deal" so badly that we fail to recognize when the answer is already NO. If we spin our wheels too long waiting on the answers or outcomes we want, we often times miss out on new opportunities.

* Failure is rarely total. - I hear people say, "that was a total failure," way too often. Usually we gauge success or failure on the final outcome alone. Most of us have a very destructive tendency to forget all the components that actually worked. Taking stock of what went right is just as important as recognizing what went wrong.

It is so easy to get frustrated when things don't turn out like we plan. However, it is important that we don't get stuck in that frustration and miss out on the next great opportunity. The rewards for success are often greatest when they come out of a past failure.

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one-sided program. The agencies income is commission based and their incentive is to capture as many dollars as possible, it would appear. They work on a scale based on the size of the practice. For instance, at this time a one-doctor practice could expect to have 15 of their Medicare filings audited in a 45-day period. Once an auditor flags an error, there are 5 levels of appeal, the top level being the United States District Court.

This program will no doubt have a tremendous impact on a medical industry that is already stressed to say the least. We hope to provide you with information in coming weeks to help you better manage compliance and self-audit. Until then, good luck and do your homework.

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