



## Solution

### Premium Reports

The audit schedule item disappears when the authorized user clicks the Waive button.

## 14.5 References



## Review

### Types of Premium Audits

A final audit contains the verified, ultimate cost for a variable basis policy and usually occurs at the end of the policy term. PolicyCenter enables final audits in the base configuration for two LOBs: general liability and workers' compensation. A premium report is a bill with the premium at regular intervals throughout the policy term based on reported values. Premium reports are enabled for workers' compensation only.



## Tip

### What is the Basis?

The size of risk for the cost over the rated term. This is usually generated directly from the object being rated, i.e., payroll in a workers' compensation policy, or the exposure in a general liability policy.



## Review

### Permissions and Premium Audits

To edit and waive in the base configuration, users with audit supervisor, audit examiner or premium auditor roles can waive policies.



## Tip

### Premium Reports and Billing

When binding a new policy period, the insured receives a bill for the collateral amount. This bill is called a deposit. The application schedules premium reports based on the type of audit schedule selected. As each report comes in, the user enters the reported amounts and the rating engine calculates the premium. When the user submits the report, PolicyCenter sends the transactions to the billing system. If a payment is received with the report, then the billing system reconciles the premium amount with the amount submitted by the policyholder. Since the insured is doing their own calculation of premium outside the system and sending in a payment, there may be discrepancies that the billing department must resolve. Premium reports can be manually reversed and re-billed.