



REVIEWED COSTS

g.c.g. risk management inc.

WORKERS' COMPENSATION, INSURANCE, CLAIMS AND LAW FOR THE EMPLOYER

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STATE INSURANCE FUND PAPERLESS CERTIFICATES OF INSURANCE ENCOURAGES VERIFICATION TO KEEP EMPLOYER COSTS DOWN

Until about a year ago, policyholders of the State Insurance Fund, particularly those in the contracting business, were accustomed to annually receiving a big box of paper copies of Certificates of Insurance (usually in triplicate) for them to distribute to their customers. The sheer volume of paper and mailing costs, for both the State Fund and the employer, were enormous, and, in our digital age, unnecessary. Today, Certificates of Insurance (proof of coverage) are transmitted instantaneously as pdfs. They can be downloaded directly from the State Fund website, or provided by our office. Most importantly, they can be promptly and quickly verified by the recipient.

So, the process of certificate issuance has changed. For our employer clients who have minimal certificate needs, that is, the occasional customer who requests a Certificate of Insurance, a quick call or email to our office will get a same day email with pdf to the employer or to a customer who requests the Certificate. For our contractor customers who have a regular list of certificate holders in the State Fund database, the renewal process has changed. Certificates of Insurance are no longer automatically renewed. Our office must manually renew the Certificates of Insurance. Certificates are no longer issued for longer than the policy period. They are not issued for multiple policy years. Rather, they are now issued to the date of policy expiration. Our office endeavors to send a list (usually in an Excel spreadsheet) prior to the policy renewal date, for review by the employer. In order to streamline the renewal process so we can timely issue the renewal Certificates of Insurance each year, we ask that you specifically identify those Certificates of Insurance that must be renewed. The State Fund does not delete old Certificates of Insurance from their system (though they may in the future, if they are not issued for several years). Certificates that are not renewed remain in the system in case one must be renewed at a later date. In this way, we can have a relatively current list moving forward and expedite any certificate needs you may have. It's not a perfect system, and we have no problem if you tell us to renew a certificate you are not sure you need. Similarly, if you advise us not to renew a certificate, and you need it later, we can handle that promptly. The point of the process is to be more efficient. So, we appreciate your help.

As for the issue of verification of Certificates of Insurance, that is definitely for the benefit of our employer clients who RECEIVE certificates of insurance from subcontractors or other parties. We have had numerous instances in the past where a client of our office was provided with a certificate of insurance from someone who was doing work for them, only to find, upon their payroll audit, that the Certificate of Insurance they received had expired shortly after they got it, or that the policy had been cancelled, or worse (in a few instances) that the Certificate of Insurance was a fraudulent document. In these situations, often long after the work was done, and the subcontractor paid and departed, our client policyholder would be stuck with a bill for premium for that subcontractor who was "uninsured". And worse, the policyholder could even get stuck for a claim from that subcontractor if they got hurt working for our client.

In recent years, we have invited our clients who receive a Certificate of Insurance from a subcontractor to allow us to verify that Certificate if we can, through the State Insurance Fund (if it is a State Fund certificate) or through the Workers' Compensation Board. Now, there is an even easier self-help method. Policyholders of the State Fund can subscribe, online, to a Policy Cancellation Notice Subscription Service, as well as a Certificate Validation Service. In fact, validation of Certificates of Insurance can be done on a smart phone with a QR Code scan. Any State Fund policyholder can sign up online at www.nysif.com for the Subscription Service. We would strongly urge all our clients to do so. Surely, the cross-verification of State Insurance Fund certificates of insurance you may receive would be faster and easier for you to obtain in this fashion.

As for Certificates of Insurance you receive, and that are issued by commercial insurance carriers, you can visit the website link at http://www.wcb.ny.gov/content/ebiz/icempcovsearch/icempcovsearch_overview.jsp, for the Workers' Compensation Board, where you can input the FEIN # of the subcontractor who provided you with the Certificate of Insurance, and confirm whether coverage is in force. You can view the entire coverage history. You can also search by name. It's free and fast. Our office is always available to help verifying coverage if you need us.

If you have any questions regarding the review of your own Certificates of Insurance on file, or the Certificate Verification process, you may contact Stephanie.stopera@gcgriskmanagement.com, or Juliette.payne@gcgriskmanagement.com, or Lakota.collier@gcgriskmanagement.com.

OSHA MANDATES ELECTRONIC FILING FOR SOME EMPLOYERS BY DECEMBER 1, 2017

Employers with between 20 and 249 employees, in industries with high rates of injuries, are required to submit their 2016 OSHA 300A forms electronically to OSHA no later than December 1, 2017. Employers with more than 250 employees are required to submit their 2016 OSHA 300, 300A, and 301 forms to OSHA no later than December 1, 2017. Based on our review of our current clients, virtually all of our clients are within these "high rate of injury" groups.

Please be aware that there has been some confusion regarding this new requirement, including issues concerning the security of the website to which these documents are to be uploaded. The site has been running since August 1, 2017, and, while it was briefly shut down due to technical issues, it is now back in service. In order to upload the files, the employer is required to register on the website, and the employer has the option to enter the data in one of 3 methods:

- 1) Manually enter the data into a template
- 2) Upload a CSV file
- 3) If the employer has automated recordkeeping, upload via an API (application programming interface)

For further instructions on these requirements, please see <https://www.osha.gov/injureporting/index.html>. If you have further questions or concerns, please contact Rudolph.lu@gcgriskmanagement.com, or elsie.tai@gcgriskmanagement.com, or hamid.abuzaid@gcgriskmanagement.com.

HOLIDAY PARTIES CAN LEAVE AN EMPLOYER OPEN TO A SERIOUS HANGOVER

The holiday season has long been a time when employers hold holiday parties. Often the festivities occur on the employer's premises, but, just as often, they are at a local establishment. Typically, alcohol is served. In the wake of the widespread news stories about workplace harassment, many employers are smart to be wary of sponsoring or organizing such events. After all, mixing alcohol, a social setting, and holiday good spirit can be a recipe for unwanted or unwelcome behavior, either by management or regular employees.

It is also worth noting that an employer-sponsored event, such as a holiday party, can result in injury claims, for either physical injuries which occur at or because of events at the party, or non-physical injuries resulting from behavior at these events. An employer sponsored event, or even one tacitly promoted, that might only involve employees, can readily be deemed an extension of the workplace sufficient to bring any injuries that may result to an employee, because of the event, into the arena of workers' compensation.

Obviously, it is incumbent on an employer to set out some rules for such event, including who may be invited, the timing and location of the event, and the nature of the food and drink and festivities. Potential confrontations should be avoided, guest lists should be screened so as to avoid possible trouble from former or disgruntled employees, unhappy significant others, or tense relationships. Employers and employees should enjoy the holidays. They should have fun, but they should be smart and be safe.