

# WHAT EMPLOYERS SHOULD KNOW ABOUT WORKERS' COMPENSATION

## WORKERS' COMPENSATION INSURANCE REQUIREMENTS

With limited exceptions, employers with one or more employees are required to have workers' compensation insurance coverage. Individual owners and partners are exempt. Most corporate officers are included under the Workers' Compensation Act.

The state-required poster naming the employer's insurance company or adjusting company **must be displayed in the workplace**. This poster is provided to employers by their insurance company.



## PENALTIES

- An employer failing to display the workers' compensation poster faces a fine of \$250.
- An employer failing to provide the required workers' compensation insurance may be fined \$1,000 per day for each day without workers' compensation insurance. An employer may also be subject to a felony charge, and upon conviction, face a \$10,000 fine and two years in prison.
- A business operating without the required workers' compensation insurance may be closed under the authority of the Director of DLT.

You may find an employer's workers' compensation insurance carrier at [www.dlt.ri.gov/wc](http://www.dlt.ri.gov/wc) (search by employer name) or call 462-8100, Option #4, for information.

## INDEPENDENT CONTRACTORS

An independent contractor is someone who maintains an independent business and is available for hire. An independent contractor is not eligible for workers' compensation benefits.



An independent contractor must file a DWC 11-IC form for each hiring entity. **This form may be completed and submitted online at [www.dlt.ri.gov/wc/iclists.htm](http://www.dlt.ri.gov/wc/iclists.htm).** The form may also be printed, completed and mailed or faxed to DLT (see back panel for contact information).

For purposes of workers' compensation, a person will not be considered an independent contractor unless he/she files a Notice of Designation as Independent Contractor (DWC 11-IC) form with the DLT Workers' Compensation Fraud and Compliance Unit. The DWC 11-IC form is only valid for workers' compensation and does not determine that an individual is an independent contractor under the rules, regulations or statutes of the Internal Revenue Service or the RI Division of Taxation.

Once the DWC 11-IC is filed, it is valid for the duration that the independent contractor works for the named hiring entity, or until a Notice of Withdrawal of Designation as Independent Contractor form (DWC 11-IC-R) is filed. There is no filing fee for either form.

## HIRING ENTITY

The hiring entity is the business that hires the independent contractor. The hiring entity should request proof of workers' compensation insurance when hiring an independent contractor that has one or more employees. If the independent contractor does not have



employees, he/she must complete a DWC 11-IC form naming the hiring entity; this form must then be filed with DLT. Once filed, DLT will send a certificate to the independent contractor and the hiring entity as verification.

**WARNING:** *An employer that forces or coerces an employee to sign the DWC 11-IC form, or misrepresents the employee as an independent contractor, may be subject to criminal prosecution.*

For a listing of independent contractors on file with DLT, visit [www.dlt.ri.gov/wc/iclists.htm](http://www.dlt.ri.gov/wc/iclists.htm)

Note: You may search by the independent contractor name or by the hiring entity name. A certificate may be printed from the website as proof of filing.



## EMPLOYERS MUST NOTIFY THEIR INSURANCE COMPANY OF AN INJURY



An employer is required to report a work injury to their workers' compensation insurance company. The insurance company must

electronically report the injury to the Department of Labor and Training within 10 days after an injury that requires medical treatment or prevents the employee from earning full wages for at least three days. If the injury is fatal, the report must be made within 48 hours.

Even if an employer questions the validity of the claimed injury, the employer must report the injury to the insurance company. The report is not an indication that the employer is accepting responsibility for the injury.

A **PENALTY** of \$250 will be imposed on employers that fail to notify their insurance company of an injury.

The Workers' Compensation documents listed below may be downloaded at [www.dlt.ri.gov/wc](http://www.dlt.ri.gov/wc):

- Independent Contractor forms (DWC 11-IC)
- Waiver forms (DWC-11)
- Workers' Compensation Poster

*This brochure is not intended as a complete description of the law nor is it intended as legal advice. The information is also subject to change. Workers' Compensation laws, rules and regulations are available online at [www.dlt.ri.gov/wc](http://www.dlt.ri.gov/wc) in the "Resources" box.*

## WORKERS' COMPENSATION FRAUD AND COMPLIANCE UNIT

P.O. Box 20190  
Cranston, RI 02920-0942

Phone: (401) 462-8100 option #4

Fax: (401) 462-8128

Email: [dlt.wcfrad@dlt.ri.gov](mailto:dlt.wcfrad@dlt.ri.gov)

Website: [www.dlt.ri.gov/wc](http://www.dlt.ri.gov/wc)



Equal Opportunity Employer/Program /  
Auxiliary aids and services are available upon  
request to individuals with disabilities.  
TTY via RI Relay 711

08/2015



**RI Department of Labor and Training  
Workers' Compensation  
Fraud and Compliance Unit**

WHAT EMPLOYERS SHOULD  
KNOW ABOUT

# WORKERS' COMPENSATION



*A guide for businesses in Rhode Island*

For more information, call  
**Workers' Compensation Fraud and Compliance**  
at (401) 462-8100, Option #4 or  
visit [www.dlt.ri.gov/wc](http://www.dlt.ri.gov/wc).