



Montana Association of Counties

Joint Powers Insurance Authority/Joint Powers Authority

2715 SKYWAY DRIVE, SUITE A, HELENA, MT 59602
(406) 449-4370 Fax (406) 442-5238
www.mtcounties.org

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Ravalli County Commissioners

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DATE: July 8, 2014
TO: MACo/JPA Member Counties
FROM: MACo Workers' Compensation Trust
RE: Volunteer Work Comp Reporting/Coverage

There have been a number of questions about reporting **volunteer firefighters** and **general volunteers** for workers compensation so we are providing this information to help counties better understand the changes made by the MACo JPA in response to legislation passed in 2013.

VOLUNTEER FIREFIGHTERS

Prior to the passage of [Senate Bill 386](#), volunteer firefighters workers compensation premiums were established by calculating the hours volunteered times the hourly equivalent of the state average weekly wage or \$16.80/hr, times the rate for class code 7704 which was \$0.1298, subject to a minimum annual premium of \$130. Counties were to submit a list of volunteers and pay the minimum premium of \$130 for each volunteer firefighter then track the hours volunteered and compute the premium and when the calculated premium exceeded the minimum, submit the additional premium with the applicable quarterly report.

With the passage of Senate Bill 386, work comp insurers are now authorized to determine premiums based upon an "assumed wage" that means a one-time flat amount premium can be charged and tracking actual hours volunteered is no longer necessary.

Senate Bill 386 also added a very important provision that to be covered, **the fire agency MUST maintain a Roster of Service**. Section 1 of the bill provided two very important definitions:

(b) **"Roster of service"** means the list of volunteer firefighters who have filled out a membership card prior to performing services as a volunteer firefighter.

(c) (i) **"Volunteer firefighter"** means a volunteer who is on the employer's roster of service.

In order for workers compensation coverage to be in place for any volunteer firefighter, that person **MUST BE LISTED ON A ROSTER OF SERVICE** which has been submitted to MACo JPA. **This roster must be submitted BEFORE the quarterly report is due.** Counties should submit the applicable roster(s) of service prior to July 1 then each time a volunteer is added to the Roster, **at least monthly**. The rosters can be emailed to smcgowan@mtcounties.org. No premium is due until your quarterly report is due.

OTHER VOLUNTEERS including Search and Rescue, Sheriff Reserve, Ambulance Personnel, and Others designated by the County for premium.

The MACo Workers' Compensation Trust allows an insured county the option to insure volunteers who otherwise would not be covered by worker's compensation. **Coverage for reserve officers, search and rescue personnel, firefighters and ambulance service personnel is mandatory.** Below are guidelines to follow regarding volunteer coverage and reporting.

DEFINITION

A volunteer is one who enters into service to assist a county in a county sanctioned activity and receives no wages for such service. Examples of Other Volunteers: fair volunteers, senior citizen volunteers, appointed board members, volunteers volunteering to accomplish special projects under the supervision of the County, etc.

BENEFITS AVAILABLE

Covered volunteers receive medical benefits in accordance with the provisions of the Montana Workers' Compensation Act and indemnity benefits based on the average actual wages in the volunteer's regular employment, except self-employed as a sole proprietor or partner if the volunteer has elected not to be covered in the volunteer's personal business.

GENERAL GUIDELINES

Coverage Generally: Coverage for volunteers extends to the time spent by the volunteer in service of the county, including training time and response time.

Training: The supervisor of a volunteer decides what activities are approved for training. Pre-approval by the County Commission is required for a training activity. The request for approval of a training activity must be in writing and signed by the supervisor prior to start of the training activity. When a volunteer is engaged in an activity approved and supervised, the volunteer is covered for workers' compensation benefits. Unsupervised personal training sessions are not covered for workers' compensation purpose.

When a volunteer participates in a training activity, the volunteer must log in at the start of the activity. Supervision of the training activity shall be specified in the training plan. The supervisor must conduct the supervision of the training activity. Coverage will begin when the volunteer arrives at the designated training location, and ends after the training session is completed.

Emergency: When called to respond to an emergency, the volunteer will be covered as soon as the volunteer leaves the place of current location and proceeds to the location of the emergency. Coverage will not be in effect after the volunteer returns to home or the work place, or travels or engages in activity outside the scope of volunteer activity.

VOLUNTEERS: PREMIUM COLLECTION & REPORTING GUIDELINES

Covering volunteers with workers' compensation insurance can lead to significant obligations affecting a county's injury experience and modification factor, as well as financial obligations for the Trust. It is essential that a salaried county supervisor maintains detailed records as to the time incurred and the activity performed by each volunteer, and that those detailed records are provided to the insurer.

For payroll reporting purposes, the volunteer's work activity shall be placed in the class code that best describes the volunteer's work. For search and rescue and sheriff's reserve the code is 7720, county volunteer firefighters is 7704 and ambulance personnel is 9410. The wage reported for each hour shall be an assumed wage based on the current state minimum wage. The current minimum wage is \$7.90 per hour (effective 1/1/14) then and that figure is adopted by the Trust as the assumed wage for the insurance year 7/1/14 - 6/30/15. However, for sheriff's reserve the assumed hourly rate is the county's hourly wage for starting deputies.

Please refer to the MACo Workers' Compensation Reference Manual/Appendix for additional information.

This may appear to be a lot of extra work and is different than reporting regular employees. The difference is that when an employee is injured and files a claim, employment records are easy to verify to confirm that claimant was actually an employee at the time of the injury. That is not the case with volunteers because there are no employment records. Not suggesting any county would do it but it would be at least theoretically possible that, a county could decide not to submit any names unless an injury occurred because they could just add a volunteer for coverage after the fact.

The requirement that a Roster of Service be maintained and submitted to MACo JPA at any time a volunteer is added to the Roster **is to protect the assets of the MACo JPA which is your money.** Without this requirement *it would* place your equity in the JPA at great risk of claims costs with insufficient premiums being paid to cover the losses. If a claimant is not listed on a roster of service on file with MACo JPA at the time of injury, coverage will be denied. None of us want that to happen.

We realize this is different than in the past but this must be done to protect your investment in the JPA. We appreciate your cooperation. Please feel free to contact us with any questions.