

ASP Bulletin



May 2009

Safety Works Expo

Tempe, AZ

May 5-6

Fiesta Inn, Broadway
Road and Priest
Drive, Tempe

For more details visit:

www.regonline.com/scfphoenix

Who to Contact:

Tod Dennis, 602.631.2212
tdennis@scfaz.com

Mike Felix, 602.631.2009
mfelix@scfaz.com

Wendell Macnab,
602.631.2033
wmacnab@scfaz.com

Ed Redmond, 602.631.2983
eredmond@scfaz.com

Bruce Christian, 602.631.2810
btrethewy@scfaz.com

Saundra Covington,
602.631.2032
scovington@scfaz.com

Phyllis Senseman,
602.631.2010
psenseman@scfaz.com

New Companies Launched for Pricing Fairness

SCF Arizona launched on May 1, three wholly-owned subsidiaries, making it possible for the state's largest and oldest workers' compensation provider to price its coverage more equitably.

With the success of SCF Premier Insurance Co. launched in 2007, the addition of SCF Western, SCF General and SCF Casualty insurance companies to the SCF Arizona group allows the company to fully depart from a "one-size-fits-all" pricing model, so businesses can be charged and rewarded more appropriately based on their size and loss histories.

"This new way of pricing is fairer for all," said Rick Jones, SCF Arizona's senior vice president, Chief Sales & Business Development. "We now can price our product like any other line of insurance. For example, when you get your car insurance, if you have a record as a safe driver, your rates are going to be lower than a driver with a record of a lot of accidents or tickets.

"Our goal is to provide the lowest priced workers' compensation coverage to companies of all sizes and industry with the new company model," Jones added.

Companies moving to SCF Premier and SCF Western are unlikely to receive dividends, as they are rewarded with upfront pricing breaks. SCF Premier, SCF Western and SCF Arizona policyholders are provided discount pricing from set rates.

SCF General policyholders can apply for membership into an ASP, and if they are accepted, they become eligible for discount pricing on their next policy anniversary. Policyholders in SCF Arizona in an Association Safety Program (ASP) become eligible to participate in any potential bonus safety dividend declared.

SCF Casualty policyholders, which have a history of safety challenges, will not receive pricing discounts, nor are they eligible to enroll in an ASP and are unlikely to receive dividends. This will help ensure that associations' safety programs will not be compromised by companies that have failed to achieve ASP safety standards.

"Offering quality service and fair pricing is critical for business and economic growth throughout Arizona," Jones said. "For years SCF was restricted and able to offer only a one-price strategy to support the Arizona market, but increased competition and customer service expectations required a broader approach."

Policyholders in the new SCF's companies will receive the same levels of service from the same dedicated employees as they do today," Jones promised. The current SCF personnel who manage claims or provide loss control services will remain the same. The only change is in the pricing structure." All SCF Arizona companies have access to new on-line features at www.scfaz.com which now include: Pay on line, Report on line, Claims View on line and Certificates of Insurance.