

I hear it so often with [artisan contractors](#) , they don't think they need [workers compensation insurance](#) because they have too few employees or the general contractor that they work under provides that coverage. While these are reasons that allow them to legally avoid buying a policy, in both cases they leave the artisan contractor's destiny in the hands of others and may ultimately cost the small contractor his or her business. Here's the real scoop on workers compensation [insurance in North Carolina for small contractors](#)

.

It doesn't matter which area you work in, whether you are hunting for [painter insurance](#) , [plumbing insurance](#)

,
[lawn care insurance](#)

,
[carpenter insurance](#)

,
[landscaping insurance](#)

,
[grading insurance](#)

or even
[insulation](#)

or
[flooring insurance](#)

, you really will do better to always purchase a work comp policy for your small contractor business. Let's take a look at the three reasons people don't purchase workers comp insurance for their small business.

Reason #1 - Less than 3 employees. While it is true that in North Carolina, if you have less than 3 employees, then the state will not require you to purchase a workers compensation insurance policy, what is seldom said in the next sentence is that whether or not you buy insurance, you are still on the hook for the claims. The workers compensation insurance policy was created as a compromise. Workers gave up their rights to sue their employers in most cases and the trade off for them was that employers agreed to pay the benefits associated with injuries and sicknesses on the job according to the statutory payouts required by each state. So, as the employer, you will have to pay for your employees job related injuries, sicknesses and time out of work in accordance with the NC workers compensation statutes. If they are permanently disabled or even out of work for several months, these costs could run into the tens of thousands and possibly close your business. Many small contractors are choosing not to buy workers compensation insurance based on their number of employees and this could have a devastating effect on their business.

Reason #2 - It costs too much. Let's face it, [workers comp insurance](#) can be expensive. But if you have an agent that specializes in your type of business, then you will have a much better chance of getting your policy set up in a way that saves you the most money while still protecting you from financial ruin. And really while the short term costs may seem high what is your entire business worth?

Reason #3 - The general contractor covers it. While for some small contractors, this may be true, there are several reasons why this is a poor choice. First of all, if the general contractor were to go out of business, or let their insurance cancel through some error, then you are back on the hook and if the claim is large enough, then there goes your company. Also, if you do work not associated with that contractor then you are back to going bare. Secondly, most general contractors add a large premium to the rate that they are charged to carry you on their policy so you will probably find you are paying more than you should to be covered this way.

In almost every case, it is a better choice for small, artisan construction companies to purchase their own [workers compensation insurance policy](#) directly. The risks associated with going bare, or riding on the general contractor's coat tails are just too high.

At Clinard Insurance Group in Winston Salem, NC, we specialize in helping small artisan contractors of all types with their insurance needs. We have special insurance programs designed for [carpenters](#) , [carpet cleaners](#) , [concrete and masonry construction](#) , [electricians](#) , [flooring installation](#) companies, [grading and excavating contractors](#)

,
[guttering](#)

and
[siding installation companies](#)

,
[HVAC companies](#)

,
[landscapers and lawn maintenance companies](#)

,
[painters](#)
and
[plumbers](#)

. We work hard to help all of our clients become informed insurance buyers. If we can help you with your business insurance needs, please call us, toll free, at 877-687-7557 or visit us online at

www.TheContractorsHelper.com

.