



PENN NATIONAL
INSURANCE

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Workers' Compensation PayGo Billing Plan

How does PayGo work?

PayGo allows you to pay your Workers' Compensation premium automatically, in real-time as you run your payroll. We have partnered with SmartPay, a leader in pay-as-you-go providers, to offer you two payroll reporting options:

- Self-reporting payroll at the end of each payroll, or
- Linking to your payroll company

Premium is automatically withdrawn from your bank account based on payroll reported.

Please Note: If ADP or Paychex is your payroll provider, you will have to self-report or use SmartPay's payroll reporting service.

What are the benefits the PayGo billing plan?

- Matches your premium payments to actual payroll as it is incurred
- Assists in cash-flow management
- Lower down payment
- No additional paperwork for subsequent renewal terms

Must I use a payroll provider service?

No, you do not need to use a payroll provider service. You can report payroll directly to SmartPay, who will provide instructions to you on this simple procedure. SmartPay also offers payroll reporting services for a fee.

Are there eligibility requirements?

To be eligible, you must:

- Have a 12-month Workers' Compensation policy
- Have a minimum estimated premium of \$1,500
- Have at least one payroll-based classification
- Report payroll by class code
- Agree to have premiums paid via Automated Clearing House (ACH) withdrawal on a checking account.

Can my policy still be canceled?

Payroll reporting is ultimately your responsibility. If payroll is not reported, Penn National Insurance will cancel your policy according to the regulations of your state. You will receive emails notifying you that payroll has not been reported and this may result in cancellation of your policy.

How does this affect the final audit?

Penn National Insurance will still perform an audit. With accurate and timely reporting of payroll during the policy term, there will likely be very little to no premium adjustments, and the audit process will be much more efficient.

What information do I need to enroll?

To enroll, you must provide:

- Your email address
- Payroll cycle (*weekly, bi-weekly, bi-monthly, monthly*)
- First payroll check date after policy effective date
- Payroll provider's name and email address (*if applicable*)

Are there costs associated with enrolling in PayGo ?

Workers' Compensation PayGo is a billing option we offer through our partnership with SmartPay.

Down Payments

Typically, the down payment of premium for the PayGo billing plan is lower than other pay plans.

Self-reporting. The down payment is 10% of the policy premium with a minimum payment of \$260.

Payroll provider or SmartPay's reporting services. The down payment is a flat payment of \$260.

The deposit is collected by SmartPay upon initial set up of the policyholder's account.

Installment fees

Depending on the premium size, PayGo's installment fees range from \$100 to \$150 annually. This cost is spread over the selected payment periods. Fees may vary by state.

Special circumstances

- If using a payroll provider, the provider may charge an additional fee.
- If using SmartPay's reporting services, there is an annual fee of \$250.
- There is a \$75 fee for each additional payroll feed or bank account used for payment is charged.

How do I get started? It's easy. Talk to your agent today.