



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation

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memo

To: Texas Employers

From: Teresa Carney, Director, System Monitoring & Oversight

Date: February 1, 2016

RE: Grace Period for Non-subscriber Reporting

The Texas Department of Insurance, Division of Workers' Compensation (DWC) is providing a grace period for employers without workers' compensation insurance coverage or that terminated their coverage (non-subscribers) to report their non-coverage status to DWC without penalty. This grace period also extends to non-subscribers with five or more employees that have not previously reported on-the-job injuries, illnesses, and fatalities to DWC. Historically, non-subscriber reporting rates are low, and DWC is offering this grace period to increase compliance with required state reporting.

This grace period allows non-subscribers that have not previously reported their non-coverage status, to submit the DWC Form-005, *Employer Notice of No Coverage or Termination of Coverage* (DWC Form-005), without an administrative penalty during the **February 1, 2016, through April 30, 2016, reporting period**. Additionally, this grace period also allows non-subscribers with five or more employees that have not previously reported their injuries, illnesses, and fatalities, to submit the DWC Form-007, *Employer's Report of Non-Covered Employee's Occupational Injury or Disease* (DWC Form-007) without an administrative penalty for injuries, illnesses, and fatalities occurring **on or after May 1, 2016**.

By law, non-subscribers must annually notify DWC of their decision not to obtain workers' compensation insurance coverage by submitting the DWC Form-005 and must also report each on-the-job injury, occupational illness, or fatality resulting in more than one day of lost time to DWC by filing DWC Form-007. Nonsubscribers that fail to comply with state requirements are subject to administrative penalties.

Non-subscribers can file the DWC Form-005 with DWC online, by fax, or by mail. The DWC Form-007 may be filed by fax or by mail.

Non-subscriber Reporting Requirements

A non-subscriber must file the [DWC Form-005, Employer Notice of No Coverage or Termination of Coverage](#) to DWC:

- between February 1 and April 30 each year;
- within 30 days of hiring its first employee; or
- within 10 days of DWC's request.

Non-subscribers with five or more employees must report each fatality, occupational disease, and on-the-job injury that results in more than one day of lost time to the DWC. Non-subscribers must submit the [DWC Form-007, Employer's Report of Non-Covered Employee's Occupational Injury or Disease](#) to the DWC within the seventh day of the month following the month in which:

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

Additional information on non-subscriber reporting requirements is available on the TDI website at www.tdi.texas.gov/wc/employer/index.html.