

Summary

Objective

CoverPlus Extra (CPX) is an optional insurance policy for self-employed workers and shareholder employees.

This page covers how invoicing works for this type of policy.

Owner

Name withheld

Expert

Name withheld

Policy

1.0 Invoices for self-employed (SEP) customers on CPX

- a** Self-employed (SEP) on CPX will be sent two separate invoices annually, under their personal account.
- b** The first invoice is based on agreed cover and classification unit (CU). This is sent on the customers next invoicing day after receiving the Policy Acceptance Form, or after 1 April if the policy has renewed for the new year.
- c** The second invoice is the Working Safer Levy Invoice. This is issued when the relevant year's liable earnings are received from Inland Revenue (IR). This levy can't be included on the initial invoice because it must be based on actual liable earnings.

2.0 Invoices for shareholders (SHEs) on CPX

- a** Shareholders (SHEs) on CPX will receive two invoices annually, on different accounts.
- b** The first invoice is based on agreed cover and classification unit (CU). This is sent on the customers next invoicing day after receiving the Policy Acceptance Form, or after 1 April if the policy has renewed for the new year.
- c** The other invoice is the Working Safer Levy Invoice based on all shareholder remuneration, on the company shareholder account. This is sent once earnings are received from IR. The system accounts for customers on CPX and reduces the invoice to only charge necessary levies.

3.0 CPX invoicing timeline

- a** Customers new to CPX will receive their first invoice on the next invoicing day after we receive their signed Policy Acceptance Form.
- b** Existing CPX customers are issued their first invoice approximately on mid-April; as the invoice is based on an agreed amount of cover we can invoice in advance for the year.
- c** When the Working Safer Levy invoice is sent varies as we need to wait for earnings information to be received from IR.

4.0 Part-year invoices


- a** These invoices have levies based on two different policy details. This can occur when a customer:
 - applies for CPX part way during the year (so they are covered for standard cover and CPX for one year).
 - on CPX makes a change to their existing policy (eg change to higher level of cover halfway through the year).
- b** If customers apply for CPX at the start of the year, they will get their pro-rated levies on standard cover and Working Safer Levy charged on one invoice (for self-employed customers)
- c** If a self-employed customer has been covered under CPX for only part of the year, the levies under CoverPlus will be charged on this invoice also, based on liable earnings and pro-rated for the number of days on that policy.
- d** If a shareholder-employee has been covered under CPX for only part of the year and/or the company has shareholders not on CPX at all, the company will be invoices based on the earnings for the period/s not covered by CPX.

5.0 Levy Rates for CPX

- a** CPX uses higher levy rates due to the benefits the product provides.
- b** Both the Work and Earner's levies are higher than the standard rates. The Working safer levy rate is the same.
- c** The Lower Levels of Weekly Compensation cover type has a slightly lower Work Account levy than Full Cover. This is because Weekly Compensation is abated in the even of the client being able to return to work part-time.

6.0 Unpaid invoices

- a** CPX customers will not be sent reminder letters if they don't pay their invoice(s).
- b** If the invoice remains unpaid and the customer was:
 - invoiced for the whole period of the CPX policy, Juno_PolicyCenter will automatically cancel their policy and they will be reverted back to CoverPlus (CP) or WorkPlace Cover (WPC).
 - sent a reassessment invoice because they increased their cover, Juno_PolicyCenter will create an Activity for Policy Admin to revert their CPX to the previous level of cover.
- c** If the invoice is partially paid, or an instalment of a payment plan is missed, this will generate a 'Process CPX Delinquency' for Operations Admin to investigate.

 CoverPlus Extra (CPX) Cancellation or Cessation policy