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Business Bulletin

December 2011

WORKERS' COMPENSATION NEWS

Private Employer Group Rating Changes

The BWC Board of Directors unanimously approved Administrator Buehrer's proposal to set the maximum group rating discount to 53% and eliminate the break-even factor. As a result of the approved proposal, the maximum discount for an Ohio private employer has increased from 51% in 2011 to 53%. The approved changes are effective immediately and will impact the 2012 Policy Year beginning July 1, 2012.

Destination: Excellence Program

BWC Actuarial has proposed a new program to the Board of Directors expected to be voted on in the December 16th meeting. The plan, pending on an approved vote, would allow employers to select from seven new and existing program options to customize their specific needs.

The program would allow Salary Continuation to be compatible with all BWC programs, Drug-Free Safety Program would be compatible with 15K Program and fully compatible with Group Rating, and the 2% Safety Council participation discount would be available to Group-Retrospective Rating participants.

If the program is approved it would also offer a 1% premium discount up to \$1,000 maximum every six months to employers who receive their payroll report, file payroll and pay their premiums online. Additionally, the program would offer a 1% premium discount up to \$1,000 maximum every six months to employers who have had no lapse in coverage in the last 60 months.

An Industry-Specific Safety program would be included that offers employers a 3% premium discount to those who complete a BWC risk assessment, provide safety data to BWC and complete selected BWC safety activities.

The program will also encourage return-to-work strategies such as: Vocational Rehabilitation and Transitional Work. An employer who encourages workers to use rehab and returns the workers back to work could take advantage of BWC negotiated payments and their rehab cost being paid out of the BWC surplus fund. Once approved, Destination: Excellence would offer a Transitional Work Grant to employers and up to a 10% back-end bonus for successfully using the TW program. The grants would only be issued to employers who have not utilized the Transitional Work Grants BWC had offered in the past.

Wellness Program Grant

The BWC Medical Services and Safety Committee performed a first reading on a proposed rule for a Wellness Program Grant for Ohio employers. The program will allow employers to apply for grant funds to create a workplace wellness program. A total of \$4.0 million will be disbursed to participating employers over four years.

The program will allow 50 employee participants per employer/grant and will allocate \$300 per participant for the length of the program. Funding will be capped at \$15,000 per employer, which BWC is estimating will allow 625 employers to participate in this program.

The grant is available to all Ohio state-fund employers on a first-come, first-serve basis. Employers who are awarded the grant will be required to share data pertaining to health care risk factors and costs with BWC.

BWC Net Assets

The BWC Chief Fiscal & Planning Officer announced that the net assets had increased a total of \$721 million in October resulting in net assets of \$6.3 billion compared to \$5.6 billion at September 30, 2011.

Informed Ohio Business Workers' Comp Forum

The Informed Ohio Business Workers' Comp Forum was formed on LinkedIn for businesses to make sure everyone is up to date on workers' compensation issues facing employers and employees in Ohio. This forum encourages its members to share experiences, expertise and also to ask questions related to workers' compensation rules, regulations and policies for businesses in Ohio. To join the forum click here <http://www.linkedin.com/groups/Informed-Ohio-Business-Workers-Comp-3810852?mostPopular=&gid=3810852>.

SAFETY NEWS

Safety Intervention Grant Program – Wholesale/Retail Trade Delivery

BWC and the National Institute for Occupational Safety and Health (NIOSH) have partnered up to research strategies that will create a safer work environment for employees working in the wholesale/retail trade and transportation industries. The program will study the effects of adding equipment (stair-climbing powered hand trucks, truck-lift gates, etc.) to the delivery process, determining if the addition reduces workplace accidents.

Ohio private and public employers within the specified industry or similar companies performing delivery operations of large items are eligible for the grant, which provides a 2-to-1 matching amount up to the maximum of \$40,000 for a total of \$60,000 (\$20,000 from the employer and \$40,000 from BWC).

Quarterly data reports are required by the participants and would be submitted through the BWC website. A case study report on the intervention item is also required one year after implementation.

In October, BWC awarded 13 businesses a total of more than \$273,000 for their safety intervention efforts.

Monthly Safety Webinar

December 2011 – Topic: Department of Transportation Overview

Did you know?

- DOT regulations apply to more than tractors trailers.
- You must meet additional DOT regulations once leaving the state of Ohio.
- Your insurance premium may be based on CSA scores.
- Drivers operating a vehicle with a GVW of 10,001 lbs or greater are required to have a Medical Examiners Certificate.
- Each employee operating a commercial vehicle must go through an annual driving record review.

The Federal Motor Carrier Safety Regulations (FMCSR) are complex, difficult to interpret, and even more difficult to follow. Non-compliance; however, could cost you thousands of dollars in fines or even shut your transportation operation down completely. Let Sheakley help you understand your responsibilities with regards to the FMCSR's and how to comply with them.

During this session we will...

- Review the main components for compliance under DOT regulations.
- Review the purpose and structure of the new CSA Program.
- Discuss solutions available to reach compliance.

When: December 13th
1:00pm-2:00pm (EST)
\$50 per person

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UNEMPLOYMENT NEWS

Ohio Unemployment Rate

Ohio unemployment rate for October 2011 was 9.0%, down from 9.7% in October 2010.

The U.S. rate for October was down to 9.0% from 9.7% in October 2010.

LEGISLATIVE NEWS

Senate Bill 69 – Drug Testing

The bill (introduced February 2011) would require adults who apply for need-based programs that provide cash assistance, medical assistance, housing assistance, food assistance, or energy assistance to submit to a drug test before receiving the benefits.

Senate Bill 264 – Nursing Home Payments

The bill (introduced November 2011) is proposing changes to the quality incentive payments and quality bonuses paid to nursing facilities under the Medicaid program.

The bill consists of a funding formula (which would take effect in July 2013) that establishes 20 nursing home quality accountability measures. The proposed requirement is that a nursing home will have to meet at least five of the standards to secure full funding.

To learn more about these changes and how they will impact your business, please contact our office at 513-326-4675 x2044 or visit our website at www.sheakley.com.