

Are Your School Executives Covered on Your Workers' Compensation Policy?

Employers in New York State are required to provide Workers' Compensation Insurance coverage for their employees. What is not widely understood is that there are areas in the New York State Workers' Compensation Law that actually exclude coverage for certain occupations and classification of employees. By default, these employees are not covered under a workers' compensation insurance policy without the proper notification to the insurance carrier and Workers Compensation Board.

One particular employee classification of note are executive officers of religious, charitable or educational corporations which typically includes a school's traditional governing body. Section 54 subdivision 6 of WC Law specifically excludes these individuals from having coverage under the organization's policy. In addition to board meetings, these members may often be involved with other organizational operations including visiting locations to oversee programs, fundraising events or travel to industry specific training or education conferences. The fact is without the proper request to bring these individuals under the organization's WC policy, there would not be coverage if they are injured in their role as your organization's executive officer.

How do we add this coverage to the policy?

The NY Workers Compensation Board has a form U-431 which is used when a religious, charitable or educational organization elects to bring their executive officers under their workers' compensation insurance policy coverage. By completing and filing this form with the State Insurance Fund, the individuals listed on the form would be included on your insurance policy.

NOTE: These individuals are listed by name on the U-431 form. Once filed, if there are any changes to the board members of your

organization, a revised U-431 form needs to be completed and submitted.

For Public School Districts, form U-435 is used to add coverage for the School Board. They are listed by Title only and a new form does not have to be submitted if there is a change in Board membership.

For unpaid executive officers, the basis used to determine premium is \$100 in payroll annually per individual. This payroll is usually applied to the 8809 class code rate.

For any salaried executive officers, the payroll exposure used to determine policy premium would be based on the NY Compensation Insurance Rating Board's minimum and maximum payroll schedules for executive officers. If your organization would like to add their executive officers under the coverage of your NYSIF/School Safety Group 491 workers' compensation policy, please access the U-431 or U-435 forms.

If there are any questions regarding this article or completing the required forms, please contact our office at: FRM@fleuryrisk.com.

