Working Across State Lines

Idaho Reciprocity and Extraterritorial Coverage for Out-of-State Employers

Reciprocity agreements on extraterritorial coverage allow workers from one state to enter another state for a temporary period. Idaho has reciprocal agreements with seven surrounding states. Visit <u>iic.idaho.gov/reciprocity</u> to learn more information.

Out of State Employers Overview

Out-of-state employers who want to send their employees to work in Idaho for temporary or intermittent work may qualify for extraterritorial coverage. At the employer's request, a certificate of extraterritorial coverage is sent from the state agency responsible for administering workers' compensation insurance law in the employer's home state to the Idaho Industrial Commission.

What You Need To Do

To find out if your employees qualify for extraterritorial coverage contact the agency responsible for administering the workers' compensation law in your state to request an extraterritorial certificate for Idaho.

After your state issues a certificate, complete an Extraterritorial Questionnaire (EXT form) and send it to the Idaho Industrial Commission at: suretyrequest@iic.idaho.gov.

The EXT form can be found on our website at iic.idaho. gov under the *Out-of-State Employers* tab on the Reciprocity and Extraterritorial Coverage page. If we have not received a completed EXT form when we receive the extraterritorial certificate, we will mail a copy of it to you with a pre-paid return envelope.

What to Expect

We will begin processing your certificate after we receive your completed EXT form. If more information is required we will contact you directly. After the certificate is either approved or denied, we will send the original to you, with a copy to the state agency where the request originated.

<u>Please note</u>: The Industrial Commission reviews requests for extraterritorial coverage on a case by case basis. Notice of our decision will be sent directly to the employer.

Quick Facts

- The most common reason for denial is for failing to complete the EXT form.
- Employees who are principally localized in Idaho do not qualify for extraterritorial coverage.
- An extraterritorial certificate needs to be approved by the Idaho Industrial Commission before your out-of-state employees start working in Idaho.
- If your insurance cancels, your extraterritorial coverage certificate is no longer valid. You should immediately cease your Idaho operations.
- Extraterritorial certificates expire exactly six (6) months from the issue date. The six (6) month period cannot be broken up or prorated for use after the expiration date.
- If you hire Idaho residents to specifically work in Idaho, you will need to obtain an Idaho policy.

Out-of-State Reciprocity Definitions

Certificate of Extraterritorial Coverage

Extraterritorial certificates are issued by an authorized official of the workers' compensation agency to certify that the workers of an employer working temporarily in another state are insured under the laws of the issuing state. Idaho extraterritorial certificates are issued for an initial six month period.

Intermittent Work

Work begins and ends in the worker's home state and less than 50% of their total work time is in the state of Idaho.

Temporary Work

In Idaho, temporary employment refers to the duration of an employer's operations within Idaho, as well as the employer's intent to provide future services in the state. Temporary work is not expected to exceed one hundred and eighty (180) days and in no event will exceed three hundred and sixty (360) days. Employers with workers who spend more than 50% of their work time in Idaho and whose operations last more than 360 days are not temporary and are required to obtain an Idaho policy.

Principally Localized

A person's employment is principally localized in this or another state when: (a) His employer has a place of business in this or such other state and he regularly works at or from such place of business; or (b) He is domiciled and spends a substantial part of his working time in the service of his employer in this or such other state.

Renewals

Intermittent employers who obtain an approved extraterritorial certificate may apply for a renewal certificate. Approval will be dependent upon the facts at the time of the request.

Temporary employers who obtain an approved extraterritorial certificate may qualify for a six (6) month extension. Employers whose operations in Idaho extend beyond the renewal certificate's expiration date will be required to obtain an Idaho policy.





Further Reading

Visit the Idaho Industrial Commission's website to learn more about Extraterritorial Coverage, Reciprocity, and Workers' Compensation in Idaho. Scan the below QR code to go directly to the web page.

Contact an Employer Compliance Specialist at (208) 334-6060 or at: suretyrequest@iic.idaho.gov.

Scan the below QR code to go directly to the web page.

