

## Fact Sheet

### What is workers' compensation?

The workers' compensation system began as a bargain between workers and employers. Employers provide no-fault insurance against workplace injuries and, in return, are not subject to lawsuits that could be filed by employees who get hurt or sick because of work.

### Who is the Division of Workers' Compensation (DWC)?

DWC oversees the administration of claims and runs the workers' compensation court system that helps resolve disputes over benefits.

#### DWC's 24 statewide offices provide resources for employers and workers:

- DWC's Information and Assistance (I&A) Unit helps all parties understand their rights and responsibilities.
- I&A services are free of charge.

### What are workers' compensation benefits?

- **Medical care:** Prompt and effective medical treatment.
- **Temporary disability benefits:** Payments employee receives if they can't work while recovering.
- **Permanent disability benefits:** Payments employee receives if they don't recover completely.
- **Supplemental job displacement benefits (SJDB):** Vouchers to help pay for retraining or skill enhancement if employee doesn't recover completely and doesn't return to work.
- **Return-to-Work Supplement Program:** Employees injured on or after January 1, 2013, who have received a SJDB voucher, may also qualify for an additional one-time \$5,000 payment.
- **Death benefits:** Payments to employee's children or other dependents if employee dies from a job injury or illness.

### Employers must have workers' compensation insurance

California law requires employers to have workers' compensation insurance, even if they have just one employee. Employers should shop around for an insurance carrier that best meets their needs. Cost is one consideration, but other factors include services provided, ease of access to claims adjusters and the doctors in the network.

- Failing to have workers' compensation insurance is a criminal offense.
- Employees cannot pay or offset the cost of the policy.
- Benefits cover all workers, including part time employees.
- It's illegal to punish or fire an employee for filing a workers' compensation claim.



*Minimizing the impact of work-related injuries and illnesses.*



*Helping resolve disputes over workers' compensation benefits.*



*Monitoring the administration of claims.*

## How to obtain coverage

- Purchase a policy through an agent or broker from any licensed insurer authorized to write policies in California.
- Or become self-insured:
  - Qualify through an application process, meet specific financial requirements and be approved by the director of the Department of Industrial Relations.
  - Group self-insurance provides a way for smaller employers to become self-insured by pooling resources to meet financial requirements.

## What to do if an injury occurs

- Provide a claim form (DWC form 1) within one working day of finding out about an injury or illness.
  - Complete employer portion of the returned claim form and give a copy to the employee.
- Complete form DLSR 5020 and send to the claims administrator within five days of knowing about the injury or illness.
- Stay involved and maintain an open dialogue with the employee – don't assume the claims administrator is taking care of everything.

## Helping your employee return to work

Getting employees back to work after an injury is one of the most important things an employer can do. Injured workers recover faster and suffer less wage loss and employers maintain the value of the investment they've made in employees. Return to work regulations provide an incentive for employers with 50 or more employees to bring employees back to work quickly.

*The information contained in this is general in nature and is not intended as a substitute for legal advice. Changes in the law or the specific facts of your case may result in legal interpretations different than those presented here.*



Call 1-800-736-7401 for more information about workers' compensation or go online to [www.dwc.ca.gov](http://www.dwc.ca.gov) for additional resources.