

The Ohio Bureau of Workers' Compensation (BWC) will hold a public hearing on Monday, June 30, 2003, at 11:00 a.m., Training Room G, 3rd Floor, 30 West Spring Street, Columbus, Ohio 43215, to consider the following:

(1) **Amendment** of the following rules of the BWC for the purpose as shown below:

4123-17-02 Basic or manual rate.

This rule pertains to the transfer of risk experience between a base-rated predecessor policy and a base-rated successor policy. The rule states that, in the case of a purchase between two base-rated employers, the successor policy will remain base-rated for the current policy year. BWC's Risk Division and Actuarial Department request a revision to this rule by removing section (B)(2) from the rule. 4123-17-02(B)(2) currently states: where a legal entity wholly succeeds one or more legal entities and all are operating at the basic rate, the basic rate shall apply to the succeeding entity.

This section was created in the 1970s, in an effort to reduce the need to manually adjust Experience Modifiers (EM) for this type of transaction. With the implementation of system improvements, transfer of experience and the recalculation of EM is processed systematically, thus there is no longer a need to maintain this part of the rule. Removing section (B)(2) will: 1) allow BWC to recalculate the experience of the successor policy to include the predecessor's experience and determine if the successor qualifies for experience rating; 2) allow base-rated employers the opportunity to become experience rated within the policy year; and 3) allow BWC to apply the rating methodology established in 4123-17-02 consistently to all employers.

4123-19-03 Where an employer desires to secure the privilege to pay compensation, etc., directly.

This rule contains the more significant qualifications and criteria for self-insured (SI) employers, and general rules of performance. This rule was before the Workers' Compensation Oversight Commission (WCOC) in the past few months for various reasons. Previously, the WCOC consented to amendments for paragraphs (A), (D), (J), (K), and (N) of the rule. Those changes were heard at a public hearing on 3/6/03 and are scheduled for JCARR review.

Since those proposals, BWC drafted additional amendments to this rule related to access to and the cost of obtaining claim records in the possession of the SI employers. There are 3 proposed amendments to this rule: 1) currently, all new SI employers must establish a plan for a Qualified Health Plan (QHP) under Section 4121.442 of the Revised Code. BWC will no longer require a new SI employer to have a QHP. However, in paragraph (K)(2), the proposed additional language would require all SI employers to document to BWC the employer's plan for selective contracting with providers, medical management, ADR, medical information reporting, and free choice of physician; 2) under paragraph (K)(5), the language is clarified that the SI employer either pay a medical bill within 30 days or provide notice to the parties, including the provider, within the 30 days, and that the notice to deny a bill must contain the reason(s) for the denial; and 3) under paragraph (K)(9), for all new SI employers after 10/01/03, the employer must provide electronic access to claim file information to the parties, BWC, and the IC.

4123-19-09 In regard to complaints filed by employees against self-insuring employers under the provisions of section 4123.35 of the Revised Code.

Paragraph (A) of this rule is amended to speed the time that a self-insured (SI) employer has to respond to a complaint. Currently, the SI employer has 30 days to respond to a complaint. Under the proposed rule, the employer would have 14 days to respond to a complaint involving the termination or nonpayment of compensation and for any other complaint.

The full and complete text of the proposed rules is available at the Register of Ohio (<http://www.registerofohio.state.oh.us>) and is on file in the office of the Secretary of State (180 East Broad Street, 15th Floor, Columbus, Ohio), the Legislative Service Commission (77 South High Street, 9th Floor, Columbus, Ohio), the office of the Joint Committee on Agency Rule Review (77 South High Street, Concourse Level, Columbus, Ohio), the Bureau of Workers' Compensation, Legal Operations (30 West Spring Street, 26th Floor, Columbus, Ohio), the Bureau of Workers' Compensation (30 West Spring Street, Columbus, Ohio, 1st Floor, Hearing Rooms), and all service offices of the Bureau.

All interested parties will be given an opportunity to be heard. Any interested party unable to attend the public hearing may submit written comments to the undersigned prior to the public hearing.

THE OHIO BUREAU OF WORKERS' COMPENSATION

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