

## news release

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### **PredictiveMetrics Launches MedicalRecovery Score™**

*The Predictive Decision Tool Designed Specifically for Recovering Medical Debt*

TINTON FALLS, N.J. – July 2007 – PredictiveMetrics™ (PMI) a leading provider of statistical scoring solutions introduces MedicalRecovery Score™, statistical model for recovering medical debt. MedicalRecovery Score™ provides three scores on debtors. The first is the traditional probability that a debt will be paid in a given amount of time, the second predicts the amount that will be paid, and the third predicts the expected liquidation of balance. This combination of receiving a payer score, dollar score, and a liquidation score as well as the extensive reporting PMI provides gives an agency a superior tool for prioritizing medical debt, while expending collection resources and personnel more effectively.

For many agencies medical recovery is their entire business or a substantial portion. “With margins smaller and recoveries harder, PMI recognized the demand to have a decision tool designed specifically for recovering medical debt. A model developed primarily on medical charged-off data is a much more powerful predictor of medical liquidation than a model that uses various types of bad debt with different payment characteristics,” states Ted Shalack, director of analytical services and consulting actuary, PMI.

MedicalRecovery Score is an empirically derived, multivariate statistical model that was developed by using payment behavior specific to charged-off medical debt. PMI applied proprietary statistical techniques to more than five million observations and blended it with socio-economic and demographic data supplied by PMI. The information is specific to medical debt, age and balance, as well as the prior performance of the agency involved. No bureau data is required to produce these accurate scores. An agency's own internal medical placement data, which is readily available and free, is the driving force of the model's predictiveness.

In addition to providing clients with payer scores, dollar scores, and liquidation scores, PMI provides advanced reporting allowing customers to base collection strategies on cost and impact. The model scores and reports are straight forward and easily accessible via secure FTP. File transfer typically occurs through encrypted FTP exchange, minimizing IT resources. To ensure ongoing model predictiveness and profitable results, MedicalRecovery Score is continually validated and refitted.

To demonstrate MedicalRecovery Score's effectiveness, PMI offers a free retrospective analysis to prospective clients. This analysis takes historical placement data from the client's own portfolio to prove how well MedicalRecovery Score predicts payments and amounts. As a means of evaluating changes in scoring approaches, this analysis also allows the client to compare results with any other scoring method that it may currently have in place.

MedicalRecovery Score joins a suite of PredictiveMetrics' other collection scoring products including UltraRecovery Score™, UtilityScore™, and DebtBuyerScore™.

### **About PredictiveMetrics**

For more than ten years PredictiveMetrics, Inc ([www.predictivemetrics.com](http://www.predictivemetrics.com)) has been a leading provider of statistical-based predictive scoring solutions for recovery, debt buying, accounts receivable risk management, and underwriting. Working with customers in an array of industries, PredictiveMetrics' customer focus is to work with clients to create a strategic relationship ensuring their resources are optimally utilized to make automated, knowledge-based, profitable decisions that are proven accurate through statistical validation. PredictiveMetrics utilizes proprietary software and state-of-the-art hardware, designed specifically to conduct vigorous and sophisticated analytics coupled with innovative, advanced statistical techniques. Applying customers' business expertise together with PredictiveMetrics' data, modeling, and resource capabilities allows PredictiveMetrics to provide decision support systems to companies worldwide. PredictiveMetrics is headquartered in Tinton Falls, NJ. For more information, please visit [www.predictivemetrics.com](http://www.predictivemetrics.com) or call 732-530-9303.