

# Pay-As-You-Go SmartPay Solutions

## Policyholder FAQ's

### Q: How does the Chesapeake Employers Insurance pay-as-you-go billing plan work?

A: Our pay-as-you-go billing plan allows you to pay your workers' compensation insurance premium automatically, in real-time as you run your payroll. Chesapeake Employers Insurance has partnered with SmartPay Solutions, a leader in pay-as-you-go providers, to offer you two payroll reporting options:

- Self-reporting payroll at the end of each payroll cycle, monthly, or
- Linking through your payroll vendor

Your premium is automatically withdrawn from your bank account based on payroll reported.

**Note:** If ADP or Paychex is your payroll vendor, you must self-report or use the SmartPay Reporting Service (SPRS) for a fee.

### Q: What are the benefits of the pay-as-you-go billing plan?

A: The benefits are:

- Improved budgeting and cash flow management
- No down payment
- Automatic premium withdrawals
- Keep your current payroll vendor, if applicable
- Premiums based on actual, not projected payroll
- More efficient and accurate audit process – less hassle
- Easy to get started

### Q: Must I use a payroll provider service?

A: No. You may either self-report payroll at the end of each payroll cycle or use the SmartPay Reporting Service (SPRS) for a fee.

Automated premium withdrawals will occur regardless of reporting method.

### Q: Which payroll vendors will SmartPay Solutions accept?

A: SmartPay Solutions works with many different payroll vendors. Click on the link below for an updated listing:

[https://www.smartpayllc.com/user\\_instructions/OnboardedPayrollVendors.html](https://www.smartpayllc.com/user_instructions/OnboardedPayrollVendors.html)

If your payroll vendor is not on the list, contact SmartPay Solutions so they can attempt to onboard the payroll vendor.

**Note:** If ADP or Paychex is your payroll vendor, you must self-report or use the SmartPay Reporting Service (SPRS) for a fee.

### Q: Are there eligibility requirements?

A: To be eligible, you must:

- Elect a full-term policy
- Have a minimum policy premium of \$5,000 or more
- Have at least one payroll-based classification
- Report payroll by class code or employee
- Agree to have premiums paid via Automated Clearing House (ACH) withdrawal from a checking account
- Not have per-capita rating on the policy (For example: domestics, firefighters, or combinations with other class codes)

### Q: Can my policy still be cancelled?

A: Yes, a pay-as-you-go policy can be cancelled for non-reporting, non-pay or other reasons permitted by Maryland law. If you do not report payroll by the reporting date, reminders will be sent to you from SmartPay Solutions. If no report is made, Chesapeake Employers Insurance will issue a cancellation notice.

### Q: What if I have seasonal payroll?

A: It is important that you contact SmartPay Solutions. They can specify the off-season period in their system so that missed payroll notifications and the potential for notices of intent to cancel can be avoided.

For more information about Chesapeake Employers' pay-as-you-go billing plan, please contact your agent or call Chesapeake Employers at 410-494-2000 or 1-800-264-4943, or visit [www.ceiwc.com](http://www.ceiwc.com).



## Policyholder FAQ's Continued

### Q: What if I do not have payroll to report?

A: Payroll vendors do not typically submit zero payrolls. You will need to log in to SmartPay Solutions to report the zero payroll. This will help you avoid missing payroll notifications and the potential for notices of intent to cancel.

### Q: What happens if payroll is missed or not entered?

A: You have 20 days to report the payroll based on the elected reporting cycle. You will receive email notifications from SmartPay LLC of late reporting. Continued late reporting may result in disqualification from the program. If payroll has not been reported, Chesapeake Employers Insurance will initiate Notice of Intent to Cancel for Non-Reporting of Payroll.

### Q: What happens if consecutive zero payroll are entered?

A: If the business is seasonal, please contact SmartPay, but if not, after three consecutive zero payroll entries, the policy is subject to cancellation. Please contact your agent for additional information.

### Q: How does SmartPay handle Other States payroll?

A: SmartPay only uses the estimated premium and not payroll from the Other States policy. If there are changes to Other States payroll, please contact your agent to make the adjustments to the Other States policy.

### Q: How does SmartPay work with Other States premium?

A: SmartPay pro-rates the total Other States premium based on the payment withdrawal frequency. An example would be for a policy with a 24-payment annual withdrawal cycle, each of the 24 payments would have an equal portion of the Other States premium included.

### Q: What if there are endorsement changes to the Other States premium?

A: Smartpay will pro-rate the Other States premium over the remaining number of payroll withdrawals.

### Q: How does this affect the final audit?

A: Chesapeake Employers Insurance will still perform an audit at the end of the policy term. 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.

### Q: What information do I need to enroll?

A: To enroll, you must provide:

- Your email address
- Payroll cycle (weekly, bi-weekly, bi-monthly, monthly)
- First payroll check date after policy effective date (not applicable if reporting monthly)
- Bank account and routing number

### Q: Are there costs associated with enrolling in the pay-as-you-go billing plan?

A: No. Pay-as-you-go is a billing option Chesapeake Employers Insurance provides through our partnership with SmartPay Solutions.

#### **Down Payments**

*There are no down payment requirements, but Chesapeake Employers will collect the expense constant on the first payroll draw.*

#### **Special Circumstances**

*If you use ADP or Paychex as your payroll vendor and don't wish to self-report, the SmartPay Reporting Service (SPRS) can report payroll for you for a fee. The fee is collected by SmartPay Solutions for this optional service upon initial set up of your account.*

### Q: Can I request a mid-term change to my account set up using pay-as-you-go with SmartPay Solutions?

A: We cannot accept a change request to a pay-as-you-go account set up once your policy has been issued. We are happy to flag your policy for a change to the pay-as-you-go plan at the next renewal.

If you opt out during the policy term, your policy will be cancelled and re-written into another pay plan.

| <b>Situation</b>  | <b>Allowed</b> |
|---|----------------|
| Self-reporting to payroll vendor processing                         | YES            |
| Payroll vendor processing to self-reporting                         | YES            |
| Change payroll vendor mid-term                                      | YES            |
| Direct bill to payroll vendor processing or self-reporting mid-term | NO             |
| Payroll vendor processing/self-reporting to direct bill mid-term    | NO             |

For more information about Chesapeake Employers' pay-as-you-go billing plan, please contact your agent or call Chesapeake Employers at 410-494-2000 or 1-800-264-4943, or visit [www.ceiwc.com](http://www.ceiwc.com).



## Policyholder FAQ's Continued

### Q: How do I enroll?

A: To enroll and for more information about Chesapeake Employers' pay-as-you-go billing plan, please contact your agent or call Chesapeake Employers at 410-494-2000 or 1-800-264-4943, or visit [ceiwc.com](http://ceiwc.com).

### Q: How often will premium be deducted?

A: Premium is deducted to coincide with payroll cycles. Premium will be automatically deducted within one to two days following reporting of payroll.

### Q: What is required at renewal if I want to keep using Chesapeake Employers' pay-as-you-go billing plan?

A: At renewal, your policy will automatically continue on the pay-as-you-go plan, unless Chesapeake Employers Insurance is otherwise notified before renewal processing. SmartPay Solutions will send a renewal email to you that outlines renewal policy and payroll premium information.

**Note: If the policy falls below \$5,000 in premium, the renewal will be moved to direct bill.  
This applies to policies with a 7-1-2023 effective date and later.**

For more information about Chesapeake Employers' pay-as-you-go billing plan, please contact your agent or call Chesapeake Employers at 410-494-2000 or 1-800-264-4943, or visit [www.ceiwc.com](http://www.ceiwc.com).

