

## CASE STUDY

# Proactive insurance management saves trucking company \$145,000+

## THE CLIENT

Niece Trucking (NTI) is a trucking company based in Des Moines, IA. Founded in 1994, this family-run business now operates 60+ power units and employs approximately 100 people. In November 2012, NTI was acquiring a small trucking company—a Kingsgate insured—and elected to form a new entity for this operation called Niece Express (NEI).

## THE CHALLENGE

Niece came to Kingsgate seeking coverage for its Auto Liability, Auto Physical Damage, and Cargo insurance. The company had workers comp coverage for NEI through its current insurance agent—but, because it wanted to separate that coverage from the parent company's, it asked Kingsgate to also review the program.

## THE SOLUTION

In its review, Kingsgate identified anomalies in the historical payrolls reported on the Experience Rating worksheet. Among them, the company's payroll was several million dollars, but one year, this figure had been reported as \$40,000—an error that significantly impacted workers comp premiums. Also, the opportunity to use the successor entity rule for NEI and combine entities with common majority ownership had not been executed. These oversights could have cost the company \$71,646 in avoidable premium.

*In less than five years, Kingsgate helped the Niece companies save \$145,138.*

In addition, Kingsgate managed three workplace injuries that would have resulted in lost time. Through its custom Back on the Job program, Kingsgate worked with NTI's HR department to identify work that claimants could perform for the company until they could return to their full-time positions. This reduced the amount of lost wages paid without increasing premiums.

## THE RESULTS

Today, Kingsgate manages all of NTI's and NEI's insurance policies and manages the audit process, ensuring accuracy through its Zero Audit Error Guarantee.

"Kingsgate customized our program," said Ken Niece, President of Niece Trucking. "They kept on top of the workers comp issues and deductions, so that as our wages grew, we didn't have a huge cost at the end of the year."

For example, before Kingsgate began assisting NTI, an employee was injured on the job, representing a payment of \$6,180. Of that, \$2,847 was for lost wages. This claim cost the company \$13,563 in additional—and avoidable—premium. By comparison, the three claims under the Back on the Job program totaled \$18,489. Historically, these claims would have cost the company an additional \$40,724 in avoidable premium.

## THE IMPORTANT EXTRAS

Niece Trucking values other things about its relationship with Kingsgate.

"Kingsgate is a family-run business with family values," said Niece. "That's huge to me, because that's how I built my company."

*Call Kingsgate today to review your coverages and identify potential opportunities for savings.*



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