

4123-17-03.1 EXPERIENCE MODIFICATION FOR OUT OF STATE EMPLOYER.

- (A) Where an employer that has not had prior operations in Ohio and has not had prior workers' compensation insurance coverage in Ohio moves operations from another state into Ohio or begins operations in Ohio that are the same or similar to operations outside Ohio and is, as a result, amenable to Ohio workers' compensation laws, the bureau may assign to that employer for purposes of individual experience rating in Ohio the individual experience modifier as was applied to that employer's operations in the state from which the operations are being moved or with similar or same operations, not withstanding any alternative rating plans in place for that policy year in the other state. This rule does not apply to the purchase of existing Ohio operations as covered by rule 4123-17-02 of the Administrative Code. The bureau may apply the experience modifier from the other state that is effective on the date one day prior to that day on which the Ohio workers' compensation coverage became effective. The bureau shall apply such experience modifier to the partial year ending June 30 after the start of coverage in Ohio and to the first full policy year subsequent to the start of coverage in Ohio for the determination of premium obligations to the Ohio State Insurance Fund.

- (B) For the operations being moved to Ohio or started in Ohio, the employer shall provide to the bureau its most current twelve-month payroll, by manual classification. If in the opinion of the bureau that payroll is not of sufficient size to warrant experience rating as measured by the Ohio rules for experience rating, the employer may not apply its experience modifier from another state to Ohio premium obligations.

- (C) The employer meeting such criteria as is established in this rule shall demonstrate that it has been an amenable employer in the other state by submitting its coverage history, its experience modifier calculation, and a list of any outstanding liabilities with the other state insurance provider. The employer shall submit a copy of its most current workers' compensation insurance policy under which the operations outside of Ohio have been covered. Where the employer has failed to provide sufficient evidence of an actual move of operations to Ohio from another state or the start of similar or same operations in Ohio, the bureau will not use an experience modifier from another state for Ohio premium rate calculations. In the event that outstanding workers' compensation insurance liabilities exist in another state that are unpaid more than sixty days, or in the event the information required to be submitted is not timely provided, the bureau may assign the employer a penalty rate of up to one hundred and fifty per cent of the base rate.

Effective: 1/1/04