Idaho Employers

Idaho employers with a current workers’ compensation insurance policy can request an extraterritorial certificate to use their Idaho coverage for their employees temporarily working in several surrounding jurisdictions.

At the employer’s request, the Idaho Industrial Commission will send an extraterritorial certificate to the agency responsible for administering workers’ compensation insurance law in the state where the work will be performed. The agency will review the request and make a determination to approve or deny the certificate. Notice of the decision will be sent directly to the employer.

Be prepared to provide the name of your business, current address, phone number, the state in which the work will be performed, the type of work to be performed, and the date you expect your Idaho employees to begin working in the other state.

After we receive your request, we will generate an extraterritorial certificate and send it to the reciprocating state. A copy of the certificate request will also be sent to your insurance carrier. Once the request has been processed, the reciprocating state will send the approved or denied certificate to you directly.

Please note: We typically do not issue extraterritorial requests more than two weeks in advance of the date you plan to begin working in the other state.

Idaho Employers Quick Facts

- The extraterritorial certificate is not considered as valid coverage until the reciprocating state approves the request.
- If you plan to continue working across state lines for more than six (6) months, you will need to contact an Employer Compliance Specialist before your certificate expires to submit a new request.
- Idaho employers working outside the territorial limits of Idaho are governed by the laws of the state in which the work is being performed.
- You are responsible for your compliance with workers’ compensation insurance coverage requirements. Whether you are working in Idaho or another state, it is important to follow the laws of the state where your employees are working.

Information on costs associated with this publication are available from the Idaho Industrial Commission in accordance with Idaho Code § 60-202.
The purpose of this brochure is to provide general guidance for employers working across state lines. It is important to understand and adhere to the laws of the state where your employees are working. Disputes and litigation over coverage are most likely to arise in the event of a serious claim and when there are notable differences between indemnity benefits between states. Please go to iic.idaho.gov for more information about Idaho’s Workers’ Compensation Insurance Law.

Did You Know?
Reciprocity agreements on extraterritorial coverage allow workers from one state to enter another state for a temporary period. The goals of reciprocity agreements are to (1) predetermine where a claim should be filed in the event of an injury; and (2) ensure that employers do not pay two separate workers’ compensation insurance premiums when not otherwise required by law. Idaho currently has reciprocal agreements with seven states in the surrounding region.

Out of State Employers
Out-of-state employers who want to send their employees to work in Idaho for temporary or intermittent work may qualify for extraterritorial coverage. At the employer’s request, a certificate of extraterritorial coverage is sent from the state agency responsible for administering workers’ compensation insurance law in the employer’s home state to the Idaho Industrial Commission.

What You Need To Do
Contact the agency responsible for administering the workers’ compensation law in your state to request an extraterritorial certificate for Idaho (if your state has a reciprocity agreement with Idaho).

After your state issues a certificate, complete an Extraterritorial Questionnaire (EXT form) and send it to the Idaho Industrial Commission at suretyrequest@iic.idaho.gov.

The Form can be found on our website at iic.idaho.gov under the Out-of-state Employers link on the Reciprocity and Extraterritorial Coverage tab. If we have not received a completed EXT form when we receive the extraterritorial certificate, we will mail a copy of it to you with a pre-paid return envelope.

What To Expect
We will begin processing your certificate after we receive your completed EXT form. If more information is required we will contact you directly. After the certificate is either approved or denied, we will send the original to you, with a copy to the state agency where the request originated.

Please note: The Industrial Commission reviews requests for extraterritorial coverage on a case by case basis. Notice of our decision will be sent directly to the employer.

Out-of-State Employer Quick Facts
• The most common reason for denial is for failing to complete the EXT form.
• Employees who are principally localized in Idaho do not qualify for extraterritorial coverage.
• An extraterritorial certificate needs to be approved by the Idaho Industrial Commission before your temporary out-of-state employees start working in Idaho.
• The average certificate processing time is approximately two weeks from the date we receive the certificate request from your home state.
• Extraterritorial Certificates are approved for an initial maximum six (6) month interval.
• If your insurance cancels, your extraterritorial coverage certificate is no longer valid. You should immediately cease your Idaho operations.
• Extraterritorial certificates expire exactly six (6) months from the issue date. The six (6) month period cannot be broken up or prorated for use after the expiration date.
• If you hire Idaho residents to specifically work in Idaho, you will need to obtain an Idaho policy.

Definitions
Certificate of Extraterritorial Coverage
Extraterritorial certificates are issued by an authorized official of the workers’ compensation agency to certify that the workers of an employer working temporarily in another state are insured under the laws of the issuing state. Idaho extraterritorial certificates are issued for an initial six month period.

Intermittent Work
Work begins and ends in the worker’s home state and less than 50% of their total work time is in Idaho.

Temporary Work
In Idaho, temporary employment refers to the duration of an employer’s operations within Idaho, as well as the employer’s intent to provide future services in the State. Temporary work is not expected to exceed one hundred and eighty (180) days and in no event will exceed three hundred and sixty (360) days. Employers with workers who spend more than 50% of their work time in Idaho and whose operations last more than 360 days are not temporary and are required to obtain an Idaho policy.

Principally Localized
A person’s employment is principally localized in this or another state when: (a) His employer has a place of business in this or such other state and he regularly works at or from such place of business; or (b) He is domiciled and spends a substantial part of his working time in the service of his employer in this or such other state.

Renewals
Temporary employers who obtain an approved extraterritorial certificate may qualify for one six (6) month extension (360 day maximum). Employers whose operations in Idaho extend beyond the renewal certificate’s expiration date will be required to obtain an Idaho policy.

Intermittent employers who obtain an approved extraterritorial certificate may apply for a renewal certificate. Approval will be dependent upon the facts at the time of the request.