



# JANUARY 2008 NEWSLETTER

## WHAT TO LOOK FOR IN A GROUP-RATING PROGRAM

Employers hear a lot of rhetoric from different service companies claiming that their group-rating programs are far better than the competition. Some service companies resort to “bending the truth” to such an extent that it is almost comical when you hear how poor the “other guy” performs.

Most employers are savvy enough to sort through the “muck” as we all know that when the competition resorts to these type of tactics that they must be desperate for business. If you stop to think about it, how does your company market your product or services? What do you really think of companies that resort to deceitful marketing tactics to sell their goods?

Some of the things to look for when selecting a workers’ comp group-rating program for next year are as follows:

- a) The projected discount – is it based on accurate info?
- b) The service fee – is it a percentage of savings or flat fee?
- c) Is the fee all-inclusive – do you pay extra for hearings, motions, appeals & handicap reimbursements?
- d) Do attorneys handle the Industrial Commission hearings?
- e) The quality of service & responsiveness from the TPA group-rating plan administrator?
- f) Does the association charge dues or do they receive a “commission” from the service company? If so, are you paying dues to the association and then paying a commission to the association as well? Why?

If your company has not decided on a group-rating program yet, consider the following:

- a) TOCA groups have performed consistently
- b) TOCA charges **NO DUES – NEVER HAS**
- c) TOCA does not receive a commission from any TPA
- d) TOCA’s service company is Benefit Management Services of Ohio, Inc. which has received several service recognition awards for their commitment to high quality service to their clients and our members.
- e) TOCA/BMSO does not charge extra for hearings, motions, appeals or handicaps. The fee is all inclusive and not a percentage of your savings. An example:

Company A saves \$100,000 in group premium and pays a \$12,000 service fee or 12% of savings as opposed to a flat fee of \$1000 annually. Which would you prefer?

## BUSINESS LIABILITY INSURANCE

The Ohio Chamber Alliance has contracted with several insurance companies that specialize in providing business liability and commercial building insurance coverage to manufacturing, trucking and medical providers. Call our insurance office at (330) 856-6270 for a free evaluation of your coverage and savings. We can also assist your company with savings on healthcare and commercial fleet coverage.

Additionally, as a member of The Ohio Chamber Alliance, your employees are entitled to a 10% discount off their auto insurance and great rates on homeowners insurance as well.

## IDEAS TO HELP YOU SAVE ON BUSINESS INSURANCE

- 1) Shop around: the best time to shop is when your current policy is close to renewal. Business insurance premiums for the exact same coverage can vary widely between different insurers.
- 2) Increase your deductible: You may be able to save as much as 10% or more by increasing your deductible from \$1000 to \$2500.
- 3) Ensure that your policy is reviewed for proper coverage, taking into account any changes in your company’s operations or structure.
- 4) Some types of coverage to consider are the following
  - a) theft of precious metals coverage
  - b) business income loss protection
  - c) damage of goods loss in transit
  - d) civil authority action
  - e) product recall expenses
  - f) damage to customer goods
  - g) finished stock damage
  - h) consequential damage to stock & product
  - i) contractual penalties
  - j) tenant theft damage to buildings

For quotes on your auto, home, life and business insurance call, Robert Carr Insurance Agency at (330) 856-6270. It costs nothing for a comparison quote on your current rates.