

Workers' Compensation Checklist

Coverage/Risk Management Question	Y	N	Notes
Entity Type ⁽¹⁾			
Do any employees live outside the state of domicile or branch locations? List states. ⁽²⁾			
Do any employees regularly travel out of state? Which states? ⁽³⁾			
Are there any employees working from their home? ⁽⁴⁾			
Are home-based employee work areas inspected to assure compliance with ergonomic standards?			
Does the employer furnish any group transportation? ⁽⁵⁾			
Do employees perform errands for the employer in the employee's own car before or after work? ⁽⁶⁾			
Do employees participate in employer-sponsored recreational activities (athletics, company picnics, etc.)? ⁽⁶⁾			
Any exposure to chemicals, x-ray or radiation?			
Are Material Safety Data Sheets required and kept on site?			
Is personal protective equipment (PPE) provided and inspected regularly to assure proper operation?			
Are employees trained in the use of PPE and required to use it at all times?			
Are any independent contractors (IC's) or subcontractors (SC's) used?			
Are current Certificates of Insurance required of all IC's and SC's? ⁽⁷⁾			
Please provide a copy of sample contracts. Both contracts in which you AGREE to indemnify and hold harmless and those in which you TRANSFER risk to another party.			
List the states in which the insured currently conducts operations. Are they listed under 3.A.?			
What level of contractual risk transfer is allowed in each state (limited, intermediate, broad)? ⁽⁸⁾			
Is the insured operating in any monopolistic states (ND, Ohio, Wash. or Wyo.)? ⁽⁹⁾			



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Do any employees have pre-existing medical conditions that could be compounded by a work-related injury (only applicable in states with Second Injury Funds)? ⁽¹⁰⁾			
Does the employer hire temporary labor in states where they are working on a temporary basis? ⁽¹¹⁾			
Does the employer have any plans to begin operations in states not listed as a 3.A. state?			
Has the CGL policy been limited by the attachment of the CG 21 39 exclusion? ⁽¹²⁾			
Do employees ever travel outside the US on business?			
Do any employees work on boats on or above navigable waters? ⁽¹³⁾			
Are there any employees with maritime exposures? ⁽¹³⁾			
Any employees working on military bases? ⁽¹⁴⁾			
Are any employees leased from an employee leasing firm? ⁽¹⁵⁾			
Any employees from a PEO (co-employment)? ⁽¹⁶⁾			
Does the employer ever "borrow" a worker from another employer? ⁽¹⁵⁾			
Are there any other businesses in which the entity or the entity's owners hold a majority interest? ⁽¹⁷⁾			
Are payrolls kept separated when employees are eligible for payroll splits under the interchange of labor rule?			
Are there any employees exempt from workers' compensation coverage (i.e. casual labor, domestic servants, farm laborers, etc.)? ⁽¹⁸⁾			



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- (1) "Employee" status differs based on entity type. Corporate officers are considered employees. Sole proprietors or partners are not generally considered employees. Members/managers of LLC's may be either based on the specific statute of the subject state.
- (2) These states may need to be listed as 3.A. states or, at minimum, 3.C.
- (3) If there only on a temporary basis without ongoing operations, these need to be listed as 3.C. states. If on-going operations or working in such a state longer than a set amount of time, 3.A. status may be required (see particular state statute).
- (4) May make determination if "Arising out of" and "In the course of" employment difficult.
- (5) Any injury occurring during group transportation may be considered compensable.
- (6) Injury may be compensable as they may be considered "arising out of and in the course of employment." May require arbitration or a court ruling.
- (7) Depending on state law, the employees of any uninsured IC's or SC's may be considered the responsibility of the Contracting party. "IC" = Independent Contractor. SC = Sub-Contractor
- (8) **Limited** – the transferor is only protected against its vicarious liability solely for the actions of the transferee. **Intermediate** – the transferor is indemnified for the actions of the transferee acting alone or in connection with another party. **Broad** - requires the transferee to indemnify and hold harmless the transferor from all liability arising out of an incident, even if the act is committed solely by the transferor.
- (9) Requires the insured to purchase WC from that state and to purchase a separate employers' liability policy.
- (10) Be careful with this one. Some states with active second injury funds generally require the insured to know up front and have this information in the employees file before the SIF will pay a claim.
- (11) "3.A.)/Primary status will likely be necessary.
- (12) May want to consider using the Alternate Employer Endorsement naming any upper tier transferor
- (13) If "status" and "situs" tests are satisfied, USLS&HW coverage will need to be endorsed.
- (14) Specific endorsements are required for such exposures.
- (15) Alternate Employer Endorsement may be necessary.
- (16) Several endorsements are available based on the contract. Endorsements must be attached to both the direct employer's and the PEO's policy.
- (17) Must find out if operations are combinable.
- (18) Employer may want to consider providing coverage using the Voluntary Compensation Endorsement.

