



OIA
WORKERS' COMPENSATION
GROUP RATING PROGRAM

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WHY USE THE OIA WORKERS' COMP PROGRAM

- In 1989, House Bill 222 was passed, which allows employers in similar industries to join together through a sponsoring organization (association) to be rated as a group.
- Group rating is offered to employers with better than average claims history.
- OIA introduced the plan to agency commercial clients in 1992 giving OIA and CompManagement the leading edge in group enrollment.
- OIA's group plans include **12,000+** enrolled employers.
- Creates an additional income source for agents while expanding the services they provide through the Suite of Products.
- The plan is an effective prospecting tool and assists with client retention.
- Enrolling your clients in OIA's plan potentially wards off any competing groups offered by another TPA that may cross sell insurance products.

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HOW DOES A COMPANY QUALIFY FOR GROUP RATING?

- Claims history is tracked and maintained by BWC .
- The recorded WC history is called an employers “experience”.
- An employers experience is the oldest four of the past six rating years
2019 experience: July 1st, 2013 to June 30th, 2017
- The CompManagement actuarial staff will analyze the experience for potential eligibility.
- If the employer has a better than average loss history and meets all of the criteria, they may be eligible for group rating.
- OIA member agencies receive 21.43% commission of the enrollment fee collected by CompManagement (less dues)

WHAT ARE THE BWC RULES?

- All employers must be included on a group roster and all forms must be filed to BWC.
2019 program application deadline: Nov. 19, 2018
- The employer must be and remain in “active status” (BWC premium payments are current).
- The employer cannot have combined lapses in coverage totaling more than 40 days within the 12-months preceding the application deadline.
- There can be no undisputed balances that are more than 45 days past due with BWC.
- The employer cannot enroll in more than one group plan, each year.
- All employers within the group must be members of the sponsoring organization.
- Employers within a group must be similar in nature (same industry group).

BWC Industry Groups

IG-1	AGRICULTURE
IG-2	NATURAL RESOURCES
IG-3	MANUFACTURING
IG-4	CONSTRUCTION
IG-5	TRANSPORTATION
IG-6	UTILITIES
IG-7	WHOLESALE / RETAIL
IG-8	SERVICE / MEDICAL
IG-9	SHOP / PRODUCTION
IG-10	OFFICE / SALES

ALTERNATIVE GROUP PROGRAM – GROUP RETROSPECTIVE RATING

- Effective in 2009
- Allows employers to pool / share risk
- Very successful in state of Washington (and now Ohio)
- OIA filed five Group Retro groups in 2018 for the following industry groups: Manufacturing, Construction, Transportation, Retail and Service
- Safety is key to a successful program
- Cost containment is critical to the success
- Group retro application is due to BWC by Jan 31, 2019

WHO ARE THE KEY RELATIONSHIPS?

- Third-Party Administrator (TPA)
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- Group Sponsor
The Ohio Insurance Agents Association, Inc. (OIA)
- Managed Care Organization (MCO)
CompManagement Health Systems

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MANAGED CARE ORGANIZATIONS (MCO)

- A Managed Care Organization (MCO) is certified by the BWC to work with employers to manage their WC claims and provide quality health care for their employees. A MCO works with the employers to help them file claims promptly and also make sure the injured workers receives quality medical care. They will help facilitate a quick and safe return to work.

Selecting a managed care organization (MCO)

- Each business in the state of Ohio is required to select an MCO. Every two (2) years employers have the opportunity to change their MCO. The BWC will notify employers when open enrollment starts providing a new MCO Selection Guide. This guide includes a list of certified MCOs by county and instructs the employer as to how to review each MCO's performance and select a new one if desired. If an employer does not want to change their MCO then no action is required.

CompManagement Health Systems (CHS)

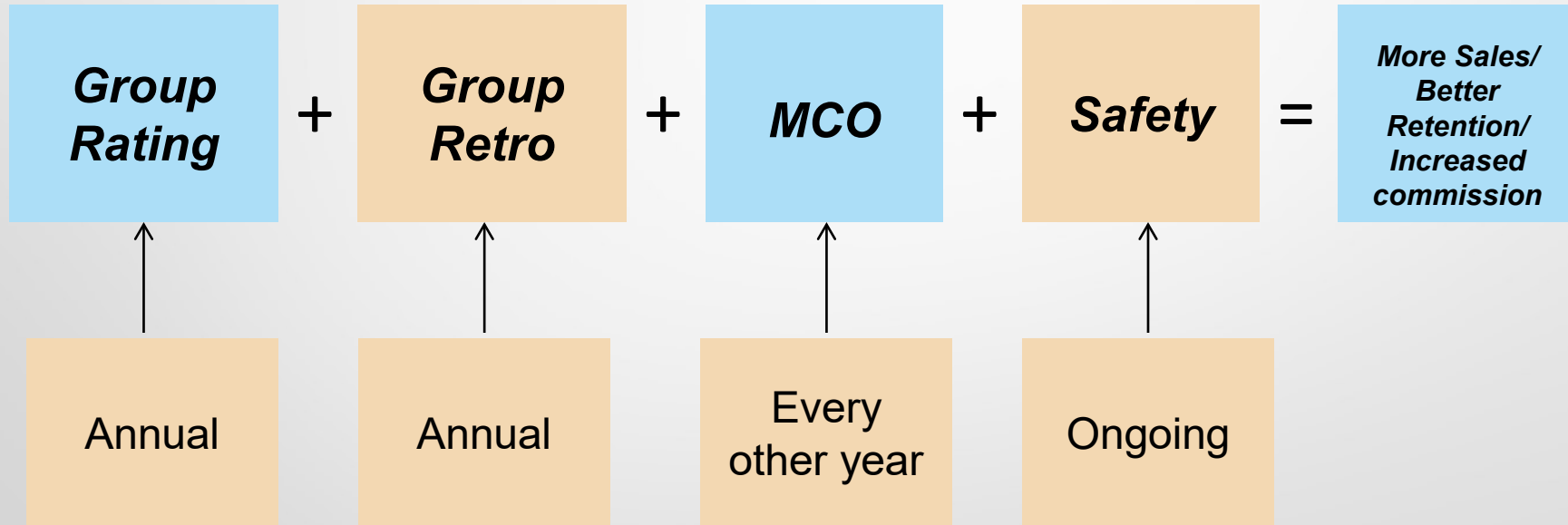
- Working in conjunction with CHS, agencies have the opportunity to assist their clients in changing their chosen MCO to CHS. Agencies will receive a commission for every new client that switches to CHS.

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SUITE OF PRODUCTS

The Suite of Products fits the way an agency writes business. Now, like a carrier, there are just more products agents can offer their clients.



WC GROUP RATING TIMELINE

➤ **DECEMBER 2017 – NOVEMBER 1, 2018**

Agents submit AC-3s for review

➤ **JUNE 2018 – NOVEMBER 2018**

Invitations issued to employers for enrollment in group rating plan**

➤ **NOVEMBER 19, 2018**

BWC deadline for CompManagement to file applications for group rating plan

➤ **DECEMBER 2018 – JANUARY 2019**

BWC Reviews applicants for final approval for group rating

➤ **JULY 1, 2019 – JUNE 30, 2020**

Group rating discounted payroll period

** AGENTS MAY VIEW OR DOWNLOAD INVITATION PACKETS ONLINE AT [HTTPS://VIAONE.COMPMGT.COM](https://viaone.compmgt.com)

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WORKERS' COMPENSATION THE POWER OF ADVOCACY

- MOTOR VEHICLE ACCIDENTS – SUBROGATION VS. COST RELIEF
- OUT OF STATES COVERAGE

WORKERS' COMPENSATION – MOTOR VEHICLE ACCIDENTS

- If applicable, BWC attempts to re-coup WC payments from the insurer of the at-fault party
 - Traditional Subrogation
 - Long, Painful Process and rarely is 100% of costs recovered
- HB207 “Cost Relief”
 - Does not mean BWC was or will be successful @ Subrogation

Workers' Compensation – HB 207

- Effective 7/1/17 (Prior D.O.I. are not eligible)
- BWC application AC-28 form (original)

Responsible Third Party Information:

- Copy of Police MVA report from a law enforcement agency
- Copy of the citation showing the third party is responsible

Required Supporting Documentation

- Proof of third-party insurance or surety bond
- Proof that insurer accepts liability
- An insurance policy number is required
- **Declaration page**
- Proof that the third party was insured on the date of the accident

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WORKERS' COMPENSATION – HB 207

- HB 207 –Supporting Documentation (**revised 7/21/17**)
- Copy of Police MVA report from a law enforcement agency
- Copy of the citation showing the third party is responsible
- **Any of the following:**
 - Auto Insurance ID card
 - Declaration page
 - Other Proof of coverage

WORKERS' COMPENSATION – HB 207

➤ HB292 – SIGNED JUNE 14TH, 2018

Included an at-fault MVA update (HB207)

- Citation no longer required
- Without it, BWC must prove 51% fault
- Citation is still highly desirable

WORKERS' COMPENSATION – OTHER STATES COVERAGE

- Any time an employee leaves Ohio, there is a risk that coverage through BWC is not sufficient.
- BWC does not and cannot respond to a claim filed in another jurisdiction.
- In March 2016, BWC launched an optional policy offering to provide coverage to eligible Ohio employers for out-of-state exposures.



WORKERS' COMPENSATION – OTHER STATES COVERAGE

WHO NEEDS IT?!?

- An employer Should secure a policy that would respond to a claim pursued in another state if:
 - An employee is hired to do work in another state;
 - An employer has Ohio-based employees working in another jurisdiction for an extended period;
 - An employee is working in a state where the law requires specific coverage for temporary exposures (other than BWC's coverage).

WORKERS' COMPENSATION – OTHER STATES COVERAGE

OHIO BORDER STATES AND BWC COVERAGE



*No more than 30 calendar days within any 365 day period



WORKERS' COMPENSATION – OTHER STATES COVERAGE

➤ NO ONE IS INJURED DO I STILL NEED COVERAGE?

Yes. Injury is not necessary to be in violation of workers compensation laws of the state where employees are working. If those states find an employee is working without coverage, there could be penalties, fines and even stop-work orders.

➤ WHO IS ELIGIBLE FOR AN OTHER STATES COVERAGE POLICY?

An employer must have the majority of its business in Ohio for BWC to consider it for this coverage option. In addition, an employer must:

Have active coverage with BWC;

Have coverage lapses that do not exceed 40 cumulative days in the last 12 months;

Have no past-due balances.

BWC ALSO WILL REVIEW AN EMPLOYER'S EXPERIENCE MODIFIER, LOSS HISTORY, SAFETY RECORD AND OTHER PERTINENT INFORMATION TO DETERMINE ELIGIBILITY.

SELF-INSURING EMPLOYERS, TEMPORARY EMPLOYMENT AGENCIES, STAFFING ENTITIES AND PROFESSIONAL EMPLOYER ORGANIZATIONS (PEOs) ARE NOT ELIGIBLE FOR AN OTHER STATES COVERAGE POLICY.

WORKERS' COMPENSATION – OTHER STATES COVERAGE

➤ PROCESS TO APPLY FOR OTHER STATES COVERAGE

Employers must submit an application specifically for other states coverage (the ACORD 130 form).

If the employer is approved, an other states policy will be issued separately from the employer's Ohio workers' comp policy.

The policy will be on Zurich paper and the agent of record will be USIS

➤ CLIENT LISTS YOU ON THE ACORD 130 YOU WILL BE ABLE TO:

Answer questions concerning application

Make changes on behalf of your client

Receive correspondence including policy copy, endorsements, and audit notices

**ONLY BWC CAN BIND COVERAGE*

*** AGENTS ARE PAID \$50 APP FEE FOR EACH RENEWAL AND NEW BUSINESS APP*

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Key Contacts

Plan Sponsor:

Ohio Insurance Agents Association, Inc.

600 Cross Pointe Road ■ Gahanna, Ohio 43230

(614) 552-8000 ■ (800) 555-1742 ■ fax (614) 552-0115 ■ www.ohioinsuranceagents.com

Judy Sivy

WC Program Coordinator

judy@ohioinsuranceagents.com

OIA Group Plan Administrator:

CompManagement

PO Box 884 ■ Dublin, OH 43017-0884

(800) 825-6755 ■ fax (614) 567-9380 ■ www.compmgt.com

Street Address: 6377 Emerald Parkway ■ Dublin, OH 43016

John Logue

VP, Client Services

(614) 376-5744

John.Logue@sedgwick.com

Tony Sharrock

Manager, Client Services

(614) 376-5450

Anthony.Sharrock@sedgwick.com

Rejeana Woolum-Napier

Agency Development Manager

(614) 359-2403

Rejeana.Woolum-Napier@sedgwick.com

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