

printed from the web site. It is unlawful for a contractor to provide fraudulent information pursuant to section 287.061, RSMo.

**Employees covered under the law:**

The definition of “employee” includes both full and part-time employees, and includes every person in the service of an employer under any contract of hire, express or implied, oral or written, or under any appointment or election, including executive officers of a corporation. The definition of “employee” does not include the owner and operator of a motor vehicle which is leased or contracted with a driver to a for-hire motor carrier operating in a commercial zone or operating under a certificate issued by the Missouri Department of Transportation or by the U.S. Department of Transportation, or any of its sub agencies.

**Coverage for family members:** The Law does provide that certain close family members of employers may be withdrawn from coverage, although they remain “countable” employees, meaning they still count toward the five or more or one or more criteria in the Law. However, this is only available if the business is a sole proprietorship or a partnership. Corporations or LLC’s do not have family members. (§§287.030.1(3) and 287.035.6, RSMo).

**Coverage for the self-employed:** Sole proprietors and partners are themselves not covered unless they individually elect to purchase workers’ compensation insurance. If the only people working in a

business are either the sole proprietors or the partners, then workers’ compensation insurance is not required by the Law, although it may be purchased voluntarily as indicated in §287.035, RSMo.

**Report fraud and non-compliance:** If you suspect fraud or non-compliance with the Law, you may call the DWC’s Fraud and Non-Compliance Unit at 800-592-6003. The Unit will investigate and may refer the results of its investigation to the Attorney General’s Office for possible criminal prosecution.

**Please Note:** *disputes between a workers’ compensation insurance policy holder and an insurance company are under the jurisdiction of the Missouri Department of Insurance, Financial Institutions and Professional Registration’s Property and Casualty Section.*

**Contact Information**

**Missouri Division of Workers’ Compensation (Central Office)  
P.O. Box 58**

Jefferson City, MO 65102  
Phone: 573-751-4231  
Website: [www.labor.mo.gov/DWC](http://www.labor.mo.gov/DWC)

**Customer Service Unit  
(call to see if you are covered)**  
Information Line: 800-775-2667  
Email: [workerscomp@labor.mo.gov](mailto:workerscomp@labor.mo.gov)

**Fraud and Noncompliance Unit**  
P.O. Box 1009  
Jefferson City, MO 65102  
Toll Free: 800-592-6003

**Missouri Department of Insurance,  
Financial Institutions and Professional  
Registration**  
Property and Casualty Section  
P.O. Box 690  
Jefferson City, MO 65102  
Phone: 573-751-3365  
*(Please call DIFP with questions relating  
to policy and premium information.)*

*Missouri Division of Workers’ Compensation is  
an equal opportunity employer/program. Auxiliary  
aids and services are available upon request to  
individuals with disabilities.  
TDD/TTY: 800-735-2966 Relay Missouri: 711*

# Workers’ Compensation Requirements

*For the Missouri  
Construction Industry*

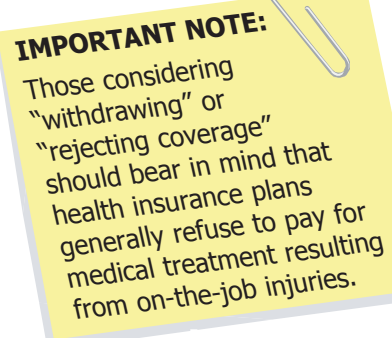


A guide for employers in high-hazard industries to better understand the laws protecting the rights of injured workers.

The Missouri Department of Labor's Division of Workers' Compensation (DWC) is responsible for administering and enforcing the Missouri Workers' Compensation Law which protects employees in the event of on-the-job injuries.

## Employer Roles and Responsibilities

**Employers liable under the Law:** In the state of Missouri, employers with five or more employees are required to carry workers' compensation insurance. Employers in the construction industry with one or more employees who erect, demolish, alter or repair improvements must carry workers' compensation insurance. Employers cover their liability for on-the-job injuries sustained by their employees usually through the purchase of a workers' compensation insurance policy. Some employers join with others to form "group self-insurance trusts" and some employers qualify to be "individually self-insured." It is a criminal offense to operate a business without having the required insurance, and it may also expose an employer to civil liability. If a business is organized as a corporation or a limited liability company (LLC), the corporation or LLC is regarded as the "employer" who is subject to the requirements of the Missouri Workers' Compensation Law. All the persons who work for the corporation



**IMPORTANT NOTE:** Those considering "withdrawing" or "rejecting coverage" should bear in mind that health insurance plans generally refuse to pay for medical treatment resulting from on-the-job injuries.

or LLC are considered its employees even if such persons are the owners or executive officers of the corporation or members of the LLC.

**Corporation Exemption Requirements:** A corporation may elect to withdraw from the workers' compensation requirements if there are no more than two owners of the corporation who are also the only employees of the corporation. The corporation should contact the Division's Customer Service Unit (*see contact information on the back of this pamphlet*) to obtain further information on the paperwork that needs to be submitted to file the notice of election to be withdrawn.

**"S" Corporations:** Effective January 1, 2018, a shareholder in an "S" Corporation (as defined by Section 143.471.1, RSMo) who owns at least 40% of the outstanding stock in that corporation may individually reject workers' compensation insurance coverage for himself or herself by giving written notice of such rejection to the corporation and its workers' compensation insurer. There has been no change in the law generally requiring workers' compensation coverage to be in force on all construction industry employers (those who erect, demolish, alter or repair improvements) if they have even one employee. So, if the "S" corporation is operating in the construction industry, there still must be a workers' compensation insurance policy in force on the corporation itself (and on any of its employees who are not eligible to reject individual coverage on themselves) unless the corporation has

no more than two owners who are also the corporation's only employees and it has notified the Division of Workers' Compensation that it has withdrawn from the provisions of the Missouri Workers' Compensation Law- as explained earlier in this pamphlet.

**Limited Liability Company Coverage Requirements:** An LLC, as defined in section 347.015, RSMo, needs to obtain coverage for the employees of the LLC so long as the LLC is an employer who is subject to the requirements of the workers' compensation law. The LLC is required to carry coverage even if all employees are members. While members of the LLC are provided coverage, such members may individually elect to reject such coverage by providing a written notice of such rejection on a form developed by the Department of Insurance, Financial Institutions and Professional Registration to the LLC and its insurer. The form may be found at [www.insurance.mo.gov/industry/forms/LLC-WC.pdf](http://www.insurance.mo.gov/industry/forms/LLC-WC.pdf). A member who elects to reject such coverage shall not thereafter be entitled to workers' compensation benefits under the policy, even if serving or working in the capacity of an employee of the LLC. The member may rescind his/her rejection of coverage.

**General and Subcontractor Coverage Relationship:** A general contractor can require subcontractors to carry workers' compensation insurance. Generally, the Law says that the general contractor is liable for any injuries sustained by uninsured subcontractors or their uninsured employees (§287.040, RSMo). Because of this, the general contractor's insurer

will charge an additional premium if the subcontractor cannot provide proof of coverage, even if the subcontractor has no employees. If the general contractor says he/she will not hire the subcontractor unless he/she has a policy and insures him/herself, the subcontractor would need to buy a policy covering his/her business or him/herself or work for a general contractor who does not make this a requirement.

**Providing proof of coverage when applying for a city or county business license:** This requirement was placed in Law by the Legislature in 1993 for any business that is a "contractor in the construction industry." Any city or county that issues an occupational or business

### Verifying Proof of Coverage

Check to see if an employer or subcontractor has current workers' compensation coverage by calling 800-775-2667. Have the following information on hand: name of employer, employer's federal ID number, and the location of the employer. If the employer is a franchise, please provide the name of the company that owns and operates the business.

license for a contractor in the construction industry is required to obtain proof of insurance coverage or have the completed affidavit of exemption submitted by the contractor. The DWC has developed a form titled, "Affidavit of Exemption for Workers' Compensation Insurance Pursuant to §287.061, RSMo" that can be