

Self-Insurance Quarterly Workshop

Dave Sievert – Interim Director, Self Insured Department

Agenda

- Overpayment Recovery
- Contested Issues
- SI Updates

Overpayment Recovery

- Overpayments arise from:
 - Industrial Commission Orders
 - Court orders
 - Changes to compensation period, wage rates, dates of injure, allowed conditions, return to work, death
 - Administrative error
 - Other causes

Overpayment Recovery

- Types of overpayments:
 - Payments to injured workers
 - Payments to another entity on injured workers' behalf

Overpayment Recovery

- Recoupment of an overpayment of compensation can be pursued until it recovered in full, regardless of the amount of the overpayment and the time that has passed.

Overpayment Recovery

- Recoupment should not be pursued if:
 - Injured worker received compensation in claim subsequently disallowed in Court.
 - Death benefits after a previously identified dependent is identified
 - VSSR overturned in court
 - Statute of limitations expired on the claim in which the overpayment occurred
 - If Claims reimbursement is received from BWC, any amounts recovered from injured worker are to be reimbursed to BWC.

Collecting Overpayment

- SI employers are not collection agencies. Do not harass injured workers
- Options:
 - Collect from injured worker from future payments in original claim or future claims.
 - Collect from claims reimbursement fund if opted in

Collecting Overpayment

- ORC 4123.511 K-..... if a claimant is found to have received compensation pursuant to a prior order which is reversed upon subsequent appeal, the claimant's employer, if a self-insuring employer, or the bureau, shall withhold from any amount to which the claimant becomes entitled pursuant to any claim, past, present, or future

Overpayment Recovery

- Overpayment recovery is governed by ORC 4123.511 K, OAC 4121-3-32 (B) (2)
- IC resolution R89-3-27 (Living Maintenance) and Hearing Officer Memo P3 (VSSR after Court)

Collecting Overpayment

- Do not request that the claimant reimburse employer directly
- Do not send threatening letters
- Collect from future awards following the schedule outlined in BWC Policy

Collecting Overpayment

- Notify injured worker of nature of overpayment, amount of overpayment and proposal to collect the overpayment.
- Advise of options should injured worker disagree

Sample Language

- Comp Type compensation previously paid from Begin Date to End Date — \$ Amount.
- Comp Type compensation entitled from Begin Date to End Date — \$ Amount.
- Comp Type compensation found overpaid and to be collected — \$ Amount.

Sample Language

Per Ohio statutory law, we will collect this overpayment as a percent of future awards of compensation in this claim or another claim as stated below.

1) There is no withholding from the first 12 weeks of temporary total disability compensation paid under Ohio Revised Code (RC) 4123.56 in a claim. Thereafter, we collect 40 percent of each payment of temporary total disability compensation.

2) We collect 40 percent of each payment of wage-loss compensation under RC 4123.56 and each payment of permanent partial disability, loss-of-use, loss-of-body-part and change-of-occupation compensation under RC 4123.57.

3) We collect 25 percent of each payment of permanent total disability compensation under RC 4123.58.

We will notify you in writing whenever we make these deductions. We will continue making deductions until we recover the overpaid amount.

Sample Language

- If you, your representative, your employer or his or her representative disagree with the amount of the overpayment, then you or they may file a *Motion* (C-86) with us. Include any new evidence you wish to have us review with the C-86. The evidence we considered in making this decision is available upon request.

ABSORPTION RATE

0%

TYPE OF COMPENSATION

1ST 12 WEEKS OF TEMPORARY TOTAL (except for fraud)

***LIVING MAINTENANCE (except for fraud)**

40%

TEMPORARY TOTAL (after first 12 weeks)

CHANGE OF OCCUPATION

FACIAL DISFIGUREMENT

PERMANENT PARTIAL

% PERMANENT PARTIAL

WAGE LOSS

LIVING MAINTENANCE WAGE LOSS

DEATH BENEFITS

ABSORPTION RATE

25%

100%

TYPE OF COMPENSATION**PERMANENT TOTAL DISABILITY (includes lump sum advancement)****VIOLATION OF SPECIFIC SAFETY REQUIREMENT (VSSR)****LUMP SUM SETTLEMENT****ANY FRAUD OVERPAYMENT****EVEN ADJUSTMENTS**

Considerations

- Overpayment from one week to another for ongoing benefits.
- Pay TT at an incorrect rate for first 4 weeks creating an overpayment....how do you address for future payments
- Agreement from injured worker to pay back.
- Disputed overpayments and SI Complaints

Contested Issues

- Assist Injured workers- provide information regarding actions being taken in the claim and advise of options should they disagree
- Correspondence in writing, otherwise there is no evidence that the injured worker was assisted

Contested Issues

- C9 or treatment request denial
- Compensation denial, or only partially paid
- Stopping TT requiring additional information
- Wage Loss eligibility
- Bill denial
- Additional Allowances

Housekeeping

- Assessments will be coming out this week
- New Assessment rates posted
- ICD 10
- Imaged Documents on Ohio.BWC.GOV
 - SI has official record
 - To improve efficiency documentation will be less detailed primarily on Medical Documents
 - Please try to avoid duplicate documents in BWC records

Assessment Rate Change

| Fund | 7/1/2014 | 7/1/2015 | Rate Change |
|--------------|---------------|---------------|----------------|
| Mandatory | 0.0630 | 0.0800 | +0.0170 |
| SIEGF | 0.0470 | 0.0750 | -0.0280 |
| | | | |
| Total | 0.1100 | 0.1550 | +0.0450 |

Questions?

Self Insured Dept Contact:

Self-Insured Department phone numbers:

614-466-6737 or 1-800-644-6292, select SI

Self-Insured Department address:

30 W. Spring St., Level 22

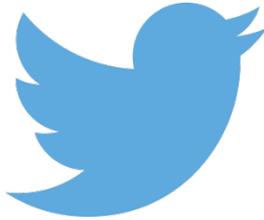
Columbus, OH 43215

Email: SIINQ@bwc.state.oh.us

Always include Policy Number

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