

Small Business Collections: Prepaid Legal

Article by: Gene Allen

Walter Small Business : Skip I feel like I've hit a wall that's dripping with red ink. I have a stack of unpaid invoices that's squeezing the life out of my bank account. I need to take some of these people to court, but I don't have a clue about how to get it done. These things are so expensive.

Gene Skiptracer: Sue them in small claims court.

WSB: I don't know anything about courts.

GS: Get yourself a legal plan and then sue them in small claims court.

WSB: I've tried to get legal help. I went to see an attorney, he charged me two hundred and twenty dollars an hour and said he would need two thousand dollars in a trust account before he could get started. I sell business supplies, my average customer spends six hundred to two thousand dollars a year. I can't afford an expensive attorney.

GS: I'm sure you've heard the expression "Why pay for the cow if you can have the milk for free?" Well a prepaid legal plan gives you the milk. Simply stated, a prepaid legal plan is a service which allows you unlimited access to an attorney for a monthly or annual fee. It's the same idea as medical coverage. When you buy into a Blue Cross or Cigna benefits package, you pay so much a month for coverage. The amount of benefit depends on the type of plan that you buy into. One of the most basic legal plans is the Prepaid Access Plan. This plan provides members with specified services (unlimited consultation via phone, some document examination, and a phone call on your behalf.) at no additional cost, plus other services, such as legal representation, at a discounted legal fee. Other plans include Group Legal where members pay low fees, or special plan fees, as needed, and the Comprehensive Plan which is usually paid by employers, or through payroll deductions. Comprehensive Plans usually cover 80% to 90% percent of legal costs in any given action. A prepaid legal plan can be a valuable asset to a small business that does not have a legal budget.

WSB: So I can pay a monthly fee and get access to an attorney?

GS: That's right, eight hours a day, five days a week.

WSB: But laws differ from state to state. If I call a national hotline how will they know what laws apply in my state?

GS: They wouldn't if one law firm had to cover all fifty states. But the companies that offer legal services usually refer their members to local attorneys. I'll tell you something amazing that I read on the American Prepaid Legal Institute (API) website. This is a direct quote "Sixty five to eighty five percent of all problems brought to lawyers through plans can be resolved through...advice and a small amount of follow-up."

WSB: Well you sold me. Do you have an address for the API website?

GS: You b-e-t-c-h-a! Go to http://www.aplsi.org/legal_plans/index.htm Gene Allen is a collection specialist with 11 years of experience in the industry. His new ebook "Powerful Secrets of Bounty Hunters & Lawmen for Tracking Deadbeat Cash...Guaranteed" gives practical tips on asset location. <http://www.digenrecovery.com>