

Frequently Asked Questions



Audit Process and Requirements

What is a premium audit?

We initially charge premium based upon estimated figures at the beginning of the policy term. To ensure these figures are accurate and classifications are appropriate, all Workers Compensation policies are subject to an audit to determine the actual premium.

When is the audit performed?

According to your insurance policy, we have up to three years after the expiration date of your policy term to conduct an audit. The timeline to complete the audit depends on the complexity and volume of records provided. The vast majority of audits are completed within a few months after the expiration date.

What is the audit for?

The audit helps to make sure you paid the right premium for your business based on actual numbers instead of estimates. The insurance premium you pay is determined by your work classification. These classifications aid in determining the level of risk that your employees are exposed to. If your company's work duties have changed as a result of the payroll audit, you could be eligible for a different premium.

Why do I have to do an audit?

Audits are required by law for certain types of policies in all states. In fact, states can impose hefty penalties if you don't do your audit – up to three times the amount of your original policy.

What documents are required for the audit?

The required documents vary based on the type of audit although typically include payroll records, quarterly reports, financial statements and any compliance related forms. You will want to check the specific audit guidelines for a detailed list.

Why do you want a P&L or Tax Return?

We use these documents to validate the existence of potential exposure from individuals/businesses you may have paid outside of your payroll (1099 or subcontracted labor). If you didn't use any non payroll labor, we use the Profit &

Loss/Income Statement or Tax Return to confirm. If you did, we use the information to review who you paid for which services and determine your final exposure.

What if my business tax return is not yet filed for the year that falls within the audit period?

We understand the tax return from last year may not be filed for several months. If that's the case, please provide the most recently available filed tax return or inquire with your auditor about what other documents are sufficient to provide.

Why do you want the payroll report in Excel?

Having a report in Excel decreases the chance of errors. It also helps us review the data more efficiently and improves our accuracy when finding any credits or deductions that may apply. Most payroll companies have an exported Excel report option and are available to help if needed.

If you use one of these payroll companies, here's the report we'd need from them:

Preferred Report by Payroll Company

Payroll Co.	Report
ADP Run	Payroll Detail
ADP Workforce Now	Payroll History
Gusto	Payroll Journal
Heartland	Check History Detail
Intuit QuickBooks	Payroll Summary
Namely	Payroll Register for Period & Complete by Pay Date
Paychex	Department Summary Data with Employee Detail
Paycom	Labor Allocation Detail
Paycorr	Labor Distribution Report
Paylocity	Labor Distribution Data Export
Rippling	Payroll Journal Report
Zenefits	All In One Report
UKG (formerly Ultiproc)	Summary Payroll Register

What type of sales records do you need for General Liability policies that are based on sales?

We need a report for the audit period that shows total gross income/sales. Examples of acceptable sales records include Profit & Loss Statements, Income Statements, Sales Journals, Sales Tax Reports, Sales by Customer Reports, etc.

We may also request your most recently filed tax return to compare against your sales figures which helps us identify yearly fluctuations.

Can I as an owner, partner or officer choose to be covered or not covered?

In your Workers Compensation policy - owners, officers, partners and members can **elect** to be covered or not to be covered depending on the rules that vary by state. This must be done before the policy is issued.

How do I submit my audit records?

The audit records can be submitted online via our secure online portal, by email, or by mail. Refer to the submission instructions provided in your audit notice.

Who decides the rules used in completing the audit?

The rules vary by state - each state decides which rules to apply by statute. These rules are found in the basic manual for each state. The interpretation of rules are from NCCI (National Council on Compensation Insurance). In many states, NCCI is responsible for experience rating, including the calculation of experience modifiers. NCCI also develops and maintains the classification and rating system used, and creates/publishes the forms and endorsements insurers use to issue Workers Compensation policies.

There are also AmTrust company procedures that are based on common practices found throughout the property and casualty insurance industry.

Does the audit of my last policy term have an effect on my current term?

It might. We don't audit a policy term until it's over although we do compare the audit information from your last policy term to the coverage you currently have. If there are significant differences between your audit result and the estimates we used to set your current premium, we may adjust your current policy. You should also let us know when something changes so we can adjust your policy if needed as the term goes on.

The goal is to keep your premium payments as accurate as possible. You'll receive a policy endorsement for any changes to the current term.

Audit Status and Review

How can I check the status of my audit?

You may check the audit status by logging into your account online or by contacting your auditor directly for an update.

My audit is under review – how long will it take to complete?

The review process varies. If additional information is required, you will be notified via email or phone.

My audit is in pending status – what does this mean?

A pending audit means it has been received but has not yet been reviewed. If there are missing documents or other requirements, you may need to provide additional information.

Audit Submission and Confirmation

How can I confirm the audit documents were successfully submitted online?

You should receive an email confirmation after submitting your documents. If you submitted them online, you may check the portal for a submission receipt.

If you didn't receive a confirmation, check your spam folder. If you still don't see it, please reach out to the audit department for verification at 877.528.7878.

What happens after I submit my paperwork?

We'll review your submission and reach out with any questions. Once the audit has been completed, you will receive a statement with the final premium results. The statement will let you know if you owe us money or if we owe you money.

Audit Dispute and Reopen Requests

Can a closed out audit be reopened?

In some cases, audits may be reopened if there are errors or missing information. Please reach out to the audit team via email for assistance at audits@amtrustgroup.com

My audit results show incorrect figures — what should I do?

If you believe there is an error, please submit supporting documentation and details regarding what specifically is being disputed. You may reach out to our audit department via email for the dispute resolution process at disputes@amtrustgroup.com

How long does it take to correct an audit discrepancy?

The timeline for corrections depends on the complexity of the issue although typically takes up to four weeks to resolve.

Why is the payroll for owners, partners, and officers shown in the audit different than what was reported?

If the owner, officer, partner or member is covered under the policy, those wages will be included at either a fixed amount or a variable amount subject to minimum and maximum wage limitations depending on state rules.

Audit Related Charges and Payments

Why do I have audit related charges on my account?

Audit charges may result from discrepancies, non-compliance fees, or adjustments based on payroll figures. Review the audit report to understand specific charges.

Can I dispute an audit-related charge?

Yes, disputes should be submitted in writing with supporting documentation and details regarding what specifically is being disputed.

What if I don't pay my bill as a result of the audit or the balance owed?

AmTrust may take the following actions:

- Cancellation of current, in effect policy with AmTrust.
- Assign to an external collection agency for debt recovery.

To avoid cancellation/collections, your outstanding balance must be paid or payment arrangements approved within (10) business days following your invoice.

Audit Communication and Notifications

I didn't receive the audit notices — how can I update my contact details?

You can update your contact details via the audit portal or by contacting customer service at 877.528.7878. It's important to keep your email and phone number current.

Audit Refunds and Credits

Can audit credits be applied to my account?

Yes, credits can be applied to outstanding balances or future payments. Contact our billing department for details at amtrustAR@amtrustgroup.com

Audit Compliance and Non Compliance Issues?

I canceled my policy and no longer have coverage from AmTrust. Do I still have to do the audit?

Yes. Even if your policy is no longer active, we still need to make sure you paid the right premium while it was. The audit doesn't reactivate your policy. It just helps us make sure you paid the right amount for your coverage. Every policyholder is responsible to complete an audit whether they are still insured by an AmTrust company or not.

How can I avoid non-compliance fees?

Follow the audit submission guidelines carefully, provide complete documentation, and respond promptly to any requests for additional information.

What happens if I don't comply with the audit requirements?

Non-compliance may result in additional charges, penalties, or policy adjustments. Ensure all required documents are submitted before the deadline.

I have a pay as you go policy. Don't you have my payroll information already? Why do I still have to do an audit?

We get some payroll information through the year but it's all summarized. We don't receive any detailed payroll reports or the Federal 941's we need to verify that those summaries were correct. We do the audit to make sure that all wages were received, officers were properly handled, credits properly applied where applicable, etc.

Plus, the audit doesn't just verify your payroll. We also review:

- The classifications assigned to your business and employees to make sure they were accurately reported throughout the year.
- Information outside of payroll and employees such as the use of outside labor and subcontractors.