AmCom Insurance Services, Inc.

NEWSALERT

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BROKER SERVICES CONTACT INFORMATION

CUSTOMER SERVICE | 877.528.7878

(AUDITS, BILLING, CLAIMS, POLICY INFORMATION, ETC.)

Claims Reporting

Send questions to:
caclaims@amtrustgroup.com

Insured (Direct) Billing

E-mail questions regarding direct bill commissions due/payable to:
amtrustcommissions@amtrustgroup.com

or you can call AmTrust Commissions at:
844.578.7438.

E-mail questions regarding insured payments, invoices, fees, etc., to: **amtrustar@amtrustgroup.com**

or you can call customer service at:
877.528.7878.

If customer service is unable to answer your question, they will reach out to the AmTrust AR team.

Endorsement Change Requests

Policy change requests can be sent to:
endorsements@amcomins.com

Audit Questions

Any questions related to audits can be sent to: ***audits@amtrustgroup.com***

Any questions related to audit disputes can be sent to: ***disputes@amtrustgroup.com***

Any questions related to audit status can be sent to: ***auditstatus@amtrustgroup.com***

Agency Billing

E-mail agency statement questions to:
amtrustcommissions@amtrustgroup.com

or you can call AmTrust Commissions at:
844.578.7438.

Premium Finance Cancellations/ Reinstatements and General PFC Correspondence

Any questions related to premium finance correspondence or processing can be sent to:
premiumfinance@amtrustgroup.com

New Business/Renewal Submissions

Send application, MVRs, loss runs, etc. to:
newbusiness@amcomins.com

CONTACT US

AmCom Insurance Services, Inc.

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1655 Grant Street, Suite 700
Concord, CA 94520
Reception Desk: 925-288-6780
Main Fax: 925-244-0234

Submissions (NB & Renewal):
newbusiness@amcomins.com
Endorsement Requests:
endorsements@amcomins.com
Loss Run Requests:
Available for download from AmCom Online Portal

If you would like to learn more about any of our services, please contact us or visit: www.amcomins.com

Changing Times

Safety Risks Soar as Job Market Tightens

ONE BY-PRODUCT of a strong economy is more employment, but the increased activity usually results in more workplace injuries.

That's because there are more inexperienced people on worksites and when a company is busy and there is more activity, the chances of an incident occurring also increase. This is especially the case in manual labor environments from production facilities, warehousing and logistics to construction and other trades.

The September 2018 USG + U.S. Chamber of Commerce Commercial Construction Index found that 80% of contractors said that the skilled labor shortage is affecting jobsite safety and it's the number one factor increasing safety risk on the jobsite.

As business activity grows and the job market tightens, many companies are forced to hire more inexperienced workers who are not skilled at understanding all safety hazards.

Experienced personnel have the know-how to identify workplace hazards and understand the safety protocols for all aspects of their work. While training can help new hires, nothing beats experience.

Additionally, with many businesses working hard to fulfill orders, workplaces are busier. Amidst all that hustle and bustle and people moving quickly, the speed and activity can also contribute to accidents in the workplace.

Also, aggressive scheduling may cause employers to use workers with less experience or training, and can push employees to work longer hours. If employees are working overtime, they may also be tired and fatigued, which can contribute to poor judgment and workplace incidents.

One other issue that's affecting workplace safety and is related to the tight job market is that employers are often having to settle for workers they may not normally hire in other times. As you know, the scourge of opioid addiction has been rampant and unfortunately if someone who has an addiction is hired, they may be a serious liability for the employer.

Not only that, but more states are legalizing recreational marijuana and nearly 40 states have medical marijuana laws on the books.

Here's what's concerning construction employers on the worker addiction front, according to the USG + U.S. Chamber of Commerce Commercial Construction Index:

- 39% are concerned about the safety impacts of opioids.
- 27% are concerned about the safety impacts of alcohol.
- 22% are concerned about the safety impacts of cannabis.

The report showed that while nearly two-thirds of contractors had strategies in place to reduce the safety risks presented by alcohol (62%) and marijuana (61%), only half had strategies to address their top substance of concern: opioids, which is a growing issue.

What you can do

In this environment of labor shortages and high competition for workers, employers need to put a premium on safety.

Putting safety first

- Train all new employees in safety and housekeeping procedures.
- Improve the safety climate in the worksite with ongoing training.
- Get buy-in from management on safety.
- Provide more leadership training for supervisors.
- Track near misses and injuries, and identify the factors that led to the near miss or accident.
- Ensure accountability at all levels.
- Empower and involve employees in the safety process.

Tackling substance abuse safety risks

Top strategies to reduce safety risks caused by substance abuse:

- Testing
- Prescreening before hiring
- Education
- Zero-tolerance policies
- Counseling
- Access to rehab services

Workers' Comp

Audit Mistakes: What to Look For if You Get a Bill

NO COMPANY owner wants to undergo a workers' compensation audit, but they are a fact of life if you run a business and have employees.

Unfortunately, many audits don't go smoothly and sometimes your insurer may make mistakes. Missouri-based Workers' Compensation Consultants, which helps employers through the workers' comp audit process, recently listed the 10 most common audit mistakes that insurance companies make.

The list highlights a common problem and how you can detect the mistakes to avoid being stuck with a massive audit bill.

Insurance companies allow you to review the audit with your broker. If you notice that you have received an audit bill that is obviously overstated, you should contact us.

Here are the things to look for when reviewing an audit by your insurance company:

Wrong class code – Misapplication of job classifications occurs in many workers' comp audits. With hundreds of job classes to choose from, mistakes can happen. Talk to us and review your old policies to see if any of your class codes have changed.

X-Mod is changed – After your insurer finishes the audit, it will use the information to calculate your premium. When that happens, it has to include your X-Mod to get the right rate. But sometimes the insurer may use an incorrect X-Mod. Check carefully.

Subcontractors are counted – Sometimes insurers will include subcontractors as employees, which results in a new audit bill to account for the additional "employees." But if they are genuine subcontractors, they should not be counted. Often, uninsured contractors will be included as employees. Make sure to use insured contractors only.

Audit worksheets missing – If the auditor fails to provide your audit worksheets, which are used do compile your payroll and other audit data, you can ask to check their work. They will provide you with the info you need to carry out such a check.

Your rates changed – The rates you are charged at the beginning of your policy period must remain the same for the entire period. If your base rates have changed, the insurer may have made a mistake.

Disappearing credits – Most policies will have some sort of premium credits or other modifiers. Sometimes during audits, the insurer will remove them when recalculating the premium they think you owe.

LOOK FOR MISSING CREDITS, MODIFIERS

Be on alert for missing:

- Premium discounts
- Schedule credits
- Deductible credits
- State-specific credits

Separation of payroll – Depending on your industry, you may or may not be able to split your employees' payroll between job classifications (like cabinet installers and sheetrock hangers). This is a pinch point when errors can occur.

If the auditor says you are not allowed to split job classifications even though you have in the past, your audit may be in error.

Unexpected large premium due – If you get a significant bill for your insurance company after your audit, the auditor may have made mistakes, particularly if you know that your employment has remained relatively stable and you've had no significant claims, if any.

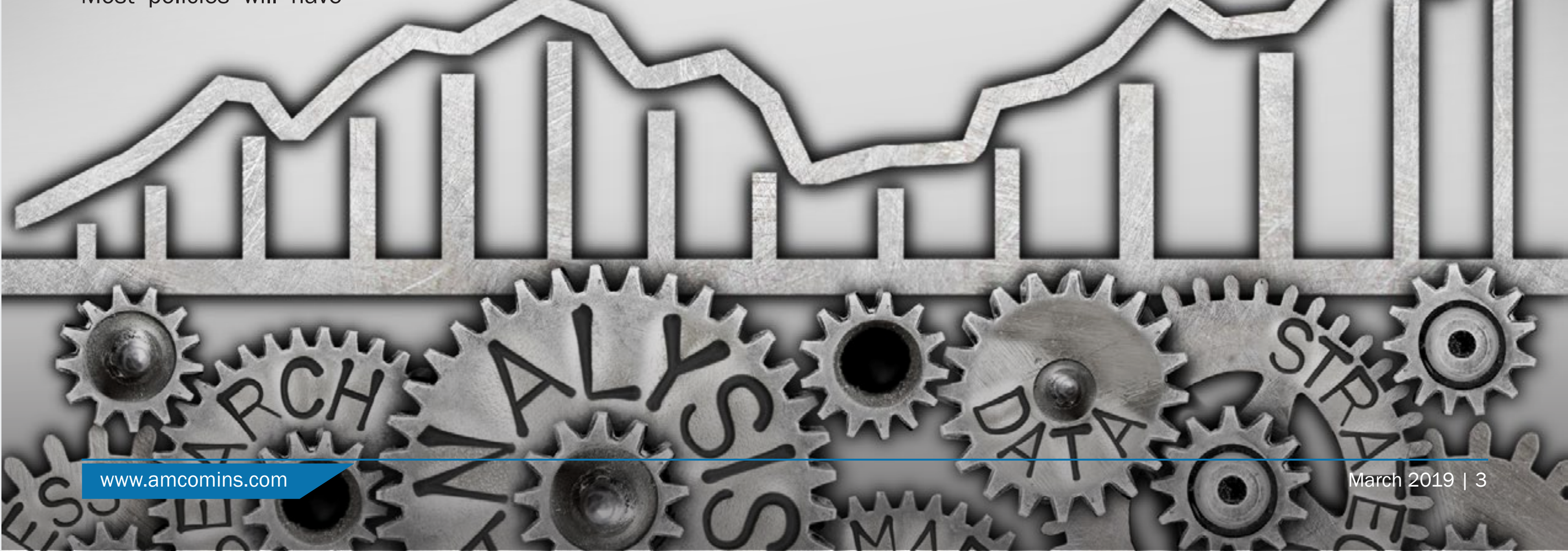
If it seems out of whack, call us.

Payroll data doesn't match – If there is a discrepancy between your payroll data and what you see on the audit, a mistake may have been made. Try to match the payroll on the audit with that generated from your accountant. If the insurer made a mistake, you could end up paying for phantom payroll numbers.

No physical audit – There are three types of audits:

- Mail audit
- Phone audit, and
- Physical audit

Mail and phone audits are prone to errors, since neither you nor your staff likely have any experience in premium auditing. If you have a big bill after a mail or phone audit, mistakes could have been made. ❖



Voluntary Benefits

What Your Staff Need to Know About Group Life

VOLUNTARY LIFE insurance is offered to employees as an optional benefit, and often employers will pay the small premium as an employee retention tool and to provide workers some peace of mind for their families.

There are various avenues for funding these group plans, and different underwriting criteria that can either reduce or increase the premium amounts.

The employer may cover the premium directly, or employees may share in the premium burden through payroll deductions after tax. In most cases, life insurance face amounts will vary from policy to policy and will usually be based in part on each employee's base salary.

Taxation

Employers often provide group term life insurance at no cost to the employee, usually with a benefit equal to a percentage of base salary.

Internal Revenue Code Section 79 governs the taxation of this employer-provided life insurance. An employee can receive up to $50,000 worth of coverage tax-free.

The cost of any insurance above $50,000, less any amount paid for the insurance by the employee, is taxable income to the employee.

Types of group life insurance

There are three different categories for group life coverage, as follows:

Guaranteed underwriting – Automatic enrollment is granted to all eligible employees who apply. But they must meet eligibility requirements that the employer and insurance company negotiate.

Guaranteed underwriting requires little paperwork, there is no medical exam and it is issued quickly. It is usually only provided for large groups where employees cannot be denied.

To qualify for guaranteed issue, employers usually agree to a minimum percentage enrollment.

Simplified underwriting – There is no blood test, no urine test and no medical exam is required. Each applicant usually answers several health-related questions in addition to agreeing to a medical record background check.

Full underwriting – Medical exams are typically required, and a full examination is taken to satisfy the full records check requirement. Full underwriting is usually required with small groups, with individuals or on larger face amounts.

Because of the more thorough vetting, the application process takes longer to complete and not all people will qualify.

Why offer group life?

Premiums are typically quite low and that's why employers will often offer this benefit at no cost to their employees.

It's a great selling point when attracting new talent and retaining your employees.

It also benefits those employees who otherwise would not purchase life insurance on their own, either because of apathy or they may not be able to afford individual life insurance policies.

Group life also allows higher-risk individuals to be given life insurance coverage where they may have a harder time obtaining coverage on their own.

As a rule, experts recommend people purchase eight to 12 times their yearly wages in life insurance when working full time. If workers are young and have a long career ahead of them, experts recommend they purchase even more coverage. This is especially true for people with multiple dependents. ❖