

# Pay Go

## Simplify your Payroll Reporting and Streamline the Final Audit Process

Eligible policyholders can now pay their premiums based on real-time payroll information. Best of all, there is no deposit premium due (if 0% down is selected)! Premium is calculated on actual, not projected payroll, which could improve cash flow management and modernize the workers' compensation audit process.

### WHAT IS PAY GO?

Pay Go is a pay-as-you-go billing option that allows policyholders to pay workers' compensation insurance premium automatically, in real-time, as you run your payroll. Arrowhead General Insurance Agency, Inc. has partnered up with SmartPay Solutions to offer two options:

- (1) The policyholder can authorize their payroll vendor to electronically provide SmartPay with their payroll by classifications, or
- (2) The policyholder can provide their payroll report to SmartPay on their own.

### IS EVERY BUSINESS ELIGIBLE FOR PAY GO?

Pay Go is available for California policies with an Estimated Annual Premium up to \$50,000. Exceptions and fees may apply. Policyholders must agree to have premiums paid via ACH withdrawal from a checking account.

### HOW DO WE SIGN POLICYHOLDERS UP FOR PAY GO?

Producers will confirm the Pay Go billing option at the time of binding. The policyholder's email address provided in the submission will be used to communicate with the Insured on how to register with SmartPay.

### WHAT WILL THE POLICYHOLDER NEED TO ENROLL?

When registering with SmartPay policyholders should provide their payroll vendor (if applicable), their payroll cycle (weekly, bi-weekly or monthly), any excluded officers/owners and their employee ID number(s), first payroll check date after the policy effective date, as well as the bank account and routing number.

### ARE POLICYHOLDERS REQUIRED TO USE A PAYROLL PROVIDER SERVICE?

No. Insureds can self-report the payroll at the end of each payroll cycle or use the SmartPay Reporting Service (SPRS) for an additional fee. Automated premium withdrawals will occur regardless of reporting method.

### WHICH PAYROLL VENDORS WILL SMARTPAY SOLUTIONS ACCEPT?

[Click here for a complete list of approved Payroll vendors.](#) If your payroll vendor is not on the list, contact SmartPay Solutions as they may be able to onboard the payroll vendor. Note: If ADP or Paychex is your payroll vendor, you must self-report to SmartPay or use the SmartPay Reporting Service.

### HOW DOES THE PAY GO BILLING PLAN AFFECT THE POLICYHOLDER'S PREMIUM?

The billing option does not affect premium. However, SmartPay charges a billing fee which varies by payroll frequency up to \$17.09 per policy period.

### WHAT IS DUE AT THE TIME OF BINDING?

There are no down payments required (if 0% down is selected) but SmartPay will collect the taxes and fees at the time of registration.

#### *Special Circumstances*

If the policyholder currently uses ADP or Paychex as a payroll vendor and doesn't wish to self-report, the SmartPay Reporting Service (SPRS) can report payroll for you for a fee of \$300. This fee is collected by SmartPay Solutions and will be spread across the payroll reports.

### HOW DOES AN INSURED GET STARTED WITH PAY GO?

Once they open the welcome email from SmartPay, they will retrieve a temporary password and instructions for completing the online registration. The user will visit [www.smartpayllc.com](http://www.smartpayllc.com) to complete the online registration process by setting a permanent password and providing the necessary payroll and banking information. After the registration is completed, an active policy notification will be sent by SmartPay for the insured to review. The policyholder is expected to monitor emails from SmartPay as reminders to report payroll and/or review premium payments. For additional help, insureds can watch this tutorial developed by SmartPay: [https://www.smartpayllc.com/user\\_instructions/SmartPaySelfReporting.mp4](https://www.smartpayllc.com/user_instructions/SmartPaySelfReporting.mp4)

### IF THE POLICYHOLDER FAILS TO COMPLETE THE INITIAL REGISTRATION WITH SMARTPAY, WHAT HAPPENS TO THE POLICY?

SmartPay will notify Arrowhead to generate a notice of cancellation for non-pay of the Amount Required to Bind.

### HOW OFTEN WILL PREMIUM BE DEDUCTED FROM THE INSURED'S ACCOUNT?

Premium is deducted to coincide with payroll cycles. Premium will be automatically deducted within one to two days following payroll reporting. Any return premium or additional premium due at the time of Final Audit will be handled via SmartPay.

### **WHAT PAYROLL CYCLES ARE AVAILABLE TO SELECT WHEN USING PAY GO?**

Arrowhead has partnered with SmartPay and offers the following options to fit the client's reporting needs: weekly (52 payroll cycles), bi-weekly (26 payroll cycles), bi-monthly (24 payroll cycles) and monthly (12 payroll cycles).

### **IF THE POLICYHOLDER HAS NO PAYROLL TO REPORT FOR THAT PAY PERIOD, DO THEY NEED TO REPORT THIS TO SMARTPAY?**

Yes. If there is no payroll during the payroll cycle, the policyholder must report \$0 in payroll to SmartPay. Please note, a minimum premium amount will be collected at each pay period until the Policy Minimum Premium is met.

### **CAN POLICIES BE CANCELLED FOR NON-PAYMENT/ NON-REPORTING WHEN USING THE PAY GO BILLING OPTION?**

Yes. If payroll is not reported by the due date, or there are insufficient funds to sweep, SmartPay will notify Arrowhead General Insurance Agency, Inc. who will then issue a cancellation notice. The same guidelines for reinstatement will apply for all policies administered by Arrowhead General Insurance Agency, Inc.

### **CAN I CHANGE THE POLICYHOLDER'S BILLING TO PAY GO MID-TERM?**

We cannot accept endorsements to Pay Go after the policy has been issued. This can be requested upon renewal.

If a policyholder needs to opt out during the policy term, the policy will need to be cancelled and rewritten. Arrowhead will collect a deposit for the rewritten policy.

### **HOW ARE CHANGES TO THE POLICYHOLDER'S BANK ACCOUNT HANDLED?**

Changes to billing information can be made by logging into your SmartPay account at <https://smartpayllc.com/portal/>.

### **HOW DOES PAY GO AFFECT THE FINAL AUDIT?**

Arrowhead will still perform an audit at the end of the policy term. However, with accurate and timely reporting of payroll during the policy term, there should be little to no premium adjustments, and the audit process will be much more efficient.

### **WHAT IS REQUIRED AT RENEWAL IF I WANT TO KEEP USING PAY GO?**

At renewal, your policy will automatically continue with the Pay Go plan, unless Arrowhead is notified of a requested change prior to binding renewal coverage. The renewal email from SmartPay will provide a summary of the new policy details and the insured will not need to re-register.

#### **Contacts**

For SmartPay online registration assistance, please call 877.905.0786 or email [support@smartpayllc.com](mailto:support@smartpayllc.com).

For all other billing inquiries, please call Customer Service at 866.401.2111 or email us at [WCCustomerService@ArrowheadGrp.com](mailto:WCCustomerService@ArrowheadGrp.com).