

**Effective 5/13/2014**

**31A-40-209 Workers' compensation.**

- (1) In accordance with Section 34A-2-103, a client is responsible for securing workers' compensation coverage for a covered employee.
- (2) Subject to the requirements of Section 34A-2-103, if a professional employer organization obtains or assists a client in obtaining workers' compensation insurance pursuant to a professional employer agreement:
  - (a) the professional employer organization shall ensure that the client maintains and provides workers' compensation coverage for a covered employee in accordance with Subsection 34A-2-201(1) or (2) and rules of the Labor Commission, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
  - (b) the workers' compensation coverage may show the professional employer organization as the named insured through a master policy, if:
    - (i) the client is shown as an insured by means of an endorsement for each individual client;
    - (ii) the experience modification of a client is used; and
    - (iii) the insurer files the endorsement with the Division of Industrial Accidents as directed by a rule of the Labor Commission, made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
  - (c) at the termination of the professional employer agreement, if requested by the client, the insurer shall provide the client records regarding the loss experience related to workers' compensation insurance provided to a covered employee pursuant to the professional employer agreement; and
  - (d) the insurer shall notify a client if the workers' compensation coverage for the client is terminated.
- (3) In accordance with Section 34A-2-105, the exclusive remedy provisions of Section 34A-2-105 apply to both the client and the professional employer organization under a professional employer agreement regulated under this chapter.
- (4) Notwithstanding the other provisions in this section, an insurer may choose whether to issue:
  - (a) a policy for a client; or
  - (b) a master policy with the client shown as an additional insured by means of an individual endorsement.

Amended by Chapter 290, 2014 General Session

Amended by Chapter 300, 2014 General Session