

WorkCover WA Bulletin for Approved Insurers (12/2011)

**SUBJECT: CANCELLATION OF WORKERS' COMPENSATION
INSURANCE POLICIES**

Purpose

To provide information on cancelling workers' compensation insurance policies.

Information

Section 101(e) of the *Workers' Compensation and Injury Management Act 1981* enables WorkCover WA to determine whether an insurer should be permitted to cancel a policy of insurance, and if so, upon what terms. Accordingly, insurers need to seek approval to cancel workers' compensation policies.

An application to cancel a policy applies where the expiry date of the policy has not been reached. Policies cannot be lapsed prior to the expiry date.

When assessing the cancellation of a policy, WorkCover WA considers if the employer is required to maintain a workers' compensation insurance policy. A cancellation application is approved when there is an assurance the policy is no longer required.

When applying to cancel a policy, the *Workers Compensation Cancellation Request* form must be completed and submitted to WorkCover WA. Ideally, the form should be completed by the employer, however forms will be accepted from an employer's authorised representative. If completing a form on behalf of an employer, an authorised representative must be satisfied all information is accurate and verified.

WorkCover WA may require additional information to assess the application.

As WorkCover WA determines the terms for policy cancellation, it has adopted the position that the charging of cancellation fees is not consistent with the intent of the legislation.

Approval



Chris White
A/CHIEF EXECUTIVE OFFICER
26 September 2019