

**New York Annual Conference**  
**Workers Compensation Insurance**  
**\*\* Frequently Asked Questions \*\***

**Why does the Conference mandate participation in this program?**

The Conference requires member churches and any associated preschools (those “controlled” by the church) to participate in this program for two reasons: 1) we obtain favorable group rates by including a large number of employers in the policy, and 2) the penalties for an employer not carrying such insurance are extremely high, sometimes putting the very existence of local churches at risk. New York State is especially aggressive when it comes to assessing fines and penalties to organizations that do not maintain coverage. These mistaken penalties have in some cases totaled hundreds of thousands of dollars for our member churches. So far we have been able to have all such fines and penalties dismissed based upon our group policy.

**Which individuals should I report payroll for?**

You should report payroll for all individuals that were employed by you during the year. This includes clergy, your church secretary, an organist, a sexton and any other staff for whom you issue a W-2. Payroll for both full-time and part-time employees should be included.

**Which individuals should I not report payroll for?**

You should not report payroll for individuals providing services as independent contractors or those who work for other organizations, such as a cleaning service.

**What payroll should be reported?** You should report gross payroll before deducting social security or withholding taxes, plus any clergy housing exemptions, or housing allowances that are paid. Gross payroll includes bonuses, if any.

**Why do I have to separate my payroll into four different classifications?** We need payroll in different classifications because insurers charge different rates for different jobs based upon risk. For example: A sexton is more likely to have a workplace accident than a church secretary.

**Should I report a school Janitor in the “School” section or in the “Non-professional” section?**

You should report payroll by position classification. So if you have workers that don’t meet the definitions listed in the School section, report them elsewhere where you see their classification. For example, you should report a school Janitor in the “Non-professional” section because Janitors are not listed in the School section.

**How is a clergy Parsonage or “Housing Allowance” handled?**

- If you provide a parsonage or residence to one or more employees, please enter the number of residences provided (e.g. “1”, “2”).
- For clergy that are paid a cash “Housing Allowance”, please disclose the amount of the allowance where requested
- For clergy that request to treat a portion of their salary as a tax exempt (Housing Exemption), you should report their gross salary (including any income they treat as “exempt”).

### **Why do you need our Federal Employer Identification Number (FEIN) and where can I find it?**

Your FEIN uniquely identifies you as a covered entity. Having it on file helps us to prove that you were included in our policy in the event the state performs an audit or asserts non-coverage. Any organization that processes payroll has a FEIN and you can find it on a W-2 or other payroll-related documents.

### **How will this information be used?**

Insurers typically need two sets of data to provide Workers Compensation insurance: 1) estimated payroll for the period of the policy, and 2) actual payroll after the period has ended. The data you submit will be used for both purposes – to adjust your 2018 bill for the actual payroll processed during 2018 and to estimate your 2019 bill.

### **What happens if I have a significant change in payroll after I submit my numbers (e.g. I hire or terminate one or more individuals)?**

The effect of any significant increase or decrease in staffing will be reflected in a true-up, after the year has ended, based upon the actual payroll you provide. So if you hire someone after reporting your payroll you should expect to receive an additional premium in the subsequent year. Conversely, if you terminate someone after reporting your payroll, you should expect to see a refund in the subsequent year.

### **Why doesn't the Conference bill these premiums monthly?**

We have over 500 churches and church-controlled preschools in the Conference. If we were to issue bills monthly, it would increase our transaction volumes from roughly 500 invoices per year to 6,000 invoices per year. We would also need to handle a similar increase in the number of check deposits. Both the Conference and church save a significant amount of administrative time by billing / paying invoices on a yearly vs. monthly basis.

### **How do I report a claim?**

As soon as possible contact Church Mutual Insurance Company at (800) 554-2642, select Option 2. If you prefer, you can file a claim online by accessing their website, [www.churchmutual.com](http://www.churchmutual.com). Select "Contact us" and "To report a claim or to check the status of a claim" and follow the instructions. Claim forms can also be printed from their website and mailed to Claims Department, Church Mutual Insurance Company, P.O. Box 342, Merrill, WI 54452-0342.

### **How do I obtain a posting notice or Certificate of Insurance for Workers Compensation?**

- Contact Colin David of AJ Gallagher, our insurance agents at either [Colin\\_David@ajg.com](mailto:Colin_David@ajg.com) or (914) 697-6012

**What is our policy number?** Our policy number is 0500170-07-178663.

### **Who do I contact for questions on billing matters?**

- Contact Jasmine Albert at either [jalbert@nyac.com](mailto:jalbert@nyac.com) or 914-615-2232.

### **When are payments for Workers Compensation coverage due?**

- Payments are due upon receipt of your invoice, which generally are issued in April.