

Workers' Compensation Excellence Since 1987



AFFILIATED WITH NEW MEXICO HOME BUILDERS ASSOCIATION

BLUEPRINTS

Your Newsletter for Quality Worker's Compensation Information

First Quarter Edition 2019

Uninsured Subcontractors & Written Agreements to Provide Coverage

At Builders Trust we have seen many claims involving subcontractors. A savvy business owner will ask the subcontractor to provide a certificate of insurance to show that they have current workers' compensation coverage. There may even be a written agreement between the parties stating who is responsible for providing coverage of the subcontractor's employees.

If an employee of a subcontractor is injured on the job, who covers that injury and provides benefits? If the injured worker is a direct employee of the subcontractor and the subcontractor has workers' compensation coverage, then the subcontractor's carrier would cover that claim.



Michael Hamsing
Vice President of Claims

However, what happens when the subcontractor does not have workers' compensation coverage and the subcontractor's employee is injured on the job? The appellate courts have ruled on this issue a number of times with a very consistent answer. If you hire a subcontractor and that subcontractor does not have workers' compensation coverage, then the court looks for coverage for that injured worker. That search for coverage floats up hill. In other words, if your sub does not have coverage, and one of their workers is injured on your job, the liability for workers' compensation coverage will fall on your coverage with Builders Trust. No written agreement can overcome statute or case law.

The best protection you can have in place for your business is to obtain certificates of insurance from your subcontractors at least on an annual basis. It is not an iron clad guarantee that you will not be stuck with providing coverage for that sub's employees, but at least it is a reasonable indicator that the subcontractor has coverage. Keep in mind, that come time for your annual audit, you will need to provide certificates of insurance for all your subcontractors or risk being charged premium for those you are unable to obtain a certificate for.

If you have any questions regarding this or any other workers' compensation claims matter, feel free to contact our Claims Department at 505-332-9867. Our Claims Manager, Ethan LeCam, or our VP of Claims, Michael Hamsing, will be happy to answer any questions you may have.

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Retiring Board Members

As we start 2019, we fondly wish our very best and sincere thanks to both Mike Drunzer and Bob Dolgener for their dedication of service and commitment to the fund by having served on the board for a combined 49 years. Both men were instrumental in the early years to the formation of Builders Trust and the success we have experienced over the past 31 years.



Mike Drunzer

Mike started serving on the board in 1987 and held various positions over the years including having served on the Finance Committee and Membership Committee. He took an active role on the national and state level by attending trips to our nation's capital and the round house to speak with legislators on issues that were important not only to the workers' compensation industry but also the construction industry as a whole.

Mike shared with us that his experience on the board was invaluable in that he made life long friendships that enriched his life personally and professionally. He went on to say "Working with the best in the construction industry on the board was an eye-opening experience which also afforded him many networking opportunities".

During the formation of group self-insured funds Mike helped lobby the state legislature in 1985 -1986 which made it possible for Builders Trust to be formed. In parting, Mike shared with us his appreciation of his fellow board members for their dedication to serving the needs of our Participants and the New Mexico construction industry by making workers' compensation affordable and tailored to the specific needs of the industry.

Although Mike is retiring from the board he still plans on taking an active role in land development in the Alamogordo area and remaining active in his local, Building Contractors Association of Otero County, as well as, mentoring the up and coming builders in his area. And those of us that know Mike, know he will be sneaking in a little golf, fishing and spending quality time with the grandchildren.

2019 BOARD OF TRUSTEES

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RETIRING CONT. _____



Bob Dolgener

Bob signed on as a Trustee back in 2001 and continued to serve on the board until 2019. As Trustee, Bob served both as Board Chairman and Finance Committee Chairman. During his tenure on the board he expressed that the single most important project accomplished was bringing our claims processing in-house in 2004, knowing that a third party administrator couldn't handle claims with the same care and compassion for injured workers as BT staff could while balancing expenses to the overall fund and fighting fraud where it was warranted. And if one major project wasn't enough, Bob went on to say that the expansion of the Claims Payment Option (Buy Back), was right up there too.

Bob went on to say, "One of the major challenges that the board faced was back in 2006 - 2008 during the economic downturn in the construction industry while I served as Board Chairman. Our Participant levels dropped from over 2,000 to less than 1,400. It was a rough time for BT and the entire industry across NM. However, BT like most contractors, tightened our belts, made adjustments and made things work with very little impact on our Participants. During this period of time we even drove down our premium rates to help the construction industry out during those challenging times."

When asked about one of his most meaningful experiences while on the Board, he shared with us that it was "The enjoyable time spent and interactions with other board members and numerous homebuilders around New Mexico." He followed up by saying that he was proud to have been involved in the process of interviewing and hiring of our COO – Randy Akin.

Bob shared with us that the one piece of advice that he would share with new incoming board members would be to "Listen, learn and ask questions. You are sitting with hundreds of years of experience sitting at the table and they have gotten it right most of the time since 1987."

While Bob is retiring from the board he isn't just going to be pulling out the rocking chair and sitting on the front porch as his wife, Cindy, plans to keep him busy at her antique store in Ruidoso, while also making time for his select customers and doing as much traveling as time permits to visit friends, kids and grandkids.

Our COO, Randy Akin, shared with us that both Mike and Bob will be sorely missed. He indicated that having worked with both of them for the past twelve years in regards to their duties as a board trustee for Builders Trust that it would be hard to find two other individuals that matched their level of commitment in attending board meetings, participating in making sound decisions that were always in the best interest of our Participants and the injured workers we all serve.

Tracey Stowe, our Underwriting Manger, who has been with Builders Trust for the past 26 years and has served as Board Recorder during this time and someone who probably knows the Board better than most, shared these final thoughts. "Retiring Trustees Mike Drunzer and Bob Dolgener were both charter members of Builders Trust who lent their expertise to the Board of Trustees for many years. They were quiet people but had tremendous insights into the building industry and made many contributions to the growth of the Fund and the Board in general. They are both quality people and we wish them both a wonderful and fulfilling retirement".

PLEASE ENJOY THIS COMPLIMENTARY ISSUE OF BT BLUEPRINTS

To find out how you can join Builders Trust of New Mexico AND receive the best value in workers' compensation coverage for New Mexico Home Builders Association members, please contact us at
PH: 505-345-3477 or 1-800-640-3369 or www.builderstrust.com

SPEEDY REFUNDS VIA DIRECT DEPOSIT

Builders Trust is pleased to announce a new service to our Participants Speedy Refunds via automatic deposit to your checking account. The type of refunds Builders Trust generates includes Premium Audit Refunds and Deposit Interest payments. During the 2017 audit season alone Builders Trust refunded \$567,000 to over 995 Participants due to over payments. This method of refund will expedite your refund and get your money back into your checking account a lot quicker and also ensure the check doesn't get misplaced or lost in the mail. Who doesn't want a refund back sooner!

Next Step: So now in order to receive a speedy refund you must take one additional step and that is to opt into this service by logging into our online portal (BT PAL), and take the following steps:

1. Select "Make a Payment" under the "I Want To . . ." tab on the tool bar on top.
2. Select the edit icon (pencil) next to the desired "Bank Account"
3. And lastly select the box entitled " I authorize this bank account to be used for refund payments being made by BT" and click the "Save" button and you are done!

Automatic deposits for refunds decreases the overall costs to the fund and which helps keep our premium costs down. If you have any questions contact our Service Center at 505-345-3477 or 1-800-640-3369.