



Workers' Compensation for Dummies

Here are 10 basics of worker's compensation that all employers should know. And these general rules apply to most states. Did you know that:

- Workers' Compensation is the 'primary' insurance that applies when an employee is injured in the course of his employment, *regardless* of who is at fault or negligent. In insurance lingo, this is considered the 'exclusive remedy.'
- Some exclusions do apply, like cases of self-infliction, injury caused by intoxication, and war; and those claims can be denied.
- An 'aggravation of a pre-existing condition' can also be covered in some states, if that aggravation is caused by the employment. (One of the reasons ECRM is a proponent of the pre-employment physical.)
- Employees are required to report an injury to the employer within a specific time frame. If reported later than the state's statutory requirement, the claim can be denied. (example: North Carolina – 30 days; Pennsylvania - 120 days; and so on.)
- Aside from emergency response teams, *volunteers* are generally not considered 'employees' and therefore not covered by work comp insurance. However, illegal aliens and minors *can be*.
- A waiting period applies for wage loss benefits. If an employer can return the employee to work before that waiting period expires (usually 7 days), there is no wage loss benefit due the employee. A claims cost-savings to the employer.
- If an employee is released by a physician as physically capable of *some* level of work, and alternate work commensurate with the level of physical capability is offered by the employer, the employee may not be entitled to wage loss benefits. (ECRM is also a proponent and facilitator of helping employers create and offer modified duty and/or transitional work; probably one of the biggest cost-savings tactic).
- The state's worker's comp governing body determines the employees' work comp benefit rates each year.
- Employers can apply FMLA concurrent with an employee out on workers' comp.
- The sooner an employee returns to work after an injury, the sooner he recovers from that injury, and the lesser the insurance cost is to the employer.

Conversely, the longer an employee is off work, the lesser the chance he will ever, yes ever - return to work, and get OFF worker's comp; and clearly, the higher the work comp insurance cost to the employer.

Think: Return-to-Work!

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