

Statutory Accident Insurance

Employer Responsibility and Why It's Managed Separately from Payroll



1. Background

Statutory accident insurance protects employees in the event of workplace or commuting accidents as well as occupational diseases. It is administered by occupational accident insurance funds (Berufsgenossenschaften) or public accident insurers. The main goals are to protect health, maintain the ability to work, and promote prevention in the workplace.

2. Employer-Funded Insurance

Contributions to statutory accident insurance are paid entirely by the employer. Employees do not contribute to this insurance. By law, accident insurance is part of the occupational health and safety system, meaning the employer bears responsibility for prevention and the financial risks of workplace accidents.

3. Why It Is Separate from Payroll

Statutory accident insurance is not processed through monthly payroll because there are no employee contributions. Instead, reporting is handled through the digital reporting system („Lohnnachweis Digital“) directly to the relevant insurance fund. Based on these reports, the fund issues an annual contribution assessment, which is paid separately from payroll.

4. Employer Obligations

Employers must:

- Register with the relevant insurance fund within one week of starting their business
- Submit annual wage reports via „Lohnnachweis Digital“ by 16 February of the following year
- Pay the assessed contribution after receiving the annual notice
- Report accidents and ensure workplace safety and prevention measures are in place

5. Why It Matters

Proper management prevents penalties or back payments and ensures employees are fully protected in case of accidents. The insurance funds also provide advice, training, and prevention programs to help improve workplace safety.

6. Conclusion

Statutory accident insurance is a core element of occupational safety. Because it is fully employer-financed and handled via separate reporting, its administration is independent from regular payroll processes.

Responsibilities at a Glance

FRADECO

Our payroll service handles the operational administration of statutory accident insurance, including:

- Registering your company with the appropriate accident insurance fund (§192 SGB VII)
- Maintaining company and employee data within the payroll system
- Submitting accident insurance reports („Lohnnachweis Digital“)
- Managing technical communication and correcting reporting errors
- Monitoring deadlines and ensuring complete, accurate annual reporting
- Communicating with the insurance fund in case of questions or inconsistencies

This ensures that all legal reporting requirements are met accurately and on time. The contribution amount is then calculated directly by the insurance fund.

Employer

The employer remains legally responsible, even when operational tasks are delegated to the payroll provider:

- Approving and reviewing company and employee data submitted via payroll
- Reviewing the annual contribution notice issued by the insurance fund
- Paying the contribution directly to the fund (outside of payroll)
- Reporting workplace or commuting accidents to payroll for onward transmission
- Implementing workplace safety and prevention measures internally

administrative processing

legal policyholder

