

'AePay: HEMIC's "Pay As You Go" Program



At HEMIC, we are always looking for ways to serve you better. Our 'AePay system simplifies your workers' compensation premium payments. With 'AePay, you can save time, eliminate hassles and improve your cash flow. 'AePay allows you to pay your workers' compensation premium in real-time as you run your payroll or once a month, whichever is most convenient for you – and you pay premium on your actual payroll. If you have no payroll for the pay period or the month, premium is not charged.



The benefits of 'AePay are:

Improves Cash Flow: No down payment or deposit is required. You make premium payments based on actual payroll throughout your policy term.

Saves Time: Premium payments are automatically deducted from your account.

Accurate Premiums: End-of-year audit variances are minimized since premiums are calculated and paid on actual payroll wages, at each payroll cycle.

Automation: 'AePay takes payroll reports directly from you.

24/7 Access: You can view payroll and premium reports anytime with your online account.



'AePay FAQs for Policyholders

Who is eligible for 'AePay?

'AePay is available to all HEMIC policyholders. To participate in 'AePay, you must agree to the following:

- To maintain current bank account information for your 'AePay account.
- To have automatic premium payments deducted from your account for each of your payroll reports submitted.
- To submit a payroll report each time your payroll is processed.
- To comply with any request for a premium audit. The benefit of 'AePay is that it can minimize the amount of audit adjustments, however it is possible that inaccurate payroll reports or job classification can result in audit adjustments.

Is the process complicated?

Absolutely not! Our administrator will guide you through an easy-to-follow set-up process. All you need to do is provide a few pieces of information and you are ready to go.

How do I submit payroll reports to 'AePay?

You can submit payroll reports directly to 'AePay through our secure website in any of these ways:

- 1.** Download, complete and upload 'AePay's Express template in Excel format.
- 2.** Manually enter payroll details directly into an 'AePay screen.
- 3.** Work with our administrators to map one of your existing payroll reports into 'AePay.



When do I submit payroll reports to 'AePay?

Payroll reports should be submitted to 'AePay' each time your company's payroll is run. Failure to do so may subject your policy to cancellation.

How is my premium paid "on the go" with 'AePay?

Each time you submit your payroll report, 'AePay' calculates your workers' compensation premium using a net rate for reported wages assigned to each job classification. Premium based on reported wages is processed on Wednesday each week. You will receive an email with the calculated invoice amount.

Three business days after the invoice, an automatic payment (ACH) for the amount of the premium invoiced is sent from your bank account to 'AePay'. You don't have to worry about making the payment, as it is automated.

What if I miss a payroll report or a premium payment?

Email reminders are sent to you daily until payroll is reported. Contact us if you have payroll but do not have the funds to make your payment. We can temporarily offer flexible payment terms. Your policy is subject to cancellation if payroll reports are not submitted on a timely basis.

If I enroll in 'AePay, will I have a premium audit?

Yes, you will be audited at the end of your policy term. However, since you are paying your premium based on your actual payroll throughout the year, the audit process should be streamlined and easy to manage.

What do I need to know before submitting payroll?

Here are some tips to ensure you are reporting payroll accurately for workers' compensation insurance premium calculation:

- If you have an existing payroll report that you would like to use to report payroll, please contact our administrators so your file format can be mapped into 'AePay.
- If you have no payroll for the pay period, you should submit a zero payroll report in 'AePay.
- Payroll for standard exception classes cannot be split for an employee. No interchange of labor is allowed for the following classes. All payroll must be reported for the employee's other duties:
 - 7380** – Drivers, Chauffeurs, Messengers and Their Helpers
 - 8810** – Clerical Office Employees
 - 8742** – Salespersons or Collectors – Outside
 - 8748** – Automobile Salesperson
 - 8871** – Clerical Telecommuter Employees
 - 5606** – Executive Level Supervisors in Construction or Erection Projects
- Owner-Controlled Insurance Projects (OCIP) payroll should be excluded unless your policy is for an OCIP project only.
- Within 'AePay, owners, officers, sole proprietors, and partners are Key Individuals. Each of these individuals are set up the first time a payroll report is submitted. Our administrators can assist you with assigning your owners or officers to the correct category.
 - Key Individuals that are included in coverage should be included on your payroll reports and are subject to the minimum and maximum payroll limits as defined by the National Council on Compensation Insurance (NCCI).
 - Key Individuals who are excluded from coverage can be either included or excluded on your payroll reports.
- Each employee reported in your payroll files should have a unique identification code to prevent duplication.

How do I sign up for 'AePay?

Contact our administrator or your agent to be signed up or converted.



For more information about 'AePay,
contact our HEMIC 'AePay administrators at
808-208-8200 or uwassist@hemic.com.

