

Workers' Comp Takes Care of Your Team

When an employee suffers a work-related injury or illness, it can have a significant affect on your company. Workers' compensation insurance provides benefits to employees who are hurt on the job, and most states require employers to carry some form of coverage as a cost of doing business.

Workers' compensation typically covers medical expenses, a portion of lost wages for time off, and some vocational rehabilitation for individuals who can no longer perform the duties required for their positions. It also includes a death benefit for families when a worker dies as a result of an injury. Workers' compensation typically covers all employees of a small business, including the owner if the business is a corporation and he or she is actively involved in its operation.

The laws that mandate minimum workers' compensation benefits vary widely from state to state, and employers may have the option to purchase additional coverage. In a majority of states, policies are provided solely by private companies. Some other states oversee assigned-risk "pools" available to employers who are deemed riskier and thus more expensive to insure by the private market. A small number of states have only state-run programs.

Like other types of insurance, the perceived level of risk helps determine policy rates. Generally, it will cost much less to cover a desk worker than an employee who must climb ladders, lift heavy objects, or operate dangerous equipment on a regular basis.

In fact, there are a number of variables that influence a particular company's insurance costs including, but not limited to:

- The size of the payroll
- The work functions of each employee
- The industry classification of the business
- The company's history of work-related injuries
- The use of certain health care providers or networks

Finding ways to improve job safety can benefit both employees and business owners. By helping workers avoid accidents that can lead to physical harm and financial hardship, companies may also experience fewer claims and take advantage of lower insurance costs.

Workers' comp may be mandatory, but as the owner of a business you may find you have a number of options when it comes to choosing a suitable policy. In some cases, you may want to consider raising the liability coverage limits and/or reimbursement percentages (for lost wages) over and above what is mandated by your state. Companies who employ business travelers may benefit from extending coverage to incidents that occur out of state.

All things considered, selecting coverage that is a good fit for your particular business can help to protect your employees, your livelihood and your assets.

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