

Workers' Compensation Risk Management Offer

An injury to an Employee of a service provider can end up as a loss on **YOUR** Workers' Compensation Policy. This 2007 case proves it!

***'Heiman v. CA Workers' Compensation Appeals Board
(2007) 149 Cal.App.4th 724'***

Case Fact Pattern Overview:



- Montana Villas HOA was managed by Pegasus Mgmt./Heiman (Sole Prop).
- Pegasus, at the direction of the Board, hired Hruby to install rain gutters.
- On the first day of the job, Hruby's employee (Aguilera) touched high-power line with a rain gutter and was severely and permanently injured.
- The CA WCAB original ruling was that Heiman was solely responsible for comp benefits. ***Heiman took the WCAB to Court to challenge that ruling.***

DISPOSITION FROM COURT REPORT:

Hruby and Pegasus were dual employers of Aguilera that are jointly and severally liable for workers' compensation under the Labor Code. Pegasus was also the agent of the Association, which was a separate legal entity that is liable for workers' compensation as the principal. Pegasus and the Association were not owners or exempt employers under sections 3351(d) and 3352(h). The WCAB's decision awards Aguilera workers' compensation to be paid solely by Pegasus. We reject that limited conclusion and hold that Hruby is jointly and severally liable with Pegasus and the Association is also liable as Pegasus' principle.

Net Result for **YOUR** Management Company...

This case ended up in court because the MC did not have a workers' compensation policy. If you do, while you will avoid court, your policy premiums will SKYROCKET due to any kind of loss for an employee that in theory does not belong to you.

A POLICY FOR EVERY ASSOCIATION YOU MANAGE WILL ENSURE YOU AVOID THIS RISK!

For additional information, please contact:

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