



RME X Credit Reporting

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Quantrax Corp.

Contents

OVERVIEW	3
Introduction	3
Eligibility.....	3
501r Regulations.....	4
GETTING READY - SETUP INSTRUCTIONS.....	5
Setting up the Clients.....	6
Setting up the System Control.....	7
Setting up the System Parameters (temporary holds)	9
Controlling Credit Reporting at the State Level.....	10
Creating the Metro2 File.....	12
Menu Options	12
Creating the File.....	12
FTP the file	12
After An Account Has Been Reported:	13
Credit Reporting Flags.....	13
Disputed Accounts – Notes and Compliance Conditions	13
Disaster Reporting	14
Credit Reporting Notes List.....	14
SSN – last 4:	14
30 Day logic and Date of First Delinquency:.....	15
CBR Rejections	15
2022 and 2023 New Medical Rules	16
FREQUENTLY ASKED QUESTIONS.....	17

OVERVIEW

Introduction

RMAX will enable you to report accounts to Equifax, Experian, Trans Union and/or Innovis using the Metro2 format. RMAX allows you 3 reporting types – Exception, Balance, and All. Currently ALL is the industry standard. See help for other types.

- **All Account Reporting** - Where once reported, an account will be reported with every file run until Paid In-Full or withdrawn by the client. RECOMMENDED

Eligibility

For an account to initially qualify to be credit reported it must meet certain criteria guidelines as directed by the Credit bureaus and meet RMAX eligibility requirements as well. Below is a list of eligibility requirements that the account must pass in order to be selected for credit reporting:

- Client master must be set up to allow credit reporting
- The age between last transaction date and placement date must be a minimum of 30 unless the client is set up as a “bad check client”. There is a feature on page 7 of the client setup to override this rule.
- Account will not initially report if it is paid in full, has a withdrawn or stop description code or closed with an inactive close
- Account will not initially report if the Credit reporting flag is set to “Do not report”
- You can set up minimum balances to report
- You can stop an account from reporting to the bureau based on the consumer’s state
- You can stop an account from reporting to the bureau using specific user-defined description codes
- Account must have either a consumer SS# or DOB
- Consumer should not be a minor
- Non-medical debts placement date must be outside of the credit reporting delay date (Contact series) and Medical debts date of first delinquency or last transaction date must be outside of the 501r Regulation date for reporting rules

501r Regulations

501r Regulations for reporting Medical debt to the bureaus – Even though the credit bureau’s rule is “Do not report Medical debts until they are at least 180 days past the Date of first delinquency”, the 501r Regulations state “You must report Medical debts in the following manner”:

- Non-profit facilities can credit report no sooner than 250 days past the Date of first delinquency
- For profit facilities can credit report no sooner than 180 days past the Date of first delinquency.
- RMEx controls this based on page 4 of the Client master, field - CCT code.
 - CCT code 02 = 180 days (for profit) and
 - CCT code A2 = 250 days (non-profit)
- We recommend you set up the proper CCT code as the CCT will control the reporting of Medical accounts as outlined by the 501r Regulations. If the field is “blank” on the client master, the system will use the client type “M” to determine the CCT and default to 180 days.
- Other CCT Codes
 - 01 = Retail
 - 03 = Oil Company
 - 04 = Government
 - 05 = Personal Services
 - 06 = Insurance
 - 07 = Educational
 - 08 = Banking
 - 09 = Rental/Leasing
 - 10 = Utilities
 - 11 = Cable/Cellular
 - 12 = Financial
 - 13 = Credit Union

GETTING READY - SETUP INSTRUCTIONS

- Contact the Credit bureau and set up an account with them. They will furnish you with your ID numbers.
- If you are reporting for the first time you will have to decide which accounts should be reported. As an example you may decide that you only wish to report accounts placed after January 1, 2012.
- You will also have to decide if all clients will be reported. On the client master, there is a flag which determines if accounts for this client are reported or not. Once you have made these decisions, contact your support representative. A one-time program will probably be required to prepare for the first time you will be reporting.
- If you have reported previously, the conversion should have taken care of accounts which were sent to the Credit Bureau and no other programming will be required.
- Set up the client master Credit Reporting flag.
- It is assumed that accounts will be reported for a client. Using the credit reporting flag on the client master, you can stop accounts from being reported, report based on the credit reporting system control file or report based on the credit reporting system control file but ignore the minimum balance defined in the credit reporting system control file. You can also omit this client from being included in a specific credit bureau file.

Setting up the Clients

Management Menu > Client Update

RMEx QUANTRAX CORPORATION INC. Chat

EXIT

Client Update (Page 4)

Company Name Quantrax Collection Enterprises
Client Code 000014

PLACEMENT ENTRY OPTIONS (Enter Y to omit from input screen)

S.S.#	<input type="checkbox"/>	Date of birth	<input type="checkbox"/>	Greeting code	<input type="checkbox"/>	Home phone	<input type="checkbox"/>
Work phone	<input type="checkbox"/>	Spouse S.S.#	<input type="checkbox"/>	Spouse (L/F)	<input type="checkbox"/>	Client Acct#	<input type="checkbox"/>
Last Clt.Pmt	<input type="checkbox"/>	Interest info.	<input type="checkbox"/>	Interest Bal.	<input type="checkbox"/>	Sec.Balances	<input type="checkbox"/>
Patient/Other	<input type="checkbox"/>	Desc.Codes	<input type="checkbox"/>	Special notes	<input type="checkbox"/>	Bank info.	<input type="checkbox"/>

Force other info. (Y) Name for entry P.N.W Time frame (AMP)
Apply QCat Apply Smart Code Apply ACat
Add description codes Smart Code Series Smart code and
 Ovr. at posting

OTHER INFORMATION

Client classification	IP	Cl.Type (M,C,U,B,Q,F,A,T)	M
Forward cases (Y)	<input type="checkbox"/>	Credit Rep (N,A)	<input type="checkbox"/> CCT <input type="checkbox"/> Linked-Y <input type="checkbox"/>
Payment receipt (Y) for	<input type="checkbox"/>	Stop EQ/EX/TU/IN files (Y)	<input type="checkbox"/>
Transfer to company	<input type="checkbox"/>	Alert on all Accts (Y)	<input type="checkbox"/>
Letter translation code	<input type="checkbox"/>	Transfer to client	<input type="checkbox"/>
Settlement percentage	<input type="checkbox"/>	Duplicate notes (Y)	<input type="checkbox"/>
		Fwd. rate is % of Comm.-Y	<input type="checkbox"/>

F1-New Selection F3-Search F7-Exit F8-Lookup F12-Update ENTER-More

e) Set up the System Control file for Credit Reporting. You will need some information from the Credit Bureau.

- To activate a credit bureau enter the ID numbers provided to you by the credit bureau
- Normally RMEX produces 1 file that you can send to each agency. However, there is a field that can be used to produce up to 4 files (1 file for each agency).
- You can define a minimum balance required to be credit reported
- Select the type of reporting
- Assign the description codes you have defined as disputes and bankruptcies
- Assign the description codes you have defined to be withdrawn (removed) from the credit bureau. Only applies to accounts that have been previously reported **and** will appear in the next Credit Reporting file
- Some agencies only report an account to the credit bureau when it has been closed. We allow you to do this and assign up to 35 active close codes or all active close codes
- Assign the description codes you have defined to stop accounts from being reported in the future (accounts that have not yet been reported and should not be based on certain circumstances). This feature is considered permanent since it can NOT be re-reported by just removing the description code - Only applies to accounts that have NEVER been reported, sets the credit bureau flag to "Do Not Report" and account can ONLY be reported in the future using the Smart Code feature "Credit report as new account"
- You can indicate additional balance types to be included with the primary balance when the accounts are reported
- Assign close codes that should report as settled in full to the credit bureau
- Assign the description code for credit grantor cannot locate consumer
- Assign the description code for consumer now located
- Assign the description code to Report as fraud status

f) If there are special conditions under which an account should not be reported (e.g. Promise to pay, disputed etc.) this can be accomplished by setting up special description codes which will stop an account from being selected for credit reporting. These description codes must be defined in the System Control file called System Parameters.

Setting up the System Parameters (temporary holds)

System Control Menu > System Parameters

The screenshot shows the 'System Parameters' screen for 'Quantrax Collection Enterprises'. The interface is a text-based menu with various options and checkboxes. The 'Stop cred. reporting codes' field is highlighted with a red box, showing the value '01 BK'. Other fields include 'Account sequence' (1955086), 'Default collector', 'Call recording on (Y,N,b)', 'House collector', 'Warning description codes', 'Auto-dialler installed (Y)', 'Separate paying Accts. (Y)', 'Stop dialler codes', 'Use home,work,cell for checking (Y) (Def.is Home,cell)', 'No Fri.change', 'Warn payment entry', 'Account viewed" note (N)', 'Stop "Other links" message (Y)', 'Next weekend is', 'QCat for weekend action', 'Current period is (Mth/Yr) 9 18', 'Omit comm% from coll.screens (Y) Y', 'New business option (Y,0,1,2,3)', 'Sp.logic for prop.assignment (Y) Y', 'Combine time-frames (Y)', 'Special tracking for changes (YV)', 'Stop system-generated QCats (Y)', and 'Fmt.Arrangements by Acct# (Y)'. Navigation buttons 'F7-Exit' and 'ENTER-More information' are at the bottom left, and an 'EXIT' button is at the top right.

This feature is considered temporary (like a hold) since it can be re-reported by just removing the description code - Only applies to accounts that have NEVER been reported, credit reporting flag stays as "New-Pending" and account will report on the next run ONLY if the description code is removed

- g) There is an option to stop Credit Reporting based on the debtor's state. This option applies at the time an account is placed. Changing the state after the account is placed will not stop an account from being Credit Reported. (In these cases, it may be possible to instruct your bureau to omit accounts which do not belong to specific states.)

Controlling Credit Reporting at the State Level

System Control Menu (2) > State Options

RMEx QUANTRAX CORPORATION INC. Chat

State Options

Company name Quantrax Collection Enterprises
State (Blank=Default for MD
statute options)

Tax rate	<input type="text" value=".00"/>		
Allowed to work, calls to POE (N,P)	<input type="checkbox"/>	Warn debtor that call is being recorded (Y)	<input checked="" type="checkbox"/>
Close accounts (Y)	<input type="checkbox"/>	Close code	<input type="text"/>
Forward to agency	<input type="text"/>	Forwarding rate %	<input type="text" value=".00"/>
Change owner to	<input type="text"/>	Send letter	<input type="checkbox"/>
Apply Smart Code	<input type="checkbox"/>	Payment receipt (Y) / Letter	<input type="checkbox"/> <input type="checkbox"/>
Maximum interest rate %	<input type="text"/>		
Int. on Sec.Balance N=No	<input type="checkbox"/>	Post-dated/Directs Checks (N,1)	<input type="checkbox"/>
Pre-judgment interest N=No	<input type="checkbox"/>	Trust account code (Numeric)	<input type="text"/>
Credit reporting (N)	<input checked="" type="checkbox"/>	Time frame (A,M,P)	<input type="checkbox"/>
State/area code warnings (Y)	<input type="checkbox"/>	No working before	<input type="text"/> or after <input type="text"/>
Dialer IVR/Campaign restriction	<input type="checkbox"/>	Local time	to <input type="text"/>
		Use time for dialer processing (Y)	<input type="checkbox"/>

F1-New Selection F3-Search F4-Remove Information F7-Exit

h) Credit Reporting will require an ending placement date for the selection of accounts to be reported (when you run the option to create the file). This allows you to wait a certain period before reporting a new account. (e.g. At the end of November you could run the option for placements up to October 31st, which means you are waiting 30 days before an account is reported.) If specific clients need a longer wait before reporting, you can use an option called "Credit Reporting Delay" on the Contact Series Definition System Control file. On this System Control file, if 15 days was specified as a delay, an account placed on October 17th would only be eligible to be reported when a placement period including November 1st was selected. (October 17th plus 15 days) The next screen shows you this option on the Contact Series Definition.

Creating the Metro2 File

Periodic Reports Menu > Credit Reporting File Creation

Menu Options

1. TEST FILE creation (Metro2 unpacked character format) – This function creates a test Metro2 file. This file will be identical to a live file, but will not update the accounts. This should be used during your implementation to create test files for the bureaus. It can also be used for troubleshooting at any time.
2. LIVE FILE creation (Metro2 unpacked character format) – This function will create your live file and update all the accounts in the system. This should never be used during testing.
3. PROCESSING HISTORY LOG for Metro2 credit reporting. This function will display a history of test and live files.

Creating the File

- When creating a live or test file, you will be asked to confirm that this what you want to do – select Y.
- Next you will be reminded that you are about to overwrite the previous file. In the case of a LIVE FILE, as long as you have already transmitted the previous file to the bureaus, you are okay to proceed.
- Next you will be asked to enter the last date for placements and payments. Generally, you will use yesterday's date for both of these. Please read the help if you want to change this.

FTP the file

You will need to FTP this file to your FTP server. The file name is determined by which option you have selected under "Create 1 file per Credit Reporting" in SYSTEM CONTROL 2> CREDIT REPORTING referenced in the setup section. Please read the help within RMEX for a full listing of these file names.

After An Account Has Been Reported:

1. Account will continue to appear in the credit reporting file
2. Account status will change based on various description codes and close codes
3. Accounts with an inactive close code will “withdraw” from the credit bureau
4. You can also “withdraw” an account from the bureau using specific user-defined description codes
5. Accounts that become PIF will report for 90 consecutive days

Credit Reporting Flags

Appear on Account Detail Screen and F10 screen

- Blank = New on xx/xx/xx (not yet reported to the credit bureau - the xx/xx/xx = the eligibility date)
- 1 = Reported-NEW (has been reported to the credit bureau)
- 2 = Reported-PIF (has been reported to the credit bureau as a PIF)
- 3 = Reported-WDRAWN (has been reported to the credit bureau as withdrawn based on an inactive close code or specified description code)
- 4 = Do not report (has never been reported and is not eligible to be reported)

Disputed Accounts – Notes and Compliance Conditions

The Compliance Condition Code (CCC), which is reported in Field 20 of the Base Segment, allows the reporting of a condition that is required for legal compliance.

- **XB: Disputed**. In the Metro2 Settings, you will use a Description Code in the field: “Report as disputed by consumer ___”. Any account with this description code will report as CCC = XB on the Metro 2 file. RMEx will also note the account with “Credit Reporting - DISP”.
- **XR: Dispute Resolved**. In the Metro2 Settings, you will use a Description Code in the field: “Report as dispute resolved ___”. Any account with this description code will report as CCC = XR on the metro 2 file. NOTE: you must also REMOVE the dispute description code above for this to occur. RMEx will also note the account with "Credit Reporting - R/DISP".
- **XC: Dispute Investigation Completed**. Any account with BOTH the disputed and resolved description codes present will report as CCC = XC on the Metro 2 file. RMEx will also note the account with "Credit Reporting - C/DISP".

Disaster Reporting

In times of disaster, you can flag accounts to be credit reported as such. On Page 2 of credit reporting options, the following function exists:

Report as disaster area ____

Enter the description code that must exist on the account in order for the account to be reported to the Credit Bureau with a Special Comment Code of "AW=Affected by Natural or Declared Disaster".

As of April 2020, we are adding a note to the account when this option used. Credit Reporting Notes List.

Credit Reporting Notes List

- Credit Reporting - NEW
- Credit Reporting - PIF
- Credit Reported-WITHDRAWN
- Credit Reporting - CHP13
- Credit Reporting - CHP07
- Credit Reporting - CHP11
- Credit Reporting - CHP12
- Credit Reporting - R/BANK
- Credit Reporting - DISP
- Credit Reporting - R/DISP
- Credit Reporting -BALANCE
- Credit Reporting - ALL
- Credit Reporting - SIF
- Credit Reporting -SPECIAL
- Credit Reporting - FRAUD
- Credit Reporting - C/DISP
- FCRA-7 yr STOP Credit Rep
- Credit reporting – DISASTER (new April 2020)

SSN – last 4:

There is a new field in the Metro2 Credit Reporting options: **“Report SS# last 4 (N=No)”**

If this field is equal to ‘N’, accounts with only the last 4 digits of the SSN will not be considered to have a valid SSN for credit reporting. If the account has a date of birth, it will still be selected for credit reporting.

If this field is left blank, accounts with only the last 4 of the SSN will be considered to have a valid SSN and will be selected for credit reporting.

30 Day logic and Date of First Delinquency:

- RMEX now considers the DATE OF FIRST DELINQUENCY – if it exists – when calculating the < 30 days CBR rejection criteria. If there is no DOFD, RMEX continues to use the LAST TRANSACTION DATE.

CBR Rejections

Accounts that are rejected from the credit reporting file will continue to be on the exception report, but we are making three improvements to help you manage and track these.

Exception report: Will now list the specific reason for an account being rejected.

Notes: We will add a note to the account with the specific reason. Below is a list of the potential reasons.

- CBR Reject – SSN/DOB
- CBR Reject – 30 DAY
- CBR Reject – MIN BAL
- CBR Reject – STATE
- CBR Reject – MINOR
- CBR Reject – LOC CODE

2022 and 2023 New Medical Rules

Beginning July 1, 2022, the major credit bureaus will implement new policies regarding the reporting of medical debt. The 2 primary changes will be:

1. They will only accept accounts that are > 365 days from transaction date.
2. They will delete paid in full accounts.

SYSTEM CONTROL 2 > CREDIT REPORTING OPTIONS > page 2

- Set 'Delay 365 for medical accounts = Y
- This will begin setting the eligibility date of NEW MEDICAL ACCOUNTS to 365 days from the transaction date.
- This date is located in the F10 window from the account detail screen

Beginning March 31, 2023, the major credit bureaus will no longer include medical collection debt under at least \$500 on credit reports.

System date March 20, 2023 and after, the following will occur:

1. When METRO2 file is created:
 - a. For Credit reporting flags blank and 1
 - b. And client type = M or CCT = 02 or CCT = A2
 - c. And placement amount < \$500
 - d. Add note: CBR reject – Medical \$500
 - e. Change flag to 4 “Do Not Report”.
2. New business posting
 - a. If M or CCT = 02 or CCT = A2 and placement amount < \$500 change credit reporting flag to 4 “Do Not Report”.

FREQUENTLY ASKED QUESTIONS

Why has an account not been reported?

- Paid and Never Reported: If the account is paid in full and if it has never been reported, it will not report.
- Minimum Amount: Check the minimum placement amount in the credit reporting parameters (system control menu 2 – credit reporting)
- State Options: Check to see if the state options have a “N” in the no credit reporting field
- Close Codes: Check to see if the credit reporting options for METRO2 format has an “O” in the “include or omit with close code” field (system control menu 2 – credit reporting)
- Description Codes:
 - Check if there is a stop cred.reporting description code on the account (system control menu 2 – system parameters)
 - Check if there is a description code to stop accounts from being reported in the future on the account (system control menu 2 – credit reporting)
 - Check if there is a description codes that will report as withdrawn on the account (system control menu 2 – credit reporting)
- Consumer Under 18: Check to see if the Consumer is a minor and if the METRO2 System Control field "Report minors? (N=No)" is set to "N"
- Client Master: Check the client master (management menu - client update) if the client is set up with a “N” in the credit reporting field.
- Metro 2 Input: Check if the account qualifies based on the information entered in the fields: Last date for placements or Last date for PIFs when the credit reporting file was processed.
- Medical Under 365 days: If the this is a medical client, check to see if account qualifies based on age: 365 days from transaction.
- Contact Series Delay: Check the contact series field “credit reporting delay” (system control menu - contact series definition), to determine if the account is eligible for reporting (credit reporting eligibility date)
- Under 30 Days Since Transaction: Compare the last transaction date and placement date on the account. If there is less than 30 days between the two dates the account will not report unless the client is set up as a bad check client or the client master field "bypass 30-day check for credit reporting-Y" has a "Y" in it
- Closed Inactive: Check if the account is closed inactive (accounts closed inactive are automatically reported as withdrawn when the next credit reporting file is created)
- If the account has Do Not Report on the F10 screen, it will not report. See article "Account Needs to be Reported to the Credit Bureau but it is Flagged as "Do Not Report"" if the account needs to be reported.
- Is the account eligible to be reported based on the credit reporting parameter “type of credit reporting (B, A, blank)” (system control menu 2 – credit reporting)