

## **4123-17-69      Grow Ohio incentive program.**

(A) For purposes of this rule:

- (1) "Continuing eligibility evaluation date" means each April first of the program eligibility period for private employers and each October first of the program eligibility period for public employer taxing districts.
- (2) "Initial application for rating" means the employer's initial application for rating provided for in paragraph (A) of rule 4123-17-13 of the Administrative Code.
- (3) "Initial rating year" means the rating year including the date on which the new employer's coverage becomes effective.
- (4) "New employer" means an employer creating one or more jobs in the state of Ohio on or after July 1, 2011, and for which any of the following is true:
  - (a) The employer is a new business entity made amenable to Ohio workers' compensation laws by such job creation; or
  - (b) The employer is an out of state employer that has not had prior operations in Ohio and has not had prior workers' compensation insurance coverage in Ohio.
- (5) "Program eligibility period" means the new employer's initial rating year and the two consecutive policy years thereafter.

(B) Grow Ohio incentive program.

- (1) To encourage the development of jobs in Ohio, the administrator shall provide all new employers eligible for the grow Ohio incentive program a twenty-five per cent premium discount, as described in paragraph (B)(2) of this rule, or, if elected by the new employer, a waiver to allow application for the group experience rating program, as set forth in paragraph (B)(3) of this rule.
- (2) Twenty-five per cent premium discount.
  - (a) The administrator shall apply the twenty-five per cent premium discount to the new employer's total blended premium on the employer's invoice;
  - (b) The discount shall be applied to the premiums assessed on the new employer for the duration of the program eligibility period, unless:
    - (i) The employer elects, either through the one-time exception set forth in paragraph (B)(3) of this rule or through the annual application cycle for group rating established in rule 4123-17-62 of the Administrative Code, to participate in the group experience rating program.

A new employer that exits the group experience rating program during the program eligibility period and is not otherwise prohibited from participation in the grow Ohio incentive program by this rule shall be eligible to receive the discount for any remaining policy years in the program eligibility period.

- (ii) The employer elects to participate in a program that is incompatible with the grow Ohio incentive program under rule 4123-17-74 of the Administrative Code.
    - (iii) The employer fails to report actual payroll for the initial rating year or fails to pay any premium due upon reconciliation of estimated premium and actual premium for the initial rating year by

the date set forth in rule 4123-17-14 of the Administrative Code. An employer will be deemed to have met this requirement if the bureau receives the payroll report and the employer pays premium associated with such report before the expiration of any grace period established by the administrator pursuant to paragraph (B) of rule 4123-17-16 of the Administrative Code.

(iv) The employer is ineligible for continued participation in the program under paragraph (D) of this rule.

(c) The discount shall not apply to:

(i) Any penalties as outlined in rule 4123-17-13 of the Administrative Code;

(ii) Any findings of premium deficiencies resulting from a premium audit pursuant to rule 4123-17-17 of the Administrative Code, if the bureau determines that the employer has misrepresented payroll or failed to submit payroll for any period;

(iii) The minimum administrative charge set forth in rule 4123-17-26 of the Administrative Code.

(3) Application for group experience rating.

(a) If a new employer elects to apply for the group experience rating program under this rule, the administrator shall waive the deadlines set forth in appendix A or B to rule 4123-17-74 of the Administrative Code and allow the new employer to apply for the group experience rating program. A new employer participating in the group experience rating program must file an AC-26 form for the group with the sponsoring organization.

(b) A sponsoring organization shall not permit a new employer to participate in a group unless the new employer meets group homogeneity requirements set forth in rule 4123-17-61 of the Administrative Code. A sponsoring organization shall notify the bureau of the addition of the new employer to a group within thirty days of the date the bureau assigns a risk number to the new employer. The sponsoring organization shall electronically submit to the bureau the new employer's AC-26 with a statement identifying the group in which the new employer is being placed for the employer's initial rating year.

For employers making the election under paragraph (B)(3)(a) of this rule between the twenty-ninth day before the applicable group experience rating deadline set forth in appendix A or B to rule 4123-17-74 of the Administrative Code and the last day of the initial rating year, inclusive, the sponsoring organization shall also, within thirty days of the date the bureau assigns a risk number to the new employer, electronically submit to the bureau the new employer's AC-26 with a statement identifying the group in which the new employer is being placed for the rating year immediately following the employer's initial rating year.

(c) The new employer's participation in the group experience rating program in rating years subsequent to the rating year or rating years for which the new employer was admitted to a group under the administrator's waiver of the group rating deadline under this section is subject to all requirements for participation in the group experience rating program set forth in rules 4123-17-61 to 4123-17-68 of the Administrative Code.

(C) Initial eligibility for the grow Ohio incentive program.

(1) The following employers shall not be eligible to participate in the grow Ohio incentive program:

(a) A professional employer organization as defined in rule 4123-17-15 of the Administrative Code.

- (b) A self-insuring employer providing compensation and benefits pursuant to section 4123.35 of the Revised Code, or a state fund employer who has previously provided compensation and benefits pursuant to section 4123.35 of the Revised Code.
- (c) A public employer that is not one of the following:
  - (i) A community school established under Chapter 3314. of the Revised Code;
  - (ii) A public-private partnership securing workers' compensation insurance under section 4123.03 of the Revised Code.
- (d) An employer for which a combination or transfer of experience is indicated under rule 4123-17-02 of the Administrative Code.
- (e) An employer that the bureau determines, after reviewing the information submitted with the initial application for rating is essentially the same employer, regardless of entity type, for which risk coverage previously had been provided.
- (f) An employer that elects to participate in a program that is incompatible with the grow Ohio incentive program under rule 4123-17-74 of the Administrative Code.
- (2) An employer determined to be ineligible for the grow Ohio incentive program under paragraph (C)(1)(c), (C)(1)(d), or (C)(1)(e) of this rule based on the bureau's review of the information submitted with the initial application for rating may appeal such determination to the adjudicating committee under section 4123.291 of the Revised Code.

(D) Continuing eligibility for the grow Ohio incentive program.

- (1) An employer participating in the grow Ohio incentive program shall be eligible to continue its participation in the program beyond the employer's initial policy year only if the employer has completed the safety program requirements set forth in policy established by the bureau by the following deadlines:
  - (a) The last business day of December for an initial policy with an effective date of January first through and including June thirtieth; and
  - (b) The last business day of June for an initial policy with an effective date of July first through and including December thirty-first
- (2) An employer participating in the grow Ohio incentive program shall be eligible to continue its participation in the program only if, as of each continuing eligibility evaluation date, the employer holds active workers' compensation coverage according to the following standards:
  - (a) The employer must be current with respect to all payments due the bureau, as defined in paragraph (A)(1)(b) of rule 4123-17-14 of the Administrative Code.
  - (b) The employer must be current on the payment schedule of any part-pay agreement into which it has entered for payment of premiums or assessment obligations;
  - (c) The employer must not have cumulative lapses in workers' compensation coverage in excess of forty days within the prior twelve months.
- (3) An employer shall be immediately disqualified from participation in the grow Ohio incentive program if

the employer fails to report actual payroll for a policy year or fails to pay any premium due upon reconciliation between estimated premium and actual premium due for that policy year by the date set forth in rule 4123-17-14 of the Administrative Code. An employer will be deemed to have met this requirement if the bureau receives the payroll report and the employer pays premium associated with such report before the expiration of any grace period established by the administrator pursuant to paragraph (B) of rule 4123-17-16 of the Administrative Code.

- (4) An employer shall be immediately disqualified from participation in the grow Ohio incentive program if the employer is found by the bureau to have knowingly misrepresented information on the initial application for rating.

As used in this paragraph, "knowingly" means that the employer had actual knowledge of the misrepresentation and was aware that the misrepresentation would cause a certain result. An employer will not be deemed to have knowingly misrepresented information on the initial application for rating where the employer's determination of how to report was based on:

- (a) The employer's reasonable interpretation of a law, rule, or manual classification;
- (b) Written advice received from the bureau.

An employer immediately disqualified from participation in the grow Ohio incentive program under this paragraph shall make restitution of all discounts received from participating in the program.

- (5) An employer shall be immediately disqualified from participation in the grow Ohio incentive program if the bureau determines the employer has failed to comply with rule 4123-17-14.1 of the Administrative Code.

An employer immediately disqualified from participation in the grow Ohio incentive program under this paragraph shall make restitution of all discounts received from participating in the program in every policy year in which the bureau determines the employer failed to comply with rule 4123-17-14.1 of the Administrative Code.

- (6) An employer shall be immediately disqualified from participation in the grow Ohio incentive program if the employer is removed from a group for a gross misrepresentation on its application for the group experience rating program under paragraph (G) of rule 4123-17-62 of the Administrative Code.

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