

EMPLOYMENT LAW SUMMARY

Georgia: Workers' Compensation - Employer Penalties



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

The Georgia Workers' Compensation Act (WCA) establishes employer responsibilities relating to workers' compensation in the state. The [Georgia State Board of Workers' Compensation](#) (Board) investigates and enforces employer compliance with the WCA.

FAILURE TO MAINTAIN WORKERS' COMPENSATION COVERAGE

Employers that are subject to the WCA must maintain adequate workers' compensation coverage for their employees through an insurance provider or self-insurance.

An employer that fails to maintain the required coverage may be subject to:

- A civil penalty of **between \$500 and \$5,000** per violation; and
- The Board's **costs of collecting** the penalty amount, including reasonable attorneys' fees.

If an employer willfully refuses to comply with coverage requirements after being notified that it must obtain coverage, the Board may assess additional fines of **up to \$50 per day** for as long as the refusal continues.

If an injured employee makes a claim against an employer that does not maintain coverage as required, the Board may order the employer to pay:

- Benefits that are **10 percent greater** than those to which the employee would otherwise be entitled;
- The employee's **actual attorney's fees** (in cases where an employer is compliant with coverage requirements, employees pay their own attorney's fee as a percentage of any amount awarded); and
- **All costs** associated with the proceedings.

FAILURE TO FILE PROOF OF COVERAGE

Employers must provide the Board with evidence that they are in compliance with coverage requirements. An employer that refuses or willfully neglects to file proof of coverage with the Board may be charged with a **criminal misdemeanor**, which is punishable by a **fine of between \$1,000 and \$10,000, imprisonment for up to 12 months, or both**. The Board may also assess a civil penalty of **between \$500 and \$5,000** per violation and require the employer to pay any costs, including reasonable attorney's fees, associated with collecting the penalty.

If an employer willfully refuses to comply with coverage evidence filing requirements after being notified of noncompliance by the Board, the employer may also be subject to penalties of up to **\$50 per day** for as long as the refusal continues.

REFUSING BOARD INSPECTIONS

For purposes of investigating and enforcing compliance with the WCA, employers must allow the Board and its representatives to enter and inspect any place of employment and any records regarding employment, payroll and injuries at any reasonable time.

If an employer willfully refuses to permit the Board's inspections and investigations, the Board may assess penalties of up to **\$50 per day** for as long as the refusal continues.

FAILURE TO PAY ASSESSMENTS

Self-insured employers and insurance providers must pay annual assessments to fund the Board's expenses. The Board determines the specific assessment amount for each employer and insurance provider by July 1 every year.

For an insurance provider, the assessment is based on gross premiums earned. For a self-insured employer, the assessment is based on the amount of premiums that would have been payable if the employer had purchased coverage through an insurance provider.

For purposes of determining the assessment amount, self-insured employers must provide the Board with sworn payroll statements by March 1 every year. Failure to submit the report by March 1 may result in an automatic penalty of **\$50 per day** for each day the report is delinquent, or **10 percent** of the assessment, whichever is greater.

An employer that fails to pay the assessments may be charged with a **criminal misdemeanor**, which is punishable by a **fine of between \$1,000 and \$10,000, imprisonment for up to 12 months, or both**. In addition, the Board may sue a noncompliant employer in a civil court to collect the assessment, and the court may order the employer to pay any and all costs associated with the collection.

FAILURE TO REPORT INJURIES

Employers must keep a record of all injuries received by employees in the course of their employment.

Employers must also submit a written report of any injury to the Board **within 21 days** if they receive notice of an employee injury that requires medical or surgical treatment or that causes the employee to be absent from work for more than seven days. An employer that refuses or willfully neglects to file the injury report may be subject to a penalty of **up to \$100** per violation.

FAILURE TO PAY MEDICAL EXPENSES

Employers must pay medical expenses within **30 days** after receiving an invoice and medical report from the treating physician or other provider. Employers that do not pay medical expenses within this time frame must make increased payments to the providers. The additional amounts depend on how late the employer makes the payment. The table below lists the specific penalties.

Number of days past due	Penalties
31-60	10 percent of the medical expenses past due
61-90	20 percent of the medical expenses past due
91 or more	20 percent of the medical expenses past due; plus 12 percent interest on the combined sum of the past-due medical expenses and the 20 percent penalty, accruing as of the 91st day after the date the expenses were due until the employer pays the full amount.

FAILURE TO PAY MONETARY BENEFITS IN A TIMELY MANNER

Employers are required to pay monetary benefits to eligible employees in a timely fashion. If the Board has not issued a formal decision awarding benefits and the employer has not properly denied the claim, the employer must begin paying benefits within **21 days** after having knowledge of the injury. An employer that does not pay benefits to an employee within 21 days must pay the employee an additional **15 percent** of the accrued amount.

If the Board has issued a formal decision awarding benefits, the employer must pay the benefits within **20 days** of the Board's award or of any date set by the Board for payment. An employer that fails to pay the awarded benefits within 20 days must pay the employee an additional **20 percent** of the accrued amount. Likewise, if an employer does not make payments that are required under a settlement agreement within 20 days after the Board approves the agreement, the employer must pay an additional **20 percent** of the past-due amount.

UNREASONABLE OR FRIVOLOUS CLAIMS

Employers must have reasonable grounds for bringing or defending workers' compensation claims. If the Board determines that an employer brought, prosecuted or defended any claim, in whole or in part, without reasonable grounds, the Board may order the employer to pay the employee's **attorneys' fees** (instead of the employee paying the attorney's fees out of any award).

The Board may also order the employer to pay all **litigation expenses** associated with the groundless case. These costs may include:

- Witness fees;
- Mileage expenses of the other parties;
- Reasonable expert witness fees according to a fee schedule;
- Reasonable deposition transcript costs; and
- The cost of a hearing transcript.

MAKING FALSE OR MISLEADING STATEMENTS

An employer that knowingly and intentionally makes any false or misleading statement or representation for the purpose of obtaining or denying any benefit or payment under the WCA may be subject to the following:

- Civil penalties of between \$1,000 and \$10,000 per violation;
- The costs of collecting the civil penalty amount, including reasonable attorneys' fees;
- Criminal misdemeanor charges, punishable by a fine of between \$1,000 and \$10,000, imprisonment for up to 12 months, or both; and
- The costs associated with investigation and prosecution for the criminal charges.

CAUSING DEATH BY SPECIFIC INTENT TO CAUSE INJURY

If the Board determines that an employee's death was the direct result of an injury that was proximately caused by an intentional act of the employer with specific intent to cause the injury, the Board may award increased benefits to the employee's surviving dependents. The additional benefits are **20 percent** of any income benefits otherwise payable, **up to a maximum of \$20,000**.

GENERAL WCA VIOLATIONS

In addition to the obligations summarized above and others, the WCA requires employers to:

- File specific forms during the process of handling a workers' compensation claim;
- Follow all orders and directives from the Board, its members and any administrative law judges; and
- Obey all Board rules and regulations.

An employer that violates any of these general obligations may be subject to civil penalties of between **\$100 and \$1,000** per violation. If the Board assesses these penalties, it may also require the offending employer to pay the **costs of collection**, including reasonable attorneys' fees.

MORE INFORMATION

Contact Heffernan Insurance Brokers or visit the Board [website](#) for more information on workers' compensation laws in Georgia.

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