

BWC Reform

Accomplishments

Returned \$1 billion to 210,000 Ohio private and public employer taxing districts through a rebate made possible by prudent management and smart investing.

Tripled funding for Safety Grants to \$15 million to support expanded statewide efforts to promote workplace safety and encourage further investment in protecting Ohio's workers.

Saved Ohio's private employers \$224 million in premiums over three years by reducing average base rates.

Reduced average rates for public employers saving them an estimated \$40 million over two years. This marks the fourth consecutive year in which public employer rates have been reduced by at least 5 percent and they are now at their lowest rate since at least 1983.

Saved \$80 million by reducing the BWC budget compared to the 2010-11 appropriation.

Reduced the amount of private employer premiums going toward operating expenses by 3 percent.

Created in 2011, the Grow Ohio program helps new businesses by offering discounts during their startup. In its first full year, the program saved 21,376 businesses more than \$3 million. Businesses have the option of taking a 25% for their first two years, or joining the group rating program immediately, saving up to 53% off their premium.

As part of the Lt. Governor's Common Sense Initiative, BWC established a one-time forgiveness program that waives penalties and interest for first-time lapsed premium. More than 600 businesses used this option to become eligible for their part of the \$1 billion rebate after being contacted by BWC.

Created *Destination: Excellence*, a new program that rewards employers for their efforts to create safer work places and to transition injured workers back into their job. Just months after its start, more than half of all Ohio employers are taking part in at least one aspect of the program, helping the business community save an estimated \$28 – \$41 million.

Initiated pilots to improve the claims management process by helping BWC understand which claims are most likely to become complex and identifying exactly the right point at which to introduce vocational rehabilitation and/or transitional work plans.

Expanded the safety council rebate program

- Non-group rated employers are now eligible for both a 2-percent discount for participating in Safety Council programs, and both group and non-group employers are eligible for a 2-percent rebate for demonstrating improvements to employee safety.
- Increased funding that supports Ohio's 80 safety councils by 10 percent.

Established the first annual Safety Innovations Award competition recognizing Ohio companies that excel in introducing safety innovations to increase awareness and encourage employers to make keeping their workers safe and healthy on the job a top priority.

Unveiled the new Wellness Grant Program to help employers meet the challenges related to rising incidences of obesity and chronic disease, as well as an aging workforce—all factors that contribute to workplace injuries and slow the recovery of injured workers.

Improved Pharmacy Management to ensure workers are being prescribed drugs that help, not hinder, their recovery.

- Created the first-ever formulary that has shown positive early results, including an initial 12% reduction in prescribed narcotics, a 58% reduction in muscle relaxants, an estimated 2012 saving of \$12 million.
- Initiated measures to ensure BWC will only cover drugs related to the specific injury.
- Changed rules to prohibit decertified providers from prescribing drugs for injured workers.
- Established a lock-in program to improve the safety of medication prescribed to injured workers and limit the practice of doctor and pharmacy shopping.

Emphasized fraud department efforts and broadened the focus to all types of fraud.

- First-ever attempt to close a non-compliant business through an injunction.
- Decertified one of the state's most prolific providers for inappropriately prescribing narcotics.
- From January 2011 to present, BWC's special investigations department obtained 368 convictions, identifying a total of \$164 million in savings for the State Insurance Fund.

Due to careful, conservative management, BWC investments have outperformed expectations, achieving an average annual return of 8.6% over the past three fiscal years.