

# Work Comp OCC/ACC Comparison

Issues	Work Comp Coverage	OCC/ACC Policy
Legal protection for policyholder	No exposure to negligence lawsuits	Exposure to full range of damage for negligence without common-law defenses
Coverage trigger	Time-tested, no-fault coverage	Uncertain - dependent on policy language and fault of parties
Coverage caps-income	Predetermined by the comp law as a percentage of salary, and not taxable	Policyholder preselects limit of reimbursement regardless of salary. Deductible may apply, and benefit is taxable to the injured worker
Reductions in benefits for disability	None	Reduced for the injured worker by any rights under the Social Security Act, including retirement and dependents
Duration of benefits	Lifetime for qualified injuries	Generally time-limited, then discontinued
Employers' liability	Standard	Not covered unless specifically requested
Federal coverage	Endorsed upon request	Not eligible for federal coverage
Political subdivision coverage	Meets Labor Code	Does not meet Labor Code
Claim sunset provisions (limited time to report)	Occurrence-based	Can vary by policy, but the policyholder is usually restricted to no more than 180 days after policy expiration, after which any new claim for an injury that occurred during the policy period is the policyholder's responsibility
Policyholder reimbursement for Texas employees injured in other states	Covered	Not covered
Policyholder protection if carrier is insolvent	Covered by the Texas Property and Casualty Insurance Guaranty Association	Limited protection may be available
Doctor selection	Network or open	Directed to a doctor or open
Dispute resolution	Legally prescribed, with several levels of appeal	Arbitration required
Regulatory requirements	Directed by the State of Texas	Policyholder is regulated by ERISA plan
Medicare reporting of income	Carrier provides reporting	Varies by carrier, but generally the responsibility of the policyholder
Policyholder forms filing requirements with the state	None, handled by agent and carrier	Policyholder must file with the state DWC Form-5, DWC Form-7, DWC Form-20 and 20A
Employee acknowledgments of coverage	Not required	Required
Policy language	Workers' compensation policy language is standard in the state	Occ/ACC policies can be written with several variations, so read policy language closely



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