



Are You Managing Your Workers' Compensation?

Most business owners are aware that they must carry Workers' Compensation for their employees. However, many business owners are not very familiar with what workers' compensation actually covers.

The Workers' Compensation law requires most employers to provide benefits to eligible employees who have injuries arising out of and in the course of employment.

So who can be exempt?

- Proprietors (independent contractors)
- Limited liability company members and partners

These individuals are not considered employees but may elect to be covered by purchasing a valid workers' compensation insurance policy specifically including the proprietor or partner.

What types of benefits are covered?

- Medical Benefits - The law provides for the payment of all reasonable and necessary medical care incurred to treat the injury. This includes reasonably necessary transportation expenses.
- Disability Benefits – Lost wages due to a work related injury



Things You May Not Know

There are time limitations on reporting claims. If an employee is injured during the course of employment, the law provides that the employer must have notice or knowledge of an alleged injury within 90 days of its occurrence. If not, benefits may be denied.

An employer's first report of injury must be filed with the workers' compensation commissioner when an employee alleges an injury arising out of and in the course of employment, which results in time lost from work of more than three days, permanent injury or death. The report is to be filed with the workers' compensation commissioner within four days of notice or knowledge of such alleged injury.

There is a Statute of Limitations. If within two years from the occurrence of the injury the employee does not receive Iowa weekly workers' compensation benefits or file an application for arbitration, benefits may be denied.

If Iowa weekly workers' compensation benefits have been paid, the employee has three years from the last payment of weekly benefits to receive additional benefits or file an action

before the workers' compensation commissioner. If not filed within the three-year period, the benefits may be denied. This statute of limitation does not apply to medical expenses reasonably necessary to treat the injury.

So what can you do to help manage your Workers' Compensation?

1. Improve your workplace safety. Have a formal safety handbook and hold regular safety meetings
2. Inspect your equipment and replace or fix items that need repair.
3. Make sure your employees are wearing appropriate shoes, clothing, hats and glasses.
4. Implement a health program. Your employees can reduce their risk of injury if they are healthy and exercise regularly. Have an early return to work program in place.

Last, take advantage of the help offered by your insurance carrier. Many of the carriers I work with have an abundance of resources available for their customers to use or purchase. If you are a business owner that needs guidance, there are carriers that have a designated loss control person specifically available that can help you formulate some of these plans. This person can physically come out to your business, inspect your premises and help you get the ball rolling.

By being proactive instead of reactive you can help control the costs of your insurance premium.

Author: **Lara Utter**, Nationwide Insurance, Business Record IowaBiz Contributor – originally posted January 20, 2009

Sources:

<http://www.iowabiz.com/2009/01/are-you-managing-your-workers-compensation-.html>

<http://www.iowaworkforce.org/wc/faq.htm#What>



Methodist • Lutheran • Blank
