

Questions and Answers:

WHAT DOES EMPLOYEE LEASING OR PEO MEAN?

For the purpose of understanding, we will say that the terms Employee Leasing and PEO are synonymous. Employee Leasing is a tool which allows you to outsource your payroll administration and obtain workers' compensation insurance coverage on your employees through the leasing company—all with the potential of saving money on each line item of expense. Every employer is responsible for the following items: FICA and Medicare taxes, Federal Unemployment taxes, State Unemployment taxes and Workers' Compensation. With a PEO, however, the leasing company assumes responsibility for all of these items—usually, at less expense than you will pay if you do not lease your employees. This program provides the opportunity to have your payroll functions outsourced and it provides workers' compensation to your employees.

IS THIS WORKERS COMPENSATION INSURANCE?

Not in the truest sense. the**valleon**group provides workers' compensation to the employees of the leasing company. When you enroll into the program, your employees will be covered by the worker's compensation program of the leasing company.

WHY SHOULD YOUR BUSINESS CONSIDER EMPLOYEE LEASING?

To save money! Under the normal standards of doing business, you pay payroll taxes, for someone, either internally or outsourced, to provided their payroll and tax report filings and for workers' compensation insurance. Under the employee leasing concept you would be relieved of all of these functions. The employee leasing company would assume those responsibilities. Additionally, the State Unemployment Tax Rate for the leasing company is often lower than that of the client. Also, your time and money spent in investigating and challenging questionable workers' compensation claims is saved.

ARE YOU ALREADY WITH A PEO OR EMPLOYEE LEASING COMPANY?

All the better. You understand the concept. And, you are probably paying too much for these services. Within our specialization, the construction industry and the “high WC rate” arena, there are not but a handful of employee leasing companies doing business. Most cannot compete with us.

DO YOU ALREADY HAVE A PAYROLL SERVICE?

The expense of outsourcing your payroll would no longer be needed. Plus, one of the cost factors, whether you are using a payroll service or not, is the payroll taxes. Within the**valleon**group's arrangement, that burden falls upon the leasing company. Most of the time, our tax rate will be lower than the employer's.

HOW DOES THIS COMPARE TO THE STATE FUNDS?

The State Funds are different within each state. The “competitive” state funds vary from year to year in their pricing and underwriting approach. the**valleon**group is more static with regards to their appetite for specific types of business and their underwriting approach to those niches in which they specialize.

HOW FAR IN ADVANCE SHOULD I SUBMIT MY QUOTE FOR THE BEST SERVICE?

At least one week would be suggested on larger accounts. However, we will attempt to have quotes back to you within a few days. On smaller accounts, you can get an instant quote at www.valleon.com

Payment Questions

HOW DO YOU BILL FOR THE SERVICE?

You can turn in hours by email or fax. They are then invoiced, again by email or fax. You may then pay by a variety of methods, depending upon which program you are enrolled in. **NO WC DEPOSITS, NO AUDITS, NO RETURN PREMIUMS.** It is a “pay as you go” system.

WHAT IS THE DOWN PAYMENT NEEDED?

Nothing for the workers’ compensation coverage for your employees. An enrollment fee to enroll into the program will usually be the only “up front” costs.

Enrollment Questions

WHAT IS REQUIRED TO ENROLL?

A small amount of paperwork is required to be signed and each of your employees complete an application, I-9 and W-4.

HOW IS THE ENROLLMENT HANDLED?

All enrollments are ultimately handled by our office.

CAN I BE INVOLVED IN THE ENROLLMENT?

Yes, if you wish.

Account Service Questions

HOW ARE CLAIMS HANDLED?

Claims are ultimately handled by the PEO’s insurance company. However, the **valleongroup** has an inhouse claims department dedicated to keeping your claims cost low.

DO YOU PROVIDE LOSS CONTROL SERVICES?

Loss control services can be provided, as needed, either by the insurance company on a request basis, or through independent safety professionals on a fee basis.

HOW ARE RENEWALS HANDLED?

There are no renewals. Once you are enrolled, you are continually a client until the relationship is ended by either you or the **valleon** group.

WHO DO I CALL WHEN I HAVE QUESTIONS?

You will call our office at 972.323.9777.

HOW DO I KNOW TAX DEPOSITS ARE BEING MADE?

The PEO will provide proof of tax deposits upon request of your company. In addition, your company may confirm through the proper federal and state agencies that the leasing company is, in fact, current on its payment of 941 and quarterly taxes.

Underwriting Questions

WHAT KIND OF LOSS RATIOS ARE ELIGIBLE?

Loss ratios are not really the underwriting criteria. We look at the frequency and severity of losses in order to attempt to trend future losses.

WHAT EXPERIENCE MODS WILL YOU CONSIDER?

Up to and including 2.00.

Geographic Questions

WILL YOU ACCEPT A MULTI-STATE RISK?

Yes, in most cases.

WHAT STATES DO YOU OPERATE IN?

We provide leasing services in many states. The number continues to grow.

Timeliness Questions

HOW LONG DOES IT TAKE FOR COVERAGE TO TAKE EFFECT?

Once we provide the first payroll services, we consider coverage to be in force. Coverage will be effective as of the beginning date of the first payroll. Coverage only applies to those employees for whom we perform payroll services.

HOW FAST CAN WE EXPECT A BINDER?

Binders are not issued. Typically, certificates of insurance can be generated within 24 hours of the effective date of the agreement.

HOW LONG DOES IT TAKE TO GET A QUOTE?

Often, within 2-3 days, on larger accounts. On smaller accounts, you can immediately receive a quote at www.valleon.com.

HOW FAST ARE CERTIFICATES OF INSURANCE ISSUED?

Usually within 24 hours of request.

Stability Questions

IS THE AMS PROGRAM STABLE?

Yes.

HOW LONG HAVE YOU BEEN DOING THIS?

We have been associated with the insurance business since 1976. We have been providing employee leasing services to our clients since 1990.

HOW MANY CUSTOMERS DO YOU HAVE?

the**valleon**group provides PEO opportunities for a large number of clients on a national basis.

DO YOU HAVE REFERRALS THAT WE CAN CONTACT?

Upon request.