

U.S Workers' Compensation Risk Insurance FAQs



What is Workers' Compensation Insurance?

Workers' compensation insurance is a statutory benefit governed by the laws of each state. Benefits are provided to employees who sustain a work-related illness, injury or death. Workers' compensation generally pays regardless of fault. However, the injury must arise out of and in the course and scope of employment.

What does Workers' Compensation coverage provide?

Although statutory benefits vary from state to state, typically workers' compensation benefits are made up of four major categories: disability income, medical expenses, vocational rehabilitative services and death benefits.

How much will I get paid for time off work due to a Workers' Compensation claim?

The workers' compensation temporary total disability (TTD) rate varies by state. For the majority of states, the TTD rate is calculated at 66 2/3% of the pre-injury gross average weekly wage. Most states also have a waiting period that must be met before an injured employee is eligible to receive TTD benefits. The waiting period can be between three to seven days. The employee may be eligible for reimbursement of the waiting period if the time lost exceeds the retroactive period (anywhere between seven days to six weeks).

How do I report a Workers' Compensation claim?

Employees are required to notify their supervisor of their work injury immediately. The supervisor must then report the injury to the Cummins third party claims administrator (TPA) or the state workers' compensation division (in monopolistic states such as ND, OH, WA and WY) within 24 hours.

What medical services does Workers' Compensation pay for if I am injured?

Workers' compensation will pay for necessary medical care for a work-related injury or illness as prescribed by law in the state of employment. This can include but is not limited to hospital services, physician office visits, rehabilitative therapy, prescriptions, etc.

How long do Workers' Compensation benefits continue?

State laws dictate the criteria required to maintain eligibility for workers' compensation benefits as well as the maximum benefits owed to an injured employee.

If my Workers' Compensation claim is denied, what are my other coverage options?

CMI employee's covered by other benefits such as sick leave, disability, personal leave, health care, and retirement contributions may still have access to those benefits upon the denial of a workers' compensation claim or until final resolution of an appeal (if the denial is disputed) is reached.