

Employer Responsibilities

Information for Employers from the Division of Workers' Compensation

What is Workers' Compensation Insurance Coverage?

Texas employers, except for public entities, can choose whether or not to provide workers' compensation insurance coverage for their employees. Workers' compensation provides covered employees with income and medical benefits if they are injured on the job or have a work-related injury or illness. Workers' compensation is regulated by the Texas Department of Insurance, Division of Workers' Compensation (the Division).

Participation in the workers' compensation system in Texas is voluntary for most employers. Employers who chooses to have workers' compensation insurance may:

- purchase a workers' compensation insurance policy from a private insurance company;
- self-insure, if the employer can meet the requirements to self-insure under the Texas Workers' Compensation Act (the Act) and is certified through the Division;
- self-insure through the Texas Department of Insurance with a group of same or similar private employers; or
- if a governmental entity, purchase a workers' compensation policy from a private insurance company, or self-insure either individually or as a group.

With few exceptions, workers' compensation insurance limits the employer's liability for the work-related injury or death sustained by the worker.

For additional information, visit the Division's website for:

- Information regarding benefits that employees are eligible for: www.tdi.state.tx.us/wc/information/benefits.html.
- Information regarding Employer Rights and Responsibilities: www.tdi.state.tx.us/wc/information/employers.html.
- Information about how to become self-insured through the Division: www.tdi.state.tx.us/wc/dwc/division/selfins.html.

This publication is a summary and is presented for informational purposes only. It is not a substitute for the statute and Division rules. For questions about Division rules, please call Customer Assistance at 1-800-252-7031. CS05-017C(11-06)

COVERED EMPLOYERS

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An employer must report the following to its insurance carrier within eight (8) days of the date:

- an employee misses more than one (1) day of work because of a work-related injury;
- an employer knows about an occupational disease or illness even if the employee has not missed any work; or
- an employee dies because of a work-related injury, or illness.

An employer may report the injury or illness to its insurance carrier by mail, fax, telephone, or electronic transmission and should keep a record of the date each injury is reported to its carrier.

An employer is required to provide a copy of the completed *Employer's First Report of Injury or Illness*, (DWC Form-1) to the injured worker at the same time the injury is reported to its insurance carrier. An employer must also provide a copy of "Injured Workers' Rights and Responsibilities" to the injured worker.

To view or print a copy of the Injured Workers' Rights and Responsibilities, visit the Division's website at www.tdi.state.tx.us/wc/information/workerrights.html.

The insurance carrier and the employer may agree to have the insurance carrier send a copy of the *Employer's First Report of Injury and Illness* (DWC Form-1) and Injured Workers' Rights and Responsibilities to the injured worker. However, an employer can be fined up to \$500 per occurrence if the employer or the carrier fails to provide this information.

For further assistance, call
1-800-252-7031

or visit

www.tdi.state.tx.us

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Employer's Wage Statement

[Rule 120.4]

An employer is required to report an injured worker's wages and other fringe benefits (i.e. health premiums, uniform allowance, etc.) to the insurance carrier. The employer is required to send the *Employer's Wage Statement* (DWC Form-3) to the insurance carrier and the injured worker within 30 days of the date that income benefits begin to accrue (the 8th day missed from work). An employer is not required to send a copy of the wage statement to the Division unless the Division requests the statement.

Supplemental Report of Injury

[Rule 120.3]

An employer must report any changes in an injured worker's pay or employment status to the insurance carrier. The employer must send the *Supplemental Report of Injury* (DWC Form-6), to the insurance carrier and the injured worker within:

- ten (10) days from the end of a pay period in which an injured worker's pay changes; and
- ten (10) days from the date an injured worker resigns or is terminated; and
- three (3) days from the date an injured worker returns to work; and
- three (3) days from the date an injury causes an employee to miss additional work after returning to work.

If an employer does not send the required forms, or does not send the forms on time, the employer could be fined up to \$500 per occurrence.

Record-Keeping Responsibilities

[Section 409.006, Rule 120.1]

An employer must keep a record of all work-related injuries, illnesses, and fatalities. The records must be kept for at least five (5) years from the last day of the year in which the injury, illness or fatality occurred, or for the period of time required by the Occupational Safety and Health Administration (OSHA), whichever is longer.

If these records are not kept, an employer could be fined up to \$500 per occurrence.

Notice Responsibilities

[Sections 409.043, 406.007, 406.034, Rules 110.101, 110.108]

Written notice must be posted in the workplace in English and Spanish and any other language that is appropriate telling employees that:

- the employer has workers' compensation insurance, and the workers' compensation insurance company's name;
- information regarding the Division's Ombudsman program; and
- the Division's toll-free telephone number to report unsafe work conditions.

The notice must be placed in the employer's personnel office (if any) and in a prominent place where employees can see it regularly. The notice must be in the wording and format adopted by the Division (Notice-6). To obtain Notice-6, visit the Division's website at www.tdi.state.tx.us/wc/forms/index.html.

If the notice is not posted, the employer could be fined up to \$1,000.

Notice to New Employees

[Section 406.034, Rule 110.101]

An employer is required to give written notice of coverage to new employees upon hire and inform them of their right to reject workers' compensation coverage and retain their common law right of action. If at any time the coverage terminates and then the employer again obtains new coverage, the employer is required to give all employees this information in writing. To review the rule and obtain the required wording for this notice, visit the Division's website at www.tdi.state.tx.us/wc/rules/tableofcontents/rulesoption.

The Division encourages an employer to keep a copy of the notice provided to each new employee. The notice may be signed and dated by the employer and the new employee.

If this notice is not provided to new employees, the employer could be fined up to \$500 per occurrence.

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Notice of Change in Coverage

[Section 406.005, Rule 110.1]

An employer must give all employees written notice if the employer requests cancellation of the workers' compensation policy or if the insurance carrier cancels the policy. The notice must be given to all employees within 15 days from the date the request for cancellation was made or the date the employer receives notice from the insurance carrier that the carrier intends to cancel the policy.

If this notice is not provided to all employees, the employer could be fined up to \$500 per occurrence.

For more information on workers' compensation for employers see the following facts sheets:

- Employers Rights
- Employer Administration and Criminal Violations
- Non-Covered Employers