

November 2020 BWC News from CareWorks Comp

*"Instructions for living a life: Pay attention. Be astonished. Tell about it."
~Mary Oliver, "Sometimes"*

DEADLINE: Group Rating & Group Retrospective Enrollment for Upcoming July 1, 2021 Policy Year

The enrollment deadline for the 7/1/2021 Policy Year is November 16, 2020 for Traditional Group Rating, and January 22, 2021 for Group Retrospective Rating. For more information contact Julia Bowling, CareWorks Comp Program Manager, at 513-218-4062 or julia.bowlingl@careworkscorp.com.

DeWine Proposes \$5 Billion Workers' Compensation Dividend: BWC Board APPROVES

Gov. Mike DeWine hopes the largest Bureau of Workers' Compensation dividend in state history will serve as a lifeline to businesses struggling amid the coronavirus pandemic. The governor asked the BWC's Board of Directors to approve a \$5 billion dividend at its next virtual meeting on November 2, 2020, and the Board of Directors has approved the vote. The dividend will be the third this year, following a \$1.54 billion dividend issued in April and a \$1.34 billion dividend in October.

Checks will be distributed to employers covered by BWC in December. DeWine said the City of Columbus is in line for the single largest dividend payment at about \$64 million. "Our economy is coming back, but many of our businessmen and women continue to struggle," he said. "Another even larger dividend that I'm asking for today will help so many businesses stay open, keep them operating (and) pump money directly into the economy." Despite the economic effects of the pandemic, Gov. DeWine said BWC "remains in a strong fiscal position thanks largely to healthy investment returns on employer premiums, a declining number of claims each year and prudent fiscal management."

BWC Administrator Stephanie McCloud said the dividend will help Ohio employers "when they need it most."

"Just since July, we have earned just under another billion dollars in investment income," she said. "What this tells us is that our modeling and our investment policies are solid. Using this information, we are ready to support businesses to stay open, to reduce layoffs and to keep Ohioans employed." BWC board Chair Chan Cochran said he credits the work of bureau staff and "superior investment results over a long period of time" with putting the state in position to provide the proposed dividend. "The BWC exists to help Ohio employees who are hurting," he said. "Because the COVID virus presents unprecedented challenges in Ohio, helping our businesses and their workers is a proper and needed use of these funds."

Mr. Cochran said the BWC will have a net position – assets minus liabilities – of \$6.3 billion after payment of the dividend. Assets will be 1.43 times actuarial liabilities. The bureau's guidelines for that funding ratio are that it should be between 1.3 and 1.5. As of Sept. 30, it was 1.77. (See [Gongwer Ohio Report, October 23, 2020](#))

He predicted that the governor's proposal will be "well received" by the board. Gov. DeWine said the checks would range from hundreds to millions of dollars. He said the average restaurant in the state could receive a check for about \$13,000, while the average farm could see about \$9,500.

Adam Sharp, executive vice president of the Ohio Farm Bureau, said the pandemic and related market conditions have had "a big impact" on the state's agricultural sector. "This announcement becomes even that much more important today because of that," he said. "If you look at this potential to return billions of dollars back to our food and agriculture economy in the state, it will help those businesses remain competitive."

Important Deadlines:

- **November 21, 2020:** Premium installment due for the July 1, 2020 - June 30, 2021 policy year, if your company is on a monthly payment plan with the Ohio BWC.
- **November 16, 2020:** Deadline to enroll into traditional Group Rating with CareWorks Comp for the 2021 Rating Year.

Important Change: 2021 Ohio Safety Congress Going Virtual

The 2021 [Ohio Safety Congress & Expo \(OSC21\)](#) — sponsored by the Ohio Bureau of Workers' Compensation — is about keeping people safe. With all the uncertainty surrounding the future of the COVID-19 pandemic, the BWC will host OSC21 totally online March 10 – 11, 2021. The virtual event offers plenty of online learning sessions *and* a digital expo, allowing you to learn remotely and chat virtually with presenters and exhibitors. As always, attendance is FREE, and registration for the virtual event opens in December.

Who should attend?

Individuals with an interest in occupational safety and health, wellness, rehabilitation, and workers' compensation are encouraged to attend.

OSC21 highlights

- Learn to improve safety management programs and best practices.
- View the newest workforce safety products and services.
- Chat with business representatives, safety pros, and workers' compensation specialists.
- Connect with exhibitors to discuss cost-saving solutions.
- Keep your workers healthy and productive

Important note: The new March 10 – 11 dates are a change from the original dates of March 31 – April 2 that the BWC announced earlier this year. **Look for updates on social media using #OSC21. Mark your calendar and join the BWC online! March 10-11, 2021.**

For more information about all the Ohio BWC's training opportunities, visit the BWC's Learning Center at: [BWC Learning Center Login](#)

Let's Learn: Important BWC Acronyms

- **POR: Physician of Record**—the chosen doctor of the injured worker.
- **PPD: Permanent Partial Disability**—(or %PP or “C92 Award”) Compensation award paid by the Ohio BWC to an injured worker for injuries where he/she has a loss-of-use due to the injury. It is based on a percentage of their impairment from the injury.
- **SC: Salary Continuation**—When the employer chooses to continue paying the injured worker's wages for a Lost Time claim until he/she is returned to work either full-duty or modified duty, as opposed to the BWC paying Temporary Total (TT) compensation which when paid, is marked against the employer's rating experience.
- **MDOS: Modified Duty Offsite**—A program where the injured worker is released with restrictions by his/her doctor and is placed at a local non-profit agency, like a soup kitchen or donation-center agency, to do meaningful “light duty” work while the employer pays their wages and the injured worker transitions back to full duty.

Claim Status Questions: Active? Open? Closed?

When it comes to Ohio workers' compensation, some of the verbiage used is a bit different than other states' usage of descriptions, especially when it comes to describing the status of claims.

Here in Ohio, a workers' comp claim is either a Lost Time (LT) claim or a Medical Only (MO) claim. A Lost Time claim is when the injured worker loses 8 or more calendar days of work due to his/her injury, and compensation needs to be paid to the injured worker either by the Ohio BWC or by the employer. A Medical Only claim is when the injured worker has missed 7 or fewer days of work due to the work-related injury. The injured worker can receive treatment and/or benefits for the injury, yet still report to work.

When determining whether a claim is “active” or “open” or “closed”, one must evaluate the status of medical treatment, compensation being paid, and if the claim has been Lump Sum Settled or not.

In Ohio, a claim is considered “closed” when the injury exceeded the statute of limitations, or when the claim is Lump Sum Settled, or when the injured worker is deceased (not from the cause of the injury).

In Ohio, a claim is considered “open” when there is current medical activity or compensation being paid by either the BWC or the employer. It's important to know that medical reserves on a claim go to \$0 after 6 months of medical inactivity, and compensation reserves go to \$0 after 3 months of compensation inactivity. It is safe to say when you see a claims total reserves at \$0, the claim is not active. The claim is used to determine the employer's experience (EMR) for 4 rating years. A claim takes 2 rate years to enter into an employer's experience and then is used for 4 years to determine the employer's EMR (Experience Modification Rate).

From a medical standpoint, a claim is still “open” but “inactive” after 24 months of inactivity...BUT can be “reactivated” by the injured worker.

› Enrollment packets due soon!

The deadline to enroll in our workers' compensation group program is just around the corner! Make sure you choose our program administered by CareWorks Comp.

Your organization requested a quote, and enrollment paperwork was sent to you for our traditional group rating and/or group retrospective rating programs. The deadline to enroll in these programs is quickly approaching. Don't miss out on your opportunity for significant premium savings!

- **November 13, 2020** - Deadline for CareWorks Comp to receive Traditional Group Rating paperwork (AC26 Form and Disclosure Form)
- **January 22, 2021** - Deadline for CareWorks Comp to receive Group Retrospective Rating paperwork (U153 Form)

As a member, our program offers a full range of services designed to help lower your costs:

- Group Rating
- Group Retrospective Rating
- Safety & Risk Management Consulting
- Unemployment Compensation

CareWorks Comp has helped Ohio employers save more than \$3 billion in upfront, premium discounts and returned more than \$300 million in premium rebates.

Contact Julia Bowling, CareWorks Comp Program Manager, at 513.218.4062 or julia.bowling@careworkscorp.com for more information about your program options.

Time is running out - Deadline to submit group rating paperwork is November 13, 2020!