

# BWC Reform

## Accomplishments

Reduced rates and issued rebates, credits and grants, resulting in \$4.8 billion in combined savings for Ohio's public and private employers over the last five years.

- Returned \$2 billion to Ohio private and public employer taxing districts over the last two years through rebates made possible by prudent management and smart investing.
- After tripling funding for Safety Grants, further increased BWC's commitment to workplace safety by up to \$35 million over the next two years to support expanded statewide efforts to protect Ohio's workers.
- Reduced private employer average base rates, bringing rate levels 28.2 percent lower than those in effect at the beginning of 2011.
- Reduced average rates for public employers to their lowest level in more than 30 years. These reductions are resulting in a total decrease of 29.6 percent for local governments since 2011.
- Issued \$1.2 billion in credits to Ohio employers as part of a transition to a modernized billing system.

Provided Ohio employers for the first time the option to purchase workers' compensation coverage that protects them when their workers leave the state.

Introduced the Grow Ohio program, which helps new businesses by offering discounts during their startup. The program has saved businesses more than \$25 million. Businesses have the option of taking a 25% discount for their first two years, or joining the group rating program immediately, saving up to 53% off their premium.

Established as part of the Lt. Governor's Common Sense Initiative a one-time forgiveness program that waives penalties and interest for first-time lapsed premium. More than 600 businesses used this option to become eligible for their part of the \$1 billion rebate after being contacted by BWC.

Created Destination: Excellence, a new program that rewards employers for their efforts to create safer work places and to transition injured workers back into their job. More than half of all Ohio employers are taking part in at least one aspect of the program, helping the business community save more than \$38 million since 2012.

Initiated pilots to improve the claims management process by helping BWC understand which claims are most likely to become complex and identifying exactly the right point at which to introduce vocational rehabilitation and/or transitional work plans.

Expanded the safety council rebate program

- Non-group rated employers are now eligible for both a 2-percent discount for participating in Safety Council programs, and both group and non-group employers are eligible for a 2-percent rebate for demonstrating improvements to employee safety.
- Increased funding that supports Ohio's 83 safety councils by 10 percent.

Established the first annual Safety Innovations Award competition recognizing Ohio companies that excel in introducing safety innovations to increase awareness and encourage employers to make keeping their workers safe and healthy on the job a top priority.

Unveiled the new Wellness Grant Program to 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.

- Since the creation of BWC's first-ever (closed) formulary, there has been an ongoing reduction in prescriptions for opiates, as well as commonly overused drugs. Total drug costs were lowered by \$46 million and opioid doses have decreased by 18.9 million, or 47%, since 2010.
- 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.
- Established a lock-in program to improve the safety of medication prescribed to injured workers and limit the practice of doctor and pharmacy shopping.
- Created a "first-fill" program to ensure injured workers get their first prescription without waiting until their claim is approved.

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 one of the state's most prolific providers for inappropriately prescribing narcotics.
- From January 2011 to present, BWC's special investigations department obtained 825 convictions, identifying a total of \$343 million in savings for the State Insurance Fund.

Due to careful, conservative management, BWC investments have outperformed expectations, achieving an annualized return of 7% over the past three fiscal years (period ending 6/30/16).