

# Best Practices – Ways to reduce Uninsured Subcontractor Workers’ Compensation Audit Risk

- Request certificate of workers’ compensation (WC) and general liability (GL) insurance prior to start of job (current date with insured as certificate holder – do not accept generic certificates).
- Do not utilize subcontractors that cannot provide proof of coverage. Using insured subcontractors with WC and GL protects against third party action over claims.
- Check validity of certificate using state proof of WC coverage systems.
- Some states offer notification alert if coverage enters cancellation. You can request alerts for subcontractors. Before releasing payment to subcontractor, double check proof of coverage system to make sure WC coverage is in-force.
- Payment on 1099 does not qualify subcontractor as independent contractor.

State	Proof of WC Coverage Database	Notification alert service offered
AL, AK, AZ, AR, CO, CT, DC, GA, ID, IL, IN, IA, KS, LA, ME, MD, MS, MO, MT, NV, NH, NM, OK, RI, SC, SD, TN, TX, UT, VT, VA, WV	<a href="#">Multistate WC coverage lookup</a>	Yes – to track policies, you set up a login using email address. 32 states are covered with this look-up service.
California	<a href="#">CA WC Coverage Lookup</a>	No – alert system and disclaimer system may not reflect changes made in last 90 days.
Delaware	<a href="#">Delaware WC Look Up</a>	No
Florida	<a href="#">FL WC Coverage Lookup</a>	<a href="https://contractor.fldfs.com/">https://contractor.fldfs.com/</a>
Kentucky	<a href="#">Kentucky WC Coverage Lookup</a>	Yes – notification sign up offered.
Massachusetts	<a href="#">Massachusetts WC Coverage Lookup</a>	No
Michigan	<a href="#">MI WC Coverage Lookup</a>	No
Minnesota	<a href="#">MN WC Coverage Lookup</a>	No
Nebraska	<a href="#">Nebraska Coverage Lookup</a>	No
New Jersey	<a href="#">NJ Coverage Lookup</a>	No
New York	<a href="#">NY WC Coverage Lookup</a>	No
North Carolina	<a href="#">North Carolina WC Coverage Look Up</a>	No
Oregon	<a href="#">OR WC Coverage Lookup</a>	No
Pennsylvania	<a href="#">PA WC Coverage Lookup</a>	No
Wisconsin	<a href="#">Wisconsin Coverage Look Up</a>	No