

Making The Grade

E-Mods & Work Comp Premium

LOSSES AFFECT YOUR MOD RATE

★ = policy effective date



POLICY
YEAR 1



POLICY
YEAR 2



POLICY
YEAR 3



PRIOR
YEAR



CURRENT
YEAR

E-mod is based on 3 years' loss history, not counting the current and prior policy year.

AN E-MOD DEFINED

An experience modification factor, or e-mod, is a calculation that uses your past loss experience to predict your future losses. It also compares your company's losses to the losses of the average company in your industry.

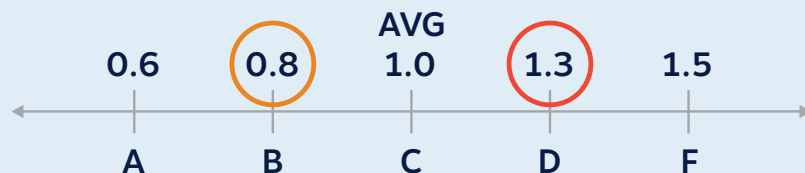
Your business may not have an e-mod. To qualify, you must:

- be an established business for at least three years, and
- have the following premiums for one year or two or more years per state:

STATE	ONE YEAR	TWO OR MORE YEARS
Arkansas	\$10,000	\$5,000
Illinois	\$13,500	\$6,750
Iowa	\$10,000	\$5,000
Kansas	\$10,000	\$5,000
Missouri	\$7,000	\$3,500
Nebraska	\$8,000	\$4,000
Tennessee	\$12,000	\$6,000

Your e-mod takes time to change. Understand and control it now.

Understanding The E-Mod



SAVING MONEY

An e-mod of 0.8 means your loss experience is 20 percent better than others in your industry. You could receive a **premium discount of 20%** due to anticipated losses lower than others in your industry.

LOSING MONEY

An e-mod of 1.3 means your loss experience is 30 percent worse than others in your industry. You could pay a **premium surcharge of 30%** to cover anticipated losses higher than others in your industry.

You can improve your e-mod over time by maintaining safe and healthy workplaces and managing claims costs.