



Minnesota: Workers' Compensation – Employer Responsibilities

Workers' compensation is a system of no-fault insurance that provides monetary and medical benefits to employees, or their survivors, for work-related injuries and illnesses.

Minnesota workers' compensation laws define employer responsibilities in the state's workers' compensation system. The [Division of Workers' Compensation](#) (DWC), part of the Minnesota Department of Labor and Industry (MDLI), monitors compliance with workers' compensation requirements throughout the state.

COVERAGE REQUIREMENTS

All employers in Minnesota (regardless of size) are required to have workers' compensation coverage. Employers may satisfy this requirement either by purchasing a workers' compensation insurance policy or by obtaining the DWC's approval to self-insure. All employers must pay the full cost of providing coverage and may not require their employees to pay any portion.

For an employer that provides coverage through an insurance policy, the insurance carrier must notify the DWC, within **10 days**, that a policy that has been issued, renewed, cancelled or terminated.

NOTIFICATION OF COVERAGE

Employers must post a notice to employees that they have a workers' compensation insurance policy that complies with state law. The notice must be displayed in a conspicuous place and must advise employees of:

- Their rights and obligations in the workers' compensation system;
- The assistance available to them;
- How the workers' compensation system works; and
- The name and address of the workers' compensation carrier that is insuring them or the fact that their employer is self-insured.

Employers may use this [model poster](#) to satisfy these requirements. The notice must be displayed at all locations where the employer is engaged in business.

EMPLOYER'S REPORT OF INJURY

Employers must use the DWC's [First Report of Injury form](#) to notify their insurance carriers or the DWC of any work-related injury or illness claims. If an incident results in an employee's death or serious injury, the employers must report it to the DWC within **48 hours**. This initial report may be made by telephone or personal notice, but employers must still submit the First Report of Injury form within **seven days** from when the incident happened.

Any other work-related injury must be reported to the employers' insurance carrier within **10 days** of an incident if it:

- Results in employee incapacity (total or partial); or
- Prevents the injured employee from performing his or her labor for more than three calendar days.

Insurance carriers and self-insured employers are required to file the First Report of Injury form with the DWC within **14 days** of the incident. If an injury has not previously been required to be reported, the insurer or self-insured employer must report the injury no later than 14 days after the date that:

- Any document initiating a dispute is filed under this chapter;
- A rehabilitation consultation report or plan is filed; or
- Permanent partial disability is ascertainable.

When an employee fatality takes place after an initial injury is reported, employers are required to report the fatality to the DWC within 48 hours of when they first learn of it. An employer that provides notice to the Occupational Safety and Health Division of the Minnesota Department of Labor and Industry of a fatality or a severe injury is considered to have satisfied its reporting obligations with the DWC.

At the time the First Report of Injury form is filed with the DWC, employers must also provide a copy of the injury report and the "[Minnesota Workers' Compensation System Employee Information Sheet](#)" to the affected employee.

BENEFIT PAYMENTS AND REPORTING

Employers must begin paying workers' compensation benefits to or for injured employees as soon as reasonably possible.

Medical benefits must be paid no later than **30 calendar days** after receiving a bill for treatment, unless the employer denies the charge. If only part of a bill is in dispute, employers are required to pay the undisputed part of the bill within the established guidelines.

Other benefits must begin within **14 days** after the employer receives actual notice of an injury or death. An extension to begin payment within 30 days is possible if approved by the DWC. Periodic benefits, such as temporary total disability or death benefits, must be paid at intervals as nearly as possible to the intervals when employee wages are paid. However, the DWC may authorize the lump-sum payment of periodic benefits.

Employers are required to notify the DWC when they first pay benefits to an injured employee. The DWC may require employers to continue filing payment receipts to monitor compliance with Minnesota's workers compensation laws. At its discretion, the DWC may inspect these filings to determine compliance.

BENEFIT DISCONTINUANCE AND TERMINATION

An employer may discontinue paying temporary total disability benefits when an injured employee returns to work. In this case, the employer must [notify](#) the DWC of the discontinuance of benefits and the justification for it within **14 days** of the date when the employer has notice that the injured employee has returned to work. Employers must also notify every affected employee of their intention to discontinue the payment of benefits. Employees have the right to [object](#) to the discontinuance.

Discontinuance of benefits for any reason other than an employee's return to work must wait until the discontinuance notice and any applicable reports have been filed with the DWC.

BENEFIT OVERPAYMENTS

Minnesota law prohibits employers from requiring their employees to refund or return any benefit overpayment if the payment was:

- Voluntarily paid;
- Apparently or seemingly in accordance with Minnesota's workers' compensation laws; and
- Received by the employee in good faith.

To recover overpaid benefits, employers may take a partial credit (up to 20 percent) of future periodic benefits such as benefits for temporary total disability, temporary partial disability, permanent partial disability, permanent total disability, retraining, death, economic recovery or impairment compensation. Employers may not offset overpaid benefits against medical expenses or any penalty awarded to the employee for late payment or underpayment of benefits.

Minnesota workers' compensation laws allow for recovery or reimbursement of overpaid benefits when payments are not received in good faith. Benefits are **not** received in good faith if:

- They are obtained through fraud; or
- The employee knew the compensation was paid under a mistake of fact or law and has not refunded it.

RECORDKEEPING

Employers must retain or arrange for the retention of:

- All billing data that is electronically transmitted by health care providers to pay for the treatment of an injured employee; and
- All electronically transmitted payment remittance advice.

This information must be retained for at least **seven years** in the standard electronic transaction format required by the Minnesota Department of Health. Employers must be able to provide this data to the DWC or the Department of Labor and Industry within 120 days of a request.

In addition, this information is considered confidential data on individuals. Confidential data is protected nonpublic data and employers must take adequate measures to ensure it is kept safe and private. However, the DWC may use this data to publish aggregate statistics and other summary information regarding the costs and outcomes of treatment in the workers' compensation system.

MORE INFORMATION

Contact Wits Financial or visit the DWC [website](#) for more information on workers' compensation laws in Minnesota.

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