

Ohio Bureau of Workers' Compensation

BWC Updates and Overview of Prospective Billing for Public Employers

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Recent Rebates to Employers

In 2013 and 2014, BWC returned \$2 billion in rebates to Ohio employers.

- \$1 billion in rebates to employers in summer 2013
- Another \$1 billion in rebates to employers in fall 2014
- Increased safety grants funding
- \$35 million in safety initiatives over next two years

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Safety Grants

- Grants to assist employers in purchasing equipment that will substantially reduce or eliminate injuries
- 3-to-1 matching funds (up to \$40,000)
- Last year, BWC awarded \$15 million in grants to 535 employers
- Have you applied for your safety grant? If not ... what are you waiting for?

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Ohio Safety Congress & Expo

The largest and longest-running occupational safety, health and workers' comp event in Ohio.

- o March 31 to April 2
- o More than 180 educational sessions
- o More than 200 exhibitors
- o Free continuing education
- o It's FREE!



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Overview of Prospective Billing

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Why Transition to Prospective Billing?

- o Industry standard
- o More flexible payment options
- o Decrease in base rates by 4% for public employers
- o Increased ability for us to detect non-compliance and fraud

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Public Employer (PEC) General Overview (Transition Year)

- Implement PEC prospective payment effective Jan. 1, 2016
 - In 2016, payment time frames will remain the same as they are today.
- PECs will receive their 2015 payroll report along with a 2016 invoice in March 2016.
 - Invoice will include a 50% credit for both the 2015 and 2016 premium.
- PECs will need to pay at least 50% of their annual premium for both 2015 and 2016 by May 2016.

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PECs – Jan. 1, 2016 to Dec. 31, 2016

- BWC will send second invoice (for the remaining premium) in August with a Sept. 1 due date (for 2015 and 2016 policy years).
 - The invoice will include the 50% credit for both the 2015 and 2016 premium.
- PECs will receive a 2017 notice of estimated annual premium in November 2016.
- BWC will send invoice in December 2016.
 - First installment payment will be due by Dec. 31.

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Installment Options

- Annual (1);
- Semi-annual (2);
- Quarterly (4);
- Bi-monthly (6);
- Monthly (12).
- Minimum payers will not receive installment options.
- Minimum premium increasing to \$120 due by Dec. 31 each year.

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Deferred Payment Option

- Public employers may opt into this program and delay their first payment until April 30.
 - Employer must elect this option on or before Nov. 15 of each year for the upcoming policy year.
- By April 30, the employer must pay the January-May premium.
- BWC will charge a deferment fee based on the discount rate assumed. This fee will make up for the interest BWC will not collect on the premium during this time period.

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Payroll True-up Report

- Prospective requires an annual payroll true-up report. BWC will send the payroll true-up notice in January of each year (beginning in 2017).
- The employer must report actual payroll for the previous year.
 - Online or over the phone only
 - If additional premium is calculated, it is also due by Feb. 15.
 - If credit calculated, it will be released in normal process.

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Payroll True-up Report

- Actual payroll is critical for rate setting. For that reason, any outstanding true-ups will result in immediate disqualification from rating plans and programs for that current policy year.
- Also, employers must complete all true-ups to be eligible for programs going forward.

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Rating Plan and Program Enrollment Dates

- o Beginning in THIS year, enrollment deadlines have changed!
- o Group- experience rating – Last business day in May
- o Group retro, One Claim program, Deductible, Individual retro – Last business day in July
- o Destination: Excellence – Last business day in November

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Public Employer Timeline – May 1, 2015 to May 30, 2016

- Group enrollment – Last business day of May
- Group retro, One claim program, Deductible, Individual retro enrollment – Last business day of July
- Destination: Excellence enrollment – Last business day of November
- Dual premium billings in March of 2016 – Both bills discounted 50%

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Public Employer Timeline – July 1, 2016 to Dec. 31, 2016

- 2nd billing in 2016 for both policy year 2015 and 2016 (again, 50% credits on both)
- Policy year 2017 notice of estimated annual premium sent in early November.
- Policy year 2017 invoice sent in early December; due Dec. 31.

**Deferred payment option can be used.

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Public Employer Timeline – Jan. 1, 2017 and Beyond

Jan. 1, 2017
Payroll true-up report notice sent

Feb. 15, 2017
True-up due

May 31, 2017
2017 Group enrollment

July 1, 2017
Group retro, One claim program, Deductible and Individual retro

Nov. 1, 2017
Policy year 2018 notice of estimated annual premium sent

• Payroll true-up report sent Jan. 1, due Feb. 15.

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Web Resources

For more information, visit www.bwc.ohio.gov

- Overview document (with key dates)
- Frequently asked questions document
- Webinars

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Prospective billing

Find information and resources here

Quick links

- File a claim
- Apply for coverage
- View claim documents
- Report a job
- Live support

Ohio Means Jobs

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Questions?

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