

Where do I obtain workers' compensation insurance?

Employers can obtain workers' compensation insurance through one of four options:

- **Private Insurance**—There are over 300 private insurance companies authorized to write workers' compensation insurance in Idaho. For information, contact an insurance agent or company representative. A list of authorized insurance companies is available on the Commission's website at www.iic.idaho.gov.
- **State Insurance Fund**—The State Insurance Fund is headquartered in Boise with field offices located throughout Idaho. Contact any of their offices or your insurance agent for more information.
- **Assigned Risk Pool**—Employers unable to obtain coverage from private insurance companies or the State Insurance Fund can apply for coverage through the assigned risk pool. The National Council on Compensation Insurance (NCCI) administers the pool. Contact your insurance agent or NCCI at (800) 622-4123 for more information.
- **Self-Insurance**—This option is available to Idaho employers with large payrolls and who meet specific requirements. The Idaho Industrial Commission must grant approval for self-insurance.

What if I operate out of state?

Idaho has agreements with some neighboring states that allow Idaho employers to cover their employees under an Idaho workers' compensation policy when they are working out-of-state. If you plan to perform work in another state, contact an Employer Compliance representative to determine what other requirements may apply.

What if I use contract labor or sub-contractors?

If you have contract workers, whether the contract is verbal or written, the workers may be considered employees under the Workers' Compensation Law. To ensure you are in compliance with the law, contact an Industrial Commission Employer Compliance representative to discuss your situation. The requirement for coverage is determined on a case-by-case basis.

This brochure is intended to answer the most frequently asked questions regarding Idaho's workers' compensation insurance requirements and may not cover your particular situation. Contact an Employer Compliance representative for assistance.

Idaho Industrial Commission

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Requests for this publication in alternate formats will be promptly handled.

Information on costs associated with this publication are available from the Idaho Industrial Commission in accordance with Idaho Code § 60-202.

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Boise

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Burley

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Burley, ID 83318
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904 Dearborn St., Suite 202
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Phone: 208-454-7609
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Coeur d'Alene

1111 W. Ironwood Dr., Suite A
Coeur d'Alene, ID 83814
Phone: 208-769-1452
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Idaho Falls, ID 83404
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Fax: 208-525-7013

Kellogg

35 Wildcat Way, Suite B
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Phone: 208-786-4600
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Lewiston

1118 "F" Street
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Phone: 208-799-5035
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Payette

501 N. 16th, Suite 107
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Pocatello

1070 Hiline, Suite 300
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Phone: 208-236-6399
Fax: 208-236-6040

Sandpoint

613 Ridley Village Road, Suite C
Sandpoint, ID 83864
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Fax: 208-265-9637

Twin Falls

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Fax: 208-736-3053

Idaho Workers' Compensation



Facts for Employers

- Who needs workers' compensation insurance
- Employer rights and responsibilities
- Where to obtain workers' compensation insurance

Did You Know?

- Part-time employees are NOT considered “casual” labor and may require workers’ compensation insurance coverage
- Employee health and accident insurance is NOT a substitute for workers’ compensation insurance
- Payment by commission is NOT always an indication that a worker is exempt from the workers’ compensation insurance requirement
- Workers’ compensation insurance coverage MAY be required for workers who do not receive a wage
- Family member employees are exempt ONLY under certain conditions
- www.idahobizhelp.org is a great resource for new or prospective business owners

What is workers’ compensation insurance?

Workers’ compensation insurance is no-fault insurance, which provides wage loss and medical benefits to workers with a job-related injury or disease and protects employers from certain civil liabilities. Nearly every working Idahoan is protected by workers’ compensation insurance, as state law requires most employers to have workers’ compensation insurance.

What is the Idaho Industrial Commission?

The Idaho Industrial Commission is the state agency that administers the Idaho Workers’ Compensation Law. The Commission is not an insurance company and does not provide insurance to employers. The Commission works with employers to ensure that proper workers’ compensation insurance coverage is secured for employees. The Commission also monitors and audits claims filed for workers’ compensation benefits and conducts judicial proceedings, including mediation, on disputed workers’ compensation claims.

Who needs workers’ compensation insurance?

Employers with one or more full-time, part-time, seasonal, or occasional employees are required to maintain a workers’ compensation policy, unless specifically exempt by law. Workers’ compensation insurance must be in effect before an employee begins work. Employment that *may* be exempt from mandatory coverage includes:

- Household domestic service.
- Employment of family members dwelling in the employer’s household (*applies only to sole proprietorships*).
- The owner of a sole proprietorship; working members of a partnership or limited liability company; individuals who are corporate officers **and** who own at least 10% of the stock **and** who

are directors, if the corporation has a board of directors.

- Employment covered under Federal Workers’ Compensation Laws.
- Pilots of agricultural spraying or dusting planes (*under certain conditions*).
- Associate real estate brokers and real estate salespersons when paid solely by commission.
- Volunteer ski patrollers.
- Officials of athletic contests in secondary schools only (*grades 7-12 inclusive or any combination thereof*).
- Casual employment or work occurring occasionally or at irregular times and which is not related to the type of business conducted by the employer.
- Employment as an outworker. (*Situations where materials are furnished to a worker who performs the work at a location not under the control of the employer, such as a worker who receives mass mailing materials from the employer and assembles them at home.*)

Certain family member employees of a sole proprietor employer who do not reside in the same household as the employer may file an election for exemption with the Industrial Commission. For more detailed information or to obtain copies of the form for filing an election for exemption, contact the Industrial Commission or visit the Commission’s website at: www.iic.idaho.gov. To determine if you qualify as an exempt employer, contact one of the Industrial Commission offices listed on the back of this brochure.

Can I buy coverage for exempt employment?

In some cases, you may elect coverage for exempt employment. Contact your insurance agent or representative for more information on electing coverage for exempt employment.

How much does workers’ compensation insurance cost?

Workers’ compensation insurance premiums are based on payroll and vary according to the type of business or work performed by the employees. The employer is required by law to pay the entire cost of workers’ compensation insurance coverage. Deducting any portion of the cost of these premiums from employee wages is specifically prohibited. Your insurance agent or representative can assist you with determining your individual workers’ compensation insurance cost.

What are the penalties if I don’t have workers’ compensation insurance?

If one of your employees is injured and you do not have workers’ compensation insurance in effect at the time of the injury, you can be personally liable for all workers’ compensation benefits due the injured worker, including medical and disability, as well as a penalty of 10% of the amount of medical and disability benefits because you were uninsured at the time of the injury or occupational disease.

In addition, employers who operate without workers’ compensation insurance can be liable for a penalty of \$2.00 per day per employee, or \$25.00 per day, whichever amount is greater. The Workers’ Compensation Law authorizes the Industrial Commission to file a lawsuit in district court seeking an injunction to prohibit the employer from operating the business while in violation of the Workers’ Compensation Law. Failure to carry workers’ compensation is a misdemeanor under Idaho law.