

A Sign of Spring—the Claims Payment Option Program...

It's that time of year again! Spring in New Mexico means wind and at Builders Trust, it means it's time for the **Claims Payment Option** program. We will be sending out invoices in early June with a due date of June 30th for you to submit payment for any 2021 claims you wish to buy back.

Remember, this program is voluntary. You are not required to buy back any of these claims. But it is your opportunity to help lower your work comp costs via reduced mods and tier levels.**

Should you have any questions once you receive your invoice, please don't hesitate to contact the Policy Administration Department here at Builders Trust at (505) 345-3477 or (800) 640-3369.

** Not all buy backs will result in a reduction in pricing.



...and with Spring also comes graduations, weddings and teens looking for summer work...

So what do you do when a teenager comes looking for work at your construction company?

Remember there are specific jobs that the U.S. Department of Labor does not allow children under the age of 18 to do.

Some **prohibited** jobs for 14 & 15 year-old children are: Occupations involving the operation or tending of hoisting apparatus or any power-driven machinery other than office machines; manufacturing and mining. There are working hours restrictions for this age group as well.

Some **prohibited** jobs for 16 and 17 year-old children include: Occupations involved in power driven circular saws, band saws and guillotine shears; occupations involved in the operation of power driven woodworking machines, excavation operations and roofing or demolition operations.

These are only some of the restricted jobs for children. This information and more can be found in your Participant Manual which is located on the Participant Portal under **Resources**.

Please protect our youngest workers and keep them safe.

When a Hold Harmless Agreement is not so Harmless

On any given day the Builder Trust Claims Manager can receive legal notification from the Workers' Compensation Administration (WCA) stating a case has been opened against an employer who has failed to properly report a claim. This results in the immediate notification from us to our Participant and the conversation generally goes like this:

Claims Manger, "Good afternoon, did you have a worker fall through a roof last October? We received a call from an attorney regarding John Worker who sustained an injury, and his employer is refusing to file a claim."

Our Participant responds with, "John Worker is not our employee. He works for one of our subcontractors. We have a hold harmless agreement signed by this subcontractor agreeing that we do not provide work comp coverage for them."

In this case the subcontractor did not have his own workers' compensation coverage. The law in New Mexico is very clear: if a sub-contractor does not have their own coverage, the liability rolls up to the general contractor. For purposes of New Mexico Workers' Compensation, the subcontractor's employee is now considered a statutory employee and covered under the general contractor's policy.

This happens frequently because the general contractor has been given bad information in the past that a Hold Harmless Agreement protects them, when in fact it doesn't.

Having accurate information related to State Law and proper claims filing can help you avoid unnecessary claims costs and legal issues. We are here to help and support you with that. In the meantime, follow the tips below:

- Always verify a sub-contractor's insurance with a Certificate of Insurance from their agent. Another good practice is to get online before a progress payment to a subcontractor is made where you can verify coverage for free and as often as needed utilizing this link: <https://www.ewccv.com/cvs/?ref=http:%2F%2Fwww.workerscomp.state.nm.us>
- If they do not have their own coverage, remember to report the uninsured sub as payroll on your monthly reporting.
- Safety is always the GC's responsibility, whether the sub is insured or not.

Let's be safe out there!

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March Comes in Like a Lion

Those of us in the construction industry look forward to warmer weather as it marks the start of another construction season. However, with the warmer weather come the winds that pose dangerous working conditions.

We have investigated and covered claims that are a direct result of windy conditions. Marcus and Jonathan were experienced framers and on a windy day they were finishing the decking on a large residential roof. They had contemplated re-scheduling for a calmer day, but the roofers were scheduled to begin on Monday and being Friday, they were already a day late. Having only one third of the roof left to be completed Marcus set up the ladder and mounted the roof. Jonathan grabbed a sheet of plywood from the stack on the ground and lifted it up to Marcus who grabbed it from the roof top. As the sheet of plywood cleared the roof ridge a gust of wind caught it and took Marcus with him.

Marcus ended up in the hospital with a compound fracture. During the accident investigation Marcus stated that when he felt the wind grab the sheet his first instinct was to let it go. However, he feared that the sheet would have ended up landing on Jonathan and injuring him. He only wanted to hang on long enough to direct the sheet away from Jonathan but the power behind the wind was too strong causing him to lose his balance and fall.

We can see easily how that incident could have ended up worse with either two individuals injured and/or with much more severe injuries as result.

Another severe injury occurred around the same time during the construction of a metal building. There was an existing overhead power line running parallel with the back wall set 13-feet away from the wall. As two employees were installing the metal wall panels which were 18-feet in length the wind caught the sheet causing it to hit the overhead powerline while the employees still held it. Both employees received an electrical shock that resulted in burns and for one employee permanent nerve damage.

There are many more examples of costly claims related to accidents caused by the wind which include motor vehicle incidents. In New Mexico there are parts of the state that wind has a bigger impact on all of our construction related activities.

Here are a few of the best ways to prevent wind related injuries:

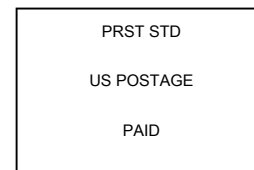
- Management should review weather reports consistently. That helps us all plan and schedule our construction activities.
- Daily hazard assessments not only allow our personnel to identify inherent risk and hazards with our operations, materials, and equipment, but also the environment in which those operations are performed.
- PPE is essential and depending on our assessments the proper PPE should be worn. Eye protection is PPE that should be worn every day, especially on windy days.
- If the forecast calls for a weather impact day, plan on the possibility of having to delay operations and/or shut activities down.
- Weather can change at any time without it being forecasted. Train employees on the proper response to bad weather. Reinforce training with regular safety meetings to avoid complacency.

Wind is not the only extreme weather condition. There are others such as thunderstorms and rain that are also accompanied by lightning strikes. When our jobs require us to work outdoors, we will always have to account for the weather.

It's a hazard we cannot ignore to be safe.



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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, (800) 640-3369 or www.builderstrust.com

An Important Reminder About Subcontractors

Subcontractors working on the jobsites of Builders Trust Participants are required to furnish a Certificate of Insurance for workers' compensation coverage. You must keep current Certificates of Insurance on file for all subcontractors and it is recommended that you keep these at least until your annual Builders Trust audit is completed.

If the subcontractor cannot provide a current and valid certificate of insurance they are considered an uninsured subcontractor.

Premium charges will be incurred for **ALL** uninsured subcontractors. Payments to uninsured subcontractors and their employees must be reported and premium paid on the **Payroll Reporting Form** submitted to Builders Trust each month. Workers' compensation is charged on uninsured subcontractors as follows:

1. 100% of ALL bills that do not show a breakdown of labor and materials
2. 100% of labor only on bills showing a breakdown of labor and materials
3. 100% of all contract labor

For more information on reporting subcontractors, please refer to page 69 of your Participant Manual available on the portal under **Resources**. If you have any questions, please contact our Policy Administration Department at (800) 640-3369, (505) 345-3477 or csr@builderstrust.com.