

Workers' comp to offer employers menu of programs for discounts

PENDING BOARD APPROVAL, the system will roll out new ways to save on premiums by encouraging safer workplaces and quicker return-to-work efforts.

BY JEFF BELL | BUSINESS FIRST

The Ohio Bureau of Workers' Compensation is changing its package of financial incentives for employers interested in helping injured workers get back on the job and improving workplace safety, allowing businesses to customize their programs.

The agency's board of directors is scheduled to vote on the plan Dec. 16 as it continues down the reform path mapped by first-year Administrator Steve Buehrer and his boss, Gov. John Kasich. The ruling plan, dubbed Destination: Excellence, stops short of the sweeping reforms Kasich hinted at during his 2010 gubernatorial campaign, including the possibility of offering employers a private insurance option that would compete against the state-run workers' comp system. The governor and lawmakers will make the call on when to discuss that issue and other changes, Buehrer said, but for now the agency is focused on internal reforms that don't require legislative action.

"Reform is a continuum," Buehrer said. "We're working on reforms here every day."

NEW DUTIES

Topping the to-do list: Improving the bureau's return-to-work rate for workers hurt on the job. Buehrer said the rate has deteriorated from 2007, when 75 percent of injured workers were back on the job

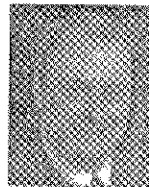
within a year, to less than 69 percent this year, driving up costs for employers. In any given month, about 10,000 injured workers have been off the job for more than a year, according to agency data.

Buehrer said the bureau needs to be better at medical management, to get injured workers into rehabilitation programs more quickly, settle claims more efficiently and improve monitoring of prescription drugs.

To get employers more involved, the bureau will introduce - if the board approves it - a transitional work program that gives businesses a grant and bonus for establishing and using a plan to bring back workers in a modified capacity while they recover from injuries. Amounts of the incentives are still to be determined.

In addition, the bureau will place greater emphasis on an existing vocational rehabilitation program. It includes incentive payments to employers of up to 50 percent of an injured worker's salary for 13 weeks if they hire or retain employees who have completed a vocational rehab program.

The aim, said Jeremy Jackson, the bureau's chief of public policy and strategy, is to get workers into vocational rehab programs more quickly. Many now wait 300 to 400 days before getting such assistance.



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Steve Buehrer | Ohio Bureau of Workers' Compensation

COSTLY PROBLEM

The Ohio Bureau of Workers' Compensation is in the hot for injured workers' outstanding claim payments, more than most states, driving up expenses for the employer-funded system:

	PERCENT OF CLAIMS	
	OHIO	U.S.
10	83.3%	76.9%
20	80.1%	59.3%
30	77.4%	36.9%
40	69.9%	29.2%
50	61%	24.3%
60	55.9%	20.9%
70	52%	18.6%
80	49.2%	16.8%

Source: Bureau of Workers' Compensation, 2009. Ohio Bureau of Workers' Compensation

"We want to make rehab a more appropriate tool if a worker is not able to go back to his original position," Jackson said.

PICK AND CHOOSE

The bureau also is stepping up efforts to prevent workplace injuries, including creating an industry safety program. It will provide a 3 percent premium discount to

employers that establish industry-specific safety strategies and participate in safety programs.

The bureau also will continue to offer companies a 2 percent premium rebate for attending Safety Council programs and an additional 2 percent discount for reducing by 10 percent or more the frequency or severity of workplace injuries from the prior year.

Employers can land premium discounts ranging from 3 percent to 7 percent for being part of the bureau's drug-free safety program. The agency hopes to prevent on-the-job injuries and illnesses by promoting drug- and alcohol-free workplaces.

The bureau also plans to roll out a Go Green premium discount of 1 percent for companies that manage their account online and a 1 percent discount for those that have not let their premium payments lapse in the preceding five years. The programs are designed to reduce the bureau's administrative and premium-collection costs.

Buehrer said the bureau designed a cafeteria-style discount program so employers can select options that make sense for them in terms of their time and expense to participate versus the cost savings to be gained.

"We've often been criticized that there are so many discounts and they're too cumbersome," he said. "This gives employers a range of programs they can select."

With BWC board approval, the programs will start July 1 for private-sector employers and a year later for public employers.

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