Numerous factors bring out of state contractors to Florida for various projects. Our proximity to several neighboring states, and hurricane damage, drive employers into Florida for work.

Before working in Florida, a contractor should notify their home state workers’ compensation insurer to update their policy and ensure the policy will cover them while working in Florida. If the contractor does not have workers’ compensation in their home state, they are required to obtain Florida workers’ compensation insurance through a licensed Florida insurer prior to commencing work in Florida. In both circumstances, the employer’s policy should list Florida, specifically in Section 3A of the Information Page.

There are special provisions for employers with policies in their home state wanting to work temporarily in Florida. If the home state allows extraterritorial reciprocity, the home state coverage will be honored in Florida temporarily and any injury will be provided the same benefits by the insurer as if the injury had occurred in the home state. Florida defines temporary as 10 consecutive days or 25 days within a calendar year. Florida currently shares reciprocity with over 20 states. More information can be found on our website at: https://www.myfloridacfo.com/division/wc/Employer/coverage.htm.
District Spotlight: Miami-Dade

The Miami field office, also known as District 5, has seven Investigators working throughout Dade and Monroe counties. With the number of high-rise buildings, new single-family homes, remodeling construction, and storefronts, the investigative staff of District 5 has a variety of workers’ compensation compliance investigations to keep them busy.

To combat fraud and provide valuable insight about compliance in Miami-Dade, a joint task force is composed of Workers’ Compensation Compliance Investigators, Compliance Supervisors, and Investigative & Forensic Services Fraud Detectives and Lieutenants.

The task force conducts quarterly construction sweeps throughout Miami-Dade, with the last one occurring June 4-5. The Miami team visited construction sites in Miami Beach, Pinecrest, Coral Gables, and South Miami. The team stopped at 59 active construction sites, investigated 92 employers, issued 18 enforcement actions, and made 7 arrests. Our joint efforts with Fraud Detectives resulted in a very productive sweep. With the high number of non-compliant businesses, the District will continue to plan and execute more sweeps targeting uninsured and unlicensed contractors.

Exemptions: Don’t Be Denied

The Exemption Unit receives and processes approximately 15,600 exemption applications per month through the online application system. Unfortunately, an average 391 of these applications are denied because the applicant is not eligible under Florida law to obtain the exemption.

Once an application is denied, the applicant must submit a new application (and another $50.00 processing fee if required) if they wish to obtain the exemption.

Below are the top reasons applications are denied by the Exemption Unit:

- The business is not listed and active with the Division of Corporations.
- The applicant is not a listed owner of the corporation.
- The applicant is associated with an active Stop-Work Order (SWO) or Working in Violation (WIV).
- Three (3) exemptions are already tied to the construction business.
- Ten (10) owners of a non-construction LLC have exemptions.

To ensure you are eligible for an exemption and to see a complete list of eligibility requirements, log into the Division’s website at:

https://www.myfloridacfo.com/division/WC/Employer/Exemptions/default.htm
Facilitators and Their Roles in Compiling Business Records

Facilitate
Verb
1. to make easier or less difficult; help forward (an action, a process, etc.);
2. to assist the progress of (a person).

An employer who is issued an enforcement action by the Division is also issued a request for their business records for purposes of penalty calculation.

Prior to 2013, the Bureau of Compliance (BOC) had numerous penalties requiring recalculation due to missing or incomplete records shared by the employer. Employers were unclear as to what records were needed for penalty calculation and therefore were making multiple record submissions. This situation resulted in the implementation of the role of the Facilitator.

The role of the Facilitator is to help employers submit records for purposes of penalty calculation and comply with the requests under 69L-6.035, F.A.C. When an employer comes to a District Office for a conditional release, the Facilitator will meet with him or her one-on-one to discuss how the employer maintains business records and determine ways the employer can comply with the records request.

Some questions a Facilitator may ask are:
- How do you pay your employees?
- How do you keep track of that information?
- How often do you pay employees?
- Do you have an accountant?
- Do you file tax returns?
- Do you have subcontractors?
- Do you have documentation of job classification/description of employee duties?

Based on the employer’s record maintenance and responses, the Facilitator can determine the specific record types the employer maintains and can provide. This meeting provides the opportunity for an employer to ask questions and receive answers about their specific case. Also, it gives the employer a chance to discuss other types of acceptable records in the event records requested are not readily available. The records will be received, organized, and reviewed by the Facilitator prior to being sent for audit. The Facilitator will notify the employer if records are insufficient or if records are missing.

The Facilitators work diligently to ensure the employer meets deadlines and requirements for all potential penalty credits and reductions. This process has generated positive results between employers and BOC. We will continue to adapt our services to meet employer needs.

BUILDING YOUR TOOLKIT:
This month we are featuring our Estimated Premium Calculator. This new tool allows employers and agents to calculate the estimated amount of premium for a workers’ compensation policy based on a company’s payroll and classification codes, before applying the company’s experience rating modification factor, applicable discounts and fees. The tool can be accessed by visiting our website at:
https://minimarket.fldfs.com/Calculator
USEFUL LINKS:
For more information on out of state employer requirements, please visit: https://www.myfloridacfo.com/Division/WC/Employer/Out-of-State/default.htm

FAST FACTS:
There is a total of 367 WC insurance carriers in Florida and 7 Self-Insurance Funds. There are currently 389 individual self-insured companies.

THE NAVIGATOR

DIVISION OF WORKERS’ COMPENSATION
BUREAU OF COMPLIANCE

The Division’s Website Address:
www.MyFloridaCFO.com/Division/WC/

Bureau of Compliance Customer Service:
1-850-413-1609

Bureau of Employee Assistance & Ombudsman Office (Assists Injured Workers):
1-800-342-1741

For Feedback or Suggestions:
BOCFeedback@MyFloridaCFO.com

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