

OSC 10
Ohio Safety Congress & Expo

Interstate jurisdiction update (564)

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Ohio Bureau of Workers' Compensation

O v e r v i e w

- Ohio employers may be required to have workers' compensation coverage with other state funds or private insurers for work performed outside Ohio.
- This includes temporarily working in other states.

Ohio Bureau of Workers' Compensation

What's changed?

For claims with a date of injury prior to Sept. 11, 2008:

- Ohio and another state may have jurisdiction;
- BWC will pay compensation to the injured worker to the extent it may exceed compensation paid by the other state.

Ohio Bureau of Workers' Compensation

What's changed?

For claims with a date of injury prior to Sept. 11, 2008:

- BWC will NOT pay an offset for medical benefits that another state already paid.

Ohio Bureau of Workers' Compensation

Example

- Example for claims with date of injury prior Sept. 11, 2008: An injured worker files a claim in Ohio and in Michigan.
 - In Michigan, the injured worker will receive \$500 for the period of disability.

Ohio Bureau of Workers' Compensation

Example

- In Ohio, he or she would receive \$750 for the same period of disability. BWC will pay the difference between the two amounts (\$250) to the injured worker. Ohio will not grant medical benefits for bills already paid in the Michigan claim.

What's changed?

For claims with a date of injury on or after Sept. 11, 2008:

- Determination must be made as to whether Ohio or another state has jurisdiction over the claim;
- The injured worker can't receive compensation and/or medical benefits from Ohio and another state.

Senate Bill 334 (SB 334)

- This bill is in effect as of Sept. 11, 2008.
- SB 334 resulted in the following:
 - Changed and clarified extent to which Ohio recognizes coverage of another state for work performed within Ohio.

SB 334

- Allows for payroll segregation and exclusion from Ohio premium computation work performed outside Ohio and insured by other state insurer

SB 334

- Restrictions exist on employee's ability to file and receive benefits for a work-related injury in Ohio and another state.

SB 334

How it works

- If the worker's home state allows Ohio employees to enter his or her state and work temporarily and still be covered by BWC, then Ohio will recognize the employers out-of-state coverage for a period up to 90 days.

SB 334

What it means

- Ohio will allow out-of-state employees from that state to enter Ohio to work temporarily and still be covered by their home state's workers' compensation system.

SB 334

What it means

- Ohio will recognize the employers' out-of-state coverage for their employees brought into Ohio, *but not for any persons that are hired in Ohio.*

SB 334

However,

- If Ohio employees working in the other state must have workers' compensation coverage through that state, regardless of the duration of work performed, then Ohio will require out-of-state employees to be covered under Ohio's workers' compensation system.

Remember

Ohio employers with employees working in another state must comply with the other state's workers' compensation laws.

Common out-of-state situations

Other state allows out-of-state employees to work in their state temporarily:

- If employees are covered under Ohio's workers' compensation system;
- Ohio employer does not need to obtain other state's coverage, but may choose to do so, as long as the employer's employees do not exceed the time limits imposed by the other state.

Common out-of-state situations

Some states require out-of-state employees working in their states to be covered by their states' workers' compensation laws regardless of the duration of time spent in his or her state and coverage in the employees' home states.

- The Ohio employer must obtain coverage through the other state's workers' compensation system.

Common out-of-state situations**Remember**

Regardless of where they hire the workers, employers who specifically hire employees to work in Ohio **must** obtain coverage from BWC.

Other states' coverage

Since a significant percentage of work performed out of state by Ohio employers will occur within the contiguous states surrounding Ohio, those states' workers' compensation coverage requirements, contact phone numbers and Web sites follow.

Other states' coverage

Employers need to contact the respective states they will work in to verify procedures, reporting format and current requirements.

Indiana

- Indiana claims no jurisdiction for out-of-state employers for workers' compensation coverage. Ohio employers working in Indiana are covered by Ohio workers' compensation regardless of the duration of work in Indiana.
 - 1-800-824-2667, option 1
 - www.in.gov/wcb

Kentucky

- Out-of-state employers must obtain Kentucky coverage regardless of the duration of work performed in Kentucky.
 - 1-502-564-5550, ext. 4532
 - www.labor.ky.gov/workersclaims

Michigan

- Out-of-state employers must obtain Michigan coverage regardless of the duration of work performed in Michigan.
 - 1-517-322-1195
 - www.michigan.gov/wca

Pennsylvania

- Out-of-state employers must obtain Pennsylvania coverage regardless of the duration of work performed in Pennsylvania.
 - 1-717-783-5421
 - www.dli.state.pa.us/landi/cwp/view.asp?a=138&q=220671&dsftns=4261

West Virginia

- Out-of-state employers have a grace period not to exceed 30 days within a 365-day period. Employers must file an exemption form with the state regardless of the length of time spent in the state.
 - 1-304-558-3386
 - www.wvinsurance.gov/wc/index.htm

Payroll

- **Ohio rules changes** (from SB 334)
 - Ohio Administrative Code 4123-17-23 details how:
 - Employers are required to disclose coverage from other states;
 - Employers may segregate payroll for work done outside of Ohio.

Payroll

- Payroll segregating and reporting provisions become effective beginning with the payroll reporting period Jan. 1, 2009, to June, 30, 2009.
- Employers began reporting segregated payroll with their payroll reports that were due Aug. 31, 2009.

Payroll

- Employers who have secured other states coverage must submit a *Notice of Election to Obtain Coverage from Other States for Employees Working Outside of Ohio* (U-131).

Payroll

- Employers must include a copy of the other state's insurance policy when submitting the U-131.
- The agreement becomes effective when BWC receives the U-131 and remains in effect until the employer cancels the agreement by submitting a *Notification of Policy Update* (U-117).

Payroll)

- Employers filing a U-131 notice will receive a *Other States' Payroll Report* (U-146).
- Amounts reportable to other state's carrier should be included by state.
- Not used on the Ohio premium calculation.
- Premium audits

Questions)