



FundFoundr

Before You Pay Any Collection — Check With Us First

A 60-second decision guide for collection calls, letters, and “settlement” offers

Got a collection notice, a call, or an offer to “settle for less”? **Don't pay, promise to pay, or settle anything on your own yet.** Paying the wrong collection — or paying it the wrong way — can cost you money, fail to help your score, and even *restart a lawsuit clock*. The good news: this is exactly what we handle for you. Send it our way first.

Tempted to pay or “settle” a collection? Don't — check with us first.

1 · Don't act alone — no payment, no plan, no promise

2 · Send it to us — forward the letter, call, or a screenshot

3 · We check: Is it accurate? How old is it? Is it medical?

We dispute the inaccurate ones

- If an item is inaccurate or unverifiable, we challenge it — your job is simply not to act alone.

We guide the valid ones

- If it's valid, we weigh the options and advise: sometimes **waiting** (letting the clock and the 7-year window work for you), sometimes a **pay-for-delete in writing**, sometimes **disputing** if it still can't be verified.

Why paying on your own can backfire

- **It can restart the lawsuit clock.** The 7-year *credit-report* clock starts at the original missed payment and can't legally be reset. But the *statute of limitations* — how long a collector can **sue** you — is set by your state (often about 3–6 years), and in many states a payment, a partial payment, or even a promise to pay an old debt can restart it. A small payment can be the most expensive thing you do.
- **Paid doesn't mean deleted.** The score most everyday lenders still use (FICO 8) usually keeps a collection on your report even after you pay it — it just shows “paid,” and it can still weigh on your score. Newer models may ignore paid collections, but you don't pick which one a lender uses — so paying often won't reliably raise your score.
- **“Pay-for-delete” is never guaranteed.** Some collectors will agree to remove the item in exchange for payment — but many won't, and a verbal promise means nothing. **Get any deal in writing before a single dollar changes hands, and send us the written agreement to check first.** Never pay on a handshake.
- **You might pay something we're about to remove.** If we're already disputing an item as inaccurate or unverifiable, paying it can undercut that work — and waste your money.

Medical collections — what's true as of June 2026

- **A lot of it already shouldn't be there.** Under the bureaus' current policies, **paid** medical collections, balances **under \$500**, and **brand-new** medical bills (about the first year) are generally kept off your reports.
- **But not all of it.** A federal rule that would have removed nearly all medical debt was struck down in 2025, so larger or older unpaid medical balances can still appear.
- **These bureau policies are voluntary, not law — they can change.** They're choices the three bureaus made, not a federal rule, so don't count on them permanently.
- **Bottom line:** if a medical bill is on your report or in collections, don't pay it blindly — forward it to us first, either way. Some of it may not belong there at all.

What to send us — that's all we need

- The **collection letter** or a **screenshot** of the call, text, or notice.
- The **creditor or collector's name**.
- The **account number** (if it's shown).
- The **amount** they're asking for.

Not sure how old the debt is, or what your state's deadline to be *sued* is? **Ask us** — we'll look up your state's statute of limitations with you. Don't guess, and don't act on it alone.

Your job vs. our job

Do

- Send us any collection notice, call, text, or settlement offer — before responding.
- Keep paying your current bills on time and keep your card balances low.

Please don't

- Pay, “settle,” partially pay, or promise to pay a collection on your own.
- Hand a collector a payment to “make it go away,” or agree to anything verbally.

YOUR ONE JOB

Don't act alone. Send us any collection notice before you respond — we'll dispute the inaccurate ones and guide the rest. It's free, it's fast, and it protects your money and your rights.

This guide shares general credit education, not personalized financial or legal advice, and is not a description of the law in your specific state.

We can never guarantee specific deletions or score increases; outcomes depend on what each bureau and creditor verifies.

Statute-of-limitations rules vary by state — ask us before acting on an old debt.

Sources: FCRA / 15 U.S.C. §1681 (§605 7-year reporting window, §623 furnisher accuracy / re-aging); FTC on time-barred debt and how a payment can restart the statute of limitations; Equifax/Experian/TransUnion joint policy on medical collection reporting (voluntary, not law); the CFPB medical-debt reporting rule was vacated July 2025 (E.D. Tex.) and remains vacated as of June 2026; FICO on paid collections under FICO 8. General education, current as of June 2026.

Questions? We answer every one.

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