



# C O M P L E T E Coverage

LANDSCAPE CONTRACTORS INSURANCE SERVICES, INC. NEWSLETTER

DECEMBER 2007

## Work Comp Audit Compliance

By Amy Cole, CISR, CPIW, Senior Account Manager/Product Development Specialist

**D**id you know that your insurance policy is a contract? As such, an insurance policy, like any contract, spells out the duties of each party that has entered into the contract. One such duty under the Workers' Compensation Policy has two key elements, this is the insured's duty to 1) retain records needed to compute your premium and 2) provide copies of those records when asked for them. This includes allowing the insurer to examine and audit all records that relate to the policy including, but not limited to, programs that store records.

Complying with final audits has always been *very important*. Failure to comply could result in the insurer estimating the audit and billing your office accordingly and/or canceling your current coverage. In addition, for accounts eligible for an Experience Modification Rate (EMR) issued by the Workers' Compensation Insurance Rating Bureau (WCIRB), failing to comply with an audit could mean the WCIRB won't issue an EMR or they could issue it using loss information, but no payroll information for the applicable policy period.

On Oct. 13, 2007, a bill (see bill and insurance code below) was approved by the Governor and filed with the Secretary of State that will make complying with a final audit even more important. The code makes the employer/insured liable to pay **a total premium equal to three times the current estimated annual premium and**

**costs incurred by the insurer in its attempts to perform an audit.** The code will apply if 1) the insured fails to comply with a final audit; 2) the insurer or its authorized representatives has made at least three attempts during at least a 90-day period; and 3) the insured has provided no compelling business reason for the failure to comply.

In short, complying with a final audit is a key element of your Workers' Compensation Policy. Failure to comply could result in heavy penalties. Communication throughout the audit process is vital. If your office has a specific reason why you cannot complete an audit within the requested time period, make sure to convey this reason to the insurer verbally and **in writing** so there is no confusion as to the reason. Once all information needed for the audit is available, make sure to complete the audit process.

**Bill Number: AB-812 Chapter 615 Insurance Code: 11760.1 Effective: Jan. 1, 2008**

*The information contained in this article was taken from a bulletin released by PCI Property Casualty Insurers Association of America [www.pciaa.net](http://www.pciaa.net) on Oct. 20, 2007 and the bill posted on California Legislative Information website [www.leginfo.ca.gov](http://www.leginfo.ca.gov).*



AMY COLE  
Senior Account  
Manager

## LCIS 'Lifesavers' Team Raises \$7,715 to Combat Breast Cancer



### • Employees Race to 'Insure A Cure'

The LCIS "Lifesavers" team was joined by family members and participated this October in the Susan G. Komen Race for the Cure combating breast cancer. This was a great chance to come together as a company and help support such a deserving cause.

The Komen Race for the Cure Series raises significant funds and awareness to fight this deadly disease, celebrates breast cancer survivorship, and honors those who have lost their battle with breast cancer. Out of 71 teams the LCIS Lifesavers were third



highest in donations with \$7,715 raised!

All of us at LCIS are thankful for those who helped us exceed our fundraising goal and look forward to participating in this event for years to come!



STEVE HARTMAN  
CEO / President

# This Year Has Really Flown By!

## Enjoy the Season

Happy Holidays to all! It seems as if this year has flown by! The Turkey has already visited us, and now we are busy with the Holiday Spirit in the air! It seems as if the Holiday season comes earlier and earlier. I

hope you all have had or will have a chance to sit back, relax and enjoy being with family during this stressful time of the year!

## Nashville Convention Highlights

In November, I enjoyed another great trip to the CLCA Annual Convention – this time in friendly Nashville, Tennessee. LCIS proudly sponsored yet another great speaker at this CLCA State event – Mikki Williams! If you don't make it to these special CLCA meetings, you are really missing out. The great speakers alone are worth the price for attending the entire meeting. These motivators, successful entrepreneurs and trainers help us all cope with everyday life while becoming more successful in business.

Next up is the Leadership Conference – January 29th and 30th in Oakland. Yes, LCIS is sponsoring the Keynote Speaker – Dr. Nate Booth. Be sure to visit the CLCA website for information on attending this conference.

## Rebates Sent

For those eligible members, LCIS just sent out another rebate, bringing our total

rebates to over \$29,000,000 over the past 18 years! This is yet another value added reason to be a part of CLCA and an insured member of CLCA. If you have any questions on the eligibility for rebates please feel free to contact our office.

## AD&D Value Added Benefit

LCIS has also just recently added another value added benefit through our insurance operations – AD&D – Accidental Death and Dismemberment policy. This is an extremely affordable product, one that provides numerous coverages for your employees and owners. Some limited highlights are: coverage on or off the job (24 hours), repatriation to home country coverage, coma, paralysis, seat belt/air bag, and rehabilitation benefits and coverage without an exam (all coverages subject to terms and conditions of the policy). Be on the lookout for automatic quotes for this coverage at the same time we quote your Workers' Compensation policies. If you would like a quote or additional information on this, please contact Terry Mahlman at (800) 628-8735 ext. 580 or your assigned Account Executive.

## New Benefits Specialist

LCIS has also just recently hired a new Benefits Specialist – Gary Spector. Gary began working out of our Chatsworth office officially on Wednesday, December 26th. Please feel free to contact Gary at (877) 527-5247 for any of your Benefits needs (Health – Group or Individual, AD&D, Dental, Vision, etc.).

## LCIS Now Meeting the Insurance Needs of Associate Members

LCIS has recently "branched out" to serve the Associate Members of CLCA. We have access to workers' compensation, general liability, auto and health carriers to meet all commercial insurance needs. You will have access to the same high quality service and competitive rates that our landscape customers have had for 18 years.

Our agents are available to assist you in analyzing your coverage and providing you with a quote. Please let us know how we can help you.

LCIS continues to provide competitive programs for all lines of coverage, so please give us an opportunity for a no obligation/free quote! As always, thanks for making LCIS the number one provider of Insurance Coverage's for the Landscape Industry on the West Coast!

Steven Hartman  
President/CEO, LCIS, Inc.

## MISSION STATEMENT

*"To provide quality insurance products at competitive prices, along with superior service through our commitment of excellence to our customers and employees."*

## Contact Us

Toll-Free (800) 628-8735

### President

Steve Hartman ext. 520

### Chief Operating Officer

Kim Ayala ext. 511

### Sales Manager

Terry Mahlman ext. 580

Certificate Request Fax (800) 440-2378

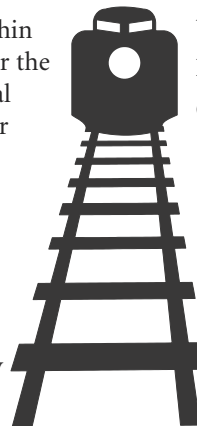
LCIS Website www.lcisinc.com

## Working Near Railroad Tracks? YOU MAY NOT BE COVERED!!

By  
Casey Cole,  
CISR

If any of your work places you within 50 feet of a railroad track, whether the track is active or not, your General Liability Policy excludes coverage for this exposure.

Some railroads, such as Burlington-Northern or Santa Fe, can offer the insurance for you, or our office can place a Railroad Protective Liability Policy on your behalf. Although your office and sometimes the party that hired you to do the work can



be listed on the policy, the policy protects the railroad only.

Coverage is usually written for the specific date(s) of the job whether it will last one day or one year and is job specific. The premium is based on the total cost of the job within the 50-foot limit and is due and payable in full before the policy will be issued. Once the policy is written, it cannot be cancelled

*continued on next page*

# Employee Spotlight



**Frances Barker – Accounting Representative**, has been with LCIS for 4 years. She started off as our Mail Room/File Clerk and has worked her way up to the Accounting Department. When asked what she likes most about working at LCIS, Fran says she likes "...the variety of work, and

**"I enjoy the variety of work, and always learning something new."**

always learning something new. I also enjoy working with all of my co-workers."

In her free time, Fran likes going camping and fishing with her husband, Virgil. She also loves spending time with her family and grandchildren, 5-year-old Shaun and 9-month-old Carson.

**Rhonda Scow – Package Rating Representative**, has been with LCIS for 6 years and has been in the insurance industry for 6 years. Rhonda started as the receptionist and transitioned to Package Rating. She received her Fire and Casualty Broker-Agent License in 2004.



**"I am grateful for the extended family that I have here."**

"I am so grateful for the opportunity, support, and encouragement that everyone at LCIS has given to me," said Rhonda. "I am grateful for the extended family that I have here. In addition, I like the fact that I get the chance to talk with our customers."

She loves to listen to music (her favorite is country music), reading suspense/thriller books, watching TV (she loves CSIs, *Criminal Minds*, etc), camping with her family/friends, and especially loves her Mother and Daughter Days.

For additional information, visit the LCIS Website: [www.lcisinc.com](http://www.lcisinc.com)

## State Convention Highlights



**CONVENTION KEYNOTER** – Once again, LCIS has sponsored the Keynote Speaker for a major CLCA event. Here, Nashville Convention's motivating Keynoter Mikki Williams thanks her LCIS friends, Terry Mahlman, Steve Hartman, and Nelson Colvin.



**RELATIONSHIP BUILDING** is important at events such as the CLCA Convention. Here, Past State President Barbara Alvarez (right) visits with LCIS COO and Past State Women's Auxiliary President Kim Ayala and her husband Mike, during awards dinner.



**JOHN REDMOND MEMORIAL AWARD** in State competition goes to multi-award winner *Visionscapes* – Ruben Flores; presenting for Sponsor LCIS, is Kim Ayala. The Trophy Awards banquet was held during the CLCA Convention in Nashville, Nov. 7-11.



**'THE MUSIC CITY'** – That's Nashville's nickname, and its great country sounds permeate the air. Enjoying some catchy tunes outside a club in the Gaylord Opryland Hotel, are Steve Hartman and fellow conventioners, Kim and Mike Ayala.



**RIVERBOAT VIPS** – Enjoying the view of Downtown Nashville from the deck of the General Jackson Showboat are LCIS CEO / President Steve Hartman, Ewing's Barry Elder, and incoming CLCA President-Elect Heath Bedal.



**CONDOS / TOWNHOUSES / APTS Installation** First Place winner is The Celtis Group – Barry Cohen. Presenting for Sponsor Birch Financial, Inc. (part of the LCIS family of companies) is Birch President / CEO Nelson Colvin.

### Working Near Railroad Tracks? continued from page 2

before the expiration date on the policy even if the job doesn't last as long as it was supposed to.

If you are doing an ongoing maintenance job at a train depot or some other premises owned by a railroad, you can

also purchase a policy for this exposure rather than just for one specific project.

If you have further inquiries or you would like an application, please contact your Account Manager or your Account Executive.

# Making a Difference!

## LCIS Employee Recognition Program

If one of our employees has made a positive difference by providing outstanding service and deserves recognition, please let us know. Fill out the information on this form and submit via fax or e-mail to:

Attn: Ginnie Day, Human Resources  
 Fax: (800) 440-2378  
 Email: gday@lcisinc.com



Landscape Contractors Insurance Services

I would like to nominate:

LCIS, Inc. Employee Name \_\_\_\_\_

Reason for Recognition: \_\_\_\_\_

Your Name: \_\_\_\_\_

Company: \_\_\_\_\_

Daytime Phone: \_\_\_\_\_

Date: \_\_\_\_\_

## CLIENT TESTIMONIAL

# Praise for Our 'Industry-Specific' Service

I believe that LCIS, being an industry-specific insurance company, delivers a higher grade of service to landscape industry members than anyone else out there...because they know more about our industry than some generalized company. LCIS knows more about our needs and they certainly know more about the challenges we face every day. Their service

and knowledge are second to none, and they have proven it to me time and again since I first signed up with Mike Dunn at the 2000 LIS Show.

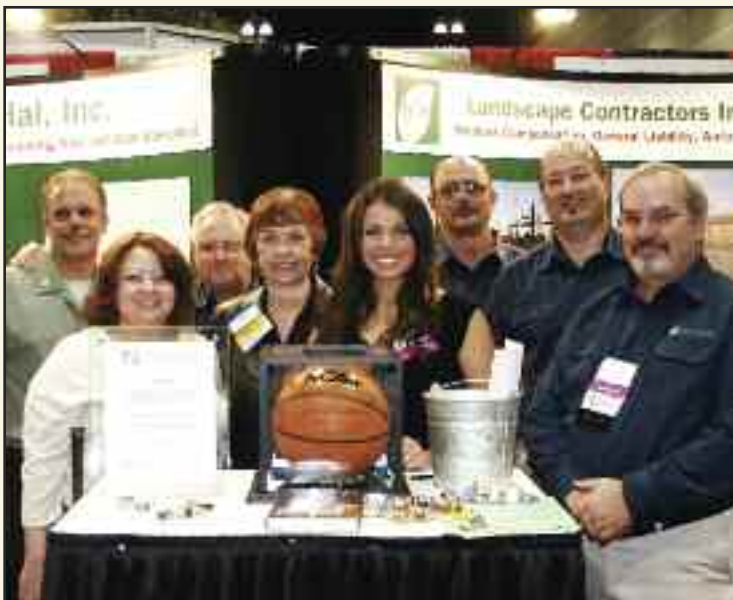
Also, as President of the Orange County Chapter of CLCA, I really appreciate the continued support our Chapter receives from LCIS. Agents Jeff Pogue and Mike Dunn are at just about every Chapter event

we have throughout the year. Their raffle prizes at our lunch meetings are so nice we usually make

them the grand prize. Our members also benefit greatly for the outstanding speakers LCIS sponsors at our State events.

On a more personal note, my client representative is Casey Cole, and I can't praise his work enough. He is friendly, sincere and I can always get a hold of him; Casey is my "go-to" person at LCIS. If I am having a problem with a certificate or something handled in another department, I call Casey and he runs it down for me and lets me know what happened. He's the best.

— Kevin Fairchild,  
 Illumiscapes Total Land Care



THAT'S KEVIN FAIRCHILD on the left, visiting with reps of the LCIS family of companies at the 2007 Landscape Industry Show.



**LANDSCAPE CONTRACTORS  
 INSURANCE SERVICES, INC.**

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