

The Collection Connection

OFFICIAL NEWSLETTER OF THE MID-ATLANTIC COLLECTORS ASSOCIATION

2011 - 2012
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June 2011

MACA NEWS

Spring Fling attracts new faces

MACA's Spring Fling '11 event held May 2-3 at Philadelphia's Sheraton Society Hill drew numerous first-time participants eager to attend both the 3CO seminar sessions, and enjoy the networking opportunities, which are part of MACA's face-to-face meetings.

Day one concluded with a cocktail reception sponsored by **CoreLogic Safe Rent, Focus1, Global Connect, Ontario Systems, and PSC Info Group**. The relaxed setting provided the perfect environment for one-to-one discussions between vendor sponsors and our attendees. Vendor support of our events amplifies the value of MACA events, and we appreciate their continued involvement on behalf of our members.

ACA's 3CO seminar presented by Harry Strausser and Leslie Bender took place Monday afternoon, and Tuesday morning. Tuesday concluded with MACA annual meeting and elections resulting in

the following individuals being elected to a one-year term to the Mid-Atlantic Collectors Association's Board of Directors:

Harry Albert: *MRS Collections*
Trace Anderman: *NCO Financial Systems*
John Fisher: *Keystone Credit Collections*
John Kotula: *Commonwealth Financial Systems*
Steve Kusic: *National Recovery Agency*
Donna Nicholson Stief: *Credit Bureau of Lancaster Co.*
Rick Perr: *Fineman Krekstein & Harris, P.C.*
Jim Simmermon: *Collection Service Center*
Harry Strausser III : *The Remit Corporation*
Ed Torchia: *Denovus Ltd.*

David Winters: *Delmarva Collections*

Following the annual meeting, the newly elected board convened for a brief business meeting. Officers serving a second year of their two-year term of office are Harry Strausser (President), David Winters (Vice President), Jim Simmermon (Treasurer), and Harry Albert (Secretary).

Next year's annual meeting moves to the Baltimore-area, but don't wait until then to join us for networking and education. September 18-20 we co-host NEDCC '11 with the New York State Collectors Association at Caesars Atlantic City! Over 20 vendors are expected to exhibit during the 3-day event. Included in this newsletter are the registration form and draft program. The planning committee knows it will be another dynamic event, and we hope to see many



Clint Laubaugh (left) of Global Connect discusses service needs during the Spring Fling reception.

President's Message

Sharpen Your Saw!

We are living in a technologically advanced culture. Those of us that can remember business life in the 60's and 70's have experienced technological change like no other generation. Some of us have embraced these changes and some have been reluctant endorsers, either way our lives are much different today. We have more data and resources at our fingertips, available in just moments, than at any time in history. Business success is directly related to our ability to understand and incorporate current resources into our companies.

My business partner just purchased an iPhone recently. I have seen them advertised and have known some colleagues that have them, but since he purchased his device he has provided me with a daily lesson in what this incredible little rectangular piece of equipment can do. The mantra in our office right now is "I bet there is an App for that"! And, undoubtedly there is!

He can point his phone at the stars at night and an app will tell him which constellation he is viewing. When he forgets where he parked his SUV he presses a button and a GPS program displays a map of our town with a pinpoint to where his vehicle is situated. Another app allows him to remotely open and lock his car and even start it from any location in the world. He is a musician and he has found countless apps for music and even an app to help him tune his instruments. Currently he is searching for an app that will allow his iPhone to vacuum his home, and start dinner before he arrives... I'm sure there will be one soon!

There are so many resources for iPhones, it is literally mind boggling. You may not want to run to your local cellular dealer to invest in one of these life changing technologies, but I'm sure on a daily basis you encounter business

challenges for which you could use some guidance. The Mid-Atlantic Collectors Association exists solely for the purpose of enhancing the business environment of our members and for representing your best interests locally, regionally and nationally. Do you know if we have an App for your current need?

We can't know what technology can do for us until we explore it, test it, investigate it and embrace it. You can't know what MACA can offer to you until you take the step to become active in your association. I bet you are busy. I'm sure you have a full plate of challenges and issues that dominate your every day. I have no doubt you would like some help with those business challenges. Lean on MACA for support.

Some of you may be familiar with the popular analogy offered by Steven Covey where he talks about a lumberjack sawing a piece of timber in the woods. A man comes along and watches the lumberjack sawing for hours on one log and notes that the saw is very dull from years of use. It would have a tough time cutting through butter! He tells the lumberjack to stop for a brief period and sharpen his saw. Then, he will cut through the timber easily and quickly. The lumberjack looks around him at the woods and says, "Sir, I have far too much work to do today to stop and sharpen this saw. Just look around you!"

If you missed Spring Fling '11, our next regional meeting for MACA will be held September 18-20 in Atlantic City. There is more information on the event in this newsletter. I'm sure many of you will look at the promos for this meeting and think, "I'm too busy then." Or, "I can't afford to be out of the office." Or, "We're just a small company and need everyone here." We all need to sharpen our saws--make a commitment to attend this meeting where we are featuring many nationally recognized

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Want to receive the Collection Connection via e-mail?
Visit midatlanticcollectors.org/html/press.html and use the easy sign-up option.

MACA NEWS

Sharpen Your Saw, continued from page 3

speakers. Your skills will not only be enhanced, but by networking with your industry peers your attitude will be lifted and you will develop a sharper, more tuned, understanding of answers to the challenges that plague your operation! Join us and learn! ♦

Sincerely,

Harry Strausser III, MACA President
The Remit Corporation
Board of Directors, ACA International



(Left to right) Harry Strausser, Michael Lamm, and Rick Perr during the networking session at Spring Fling.

NATIONAL NEWS

Lessons Learned from 2011 Data Security Enforcement Activity

Leslie Bender, IFCCE

On February 22, 2011, the U.S. Department of Health and Human Services (HHS) issued its first civil monetary penalties under the Health Insurance Portability and Accountability Act of 1996 (and related regulations, collectively "HIPAA") against CIGNET in the amount of \$4.3 million. The underlying HIPAA problems: CIGNET failed to respond to 41 members' requests for copies of their health information and failed to cooperate with HHS in its investigation, including a failure to respond to the members' HIPAA guaranteed rights to obtain copies of their health information. Two days later Massachusetts General Hospital settled a pending HIPAA enforcement investigation by voluntarily paying \$1 million and entering into a Corrective Action Plan to shore up its compliance efforts. In the Mass General situation the underlying HIPAA problem: an employee commuting left patient scheduling and billing records on 192 patients on a subway train, which records were never recovered. Two weeks later HHS unfolded a well developed plan to begin educating State Attorneys General on HIPAA to position the Attorneys General to flex the enforcement muscles they gained under the HITECH Act amendments to HIPAA at the state level. Although to

date only Connecticut's Attorney General has brought a HIPAA enforcement action, with HHS' encouragement and educational workshops, all the Attorneys General will be prepared to enforce medical privacy using HIPAA's significant civil monetary fines.

These actions and HHS's April roll out of in servicing of the Attorneys General signals an end to the "enforcer with a heart" era that has prevailed since enforcement under HIPAA began back in April, 2003. Congress and the media have consistently been critical of HHS and the Office for Civil Rights in particular for their weak approach to making the standards and specifications under HIPAA's Privacy, Security and Transactions and Code Sets Rules a reality.

When you consider the underlying facts in the two recently publicized enforcement actions, most businesses that deal in confidential consumer financial and health information would be hard-pressed not to experience concern over incurring formidable fines and penalties from a regulator in a situation in which a consumer's request for information is inadvertently overlooked or a situation in which a well-intentioned employee takes work home and misplaces a file or record. These are essentially human errors that despite the best of intentions can occur.

Meanwhile, literally tens of thousands of websites encourage internet surfers to share or "disclose" information, blow the whistle on suspected bad actors – sometimes with offers of cash rewards and social networking sites, blogs, the proliferation of phones containing still and video cameras create an environment in which some of your organization's

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NATIONAL NEWS

Lessons Learned from 2011 Data Security Enforcement Activity, continue from page 3

most precious and proprietary secrets and confidential information can find its way into the public domain in milliseconds.

Recognizing that it is impossible to conduct a credit or collections business without sensitive consumer information and without proprietary tactics and strategies, what can and should you think about doing to minimize the risk that what you wish to retain in confidence stays that way? To follow are five practical suggestions:

- 1. Take the Laws and Regulations, Including Privacy and Data Security Laws Seriously.** While it will never be possible to eliminate all risks of improper disclosure of that information you do not want disclosed, it is critical for you to be familiar with what you are expected to do under state and federal laws and to use the standards and specifications in those laws as the foundation and structure of your compliance efforts. It is not necessary for your workforce to be able to recite the specific laws and regulations, but it is necessary for them to have a working knowledge, practically related to their jobs and positions of these laws.
- 2. Believe that One Employee's Poor Judgment or Error can Expose you to Significant Risk.** Nobody from the top executive to the part time summer hourly employee is immune from exposing your organization to significant risk if that person fails to recognize and prevent against causing a privacy or data security incident. When you design compliance or training programs, assure everybody is included.
- 3. Never Underestimate the Value of Training and Documentation.** Numerous studies document the value of training. Not only is it documented that employees working in companies that invest in appropriate training tend to stay in those companies and remain productive in those companies longer

than employees in companies that do not, but companies that invest in meaningful training experience considerably lower costs in fines and penalties, distraction from core competencies to react to problems and waste less time on rework or not to mention experience lower customer churn. According to a recent IBM analysis, the three categories where training can provide a measurable return on investment are revenue generation, productivity/performance improvement and cost reduction. Design and implement training programs that are meaningful to your workforce and at a minimum emphasize to each member exactly what they should do if something seems to be going wrong. Finally, take the time to write readily digestible policies, procedures and work instructions and locate them centrally so that your workforce can review them when relevant and apply them to situations as they occur.

- 4. Design and Conduct a Risk Assessment.** Whether you choose to use one of the countless tools or templates readily available or engage an expert to come in and assist you, develop a strategy for evaluating how close or far your current operations and controls are from where you need to be to assure your confidential information is well protected and is available when you need it. Many experts feel what gets measured gets done – so develop benchmarks and use standards and specifications to continually assess and improve on your privacy and data security compliance efforts. Each time an incident occurs, reflect on past risk assessments and assure that in future ones you zero in on lessons learned to assure the corrective measures you put in place are effective.

- 5. Put Somebody In Charge.** It is critical to identify one or a small

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COLLECTION CONNECTION

THE OFFICIAL NEWSLETTER OF THE
MID-ATLANTIC COLLECTORS ASSOCIATION

2011 MACA MEMBER AD RATES

Rate listed equals cost per issue

Size	1x	4x
Full Page 7.75" x 10"	\$400	\$240
2/3 Page (V) 5" x 10"	\$275	\$200
Half Page (H) 7.75" x 4.875" (V) 3.75" x 10"	\$200 \$200	\$120 \$120
1/3 Page (H) 5" x 4.875" (V) 2.437 x 10"	\$150 \$150	\$100 \$100
1/4 Page (H) 7.75" x 2.3125" (V) 3.75" x 4.875"	\$100 \$100	\$60 \$60

2011 NON MEMBER AD RATES

Rate listed equals price per issue

Size	1x	4x
Full Page 7.75" x 10"	\$600	\$400
2/3 Page (V) 5" x 10"	\$400	\$300
Half Page (H) 7.75" x 4.875" (V) 3.75" x 10"	\$330 \$330	\$225 \$225
1/3 Page (H) 5" x 4.875" (V) 2.437 x 10"	\$225 \$225	\$150 \$150
1/4 Page (H) 7.75" x 2.3125" (V) 3.75" x 4.875"	\$165 \$165	\$100 \$100

Pricing assumes color ads
No bleeds accepted
Send your color hi-res PDF or eps
(proportionately sized) along with the
number of times ad is to appear to:
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ROSE M. JEFFRIES
MID-ATLANTIC COLLECTORS ASSOCIATION
116 FOREST DRIVE
CAMP HILL, PA 17011
PHONE (717) 730-9745

NATIONAL NEWS

Lessons Learned from 2011 Data Security Enforcement Activity, continue from page 4

number of people in your workforce to whom you want the remainder of your workforce to head when trouble is detected. This go-to person needs to have excellent investigative skills and a desire and commitment to keep current with the dynamic state and federal legal climate relative to privacy and data security. Your key privacy/security person (depending upon the size and complexity of your organization these do not necessarily need to be the same person) can be available to interact with your vendors' and clients' privacy officers as well as with your customers.

Leslie Bender currently serves as ACA International Treasurer and frequently appears as a program presenter at MACA-related events speaking on topics relevant to today's regulatory environment. Bender may be reached by telephoning (410) 453.4123 or (800) 444.2310. ◆

FTC Hosts Technologies Workshop

*Thomas D. Simmermon, CEO
Collection Service Center, Inc.*

On April 28, 2011, the Federal Trade Commission hosted a day-long conference – *Debt Collection 2.0 – Protecting Consumers As Technologies Change*. David C. Vladeck, Director of the Commission's Bureau of Consumer Protection welcomed the attendees and outlined the goals of the event. The primary purpose of the day was to examine how the debt collection industry is utilizing new technologies and how that is impacting consumers.

Panels were convened to discuss various topics related to the technology theme. Each panel was moderated by an FTC staff person and was made up of representatives from the collection industry, consumer advocates, and plaintiff attorneys. Occasionally, an expert

from academia or a research analyst was added to a panel. The purpose was to get divergent opinions that I presume the FTC will use to inform their opinions as these technologies evolve. The topics included:

- Skiptracing
- New Telephone Technologies (Dialers, Texting, etc.)
- Registered Email Communications
- Social Media
- Future Technologies

Industry participants on the panels included Valerie Hayes, ACA International; Zafar Khan, RPost U. S., Inc.; Rich Turner, DANTOM Systems, Inc.; James R. Adamson, Columbia Ultimate; Chad Benson, CBE Group; Brian Cutler, Ontario Systems; John Watson, ARS National Services, Inc.; and Denise Norgle, TransUnion.

Aaron Smith, Senior Research Specialist with Pew Internet and American Life Project, made a presentation on *Trends in Cell Phone Usage and Ownership*. About 25% of all households in the U. S. are mobile phone only and have no landline. That percentage is even higher among young adults (especially those ages 24 – 29), low income (poverty line or below), and in Latino/Hispanic households. This figure has more than doubled in just the past four years. Mr. Smith's complete presentation can be found on their web site at www.pewinternet.org. Enter the name of his presentation in the search field to find it.

It was a full day of interesting discussion that will likely shape future regulation of our industry. Hopefully, those who could not attend in person were able to watch the proceedings on the FTC webcast. ◆

Welcome New Members

Agency Members

Ability Recovery Services, Ltd., Wyoming, PA
Seiler & Associates, LLC, Trevese, PA
Kalmia Consulting, LLC, Monkton, MD

MAP Member

Richard J. Perr, Esquire
Fineman Krekstein & Harris, P.C.

Affiliate Member

LexisNexis, Alpharetta, GA





SEPTEMBER 18-20, 2011
CAESARS ATLANTIC CITY
2100 Pacific Avenue
Atlantic City, NJ

SEPTEMBER 18-20, 2011

PROGRAM AGENDA

SUNDAY, SEPTEMBER 18, 2011

- | | |
|-----------|--|
| 1:00-5:00 | NY, NJ and MACA BOARD MEETINGS |
| 1:00-6:00 | VENDOR SET-UP IN EXPO HALL |
| 6:00-7:00 | EXPO REGISTRATION (EXPO HALL) |
| 6:00-8:00 | EXPO HALL GRAND OPENING & COCKTAIL RECEPTION |

MONDAY, SEPTEMBER 19, 2011

- | | |
|-------------|---|
| 7:30-8:30 | EXPO REGISTRATION & CONTINENTAL BREAKFAST (EXPO HALL) |
| 8:30-9:15 | OPENING SESSION: David Yoho (Professional Educators Inc.)
<i>David Yoho is one of the nation's leading authorities on telephone sales, service and collection, providing systems, consulting and coaching for executives, managers and staff in hundreds of companies.</i> |
| 9:15-10:15 | ACA FEDERAL ISSUES UPDATE (Mark Neeb, IFCCE, ACA President-Elect) |
| 10:45-12:00 | STATES UPDATE: David Cherner,, ACA's Director of State Government Affairs |
| 12:00-1:00 | LUNCHEON |
| 1:00-2:00 | MARKET OR DIE - 5 Marketing Tools for the Collection Industry
Jon Goldman, President (Brand Launcher) |
| 2:10-3:10 | COLLECTIONS/SUPERVISORS/MANAGEMENT: Donna Nicholson-Stief
Executive Director, Credit Bureau of Lancaster County, Inc. |
| 3:30-5:00 | BEST IDEA SESSION
Dwayne Heisler, Executive VP, The Remit Corporation |
| 6:00-7:30 | COCKTAIL RECEPTION & ACPAC BOTTLE AUCTION |

TUESDAY, SEPTEMBER 20, 2011

- | | |
|-------------|--|
| 8:00-9:00 | CONTINENTAL BREAKFAST |
| 9:00-10:15 | HOW NOT to GET SUED: Jack Gordon (Recon) |
| 10:30-11:45 | BEST PRACTICES & HOT TOPICS: FDCPA, FCRA, and TCPA (Panel)
Moderator: Richard J. Perr, Esquire (Fineman Krekstein & Harris, P.C.) |
| 12:00 | NEDCC EXPO ADJOURNS - LUNCH ON OWN |



September 18-20, 2011
 Caesars Atlantic City
 2100 Pacific Avenue
 Atlantic City, NJ

Join the Mid-Atlantic and New York Units of ACA
 International in Atlantic City for a multi-state
 collection Expo!

Attendees will include ACA members located in Delaware • Maryland
 New Jersey • New York • Pennsylvania • District of Columbia

Open to members and non-members of ACA.

ATTENDEE REGISTRATION FORM

Please note deadlines for hotel reservations, and event registration.
 Complete a separate enrollment for each attendee.

Full Name Title Nickname for Badge E-mail address for event confirmation

Company Name Telephone Fax

Mailing Address City State Zip

REGISTRATION RATES

	By 7/30	By 8/22	After 8/22
ACA Agency/Creditor/Retired Member	\$225	\$250	\$375
Agency or Creditor Non-Member	\$325	\$350	\$450
ACA MAP Attorney	\$225	\$275	\$425
Non-Member Attorney	\$325	\$350	\$450
Additional Attendee of Enrolled Exhibitor	\$225	\$250	\$375
Service/Product Providers Not Enrolled as Vendor	\$500	\$600	\$700

Your ACA Membership Number: _____

(Only required for Agency, MAP, Creditor or Retired rate)

Signature for faxed registration: _____

Signature is considered binding. Payment due 9/25, otherwise, late registration rate is due.

Fax Number for Signed Registrations: (717) 730-6786

Payment due no later than 8/25. No credit card payments accepted.
 A faxed registration form is considered binding.

Enclosed is my check in the amount of \$_____ payable to MACA. I understand that my hotel reservation is not included, and must be secured by me. Registration entitles me to: Sunday & Monday receptions, Monday & Tuesday program, continental breakfast, break, and meeting materials made available on-site.

Also register my spouse for the Sunday and Monday receptions. Enclosed is \$50 for his/her registration. Name for Spouse Badge: _____

Please complete all portions of this form, and return by the deadline above noted to take advantage of the early bird registration rate. Mail this form along with your **check made payable to MACA** and forwarded to:

MACA
 116 Forest Drive
 Camp Hill, PA 17011

QUESTIONS? Telephone **Rose Jeffries** by dialing **(717) 730-9745**. No refunds will be issued. Fax enrollments **will be accepted ONLY if registration form is signed. Fees due August 21, otherwise highest registration fee applies.** Substitutions permitted **only if received prior to September 14.**

HOTEL ROOMS: \$129++ per night in Caesars Atlantic City's Centurion Tower for the nights of Sunday, Monday, and Tuesday, September 19, 20, or 21. To make **your reservation before the cut-off date of August 11, 12:00 Noon**, telephone Caesars Reservations Department by dialing 1 (800) 345-7253, M-F during normal business hours and identify yourself as being with **NEDCC or Northeast Debt Collection Conference. PARKING (subject to change):** Per stay self-parking, \$5. Valet for overnight guests, \$10.

ENDNOTES



Resident Services program offered by Colorado Wyoming Unit

The **Colorado and Wyoming Unit of ACA International** now offers **Resident Office services**, at a reduced rate, for ACA members!

To review the Agent Registration Form and Service Agreement, visit <http://acacowy.org/id113.html> and **scroll to the bottom of the web page** to download appropriate pdf documents.

If you have any questions regarding this service offered through the **Colorado and Wyoming Unit**, contact Kathy Smaldone, Executive Vice President, Associated Collection Agencies, Inc., by telephoning (1) 303-942-0099. ◆



States Update

Links for ACA/MACA Members Only

State FDCPA Enforcement Legislation Passes in Indiana

<http://www.acainternational.org/governmentaffairs-state-fdcpa-enforcement-legislation-passes-in-indiana-19097.aspx>

The state attorney general will be able to enforce federal law under the state's unfair and deceptive acts statute.



ACA Testifies and Submits Comments Responding to Proposed Regulations in Massachusetts

<http://www.acainternational.org/governmentaffairs-aca-testifies-and-submits-comments-responding-to-proposed-regulations-in-massachusetts-19098.aspx>

Proposed amendments to state debt collection regulations impact creditors and their agents.

Washington Passes Favorable Legislation

http://www.acainternational.org/8640_2505482_q_governmentaffairs-aca-attends-democratic-attorneys-general-association-spring-conference-19099.aspx

The Washington state legislature passed two bills impacting collection activities in the state.