

What NJ Contractors Absolutely, Positively Must Know About Workers Compensation

The good, the bad and the ugly truths about Workers Compensation...

- Workers Compensation is a mandatory coverage in NJ – as an employer you must provide Workers Compensation coverage to your employees. No ifs, ands or buts...
- The system is flawed – up to 47% of experience modifications are wrong and most are mismanaged. In the Garden State there are over 10,000 rating re-classifications each and every year.
- Workers Comp is different than other coverages – insurance companies don't pay for your workers compensation claims – you as the employer!!! Insurance companies merely finance them at a very high rate of interest. Once you understand this concept you can begin to fight against premium overpayments.
- Assuming that your contracting business has a 5% profit margin – just one \$25,000 workers comp claim will mean that your business must produce \$500,000 in revenue just to get back to even. That is why you must follow our proprietary best practices policies to head off potentially damaging claims.
- Most agents want you to believe that “Workers Comp is Workers Comp” – that is because that is what their knowledge base allows them to feel comfortable with. That is wrong, put more aptly it is wrong and costly to you. That shortsightedness may be costing your contracting business thousands of dollars yearly.
- As a contractor you must understand the experience modification and how it impacts your business. Blindly accepting your experience modification factor and not having it audited by an expert is no different than sending your tax information to the IRS and asking them to figure it out for you.
- As a contractor, you are going to be audited on your workers compensation policy yearly. As an employer you simply can't go into the audit without every tool in your arsenal. You know that workers compensation is based on payroll – any agent can tell you that. But, did you know that there are 20 forms of remuneration that often appear in payroll records that are excluded from the audit. Did your agent tell you that? The auditor – Nope. There is a better way, we work with you to provide our exclusive “Audit Package” - it's like going into a test and knowing the answers. Your business goes from sitting duck to virtually bulletproof. Knowledge is power.
- All members of our agency who handle contractors accounts are Certified Workers Compensation Advisors. Contractors are far too susceptible to huge

errors on this often mis-understood line of insurance and mistakes could cost your business dearly for years to come.

- In the US there are less than 300 insurance agencies whom are certified at this level of expertise in Workers Compensation Insurance. Over 100,000 insurance agencies in the country – less than 1% bring the same level of expertise to your business as The Friedlander Group. Knowledge is power – as a contractor you really can't afford to let someone other than trained expert handle this potential financial land mine.