

Puerto Rico Workers' Compensation Insurance Policy Renewal Deadline Approaching

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It's time to renew your Puerto Rico Workers' Compensation Insurance Policy.

Puerto Rico Act No. 45 of April 18, 1935, known as the Puerto Rico Workers' Accident Compensation Act, establishes a compulsory insurance system for all employers that covers their employees' work-related accidents or illnesses. This government system, which is administered by the Puerto Rico State Insurance Fund Corporation ("SIF"), is exclusive and may not be substituted by private coverage. Under Act 45, an insured employer is granted immunity from any damages resulting from an employee's work-related accident or illness.

SIF's policy year runs from July 1st to June 30th of every year, and the policy must be renewed annually. Therefore, employers must file the payroll statement and pay their annual premium no later than July 20th, 2018 in order to obtain worker's compensation coverage for the upcoming policy year.

Insured employers should be on the lookout for the notification letter from the SIF, which includes the payroll statement form that must be filed to renew their workers' compensation policy. Failure to file the SIF payroll statement and pay the corresponding premiums in a timely manner will result in a lapse in coverage and non-insured status.

When renewing this policy, bear in mind that employees who work from home must also be identified in the payroll statement in order to be covered by the policy.

Employers must also ensure that all their contractors also renew their own workers' compensation insurance policy with the SIF, since an insured employer is subsidiarily liable for work-related injuries sustained by the workers of an uninsured contractor.

A Workers' Compensation Insurance Policy is a Requirement to Enlist in the Puerto Rico Bidders' Registry. Any person who wishes to pursue business with any agency of the Executive Branch of the Commonwealth of Puerto Rico is required to register with the local Bidders' Registry. One of the requirements to enlist in the Bidders' Registry is to obtain a certificate of insurance from the SIF.

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