

**Rule Summary and Fiscal Analysis (Part A)****Bureau Of Workers' Compensation**

Agency Name

Division

**Tom Sico**

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**4123-3-37**

Rule Number

**NEW**

TYPE of rule filing

Rule Title/Tag Line

**Lump sum advancements.****RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **No**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **4121.12, 4121.121, 4121.30, 4123.05**

5. Statute(s) the rule, as filed, amplifies or implements: **4123.64**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

To provide for BWC procedures for issuing a lump sum advancement in a claim.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

The rule provides procedures for BWC to commute an award of compensation to a lump sum payment when the administrator determines that the advancement is advisable to provide the injured worker financial relief or for furthering the injured

worker's rehabilitation. Paragraph (A) describes the types of compensation for which BWC will consider a lump sum payment. Paragraph (B) states that the administrator shall review the application using whatever methods the administrator determines to be appropriate, consistent with general insurance principles. BWC will determine the amount of the biweekly rate reduction and the terms of such reduction, including fixing a specific time for the reduction of the biweekly rate of compensation to repay the lump sum advancement. The administrator may include interest in the repayment schedule. Upon the repayment of the lump sum advancement, the administrator shall remove the rate reduction due to the advancement and reinstate the injured worker's rate of compensation.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

*Not Applicable.*

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

In Paragraph (B)(1), the sentence, "the injured application shall be fully completed and notarized" is changed to "the application shall be fully completed and notarized." Additionally, in Paragraph (A) and Paragraph (C)(3), three typographical errors where a "#" symbol appeared have been changed to an apostrophe.

12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

**FISCAL ANALYSIS**

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

0

No impact on BWC operations expenses.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

None.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**