

Ohio Bureau of Workers' Compensation

Local Government Officials Conference

Ohio Bureau of Workers' Compensation


Agenda


- History, Fact, Figures, Statistics
- BWC Programs
- BWC Grants
- Division of Safety and Hygiene Services

Ohio Bureau of Workers' Compensation

BWC Facts

- Began in 1911
- Ohio Constitution 1912 (Article 35)
- Ohio Revised Code (Ohio law)
- Ohio Administrative Code (Rules to carry out Ohio law)
- Two Agencies
- 11 Member Board, Bureau Policy
- 11 Service Offices





VISION

To transform BWC into an agile organization driven by customer success.

MISSION

To deliver consistently excellent experiences for each BWC customer every day.

Agency Overview

Established in 1912, the Ohio Bureau of Workers' Compensation is the exclusive provider of workers' compensation insurance in Ohio and serves 257,000 public and private employers.

CORE VALUES

One Agency. We support each other by embracing inclusion and diversity, recognizing we are all BWC.


Personal Commitment. We honorize BWC by delivering service on a personal level.

Innovative Leadership. We take calculated risks to tackle barriers with cutting-edge work product.

Relentless Excellence. We are unyielding in our delivery of outstanding service to our customers and to each other.


With nearly 1,600 employees and assets of approximately \$21 billion, BWC is one of the largest state-run insurance systems in the United States.

BWC Statistics



Active Employers	PY 2022
Private	251,816
Public (Local)	3807
Public (State)	114
Self-Insured	1089
Black Lung	19
Marine Fund	125
Total	256,970

BWC Statistics



State Fund Claims	PY 2022
Lost Time	10,821
Medical Only	58,281
Occupational Disease	751
Death	154
Disallowed or Dismissed	10,674
Total	75,834
Net Allowed Injuries	70,007

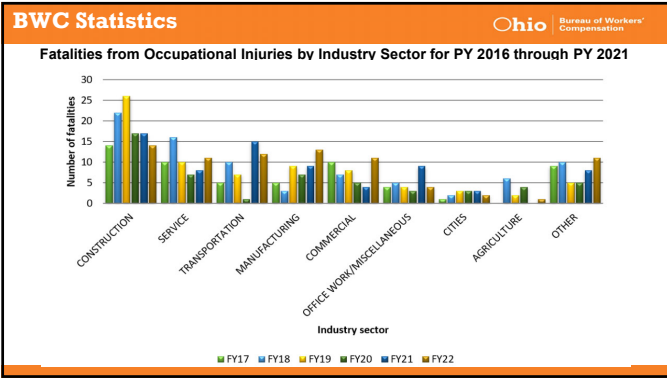
Open Claims (per statute)	PY 2022
Lost Time	179,122
Medical Only	376,809
Total	555,931

BWC Statistics Ohio Bureau of Workers' Compensation

Benefits Paid	1,330,693,984
Medical Benefits	385,836,050
Compensation Benefits	944,757,934
Permanent Total & DWRF	353,418,673
Temporary Total	179,919,262
Lump Sum Settlement	223,734,112
Death	77,648,364
% Permanent Partial	44,552,760
Permanent Partial (Scheduled Loss)	23,314,096
Rehabilitation	19,392,389
Lump Sum Advancement	15,374,273
Wage Loss	4,203,613
Other	3,198,573
Temporary Partial	1,819
MCO Fees Paid	161,693,729

Sense of Curiosity... Ohio Bureau of Workers' Compensation

Scheduled loss - Schedule B								
Location	Weeks	Effective 1-1-2022	Location	Weeks	Effective 1-1-2022	Location	Weeks	Effective 1-1-2022
Thumb	60	\$65,100	Loss of metacarpal	10	\$10,850	Foot	150	\$162,750
Index finger	35	\$37,975	Hand	175	\$189,875	Leg	200	\$217,000
Third finger	30	\$32,550	Arm	225	\$244,125	Eye	125	\$135,625
Fourth finger	20	\$21,700	Great toe	30	\$32,550	Hearing (one ear)	25	\$27,125
Little finger	15	\$16,275	Other toe	10	\$10,850	Hearing (total)	125	\$135,625



Ohio Bureau of Workers' Compensation

Ratemaking

The main question is ...

↓

How does BWC determine what an employer pays in premium?

BWC must collect enough premium to pay claims costs	Base rates determined by classification code	Experience determined by expected to actual claims costs
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Ohio Bureau of Workers' Compensation

Low Rates

Falling Rates
History of BWC Rate Changes

Private Employers 2011 – 2022

In February 2022, the BWC Board of Directors **reduced premium rates** for private employers an **average of 10%**.

Effective July 1, 2021 the reduction:

- Saves employers **\$106 million** over their 2021 premiums.
- Follows **12 previous cuts** since 2008.

Year	Private Employer Rate Change**
2011	-3.9%
2012	-0.4%
2013	-2.6%
2014	-7.7%
2015	-9.8%
2016	-12.9%
2017	1.9%
2018	-13.0%
2019	-15.6%
2020	-11.6%
2021	-7.1%
2022	-10%
Total	-62.3%

**These numbers reflect the combined impact of the rate cut changes and operating assessment changes.

Ohio Bureau of Workers' Compensation

Show Me the Money

BWC Programs and Grants Eligibility Ohio Bureau of Workers' Compensation

- Be a state-fund private or public employer taxing district
- Reporting payroll to BWC
- Be in good-standing with BWC
 - Have active Ohio workers' compensation coverage
 - No more than 40 days cumulative lapses in the last 12 months
 - Be current on all payments due to BWC
 - Completed all outstanding payroll true-up reports
- Self-insured and clients of either a PEO or AEO generally are not eligible

BWC Alternative Rating Plans

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

- Group Experience Rating Program
- Group Retrospective Rating Program
- Individual Retrospective Rating Program
- Large/Small Deductible Program
- One Claim Program
- EM Cap Program

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

Group Experience Rating Program

- Employers join a group of like employers
- Employers get their discount upfront
- Generally offered to employers with low EMR Rates

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

Group Retrospective Rating

- Employers join a group of like employers
- Employers initially pay premiums based on their own experience (**no up-front discount**)
- Option for employers that no longer qualify for group
- Refunds/Assessments paid out at 12, 24, and 36-month after the policy year ends

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

Individual Retrospective Rating

- Employers will choose a maximum premium level and maximum claim limit
- Based on the maximum premium and maximum claim limit, initial premium is discounted
- Employers are annually billed for medical & indemnity costs. Also, any remaining reserves after 10 years
- Financial stability & annual premiums determine eligibility

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

Deductible Program

- Employer can select a deductible amount for claims that occur during that rating year
- Deductible levels
 - Small Deductible: \$500, \$1,000, \$2,500, \$5,000 and \$10,000
 - Large Deductible: \$25,000, \$50,000, \$100,000 and \$200,000
- Based on the deductible level, initial premium is discounted
- Financial stability & annual premiums determine eligibility

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

Deductible Program

- BWC will pay all medical and compensation
- BWC bills employer monthly
- Employer is responsible for deductible cost of all claims that occur within the policy year
- Employers responsible for costs for life of the claim or until deductible levels are met

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

One Claim Program

- To participate in OCP, you must have a single significant claim entering your experience for the first time
- Discounts are off the base rate
 - 1st year – 20%
 - 2nd year – 15%
 - 3rd year – 10%
 - 4th year – 5%
 - 5th year – 5%

BWC Alternative Rating Programs Ohio Bureau of Workers' Compensation

100% EM Cap Program

- Reduces impact of rate increase due to Group Rating removal or expensive claims
- EM or rate increase is capped at 100% from previous year
- Enrollment – BWC will contact you if you qualify

BWC Rebate Programs

BWC Rebate Programs Ohio Bureau of Workers' Compensation

- Transitional Work Bonus
- Drug Free Safety Program
- Lapse Free
- Early Payment Discount
- Safety Council

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Transitional Work Bonus Program

- Rebate up to 10% rebate
 - Employer accommodates an employee who has return to work restrictions
 - Claims performance calculated six months after end of program year
 - Amount based on percentage of feasible claims that successfully utilize program
- Example – three out of four successful
 - Discount = $\frac{3}{4} * 10\% = 7.5\%$ discount

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Drug-Free Safety Program

- Requirements
 - Safety review, accident analysis training and accident reporting
 - Employee education
 - Supervisor training
 - Drug/alcohol testing
 - Employee Assistance
 - Written Policy

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Drug-Free Safety Program

- Two Levels
 - Basic = 4% rebate
 - Advanced = 7% rebate

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Lapse Free Rebate

- 1% rebate up to \$2,000
- Paying premiums on time
- Not having a lapse in coverage during the past 60 months

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Early Payment Discount

- 2% Rebate
- Pay full annual premium by the beginning of the policy period

BWC Rebate Programs Ohio Bureau of Workers' Compensation

Safety Council Rebate

- 2% rebate
- Attend 10 Meetings
 - 8 of the 10 must be through a local Safety Council
 - Up to 2 meetings can be external training
- Through monthly meetings, the Ohio Safety Council Program provides a forum for more than 8,000 Ohio employers for promoting:
 - Occupational Safety and Health
 - Loss Prevention
 - Workers' compensation cost control and management
 - Health and wellness
 - Networking

Ohio Bureau of Workers' Compensation

BWC Grants

BWC Grants **Ohio** Bureau of Workers' Compensation

- Safety Intervention Grant
- Body Armor Grant
- Firefighter Exposure to Environmental Elements Grant
- School Safety and Security Grant
- School Safety and Security Grant HVAC
- Trench Safety Grant
- Transitional Work Grant

Grants, Grants and More Grants **Ohio** Bureau of Workers' Compensation

Safety Intervention Grant

- Reopened in November 2022
- Reduced the requirement for being in business to one year
- Changed eligibility cycle to 3 years for all businesses
- Limited reporting requirements to a one-year report/case study
- Added the program to a new grant management portal for online application

Grants, Grants and More Grants



Safety Intervention Grant

- 3-to-1 matching grant
- Up to a maximum grant of \$40,000
- To purchase equipment to substantially reduce or eliminate injuries and illnesses associated with a particular task or operation
- Must apply for the grant prior to purchasing the equipment
- A list of unapproved purchases on BWC's website

Safety Intervention Grants



Transportation:
 ○ Tarping systems
\$1,000 - \$3,500



Construction:
 ○ Manhole cover lifters
\$1,500 - \$3,750



Safety Intervention Grants



Construction:
 ○ Cable pullers
\$2,500 - \$18,500



Construction:
 ○ Power wheelbarrows
\$2,400 - \$3,600



Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

Ohio Law Enforcement Body Armor Grant Program

- 3-to-1 matching grant
- Up to a maximum grant of \$40,000
- Administered through the Ohio Attorney General
- Requires 1-year after purchase case study reporting

Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

Firefighter Exposure to Environmental Elements Grant

- Up to \$15,000 in grant funding
- Payroll >= \$500,000 receive a 5-to-1 matching grant
- Payroll < \$500,000 no matching requirement
- May be used for:
 - Diesel exhausting system
 - Turnout extractors
 - Hoods with barrier protection
 - Washable structural fire fighting gloves

Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

School Safety and Security Grant

- 3-to-1 matching grant
- Up to a maximum grant of \$40,000
- Employee Safety Interventions
 - Flooring/Floor coverings designed to reduce slip hazards
 - Lightweight lunch tables
 - Motorized bleacher systems
 - Safe food fryers
 - Cutting/Slicing equipment
 - Floor cleaning machines

Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

School Safety and Security Grant

- Incident response equipment
 - Equipment bags with trauma/first aid supplies
 - Two-way communication devices to directly interface with EMS
- Building/grounds/transportation security
 - Interior/Exterior security doors and mechanisms (panic bars, bullet proof glass, etc.)
 - Protective vehicle crash barriers in front of entrances
 - Modifications of building/facility entrances to restrict access
 - Secured keycard systems
 - Metal detectors (fixed or portable)
 - Security cameras
 - Emergency call poles

Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

School Safety and Security Grant (HVAC)

- No matching requirement
- Up to a maximum grant of \$15,000
- Cover the costs of to indoor heating, ventilation, and air conditioning (HVAC) systems
 - Inspections
 - Assessments
 - Maintenance
 - Improvements

Grants, Grants and More Grants Ohio Bureau of Workers' Compensation

Trench Safety Grant

- 4-to-1 matching grant
- Up to a \$12,000 lifetime maximum
- Does not fund equipment used for technical rescue operations
- Shoring Equipment
 - Aluminum, hydraulic or other types of support to prevent soil movement and cave-in
- Shielding Equipment
 - Trench boxes or other types of supports to protect against soil cave-ins

Grants, Grants and More Grants



Transitional Work Grant

- BWC will pay 100% of Transitional Work Program development
 - Policy and procedure
 - Job Analyses
 - Supervisor training and employee education
- Employers are eligible for a grant every 5 years
- Ranges
 - 11-49 employees – up to \$2,900
 - 50-199 employees – up to \$5,200
 - 200+ employees – up to \$6,300

Unique Opportunities



Unique Opportunities

Unique Opportunities



Substance Use Recovery and Workplace Safety Program

- Reimbursable Expenses
 - Policy development and legal review
 - Employee education
 - Supervisor training
 - *Drug testing


*must have a "Second Chance" agreement

Unique Opportunities Ohio Bureau of Workers' Compensation

Substance Use Recovery and Workplace Safety Program

- Request must be received within 1 year from date of service
- All service invoices must be itemized
- Bundled services are not reimbursable

Unique Opportunities Ohio Bureau of Workers' Compensation

Better You, Better Ohio! 

- Basic incentives
 - Health risk assessment & biometric screen – worker incentive \$75
 - Additional \$50 when using the physician form for biometric screen
- Optional incentives
 - NEW for 2023 - \$50 by completing physical activity ((5,000 steps or 30 minutes of physical activity per day for any 50 days within a quarter
 - \$50 by completing 3 virtual group or personal coaching calls

Unique Opportunities Ohio Bureau of Workers' Compensation

Better You, Better Ohio!

- No administrative work
 - NO paperwork
 - NO application
 - NO annual reports or follow-up

Public employers
Restaurant and food service
Transportation and trucking
Trash collection
Wholesale and retail
Police and public safety

Agriculture
Automotive repair and service
Construction
Firefighters
Healthcare
Manufacturing




Ohio Bureau of Workers' Compensation

BWC's Division of Safety and Hygiene

Ohio Bureau of Workers' Compensation

BWC's Division of Safety and Hygiene

Has your company used the BWC safety services to successfully develop or enhance your safety program?



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Ohio Bureau of Workers' Compensation

BWC's Division of Safety and Hygiene

Benefits to Your Company

- No additional cost
- Services designed to inform, educate and assist with your company's loss-prevention activities
- Consultative in nature—no fines or penalties
- Customized services to meet your company's needs

BWC's Division of Safety and Hygiene Ohio Bureau of Workers' Compensation

Safety Consulting Services

- Hazard assessments
- Safety program advice
- Written program reviews
- Training
- Safety team evaluation and design

BWC's Division of Safety and Hygiene Ohio Bureau of Workers' Compensation


Industrial Hygiene Services

- Air sampling
- Noise sampling
- Ventilation assistance
- Confined space identification
- Program assistance

BWC's Division of Safety and Hygiene Ohio Bureau of Workers' Compensation


Ergonomic Services

- Assessments related to material handling
- Workstation design
- Prevent musculoskeletal disorders and repetitive motion issues

BWC's Division of Safety and Hygiene 

Library Services

- Find answers to your workplace safety and health questions
- Provides information on workplace safety and health
- Access to the most current safety regulations, standards, and codes
- Direction to valuable sources of internet information
- Availability of books, journals, magazines, and newsletters
- Obtain videos via streaming or borrowing

BWC's Division of Safety and Hygiene 

Training Services

- Webinars
- Online courses
- Classroom courses

Questions 

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Mission: To deliver consistently excellent experiences for each BWC customer every day.
Core Values: One Agency, Personal Connection, Innovative Leadership, Relentless Excellence.
