

## Why Do Independent Contractors Need Workers Compensation?

Workers Compensation is the most comprehensive coverage available for work-related injuries, is defined by state laws, and is not subject to the same benefits limitations as Occupational Accident policies.

Benefits include more extensive medical coverage and coverage for lost wages due to work-related injuries.

Providing Workers Compensation for your independent contractors helps protect your drivers and their families, while also helping to safeguard your company's potential liabilities.

### The ICMS Workers Compensation Program:

- Protects your company from any Workers Compensation claims by independent contractors
- Eliminates the risk of additional premium audits from your corporate Workers Compensation insurance company
- Facilitates an "arm's length" relationship between your company and your independent contractors
- Provides the broad benefits of Workers Compensation to your independent contractors for work-related injuries

# Independent Contractor *Workers Compensation*

***The broadest coverage, tailored for Independent Contractor drivers under permanent lease to a motor carrier.***

- "A-" Rated Nationwide Insurance Carrier
- Not Subject to Audit
- Simple, Flat Monthly Rates Based on Active Drivers
- Top Quality Customer Service
- Relationship Separation Between the IC & the Motor Carrier
- Minimum of 5 Drivers to Start, with a Low Down Payment

***Now including expanded driver benefits through NAWP:***

\$10,000 Basic Term Life Insurance

401K(i), A Special Retirement Investment Options for IC's

Sleep Apnea Testing & Discounted CPAP Machines

Identity Theft Protection Services

Cash Back on Online Shopping at Major Retailers

WellCard Health Discount Card for Pharmacies, Doctors, & Dentists

*For More Information:  
submissions@coefficientunderwriters.com*



**Real Workers Compensation.  
Real Driver Benefits.**

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# Independent Contractor Workers Compensation

## Program Details

### ***How Does the Program Work?***

ICMS is an administrative services company that provides workers compensation for independent contractor drivers under permanent lease to a motor carrier, while maintaining the critical relationship separation.

ICMS will work with your current insurance agent and underwrite each motor carrier. After approval, they are required to sign an agreement acknowledging their responsibility to provide driver underwriting information and details on all fees that have been deducted from the driver's settlement.

Each applicant driver is also underwritten for acceptance. If the driver is approved, they become a contract employee of ICMS. ICMS will provide workers compensation coverage for the independent contractor.

Small fleet owners and their contract drivers are eligible to apply for the program (a supplemental application is required). A small fleet is defined as an independent contractor who owns 5 or less trucks and utilizes contracted drivers for those trucks.

### ***How Is the Program Billed?***

The motor carrier can decide whether they are covering the costs or if they pass along the fees to the drivers.

At the end of each month, motor carriers are billed based on the number of active drivers for that month. Payment is due by the 10<sup>th</sup> of the following month.

The ICMS fees are calculated based on the driver's state of hire and an average annual remuneration for contracted drivers, considering the industry standard one-third revenue rule.

### ***Motor Carrier Guidelines***

#### **Submission Items:**

- Completed & signed motor carrier supplemental
- Signed motor carrier agreement
- Current owner operator fleet equipment listing
- Average mileage (schedule B)
- Independent contractor pay scale
- Copy of safety manual (incl. Driver & equipment qualifications, inspection procedures, & disciplinary procedures)
- 3-5 years loss information for workers comp & occupational accident

#### **Parameters:**

- 3+ years in business or documentation management has 3+ years experience
- Satisfactory DOT rating
- Full time safety director
- <10% driver handled freight

#### **Excluded Classes:**

- Local Dump, coal, grain, gasoline, explosives, nuclear, livestock, logging, hot shot, hazardous material (Title 49 USC sec 172 classes 1, 2 & 7, or any other hazardous material >50 gals. unless <5%)

#### **Restricted Classes (Subject to review):**

- Long haul dump, car haulers, movers, flatbed

### ***Independent Contractor Guidelines***

#### **Submission Items:**

- Completed & signed driver application
- A copy of current DOT long form physical

#### **Parameters:**

- Age 21-70
- Current CDL Type "A" & compliant with DOT regulation 391.11 (and subparts G&E)
- 2 years OTR experience (exceptions may be granted)

- Driving record within US DOT acceptable guidelines
- Motor carrier must be approved
- No one who has ever had a DUI or DWI
- No one who has ever failed a drug test
- No one with a weight/height ratio greater than 4.0
- No one with previous back surgery, chronic back pain, or who is insulin dependent



**Real Workers Compensation.  
Real Driver Benefits.**