

Long Island Business NEWS

Billing to keep the peace and get paid

by Bernadette Starzee

Published: November 10, 2010

When Sandra M. Radna bills a client, she doesn't skimp on details.

Instead of merely listing "wrote letter," she will mention who the letter was to and what it was regarding. "This way, clients will know exactly what they're getting charged for," said Radna, a partner in the Northport-based law firm Radna & Androsiglio, whose practice includes personal injury and matrimonial law.

As seasoned attorneys have learned, when clients understand the charges, they're more likely to pay the bill, an issue particularly important in the current economic climate.

When David R. Okrent sends his clients a bill, he implores them to pick up the phone and call if they have any questions. "If there's something on the bill that they're unhappy with, we want to resolve the problem," said Okrent, whose elder law, estate planning and special needs law practice is based in Dix Hills.

Nondescript items in a bill may cause head-scratching, and not just by clients. "If you're too vague, you might not recollect yourself what the item was for," said Debra L. Rubin, a partner in Rubin & Rosenblum, a Commack matrimonial and family law firm.

Specificity means less stress on both sides. For example, billing court appearances, Rubin separates time spent in court from travel time. Breaking out a half-hour of travel time clears things up nicely.

Clients vary in their attention to details. "Some people want to know why a phone call took 15 minutes," said Steve Glassberg, a sole practitioner with an office in Port Washington, who focuses his practice on real estate, contracts and small businesses. "Others just want to see you get the job done for a fair price."

For those clients less prone to nickel-and-dime, Elena Greenberg, a partner in the Garden City matrimonial law firm Fass & Greenberg, prefers to leave some details out of the bill. "In a matrimonial case, the legal bills may have to be disclosed to the other side, and tactical confidences may be discovered,"

Greenberg said. For instance, if the bill itemizes a telephone call to the wife to discuss hiring a private investigator, the husband's camp may catch wind of it, even if those details were blocked out on the copy submitted by the attorney.

Besides delving into details, billing clients more often can help ensure payment, Radna has found. Early in her practice, she billed some clients every 60 or 90 days, but now she is diligent about billing monthly, when the tally is lower. "When clients received a bigger bill, they were more likely to try to get it reduced and to ask questions like 'Do you have to charge me for that call?'" Radna said.

Radna's matrimonial clients often pay a retainer upfront. "We send them a statement to let them know every month how much is left on the retainer, so they won't be surprised when it runs out," she said.

Many payments are won before an attorney does any work on a case. "It's important to be selective about the cases you take," Greenberg said. "At the initial consultation, we assess a potential client's resources and attitude - we want to see how realistic they are."

Thoroughly explaining charges upfront can go a long way in ensuring payment. "We explain the cost, as well as the cost-effectiveness, of actions before we take them," Greenberg said. "If a husband hasn't paid two weeks of support, the wife might want me to do a motion to get the support. But the support might equal \$1,000, and the motion might cost \$1,500, so it wouldn't be worth it."

When clients don't pay a bill, it's important to reach out and find out what's going on. "We had one client that wasn't paying, and it turned out to be a problem with their bookkeeping service," Glassberg said.

When clients have trouble coming up with the money, Greenberg said, her firm will try to work something out, like a payment schedule. "It's very rare that someone will ignore our bills for no good reason," she said.

But in those situations in which clients simply don't want to pay, the firm will look to end the relationship.