



Executive Update

BULLETIN

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Whether handling the first report of a claim, auditing a risk that uses subcontractors, or being involved in an investigation of alleged insurance fraud, a key element in the claims, audit and fraud investigation process is the verification of coverage of all parties involved. In the past, most auditors and fraud investigators relied on Certificates of Insurance to verify coverage. With the ability to download, complete and print certificates on the Internet, the world of deception has taken on a whole new realm. Additionally, certificates have many shortcomings:

- The Certificate of Insurance may indicate current coverage, but the work may have been conducted in a prior period. For example, payments may be reported in July 2010 in the insured's books, while the work was actually performed in May 2010. If the C of I for this subcontractor listed the effective date of the workers' compensation policy as June 2010, it would not be evidence of coverage for the period when the work was performed. A certificate of insurance for the subcontractor listing the prior policy period, June 2009 - 2010, would be needed.
- The certificate may not list all relevant information, such as whether or not an officer has been excluded or a partner or sole proprietor has elected coverage; whether USL&HW coverage was elected; if coverage was excluded for specific projects or locations; etc. For instance, if the insured performed work on a job that was subject to USL&HW exposure and hired an insured subcontractor for that job and the certificate of insurance for the subcontractor did not show USL&HW coverage, the insured may be liable for that part of the exposure. If the certificate does not indicate the needed coverage, the auditor must ask questions to determine whether the subcontractor is properly insured; otherwise, a charge should be made for the exposure.
- Certificate holders may not be notified if coverage was cancelled. One method to verify coverage is to check the appropriate state website (see table below).
- It is relatively easy to create fraudulent certificates. Red flags may include a change in font type; consecutively numbered policies for different subcontractors; same agent listed for most of the subcontractors; and identical policy effective dates for several subcontractors.

In recent years, most states have created websites that now make it relatively simple to verify coverage; all that is needed is an employer's name, and/or FEIN, coverage dates, or date of injury. With access to coverage data, insurance carriers, federal and state fraud investigators,

and attorneys now have the ability to verify that an insured or subcontractor had proper insurance coverage in force, period of coverage, location of operations and endorsements that may affect coverage

Below is a table which lists the states that have websites for verification of coverage of insureds in their respective states. Many of the state coverage verification sites have multiple search features such as by policy number, FEIN or policyholder name and address. Based on type of search data utilized, the site will provide varying degrees of information for policy number, carrier name, insureds address, effective/expiration dates, and cancellation date.

Note: Some of the table links will bring you directly to the Coverage Verification page on that state’s website, while others will bring you to the home page where you will need to click on the applicable link for coverage verification, or the link may be contained under the another link on the page. If the link brings you directly to the Coverage Verification section or associated link, it is denoted in the table as a **“Direct Link.”** Where additional steps are necessary to find the Coverage Verification link, the link location is noted in the “Coverage Verify Link Location” column of the table.

At present, Hawaii does not offer an insurance coverage verification service on their website. Also included in the table are links for verifying coverage in the monopolistic states of North Dakota and Washington. Access to the Ohio site requires membership.

In California, coverage for an employer may be verified by submitting a request form to the WCIRB. A copy of the request form may be accessed at:

http://wcirbonline.org/wcirb/product_services/coverage_research_service.html

STATE	COVERAGE VERIFICATION WEBSITE LINK	Coverage Verify Link Location	Policy Number	Carrier	Insured’s Address	Eff/Exp Dates	Other Data
AK	http://labor.state.ak.us/wc/exit.html	Quick Links		X	X		
AL	http://dir.alabama.gov/wc/	WC Coverage Information		X	X		
AZ	http://www.ica.state.az.us/HomePage/HOME_NCCI_Redirect.aspx	Search for an Employers WC Coverage		X	X		
AR	http://www.awcc.state.ar.us/electron.html	Coverage Verification Search		X	X		
CO	http://www.colorado.gov/cs/Satellite/CDLE-WorkComp/CDLE/1248095316013	Employers Insurance Coverage Verification		X	X		
CT	http://wcc.state.ct.us/online-services/coverage-verification-service.htm	Click on Verify Coverage Button	X	X	X		
DE	http://www.delawareworks.com/industryaffairs/compsearch.shtml	Direct Link	X	X		X	•Cancel Date
DC	http://www.does.dc.gov/does/cwp/view.asp?a=1232&Q=537428	WC Insurance Coverage Verification		X	X		

FL	https://secure.fldfs.com/WCAPPS/Compliance_poc/wPages/query.asp	Direct Link	X	X	X	X	<ul style="list-style-type: none"> •Gov. Class •Wrap Up •Officer Excl •Owner Excl •Cancel Date
GA	http://www.sbwc.georgia.gov/portal/site/SBWC/	How Do I: Verify an Employers WC Insurance		X	X		
IA	http://www.iowaworkforce.org/wc/	Employers WC Coverage Verification		X	X		
ID	http://www.iic.idaho.gov/	I Need To: Verify an employers coverage		X	X		
IL	http://www.iwcc.il.gov/coverage.htm	Direct Link		X	X		
IN	http://www.in.gov/wcb/	On Line Services		X	X		
KS	http://www.dol.ks.gov/wc/coververifi.html	Direct Link		X	X		
KY	http://www.labor.ky.gov/workersclaims/iar/Pages/EDI-POC-Section.aspx	EDI POC Section Proof of Coverage (POC)		X	X		
LA	http://www.laworks.net/	BUSINESSES Workers Compensation Verify Coverage		X	X		
ME	http://www.maine.gov/wcb/departments/Coverage/VerifyCoverage.html	Insurance Coverage Verification		X	X		
MD	http://www.wcc.state.md.us/WFMS/Online_CVS.html	Direct Link	X	X	X		
MA	http://64.73.26.43/Search.aspx	Direct Link	X	X	X	X	
MI	http://www.dleg.state.mi.us/bwuc/wkrcomp/asp/sr_bwdc.asp	Direct Link		X	X		
MN	http://www.inslookup.doli.state.mn.us/	Direct Link		X	X		
MO	http://labor.mo.gov/DWC/tool/wc_cover.asp	Direct Link		X	X		
MS	http://www.mwcc.state.ms.us/	Services: Proof of Coverage Inquiry		X	X		
MT	http://erd.dli.mt.gov/workers-comp-regulations-bureau.html	I'm Looking For: WC Coverage Verification		X	X		
NE	https://inet.wcc.ne.gov/apps/npoc/(S(3lpxiujt0f0b1445ppyow545))/NPOC0001Afrm.aspx	Direct Link		X	X		
NV	http://dirweb.state.nv.us/WCS/cvs.htm	Direct Link		X	X		

NH	http://www.labor.state.nh.us/employer_info.asp	Direct Link	X	X	X		
NJ	http://pcov.njcrib.com/PcovA.aspx	Direct Link	X	X	X	X	• Bureau File # • Cancel Date
NM	http://www.workerscomp.state.nm.us/	Look Up Employers Insurance Coverage		X	X		
NY	http://www.wcb.state.ny.us/icpocinq/icpocsearch.jsp	Direct Link	X	X	X	X	• WCB# • WC Cov. • Location
NC	http://www.ic.nc.gov/iwcns/	Direct Link		X	X		
ND	https://www.workforcesafety.com/online-services/employersearch/	Direct Link		X	X		
OK	http://www.owcc.state.ok.us/ncci_coverage.htm	Direct Link		X	X		
OR	http://www4.cbs.state.or.us/ex/wcd/cov/	Direct Link		X	X		
PA	http://www.portal.state.pa.us/portal/server.pt?open=514&objID=552709&mode=2	Direct Link	X	X		X	• Cancel Date
RI	http://www.dlt.ri.gov/wc/fraud_coverage.htm	Direct Link		X	X		
SC	http://www.wcc.sc.gov/Insurance/Verify+Coverage/	Direct Link		X	X		
SD	http://dlr.sd.gov/workerscomp/default.aspx	Coverage: Coverage Verification Service		X	X		
TN	http://www.state.tn.us/labor-wfd/wcomp.html	Quick Links: Coverage Verification Services		X	X		
TX	http://www.tdi.state.tx.us/wc/employer/coverage.html	Direct Link			X		• Locations
UT	http://www.laborcommission.utah.gov/IndustrialAccidents/POC.html	Direct Link		X	X		
VT	http://labor.vermont.gov/InfoCenter/WorkersCompensation	Direct Link		X	X		
VA	http://www.vwc.state.va.us/portal/vwc-website	Direct Link		X	X		
WA	http://www.lni.wa.gov/TradesLicensing/Contractors/HireCon/Uninsured/default.asp	Direct Link					
WI	https://www.wcrb.org/WCRB/CoverageLookup/CoverageLookupSearch.aspx	Direct Link		X	X		