

Employers without coverage (non-subscribers)

What is workers' compensation insurance coverage?

Texas employers, except for public entities, can choose whether to provide workers' compensation insurance coverage for their employees. Workers' compensation provides covered employees with income and medical benefits if they have a work-related injury or illness. Workers' compensation is regulated by the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Employers who choose to have workers' compensation insurance may:

- buy a workers' compensation insurance policy from a private company;
- self-insure, if the employer meets requirements under the [Texas Workers' Compensation Act](#) and is certified through DWC;
- self-insure through the Texas Department of Insurance (TDI) with a group of same or similar private employers; or
- if a governmental entity, purchase a workers' compensation policy from a private insurance company, or self-insure individually or as a group.

With few exceptions, workers' compensation insurance limits the employer's liability for an employee's work-related injury or death.

Visit the TDI website for information about:

- [employees benefits](#)
- [employer rights and responsibilities](#)
- [self-insurance through DWC](#)

Non-subscribers

([Texas Labor Code](#) and [DWC rules](#)).

Non-subscribers are employers who **do not** have workers' compensation insurance coverage. While a Texas employer may choose **not** to have coverage, they must still follow certain workers' compensation requirements.

Notice of no coverage to DWC

An employer who does not have workers' compensation insurance must file [DWC Form-005, Employer Notice of No Coverage or Termination of Coverage](#), unless their employees are exempt from coverage under the Texas Workers' Compensation Act (for example, certain domestic workers or farm and ranch workers).

An employer who ends workers' compensation insurance coverage must also file DWC Form-005. An employer who does not file the form may face administrative penalties.

An employer who uses DWC Form-005 to file a notice of no coverage must file:

- between February 1 and April 30 of each calendar year;
- within 30 days of hiring its first employee, unless this due date falls between February 1 and April 30 and the employer submits the notice within this time period; and
- within 10 days of receiving a DWC request to file a notice of no coverage.

An employer who uses DWC Form-005 to end coverage must file:

- within 10 days after notifying the insurance carrier of the termination of coverage unless the employer buys a new policy or becomes a certified self-insurer; and
- each year as a non-subscriber, if the employer remains in operation and does not have workers' compensation insurance coverage.

Employers can send DWC Form-005 to DWC by:

- filing electronically on the [TDI website](#);
- faxing the form to 512-804-4146; or
- mailing the form to the address at the top of the form.

Notice of no coverage to employees

Employers who **do not** have workers' compensation coverage must:

- Post written notice at their workplace in English, Spanish, and any other language that is appropriate.
- Place the notice where employees can see it regularly.
- Write the notice in the format adopted by DWC ([Notice 5](#)).
- Give written notice of non-coverage to new employees.

DWC encourages all employers to keep a copy of the notice provided to each new employee. The notice may be signed and dated by the employer and the new employee. If this notice is not provided to new employees, an employer may face administrative violations.

Notice requirements for change of coverage

When an employer buys a workers' compensation policy they must:

- Notify their employees within 15 days of the policy's effective date.
- Place the notice where employees can see it regularly.
- Write the notice in the format adopted by DWC ([Notice 6](#)).
- Give written notice of non-coverage to new employees.

If this notice is not provided to employees an employer could face administrative violations.

Notice of non-covered employer report of injury, illness, or fatality

Non-covered employers that have more than four (4) employees are required to report to DWC:

- work-related injuries that cause an employee to miss more than one (1) day of work, all occupational illnesses, and
- all fatalities that occur at the workplace.

These employees are excluded from this requirement:

- a domestic worker;
- casual worker engaged in employment incidental to a personal residence;
- certain farm and ranch workers; or
- workers covered by a method of compensation established under federal law.

Reportable injuries, illnesses, and fatalities must be filed with DWC monthly, using [DWC Form-007, Non-covered Employer's Report of Occupational Injury or Illness](#). The form must be filed no later than the seventh (7th) day of the month following the month in which:

- a work-related death occurred;
- an employee was absent from work for more than one day as a result of a work-related injury; or
- the employer acquired knowledge of an occupational disease.

This publication is a summary and is presented for informational purposes only. It is not a substitute for the statute and DWC rules. For questions call Customer Assistance at 1-800-252-7031.