

4123-19-07 Rules controlling renewals and discontinuances of employer coverage.

(A) One week prior to the date of expiration of insurance of each private employer the bureau shall issue to each such employer a "Payroll Report" form.

(B) The employer shall, within one month from the date of expiration of his last six months' insurance period, complete and return the payroll report to the bureau with premium remittance.

(C) If, within two months immediately after the expiration of the six months' period, an employer fails to file a report of the employer's actual payroll expenditures for the period, the premium found to be due from such employer for the period shall be increased in an amount equal to one per cent of the premium, but the increase shall not be less than three dollars nor more than fifteen dollars.

(D) The premium determined by the bureau to be due from an employer shall be payable on or before the end of the coverage period established by the premium security deposit, or within the time specified by the bureau if the period for which the advance premium has been paid is less than eight months. If an employer fails to pay such premium when due, the administrator may add a late penalty of not more than thirty dollars to the premium, plus an additional penalty as follow:

(1) For a premium from sixty-one to ninety days past due, the prime interest rate, multiplied by the premium due;

(2) For a premium from ninety-one to one hundred twenty days past due, the prime interest rate plus two per cent, multiplied by the premium due;

(3) For a premium from one hundred twenty-one to one hundred fifty days past due, the prime interest rate plus four per cent, multiplied by the premium due;

(4) For a premium from one hundred fifty-one to one hundred eighty days past due, the prime interest rate plus six per cent, multiplied by the premium due;

(5) For a premium from one hundred eighty-one to two hundred ten days past due, the prime interest rate plus eight per cent, multiplied by the premium due; (6) For each additional thirty-day period or portion thereof that a premium remains past due after it has remained past due for more than two hundred ten days, the prime interest rate plus eight per cent, multiplied by the premium due.

(E) Notwithstanding the interest rates specified in paragraph (D) of this rule, at no time shall the additional penalty amount assessed under paragraph (D) of this rule exceed fifteen per cent of the premium due.

For purposes of paragraph (D) of this rule, "prime interest rate" means the average bank prime rate, which the administrator shall determine in the same manner as a county auditor determines the average bank prime rate under section 929.02 of the Revised Code. The bureau will utilize statistical release H.15, "selected interest rates," a weekly publication of the federal reserve board, to recalculate semiannually the prime interest rate for purposes of a late fee penalty or additional penalty under this rule.

(F) An employer may appeal a late fee penalty or additional penalty to the bureau's adjudicating committee pursuant to section 4123.291 of the Revised Code.

(G) Any deficiencies in amounts of premium security deposit paid by an employer for any period or periods shall be subject to an interest charge of six per cent per annum from the respective dates of the notice by the bureau to the employer of such deficiency in the premium security deposit. In determining the interest due on deficiencies in premium security deposit payments, a charge in each case shall be made against the employer in a sum equal to interest at the rate of six per cent per annum on the premium security deposit due but remaining unpaid sixty days after notice by the bureau.

(H) Any interest charges or penalties provided for in paragraphs (D) and (G) of this rule and paid, shall be credited to the employer's account for rating purposes in the same manner as premium.

(I) The amount of premium due from such employer may be certified to the attorney general for collection.

(J) The question of classification or rating shall not be permitted to operate so as to delay the making of premium payment.

(K) When the employer has paid its adjustments and renewal premium to the bureau, the bureau shall forthwith issue to such an employer a "Certificate of Premium Payment," which certificate shall set forth the renewal, effective and expiration dates of coverage for the employer.

(L) For an employer defined in division (I)(1) of section 4123.32 of the Revised Code, payment of premium is due in accordance with the schedule established under division (B) of section 4123.41 of the Revised Code. Where such employer fails to pay at least forty-five per cent of the premium due by May fifteenth or the full premium due by September first, the bureau may impose an interest penalty for late payment for any amount due for each month or part of a month past due as scheduled at the interest rate established by the state tax commissioner pursuant to section 5703.47 of the Revised Code.

(1) When an employer as defined by division (I)(1) of section 4123.32 of the Revised Code has paid its adjustments and renewal premium to the bureau, the bureau shall forthwith issue to such an employer a "Certificate of Premium

Payment," which certificate shall set forth the renewal, effective, and expiration dates of coverage for the employer.

(2) When an employer as defined by division (I)(1) of section 4123.32 of the Revised Code has failed to pay at least forty-five percent of the premium due by May fifteenth or the full premium due by September first, the bureau may discontinue the employer's coverage. In the event of a discontinuance of the employer's coverage, the employer shall be considered a non-complying employer.

Effective: 5/15/08

Prior Effective Dates: 7/1/71, 8/19/77, 12/11/78, 11/26/79, 5/9/90, 12/14/92, 10/30/06