

Workers Compensation Insurance Requirement FAQ

Does CAI require Worker's Compensation Insurance for their suppliers?

CAI requires our suppliers to carry workers comp insurance, no matter the size of the company. While some states may have lower insurance requirements than CAI does. CAI prioritizes protecting ourself and our clients from risk by ensuring that our suppliers are adequately covered for the work they will be engaging in.

The workers comp requirement states "in compliance". What does that mean?

Workers Compensation insurance is a state mandated coverage required of employers once they hit a certain number of employees. The law varies from state to state and depends on what state you and your employees are working from. To be "In compliance" you must meet the state's requirements. We recommend you contact your insurance agent for further information.

Do I need workers compensation insurance even if I don't have any employees?

Your home state may not require you to carry workers comp insurance if you have no employees, however, **CAI does require you to have this type of coverage in place**. Most private health insurance excludes work related injury. Therefore, if a sole proprietor is injured "on the job" their health insurance provider could seek subrogation against your firm's worker's comp policy. If your firm lacks a worker's comp policy, your health insurance company could then attempt reimbursement from CAI or our client.

Additionally, CAI doesn't have insight into your company's growth, and you could potentially hire employees at some point in the future. Requiring worker's comp coverage keeps CAI and our clients protected in case a worker is injured on the job.