

BWC Reform Efforts

2011 Accomplishments

- Saved Ohio's private employers \$65 million in premiums by reducing average base rates by 4 percent.
- Reduced Public Employer rates by 5 percent - saving local governments \$22 million a year.
- Saved an additional \$80 million by reducing our budget by 12 percent over the next biennium.
- Created the Grow Ohio Program to help boost economic development. New employers can save up to 53 percent on workers' compensation premiums by choosing to:
 - Take a 25 percent premium discount for two years, or
 - Waive the waiting period and immediately join a group rating program, which can reduce their premiums up to 53 percent.
- Created *Destination: Excellence*, a new rating plan that aims to improve return-to-work rates by rewarding employers for building a risk management plan that focuses on safety, prevention, and returning those who are injured to their jobs more quickly. The "cafeteria-style" plan offers seven program options.
- Expanded the safety council rebate program
 - Non-group rated employers continue to be eligible for both a 2 percent discount for participating in Safety Council programs, and a 2 percent rebate for demonstrating improvements to employee safety.
 - Now employers in the group rating program are eligible for a 2 percent rebate for demonstrating improvements to employee safety.
- As part of the Lt. Governor's Common Sense Initiative, BWC established a one-time forgiveness program that waives penalties and interest for first-time lapsed premium.
 - Waived nearly \$750,000 in premiums and interest for employers in the first 90 days.
- Unveiled the new Wellness Grant Program, a \$4 million, four year program that awards companies up to \$15,000 to start up employee wellness programs. This will help employers meet the challenges related to rising incidences of obesity and chronic disease, as well as an aging workforce—all factors that contribute to workplace injuries and slow the recovery of injured workers.
- Improved Pharmacy Management to ensure workers are being prescribed drugs that help, not hinder, their recovery.
 - Created the first-ever formulary, which will save an estimated savings of \$15 million in its first 18 months.
 - Initiated measures to ensure BWC will only cover drugs related to the specific injury.
 - Changed rules to prohibit decertified providers from prescribing drugs for injured workers.
- Emphasized fraud department efforts and broadened the focus to all types of fraud.
 - First-ever attempt to close a non-compliant business through an injunction.
 - Decertified a provider for inappropriately prescribing narcotics.
 - In 2011 our Fraud unit obtained 132 indictments and 122 convictions involving fraud by individuals, businesses and providers.
 - The Fraud unit also identified \$54 million in savings for the State Insurance Fund in 2011. We receive a 6-1 return on investment in Fraud detection.
- Hired two "minority managers of managers" who will each hire more than a half dozen women and minority investment firms to manage \$200 million in BWC funds.