

Back to Basics Workshop

Ohio Self Insurance

Why Are We Here Today?











Bureau of Workers'
Compensation

Agenda

Definitions

Claims Management Requirements

- Claim Reporting
- Claim File requirements
- Medical Treatment
- Wage Calculations

Payment of Compensation

Administration

- Litigation
- SI40/Assessments
- Renewal

Definitions

Injury (ORC 4123.01 (C))- Received in course of and arising out of employment and accidental in character and means.

Not included:

- Psychiatric conditions- except when conditions have arisen out of an allowed injury or occupational disease.
- Natural deterioration of tissue, organ or any part of body
- Voluntary participation in employer sponsored recreational activity with signed waiver
- Pre-existing injury unless aggravated by the incident

Definitions

Occupational Disease (ORC 4123.01 (F))- Contracted in course of employment where conditions of employment create a greater hazard to worker than general public.

A pre-existing disease aggravated during employment is not compensable.

ORC 4123.68 lists a schedule of Occupational Diseases but this list is not exclusive

Definitions

Lost Time Claim- Eight or more days of lost time due to a work related injury. If wages in lieu of compensation are paid and there are more than seven days of disability it is a lost time claim. When restrictions force a return to work in a modified duty position for more than eight days with wage loss it is lost time.

Medical Only – Seven or fewer days of lost time due to a work related injury and no TT or wage loss paid.

Definitions

Employee - Every person in the service of any governmental entity, any person, firm or private corporation that employs one or more person regularly.

Every person who provides services in a construction contract.

Does not include, clergy, officers in family farms.

Claims Management

Lost time injuries, occupational diseases and claims with contested issues must be reported to the injured worker and BWC within 30 days of notice with allowed conditions.

Employer must advise injured workers of allowed conditions in medical only claims. There is no requirement to file medical only claims with the BWC. If claimant requests a medical only claim be filed with BWC the employer must do so.

Claims Management

Claim Filing Requirements

Claims reported to employer directly by injured workers.

Employer responsible for notifying BWC of claims.

SI claims reported to BWC directly will be referred to SI employer for certification decision.

Employer must maintain a record of all claims files at an Ohio location. This can be electronic or hard copy

Files housed with TPA- requires waiver from SI Department.

Claims Management

Certification decision

Certified- Accepting the claim, list allowed conditions

Clarification Certification-Accepting claim specifying what is accepted and what is rejected

Rejected- Contesting the claim, and requesting a hearing

Required File Content

Incident report and/or
Completed FROI-1
Medco-14's/C-84's (doctor
slips)
Prior year's wages
FWW and AWW information
Medical bills stamped
Copies of narrative medical
reports

Payment verification
Copies of S/A-paid sick leave-
family support court orders
Change of physicians
notification
Copies of all information of
hearings, notice of hearing,
orders, appeals and
continuances

Payment Documentation

Payment documentation should include:

Check number, Payee, Period of payment, Date issued and type of payment.

Documentation can be in the form of check copy or computer printout.

Medical payment should also include an explanation of benefits if the payment is less than the billed amount.

Claims Management

Medical Treatment- (OAC 4123-19-03(K))

The SI employer must furnish or make arrangements for reasonable medical services during all working hours. The focus should be on quality medical services with a goal to safely return the injured worker to work.

Free Choice of Physician- (OAC 4123-19-03 (K) (5))

An injured worker has the right to change providers. The injured worker must submit a written request to change a physician directly to the SI employer with a reason for the request.

Claims Management

The BWC recognizes the following medical providers as a permitted physician of record for workers' compensation claims.

Doctor of Medicine

Psychiatrist

Doctor of Osteopathy

Doctor of Chiropractic

Doctor of Podiatric Medicine

Doctor of Dental Surgery

Doctor of Optometry

Doctor of Mechanotherapy

Medical Treatment

C9 treatment requests must be addressed within 10 days of receipt or treatment will be deemed approved.

Medical bills must be addressed within 30 days of receipt.

If denied, documentation must be provided to injured worker and provider. BWC recommends denials should have clinician's opinion in support.

Claims Management

Medical Treatment - Prior approval by the employer is required for the following services:

Diagnostic testing (including: MRI, CT Scans, Bone Scans, PET Scans)

Hospitalization (including transfers between facilities)

Inpatient and outpatient surgery except emergency surgery

Therapy - including: Physical therapy after the first 10 treatments, therapeutic radiology, Work hardening (reconditioning) programs, back school, Acupuncture, bio feedback

Durable medical equipment (including: rental/purchase of Tens units, continuous passive motion devices, neuromuscular stimulator, bone stimulators in the spine.

Claims Management

Medical Treatment - Prior approval by the employer is required for the following services:

Chronic pain/stress programs

Nursing care

Dental/orthodontic

Prostheses previously approved by BWC, periodontal treatments and services, orthodontic surgeries, orthodontics, dental implants

Vocational Rehabilitation services

Transportation (All non-emergency transportation, including ambulance and air)

Claims Management

Medical Bills- OAC 4123-19-03(K)(5)

Respond to medical bills within 30 days of receipt.

Notify the injured worker and the provider in writing if a bill is disputed. Written notification must specifically state the reason for the non-payment.

Notification to the injured worker must include the injured worker's right to request a hearing with the IC.

Payment of Compensation

Pay required benefits without an order unless contested

Initial compensation to be paid within 21 days of receipt of documentation. Ongoing benefits paid a minimum of every two weeks.

[OAC 4123-5-18\(C\)](#), whenever compensation cannot be paid due to lack of evidence, the injured worker should be contacted immediately to advise them of the information required to initiate the payment.

If estimated payment is issued be sure to get it correct within a reasonable period of time. Use the known hourly rate times the normal hours worked.

Payment of Compensation

Temporary Total

Claimant submits C84 application for TT benefits. Physician completes Medco 14

TT to be paid upon submission of Medco 14, C84 or equivalent forms. If documentation is incomplete employer should request the needed information.

First seven days of disability not paid until injured worker has fourteen consecutive days of disability.

Payment of Compensation

Terminating TT benefits

Only with a release to work from Attending Physician.

Release and acceptance to modified duty.

Attending physician finds Maximum Medical Improvement.

Industrial Commission finds MMI or otherwise terminates TT benefits.

Payment of Compensation

Wage Calculation

Full Weekly Wage (FWW)- Paid for first 12 weeks of disability.

Average of 6 weeks prior to date of injury or Week prior to injury less overtime, whichever is higher

If no full week of earnings in 6 weeks prior, multiply hourly rate by scheduled hours.

Divide by 6 weeks regardless of number of weeks actually worked.

Full Weekly Wage Rate- 72% of FWW.

Payment of Compensation

Average Weekly Wage (AWW).

Paid after 12 weeks of disability.

Average of 52 weeks prior to the date of injury.

Reduce number of weeks by number of weeks injured worker not working due to circumstances out of injured worker's control.

AWW rate which is $66 \frac{2}{3}\%$ of the Average Weekly Wage.

Payment of Compensation

Wage Calculation:

Pay at FWW rate (72% of FWW) or AWW rate (66/23%).

Do not use week of injury in calculations.

Do not split Bi Weekly wages. Use last full two week period prior to DOI, unless the bi weekly periods can be broken down.

Bonuses used based on weeks that apply to the 52 weeks.

Accounts vs. Reimbursement- If money is requested and reimbursed likely not included in earnings. If money is paid regardless of use, likely included.

Payment of compensation

Bi Monthly Earnings

FWW- Add wages from 3 full pay periods prior to DOI. Multiply this by seven, divide by the number of days in the total pay period. (45, 46 or 47). This will be the six week average.

AWW-Add the wages from the 24 full periods prior to DOI, multiply this figure by seven, and then divide by the number of days in the total pay period. (365 or 366). This will be the weekly average.

If the seven days prior cannot be determined use the weekly average.

Payment of Compensation

Maximum and Minimum rates

The FWW rate and AWW rate will not exceed the maximum rate for the year of the injury. This is also called the Statewide Average Weekly Wage.

The minimum rate is $\frac{1}{3}$ of the Maximum rate for the year of the injury. If it goes below the minimum rate, then the minimum rate becomes the benefit rate.

If the AWW or FWW are below the minimum rate then that becomes the rate. There is no reduction.

Payment of Compensation

Wage Loss ORC 4123.56, OAC 4125-1-01

Paid when injured worker suffers a reduction in earnings as a result of injuries in the claim.

Claims after 8/22/1986.

Claimant is solely responsible for producing evidence regarding entitlement to wage loss. However employer must provide guidance and assistance relating to injured workers eligibility for wage loss benefits.

Payment of Benefits

Working Wage loss paid when injured worker returns to employment at original employer or another employer and suffers a reduction in earnings caused by the injury.

Non Working Wage Loss paid when an injured worker is unable to return to original employer, and is seeking work with another employer within the restrictions.

Maximum of 200 weeks working wage loss and 52 weeks non working wage loss. Non working wage loss counts toward the 200 week total after the first 26 weeks.

Payment of Compensation

Injured worker must submit the BWC application or equivalent form with restrictions for the allowed conditions.

Wage loss is a weekly benefit, and the request must be submitted a minimum of every four weeks.

The employer must respond to the request within 30 days of receipt. If the request is denied the employer must refer it to the Industrial Commission for a hearing.

Wage Loss benefits are calculated and paid at $\frac{2}{3}$ of the difference of the AWW and actual earnings in a modified duty position or the AWW rate for non working wage loss .

Payment of Compensation

Limitation of earnings

If injured worker limits earnings, either by not completing sufficient job search or not working all available and offered hours, the employer may object to paying any or all wage loss for the period in question.

Employer must notify injured worker of the determination.

If an employer intends to question wage loss benefits because the injured worker refused an offer, the job must be offered in writing.

The job offer should be in the same area and hours and include start date, hours, job duties and where to report.

Payment of Compensation

Percentage of Permanent Partial- Award for permanent damage

Scheduled Loss- Award for loss of use

Permanent Total- Disabled, never able to return to work

Death- Benefits to surviving dependents following fatality

Living Maintenance-Compensation while in Vocational plan

Statute of Limitations

A claim must be filed with BWC within two years from the date of injury.

Life of claim:

Claims become dead by statute of limitations 5 years from the date of last payment of compensation, wages in lieu of compensation or medical benefits.

Occupational diseases must be reported within 6 months of diagnosis.

Litigation

Three tier administrative hearing process

District Hearing Officer- Ordered Compensation must be paid after DHO level

Staff Hearing Officer- Medical bills must be paid after Staff Hearing officer level if allowed

Industrial Commission- Discretionary

Compliance Audit and Self Insured Complaints

The self insured department will conduct random audits to ensure compliance with rules and regulations.

Injured workers may file a complaint with the SI department. The SI department will investigate and issue a finding regarding the complaint. Excessive number of complaints may impact self-insurance.

Self Insured Audits

Three Tiered Process

Level 1 – Focused on SI 40 reporting and administration

Level 2 – In house claims audit, focused on Compensation, SI 40 and PTD claims

Level 3 – Comprehensive Audit

Self Insured Audit

Communication- with TPA, claim reviews check, payment and reserve authorization levels, check registers.

Reports- Proactive and Reactive.

Quality program.

Communication with injured worker- Advise of claim activity, check on status.

Document all activity in writing provide claimant an opportunity to request a hearing on contested issue.

Required Posting

Certificate of Self Insurance

Notice to Employees

Rebuttable Presumption

Administrative Responsibility

Must submit annual report of paid compensation.

Employer must pay semi annual assessment based on reported compensation on SI claims and DWRF liability on state fund claims.

Complete annual renewal application online (Use exact company nomenclature that is on initial application).

Ensure controls are in place to comply with the requirements, and provide assistance to injured workers.

Attend Self Insured Compliance audits if requested.

Provide requested information to BWC and injured workers.

www.bwc.ohio.gov

Update company information

File FROIs and review claim documentation

Update additional allowances

View/print the procedural guide and other self insuring publications

File SI-40 reports

And much more

Contacting BWC

When contacting the BWC self-insured department, employers need to include their self-insured policy number.

Self-insured department phone numbers:

614-466-6737 or 1.800.OHIOBWC, select SI

Self-insured department address:

30 W. Spring St., Level 22

Columbus, OH 43215

Email: SIINQ@bwc.state.oh.us

THANK YOU for your participation!