

BWC Finalizes Plan to Eliminate Claim Reserve Transition Rules

When BWC transitioned from a tabular reserving system to a predictive modeling process e.g., MIRA I, they put a number of rules or special conditions in place to make the transition easier. Now that they've completed the transition e.g., MIRA II, the rules are no longer appropriate. Below is a summary of the changes made to the transition rules. The implementation dates and periods for these changes are the same for private and public employers. However, the first year the changes impact the rate-making process may differ for the two employer groups.

- Starting in July 2010, all medical-only claims will be eligible for a reserve. This will impact the rate-making process for private employers' July 1, 2011, policy year (as of Dec. 31, 2010). The new reserves will be available on the BWC Web site in the Claim Costs/Reserves section and included in the quarterly claim cost reports as of Sept. 30, 2010.

Note: Employers actively participating in the \$15K Program will not see a reserve on those medical-only claims until they remove the claim from the \$15K Program.

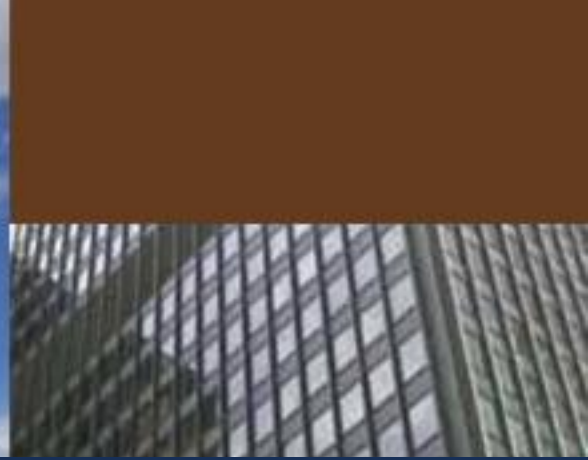
- Salary continuation claims with dates of injury on or after Jan. 1, 2011 will be eligible for a claim reserve (both medical and indemnity reserve). However, the BWC will continue to apply the MIRA II stop logic as in every other claim processed through reserving system.
 - Claims with salary continuation payments as the only indemnity payment will most likely not see an indemnity reserve due to the stop logic; however, salary continuation claims with ongoing medical will most likely see a medical reserve.
 - Claims with salary continuation payments and subsequent BWC-paid indemnity will be reserved as in the past, with the exception of the salary continuation payment total. We will apply this amount as a credit against the temporary total reserve only and not against the entire claim reserve.
- Starting in July 2010, claims with living maintenance or living maintenance wage loss as the last paid indemnity (as of the survey date) will no longer have the original (calculated) reserve reduced by 50 percent. The BWC will display the new reserves on the Web site for each weekly reserve prediction and include them in the quarterly claim cost reports as of Sept. 30, 2010.

If you have any questions about how the above changes will impact your company, please call our offices.

Compensation Solutions, Inc.

5990 Ventura Dr. Suite D
Dublin, Ohio 43017
614-799-8439
Toll Free 888-776-7723
Toll Free Fax 888-776-7741

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Register Now for the Ohio BWC Safety Congress

Ohio employers are encouraged to register for the upcoming Ohio Safety Congress & Expo, sponsored by the Ohio Bureau of Workers' Compensation (BWC). Safety Congress is the largest occupational safety and health event in the Midwest. Safety Congress features diverse programming on the latest advances in occupational safety and health to prevent occupational accidents and injuries and reduce workers' compensation costs. This free, three-day event will be held March 30 through April 1 at the Greater Columbus Convention Center.

"The key to saving money on workers' compensation insurance premiums is investing in the safety of our workforces," said BWC Administrator Marsha Ryan. "BWC recognizes that employers are busy serving the needs of their customers. Safety Congress is designed to give them a one-stop opportunity to gain knowledge about the latest safety advances, techniques and products to help prevent workplace illnesses and injuries."

Safety Congress offers informative general sessions featuring nationally-recognized experts, safety demonstrations and roundtable discussions designed to give employers a chance to problem solve with their peers. This year, BWC has expanded the educational component of Safety Congress by offering more than 150 courses that cover many areas related to workplace safety and workers' compensation claims management. For the first time, many of these courses will fulfill BWC safety program requirements and allow participants to earn free continuing education credits (CEU).

The Expo Marketplace will be held on March 31 and April 1 and features more than 200 vendors of safety products, tools, personal protective equipment and services. The Expo allows Ohio businesses to have first-hand information about the most current safety products and equipment, view demonstrations, and build lasting beneficial relationships with the manufacturers and distributors of these products.

Employers are encouraged to pre-register for Safety Congress at the [Ohio BWC](#) website.

DATES TO REMEMBER

- March 31** DFWP Progress Reports due (July 1 Employers Only)
 - May 15** Public Employer payroll report due
 - May 15** Deadline to apply for Retrospective Rating - private employers
 - June 30** DFWP enrollment deadline for July 1 Start date (private employers only)
- Private employer payroll reports mailed - 1st half 2010

MCO Open Enrollment

Every two years, the Ohio BWC gives employers the opportunity to choose a new Managed Care Organization (MCO) to help manage the medical portion of their workers compensation claims. This year, open enrollment is May 3 – May 28.

Choosing an MCO that meets the needs of your business is an important decision.

Employers which are satisfied with their current MCO do not need to do anything to remain with their current provider. Employers wishing to interview other providers are not required to wait until May 3rd to request more information or schedule an appointment.

Drug Free Workplace Program Changes

As many employers have heard, the BWC is working on new guidelines for the Drug Free Workplace Program. We will release the changes as soon as the information becomes available.

Compensation Solutions Inc.

5990 Venture Dr. Suite D
Dublin, Ohio 43017

Local Phone 614 799-8439
Toll-Free Phone 888 776-7723
Toll-Free Fax 888 776-7741