

SUBJECT: BDUCTS (Balance Due Uncollectible Tracking System)  
General Methods & Procedures



Imagine the Possibilities

EFFECTIVE  
DATE:

October 4, 1991

ISSUE  
DATE:

September 16, 1991

PERSONNEL  
AFFECTED:

RCSC Personnel  
SNC Personnel  
Div Support Personnel

SEP 19 1991

REFER

QUESTIONS TO: Judy Zellmer, 414 678-2572

FILING

INSTRUCTIONS: SORS: B-10

OVERVIEW:

This letter will provide the general methods and procedures for the Balance Due Uncollectible Tracking System (BDUCTS) for the Residence Service Centers. The complete package, that will be trained to specified SRs only, is being released under separate cover.

COVERAGE

INSTRUCTIONS: This should be covered with all SRs in group meetings.

### GENERAL INFORMATION

As a result of a PSC order, Wisconsin Bell cannot deny service for charges relating to 900 type calls, non-utility services and certain de-regulated charges. To administer this order, Wisconsin Bell will be implementing the Balance Due Uncollectible Tracking System (BDUCTS) in October, 1991.

BDUCTS is an accounting system which will mechanically separate charges as deniable and nondeniable. This will eliminate the present manual process of identifying nondeniable charges before service is suspended, which is currently being done in the collection centers.

BDUCTS will not affect customer bills and will be transparent to most customers. The impact on the RCSC will be minimal. The only time that SRs or customers will be affected by BDUCTS is when they are discussing treatment/collection amounts.

### NONDENIABLE CHARGES

The following charges have been defined as nondeniable charges:

- Wire Maintenance Plans (MNTXB, MNTXP, USPIX)
- 900/700 Type Charges
- Telegrams
- Foreign Directories
- Voice Message Service (VMS) (VM8AA, VM9AA, VM3AX)
- Time and Material Charges for Jacks
  - Includes Installation and Repair
- Customer Premise Equipment (CPE) (ACBS)
- 41/42 Records (Miscellaneous Charges in Toll Record Format)

All associated taxes and surcharges are also considered nondeniable.

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**DISCONNECTION NOTICES**

Customer bills will not change with the introduction of BDUCTS. Disconnection notices, however, will be changed to include the following:

Two separate amounts: "Total Amount Due \$XXX.XX"  
"Amount Due to Avoid Disconnection \$XXX.XX"

An Explanation: "Service cannot be disconnected for non-payment of 900 type calls, or other non-utility charges; however, they may be subject to separate collection action. The amount due to avoid disconnection does not include these charges. As a result, it may differ from the total amount due."

See Attachment 1 for an example of the new notices.

Approximately 10/22/91, starting with the disconnection notices meant for the October bills, the customers will start seeing the split charges and the new verbiage.

**BDUCTS DISPLAY**

There will be no change in the appearance of any existing CRIS screens (KROL/KRCS/KRIB, etc.). For the most part, SRs will continue to use the same resources as they have in the past to resolve customer contacts.

If the customer specifically questions why there is a difference in the deniable/nondeniable charges, a new screen has been created to assist in these explanations. A small number of SRs in each office will be trained on the full use of this screen.

However, as with live accounts, we cannot refuse new service due to bad debt that consists of nondeniable charges. The Bad Debt database in CRIS will not be changed to reflect what is deniable versus nondeniable. Therefore, SRs will need to access the BDUCTS screen when requesting payment of outstanding debts.

The new screen can be accessed by typing the mode code, KRND, followed by NPA and telephone number. The screen will display as follows:

KRND 414 444-8888 001 1__ RVG		DT 10/23/91 08:22:12
<b>TOTAL DUE</b>	<b>196.80</b>	
<b>TOTAL DEN</b>	<b>162.63</b>	
<b>TOTAL</b>		
WBI DEN	161.64	
WBI NONDEN	21.01	
ATX DEN	99	
ATX NONDEN	13.16	

Further details of how this will be used in discussing a debt will be covered later in this letter.

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Subject to restrictions on first page.

### PAYMENT APPLICATION

Payments will continue to be applied automatically by accounting and will continue to be shown on the KROL/KRCS screen.

Although it will be rare that you will need to discuss payment application with a customer, the method that accounting will use to apply payments is being provided for your background information.

Under BDUCTS, accounting will apply payments first to the deniable amounts, starting with the oldest bill first, and working forward. Once the deniable charges have been cleared, BDUCTS will then apply any additional payments to the nondeniable amounts, again starting with the oldest bill and working forward.

### DRYPOSTING

The amount in the TREAT field will be reduced to reflect payments, as it does today. Adjustments for deniable money will also reduce the TREAT amount.

Effective 10/4/91, drypost adjustments will need to be identified as deniable or nondeniable money. New drypost codes will be established, and the code "A" will be invalid. The new codes are:

- D = Deniable money (reduces TREAT amount)
- N = Nondeniable money (does not affect TREAT amount)

### RCSC CONTACT IMPACTS

Customer contacts surrounding BDUCTS will have very minor impact on the RCSCs. SRs will continue to interact with the CRIS system, using the resources they do today.

### ORDER CONTACTS

BDUCTS will have no impact on the way that orders are taken today. It will NEVER be discussed when placing an order.

SRs must be aware, though, of a couple conditions that may surface later, as the order charges process through billing.

### Jack Installation & Repair

There is no change in the way that orders are written, or rates quoted. If the customer eventually ends up questioning these charges after they are billed, they will be considered nondeniable.

This includes:

- Jack Installation
- Rewire/Reconnect of Jacks
- Repair Charges (Repair Visit Billing Form)

**Wire Maintenance Plans**

Again, there is no change in the way that Linebacker services are ordered or explained. Monthly rates, however, are nondentable.

It is still under discussion what, if anything, will be done if the customer outright refuses to pay for the monthly rate, once they become aware that they are nondentable. Further details will be released later, as they develop.

**Bad Debt**

As mentioned earlier, we cannot refuse a customer new service due to a bad debt that consists of nondentable charges. The Bad Debt database in CRIS will not be changed to reflect what is deniable versus nondentable, so the BDUCTS screen must be used.

Overall, the handling of debt discovery will not change, as the full amount of the bill will be asked for, or POR/ID, as appropriate. However, when payment of the bill is requested prior to installation, and the Bad Debt is dated August, 1991 or later, the SR must access the BDUCTS screen to determine the deniable amount outstanding.

To access the BDUCTS screen, the code KRND is used:

KRND 414 444-8888 001 1__ RVG		DT 10/23/91 08:22:12
TOTAL DUE	196.80	
TOTAL DEN	162.63	
	TOTAL	
WBI DEN	161.64	
WBI NONDEN	21.01	
ATX DEN	.99	
ATX NONDEN	13.16	

The upper left corner will indicate the full amount of the debt and the amount that is considered deniable money.

The customer should be informed that the full amount is outstanding of which \$XX.XX is required prior to installation. If the customer indicates that partial payments will be made, transfer the customer to the RCC to establish the arrangements.

SRs need to be aware, though, that all outstanding July balances were initially loaded into BDUCTS as nondentable amounts. Debts incurred shortly after the conversion (i.e. August debts) can be misleading when determining the deniable amount due. Further investigation may be warranted.

Debts incurred prior to August, 1991 should be handled as they have in the past, being sensitive, though, that some debts may include nondentable charges.

## BILLING CONTACTS

### Deniable/Nondeniable Claims

Customers may call to question why there are different amounts on the notice they received. These calls should be transferred to the RCC so that arrangements can be obtained.

Credit Representatives will also give a general explanation of why charges are split. For example:

Telephone service cannot be disconnected for non-payment of 900 type calls or other non-utility charges, such as premises wire maintenance plans. However, they are subject to separate collection action.

Any in-depth claim on deniable versus nondeniable charges will be handled in the RCSC.

If the customer insists on an exact breakdown concerning the deniable/nondeniable charges, it will be necessary for a fully trained SR to investigate. Because payments and adjustments can complicate the BDUCTS screen, a call back should be made and the claim referred to a trained SR.

A new COMM code of ND is to be used to mark these accounts of the outstanding claim.

### Balance Due Questions

Once the customers start receiving disconnect notices with two separate amounts, they can conceivably pay the lesser of the two, thinking that they have cleared the balance. This may prompt an increase of calls, to either the RCC or the RCSC questioning the balance carried over on their bills.

Either unit should attempt to justify the outstanding charges, using the general explanation of deniable/nondeniable split.

### 900/700 Call Claims

Questions, claims and disputes on 900 type calls, or charges, should continued to be handled as they are today. SRs will continue to use the KRIB screens in figuring any adjustments.

If the claim (i.e. refusal to pay) originates in the RCC, the Credit Rep will make payment arrangements on the difference and notify the RCSC, as is done today. SRs should be aware, though, that in these cases, the Credit Rep will quote the amount on the BDUCTS screen. Due to the allocation of payments and adjustments in BDUCTS, the KRIB and BDUCTS screens may not always match. SRs should be prepared to justify any difference in charges quoted when re-contacting the customer concerning the adjustment.

### Nondeniable Referrals

Every effort will continue to be made in the RCC to collect the entire amount of the bill. New guidelines have been established in handling late charges that are strictly nondeniable; however, judgement continues to be a key factor in determining intent to pay, over just a delay in paying. (For example, the customer could be sending in regular payments, but because of the way we apply payments through BDUCTS, it may appear as if they are not paying nondeniable charges.)

A general reminder notice will be sent to 'treatment marked' customers, whose nondeniable balance is over \$150.00. If the customer does not respond, the Credit Rep will attempt to reach them to discuss payment arrangements. If we are still unable to reach the customer, and the charges outstanding are 900 type calls, a letter may be mailed.

The letter would include the following points:

- Due to non-payment of \$XXX.XX, 900 type charges will be referred to the appropriate carrier unless payment is received
- Allow 10 days for payment
- Indicate the long distance company has not forgiven charges and may pursue collection independently
- Offer Call Blocking to avoid these charges in the future
- The RCSC number if Call Blocking is desired, or the RCC number to discuss payments

These accounts will not have a TREAT indicator, since the amount in question is nondeniable. To identify this as nondeniable collection, in case the return call goes into the RCSC, the Credit Rep will note the CI or NI field with the amount and IP NTC. For example:

CI 090891 XXX.XX IP NTC

Incoming claims would then continue to be handled, as is done today.

### Nondeniable - Refusal to Pay

It is conceivable that a customer may outright refuse to pay any nondeniable charges, and challenge what Wisconsin Bell can do about it. Procedures already in place for 900 type calls should continue to be followed. Telegrams should be referred back to Western Union.

Procedures surrounding the refusal to pay charges associated with Linebacker plans and jack related charges are still under development. Further details will be sent, as they are finalized. In the interim individual cases should be discussed with a Manager to determine if charges should be moved to a separate miscellaneous bill for referral to a collection agency. As a reminder, miscellaneous bills require the approval of the O.M. in the Collection Center.

### CLERICAL PROCEDURES

The greatest impact of BDUCTS in the RCSC environment will be after the contact is completed, and clerical follow-up is being performed.

### Adjustment Codes

Care must be given when preparing any adjustment documents to ensure that the nondeniable or deniable code is assigned. As covered earlier in August, new adjustment codes have been assigned to claims involving 900 type calls, and Linebacker plans.

In addition, the following classifications have been given to adjustments on non-recurring charges:

- 070 - Deregulated/Nondeniable  
This will cover adjustments of jack installation/repair
- 077 - Regulated/Deniable  
This will cover adjustments of other service charges

Separate adjustment documents/MADs must be issued if the claim involves both deniable and nondeniable charges.

### Tax Claims

When processing a tax claim, whether refusal to pay or tax exempt, the tax adjustment code of 080 should be used. The SR should not be concerned if the tax applies to deniable/nondeniable charges.

### RAM Notations

When notifying the RCC of an outstanding claim, the RAM should not only indicate the amount in dispute, but whether or not the amount is deniable or nondeniable.

D. Coakley  
Staff Manager - Residence Methods

Denial Notice:

NNN NNN-NNNN NNN N

AAA NN, NNNN

Total  
Amount Due  
N, NNN, NNN. NN

\*FINAL DATE FOR PAYMENT AAA NN\*  
AMOUNT DUE TO AVOID DISCONNECTION N, NNN, NNN. NN <--

\*\*\* DISCONNECT NOTICE \*\*\*

OUR RECORDS SHOW THAT PAYMENT OF YOUR TELEPHONE BILL IS OVERDUE. UNLESS PAYMENT IS RECEIVED OR SUITABLE ARRANGEMENTS MADE BY THE ABOVE FINAL DATE, YOUR SERVICE WILL BE DISCONNECTED. IF SERVICE IS DISCONNECTED, A RECONNECTION CHARGE WILL APPLY AND A DEPOSIT MAY BE REQUESTED.

YOU CANNOT BE DISCONNECTED FOR NON-PAYMENT OF 900 TYPE CALLS OR OTHER NON-UTILITY CHARGES; HOWEVER, THEY MAY BE SUBJECT TO SEPARATE COLLECTION ACTION. THE AMOUNT DUE TO AVOID DISCONNECTION DOES NOT INCLUDE THESE CHARGES AND AS A RESULT, IT MAY DIFFER FROM THE TOTAL AMOUNT DUE.

IF YOU DISPUTE THIS NOTICE OF DISCONNECTION OR WISH TO DISCUSS REASONABLE PAYMENT ARRANGEMENTS, A DEFERRED PAYMENT AGREEMENT, 900 TYPE CALLS, SERIOUS ILLNESS, OR OTHER EXTENUATING CIRCUMSTANCES, PLEASE CALL US AT N-NNN-NNN-NNNN. IF A DISPUTE IS NOT RESOLVED, YOU MAY APPEAL THE MATTER TO THE PUBLIC SERVICE COMMISSION OF WISCONSIN.

Permanent Disconnect Notice:

NNN NNN-NNNN NNN N

AAA NN, NNNN

Total  
Amount Due  
N, NNN, NNN. NN

\*FINAL DATE FOR PAYMENT AAA NN\*  
AMOUNT DUE TO AVOID PERMANENT DISCONNECTION N, NNN, NNN. NN <--

\*\*\* PERMANENT DISCONNECT NOTICE \*\*\*

AS YOU KNOW, YOUR TELEPHONE SERVICE WAS INTERRUPTED BECAUSE OF YOUR UNPAID BILL. THE AMOUNTS SHOWN INCLUDE THE NEW MONTH'S BILLED TOLL CALLS. YOU CANNOT BE DISCONNECTED FOR NON-PAYMENT OF 900 TYPE CALLS OR OTHER NON-UTILITY CHARGES. THE AMOUNT DUE TO AVOID PERMANENT DISCONNECTION DOES NOT INCLUDE THESE CHARGES AND AS A RESULT, IT MAY DIFFER FROM THE TOTAL AMOUNT DUE.

UNLESS PAYMENT AND/OR ANY REQUIRED DEPOSIT OR NEGOTIATION OF A SATISFACTORY DEFERRED PAYMENT AGREEMENT IS MADE BY THE ABOVE DATE, YOUR SERVICE WILL BE PERMANENTLY DISCONNECTED.

IF YOUR SERVICE IS PERMANENTLY DISCONNECTED AND SERVICE IS DESIRED, WE WILL REQUIRE PAYMENT OF FULL CONNECTION CHARGES. WE HOPE YOU WILL MAKE IT POSSIBLE FOR US TO AVOID THIS ACTION.

ARD Cancellation Notice:

NNN NNN-NNNN NNN N	
AAA NN, NNNN	
Total Amount Due	
N,NNN,NNN.NN	
*FINAL DATE FOR PAYMENT AAA NN*	
AMOUNT DUE TO AVOID DISCONNECTION	N,NNN,NNN.NN <--
*** DISCONNECT NOTICE ***	
DUE TO YOUR FAILURE TO COMPLY, WE HAVE CANCELLED YOUR SPECIAL DUE- BY-DATE OF THE NNAA OF EACH MONTH. UNLESS PAYMENT IS RECEIVED BY THE ABOVE FINAL DATE, YOUR SERVICE WILL BE DISCONNECTED. IF SERVICE IS DISCONNECTED, A RECONNECTION CHARGE AND ANY REQUIRED DEPOSIT WILL APPLY BEFORE RECONNECTION.	
YOU CANNOT BE DISCONNECTED FOR NON-PAYMENT OF 900 TYPE CALLS OR OTHER NON-UTILITY CHARGES; HOWEVER, THEY MAY BE SUBJECT TO SEPARATE COLLECTION ACTION. THE AMOUNT DUE TO AVOID DISCONNECTION DOES NOT INCLUDE THESE CHARGES AND AS A RESULT, IT MAY DIFFER FROM THE TOTAL AMOUNT DUE.	
IF YOU DISPUTE THIS NOTICE OF DISCONNECTION OR WISH TO DISCUSS REASONABLE PAYMENT ARRANGEMENTS, A DEFERRED PAYMENT AGREEMENT, 900 TYPE CALLS, SERIOUS ILLNESS, OR OTHER EXTENUATING CIRCUMSTANCES, PLEASE CALL US AT N-NNN-NNN-NNN. IF A DISPUTE IS NOT RESOLVED, YOU MAY APPEAL THE MATTER TO THE PUBLIC SERVICE COMMISSION OF WISCONSIN.	