

# What is Workers Compensation?

Workers Compensation is an insurance plan provided by the employer (by law) to pay employee benefits for job-related disability or death. Benefits are paid at the employer's expense. Coverage begins the first day on the job and covers virtually all employees, including temporary workers and non-citizens.

The present law covers all Kansas employers except for those in certain agricultural pursuits and employers with gross annual payroll of less than \$20,000. All payroll is taken into account, including that paid in Kansas and elsewhere. If the employer is a sole proprietor or a partnership, the wages paid to such employer(s) and any family members are included in the \$20,000 gross.

Employees who are disabled due to a job-related injury or disease are entitled to: (1) medical expenses to treat job-related injuries or illness; (2) income benefits to replace part of wages lost due to disability and (3) survivors' benefits if death results.

## PURPOSE OF THE LAW

Kansas passed its first Workers Compensation law in 1911. By regulating litigation and benefits, the law is designed to protect the interests of both the employer and employee. Employers benefit by substituting a known expense (premium) for the risk of large, unbudgeted expenses in the event of serious employee disabilities. Employees benefit because everyone is guaranteed some compensation, regardless of one's ability to pay attorney fees. While initially aimed at hazardous jobs, the law now covers virtually all workers.

## EMPLOYERS RESPONSIBILITIES

Employers must post written notice in both Spanish and English describing the Workers Compensation coverage. Free posting notices and other posters are available by calling the Kansas Division of Workers Compensation (Division) at 1-(800)-332-0353.

All employee injuries and deaths must be reported to the Division within 28 days from the date of injury or death or the date of employer notification. Failure to do so carries legal and financial penalties.

**All reporting of claims to the Division will be handled by the KWORCC claims staff at TRISTAR Risk Management (TRM).** TRM is KWORCC's insurance adjusting and advisory firm.

Immediately upon learning of an employee's injury or death, employers must furnish written information to the employee or employee's beneficiaries describing available benefits and the claims process and identifying a contact person for workers compensation claims and other information. Employers may obtain informational material either from KWORCC or from the Division.

## ACCIDENT PREVENTION PROGRAMS

Workplace safety and accident prevention is a key element of the Kansas Workers Compensation Act with the idea of reducing claims and losses that will hold down premiums for employers. (See *K.S.A. 44-575(f) and K.S.A 44-5,104.*) Because rates are based on losses, prevention of employee accidents through enhanced safety measures is one of the best ways employers can help keep rates down.

By law, insurance carriers and group-funded plans must make accident prevention programs available to their insureds. Notice of such accident prevention programs must appear on the front page of every policy. Accident prevention programs will be supervised by the Division of Labor Management Relations and Employment Standards in the Department of Human Resources. At least once a year, each insurance carrier or group-funded plan must submit the type of program offered to the Division of Workers Compensation for review.

KWORCC publishes an Insurance Manual each policy year that can be downloaded directly from the "Forms" page of the KWORCC website.