

# Workers' Compensation Program

## Submission Requirements & Underwriting Guidelines

- All applications must be accompanied by a completed ACORD 130.

Loss Runs will need to be provided for these Hazard Groups:

- Hazard Group D will need a minimum of one (1) year of Loss Runs.
- Hazard Group E will need a minimum of two (2) years of Loss Runs.
- Hazard Groups F & G will need a minimum of three (3) years of Loss Runs.
- Will accept new ventures upon underwriter approval, if not included in the hazard group limitations. New venture applicants must be newly in business or have had too few employees to require coverage. Any applicant with prior workers' compensation coverage but without current coverage will be treated as a policy lapse requiring underwriting approval.
- Maximum premium is \$50,000. In rare instances, larger accounts may be approved on a case-by-case basis.
- Maximum allowable Experience Modification Factor (EMOD) is 1.50, minimum allowable EMOD is 0.75. With underwriter approval, may quote applicants with an EMOD below 0.75.
- Lapses in Coverage may offer coverage to applicants with a lapse in coverage on a case-by-case basis, with underwriting approval and a signed statement of no losses during the lapsed period.
- Backdating is prohibited. Effective date must be in the future.
- May offer coverage to sole proprietors with no employees. In these instances, may use the applicant's Social Security Number instead of a Federal Employer Identification Number (FEIN) and assign the state-mandated payroll.
- All policies that cover employees will be required to provide a Federal Employer Identification Number (FEIN) prior to policy issuance.
- Specific waivers are available upon customer request and are subject to underwriter approval. Blanket waivers require underwriter review and should be used infrequently. All waivers carry an additional fee; generally, specific waivers are 2% subject to a \$250 minimum, and blanket waivers are 5% subject to a \$500 minimum.
- Additional insured endorsements are not allowed.

### Prohibited Coverages

- Foreign coverage including endemic disease and repatriation coverages
- Outer Continental Shelf Lands Act
- Defense Based Act
- Non-appropriated Fund Instrumentalities Act
- Maritime, Admiralty (Jones Act)
- United States Longshoremen and Harbor Workers Act
- Federal Coal Mine and Safety Act
- Federal Employees Liability Act
- Voluntary Workers Compensation
- Special Endorsements

### Prohibited Applicants

- Accounts with undocumented gaps in coverage
- Policies cancelled for non-payment more than twice in any policy year
- Applicants requesting coverage on any basis other than guaranteed cost.
- Applicants involved with the transportation, manufacture, or use of any type of explosive
- Oil or gas applicants, on or offshore
- Chemical manufacturing (toxic)
- Temporary agencies
- Professional Employer Organizations (PEOs)
- Employee leasing or staffing firms
- Fireworks stores
- Applicants with 24-hour exposure
- Gun shops
- Check cashing stores
- Pawn shops
- Applicants that own, operate or lease aircraft/watercraft
- Applicants involving height exposure greater than 26 feet
- Applicants involving digging to depths of greater than 4 feet
- Public entities

**Cluett Commercial Insurance Agency, Inc.** [www.cluettinsurance.com](http://www.cluettinsurance.com)

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