Lesson 14 Premium Audits

14.1 Requirements

Create policies that have different types of premium audits. View the audit schedules and work with the audit jobs.

14.2 Final audits

Activity

Specify a final audit for a general liability submission and view the audit schedule.

1. **Log in as studentXX**
2. **Find an account, for example Renee WellsXX**
3. **Create a general liability policy using the following instructions**

    a) With the following specifications

    ▪ Offering: None

    ▪ Answer "No" to all pre-qualification questions

    ▪ Default Policy Info (Organization type = Individual, if not set)

    ▪ Default Location and Coverages

    ▪ With the following specifications

    b) Add an exposure (required for general liability). The details should include a Location Name, Class Code and Basis. Use the following graphic as a guide if you are unsure what to enter.

    c) Continue and Quote the submission. Be sure to continue using Next, and view the Forms, then click Next again to see the Payment Page.

    d) At the bottom of the Payment page, it displays a dropdown box labeled "Requires final audit" with three options. Select Yes.

    e) Issue the policy

4. **Return to the policy file**
5. **Review the Audit Schedule in the Tools section in the left navigation panel**

    a) In the Actions column, do you see any Actions? What determines whether you see any available Actions in the Actions column?

Audit Schedule

Period Start	End Date	Type	Audit Method	Process Start	Due Date	Status	Transaction Amount	Total Cost	Actions
05/12/2018	05/12/2019	Final Audit	Physical	04/12/2019	06/26/2019	Scheduled			

6. **Write down the policy number for this policy**
7. **Log back in as an auditor Adam Auditor (aauditor/gw)**
8. **Search for the policy and view the Audit Schedule**

   What Actions are now available?

Hints

If you do not see the available actions, you are logged in as an underwriter. The permissions for an underwriter do not allow you to make changes to the audit schedule. However, if you log in as an auditor (for example, Adam Auditor – (aauditor/gw), you will be able to make changes to the schedule. Auditor supervisor (avisor/gw) and audit examiner have more permissions to start or waive audits.

14.3 Premium reports

Review

Premium Reports

The insured may choose premium reports if they are unable to accurately predict their payroll or if they have variable bases (for example, seasonal variations in payroll). Other policy holders may choose premium reports because they end up paying only for the premiums that are actually owed. This option may be preferred instead of paying in advance or agreeing to an estimated amount.

Activity

Create a workers' compensation policy with a reporting plan that has premium reports.

1. **Log out and log back in as studentXX/gw**
2. **Create a workers' compensation policy for an account (for example, Renee WellsXX)**

   a) On the Policy Info page, select an industry code and enter the other required fields.The policy should insure the employees for one year.

   b) On the WC Coverages page, enter the official IDs and payrolls. The details are:

c) Quote the submission

d) Select Next

3. **Go to the Payment page and choose the following options for payment**

   o Billing Method: Direct Bill

   o Payment Schedule (Plan Type): Reporting Plan

   o Premium Reporting Plans (Premium Reporting Plan): Monthly Reports by calendar month, exclude last month

   o Verify that Final audit is set to Yes in the Audits section at the bottom of the page

4. **Issue the policy and write down the new policy number**

   If you get an error about official IDs, you can go back to the WC Coverages page and enter them.

5. **Log out and log back in as Auditor Supervisor (avisor/gw)**
6. **Search for the policy that was just created**
7. **View the Audit Schedule in the Tools section on the left**
8. **Waive a premium report**

   How do you waive the first premium report? Try it. Describe what happens when you waive the report.

Stop

14.4 Solutions

Solution

Final Audits

The Edit button is available when logging in as an Auditor (aauditor/gw). If you attempted to log in as Auditor Supervisor (avisor/gw), you will see the Start, Edit and Waive buttons. If the Final Audit has been completed, the Revise button will display.