



The Nation's Premier PEO MGA

AGENDA

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- Client Advantages
- Common Objections
- Ideal Client Profile
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Introducing the AXIS Group

- The AXIS Group has been in business for 10 years as a Master General Agency (MGA) for Professional Employer Organizations (PEOs) providing human resource solutions to over three thousand companies across the country and paying out over two million in residual commissions to agents and brokers.
- AXIS Group's wholesale access to PEOs helps agents maximize their competitive advantage and increase revenue by capitalizing on alternative work comp markets ideal for clients working in moderate to high risk industries empowering them to gain greater market exposure.

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What is a PEO or Co-Employment?

- A Professional Employer Organization, or PEO, assumes and manages critical HR management and employment-related responsibilities including employee administration, compliance, unemployment and workers compensation claims, risk management, health benefits and payroll.
- Through this co-employment arrangement, the client and the PEO contractually share employer responsibilities and liabilities. PEO clients come in all sizes and industries, & are enabled to focus on their core competencies to maintain & grow their bottom line as the worksite employer, while the PEO is the administrative employer.



What are the Business Advantages of Using a PEO?

- ⦿ Work Comp Policies: No Deposit, Pay As You Go, No Audit
- ⦿ Up to 30% premium reductions and safety incentive programs
- ⦿ Expert Advice & Support with Risk Management and Compliance
- ⦿ Access to cloud-based customizable Payroll & Human Resource Information Systems that promote efficiency and cost savings
- ⦿ Work Comp and Unemployment Claims Processing
- ⦿ Better and more cost effective benefit options for Employees promoting job satisfaction and retention with positive recruiting impact.
- ⦿ Work Comp underwriting flexibility results in approvals for clients who have gaps in coverage, debit mods, adverse loss history & high risk codes.



Common Client & Agent Objections to the PEO Relationship

- **Client:** I don't want to lose control over my employees.
- **Client:** I don't want to outsource my payroll.
- **Client:** I don't want to pay for the administration cost.
- **Agent:** There is too much additional paperwork to complete in order to enroll.
- **Agent:** We want to bind coverage today upon final approval.



Ideal Client Profile

- ⦿ Mod rates over 1.0
- ⦿ Adverse claims history
- ⦿ High Risk Codes
 - Construction, day care, assisted living, roofing, manufacturing, commercial painting, building maintenance, landscaping, agriculture, trucking, towing, staffing, hospitality (hotels & restaurants) etc.
- ⦿ Multiple office locations
- ⦿ Employees in multiple states
- ⦿ Companies shopping for bundled payroll & HR solutions and/or considering a PEO proposal
- ⦿ Companies using ADP Totalsource, Paychex, TriNet Insperity, etc...



Frequently Asked Questions

● *Are PEOs recognized as employers at the state and federal levels?*

Yes. PEOs operate in all 50 states. Many states provide some form of specific licensing, registration, or regulation for PEOs. These states statutorily recognize PEOs as the employer or co-employer of worksite employees for many purposes, including workers' compensation and state unemployment insurance taxes. The IRS has accepted the right of a PEO to withhold and remit federal income and unemployment taxes for worksite employees. The IRS has promulgated specific guidance confirming the authority of PEOs to provide retirement benefits to workers

● *Why would a business use a PEO?*

Business owners want to focus their time and energy on the "business of their business" and not on the "business of employment." As businesses grow, most owners do not have the necessary human resource training; payroll and accounting skills, the knowledge of regulatory compliance, or the backgrounds in risk management, insurance and employee benefit programs to meet the demands of being an employer. PEOs give small-group markets access to many benefits and employment amenities they would not have otherwise.

● *Do the business owners lose control of their businesses?*

No. The client retains ownership of the company and control over its operations. As co-employers, the PEO and client will contractually share or allocate employer responsibilities and liabilities. The PEO will generally only assume responsibilities and liabilities associated with a "general" employer for purposes of administration, payroll, taxes and benefits. The client will continue to have responsibility for worksite safety and compliance. The PEO will be responsible for payroll and employment taxes, will maintain employee records and reserves a right to hire and fire. Because the PEO also may be responsible for workers' compensation, many PEOs also focus on and improve safety and compliance. In general terms, the PEO will focus on employment-related issues and the client will be responsible for the actual business operations

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Frequently Asked Questions

● *How many Americans are employed in a co-employment PEO arrangement?*

It is estimated that 2-3 million Americans are currently co-employed in a PEO arrangement. The average PEO has grown more than 20 percent per year for each of the last six years, according to a survey of NAPEO members. About 700 PEOs that offer a wide array of employment services and benefits are operating today in 50 states. The PEO industry generates approximately \$51 billion in gross revenues annually. PEOs have an 88 percent client retention rate due to strong client satisfaction. NAPEO member companies are estimated to account for more than 70 percent of the industry's gross revenues.

● *How do PEOs help their clients control costs and grow their bottom line?*

The PEO's economy of scale enables each client company to lower employment costs and increase the business's bottom line. The client can maintain a simple in-house HR infrastructure or none at all by relying on the PEO. The client also can reduce hiring overhead. The professionals at the PEO can provide critical assistance with employer compliance, which helps protect the client against liability. In many cases, the client can pay a small up-front cost for a significant technology and service infrastructure or platform provided by the PEO. In addition, the PEO provides time savings by handling routine and redundant tasks for its clients. This enables the business owner to focus on the company's core competency and grow its bottom line.

● *How do employees benefit from a PEO arrangement?*

Employees seek financial security, quality health insurance, a safe working environment and opportunities for retirement savings. When a company works with a PEO, job security is improved as the PEO implements efficiencies to lower employment costs. Job satisfaction and productivity increase when employees are provided with professional human resource services, training, employee manuals, safety services and improved communications. And in many cases, a co-employment relationship provides employees with an expanded employee benefits package, to include a 401(k), life insurance, disability insurance, discount plans, a flexible spending plan and more.

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How To Get Started

- Complete the agency partner agreement
- Utilize your dedicated account manager for approvals.

Account Manager Name @AXISgroupllc.com

- Documents required for submission
 - ACORD application
 - 3 year loss history-carrier issued & valued within 30 days (loss affidavit if gaps)
 - xMod worksheet – current
 - Supplemental risk questionnaire (If Applicable)
 - Detailed description of large losses (Greater than \$40k)
 - Target premium & required carrier rating
 - Timeline for presentation of quotes



Our Commitment

- Commissions that equal 8%-15% of premium
- Spiff and incentive programs
- Clear and consistent communication with pipeline updates
- Presentation support to increase close ratio
- Enrollment management to expedite binding
- Timely commission payments

