

# Prospective Billing

## Frequently Asked Questions — Private Employers

### How will I know what to expect with the new billing system?

For private employers, we will send out a notice each May to all employers. This notice will include their installment schedule and will break down their total estimated premium due by manual class. It will also include a certificate that is valid only if premium and assessments, including installments are paid by the applicable due date. Around June 1 of each year, we will mail the first installment invoice. To maintain active coverage, an employer must pay that first installment by June 30 of each year.

### How will I pay premium under prospective billing?

We will estimate a prospective premium based on the most recently completed policy year and send an invoice to the employer. Employers will pay their estimated premium prior to us granting and providing coverage. We will initially transition all private employers (other than the minimum payers) to a bi-monthly pay plan. This means employers will pay a portion of the annual premium to us six times a year. If employers wish to select a different installment option, they can make the change annually, prior to the start of the policy year by going online at [www.bwc.ohio.gov](http://www.bwc.ohio.gov) or by calling 1-800-644-6292. There is no fee associated with participation in an installment plan.

### What is the new minimum premium and why has the minimum premium increased?

The new minimum premium is \$120 plus assessments. The assessments are dependent on the amount of expected payroll and premium that the employer has on its account. A larger amount of expected payroll will result in a larger assessment. We have not increased the minimum premium since 2007, which is eight years without an increase. While we realize this is a 20-percent increase from the previous \$100 minimum premium, your premium of just \$10 per month protects you from any claim you might incur.

### What is the Minimum Premium Adjustment?

The minimum premium adjustment is an adjustment made to bring your calculated premium up to the minimum premium of \$120 plus assessments (BWC and Industrial Commission of Ohio administrative costs as well as the charges for the Disabled Workers' Relief Fund).

### Are the payroll reports going away?

Payroll reports as you know them today are going away. Instead each year in July (starting in 2016) you will complete what we call a payroll true-up report to reconcile your estimated payroll with your actual payroll.

### What is the payroll true-up report?

At the end of the policy period – each July (starting in 2016) – you will need to reconcile your estimated payroll with your actual payroll. We call this the payroll true-up. You can complete this either online at [www.bwc.ohio.gov](http://www.bwc.ohio.gov) or over the phone by calling 1-800-644-6292. This payroll reconciliation may result in either an additional premium billing or a premium credit. Any additional premium billed is due at the time you complete the payroll true-up.

### Important dates to remember

Date	Event
July 1, 2016	Annual payroll true-up report notice sent
Aug. 15, 2016	Annual payroll true-up report due
Nov. 21, 2016	Group-rating deadline for the 2017 policy year
Jan. 31, 2017	Deadline for group-retrospective rating, One Claim Program, Deductible Program and individual-retrospective rating for the 2017 policy year