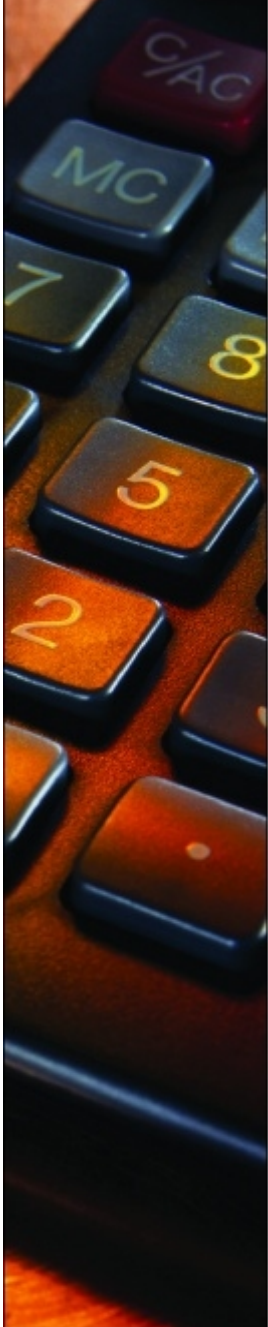
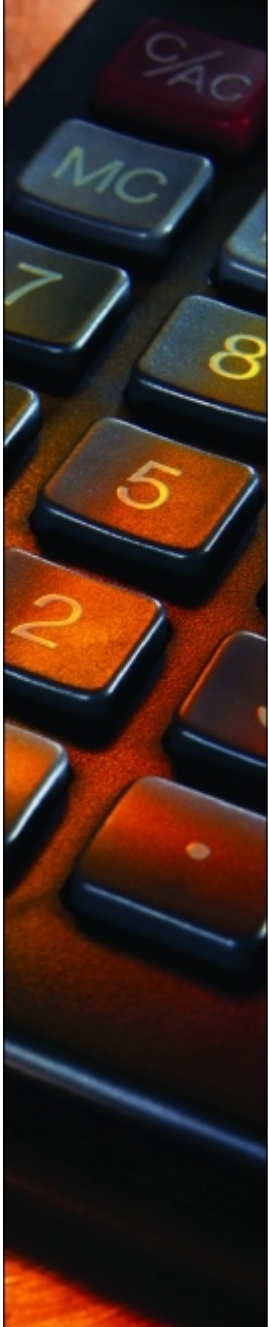


XactPAYSM

Workers' Compensation Payments Made Easy





-
- What is XactPAY?
 - What are the benefits?
 - How does it compare?
 - How does it work?
 - How much does it cost?



Introducing...

An Easier Way to Pay Your Workers' Compensation Premiums

- Our payroll service is now integrated with The Hartford to bring you XactPAY
- **Why The Hartford?**
 - One of the first companies to pioneer “Pay-as-you-go” workers’ compensation payments 10 years ago
 - Leading insurance carrier with over 65,000 insured small business clients



Workers' Compensation 101

- Workers' compensation is a form of insurance for employers
- Provides income and medical benefits for workers who are injured or become sick because of their jobs
- It is required by law in all states except **Texas**
- The monopolistic states of **North Dakota, Ohio, Wyoming** and **Washington** have coverage through their individual state.
- The Hartford does not currently offer coverage in **Alaska** or **Hawaii**.



What is XactPAY?

- XactPAY is a workers' comp payment service that is integrated with our payroll system
- Allows Hartford workers' comp policy holders to pay their premiums as we run their payroll
- Premiums are calculated using your actual payroll generated for each pay period
- XactPAY is a premium payment service and not an insurance product.



Benefits to You

- **Stay in Control Of Cash-Flow**
 - Elimination of a large down payment
 - Pay premiums one pay period at a time
 - Avoid year-end surprises
- **Save Time**
 - No checks to write
 - Minimize audit activity



How Does It Compare?

	TRADITIONAL METHOD	XactPAY®
Down-payment	Up to 25% down-payment	✓ No large down-payment
Payment type	Estimated payments derived from payroll projections for the year	✓ Accurate payments based on actual payroll
Premium payment schedule	Paid on a monthly, quarterly, or annual schedule	✓ Paid automatically after each payroll
Late fees	Late payment fees may apply	✓ No late payment fees
Audit adjustment	You could potentially owe more in premiums if actual payroll is higher than estimate	✓ Helps minimize audit adjustments



Policy Payment Comparison

Based on a premium of \$2,000

Traditional Method

- ✓ Monthly billing fees and checks to write
- ✓ Additional Charges for late payments
- ✓ Audit Adjustments

Approximate Start-up Fees:

\$ 2,000 Total Annual Premium
25% Down Payment*

\$500 Down payment*

**The Down payment can be as much as 100% or \$2,000 in this case.*

XactPAY

- ✓ **No** monthly bills or checks to write
- ✓ **No** charges for late payments as payments run with the payroll
- ✓ Minimal (if any) Audit Adjustments

- ✓ **No** premium down payment, only Expense Constant**, Approx \$250
- ✓ Expense constant is taken on first payroll run

\$250 Taken with first payroll

***Varies by state*



Policy Payment Comparison

Based on a premium of \$5,000

Traditional Method

- ✓ Monthly billing fees and checks to write
- ✓ Additional Charges for late payments
- ✓ Audit Adjustments

Approximate Start-up Fees:

\$ 5,000 Total Annual Premium
25% Down Payment*

\$1,250 Total down payment

**The Down payment can be as much as 100% or \$5,000 in this case.*

XactPAY

- ✓ **No** monthly bills or checks to write
- ✓ **No** charges for late payments as payments run with the payroll
- ✓ Minimal (if any) Audit Adjustments

- ✓ **No** premium down payment, only Expense Constant**, Approx \$250
- ✓ Expense constant is taken on first payroll run

\$250 Taken with first payroll

**Varies by state



Policy Review at Term End

Scenario	Traditional Method	XactPAY
Payroll used to calculate premium is Less Than actual payroll	Additional premium is due (typically within 30 days)	Regardless of the estimated payroll, premium is calculated on exact payroll each time payroll is run.
Payroll used to calculate premium is Greater Than actual payroll	Excess premium collected will be credited to renewal premium. Poor Cash Management for business owner.	This means audits are minimal and the business owners cash flow is maximized.
Payroll is Accurately Estimated at policy inception	Difficult if not impossible to project accurately, especially in business with fluctuating payroll	



How Much Does It Cost?

- The cost is **\$9.95** per-month
- This is in addition to the insurance premiums that you would pay to The Hartford



Contact Us

- Call HR Allen Consulting Services
Ph: **916-370-7849**
Mon-Fri 8:00 AM - 5:00 PM
- Or email **info@hrallenconsulting.com**

