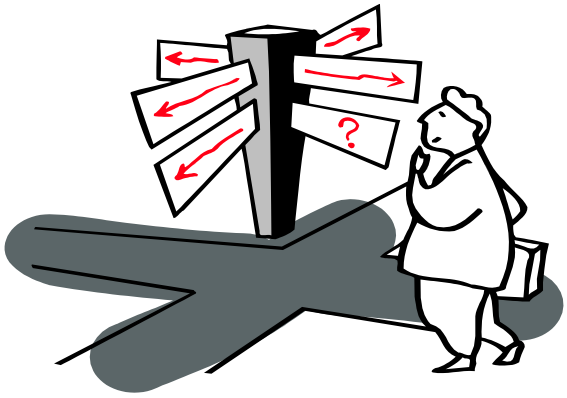
MINNESOTA WORKERS' COMPENSATION



TRAINING FOR EMPLOYERS

- WORKERS' COMPENSATION BASICS
- WHAT TO DO BEFORE AN INJURY OCCURS
- WHAT TO DO WHEN AN INJURY OCCURS OR IS REPORTED
- BENEFITS PROVIDED
- WHAT IS/IS NOT COVERED BY WORKERS' COMPENSATION
- EMPLOYER DO'S AND DON'TS

Workers' Compensation Basics

- A NO-FAULT SYSTEM
  - Negligence by employer not necessary to establish liability
  - Negligence by employee is not a defense

- PROVIDES BENEFITS FOR WORK-RELATED INJURIES OR ILLNESSES
  - Traumatic injuries
  - Gradual onset injuries
  - Occupational diseases

- COVERS CONDITIONS CAUSED OR AGGRAVATED BY EMPLOYMENT ACTIVITIES
  - Employment activities need to be a substantial contributing factor

- BENEFITS PAID BY THE INSURER (EMPLOYER'S INSURANCE COMPANY OR BY EMPLOYER, IF SELF-INSURED)

- WAITING PERIOD – 3 CALENDAR DAYS
  - Begins with the first day of <u>any</u> lost time from work, including a fraction of a day
  - Counted in consecutive days beginning with that first day
  - Includes cases where there is loss of wages but not lost time
  - Benefits not payable during those first 3 calendar days unless there is lost time or wages on the 10th calendar day or beyond

What To Do Before An Injury Occurs

- CHECK ALL EQUIPMENT; MAINTAIN A SAFE WORKPLACE
- DISPLAY THE WORKERS' COMPENSATION POSTER
- DEVELOP PROCEDURES FOR REPORTING INJURIES - TRAIN SUPERVISORS AND OTHER EMPLOYEES
- KNOW WHERE TO FIND THE FIRST REPORT OF INJURY FORM AND HOW TO FILL IT OUT
- KNOW THE FILING REQUIREMENTS IN MINNESOTA
- KNOW THE NAME, PHONE NUMBER, AND ADDRESS OF YOUR INSURER
- KEEP GOOD RECORDS; PROVIDE WRITTEN JOB DESCRIPTIONS
- DEVELOP RETURN TO WORK STRATEGIES
- HANDLE DISCIPLINARY PROBLEMS AS THEY OCCUR

MN Department of Labor and Industry
Workers' Compensation Division
PO Box 64221
St. Paul, MN 55164-0221
(651) 284-5032 or 1-800-342-5354
Fax: (651) 284-5731

First Report of Injury

See Instructions on Reverse Side

PRINT IN INK or TYPE
ENTER DATES IN MM/DD/YYYY FORMAT

FRO 1

DO NOT USE THIS SPACE

1. EMPLOYEE SOCIAL SECURITY #	2. OSHA case #	3. Time employee began work on date of injury ☐ am ☐ pm	
4. DATE OF CLAIMED INJURY	5. Time of injury ☐ am ☐ pm	6. Date of death	# of dependents (if death is related to injury)
7. EMPLOYEE Name (last, suffix, first, middle)	8. Gender ☐ M ☐ F	9. Marital status ☐ Married ☐ Unmarried	
10. Home address	11. Home phone #	12. Date of birth	13. Date hired
City State Zip Code	14. Occupation	15. Regular department	16. Apprentice ☐ Yes ☐ No

17. Average weekly wage	18. Rate per hour	19. Hours per day	20. Days per week	Normal work schedule Sun - Sat S M T W T F S	21. Employment status (check all that apply) ☐ Full time ☐ Part time ☐ Seasonal ☐ Volunteer

22. **Tell us how the injury/illness occurred, what the employee was doing before the incident (give details), and what the injury/illness was.** *Examples: "Worker was driving lift truck with a pallet of boxes when the truck tipped, pinning worker's left leg under drive shaft." "Worker developed soreness in left wrist over time from daily computer key entry."*

23. **What was the injury or illness (include the part(s) of body)?** *Examples: chemical burn left hand, broken left leg, carpal tunnel syndrome in left wrist.*	24. **What tools, equipment, machines, objects, or substances were involved?** *Examples: chlorine, hand sprayer, pallet lift truck, computer keyboard.*

25. Did injury occur on employer's premises? ☐ Yes ☐ No Name and address of the place of the occurrence	26. First date of any lost time	27. Employer paid for lost time on day of injury (DOI) ☐ Yes ☐ No ☐ No lost time on DOI	
	28. Date employer notified of injury	29. Date employer notified of lost time	
	30. Return to work date	31. RTW same employer ☐ Yes ☐ No	32. RTW with restrictions ☐ Yes ☐ No
33. Treating physician (name)	34. Extent of medical treatment (check all that apply) ☐ None ☐ Minor on-site by employer's medical staff ☐ Minor clinic/hospital ☐ Emergency room ☐ Hospitalization more than 24 hours ☐ Future major medical anticipated		
35. Certified Managed Care Organization (if any)			

36. **EMPLOYER** Legal name	37. EMPLOYER DBA name (if different)	
38. **Mailing** address	39. Employer FEIN	40. Unemployment ID #
City State Zip Code	41. Employer's contact name and phone #	
42. **Physical** address (if different)	43. Witness (name and phone) - if more than 1 attach a separate sheet	
City State Zip Code	44. NAICS code	45. Date form completed

46. **INSURER** name		51. **CLAIMS ADMIN COMPANY (CA)** name (check one) ☐ Insurer ☐ TPA	
47. Insured legal name and FEIN		52. CA address	
48. Policy # (including effective dates) or self-insured certificate #		City State Zip Code	
49. Insurer FEIN	50. Date insurer received notice	53. CA FEIN	54. CA claim #

55. To be completed by the CA:	Claim type code:	Type of loss code:	Late reason code:	Salary paid in lieu of comp?	Death result of injury?

MN FR01 (2/13) Employer: Send copies to Insurer (or Workers' Compensation Division if no insurer), employee, and employee's union (if applicable)

What To Do When An Injury Occurs or Is Reported

- PROVIDE PROMPT MEDICAL CARE, IF NEEDED
- INVESTIGATE THE FACTS & TAKE ACTION TO PREVENT FUTURE INCIDENTS
- FILL OUT THE FIRST REPORT OF INJURY (FROI); GIVE A COPY TO THE EMPLOYEE
- GIVE THE EMPLOYEE A COPY OF THE “INFORMATION SHEET”
- **FILE THE FROI WITH THE INSURER WITHIN 10 DAYS FROM THE FIRST DAY OF LOST TIME OR DATE YOU WERE NOTIFIED OF THE INJURY/LOST TIME, WHICHEVER IS LATEST**
- *DO NOT WAIT FOR MEDICAL REPORTS BEFORE FILING THE CLAIM*
- STAY IN CONTACT WITH THE INJURED WORKER
- MONITOR THE INSURER’S ACTIONS; COMMUNICATE WITH THE ADJUSTER
- IMPLEMENT RETURN TO WORK STRATEGIES
- CALL THE DEPARTMENT OF LABOR AND INDUSTRY WITH QUESTIONS

Minnesota workers' compensation system employee information sheet

What does workers' compensation pay for?

- Medical care for the work injury, as long as it is reasonable and necessary
- Wage-loss benefits for part of your lost income (there is a three-calendar-day waiting period before these benefits start)
- Benefits for permanent damage or loss of function of a body part
- Benefits to your spouse and/or dependents if you die of a work injury
- Vocational rehabilitation services if you cannot return to your pre-injury job or to your pre-injury employer

How are workers' compensation benefits paid?

Your workers' compensation benefits are paid by an insurance company or your employer, if your employer is self-insured. State law sets the benefit levels. Please note: pursuant to statute, the insurer can obtain medical information specific to your work injury without your authorization.

If the insurer <u>accepts</u> your claim for wage loss benefits and you have been disabled for more than three calendar-days:

- The insurer will send you a copy of the *Notice of Insurer's Primary Liability Determination* form stating your claim is accepted.
- The insurer must start paying wage-loss benefits within 14 days of the date your employer knows about your work injury and lost wages. The insurer must pay benefits on time. Wage-loss benefits are paid at the same intervals as your work paychecks.

If the insurer <u>denies</u> your claim for wage loss benefits:

- The insurer will send you a copy of the *Notice of Insurer's Primary Liability Determination* form stating it is denying primary liability for your claim. The form must clearly explain the facts and reasons why the insurer believes your injury or illness did not result from your work.
- If you disagree with the denial, you should talk with the insurance claims adjuster who is handling your claim. Your employer's insurance company can answer most questions about your claim.

Insurer name: Phone:

- If you are not satisfied with the response you receive from the insurer and still disagree with the denial, you should contact the Department of Labor and Industry at one of the numbers listed below to see what to do next.

If you have other questions or need more help, call the Minnesota Department of Labor and Industry Workers' Compensation Hotline:

Twin Cities and Southern Minnesota: **(651) 284-5005 or 1-800-342-5354**

Duluth and Northern Minnesota: **(218) 733-7810 or 1-800-342-5354**

Your call will be answered by experienced workers' compensation specialists, who will provide **instant, accurate information and assistance.**

There is additional workers' compensation information on the department's Web site at:
www.dli.mn.gov/WorkComp.asp.

Your employer is required by law to give you this information. This material can be made available in different formats, such as large print, Braille or on audiotape, by calling the numbers printed above.

Dated June 2009. This form may be copied or reproduced electronically. Do not file this form with the department.

Wage Information

- Compensation benefit rates are based on two-thirds of the employee's average gross weekly wage earned at the time of injury. If the employee works regular or frequent overtime throughout the year, the overtime earnings need to be included in the gross weekly wage to correctly calculate the compensation rate.

- If an injured worker has more than one employer on the date of injury, wages from all employers must be taken into consideration to properly determine the gross weekly wage. (You might be asked to provide wage information if one of your employees also works and is injured elsewhere.)

- Earnings in addition to salary, such as declared tips, the value of room and board, etc. may be considered as part of the employee's wages, and if so, will be calculated as part of the gross weekly wage.

NOTE: To compute the gross weekly wage for part time or irregularly scheduled employees, the gross weekly wage is based on the employee's earnings over the last 26 weeks prior to the injury.

- For workers such as those in the mining, construction, or other industries whose hours are affected by seasonal conditions, the gross weekly wage is never less than five times the daily wage.

- The First Report of Injury asks for the following information:

  - Average weekly wage
  - Rate per hour
  - Hours per day
  - Days per week
  - Weekly value of meals, lodging, and 2nd income (if any)
  - Employment status: full time, part time, seasonal, volunteer

NOTE: 26-week wage statements should be attached to the First Report of Injury for part time or irregularly scheduled employees.

Benefits Provided By Workers' Compensation In Minnesota

WAGE LOSS BENEFITS

- when totally off work, 2/3rds of the employee's average gross weekly wage at the time of injury subject to maximum and minimum rates ($963.90 maximum, $130 minimum, for dates of injury from October 1, 2013 - September 30, 2014)
- time loss usually should be authorized by doctor
- includes Temporary Total Disability (TTD), Temporary Partial Disability (TPD), and Permanent Total Disability (PTD)

PERMANENT PARTIAL DISABILITY BENEFITS

- % of whole body ratings
- payable after TTD ends

DEPENDENCY BENEFITS

- payable to spouse, children, dependent parents, and other partial dependents
- if no dependents, $60,000 paid to the estate

MEDICAL COSTS

- 100% coverage
- includes prescriptions
- includes reasonable mileage

REHABILITATION COSTS (IF NECESSARY)

- return to work assistance

What Is/Is Not Covered Under Workers' Compensation In Minnesota

(Note: This is not an exhaustive list, but rather a broad sketch of the workers' compensation landscape)

Covered	Not Covered
Work-related injuries/diseases	Injuries/diseases not in course and scope of employment
Injury due to employee's negligence	Intentional Injury
	Assault for purely personal reasons
	Injury during non-work time, off premises (generally)
PTSD resulting from work activities, but not if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action taken in good faith by the employer.	Other mental stress injuries with no physical component
Work is substantial contributing cause of injury/disease	Superseding cause that breaks the chain of causation of injury
Aggravation of preexisting condition	Loss of wages where work injury is no longer a factor
Horseplay (goofing off)	Employee specifically prohibited from activity (not just the manner of performing the activity)
Wage loss benefits (total or partial loss)	Temporary total benefits of more than 130 weeks (for injuries on or after 10/1/2008), regardless of the number of weeks since the injury
	Partial wage loss benefits for more than 225 weeks, or after 450 weeks after the date of injury, whichever occurs first
	Lost fringe benefits/items not part of wage agreement
Functional impairment benefit based on doctor's rating and Department rules	Conditions not objectively measurable
	Payment for pain and suffering without a loss of wages unless specified
Wage loss benefits to dependents of deceased employee	Compensation for loss of spousal relationship
Vocational rehabilitation services	Domestic services such as cleaning, grass

Covered	Not Covered
	cutting, snow plowing
	Family counseling
Retraining (educational program)	Unnecessary retraining, retraining for unsuitable work
Medical Services (reasonable/necessary)	“Maintenance” services not providing significant relief
Travel expenses connected with medical treatment, job search, and retraining	Travel expenses, connected with employment
Day care to complete vocational rehabilitation plan	Day care during medical recovery
Medical appliances, health club	Jacuzzi big enough for the family, best exercise bicycle on market with unnecessary features, personal trainer when general membership in club sufficient
Nursing services	Home nursing services by family member, unless employee is permanently totally disabled

Accident Cost Analysis

I. Direct Accident Costs

A. Medical Treatment Costs and Miscellaneous Expenses _____

B. Indemnity Costs _____

Subtotal _____

II. Indirect Accident Costs

A. Time lost by other employees (hourly rate x number of employees affected) _____

B. Time lost by supervisor(s) (investigations, resetting up, transportation, etc.) _____

C. Cost of spoiled product _____

D. Cost of lost production time _____

E. Cost of overtime to make up scheduled production _____

F. Cost of retraining new employee (include personal costs, advertising, etc.) _____

G. Cost of guarding, repairing, or replacing equipment (include maintenance labor costs if done in-house) _____

H. Cost of continued benefits to injured employee
Cost of retraining returning employee _____

J. Cost of reduced production of returning employee _____

K. Management costs (time spent investigating accident, accompanying insurer or OSHA inspectors, etc.) _____

L. Cost of fines (OSHA, etc.) _____

M. Miscellaneous costs _____

Subtotal _____

Total Accident Costs _____

443 Lafayette Road N.
St. Paul, Minnesota 55155
www.dli.mn.gov

MINNESOTA DEPARTMENT OF LABOR & INDUSTRY

(651) 284-5005
1-800-342-5354

Workers' compensation insurance: May an employer directly pay medical bills?

This document contains general information. It is not legal advice. Every situation is different and other laws might apply to your situation. If you have questions, contact an attorney, visit the Department of Labor and Industry website at www.dli.mn.gov/WorkComp.asp, or call the Workers' Compensation Hotline at 1-800-342-5354 and press 3.

Many employers have asked the Department of Labor and Industry (DLI) whether it is permissible for an employer which is insured for workers' compensation to pay medical bills directly. Employers are concerned about their high workers' compensation costs and sometimes believe that direct payment of minor expenses is a way to minimize their workers' compensation losses and premiums. The following information describes why employers should not pay any medical bills for their injured workers, even if the bills are small.

1) It is illegal for an employer that has workers' compensation insurance to directly pay medical bills on a workers' compensation claim. Medical bills are required to be paid by the employer's workers' compensation insurer. An insured employer that pays bills directly is partially self-insuring the claim. This is not allowed by the workers' compensation law unless the Minnesota Department of Commerce has issued a certificate approving the employer for self-insurance (Minnesota Statutes § 176.181).

2) The workers' compensation law and insurance policies require employers to report work-related injuries. It is then the insurer's responsibility to investigate the claim and pay the medical bills and other workers' compensation benefits owed. An employer that does not timely report injuries may be liable for: underpayment of workers' compensation premiums to the insurer; an improper experience rating; penalties for failure to timely report an injury or pay benefits; and even cancellation of the insurance policy.

3) If an employer does not report an injury to its insurance company, it could become a more expensive workers' compensation claim. The workers' compensation law is complicated. It has many requirements, such as deadlines for payment, forms that must be filed, determining what medical treatment is reasonable and paying bills according to medical fee schedules. Workers' compensation insurers are required to know how to comply with these requirements. Penalties may be imposed if the claim is handled inappropriately. If the error leading to a penalty was the fault of the employer, the insurer may pass that cost on to the employer. The employer may jeopardize the ability to adequately defend the claim or opportunities to minimize losses if the insurer does not have immediate knowledge of the injury.

Other Options to Control Costs

Instead of paying medical bills directly in violation of their insurance policies and the workers' compensation law, employers may consider one or more of the following options.

1) Purchase a deductible policy in which claims are reported to and paid by the insurer, but the insurer charges back a deductible amount to the employer in exchange for a rate reduction. Employers may wish to discuss this option with an insurance agent or the Minnesota Department of Commerce.

2) Obtain approval to self-insure from the Minnesota Department of Commerce to directly manage and pay for the employer's workers' compensation claims. Small businesses can join together as a group to self-insure their workers' compensation liability. This self-insurance approach eliminates the insurer's profit margin, but requires the employer to have substantial financial resources to cover actual and potential claims.

3) Control losses and costs through a strong safety and disability management program. Workers' compensation insurers often offer these programs to their policyholders. Information about creating a safe workplace is available from the Minnesota Occupational Safety and Health Administration (MNOSHA) or workers' compensation insurer. MNOSHA Workplace Safety Consultation can provide seminars, speakers, written information, and on-site visits to assist the employer. Contact MNOSHA Workplace Safety Consultation at (651) 284-5060, 1-800-657-3776, or via email at osha.consultation@state.mn.us. For more information, view available services online at www.dli.mn.gov/Wsc/Assistance.asp or www.dli.mn.gov/Wsc.asp.

443 Lafayette Road N.
St. Paul, Minnesota 55155
www.dli.mn.gov

(651) 284-5005
1-800-342-5354

Workers' compensation insurance coverage: General information

This document contains general information. It is not legal advice. Every situation is different and other laws might apply to your situation. If you have questions, contact an attorney, visit the Department of Labor and Industry (DLI) website at www.dli.mn.gov/WorkComp.asp, or call the Workers' Compensation Hotline at 1-800-342-5354 and press 3.

Coverage requirements

Every employer is required to provide workers' compensation insurance coverage for its employees under Minnesota's workers' compensation law, unless there is a specific exception in the law. An employer must purchase workers' compensation insurance coverage for its employees unless the employer has been approved for self-insurance under the law. Employers are generally defined as those who hire others to perform services. Employees are generally defined as persons performing services for another for hire, including minors and workers who are not citizens.

Penalties for failing to have workers' compensation insurance

The department has the authority to penalize uninsured employers for failing to insure employees, regardless of whether an injury has occurred. The department can order the employer to: 1) pay a penalty of up to $1,000 per employee per week for the entire time the employer was not insured; 2) purchase the necessary insurance coverage; and 3) refrain from employing any person at any time without insuring the employee. Additional penalties apply if a worker is injured while the employer is uninsured. The employer will not only be responsible for the benefits owed to the worker but will also have to pay a penalty to the state of 65 percent of these benefits.

Exclusions

Workers' compensation insurance is not required for persons who are excluded under the law. The workers' compensation law states that certain categories of workers are excluded from workers' compensation coverage or may be excluded from coverage. These categories are numerous and detailed. You should thoroughly review the workers' compensation law to determine whether any of these categories apply to your particular situation. These exclusions include the following:

1. *Sole proprietorships:* A sole proprietor is excluded. The sole proprietor's spouse, parents, and children, regardless of age, are also excluded.

2. *Partnerships:* Partners in business and farm operations are excluded. Each partner's spouse, parents, and children, regardless of age, are also excluded.

3. *Closely-held corporations:* The workers' compensation law defines a closely held corporation as a corporation whose stock is owned by 10 or fewer people. Executive officers of closely held corporations having less than 22,880 hours of payroll the preceding calendar year are automatically excluded if the officer owns at least 25 percent of the stock of the corporation. The officer's spouse, parents, and children, regardless of age, are also automatically excluded.

   Employees of such a corporation who are more distantly related to the excluded executive officer may also be excluded if the corporation files a written election to exclude with the department. This applies to individuals who are related to the executive officer by blood or marriage to the third degree of kindred.

4. *Limited liability companies:* Managers of limited liability companies (LLCs) having 10 or fewer members and having less than 22,880 hours of payroll the preceding calendar year are automatically excluded if the manager owns at least 25 percent of the interest in the LLC. The manager's spouse, parents, and children, regardless of age, are also automatically excluded.

   Employees of an LLC who are more distantly related to the manager may also be excluded if the LLC files a written election to exclude with the department. This applies to individuals who are related to the manager by blood or marriage to the third degree of kindred.

5. *Family farm operations:* The farmer-employer and their spouse, parents, and children, regardless of age, are automatically excluded. The executive officers of a family farm corporation and the executive officer's spouse, parents, and children, regardless of age, are automatically excluded. Farmers or their family members exchanging work within the same community with a farmer-employer or family farm corporation operator are also excluded.

   Persons employed by a family farm that paid or was obligated to pay cash wages in the preceding calendar year of less than $8,000 are excluded, except that if the operation has liability insurance coverage of at least $300,000 and at least $5,000 in medical insurance for farm laborers, the maximum excludable wage amount rises to the statewide average annual wage. This average annual wage is calculated from the statewide average weekly wage, which is adjusted every year

6. *Casual employees:* An employee is excluded if the employee is not working in the usual course of the trade, business, profession, or occupation of the employer and their employment is meant to be one time or sporadic rather than permanent or periodically regular.

7. *Household workers:* This includes a domestic, repairer, groundskeeper, or maintenance worker at a private household. This person is excluded if the worker earns less than $1,000 cash during a three-month period, *unless* more than $1,000 was earned in any quarter of the previous year at that household.

8. *Other exclusions:* Other exclusions include a veterans organization officer or a member attending meetings and conventions; nonprofit associations that do not pay more than $1,000 in salary or wages in a year; persons covered under the Domestic Volunteer Service Act of 1973 (Vista volunteers, foster grandparents); and certain railroad employees.

Election and termination of coverage

The employer can, in many situations, elect to provide workers' compensation coverage for individuals who would otherwise be automatically excluded under the law. When such coverage is elected, the insured person becomes an "employee" as defined in the statute. The employer may also terminate coverage of individuals for whom the employer had elected to provide coverage. When coverage is elected or terminated, the employer must give written notice to the insurer. The coverage elected or the termination of coverage becomes effective on the day after the insurer receives the notice or on a later date stated in the notice. The person for whom coverage is elected will be listed on the workers' compensation insurance policy.

An employer contracting with an independent contractor may also provide insurance for that person. The employer may only charge the independent contractor a fee for the coverage if the independent contractor elects in writing to be covered and is issued an endorsement stating the terms of the coverage, the names of the persons covered, the fee charged and how the fee is calculated.

Independent contractors

Specific occupations listed in rules

The workers' compensation law does not contain a definition of "independent contractor." Minnesota Rules Chapter 5224 contains information for determining independent contractor or employee status for 31 categories of occupations. The rules define the particular occupation and list certain criteria that must be substantially met for the person in that occupation to be characterized as either an independent contractor or an employee.

The occupations identified in the rules include artisans, barbers, bookkeepers, accountants, bulk oil plant operators, collectors, consultants, domestic service workers, babysitters, industrial homeworkers, laborers, musicians, commissioned salespeople or manufacturer representatives, traveling salespeople, house-to-house salespeople, agent drivers, photographers' models, professional persons, doctors of medicine – part time for industrial firms, real estate and securities salespeople, registered and practical nurses, unlicensed nurses, taxicab drivers, timber fellers, buckers, skidders, processors, sawmill operators, variety entertainers, sports officials, jockeys and trainers.

Occupations not listed in the rules

If an occupation is not listed in the rules or if the criteria are not substantially met, the rules provide general criteria to determine whether the person is an employee or an independent contractor. These criteria include the following five factors:

1. the right to control the means and manner of performance;
2. the mode of payment;

3. the furnishing of tools and materials;
4. control over the premises where the work was done; and
5. the right of discharge.

The degree of control one party has the right to exert over another has become the primary factor to consider. Control over, or the right to control, another's job duties is an indication of an employer relationship.

Trucking and messenger/courier industries
Minnesota Statutes section 176.043 is a law enacted specifically for the trucking and messenger/courier industries. This law lists seven factors, all of which must be met for the person to be considered an independent contractor. This law is fundamentally different from the rules governing the occupations listed above. Under section 176.043, unless all seven factors are established, the individual is an employee. Persons in the trucking and messenger/courier industries need to review this statute in detail.

Building construction and improvement services
Another law applies to individuals performing any commercial or residential building construction or improvement services. To be considered an independent contractor, a person performing these services must meet all nine of the requirements listed in this law.

Additionally, the law requires individuals performing building construction or improvement services to register with the department unless an exemption applies. A summary of this law and a link to online registration is at www.dli.mn.gov/CCLD/Register.asp. Individuals who do not register, if required, are presumed to be the employees of the construction contractors hiring them.

General contractor liability

If your business functions as a general contractor or otherwise contracts with subcontractors, you should consider having workers' compensation insurance to cover your subcontractor's employees. Under the workers' compensation law, a general contractor is liable to the injured employee of the subcontractor if the subcontractor does not have workers' compensation insurance. Therefore, when a business analyzes its insurance needs, it needs to consider its potential exposure for injuries to subcontractors' employees, even if the business is not otherwise required to have workers' compensation insurance

Additional resources found on the DLI website

- Workers' compensation insurance coverage: Corporations and limited liability companies
- Workers' compensation liability of contractors
- Construction contractor registration
- Workers' compensation – Determining independent contractor or employee status
- Workers' compensation insurance coverage and liability: Farmer-employer exception
- Third degree of kindred chart

Relevant case law

See these Minnesota Supreme Court cases:

- *Guhlke v. Roberts Truck Lines*, 128 N.W. 2d 324 (Minn. 1964)
- *Hunter v. Crawford Door Sales*, 501 N.W. 2d 623 (Minn. 1993)

Relevant Minnesota Statutes, Minnesota Rules

Minnesota Statutes Chapter 176

The Workers' Compensation Act, is online at www.revisor.mn.gov/statutes/?id=176. Paper copies are also available from Minnesota's Bookstore, (651) 297-3000, 1-800-657-3757 or www.minnesotasbookstore.com.

Statutes, rules relevant to workers' compensation insurance coverage

176.011:	Defines important terms used in the statute
176.021, subd. 1:	The basic requirement for insurance coverage by employers
176.041:	Exclusion, exceptions, and election of coverage
176.043:	Trucking and messenger/courier industries; independent contractors
176.051:	Assumption of liability; farm and household workers
176.181:	Outlines the basic requirement for coverage by employers
176.184:	Inspections/enforcement powers
176.215:	Liability for payment of compensation when a subcontractor fails to comply with Chapter 176
Chapter 5224:	Independent contractor status

Other statutory references

323A:	Uniform Partnership Act
323A.0101, subd. 8:	Defines Partnership
323A.0202:	Formation of Partnership after 2001

Additional resources for small businesses

In addition, many publications are available without charge through the Minnesota Small Business Assistance Office including:

A Guide To Starting A Business In Minnesota
An Employer's Guide To Employment Law Issues In Minnesota

These publications can be ordered on-line at http://mn.gov/deed/business/help/sbao/.

Training Resource Guides

Workers' Compensation Phone Numbers

Toll Free Number: 1-800-342-5354

TOPIC	PHONE #	LOCATION
Apportionment	651-284-5032	Alternative Dispute Resolution (ADR)
Assessments paid to the Special Compensation Fund	651-284-5045	Special Compensation Fund (SCF)
Attorney fees	651-284-5032	ADR
Awards	651-361-7900	Office of Administrative Hearings (OAH)
Benefits (weekly or permanent partial)	651-294-5032	ADR
Bookstore (order statutes and rules)	651-297-3000	Minnesota's Bookstore
Brochures or written Information	651-284-5025	Policy Development, Research & Statistics
Change of physician	651-284-5032	ADR
Claim files (to review or copy)	651-284-5200	Copy File Review
Claim Petition form questions	651-361-7900	OAH
Claim questions	651-284-5032	ADR
Compensation rates	651-284-5032	ADR
Conference and hearing scheduling	651-361-7900	OAH
Coverage - who must be insured	651-284-5032	ADR
Data privacy	651-284-5032	ADR
Denial of benefits	651-284-5032	ADR
Discontinuance of Benefits	651-284-5032	ADR
Discontinuance Conference request (239's)	651-361-7912	OAH
Experience modifications	612-897-1737	Workers' Compensation Insurer's Association
Federal Employees' Workers' Compensation	312-596-7157 or 866-692-7487	U.S. Department of Labor

TOPIC	PHONE #	LOCATION
Forms questions: • How to complete or what to use (not reimbursement forms) • Reimbursement forms • Forms online	651-284-5032 651-284-5045	ADR SCF www.dli.mn.gov/WC/Wcforms.asp
Fraud: Report instances of workers' compensation fraud	651-284-5066 or 888-372-8366	Minnesota Department of Commerce Investigative Services
Health care provider complaints	651-284-5173	Compliance, Records, & Training (CRT)
Independent contractors: • Construction contractor registration program • Insurance coverage • Other questions	651-284-5074 651-284-5045 651-284-5032	Construction Codes & Licensing Division SCF ADR
Insurance verification questions:	651-284-5170	SCF
Iowa workers' compensation	800-562-4692	State of Iowa
Managed care licensing	651-284-5173	CRT
Mediation	651-284-5032	ADR
Medical conferences	651-284-5032	ADR
Medical fee schedule: • Copies • Questions	651-297-3000 651-284-5032	Minnesota's Bookstore ADR
Medical issues	651-284-5032	ADR
Motions	651-361-7900	OAH
North Dakota workers' compensation	800-777-5033	State of North Dakota
Objection to Discontinuance form questions	651-361-7900	OAH
Objection to Penalty Assessment form questions	651-284-5081	CRT
Orders	651-361-7900	OAH
Penalties	651-284-5081	CRT
Permanent partial disability: • Copies of Schedule • General questions	651-297-3000 651-284-5032	Minnesota's Bookstore ADR
Petition forms	651-361-7900	OAH

TOPIC	PHONE #	LOCATION
Policy premium rates	651-297-7161 or 952-897-1737	Minnesota Department of Commerce Insurance Division Workers' Compensation Insurer's Association
Posters	651-284-5042	CRT
Qualified rehabilitation consultant (QRC) complaints and training	651-284-5153	CRT
QRC registration and training	651-284-5136	CRT
Rehabilitation: • Copies of current rules • Conferences, forms, and general questions • Rehabilitation services	 651-297-3000 651-284-5032 651-284-5038	 Minnesota's Bookstore ADR Vocational Rehabilitation Unit
Reopening benefits	651-284-5032	ADR
Request for formal hearing questions	651-361-7900	OAH
Return to work questions	651-284-5032	ADR
Rules: • Copies of current rules • Questions on proposed rules	 651-297-3000 651-284-5019	 Minnesota's Bookstore Legal Services
Second Injury reimbursements	651-284-5045	SCF
Serious or fatal injury reporting	651-284-5041	CRT
Settlement conferences	651-361-7900	OAH
South Dakota workers' compensation	605-773-3681	State of South Dakota
Statistics	651-284-5025	Research & Statistics
Statute book	651-297-3000	Minnesota's Bookstore
Stipulations	651-361-7900	OAH
Subpoena forms	651-361-7900	OAH
Subrogation claim orders	651-284-5019	Legal Services
Supplementary benefits reimbursement	651-284-5045	SCF
Uninsured Claims	651-284-5045	SCF
Vocational rehabilitation services	651 284-5038	Vocational Rehabilitation Unit
Wisconsin workers' compensation	608-266-1340	State of Wisconsin

Employment Related Questions

Use this handy guide to match state and federal regulations, by topic, with the responsible agencies. The numbers following the topics identify the agencies in the listing on the following page.

Employment Topics	Key
Affirmative Action	13
Age Discrimination	2,6
Age, minimum	7,14
Alien	15
Child Labor	7,14
Consumer Protection	1
Discrimination (Age, Race, Color, Creed, Religion, Sex, etc.	2,6
Drug Testing	6
Equal Pay	2
Fair Labor Standards Act – Fed	14
Fair Labor Standards Act – State	7
Farm Labor Contractors	14
Federal Insurance Contribution Act (FICA)	12,16
Fee Employment Agencies	7
Garnishment	1,14
Handicapped Discrimination	6
Handicapped Worker, equal pay	2
Health Insurance COBRA Cont./Pension	18
Health Standards	5
Hours of Work	7,14
Housing Standards	5
Human Rights Act, Minnesota	6
Immigration	15
Immigration Reform and Control Act – 1986	15
Income Taxes, Federal	11,16

Employment Topics	Key
Job Bank (to list openings)	4
Job Service (office locations)	4
Mandatory Employment Posters	4
Minimum Wage	7,14
Occupational Safety and Health Act (OSHA)	8
Old Age Benefits	12
Overtime Pay	7,14
Pesticide Control	3,5,10
Pollution Control	10
Polygraph Tests	7
Record Keeping – Federal (FLSA)	14
Record Keeping – Social Security	16
Record Keeping – State (MFLSA)	7
Rehabilitation Act of 1973	13
Safety Standards	6
Second Injury Law	9
Sexual Harassment	2,6
Social Security	12,16
Taxes, Income	11,16
Unemployment Insurance	4
Veterans Employment and Training	17
Veterans Reemployment Rights	17
Wage Garnishment	1,14
Wages, Frequency of	6
Wages Not Paid	7
Workers' Compensation	9

1	**Attorney General's Office** Consumer Protection Division 1400 North Central Life Tower 445 Minnesota St St Paul MN 55101 (651) 296-3353 www.ag.state.mn.us	**10**	**Minnesota Pollution Control Agency** 520 Lafayette Rd St Paul MN 55155 (651) 296-6300 or (800) 657-3864 www.pca.state.mn.us
2	**Equal Employment Opportunity Commission** 330 2nd Ave S Ste 430 Minneapolis MN 55401-2224 (612) 335-4040 www.eeoc.gov	**11**	**Minnesota Department of Revenue** Individual Income Tax 600 N Robert St St Paul MN 55146-5555 (651) 296-3781 www.taxes.state.mn.us
3	**Minnesota Department of Agriculture** 625 Robert St N Saint Paul Minnesota 55155-2538 (651) 297-2200 www.mda.state.mn.us	**12**	**Social Security Administration** Sibley Building Rm 800 190 E 5th St St Paul MN 55101 (800) 772-1213 www.ssa.gov
4	**Minnesota Department of Employment and Economic Development** (DEED) 332 Minnesota St Ste E200 St Paul MN 55101-1351 (651) 297-1291 or (800) 657-3858 www.deed.state.mn.us	**13**	**United States Department of Labor** Federal Contract Compliance 900 2nd Ave S Ste 480 Minneapolis MN 55402-3386 (612) 370-3177 www.dol.gov
5	**Minnesota Department of Health** 85 E 7th Pl PO Box 64882 St Paul MN 55164-0882 (651) 215-5800 www.health.state.mn.us	**14**	**United States Department of Labor** Wage-Hour Division 331 2nd Ave S Ste 920 Minneapolis MN 55401-1321 (612) 370-3371 or (800) 487-9243 www.dol.gov
6	**Minnesota Department of Human Rights** 190 E 5th St Ste 700 St Paul MN 55101 (651) 296-5663 or (800) 657-3704 www.humanrights.state.mn.us	**15**	**United States Immigration Service** 2901 Metro Dr Ste 100 Bloomington MN 55425 (800) 375-5283 www.ins.usdoj.gov
7	**Minnesota Department of Labor and Industry** Labor Standards Division 443 Lafayette Rd 4th Fl St Paul MN 55155 (651) 284-5070 or (800) 342-5354 www.dli.mn.gov	**16**	**United States Internal Revenue Service** 316 N Robert St St Paul MN 55101 (800) 829-1040 (800) 829-3676 (Forms only) www.irs.gov
8	**Minnesota Department of Labor & Industry** Occupational Safety & Health Division 443 Lafayette Rd 4th Fl St Paul MN 55155 (651) 284-5050 or (800) 342-5354 www.dli.mn.gov	**17**	**United States Department of Labor** Veterans Employment & Training c/o Minnesota DEED 332 Minnesota St Ste E200 St Paul MN 55101-1351 (651) 297-1126 www.deed.state.mn.us/veterans Veterans Reemployment Rights United States Department of Labor 200 Constitution Ave NW Washington DC 20210 (866) 487-2365 www.dol.gov/vets
9	**Minnesota Department of Labor & Industry** Workers' Compensation Division 443 Lafayette Rd St Paul MN 55155 (651) 284-5032 or (800) 342-5354 www.dli.mn.gov	**18**	**United States Department of Labor** Employee Benefits Security Administration 200 Constitution Ave NW Washington DC 20210 (866) 444-3272 www.dol.gov

Helpful Web Sites:

www.dli.mn.gov
Minnesota Department of Labor & Industry
for official department forms, announcements,
helpful information, and links to the
workers' compensation statutes and rules

www.revisor.mn.gov
The Minnesota Office of Revisor of Statutes
for online access to the statutes and rules

www.comm.media.state.mn.us
Minnesota's Bookstore
to order copies of the statutes and rules

www.wcra.biz
Workers' Compensation Reinsurance Association
for benefit calculators and other information

www.health.state.mn.us/divs/fpc/directory/fpcdir.html
Minnesota Department of Health
for a directory of licensed Providers and Health Care Facilities

www.dol.gov/owcp/regs/statutes/stwclaw/stwclaw.htm
United States Department of Labor
for information on states workers' compensation laws

Employer Do's and Don'ts

DO:

- purchase Workers' Compensation insurance
- make sure premiums are paid on time
- display the Minnesota Workers' Compensation poster
- prepare ahead of time just in case an injury is reported
  - know the name, phone number, and address of your insurer
  - communicate injury reporting procedures to all employees
- file First Reports of Injury properly
- stay in touch with employee after the injury occurs
- plan ahead for return to work strategies
- treat employees as you would like to be treated
- call the Department of Labor and Industry if you have any questions/problems

DON'T:

- ignore employee disciplinary problems
- refuse to file a claim even if you doubt the validity
- ask the employee to fill out the First Report of Injury
- wait for medical report before filing the claim with insurer
- pay medical bills on your own
- ignore requests for information from the insurer or state
- forget to put safety first

"THE BEST WAY TO AVOID WORKERS' COMPENSATION PROBLEMS IS TO AVOID AS MANY INJURIES AS POSSIBLE"