

50% of all businesses are over-charged

## You're paying too much for your Workers' Comp

Discover the 7 secrets that cost you plenty

First, you pay outrageous premiums. Then, you pay *again* for almost all your claims:

- You pay for employee injuries through lost dividends and return of premium
- You pay more because your Experience Modification skyrockets
- You pay for lost productivity
- You pay for the low morale of the other employees who fill in for the injured employee
- You pay for increased management and staff stress

You have Workers' Comp for only two reasons:

- The law requires it
- Workers' comp spreads the actual cost of employee injuries out over time

Workers' Comp does not pay for employee injuries. *You do!*

1

Insurance companies don't pay for employee injuries—they just finance them for you at an exorbitant cost.

You pay \$2 to \$3 to the insurance company for every dollar it pays out for employee injuries. *Each claim results in the most expensive financing contract you have in your business.*

2

## Claims management services are usually dreadful

Now that you know you write the checks for your employees' injuries (you can have more proof if you want it), you should demand exceptional claims management service.

Claims adjusters are snowed under with too many cases. Your injured employees don't get the attention they deserve. In spite of this, insurance companies continue to downsize as they strive to increase profits.

Add managed care to the mix and your employees' claims are often outsourced to a "case management company." Adjusters don't know what's happening or how your injured employees are being treated. You just can't notify the insurance company an employee was injured and expect them to "do their job." *You must have a proven process in place to minimize the cost of the injury and expedite your injured employee's return to work.*

# 3

## You are penalized and overcharged when the “Audit Police” make a mistake on an audit

Because your real insurance cost is determined *after* your policy expires, it’s essential the audit is correct.

*You’re at a disadvantage from the start. The insurance company auditor knows the rules, you don’t.*

The law does not compel an auditor to explain the rules, especially if applying a rule would cause you to pay a lower premium.

Here’s how the auditor works against you:

- Your entire payroll is put into the highest classification.
- The “standard class exceptions” are put into the incorrect cost classification. When someone is not properly moved to the lower cost classification, you pay at the highest rate.

Misclassifications are common and the system is designed for you to pay for all mistakes. There are many other errors or omissions that are made in addition to misclassifications.

*Would you allow an IRS agent to conduct an audit without an expert on your side?*

Of course not. Then, why allow an insurance company auditor to conduct an audit without an expert at your side? A workers’ comp audit may actually cost you more money than an IRS audit. A Workers’ Comp audit is every year. You may go years without an IRS audit.

# 4

## Experience modification factors are often wrong or mismanaged

Most insurance buyers *assume* their experience modification factor is correct. This is a dangerous assumption because most of the time it may be wrong. When that happens, the insurance company benefits. Even if correct, it may be mismanaged and you’re overcharged. There are simple strategies to lower it. A qualified agent knows how to control your costs.

# 5

## Your dividend or retro program may not be what it appears to be

Did you buy your Workers’ Comp based on that fancy proposal your agent presented or did you read the contract’s terms of your retro or dividend program?

If you don’t understand the contract, you’re in for a big surprise that could cost you thousands.

# 6

## Your money will fly away unless your agent pays closer attention to your Workers' Comp than any other insurance you buy

Here's what your agent must do to insure you're not being overcharged:

- Claims need to be monitored
- Premium audits must be managed and verified
- Experience modifications must be double checked for accuracy
- The contract must be analyzed
- Sub-contractors' insurance must be controlled

Many actions are time sensitive. If you don't know why six months after your policy expires is the most critical date, you may be overcharged for your insurance. If you need a specialist in any one area of your insurance programs, it is managing the insurance programs that affect your employees the most—Workers' Comp, medical and disability.

# 7

## You can slash your costs—if you install the right system

Byrne \_ Kim & Associates are trained to find & fix the mistakes rampant in the Workers' Comp system.

This is money on the table since Workers' Comp Insurance can amount from 20% to 25% of your total payroll costs.

Through implementation of Comfix Solutions, you can drive your employee-related insurance costs down 20% or more.

For more information or to locate a Comfix Advisor. Visit [www.Bkaainsurance.com](http://www.Bkaainsurance.com)



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