



## Dividends, Refunds and Grants! Ohio Bureau of Workers' Compensation Opportunities & CompManagement

As business owners, there are many financial responsibilities to pay attention to and workers' compensation coverage is just one of many. While it is natural to think of "workers comp" being related to workplace injuries, the financial obligations can be as significant from a different perspective. For Ohio employers that pay premium into the Ohio Bureau of Workers' Compensation's (BWC) state-insurance fund for coverage, the financial environment is as good as one could imagine considering the many opportunities that exist to reduce these costs.

### \$1.5 Billion Premium Dividend

As promised in May of this year, the BWC is in the final stages of returning 88% of premiums paid by employers during the 2017 policy year. Employers began receiving these dividends in September; employers that are participating in a group retrospective ("retro") program should have received them by now. As BWC Administrator Stephanie McCloud stated in May, "Our investment portfolio is strong, our injury claims are falling, and our safety and wellness initiatives are making a difference. All of these actions mean savings for employers and we're delighted to share this success with them."

### Group Retro Refunds

For private employers that participated in a group "retro" program during 2015, 2016 and/or 2017, refunds that were realized have been sent. However, for the 2015 policy year program, the last evaluation/refunds are experiencing a slight delay as BWC is in the process of finalizing those results with refunds being mailed no later than the week of November 11th. For programs managed by CompManagement, we anticipate that participating employers will be receiving refunds totaling \$45,510,544 which brings the grand total savings for all programs for those three years to \$142,277,485!

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# Claims Management Tips

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## Safety Grants

The Ohio Bureau of Workers' Compensation (BWC) has committed \$40 million to target workplace safety under the [BWC safety grants program](#). The safety grant program offers a variety of general and industry-specific options to purchase safety equipment, promote health and wellness, implement drug-free workplaces, minimize firefighters' exposure to dangerous environmental elements and assist people that work with developmentally disabled children and adults. CompManagement is here to help! If you would like to learn more about the BWC safety grant program and how to take advantage of this opportunity, please contact us at [CMIRiskServices@sedgwick.com](mailto:CMIRiskServices@sedgwick.com).

## Helping to Maneuver Through a Non-At-Fault Motor Vehicle Accident Claim

A workers' compensation claim occurring on or after July 1, 2017, as a result of a motor vehicle accident that is likely to be subrogated may be paid from the Ohio Bureau of Workers' Compensation's (BWC) surplus fund account rather than be charged to the employer's experience. Previously, an employer only received assistance from a third party motor vehicle accident through the normal subrogation process, which could take years to resolve and yield only partial relief.

However, not all roads to this cost-saving benefit are the same. Application requirements make it imperative to achieving a successful outcome. Before submitting A Request to Charge the Surplus for Non-At-Fault Motor Vehicle Accident (AC-28) application, there are three important pieces of information required:

1. Copy of the police motor vehicle accident report from a law enforcement agency.
2. Copy of the citation showing the third party is responsible for this accident or, in the absence of a citation, evidence that the third party is primarily liable for the accident.
3. Proof of insurance from the third-party's insurance carrier stating that they accept liability for the claim.

Educating employees with exposures to driving hazards is the first step in establishing a good defense should an accident occur. Simple steps such as using a cell phone camera to capture the third party insurance information or asking the responding law enforcement officer what to expect after a report is filed could make all the difference.

Navigating through the various regional law enforcement protocols and numerous insurance carriers can take time and a lot of effort. Having the right information at the right time can make the road much smoother.

# Claims Management Tips

## Claim Settlements An Important Cost Control Measure

Claim settlements are an important claims management tool that helps our clients reduce claims costs and realize premium savings. While the approved settlement amount is added to the employer's experience for rate-making purposes, no future reserves or payments will be charged, which could result in reduced workers' compensation premiums.

To achieve the best results, CompManagement has a dedicated unit whose sole responsibility is bringing about the settlement of open claims. Our colleagues have extensive experience relating to the settlement of claims and work with injured workers, their attorneys and the Ohio Bureau of Workers' Compensation (BWC) claim examiners daily to attain tremendous results.

The following are some of the situations that we have determined to be the best to settle as the potential cost savings achieved can be maximized for the employer, and the injured worker and BWC will more likely be agreeable to the settlement:

- The injured worker is no longer receiving medical treatment or lost time compensation.
- A reserve is being assessed for future medical and/or indemnity.
- Wage loss is being paid or has been requested.
- A Percentage of Permanent Partial Disability (PPD) application has been filed, but not yet awarded or paid.
- Permanent Total Disability (PTD) application is filed.
- Additional conditions have been requested.
- Completion of a rehabilitation plan.
- The claim is part of a Group Retro Program (settlement will reduce developed losses charged to the group which will increase refunds for you and the rest of the participants).
- The injured worker recently separated from the company (note – even if an injured worker is still under your employment, settlement may be beneficial to your organization so we encourage you to discuss this with your Settlement Associate to determine the best course of action).

Once a claim has been identified, we will request authorization from the employer to pursue and then contact the injured worker or his/her attorney. Once all parties are in agreement regarding settlement and the amount, we will file the C-240 settlement application with BWC.

If you would like to know more about the settlement process or have a claim that you would like to discuss for settlement, contact your CompManagement Settlement Associate at (800) 825-6755.

# Employer Spotlight



## Boardman Township

Boardman Township, situated in the northeast quadrant of the state just south of Youngstown was founded in 1805 by Elijah Boardman. Throughout its first 120 years, Boardman was a rural agricultural community consisting mostly of farmland and orchards. At the beginning of the 20th century, Boardman's population stood at only 873.

Significant urbanization of Boardman did not take place until after World War I as America began the exodus from its cities into the suburbs. The 1920's marked the first period of significant growth with the township's population reaching 5,500 by 1930. Today, Boardman has become a retail and corporate business hub. It is the 12th largest township in Ohio with over 19,000 households, 3,300 businesses and a population of around 40,000.

On a quarterly basis, colleagues from CompManagement, the township's managed care organization (MCO), the assistant Mahoning County Prosecutor, Liz Phillips, and Ohio Bureau of Workers' Compensation (BWC) representative Christine Williams make the trip to the township's administrative offices to meet and discuss strategies that best deal with active workers' compensation claims. These meetings have proven to be great forums that help Deputy Administrator Stephanie Landers MBA, SHRM-SCP strategize on how best to develop and handle a particular claim.

Stephanie Landers provides a proactive hands-on approach to claims and return-to-work management. She is very involved in taking advantage of BWC programs, such as Drug Free Safety, Industry Specific Safety and Transitional Work proving her diligence in making sure each department has a safe work environment for their employees. Her safety efforts have been rewarded when over the course of a five year period the township saw a 46.8% reduction in workers' compensation claims.

Stephanie is also convinced that there is a real benefit for both the employee and employer in safely returning injured employees back to the workforce as soon as possible through transitional duty. In 2016, she enrolled the township in the BWC Transitional Work Bonus Program resulting in the township receiving significant refunds for every eligible rating year. Also, by returning employees to the workforce in a timely manner, the township has reduced the amount of lost time claims by 41.6% and total claim losses by 40.8%.

Over the past few years, Boardman Township's commitment to safety and transitional duty has seen great results! Not only have they reduced lost time claims by 41.6% and total claims by 46.8%, they have seen their experience modifier decrease by 58.6% and most importantly, their premium has dropped an impressive 57.6%.

It has been a pleasure to work with Stephanie to help her meet and exceed her goals. CompManagement looks forward to a continued relationship with Boardman Township and ongoing advancements to an injury free work environment.

## **BWC Pilot Project** **Online Premium Audit**

The Ohio Bureau of Workers' Compensation (BWC) is starting a pilot project for their premium audit process. They have contracted with Overland Solutions to conduct an "easy-path" premium audit. The audit is designed for policies with less than four manual classifications and those with premium less than \$5,000.

Over the next 2 months, BWC will be sending letters to 1,400 employers throughout the state. The letters will provide more information, and employers will be given a PIN to access their pre-populated audit information via the Overland Solutions website.

Once this pilot project is completed, BWC will review the results and determine if this audit process will be expanded to more employers.

## **ACES Reserving System**

Claim reserves are set by the Ohio Bureau of Workers' Compensation (BWC) and used to calculate premium rates. The current MIRA II (Micro Insurance Reserving Analysis) system is no longer supported by the original vendor and uses outdated claims information. Therefore, starting with claims with dates of injury of July 1, 2020, BWC will be introducing a new claim reserving system – ACES (Actuarial Claims Estimating System).

With the help of their actuarial consultant, ACES was developed and will be maintained by BWC which will allow data to be refreshed more often and will allow for changes based on future legislative or judicial decisions.

From an employer's perspective, there should be no real impact on claim reserves. ACES will be using very similar cost drivers (input variables) and the same stop logic (circumstances as to when a reserve decreases to zero) as what is in place now with MIRA II. To further make sure employers are not negatively impacted by this change, claims with dates of injury prior to July 1, 2020, will continue to be reserved using MIRA II.

## Public Employers 2020 Rates Announced

The Ohio Bureau of Workers' Compensation (BWC) Board of Directors has approved the following rates for public employer taxing districts.

The rates reflect a 10% reduction of overall premium for the January 1, 2020 to December 31, 2020 payroll year, reducing premiums by \$17.8 million.

NCCI Manual	Description	2019 Base Rate*	2020 Base Rate*
9430	Counties	1.08	1.01
9431	Cities	2.17	1.94
9432	Villages	2.03	1.81
9433	Townships	2.06	1.90
9434	Local School Districts	0.56	0.49
9435	Public Libraries	0.39	0.32
9436	Special Public Universities	0.26	0.23
9437	Joint Vocational Schools	0.21	0.18
9438	Public Work-Relief Employees	0.43	0.34
9439	Public Emergency Service Organizations	12.14	12.14
9440	Public Hospitals	0.42	0.31
9441	Special Public Institutions	0.51	0.48
9442	Public Transit Authorities	1.94	1.84
9443	Special Public Authorities	1.04	0.93

*\*Rates are based per \$100 of payroll and do not include the additional 15.97% administrative fee.*

If you have any questions regarding your rates, please contact your CompManagement Rate Analyst at (800) 825-6755.



## Upcoming BWC Program and Safety Training Deadlines

If you have any questions regarding deadlines or safety requirements, or if you would like to learn more about the Ohio Bureau of Workers' Compensation's (BWC) program options and the potential savings they have to offer to your organization, please contact Lora Brooks, CompManagement Program Specialist, at (800) 825-6755 extension 65436.

Public Employers	
November 29, 2019	Application deadline for <a href="#">Drug-Free Safety (DFSP)</a> , <a href="#">Industry-Specific Safety (ISSP)</a> , and <a href="#">Transitional Work Bonus (TWB)</a> Programs for the January 1, 2020 rating year
December 1, 2019	Deadline for Individual Retrospective rated employers to file settlement applications for inclusion on their next retrospective rating bill
December 21, 2019	* First prospective billing installment payment due for the January 1, 2020 rating year (unless employer opted to defer payment)
December 31, 2019	Deadline for group employers (rating & retro) with claim(s) in the green period to attend <a href="#">2 hours of BWC approved safety training or complete BWC's online accident analysis form and safety class</a>
December 31, 2019	Deadline for employers participating in the ISSP to complete their loss prevention activities (1-3 activities based on payroll) and <a href="#">SH-29</a> (on-site consultation survey)
January 2020	Payroll True-Up notices sent by BWC for the January 1, 2019- December 31, 2019 payroll period (due February 15, 2020)
January 31, 2020	DFSP accident analysis training deadline; new supervisors have 60 days from hire date to complete
January 31, 2020	<a href="#">DFSP and ISSP online safety management self-assessment</a> (SH-26) deadline

\*Any active policy that chooses to pay all of their installment payments in a single payment by December 31, 2019, will receive a 2% Early Payment Discount (discount cannot reduce premiums below \$120 annual minimum). When the payment is received, BWC will remove all remaining installment billings for the year, and the 2% discount will be refunded to the employer. The 2% discount will not be adjusted during the true-up process at the end of the rating year.

Private Employers	
November 25, 2019	Application deadline for Group Rating for the July 1, 2020 rating year
January 31, 2020	Application deadline for Deductible Program, Group Retrospective Rating, Individual Retrospective Rating, and <a href="#">One Claim Program</a> for the July 1, 2020 rating year

# Upcoming Educational Webinar Sessions

## Workers' Compensation

Sessions	Date	Time (EST/EDT)
Session for Public and Private Employers		
<b>Workers' Compensation 101</b> An Introduction to Ohio's Workers' Compensation System	December 5, 2019	2:00 pm

For more information about this course, please [click here](#). The client education session listed above is offered at no charge to current clients of CompManagement.

### REGISTRATION

Registration for our Client Education Program webinar session is easy!

Simply send an email to [seminarrsvp@sedgwick.com](mailto:seminarrsvp@sedgwick.com)

Be sure to indicate the following: company name, BWC policy number, session name, session date, name(s) of those wishing to attend and an email address for each person attending.

## Private Employer

### EM Cap Training

If your entity is a participating member of the Ohio Bureau of Workers' Compensation's (BWC) EM Cap Program, there are safety training requirements that must be met. If in the first policy year, a half-day industry-specific safety program prescribed by BWC's Division of Safety & Hygiene must be completed by March 31, 2020.

If in subsequent years of the program, an online training class prescribed by BWC's Division of Safety & Hygiene must be completed by March 31, 2020. For more information about the program, please [click here](#). To review the BWC's Division of Safety & Hygiene's training center courses, [click here](#).

### Drug Free Safety Program (DFSP)

If your organization participates in the Ohio Bureau of Workers' Compensation's (BWC) Drug-Free Safety Program, BWC's safety and reporting requirements for the program are due. [Click here](#) for a copy of BWC's DFSP program guide that includes information on all of the program requirements and the necessary training and reports that need to be completed. CompManagement also offers online training options to assist your organization in meeting BWC's training requirements. [Click here](#) for more information. BWC's deadline to complete the necessary training and reporting requirements is March 31, 2020.

### One Claim Program (OCP)

If your organization participates in the Ohio Bureau of Workers' Compensation's (BWC) One Claim Program, the application deadline for the July 1, 2020 rating year is due by January 31, 2020. If in the first policy year, a half-day classroom-style class with BWC's Division of Safety & Hygiene must be completed by March 31 of the program coverage period. If in subsequent years of the program, 3 hours of online training prescribed by BWC's Division of Safety & Hygiene must be completed by March 31 of the program coverage period. For more information about the program, please [click here](#). To review the BWC's Division of Safety & Hygiene's training center courses, [click here](#).



# Unemployment Update

## Unemployment Tax Season has Arrived Evaluate your Options!

Unemployment tax season is upon us and now is the time to evaluate your unemployment tax options for 2020. Unemployment Tax paying employers in Ohio should be receiving their unemployment tax rate notices prior to December 1st for the upcoming tax year.

Ohio offers a couple of options that can be used to reduce an employer's unemployment tax contribution rate. They are:

- **Voluntary Contributions:** Employers that are experience-rated are eligible to make a voluntary contribution that will lower their tax rate in the upcoming year. Paying a predetermined amount up front lowers the tax rate to the next lowest rate. However, this option is not always advantageous and needs to be evaluated carefully.
- **Common Rating:** Entities that have at least 51% common ownership can apply to be commonly rated. If common rating is selected, the Ohio Department of Jobs and Family Services will calculate a combined tax rate. Some employers in the common rating group may pay more and others may pay less than their individual experience rate. The goal of common rating is to obtain overall net savings. As with voluntary contributions, this option should be evaluated carefully to determine whether or not common rating makes financial sense and to determine the best group(s) to form.

The deadline for electing either option is December 31, 2019. For our unemployment customers, as part of our standard services, we can help you to evaluate both options. If you are a current client and wish to consider either option, please fax or email your annual tax notice, along with a breakdown of your ownership structure (who owns what percentage of each entity) to Roger Baker at (614) 790-8100 or [Roger.Baker@Sedgwick.com](mailto:Roger.Baker@Sedgwick.com).

If you are a CompManagement workers' compensation client and want to have us help evaluate your options, please contact Roger at (614) 376-5800.

### Sedgwick Now Offers Additional Unemployment Related Tax Services

Sedgwick's unemployment team is now offering on demand unemployment tax services for current unemployment and workers' compensation customers. The services will be provided on an as requested basis with a fee based on the scope of the work involved. The services we are now able to provide are:

- **Merger and Acquisition Services:** Determining the impact of a merger or acquisition, ensure regulatory compliance or identify potential unemployment tax savings opportunities.
- **Tax Impact Analysis:** Estimating the impact to unemployment tax liability due to anticipated layoffs, location closings, anticipated increases in taxable payroll, or other actions that could result in an increased number of allowed claims
- **Retrospect Unemployment Tax Audits:** Reviewing prior merger and acquisition or reorganization activities to identify any potential compliance risks, look for potential refund opportunities or conduct wage base audits.
- **State and Federal Registrations:** Assisting with state and federal unemployment account registration.

We are pleased to be able to offer this additional service to our customers. If you have any need for these services please contact Donny Phillips, Business Development Manager at (614) 376-5837 or [Donny.Phillips@Sedgwick.com](mailto:Donny.Phillips@Sedgwick.com) for additional information.

# Safety Training & Tips

## Safety Academy Sessions:

CompManagement offers several FREE Safety Academy webinars. Each webinar will count as 1-hour of credit toward the Ohio Bureau of Workers' Compensation (BWC) safety training requirement, if participating in a group program. Clients required by BWC to take 2-hours of safety training have been contacted directly by CompManagement.

Session	Date/ Time (EST/EDT)	Register
<b>Injury Recordkeeping for Private Employers:</b> Learn the basics of the Occupational Safety and Health Administration recordkeeping requirements and associated posting requirements.	December 12, 2019 10:00 - 11:00 am	
<b>Injury Recordkeeping for Public Employers:</b> Learn the basics of the Public Employers Risk Reduction Program recordkeeping requirements and associated posting requirements.	December 12, 2019 2:00 - 3:00 pm	

## The National Institute for Occupational Safety and Health (NIOSH) Offers Small Business Assistance Program

The NIOSH Small Business Assistance Program works with partners in industry, labor, trade associations, professional organizations and academia. While the definition of small business is a work in progress, most consider them to typically have fewer than fifty employees.

The mission of the Small Business Assistance Program is to decrease occupational diseases, injuries and fatalities in smaller businesses by encouraging and supporting research, outreach and prevention activities.

The Small Business Assistance Program activities include:

- Researching the work environment in small businesses and the barriers to prevent workplace illness, injury and death.
- Researching the role of intermediaries (such as insurance companies, trade associations and chambers of commerce) and the best way to partner with them to connect with small businesses.
- Conducting outreach by giving presentations to small business groups.
- Fostering international collaborations with other small business safety and health leaders through large scientific conferences and informal networking.
- Collaborating and providing support (such as translation or outreach) to other NIOSH programs and outside partners that do research that may be helpful to small businesses.

NIOSH has created a Small Business Resource Guide to assist small businesses in keeping workers safe while managing time and cost investments. The guide contains several resources including tools and safety plans, guides and handbooks, information on compliance and insurance and much more.

[Click here](#) to view the Small Business Resource Guide and other small business assistance resources.

Source: NIOSH

## National Safety Council Opioid Toolkit

For the first time in U.S. history, a person is more likely to die from an accidental opioid overdose than from a motor vehicle crash. The numbers don't lie – in 2017, more than 72,000 people died of drug overdoses. Over 47,000 of those deaths involved opioids. Over 2 million Americans suffer from an opioid use disorder.

The opioid overdose crisis is driven by three categories of opioids – prescription painkillers (for example Vicodin, Percocet, and OxyContin), heroin and fentanyl. Any opioid can cause impairment, dependence and addiction, even if taken as prescribed.

Prevention of opioid misuse, opioid use disorder (OUD) and opioid overdose are complex, as there are many root causes and risk factors for addiction. Most workplace prevention measures target the whole workforce. However, employees may struggle with opioid misuse or an OUD despite these prevention measures. Employers can help prevent opioid misuse and the development of opioid use disorders in several ways. While employers cannot address all of the risk and protective factors that occur on individual and community levels, employers can protect against workplace risk and enhance workplace protective factors.

Employers should focus on four key areas when working to prevent opioid misuse in the workplace:

- Employee education focusing on opioids, opioid misuse and overdose.
- Workplace policies designed to address opioid use and misuse in the workplace in detail.
- A workplace culture that supports holistic employer health and well-being.
- Benefits and health care plans that provide preventative services as well as treatment for OUD.

To assist employers with addressing opioids in the workplace, the National Safety Council has developed an Opioid Toolkit. The toolkit includes sample policies, fact sheets, presentations, safety talks, posters, white papers, reports, videos and more, so you can implement a workplace program on opioids.

[Click here](#) to view the toolkit and other safety resources.

*Source: National Safety Council*

*For more news & information connect with us!*

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