

8 THINGS

you need to know about Workers' Compensation.

You are at work and fall off a chair, sprain your back while lifting or get injured in an accident while driving a company vehicle. As a business owner you always want to make sure you are protecting your employees, but accidents do happen and this is why we have Workers compensation insurance.

To be covered by Workers compensation insurance you must be an employee and be accidentally injured while doing your job, or get sick from doing your job. Here are some other things as a business owner you should know:

- **Mandatory Insurance**

- Workers compensation is mandatory. Business owners are required by law to provide their employees workers compensation benefits.

- **Audits**

- Workers Compensation is audited based on your payroll. If your projection of payroll for the upcoming year was incorrect depending on if your payroll increase or decrease you will be left with either a credit or debit.

- **Know your Law**

- There are 50 different states and every state has different laws that govern workers' compensation. If you don't know your workers compensation Laws please see your local Department of Labor & Industry website.

- **Do I need to cover independent Contractors for Workers Comp?**

- As long as the independent contractor you have working for you has their own insurance you do not have to cover them under your Workers Compensation policy. Always make sure you collect Proof of Insurance from all independent contractors working for you. If you don't, the insurance company will include the contractor's payroll on your next audit.

- **Can an employee sue my business if I have Workers Compensation?**

- No, an employee cannot sue your company in the event of a claim on your Workers Compensation insurance. However, a third party could. For example, if your employee cuts his hand and is unable to hold hands with his wife, the wife would be able to sue due to loss of consortium.

- **What Types of Benefits do Workers' Compensation Laws Provide?**

- All State Laws are a little different, Workers compensation laws generally provide the following:
 - weekly compensation benefits
 - permanent Impairment benefits
 - payment of medical treatment
 - vocational rehabilitation

- **Make sure All Employees know to Report Every Injury or Illness.**

- An Employee has 120 day to report an injury or illness in order to receive compensation.