“Understanding Ohio Workers’ Compensation”

Melony Bryant
Minority & Small Business Advocate
Business Cell: 614-307-5559
Email: melony.bryant@ohiobwc.com
The Ohio Bureau of Workers’ Compensation (BWC)

- BWC was created by the Ohio Constitution in 1913
- One of four monopolistic states
  - Ohio
  - North Dakota
  - Washington
  - Wyoming
- Governed by a board of directors appointed by the governor, and regulated by the state legislature
The Ohio Bureau of Workers’ Compensation (BWC)

- Largest state insurance fund in the country
  - Approximately 250,000 policies
  - $2 billion in annual premiums
  - $1.9 billion paid out in claims costs
  - 1 million active claims
  - $25 billion of investable assets
Workers’ Compensation Parties

- Injured Worker
- Employer
- Bureau of Workers’ Compensation (BWC)
- Third Party Administrator (TPA)
- Managed Care Organization (MCO)
- Attorney (Injured Worker and/or Employer)
What is Workers’ Compensation Insurance?

- Just Like Most Other Insurance
- Premium Collected
  - Held in the State Insurance Fund
- Pays Indemnity
- Pays Medical
- No-Fault
- Oldest claim is from 1940
Who is Required to Be Covered?

- Employer with 1 or more employees

What is an Employee?

- Employer controls work hours
- Selection of materials
- Traveling routes
- Quality of performance
Why Comply?

- Places unfair burden on the Fund
  - Non-compliant claims are fully covered by BWC but billed back to employer

- *It’s the Law!*
  - One focus of the BWC’s Special Investigations Unit (SIU)
    - Nine individuals (mostly employers) were convicted or pleaded guilty in December 2015

- Protects the business
Who May Want to Consider Coverage?

- Sole proprietor or Partner
  - If work is hazardous
  - If they have income from another source

- Work related injuries are not covered by private health insurance
  - No paid compensation
  - No paid medical benefits
Grow Ohio Program
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- Enacted in 2011
- Incentivize New Business Growth in Ohio
- Lessen Premium Costs for New Businesses

Eligibility

- Private employer
- Creating one or more jobs
- Out of state employer with no prior operations in Ohio
Grow Ohio Program Options

- 2 Year Discount
  - 53% Group Rating Discount
    - Requires enrolling in Group Rating with a TPA
    - Must apply 30 days from the date BWC assigns a policy
  - 25% Discount
    - Automatically applied by BWC
  - Safety requirements
    - Safety survey, or
    - At least 2 hours of safety training, or
    - Safety Management Self-Assessment
  - Compliance with payments and coverage requirements
Safety Grant Programs

- Safety Intervention Grants,
  • 3:1 matching funds up to $40,000

- Drug-Free Safety Program Grants
  • For initial program development and supervisor and employee training

- Workplace Wellness Grants
  • Up to $15,000 during the 4-year program
BWC E-Account

- Manage your policy
- Pay bills
- Complete payroll true-up
- bwc.ohio.gov
- Contact Call Center
Questions ?