

# CELLY SERVICES, INC.

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Environmental, Health and Safety Services

## Workers Compensation Compliance in California

December 15, 2002

### WORKERS' COMP UPDATE

Recent changes in the Workers' Compensation (W/C) laws in the state of California have led to an increase in compensation to employees beginning in 2003. We discussed some of these matters in our April 2002 Newsletter. Many administrative changes including some posting and notification matters are also part of this sweeping legislation. We seriously recommend that the dealership contact its W/C insurance company and review these requirements as soon as possible to avoid the violations of regulations and subsequent assessment of fines. We briefly discuss some of the regulatory requirements here in this memo.

#### Employer Notice Posting Requirements (Labor Code 3550):

**A.** The employer must post and keep posted the name of its workers' compensation carrier or if self-insured, that fact and the name of the entity adjusting the claims. Some of the self-insured have not complied with this requirement and should do so immediately.

**B.** Post in non-technical language, advice as to the injured employee's right to receive medical care, to select or change the treating physician, and the right to receive temporary disability indemnity, permanent disability indemnity, vocational rehabilitation services, and death benefits, as appropriate; the notice shall also identify to whom injuries should be reported and the location and telephone number of the nearest information and assistance officer. Posters in English and Spanish are available from California Workers' Compensation Institute (CWCI) and they must be posted on the employee notice board after completion. CSI clients can contact us at (562) 704-4000 for a free set of posters.

**C.** Employer failure to comply with respect to posting requirements automatically permits the employee to be treated by his or her personal physician with respect to an injury occurring during that failure. We at CSI believe that while compliance with posting requirements is easy, non-compliance can be a costly headache. For example, failure with requirement A above constitutes a misdemeanor and prima facie evidence of no insurance!

#### Employee Notification Requirements (Labor Code 3551):

Every employer subject to compensation provisions must give every new employee at the time of hire or within the first pay period written notice of information contained in Section 3550, as noted above. We recommend that a note be included in the new hire package that includes the information above. Copies of the posters from CWCI duly completed should suffice as an enclosure to the new employee package or preferably, a written documentation on this matter from the W/C insurer.

#### Employee Notification Requirements (Labor Code 3553):

Any employee who is a victim of a crime that occurred at the employee's place of employment be provided with written notice, within one working day that the employee is eligible for W/C for injuries, including psychiatric injuries that may have resulted from crime. We believe that a written notice to the affected employee by hand or first class mail should suffice. Please contact our office for a draft letter.

The article was authored by Sam Celly of Celly Services, Inc. Sam has been helping automobile dealers comply with EPA & OSHA regulations in California, Nevada, Arizona, Hawaii & Idaho since 1987. Sam received his BS & MS in Chemical Engineering followed by a JD from Southwestern University. Sam is a Certified Safety Professional & a Registered Environmental Assessor (CA). Your comments/questions are always welcome. Please send them to [sam@cellysolutions.com](mailto:sam@cellysolutions.com).