

Don't get caught without insurance!

Uninsured Employers Beware

An Alaska employer with even one part-time employee is required to carry workers' compensation insurance under AS 23.30.075.

Uninsured employers are directly liable for all costs and benefits related to uninsured workers' compensation claims. Under AS 23.30.045, a business could be liable for benefits in the event a contractor or subcontractor with whom the business contracts has employees and fails to carry workers' compensation insurance.

Penalties for failure to insure can be up to ***\$1,000 per employee for each day an employer fails to insure*** under AS 23.30.080 and 8 AAC 45.176. The Division can order employers to stop work under AS 23.30.080 and 8 AAC 45.174 when they fail to insure. ***Violating a stop order will result in a mandatory penalty of \$1,000 for each day an employer uses employee labor without insurance.*** A stop order penalty is in addition to the failure to insure penalty and any financial obligation for uninsured injuries.

**DON'T RISK IT
Call Your Agent—Get a Policy Now!**

Employees and Others

Contact the Special Investigations Unit today if you suspect an employer is uninsured or if you would like to check an employer's policy status.



State of Alaska Department of Labor Workers' Compensation Division Special Investigations Unit Locations

Anchorage

3301 Eagle Street, Suite 301
Anchorage, AK 99503
(907) 269-4002 Main
(907) 269-2013 Fax

Fairbanks

675 Seventh Avenue, Station J
Fairbanks, Alaska 99701
(907) 451-2932 Main
(907) 451-2883 Fax

Juneau

P.O. Box 115512
1111 W. Eighth Street, Suite 305
Juneau, Alaska 99811-5518
(907) 465-5875 Main
(907) 465 2797 Fax

**Workers' Compensation
Fraud Hotline:
1-888-372-8330
E-mail Reporting:
wcfraud@labor.state.ak.us
Website Information:
<http://labor.alaska.gov/wc>**



STATE OF ALASKA

Workers' Compensation Division



Information for Alaska
employers and anyone who
suspects fraud

Alaska Department of Labor
Workers' Compensation Division
Special Investigations Unit

Workers' Compensation Fraud Employer Failure to Insure

What do you know about Alaska Workers' Compensation Laws and Regulations?



Employers have a legal responsibility to their employees to make the workplace safe. Still, accidents happen even when every reasonable safety measure is taken. The Alaska Workers' Compensation Act requires Alaska employers to

purchase and maintain workers' compensation insurance policies to cover all employees. The policies pay the cost of benefits resulting from work-related injuries and illnesses, which may include a percentage of lost wages, medical expenses, impairment, and reemployment benefits. When employers do not have the required insurance (because it was never purchased, or because it expired, or because it was cancelled for nonpayment of premium or failure to comply with an audit) **the employer must directly pay all benefits** an insurance company would have paid if a policy was in place.

Workers' compensation insurance is NOT included as a "package deal" with any other type of business insurance. It must be purchased as a separate policy from a commercial insurance carrier licensed to insure in Alaska. Employers should contact their insurance agent or broker for assistance to acquire a policy. Premiums are based on payroll, business risk, and loss history. Complaints regarding premiums are handled by the Division of Insurance, (907) 465-2515.

"But It's Just a 'Family' Business" and/or "Our Friends Just 'Help Out' Sometimes"

Family members and friends of all ages who work for an Alaska business must be covered by workers' compensation insurance. The only exceptions are if the friend or family member is a partner in the business, a member of the limited liability company, or a director/officer of the corporation who has obtained an executive waiver from the Alaska Workers' Compensation Division. Whether or not wages are paid is not proof of employee status. Employee status is determined under 8 AAC 45.890.

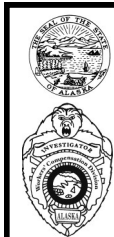


Out of State Employers and/or Employees

Out-of-State employers conducting business in Alaska with employees must bind an **Alaska** workers' compensation insurance policy. This is true even when employees travel to Alaska from another state, and when the job is temporary. Workers' compensation insurance policies bound in other states do not meet the requirements of AS 23.30.075. Without exception, the State of Alaska must be identified as a covered state on the policy for all time periods any employee is physically working in Alaska.

How Do I Know If An Employer Is Insured?

Every employer is required to post notice of insurance in three places on the business premises. Employees and anyone hiring a business that utilizes employee labor are entitled to request workers' compensation coverage information from the employer. Anyone may also contact the Alaska Workers' Compensation Division Special Investigations Unit to verify coverage.



STATE OF ALASKA
Department of Labor
Workers' Compensation
Special Investigations Unit

Main Office (907) 269-4002

Preventing and Reporting Fraud

Workers' compensation fraud is a serious problem committed by employees, employers, health care providers, and adjusters. Suspected employee fraud should be reported to the insurance carrier or the Alaska Workers' Compensation Special Investigations Unit. Suspected employer, health care provider, or adjuster fraud should be reported to the Alaska Workers' Compensation Special Investigations Unit. Possible fraud includes:

Claimant/Employees

- Working while receiving benefits
- Claiming job-related injury that never occurred
- Claiming non-work injury as work-related
- Falsifying injury expense reports
- Selling prescription medications

Employers

- Underreporting payroll
- Misclassifying employees
- Deducting premiums from employee wages
- Asking employees to "waive" workers' comp

Healthcare Providers

- Unnecessary testing or treatment
- Billing for services/treatment never performed

Insurance Adjusters

- Providing false or misleading information related to a workers' compensation benefit



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Website: <http://labor.alaska.gov/wc>