

## 5 Workers' Compensation insurance savings Tips!

Purchasing workers compensation coverage can be a humbling experience! If you have already purchased workers' compensation and had a negative experience during that process, the idea of revisiting your insurance can seem like something you'd rather not care to entertain. **This is where YOU, the captain of your ship, can save the day.** We've interviewed 5 of our licensed and experienced workers' comp professionals and gathered their top tips to share. Here are their suggestions that may help you, the HERO of your company, WIN in workers' comp and stay competitive.:



Janine Mendoza: **Review your EE pay rate.** Over/Under. "Some contractors are very close to paying an EE an hourly rate that qualifies for a lower WC rate," said Janine Mendoza, a senior commercial P&C broker at Mainline Insurance Services, Inc. There are times when giving your employee a small raise in pay can be a benefit to what you pay towards workers' compensation rates. For example, if you are paying a plumbing EE \$27.50, you could consider giving that EE a .51 cent raise to qualify for a workers' compensation insurance rate that is 50% lower than what you are currently being charged!



Ramses Hernandez: **Time cards with job descriptions.** "There are several contractors who have their employees doing a variety of duties. This presents a savings opportunity to those folks who know how to classify these employees correctly." said Ramses Hernandez, a senior commercial P&C broker/partner at Mainline Insurance Services, Inc. There are times when employees will specifically handle job duties that have a lower class code. You can distribute some of that payroll into lower costing class codes. The key here is to match that separately classified payroll with proper time cards. This is something a qualified time & attendance and/or a bookkeeper can help with.



Rosalie Taylor/Michael Jones: **Have safety meetings and safety programs in place.** "Many businesses SAY they care about EE safety but don't back that statement up with safety meetings and programs," says Rosalie a senior commercial P&C and Life/Health broker at Mainline Insurance Services, Inc. Employee safety in the workplace is a KEY element to obtaining a great rate for workers' compensation. Regular, notated safety meetings are a big benefit to the overall focus of the EE's. It could prove to be a factor in whether an aggressively priced insurance carrier could agree to offer a proposal or not. Michael Jones, CEO at Mainline Insurance Services, Inc. says, "Some business owners don't even know how affordable a safety program can end up being. OSHA is a great place to start."



Ralph Rivera: **Be upfront about your anticipated annual payroll.** "I helped a roofing contractor out with his workers' compensation insurance one day. He was told that he should REFRAIN from telling his insurance carrier what his true annual payroll was until the insurance carrier did the audit!!" said Ralph Rivera , CRIS certified and COO at Mainline Insurance Services, Inc. This is a faulty approach that a large number of business owners unfortunately fall victim to. By telling your carrier your total payroll from the start of the workers' compensation policy, they are secured in their efforts in having DISCOUNTS applied to the premium. There has to be enough "meat on the bone" for carriers to consider applying available discounts and credits. If you withhold your annual payroll, those discounts and credits will not be available.

**You** will benefit from speaking with us if you have said or thought something like:

"I don't have time to talk about insurance. I just let it renew automatically." **Call 619-420-8600**

"I'm just used to these prices. Insurance is expensive." **Call 619-420-8600**

"My broker just renews the policy for me every year." **Call 619-420-8600**

"I've never heard about any of these tips at all." **Call 619-420-8600**

"I haven't had any claims and my insurance is STILL expensive!" **Call 619-420-8600**

"I have lost on bids because I was too high. I have to cover my costs!" **Call 619-420-8600**

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