



June 16, 2014

[Employer name]  
[Street address]  
[City, State ZIP]

Dear Employer:

A little more than a year from now – July 2015 – we will transition from a retrospective billing system to a prospective billing system for all private, state-fund employers. This long overdue reform means most Ohio employers will no longer pay for their workers' compensation coverage after it has been provided.

To help ease this transition and to prevent "double billing" employers, we will provide an eight-month premium credit for all active (non-lapsed) private state-fund employers in July 2015. The switch to prospective billing will bring us in line with the industry standard used by nearly all insurance providers. Other benefits of these changes include an overall base-rate reduction of 2 percent; opportunities for more flexible payment options; and increased ability for us to detect non-compliance and fraud, which can provide long-term savings.

#### **Rating plan and program deadline changes**

In the near term, our switch to prospective billing also means we are making significant changes to the sign-up dates for several rating plans and programs.

- The group-rating sign-up deadline is now the Monday prior to Thanksgiving (beginning this fall).
- The deadline for group-retrospective rating, individual-retrospective rating, the Deductible Program and One Claim Program is now the last business day of January.
- The deadline to sign up for Destination: Excellence programs is now the last business day of May.

With the change in deadlines, you can begin evaluating your options with your local BWC customer service office and your third-party administrator now. In March, you will receive more information on how the payment process will change. We will hold informational meetings in our customer service offices and other locations in early 2015.

The switch to prospective billing is just one aspect of the Billion Back plan we started last year. The first part was last year's billion dollar rebate to employers. Another aspect was tripling the funding for our Safety Grants for employers to keep Ohio workers safe. So, if you have not done so already, we encourage you to call your local BWC customer service office to learn more about this valuable tool for improving the safety of your workplace.

In the coming months, we will send additional correspondence to ease this important transformation. We'll also post updates about prospective billing on [www.bwc.ohio.gov](http://www.bwc.ohio.gov). If you have questions, please contact your local BWC customer service office. We are excited about continuing the positive changes taking place to strengthen the workers' compensation system for all Ohioans.

Sincerely,

Stephen Buehrer  
BWC Administrator/CEO