



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Joseph Baker, Director

MEMORANDUM

TO: Aniko Nagy, Ohio Bureau of Workers Compensation

FROM: Jacob Ritzenthaler, Business Advocate

DATE: February 6, 2023

RE: **CSI Review – Lump Sum Advancements (OAC 4123-3-37)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

This rule package consists of one amended rule proposed by the Ohio Bureau of Workers Compensation (BWC). This rule package was submitted to the CSI Office on December 21, 2022, and the public comment period was held open through January 11, 2023. Unless otherwise noted below, this recommendation reflects the version of the proposed rule filed with the CSI Office on December 21, 2022.

Ohio Administrative Code 4123-3-37 allows BWC to commute an award of compensation to a lump sum payment for the purpose of providing the claimant or surviving spouse with financial relief or furthering rehabilitation. The rule establishes the circumstances in which BWC may or may not grant a lump sum advancement, application procedures, and maximum rate reductions in awarding lump sum advancements. The rule is amended to remove unnecessary regulatory restrictions.

During early stakeholder outreach, BWC sent the rule to industry stakeholders for feedback. BWC received one comment which suggested changes to the language used to remove regulatory restrictions. BWC revised the proposed amendments, and the revisions were approved by the stakeholder. No comments were received during the CSI public comment period.

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The business community impacted by the rule includes injured workers, employers, employer representatives, health care providers, and Managed Care Organizations. The adverse impact created by the rules includes complying with procedures for application for a lump sum advancement. BWC states that the adverse impact is necessary to fulfill statutory duties to maintain procedures for awarding lump sum advancements.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that BWC should proceed in filing the proposed rule with the Joint Committee on Agency Rule Review.