

Navigating the world of insurance, risk management and workers' compensation coverage can seem overwhelming, and we want to provide an easier solution. Appalachian Underwriters, Inc. (AUI) is here to help your business grow by providing the ability to enjoy "Business Made Easy". The PAYGO program is a joint venture between your payroll company and AUI to promote growth opportunities, efficiency and accountability on an equal basis. AUI gives you another option to custom fit your workers' compensation needs while saving you time. With our large selection of insurance carriers, we can ensure that you will have a payment option that matches your payroll activity. Your business will also get the security in knowing it is being assisted by a company devoted to being an industry leader for "Pay-As-You-Go" products. While it can seem like there are many obstacles to face, having a strategic relationship with AUI can help you overcome workers' compensation hurdles that you may encounter.

What is PAYGO Workers' Compensation?

PAYGO or "Pay-As-You-Go" is an alternative to traditional installment plans and is intended strictly for an insured client that utilizes the resources of a payroll company, ASO or PEO to provide payroll services. The product was developed for clients who must have their own policy rather than being rolled up under a master policy for the payroll company, ASO or PEO. The key advantages PAYGO provides are in managing the cash flow implications of fluctuating payrolls, seasonal business cycles and eliminating large down payments. Monthly reporting helps match the insurance expense to the monthly payroll activity. It is ideal for payrolls that vary by job, seasonal highs and lows, and growing businesses.

The payroll company is responsible for reporting the client's monthly payroll to calculate the updated workers' compensation premium and remitting payment to AUI. Contact with the client is maintained at the payroll company.

How Do We Get Started?

You are concerned with your business and want to feel good about your partners and vendors doing what they can to help you achieve your goals. At AUI, we share your concerns. As an initial step, we would like to understand more about you—your needs, where your business is and where you expect it to go. Call our marketing representative today for program information and agent appointments.

TOGETHER, WE CAN EXPAND THE POSSIBILITIES.

Program Information

Rob Sanford, Marketing Representative
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Email: rob.sanford@appund.com

Appointment & Set Up

Freddie Daniels, PAYGO/MSR Accountant
Phone: 865-425-8379
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New Submissions:
paygowc@appund.com

Endorsements & Requests:
payrollreporting@appund.com

Class Code Additions Or Changes:
staffingchanges@appund.com

PAYGO Customer Service

Phone: 866-984-3317
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Billing, Processing & Customer Service

Tina Mullins, Reporting Services Supervisor
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New Business

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Phone: 865-425-7341
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Chad Rayburn, Work Comp Underwriter
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Renewal Business

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PAYGO

WORKERS' COMPENSATION OVERVIEW



What is the Down Payment for PAYGO?

Because of our relationships, we offer policies to you and your clients with a minimal down payment. The only amount due at the inception of the policy is the expense constant which is made payable to Appalachian Underwriters, Inc. and a Loss Control Survey fee that is made payable in a separate check. With PAYGO, it truly is Pay-As-You-Go without a large down payment or rigid installment plans that do not align with your business cycle.

How Do I Report the Payroll?

1. Payroll can be reported on a summary basis for each insured/stat/class code basis through an electronic file. AUI will provide a file layout and file specifications for your review after an initial agreement is completed. The file can be delivered to AUI via email or FTP. AUI provides technical assistance in the testing and delivery of the file.
2. AUI maintains an online portal for submitting payrolls on a policy-by-policy basis. The portal allows access to the policy history, premium due, payments received and policy status to help manage the reporting process.

There Are 3 Options for Remitting Payment:

1. An ACH Wire Transfer can be remitted after the payroll reporting is completed for the month. The payment roster can be reported on a summary basis for each insured through an electronic file. AUI will provide a file layout and file specifications for your review after an initial agreement is completed. The file can be delivered to AUI via email or FTP. AUI will provide technical assistance in the testing and delivery of the file. Utilizing an ACH Wire Transfer as a lump sum payment for all policies requires that a roster be provided as specified in the file layout and specification document.
2. Payment can be submitted by check after the payroll reporting is completed for the month. One check payment can be sent for all included policies if an electronic file is provided as a payment roster in the manner specified in the file layout and specifications documents. Otherwise, check payments must be made on a policy-by-policy basis.
3. AUI can process a pre-authorized debit directly from the insured customer's business checking account in correlation with the payroll and premium provided by you for the monthly reporting. For this option, each insured customer MUST complete and return the AUI approved EFT Debit Payment Authorization form on or before the binding of the policy.

What Are Net Rates & How Are They Calculated?

Net Rates are different from the base rates listed on the policy. The Net Rates roll in all of the items that modify the resulting policy premium from the normal class premium; this includes taxes, fees, and surcharges, in addition to any schedule credits or debits, experience mods, increased limits, or and premium discounts. The method that Appalachian Underwriters uses to calculate Net Rates is a calculation of the annual premium less the expense constant divided by the standard premium. This results in the multiplier (Rate Exposure Factor) for the base rates from the policy. This factor is then multiplied against the base rate for each class code to produce the Net Rate. In the event that the insured has an Anniversary Rating Date or other situation that would result in a mid-term rate change, we are able to maintain this change on a month-by-month basis.

Can I Add Class Codes to My Insured's Policy?

Yes, class codes can be added to the policy after it is bound. All class codes must be submitted for underwriting approval prior to being utilized for monthly reporting. In the event that the Service Provider is notified late of the class code addition, the payroll for the unapproved class code may need to be reported in a subsequent month when it is approved. Email staffingchanges@appund.com for approval of any class code changes. Please note that some class codes may be ineligible.

