

compUpdate

**You can now pay your premiums
at www.IdahoSIF.org**



Oh no! It's time to mail another check for your premium payment to the State Insurance Fund. Are you tired of writing checks and paying postage? No problem. Registered users can now make their payments via our web site.

It's easy, but there are two major requirements: You must be a registered user of our web site, and you must use a checking or savings account, not a credit or debit card.

If you are not a registered user, go to IdahoSIF.org and click on the link "New Users." Once you register your account, it takes 24-48 hours to be eligible to make e-payments.

If you already are a registered policyholder, after you log in, you will see your "Current Policy Period Detail" page. Next to "Current Balance," you will see an "On-line Payment" button. Click on that to follow the payment process.

Here's a brief summary of the process:

1. Once you click "Online Payment," you'll go to the "Make A Payment" page. You'll see the due date, the amount due, and a list of frequently asked questions. To proceed, click on the "Make E-Payment" button.
2. On this page, the payment amount and the due date are pre-filled, but you can change either one. Near the bottom, you will see the "Please select an account" drop-down box. Here you can select or add an account.
3. If you select "Add," you will need to enter your bank account information. You'll need to know your routing transit number and account number from your check or deposit slip.

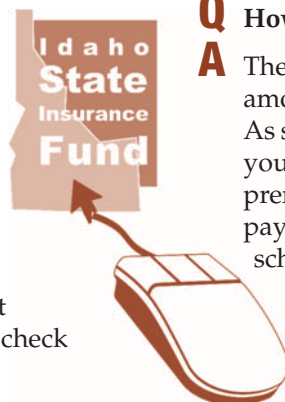
4. On the "Verify Payment" page, you will need to re-enter your policy number and accept the terms and conditions.
5. The "Payment Confirmation" page will give you a confirmation number and show your payment and account details. You may want to print this page for your records. Click "Exit," then "Yes" to confirm log-off.

Q What e-payment forms are accepted for on-line premium payments?

A At this time, Electronic Check (eCheck) is the only on-line payment form accepted by SIF. An eCheck is processed in a manner very similar to a debit card. If you have a checking or savings account, you can pay by eCheck. You will need to enter the bank routing number and account number from your check or deposit slip to process your payment. The initial setup for eCheck is very simple, takes only a minute or two, and you do it yourself.

Q How does eCheck work?

A The eCheck system is very flexible. You decide the amount and effective date of each and every payment. As soon as you set yourself up on the eCheck system, you can log on whenever you wish and make a premium payment on your policy. You can make payments that are effective immediately, or you can schedule them for a future date. What's more, once a payment is scheduled, you can modify or delete it at any time before the scheduled payment date.



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PAYMENT

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Q Is there a limit to the amount of eCheck payment that can be made?

A You can make any amount of payment at any time. However, the full and total amount of any outstanding premium(s) is payable by the due date. Unpaid or delinquent payments can result in loss of coverage or policy cancellation.

Q Can eCheck payments be scheduled for future dates?

A You can schedule payments for dates up to 365 days in the future. You can schedule a single payment or multiple payments. Scheduled payments will not be charged to your bank account or credited to your policy until the scheduled date of payment. Please note that scheduling payments beyond the due date will not extend the due date. All premiums are payable in full on the original due date. Unpaid or delinquent payments can result in loss of coverage or policy cancellation.

Q When is an eCheck payment reflected on my policy?

A Payments made by 6 p.m. Mountain Time on any business day will be considered as received on the same day as the payment. Payments made after 6 p.m. MT on business days will be considered as received on the following SIF business day. Payments made on non-

business days will be considered as received on the next SIF business day. Payments scheduled for a future date will be considered as received on that date if the scheduled date is a regular SIF business day. If the scheduled payment date is not a regular SIF business day, then the payment will be considered as received on the next SIF business day.

Q What is a Pending Transaction?

A Pending transactions are payments that have been recognized as received, but have not been fully processed and posted to the policy account. Pending transactions are recognized for the purposes of payment due dates, but they are not yet included on policy statements or in policy transaction history. Typically, pending transactions are processed each evening and then reflected as posted transactions the following business day.

Q When will an eCheck payment be charged to my bank account?

A Payments made by 4 p.m. Mountain Time on any regular banking day will be charged to your bank account on the next banking day. Payments made after 4 p.m. MT on any regular banking day will be charged to your bank account on the second banking day after the payment is made. Payments made on non-banking days will be charged to your account on the next banking day after the payment is made. Payments scheduled for a future date will be charged to your bank account on the next banking day after the scheduled payment date.

Some tips from web support

We asked our web site support staff what common issues our registered policyholders have and some tips on dealing with those issues. Here's their report.

Online payments

You cannot register and pay online on the same day because ...

1. Your PIN (personal identification number) comes to you in the U.S. Postal Service mail, so it takes a few days. (You order your PIN through the web site).
2. You must be a registered user (i.e. request a PIN and a password) and get logged into your account before you can make an online payment.
3. The "Online Payment" button will be available to you one day after you become a registered user.

Getting registered

Your temporary password (not the same thing as a PIN) is sent to your e-mail address within a couple of minutes after you order it on the web site.

1. If you have a SPAM filter, the e-mail from us might be caught in there, so look for an e-mail that says it is from "PolicyWeb."

2. When you get the e-mail with your temporary password on it, be sure to use "copy" and then "paste" to enter it in the password box. This eliminates typos and also "0" (zero) can look like "O" (uppercase O) and "1" (number 1) can look like "l" (lowercase L).

Once you get registered

There are 10-12 other screens to view different information about your policy. Use the "Quick Links" button to navigate the web site. Put the cursor over the dark blue button named "Quick Links." A drop-down menu of other screens will appear.

If you forget your password, you can order a new temporary password by clicking on the blue letters which read "Forgot Password?" on the log-in page. (You can also request your user name by clicking on "Forgot Username?")

Lastly

The web site support line (help line) is available during regular State Fund hours (from 8 a.m. to 5 p.m. Mountain Time Monday-Friday). Don't be embarrassed to call. We are here to help you use the web site and help you get whatever information you need. Call us at (208) 332-2197 or 1-800-334-2370 x 2197.

Still not registered?

It's easy to register. You will need a Personal Identification Number (PIN), a valid user name, a password, and a policy number to gain access to our secure area. Click on "How to Register" for instructions on how to request your PIN and get your password and user name.

Your PIN will be mailed to the address we have on file for your policy. For security purposes we cannot e-mail the PIN or send it to an alternate mailing address. Allow one day for SIF to process the PIN request and an additional 2-5 days for mailing. It only takes about 15 minutes to receive an e-mail providing your user name and initial password.

Once you have the PIN, user name and password, you can log into the secure area of the web site and obtain information about your policy and make premium payments. You will need to change your initial password the first time you log in.

5.7% average decrease

Idaho will see an average decrease in workers compensation rates of 5.7 percent effective at the beginning of 2007.

The State Insurance Fund has gained approval from the Department of Insurance for a 7 percent rate deviation, or across-the-board cut, from the standard rates approved for 2007.

The 2007 rates were proposed by the National Council on Compensation (NCCI) and required approval by the Idaho Department of Insurance. The NCCI is a rating organization whose membership consists of workers compensation insurers.

Policyholders should not expect, however, to see their rates decrease 12.7 percent when their policies are renewed in 2007. Rates are set for approximately 600 classifications for various types of employment. Some policyholders' rates may decrease, while other policyholders may experience increases. The actual premium cost for individual policyholders also is affected by claims experience.

The Fund's 2007 rates are available on our web site, www.IdahoSIF.org.

Be sure to report subs, get certificates

Idaho law provides that if an employee of an uninsured subcontractor is injured, then the person who hires the uninsured contractor can be held liable for the injuries suffered by the injured worker. This is referred to as the statutory employer doctrine.

If you have not reported the payroll of an uninsured subcontractor, then at audit, the Fund's auditor will assess premium on the uninsured subcontractor unless you can show that the subcontractor had workers compensation coverage in place during the audit period. One way to ensure that the subcontractor has coverage is to request a Certificate of Insurance at the time you engage their services..

If a premium audit is performed by the Fund and there is no proof of coverage in the form of a certificate, the Fund will assess premium as if the subcontractor and its employees are your employees.

Remember, you should report payments made to uninsured subcontractors on an ongoing basis on your payroll reports. Failure to do so will result in additional premium being assessed at audit. A reminder to report is included at the bottom of all payroll reports.

Here is the law that addresses the issue of uninsured subcontractors:

72-216 Contractors.

(1) Liability of employer to employees of contractors and subcontractors. An employer subject to the provisions of this law shall be liable for compensation to an employee of a contractor or subcontractor under him who has not complied with the provisions of section 72-301[Idaho Code], in any case where such employer would have been liable for compensation if such employee had been working directly for such employer.

(2) Liability of contractors and subcontractors. The contractor or subcontractor shall also be liable for such compensation, but the employee shall not recover compensation for the same injury from more than one party.

(3) Subrogation.

(a) The employer who shall become liable for and pay such compensation may recover the same from the contractor or subcontractor for whom the employee was working at the time of the accident causing the injury or manifestation of the occupational disease.

(b) The contractor who shall become liable for and pay such compensation may recover the subcontractor for whom the employee was working at the time of the accident causing the injury or manifestation

Get proof of insurance

Information we need

Policyholders or their agent of record can make a request for a Certificate of Insurance to be issued to a third party. In order to issue the certificate, we must have the following information:

- Your policy number.
- Your name and title.
- Name and address of the person or business to receive the certificate (certificate holder).
- If the request is urgent, the fax number of the person or business to receive the certificate.
- Name or number of any special job reference you would like to have included on the certificate.

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State Insurance Fund
1215 West State Street
P.O. Box 83720
Boise, ID 83720-0044
(208) 332-2100
(800) 334-2370

E-mail addresses:

Underwriting: UnderwritingIM@IdahoSIF.org
Audit: AuditIM@IdahoSIF.org
Claims: ClaimsIM@IdahoSIF.org
Risk Management: RiskManagemIM@IdahoSIF.org
Client Relations: Client@IdahoSIF.org
Manager's Office: Administration@IdahoSIF.org

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www.IdahoSIF.org

ANTI-FRAUD HOTLINE 1-800-448-ISIF (4743)

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Placing your request

There are several ways to request a Certificate of Insurance. Be sure to have all of the above information available before you make your request.

- E-mail a request to Certificate@IdahoSIF.org.
- Call us with your request: Boise area, 208-332-2138; outside the Boise area, 888-253-0149; 24-hour voice message, 208-332-2375.
- Fax a request to 208-332-2390.

Requesting certificates from subcontractors

The State Insurance Fund can only honor requests from a policyholder or their agent to issue a Certificate of Insurance. If you have a subcontractor doing work for you, you should always ask them to provide a Certificate of Insurance. If we insure the subcontractor, and they request us to issue a certificate, we will mail or fax it directly to the certificate holder (the business to whom the certificate is issued). We will also endeavor to notify certificate holders if the policy cancels.

Understanding classifications

For the purpose of workers compensation pricing, your business is assigned an NCCI classification code. The NCCI (National Council on Compensation Insurance) is a third-party rating organization that maintains and updates the codes for hundreds of business classes.

Businesses are grouped together with other like-type businesses, so NCCI can gather statistics on payroll and losses in a particular industry and actuarially establish a rate per \$100 of payroll. The dollar amount of claims per classification is compared to the amount of payroll reported in that classification, and a rate is developed sufficient to pay the claims and expenses. Rates are adjusted each year based on the statistics of the classification. For the 2007 year, statistics for 2003, 2004 and 2005 are used.

All employees normally associated with a business are included within the classification. A cook, hostess, wait people and janitor would all be included in the restaurant classification, since they are all employees normally associated with a restaurant. In some instances, if NCCI rules permit, multiple classifications can be allowed. Also, there are common "exception" codes that could be allowed – clerical, sales and drivers.

Because of the entrepreneurial atmosphere in Idaho, not every business will fit neatly into a specific and established classification. In that instance, the business is classified by analogy – coming closest to either the material or procedures used in an established classification.