ALVARIA®

CFPB Compliance
Proactive Outreach and Debt Collection Best Practices

Alvaria Compliance Hub™ serves as a central hub for enterprise outbound environments, coordinating engagement activity across the enterprise from the Alvaria™ Cloud, to premise Noble Contact Center systems in addition to Aspect® Unified IP® and Alvaria Advanced List Management™ solutions, with plans for beyond.

Since the introduction of the Fair Debt Collection Practices Act (FDCPA) in 1977, new communications technologies have disrupted the business and consumer landscapes. Voice-based customer service interaction continues to decline, while text-based interaction (chat, chatbots, SMS, messaging apps) has continued to grow. Millennial preference for text based chatbots has increased 250% over the prior year. Enterprises are embracing digital channels and consumers are comfortable conversing with automated assistants. When it comes to collections, automation offers organizations new opportunities to deliver better debtor engagement while realizing cost savings.

As a result, in October 2020, the Consumer Financial Protection Bureau (CFPB), issued new rules augmenting the protections of the FDCPA. The rules update parameters within which debt collectors can employ new communications technologies such as mobile devices, email and SMS/text messaging.

This means companies are working within an increasingly complex regulatory environment. Advanced list and campaign management software is crucial to defining processes and automating campaign execution tasks to help company comply with regional and country regulations such as TCPA, CFPB, Ofcom and other government regulatory bodies. Compliance is not optional; costing organizations between $500-$1500 for each violation.

Key Differentiators for Alvaria

BUILT TO ORCHESTRATE COMPLEX STRATEGIES
Simplifies processes for sophisticated contact strategies so they are easy to develop, deploy and analyze across single or multiple Aspect Unified IP, Alvaria Cloud, Noble Contact Center or Third-Party systems.

OPTIMIZES SUCCESS
Increases your contact success rates and optimizes your sales and/or collections productivity and results.

SOPHISTICATED CAPABILITIES
Creates highly refined and very flexible targeted calling lists across multiple sites and even across multi-hosted operations.

ADVANCED FUNCTIONALITY
Creates the necessary logic to address complex challenges, implement automation, support standardization, and vary rules by context.

DYNAMIC OVERSIGHT
Manages records dynamically in an automated fashion throughout the day, with dynamic campaign management, record-based contact strategies, real-time record workflows and automated scripting.

HIGH AVAILABILITY AND SCALABILITY
Dependable infrastructure across deployment options that easily scales with your business needs, resulting in minimized downtime, reduced idle time and increased security protection for sensitive customer data.

ALVARIA®

Key Functionality

Alvaria Compliance Hub™ prevents debt collectors from unknowingly harassing consumers. Many enterprise businesses utilize multiple systems for their outreach strategies, but do not have a coordinated hub to centralize all attempts to contact. Completed attempt results, and any selected data from other host systems, are stored for reporting and future campaigns. Best-time-to-call capabilities help initiate phone calls to customers and prospects at the times and places they are most likely to be reached. Call result history is tracked over time to predict the best phone number and hour of day to place calls and then creates an optimized calling strategy based on campaign objectives and prioritizes by user-defined criteria. By having this functionality sit above multiple contact platforms, you have a single administration interface for making regulatory changes once rather than doing the same work multiple times separately across multiple systems. The single interface also facilitates outbound operations management for sharing lists across multiple systems and having the consistent ability to identify and deliver only usable records. Highlights of the new FDCPA rules include:

The Sevens

- The debt collector cannot place telephone calls to a consumer in connection with a debt more than seven times in seven consecutive days, or within seven consecutive days of having had a telephone conversation about the debt.
- The date of the telephone conversation is considered the first day of the seven-day period.
- Initiating a communication with a consumer through any medium, including soliciting a response from a person, is considered an attempt to communicate. This includes phone calls with or without voicemails (also known as limited content messages).
- Despite augmenting the rules to account for harassment with electronic communications, the CFPB is not applying numeric limitations to electronic communications at this time.

Convenient Time to Contact

- Convenient times to contact consumers falls between the hours of 8:00 a.m. and 9:00 p.m. where the consumer is located
- Upon establishing communication with the consumer, they may specify a preferred convenient time to contact them
- Inconvenient times to contact the consumer include while at work or at school

Valid Calling Times & Safe Harbor

- When a debt collector has conflicting or ambiguous information such as a phone number with an area code and physical address that are inconsistent, the debt collector would be granted safe harbor when contacting consumers
- If a debt collector has conflicting or ambiguous information regarding a consumer's location, they are advised to communicate, or attempt to communicate at times that would be convenient in all of the locations at which the debt collectors information indicates the consumer might be located.

Limited Content Messages

- A new term in the updated CFPB rules, Limited Content Messages are voicemail messages that fulfill certain criteria. To qualify as a limited content message, a voicemail must contain a business name from the debt collector, a request that the consumer reply to the message, the name(s) of one or more natural persons that the consumer can contact to reply to the message, and a telephone number(s) that the consumer can use to reply to the message.
- Optional content within a Limited Content Message includes a salutation, date and time of the message, suggested dates/times that the consumer may reply to the message, and a statement that if the consumer replies, they may speak to any company rep or associate.

First-Party Debt Collectors

- Updated CFPB rules do not apply to third-party FDCPA debt collectors, though harassment guidelines still apply.

- Depending on the region/state in which the consumer resides, regulation for first-party debt collectors will differ.

Opt Out & Cease or Refusal

- Debt collectors that communicate electronically are required to offer consumers a simple method to opt out and/or unsubscribe from such communications.

- Consumers must also be able to use the same medium of electronic communications to place a cease communication request or notify the debt collector that they refuse to pay a debt.

Final Rule

- In December 2020, two months after the newly proposed rule changes, the CFPB issued a final rule focused on consumer disclosures.

- At the outset of collection communications, debt collectors must provide detailed disclosures about the consumer's debt and right, along with information to help consumers respond.

- Before reporting information about a consumer's debt to a Consumer Reporting Agency (CRA), debt collectors must take specific steps to disclose the existence of that debt, orally, in writing, or electronically.

Benefits Derived from Alvaria Compliance Hub™

- Provides the ability for a single large list to be shared across multiple systems with the highest priority records always being worked first no matter the productivity or availability of agents on any one system. This prevents artificial list segmentation based merely on expected contact capacity for individual systems. This also insulates the contact of highest priority records from workforce and system interruptions.

- Allows records in a list to be stopped, started and have priorities changed without impacting agents by introducing artificial idle time.

- Only valid numbers to attempt are provided, which smooths out contacts since unattemptable numbers do not need to be evaluated by the system.

- More than one list can be utilized simultaneously based on a percentage distribution. For example, one list supplies 75% of the dialing demand while another supplies 25%.
  - Allows for balanced penetration between the two lists.
  - Allows for lists from multiple clients to be worked simultaneously by a single large agent pool vs. multiple small groups to improve performance efficiency.
  - Removes agent and time bias from champion/challenger tests between two lists since you don't need to send records to different agent pools nor work the records in and on/off fashion.

- Allows for the separation of list management and distribution from telephony, agents, and host systems. No customer identifying data need a cross a border.

ALVARIA®