MEET GRIMLEY FINANCIAL CORPORATION

August 27, 2026

INTRODUCTION

GRIMLEY FINANCIAL
CORPORATION

Beyond the fee.
Beyond gross liquidation.
Measure what comes back.

REPORTING & ANALYTICS

August 27, 2026

Measuring True Net Back Performance

Reporting & Analytics Tools Healthcare Institutions Should Request from Collection Vendors

A practical framework for evaluating vendors on what your organization actually retains, not simply what a vendor charges.

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Beyond the fee.
Beyond gross liquidation.
Measure what comes back.

BEFORE WE COMPARE FEES

What Actually Determines a Collection Agency's Fee?

A CONTINGENCY RATE REFLECTS THE OPERATING MODEL BEHIND THE RECOVERY EFFORT

01 Inventory Economics

Account age, balance mix, volume, historical collectability, and placement consistency.

02 Technology Investment

Modern dialer and communication tools, payment technology, analytics, integrations, security, and automation.

03 Staffing Model

In-house vs. offshore or outsourced labor changes, direct labor cost, oversight, training structure, and scalability.

04 Compensation & Benefits

Wages, incentives, healthcare/PTO, training, career paths, and retention programs are part of the cost to staff the work.

05 Compliance & Quality

Licensing, audits, call monitoring, QA, legal/compliance support, documentation, and ongoing training.

06 Client Requirements

Custom reporting, dedicated support, service levels, integrations, hours of coverage, and patient-experience expectations.

The fee tells you what the vendor charges. The operating model helps explain why. Net back tells you whether the model creates value.

OPENING QUESTION

The Question We Should Be Asking

Are we evaluating collection vendors on the metric that actually reflects value to the healthcare institution?

1 What did we place?

Inventory mix, balance size, age, payer/patient segment.

2 What came back?

Cash recovered after the vendor's fee and approved costs.

3 At what risk?

Patient experience, complaints, compliance, and operational burden.

The strongest vendor is not always the lowest-fee vendor.

WHY THE COMMON COMPARISON FAILS

Stop Measuring Collection Agencies on Fee Alone

FEE IS AN INPUT — NOT THE OUTCOME

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Agency Fee	Gross Liquidation	Net Back
20%	22.0%	$17.6M
Easy to compare	Better, but incomplete	Decision-ready metric

A fee-only comparison assumes vendors recover the same dollars from comparable inventory — a condition that should be tested, not assumed.

Ask: "What do we retain after fees on comparable patient accounts?"

CORE METRIC

Net Back: The Metric That Matters

MAKE THE ECONOMICS TRANSPARENT

NET BACK = Cash Recovered − Vendor Fees − Approved Costs

A Normalize

Calculate net back as dollars and as a % of placed portfolio.

B Compare

Evaluate on matched inventory, segments, and time windows.

C Trend

Track monthly, quarterly, and cumulative performance.

Net Back answers the executive question: "How much value did this placement create?"

ILLUSTRATIVE COMPARISON

Example: Lower Fee vs. Higher Net Back

SAME DOLLARS ASSIGNED — DIFFERENT OUTCOME

Metric	Vendor A: Lower Fee	Vendor B: Higher Fee
Dollars Assigned	$100,000,000	$100,000,000
Gross Collections	$18,000,000	$22,000,000
Agency Fee	15%	20%
Fee Dollars	$2,700,000	$4,400,000
Net Back	$15,300,000	$17,600,000
Net Back %	15.3%	17.6%

+$2.3M more net back

A higher fee can still produce a better financial result when recovery performance is stronger.

AVOID FALSE WINNERS

Why Gross Liquidation Can Also Be Misleading

LIQUIDATION RATES NEED CONTEXT

1

Balance Size

$250 vs $2,500

2

Account Age

90 vs 360 days

3

Placement Timing

Monthly vs weekly vs batch

4

Patient Mix

Self-pay / insurance

Two vendors can post very different liquidation rates because they received very different inventory, not because one executed better.

Never rank vendors on a blended liquidation rate without first checking the inventory mix.

CONTROLLED TESTING

Patient Alpha Split: Creating a Fair Vendor Comparison

ONE PORTFOLIO. TWO VENDORS. COMPARABLE PATIENTS.

HOW DO WE GIVE EACH AGENCY A FAIR, REPRESENTATIVE NUMBER OF ACCOUNTS?

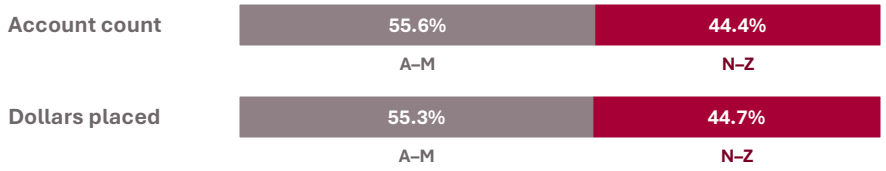
Some organizations split by MRN; most that we have seen prefer alpha splits because they are easy to administer and audit.

BEFORE

Traditional midpoint

A–M | N–Z

≈ 55 / 45



An even alphabet split did not create an even patient population.

600,000+

ACCOUNTS ANALYZED

The midpoint of the alphabet is not the midpoint of the patient population.

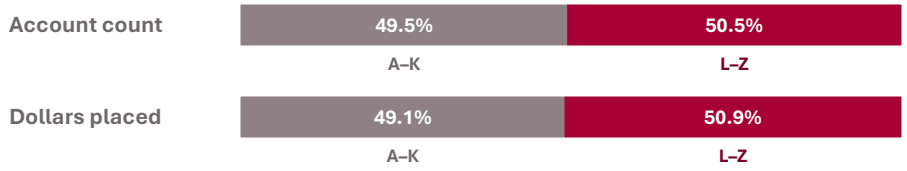
MOVE THE BREAKPOINT →

AFTER

Data-tested breakpoint

A–K | L–Z

≈ 49 / 51



Both account volume and dollars placed are now almost exactly 50/50.

PATIENT-LEVEL ASSIGNMENT

ONE PATIENT • ONE VENDOR

CONSISTENT RULES & TIMING

TAKEAWAY

Design the split from the actual patient population—not merely from the midpoint of the alphabet.

Balanced inventory gives leadership a cleaner, more credible comparison of agency performance.

MANAGEMENT VIEW

Building the Vendor Performance Dashboard

A DASHBOARD SHOULD ANSWER: “WHO IS WINNING, WHERE, AND WHY?”

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Net Back % — Vendor B

17.6%

Vendor A: 15.3%

Net Back $ — Vendor B

$17.6M

Vendor A: $15.3M

Gross Liquidation — Vendor B

22.0%

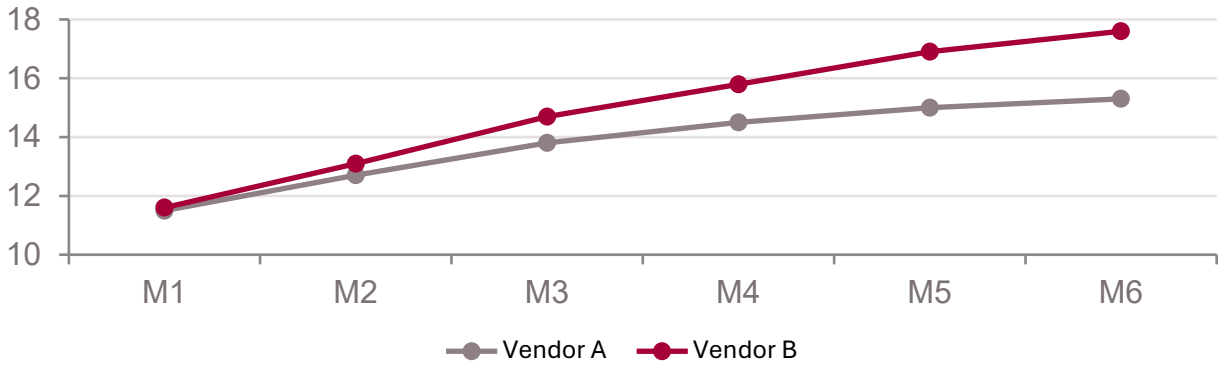
Vendor A: 18.0%

Complaint Rate — Vendor A

0.31%

Vendor B: 0.42%

Monthly Net Back %



Dashboard Filters

- Vendor
- Facility / entity
- Placement month
- Account age
- Balance Band
- Segment / Score / Geography

FIND THE EDGE

Segment-Level Analytics: Where Is Each Vendor Winning?

BLENDED AVERAGES HIDE USEFUL DIFFERENCES

SEGMENT	NET BACK WINNER	EXPERIENCE WINNER
0–90 Days	Vendor B	Vendor A
91–180 Days	Vendor B	Vendor A
181+ Days	Vendor B	Vendor A

Use this view to:

Confirm whether the financial edge persists by account age

Set age-specific goals

Identify training opportunities

Adjust future allocation rules

In this example, Vendor B wins net back across every age segment; Vendor A consistently leads the patient-experience measure.

MAKE THE COMPARISON DEFENSIBLE

Controlling for Inventory Differences

MINIMUM CONTROLS FOR APPLES-TO-APPLES ANALYSIS

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Account Age — Match or stratify by days since service / placement.

Balance Band — Compare like-dollar accounts; avoid average-balance distortion.

Placement Batch — Use the same assignment month.

Entity / Market — Separate facilities, service lines, or geographies when relevant.

Prior Touches — Distinguish fresh placements from recycled or worked accounts.

Eligibility Rules — Apply the same exclusions, recalls, disputes, and bankruptcy logic.

If you cannot control the inventory, disclose the differences before drawing conclusions.

PERFORMANCE WITHOUT UNINTENDED COST

Patient Experience & Compliance Guardrails

FINANCIAL PERFORMANCE SHOULD NEVER BE VIEWED IN ISOLATION

Recommended approach: set minimum guardrails first, then optimize net back within those boundaries.

A vendor should not "win" financially by creating patient or compliance risk.

DATA CONTRACT

What Data Vendors Must Return

REQUEST ACCOUNT-LEVEL DATA THAT CAN RECREATE THE ECONOMICS

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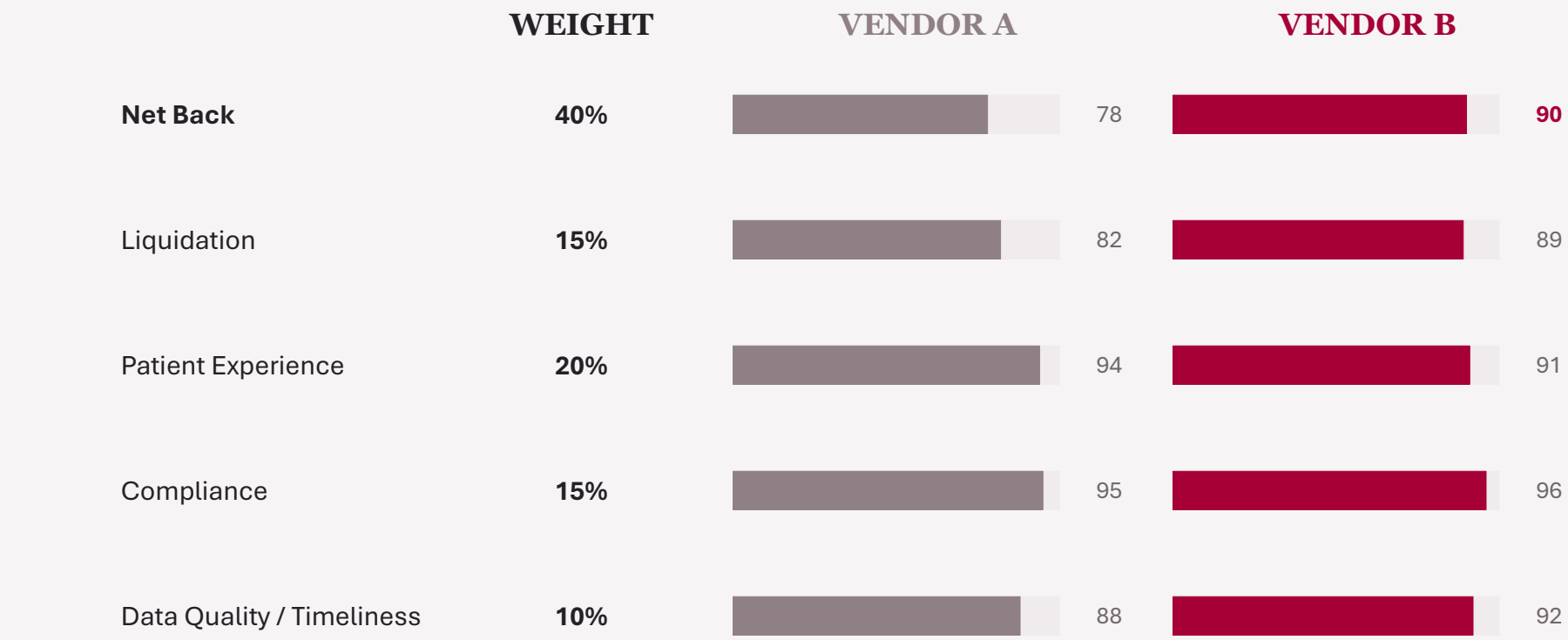
Placement	Activity	Economics	Experience
Patient / Account ID	Payment date	Fee rate	Complaint flag
Placement date	Payment amount	Fee dollars	Dispute flag
Placed balance	Adjustment / recall	Pass-through costs	Cease / contact requests
Facility / entity	Status / disposition	Net remittance	Escalations
Segment fields	Contact activity	Remit date	Compliance exceptions

If a vendor cannot return clean account-level data, you cannot independently validate performance.

ONE-PAGE DECISION VIEW

Executive Vendor Scorecard

TRANSLATE ANALYTICS INTO AN ALLOCATION DECISION



Weighted Score: Vendor A 85.4 • Vendor B 91.2

RECOMMENDED POST-TEST ALLOCATION

65%

Vendor B

35% Vendor A
Maintain a controlled holdout and re-test periodically

Vendor B leads financially; Vendor A remains the patient-experience benchmark. Allocation follows the evidence and the institution's weighting.

CLOSE

Final Takeaways

THREE IDEAS TO TAKE BACK TO YOUR TEAM

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01 Look beyond the fee

Contingency rate is an input. Judge financial value on what the institution actually retains.

02 Control the comparison

Use patient-level alpha splits, matched vendors, and age-segment views to reduce inventory bias.

03 Allocate by evidence

Pair net back with patient experience, compliance, and data-quality guardrails and then re-test.

The goal is not to find the cheapest collection vendor.
The goal is to build a transparent, measurable system that returns the most responsible net value.

QUESTIONS / DISCUSSION