



Workers' Compensation

If one of your employees gets hurt on the job or has a work-related illness, only Workers' Compensation will cover them.

What is the coverage?

Worker's Compensation provides wage replacement and medical benefits to those who are injured while working. In exchange for these benefits, an employee gives up the right to sue his employer for the incident. As a business owner, it is very important to have worker's compensation in order to protect your company from legal complications. State worker's compensation laws vary, but most require you to carry worker's compensation if you have W-2 employees. Penalties for companies that do not have worker's compensation can be severe and fines can run into the tens of thousands of dollars if businesses are not covering their employees accurately.

What does it include?

Worker's Compensation provides state mandated benefits for work related injuries or occupational disease.

Benefits include:

- » Medical costs
- » Lost time wages
- » Rehabilitation
- » May include disability benefits

Who should look at purchasing?

Any business with employees may be required to purchase Workers' Compensation insurance, the requirement will vary by state. In addition, anyone that operates as a 1099 independent contractor, should consider a Workers' Compensation policy on themselves. Since most companies require their vendors to show evidence of insurance having a Workers' Compensation policy may help an independent contractor grow sales.

Why is it important?

This coverage protects the business from a lawsuit in the case that an employee is injured, will help meet the requirements that many vendors have who offer lucrative contracts and opportunities, as well as ensure a business remains in compliance with state laws. If a small business has W-2 employees, it is vital to purchase this policy to ensure that you are compliant with the state laws and avoid the costly penalties that can be passed down for not being compliant.