

What Every Employer Needs to Know About Workers' Compensation

Employers must buy insurance to cover workers' compensation claims. This type of insurance provides funding for injured employees, and employers also receive protection from lawsuits stemming from a worker's injuries. State laws govern workers' compensation, and every state has a slightly different set of rules and payment rates. To learn about a specific state's workers' compensation laws, it is best to contact an agent for more details. The United States Department of Labor also provides information on its official site.

What Is Covered Under Workers' Compensation

Only work-related illnesses and injuries are covered by workers' compensation. However, this does not mean the injury has to happen in the workplace. If an employee is injured while out driving a company car off the premises of the workplace, the injuries will be covered. Both sudden and gradual injuries are covered if they are work related. An example of a sudden injury is an employee falling off of a ladder, and a gradual injury might be a foot condition that develops from walking or standing on a concrete floor every day for several years.

What Workers' Compensation Does Not Cover

Some problems that happen in the workplace are not covered. Some of the following situations are examples:

- Self-inflicted injuries
- Injuries from drug or alcohol use
- Injuries resulting from horseplay
- Injuries following termination or a layoff
- Injuries sustained from fighting
- Felony-related injuries
- Independent contractor injuries
- Injuries sustained while off duty but on workplace premises

When Employees Can Sue Employers

Employers are not protected from employee lawsuits in all situations. When an employee's injuries are due to the employer's intentional actions or there is no workers' compensation insurance, the employee is allowed to sue the employer in court for a wide range of damages. In some cases, employees may also be able to sue third parties that are involved and have caused damages.

Workers' Compensation Benefits

There are several provisions made possible by workers' compensation. These include the following:

- Replacement income when employees are off work
- Vocational rehabilitation training or placement assistance

continued on page 2



THE MCINTYRE GROUP
INSURANCE BROKERS & CONSULTANTS

Woodland Falls Corporate Park

220 Lake Drive East, Suite 210, Cherry Hill, NJ 08002

(P) 856-482-9900 • (F) 856-482-1888 • Email: lfunari@mcintyre-group.com



Luanne Funari
Vice President,

Director of Claims Management

continued from page 1 ... What Every Employer Needs to Know About Workers' Compensation

- Medical expense payments for physician appointments, drugs and surgeries

If an employee is unable to work temporarily, that individual usually receives about 66 percent of his or her income as disability payments. There is a fixed ceiling amount for this percentage, and the benefits are available to people who are unable to do the same type of work that was done prior to the disability's beginning. Some people may be able to perform other types of work, but there are people who are unable to work at all. If this is the case, such a person will usually receive permanent disability payments.

Workers' Compensation And Employer Responsibilities

Under the workers' compensation system, employers have several obligations. When requirements are not met, employers may face fines. In addition to this, employees may be able to sue such employers.

Carrying Workers' Compensation Insurance

If a business does not have this type of coverage, the owner is vulnerable to lawsuits that may be filed by injured workers. In addition to carrying insurance, employers should post notices and provide

employees with information about their legal rights. This should be done on a regular basis. Any posted notices should be placed in areas that employees use frequently during working hours. The literature should include the following bits of information:

- The name of the workers' compensation insurance carrier
- A self-insurance statement for employers who have their own insurance
- The name of the entity responsible for claims adjustments
- A statement that workers have the right to change doctors
- A statement that injured workers have the right to medical treatment
- Details about workers' compensation benefits

When hiring new workers, employers should notify them of all these points prior to starting work. Within 24 hours of an injury happening on the job, employers must provide workers with claim forms. They must also provide written information again about that worker's rights under the insurance plan and state laws. To learn more about workers' compensation insurance and how it works, discuss concerns with an agent.



THE MCINTYRE GROUP
INSURANCE BROKERS & CONSULTANTS

Woodland Falls Corporate Park

220 Lake Drive East, Suite 210, Cherry Hill, NJ 08002

(P) 856-482-9900 • (F) 856-482-1888 • Email: lfunari@mcintyre-group.com



Luanne Funari

Vice President,
Director of Claims Management