

WYOMING WORKERS' COMPENSATION

**Presented by the Wyoming
Department of Workforce Services**



OVERVIEW

Workers' Compensation is funded by premiums paid by employers to provide coverage for lost wages and medical bills when an on the job injury occurs.

In exchange, employers receive the benefit of reduced medical costs and are protected against lawsuits from the injured party, as outlined in **Wyo. Stat. Ann. § 27-14.104. “Exclusive Remedy”**



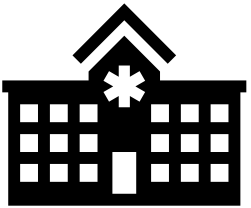
All employers doing business in Wyoming need to register with Workers' Compensation(WY §27-14-207(a)). From this registration, it is then determined what NAICS code the employment falls under and whether it is required or optional coverage under **Wyo. Stat. Ann. §27-14-108.**

All required NAICS codes must have WC coverage through the state fund.

Workers' Compensation is outlined in **Wyo. Stat. Ann. §§ 27-14-101 - through 27-15-103.** This is referred to as “The Act.”



WORKERS' COMPENSATION PROGRAMS



CLAIMS

- Fraud Unit
- Medical Case Management



EMPLOYER SERVICES/ PROVIDER SERVICES



WORKERS' COMP. SAFETY CONSULTANTS



RISK MANAGEMENT



CLAIMS



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- ✓ **Claims Adjusters complete compensability determinations, review medical claims, and make indemnity payments for individuals who are injured on-the-job while working for a covered employer.**
 - ✓ **Work with treating doctors and other medical staff in an effort to return the injured party back to gainful employment when possible.**
 - ✓ **A Medical Case Management Unit, consisting of registered nurses provides case management services to injured workers, outreach services to employers, and researches and documents medical advice. This Unit also monitors the purchase/rental of durable medical equipment, including orthotics and prosthetics, and works closely with the Medical Commission to develop rules, practices, and procedures as well as the approval of medical procedures.**
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EMPLOYER SERVICES/ PROVIDER SERVICES



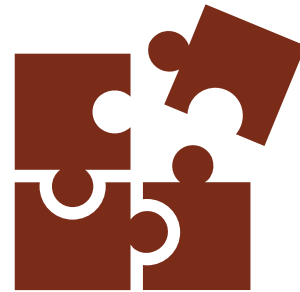
The Employer Services/Policy staff is responsible for registering all employers liable for Workers' Compensation premiums in Wyoming. This program performs the following functions:

- ✓ Reviews Workers' Compensation joint registrations**
- ✓ Processes quarterly and monthly payroll reports for Workers' Compensation**
- ✓ Collects Workers' Compensation premiums**
- ✓ Approve extraterritorial coverage for Wyoming employers who work in other states**
- ✓ Issue certificates of good standing**
- ✓ Point of contact for non-resident employers to notify Workers' Compensation of their employees working in Wyoming and send their extraterritorial coverage certifications to the Division**
- ✓ Employer Rate setting by NAICS (North American Industry Classification System) code**



WORKERS' COMPENSATION PREMIUMS

**INDUSTRY/
BASE RATE** + **EXPERIENCE
MODIFICATION
RATING**



EXPERIENCE MODIFICATION **RATING**



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- ✓ **Adjusts the industry base rate up or down depending on the three year experience history of an employer.**
 - ✓ **Produces a premium cost that is the best indicator of an employer's future risk for accidents.**
 - ✓ **Takes into account the unique safety record of an employer.**
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WORKERS'
COMPENSATION
SAFETY AND RISK



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- ✓ **WCSR's mission is to promote and support a safety culture with all employers registered and in good standing with Wyoming Workers' Compensation.**
 - ✓ **Safety Specialists provide health and safety consultation, hazard identification, and hazard reduction plans for Wyoming's employers. They assist businesses in understanding what they need to do to be qualified for safety discounts with Workers' Compensation and to reduce premiums.**
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RISK MANAGEMENT



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- ✓ **Risk Management works closely with the Safety Specialists to provide a collaborative resource for employers. Risk Management focuses on educating and assisting employers to better understand their policies, history of workplace injuries, and overall Workers' Compensation coverage.**
 - ✓ **The Risk Management team promotes, administers and manages employer discount programs and the Safety Improvement Fund(SIF).**
 - ✓ **Employer discount and the SIF programs are outlined in **Wyo. Stat. Ann. § 27-14-201(o), 9-2-2608**, and in Workers' Compensation Rules & Regulations, Ch. 2 & Ch. 11.**
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WHAT IS AN EMPLOYER?



Employer is defined under *Wyo. Stat. Ann. § 27-14-102(a)(viii)* as any person or entity employing an employee engaged in any extra hazardous occupation or electing coverage under *Wyo. Stat. Ann. § 27-14-108(j) or (k)* and at least one (1) of whose employees is described in *Wyo. Stat. Ann. § 27-14-301*.

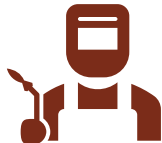


WHO IS REQUIRED TO CARRY WORKERS' COMPENSATION COVERAGE IN WYOMING?

REQUIRED

Any employees performing work in hazardous sectors, subsectors, or industries defined in **Wyo. Stat. Ann. § 27-14-108**

- ✓ Dependent on classification in North American Industry Classification System (NAICS) manual



OPTIONAL

Any employee performing work in an industry NAICS code that is not specifically defined in **Wyo. Stat. Ann. § 27-14-108**



EXAMPLES

(A) Agriculture, sector 11

Subsector 113, Forestry and Logging:

Industry group 1133, logging

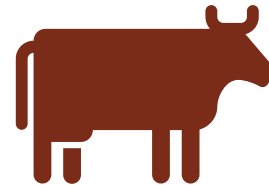
REQUIRED

Forestry and logging



OPTIONAL

**Agriculture involving animal
production or crop production**



RETAIL EXAMPLES



REQUIRED

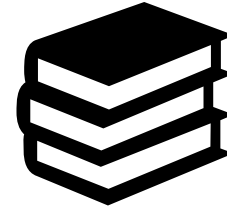
- ✓ Warehouses (NAICS code 493000)
- ✓ Gas Stations (NAICS code 447000)
- ✓ Auto Parts Stores NAICS Code 441000

OPTIONAL

- ✓ Grocery Stores (NAICS code 445110)
- ✓ Supercenters (NAICS code 452000)



SCHOOL DISTRICTS



School Districts are not specifically enumerated under **Wyo. Stat. Ann. § 27-14-108(a)(N)**, Educational Services.

However, per **Wyo. Stat. Ann. § 27-14-108(d)**, this act applies to governmental entities engaged in an industrial classification listed under subsection (a), and to employees of governmental entities engaged in or employed under certain parameters. Some of these parameters apply to certain school district employees (i.e., custodial staff, maintenance workers, grounds crews, and some teachers).



EMPLOYER STATISTICS

TOTAL COVERED EMPLOYERS 16,613



REQUIRED COVERAGE

- **TOTAL 11,319**
- **NON-RESIDENT TOTAL 3,021**
- **AVERAGE ANNUAL PREMIUM PER EMPLOYER= \$12,212.47**
- **TOTAL PREMIUM SFY20=\$138,452,732.02**

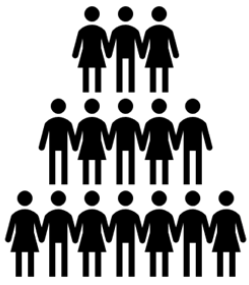
OPTIONAL COVERAGE

- **TOTAL 5,294**
- **NON-RESIDENT TOTAL 2,219**
- **AVERAGE ANNUAL PREMIUM PER EMPLOYER \$7,342.05**
- **TOTAL PREMIUM SFY20=\$38,949,561.76**

TOTAL ANNUAL PREMIUM COLLECTED \$177,402,293.78



NOTE: Data is from WC system 4/1/20 through 3/31/21



EMPLOYEE STATISTICS

TOTAL WC COVERED EMPLOYEES FOR 2020 = **256,333**
WY EMPLOYMENT NUMBERS FOR 2020 = **279,462**

Difference = 23,129

REQUIRED COVERAGE

- TOTAL 179,074

OPTIONAL COVERAGE

- TOTAL 77,259

NOTE: WY employment number of 279,462 is an average of annual people employed in WY during 2020. Source: Local Area Unemployment Statistics(LAUS).



TOP OPTIONAL NAICS THAT ELECT COVERAGE & ANNUAL PAYROLL

611000 Educational Services at \$394,005,563.34

522100 Depository Credit Intermediation (banks, FCU's) at \$245,695,953.95

541200 Accounting, Tax Prep, Bookkeeping, and Payroll Services at \$238,126,122.92

**423000 Merchant Wholesalers, Durable Goods(shoes/clothes, hardware, lumber--
things we use) at \$212,345,895.19**

561000 Administrative and Support Services at \$141,627,102.10

**424000 Merchant Wholesalers Non-Durable Goods(grocery stores and things we
consume) at \$110,650,424.66**



TOP OPTIONAL NAICS THAT DO NOT ELECT COVERAGE

- **624120- Establishments that provide services for the elderly & disabled. (179)**
- **541511- Custom Computer Programming Services (100)**
- **561110-Office Administrative Services (83)**
- **541611- Administrative & General Management Consulting Services(79)**
- **541512- Computer Systems Design Services (72)**

In all, 3,150 business registered with the Division in SFY20. Roughly 1,900 of them did not elect coverage through the State Fund.

NOTE: The Division is not able to provide payroll on these companies as they are not required to file payroll reports if the do not elect coverage.



SELF INSURED

- **WY has no statutory provision for “self insurance” regulation or enforcement.**
- **WY Statute §27-14-108(j) outlines optional coverage for non-hazardous industries. What “optional” employers do for WC coverage is their choice.**
- **Example: Big box retail store is optional coverage under WY statute. Typically they have a national coverage policy through a third party administrator(TPA). Some may even have their own internal coverage, i.e. they underwrite themselves because they are financially able to do so.**



POTENTIAL GAPS IN COVERAGE

- Any NAICS class that is considered “optional” coverage under the statute.
- In 2020, some of the sectors with the most employees in the optional NAICS classifications:
 - 42300 Merchant Wholesalers(durable goods) = 4,795 employees
 - 42400 Merchant Wholesalers(non-durable)= 2,750 employees
 - 624120- Elderly & Disabled Services = 3,290
 - **TOTAL EMPLOYEES = 10,754**



REQUIRED REPORTING

- Pursuant to WY statute §27-14-201(e)(iii), the WC Division provides an annual actuarial opinion report for the workers' compensation fund to the Joint Labor, Health and Social Services Committee by November 1 of each year.
- Per §27-14-201(c) the Division reports the proposed workers' compensation annual base rate adjustments by October 1 of each year.



STATE COMPARISONS



- ✓ In [North Dakota, WSI](#) is the sole provider and administrator of workers' compensation. WSI is an exclusive employer-financed, no-fault insurance system covering workplace injuries, illnesses, and death.
- ✓ Law does not allow private insurers to underwrite workers' compensation insurance.
- ✓ Workers' Compensation law, with limited exceptions, requires all employers to insure all employees including full-time, part-time, seasonal, and occasional workers before employees begin working.



- ✓ [Washington Labor & Industry](#) does not allow private workers' compensation coverage. You must purchase your coverage from L&I or be a certified self-insured employer.
- ✓ Allows for certified self-insurance based on financial health of the company.



- ✓ [The Ohio Bureau of Workers' Compensation](#) requires all employers with one or more employees must, by law, have workers' compensation coverage. Coverage for Ohio employers and their employees becomes effective when BWC receives a application and \$120 application fee.
- ✓ Self Insurance is a privilege offered if the employer meets certain financial criteria.

QUESTIONS?

