

# Workers' compensation rate reform makes Ohio more business-friendly

The Ohio Bureau of Workers' Compensation (BWC) and its Board of Directors have made considerable progress to bring greater fairness and equity to the cost of workers' compensation insurance in Ohio.

Over the past three years, systematic rate reform has resulted in significantly lower base rates for a majority of Ohio's manual classes. BWC has also introduced a series of new, performance-based programs intended to save employers money and increase overall workplace safety. BWC will soon adopt a nationally-accepted, split-experience-rating plan that considers the frequency and severity of claims to set more individualized workers' compensation insurance costs.

## Benefits of rate reform for Ohio

- A more competitive environment for new business investment
- Improved premium equity for all employers
- Lower base rates for 441 of Ohio's 532 manual/job classifications
- Premiums more closely aligned with exposure to risk
- Experience-modifier capping allows more premium stability in the event of significant change to an employer's experience

- New safety program requirements for those participating in Group-Experience and/or Group-Retrospective-Rating programs
- Availability of insurance industry-accepted deductible programs

## Rate reform is working

- Rate reform is responsible for a nearly \$139 million drop in premium for more than half of the state's private employers.
- Premiums for non-group employers have decreased by an average of 25 percent.
- Private employers in 73 of Ohio's 88 counties will see a net reduction in their total premiums. Nearly 50 percent of employers in the remaining 15 counties will also see a decrease.
- Public employer taxing district employers have received premium reductions of 21 percent since 2008.

## State-by-state: How does Ohio compare?

- Ohio's workers' compensation rates are now competitive with other states.
- Ohio's benefits for injured workers are also competitive with most states.