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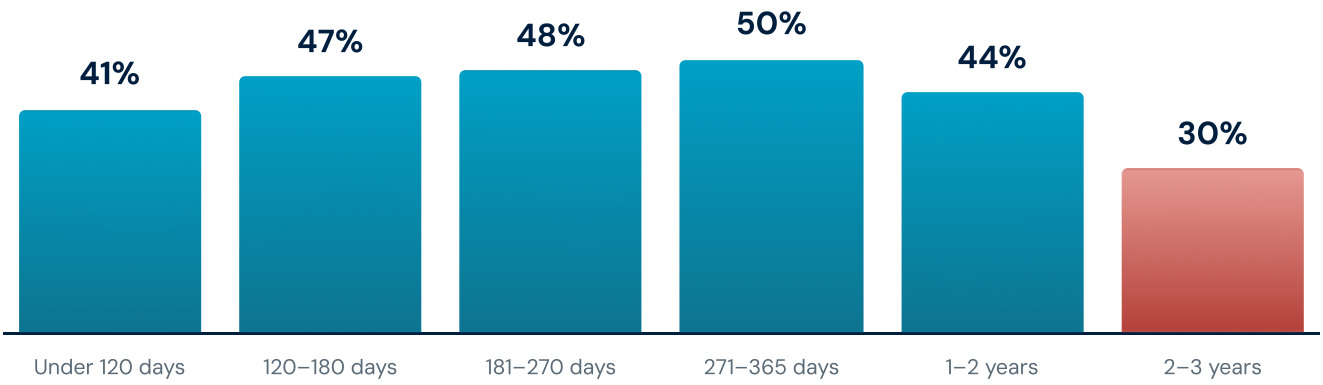
THE RECOVERY CURVE · DUVESCO DATA BRIEF

When should you hand over a patient account? *Earlier than you think.*

What 6 301 real patient accounts tell us about recovery by account age, and the three-year line every practice needs to watch.

Recovery holds for two years, then falls away.

Share of the maximum payable to the practice that was actually paid over, by how old the account was when it was handed over (days from date of service).



~45–50%
success held steady for accounts handed over within two years of service

27%
of 2–3-year-old accounts made any payment, against 52–56% for younger accounts

3 years
after the date of service, an ordinary debt can prescribe and may no longer be recoverable

Age at handover	Accounts	Maximum to client	Paid to client	Success rate	Paying accounts
Under 120 days	234	R299 760	R121 455	41%	53%
120–180 days	1 265	R1 381 526	R644 245	47%	55%
181–270 days	2 842	R2 283 692	R1 105 910	48%	55%
271–365 days	866	R656 413	R327 813	50%	56%
1–2 years	326	R248 624	R108 157	44%	52%
2–3 years	95	R72 361	R21 934	30%	27%
All accounts*	**6 301**	**R5 321 429**	**R2 502 657**	**47%**	**54%**

Source: anonymised lifetime results for one multi-site diagnostic practice (Client A), accounts handed over to Duvesco 2008–2024, R7.10m capital, average account R1 126 (median R666). Success rate = paid to client ÷ maximum to client, where maximum to client is capital less Client A's 25% commission (incl. VAT). Cleared cash only; a further R0.38m on active arrangements is excluded. *Includes 673 accounts with no recorded service date. Accounts that had already prescribed at handover are excluded. Results for other books will differ.

WHAT TO DO WITH IT

Five rules for a healthier debtor book

1. **Hand over once your own credit control has run its course.** For most practices that is 90 to 120 days after the date of service. Waiting past two years costs you about a third of what you could have recovered.

2. **Never let an account drift towards three years.** Ordinary debts generally prescribe three years after they fall due. Prescribed accounts are excluded from the figures above because they are, in most cases, lost.

3. **Send the ID number with every account.** Contact details go stale; an ID number lets a collector trace the patient. Include the statement of account and any notes on prior arrangements.

4. **Hand over in regular batches, not once a year.** Monthly handovers keep accounts young and stop small balances from piling up into a write-off problem.

5. **Write off at handover, write back what is recovered.** Many practices write the account off when handing over and record recoveries as "bad debt recovered". Confirm the treatment with your own accountant.

> **Seasonal warning.** From around September, many patients' medical aid savings run dry and co-payments and shortfalls start going unpaid. A November or December handover keeps those accounts young going into the new year.

This brief is general information, not legal or financial advice. Prescription periods can be interrupted or vary by circumstance; ask your attorney or accountant about specific accounts.

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