

**4123-19-05      Where an employer is a self-insuring risk and desires to become a state risk.**

- (A) Where an employer that is a self-insuring risk desires to become a state risk, the employer transferring from a self-insuring risk to a state risk shall be rated at the appropriate experience modifier to the employer's basic premium rate. A self-insuring employer, or a subsidiary, or a part thereof, that returns to the state insurance fund as a state fund employer shall provide the administrator with medical costs and indemnity costs for itself and for any subsidiaries by claim, and payroll by manual classification and year, and any other information as the administrator may require. The self-insuring employer shall submit this information by the date set by the administrator, and in a format determined by the administrator. This information must be submitted each year following the employer's return to the state insurance fund, for as many years as required by the administrator to develop the employer's state fund experience modification factor. The employer may be required to submit additional information to the administrator if the administrator determines that additional information is needed to develop the employer's state fund experience modification factor. The administrator shall use this information to develop a state fund experience modification factor based in whole or in part on the employer's self-insured experience.
- (B) Failure to provide the required information will result in assignment of an experience modification factor of two and ineligibility for employer programs for the self-insuring employer that returns to the state insurance fund, until such time as the required information is provided or a state insurance fund experience modification factor is developed based fully on the employer's state insurance fund experience. This provision does not apply to a client employer of a self-insuring PEO.
- (C) The adjustment of the self-insurance premium of such employer shall be computed on an earned premium basis as of the date of transfer from self-insurance to the state fund, which adjustment shall be controlled by the rules controlling the ordinary premium adjustment.
- (D) A self-insuring employer that transfers to the state insurance fund shall continue to administer self-insured claims for dates of injury, disease, or death during the period of self-insurance, and the employer shall be responsible to continue to pay compensation and benefits directly. Further, the employer shall remain obligated to pay to the bureau the self-insuring employer assessment calculated on the basis of the paid compensation for such claims attributable to the individual self-insuring employer according to the provisions of division (J) of section 4123.35 of the Revised Code and the provisions of rule 4123-17-32 of the Administrative Code.

Effective:                    8/18/17

Prior Effective Dates: 5/9/90; 12/17/01, 3/26/17