

Termination Notice of Divided-Workforce under s. 102.315(6)(e), Wis. Stats.

**Department of Workforce Development
Worker's Compensation Division**
201 E. Washington Ave., Rm. C100
P.O. Box 7901
Madison, WI 53707-7901
Telephone: (608) 266-1340
Fax: (608) 266-6827
<http://dwd.wisconsin.gov/wc>
e-mail: DWDDWC@dwd.state.wi.us

This form must be filed with the Wisconsin Worker's Compensation Division.

Termination is not effective until 10 days after the completed request for termination is received by the department.

COMPLETE ALL ITEMS OR THIS FORM WILL BE RETURNED TO YOU. If questions, call 608-266-3046.

Personal information you provide may be used for secondary purposes [Privacy Law, s. 15.04(1)(m)].

Client Information

1. Client Name			
2. Client Street Address	City	State	Zip Code
3. Client Federal Employer Identification Number			
4. Client Telephone Number			
5. Termination Date of Employee Leasing Agreement			
6. Name of Client's Worker's Compensation Insurance Carrier			
7. Client's Worker's Compensation Insurance Policy Number			

Employee Leasing Company Information

1. Employee Leasing Company Name			
2. Employee Leasing Company Street Address	City	State	Zip Code
3. Employee Leasing Company Federal Employer Identification Number			
4. Employee Leasing Company Telephone Number			
5. Employee Leasing Company Contact Name			

Client Representative Name (Please Print)	Title	Telephone Number
Signature of Client Representative		Date Signed

Section 102.315(1)(d), Wis. Stats.

“Divided workforce plan” means a plan under which 2 worker’s compensation insurance policies are issued to cover the employees of a client that has a divided workforce, one policy covering the leased employees of the client and one policy covering the employees of the client who are not leased employees.

Section 102.315(6), Wis. Stats.

DIVIDED WORKFORCE. (a) If a client notifies the department as provided under par. (b) of its intent to have a divided workforce, an insurer may issue a worker’s compensation insurance policy covering only the leased employees of the client. An insurer that issues a policy covering only the leased employees of a client is not liable under s. 102.03 for any compensation payable under this chapter to an employee of the client who is not a leased employee unless the insurer also issues a policy covering that employee. A client that has a divided workforce shall insure its employees who are not leased employees in the voluntary market and may not insure those employees under the mandatory risk-sharing plan under s. 619.01 unless the leased employees of the client are covered under that plan.¹

(b) A client that intends to have a divided workforce shall notify the department of that intent on a form prescribed by the department that includes all of the following:

1. The names and mailing addresses of the client and the employee leasing company, the effective date of the employee leasing agreement, a description of the employees of the client who are not leased employees, and such other information as the department may require.

2. Except as provided in par. (c), evidence that the employees of the client who are not leased employees are covered in the voluntary market. That evidence shall be in the form of a copy of the information page or declaration page of a worker’s compensation insurance policy or binder evidencing placement of coverage in the voluntary market covering those employees.

3. An agreement by the client to assume full responsibility to immediately pay all compensation and other payments payable under this chapter as may be required by the department should a dispute arise between 2 or more insurers as to liability under this chapter for an injury sustained while a divided workforce plan is in effect, pending final resolution of that dispute. This subdivision does not preclude a client from insuring that responsibility in an insurer authorized to do business in this state.

(c) If the leased employees of a client are covered under a mandatory risk-sharing plan under s. 619.01, the client may, instead of providing the evidence required under par. (b) 2., provide evidence in its notification under par. (b) that both the leased employees of the client and the employees of the client who are not leased employees are covered under that mandatory risk-sharing plan. That evidence shall be in the form of a copy of the information page or declaration page of a worker’s compensation insurance policy or binder evidencing placement of coverage under the mandatory risk-sharing plan covering both those leased employees and employees who are not leased employees.

(d) When the department receives a notification under par. (b), the department shall immediately provide a copy of the notification to the bureau.

(e) 1. If a client intends to terminate a divided workforce plan, the client shall notify the department of that intent on a form prescribed by the department. Termination of a divided workforce plan by a client is not effective until 10 days after notice of the termination is received by the department.

2. If an insurer cancels, terminates, or does not renew a worker’s compensation insurance policy issued under a divided workforce plan that covers in the voluntary market the employees of a client who are not leased employees, the divided workforce plan is terminated on the effective date of the cancellation, termination, or nonrenewal of the policy, unless the client submits evidence under par. (c) that both the leased employees of the client and the employees of the client who are not leased employees are covered under a mandatory risk-sharing plan.²

3. If an insurer cancels, terminates, or does not renew a worker’s compensation insurance policy issued under a divided workforce plan that covers under the mandatory risk-sharing plan under s. 619.01 the employees of a client who are not leased employees, the divided workforce plan is terminated on the effective date of the cancellation, termination, or nonrenewal of the policy.

¹ If an employee leasing company insures its risk through the Wisconsin worker’s compensation insurance pool, a client may insure its non-leased employees through the Wisconsin worker’s compensation insurance pool. If an employee leasing company insured its risk through the voluntary insurance market, a client that has non-leased employees shall insure its risk through the voluntary market.

² Except as provided in subd. (c), this subdivision establishes the following requirements on a client: a client that has both leased employees and non-leased employees is not eligible to insure its non-leased employees through the Wisconsin worker’s compensation insurance pool; a client shall insure its non-leased employees through the voluntary insurance market; and a client that is unable to insure its non-leased employees through the voluntary insurance market is not eligible to enter into an employee leasing contract that provides only portion of its workforce. The purpose of this subdivision is to avert the placing of an undesirable portion of a client risk in the Wisconsin worker’s compensation insurance pool.