

The Benefits of Workers' Compensation Insurance for Contractors and Their Employees

Construction Work Comes with Real Risk

From electrical hazards to heavy equipment and falls from heights, construction job sites present daily risks. Workers' Compensation insurance helps protect both contractors and their employees when injuries occur.

What Is Workers' Compensation Insurance?

Workers' Compensation insurance provides benefits to employees who are injured or become ill as a result of their job. In most states:

- Businesses with employees are required by law to carry Workers' Compensation insurance
- Injured employees file a Workers' Comp claim instead of suing their employer
- The insurance policy covers eligible benefits based on state regulations



How Workers' Compensation Protects Contractors



Limits Legal Exposure

In most cases, Workers' Compensation benefits serve as the employee's exclusive remedy, meaning employees typically cannot sue their employer for workplace injuries.



Manages Financial Risk

Without Workers' Comp, medical bills, lost wages, and legal expenses could severely impact a contracting business.

How Workers' Compensation Protects Employees

When a workplace injury or illness occurs, Workers' Compensation provides important support, including:



Wage Replacement

Partial income replacement while the employee recovers and cannot work



Death Benefits

Financial support for dependents if a workplace accident results in a fatality



Disability Benefits

Additional support if an injury results in temporary or permanent disability



Medical Care

Doctor visits, hospital treatment, surgery, rehabilitation, and medication related to the injury



Vocational Rehabilitation

Training or job placement assistance if an employee cannot return to their previous role

How Workers' Compensation Premiums Are Calculated

Workers' Comp premiums are primarily based on three factors:

Payroll

Premiums are typically calculated as a **rate per \$100 of payroll**

Job Classifications

Each type of work has a **classification code** based on its risk level. Rates vary depending on historical injury data for each trade

Experience Modification Factor (X-mod)

The X-mod adjusts premiums based on a company's claims history

Below 1.0:

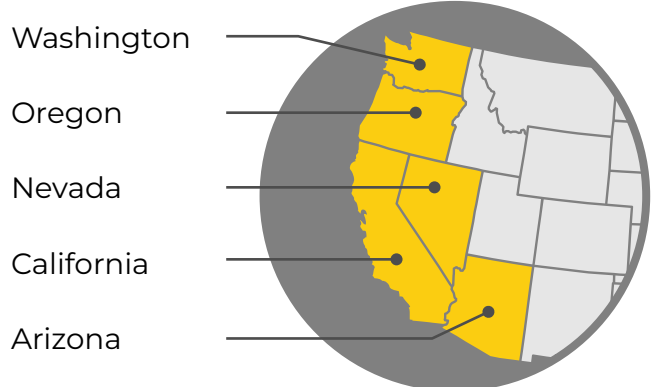
Fewer or less severe claims (may reduce premiums)

Above 1.0:

Higher claim frequency or severity (may increase premiums)

Workers' Compensation Solutions for Contractors

CCIS helps contractors secure Workers' Compensation coverage across:



Coverage solutions are designed to support contractors as your workforce, project size, and business operations grow.

A Ghost Policy is also available. It's a Workers' Compensation policy issued to contractors who have no employees and no payroll. It does not provide coverage but serves as proof of Workers' Compensation insurance for licensing or contractual requirements.

Protect Your Workforce and Your Business

Workers' Compensation insurance helps ensure that employees receive the care they need while protecting contractors from costly claims and legal exposure. With the right coverage in place, contractors can focus on what they do best: ground-up builds, renovations and repairs, and maintaining infrastructure in the community.

Contact Us for a free Workers' Compensation quote:
(800) 432-2641

NOTE: The insuring agreement in a policy sets out the covered perils, assumed risks, and nature of coverage that the insurance company provides to its insured in exchange for the premiums paid. Thus, the policy's terms and conditions will determine whether coverage exists and the nature of any potential benefits.