WORKERS' COMP

Workers' Compensation

Co-employment WC wired into payroll — premium from actual wages, every run.

Co-employment workers' comp is half of why a client joins a PEO — so on Stratum it's a **first-class module wired straight into payroll**, not an afterthought bolted onto an HRIS. Class codes, carrier policies, claims, and premium computed from real wages on every payroll run, with the audit-prep and certificate paperwork built in.

1 Premium from actual wages — every run

The differentiator: WC premium is **true pass-through**, computed on every payroll run from the wages that actually ran — not an annual estimate that surprises the client at audit.

How the premium is computed

- **The formula:** premium = (gross wages / 100) × class-code rate per $100 × experience mod. Rates are looked up per class code + work state + policy year (with prior-year fallback).
- **By employee and state.** Class codes are assigned per employee and work state; the carrier's rate for that code/state drives the number. **Replace-by-run:** a run's premium is idempotently replaced when the run is recomputed, so a retro change re-prices cleanly.
- **Experience mod** is tracked (1.000 = industry average; below = better claims history). **Executive-officer / owner payroll** is capped to the state's NCCI/bureau min-max band, so an owner's pay doesn't inflate the premium base.

2 Policies, certificates, and claims

Area	What it does
Carrier policies	Policy tracking (policy numbers, terms, effective dates) per client.
Certificates of insurance	COIs issued and tracked against the policy, with cancellation notices when coverage lapses.
Claims	First report of injury through closure — claim number, date and type of injury, carrier claim number — plus near-miss incident logging that can escalate to a claim.
OSHA	Recordable-injury logging feeding the OSHA 300 / 300A obligations.

3 Audit-ready and retro-aware

The annual audit isn't a fire drill

- **Audit-prep worksheets** assemble the payroll detail a carrier auditor asks for, so the annual WC audit is a review, not a scramble.
- **Retro changes re-checked automatically.** When a backdated termination pulls post-termination wages out, the platform opens a correction case so the WC premium already billed on those wages is trued up (replace-by-run recompute + a billing credit) — a ledger that otherwise silently over-bills on a late-reported termination.
- **YTD premium reporting** per client, and analytics across class codes and claims.

The result: because premium is calculated from actual wages every run, the client pays for the exposure they actually had — no big true-up bill at the annual audit — and the PEO walks into that audit with the worksheets already assembled and every claim, certificate, and OSHA record in one place.