

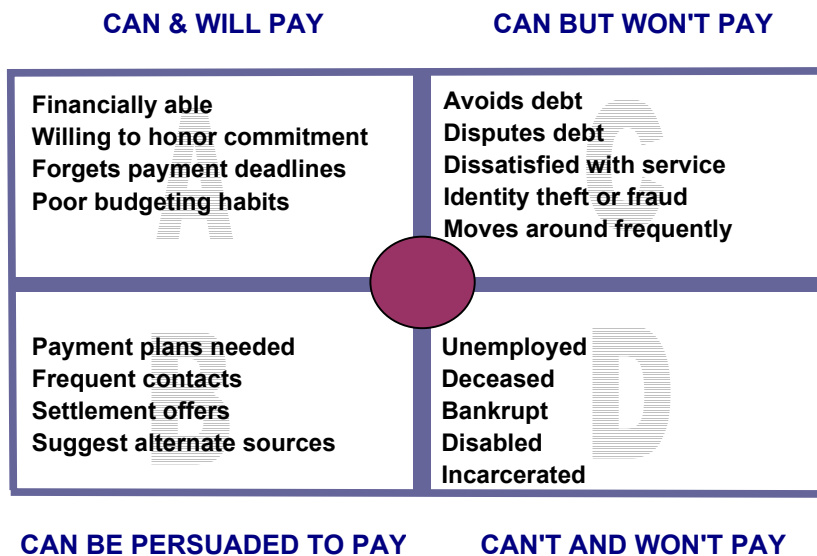


Objective: Maximize Account Recovery

Strategy: Allocate Resources in the MOST effective manner

Process: Quickly identify a consumer's ability and willingness to PAY

Consumer Categorization Model



What percentage of delinquent receivables will fall into each category above? This is unknown until the recovery process begins at eRS.

The higher percentage of receivables in C or D categories, the lower the recovery dollars. The higher percentage of receivables in A or B categories, the higher the recovery dollars.

What other variables contribute to the likelihood of recovery?

1. A/R type, i.e. healthcare, government, retail, rental, utility/telco or commercial
2. A/R age, i.e. length of time from date of service/sale
3. A/R balance
4. Extent of recovery efforts prior to outsourcing to a professional service
5. Quality of consumer/patient locating/contact information
6. Accuracy of accounting on the creditor's part