

# **COMPARISON DOCUMENT**

## **House Bills 123 and 124 129th General Assembly**

Budget Bills  
for

Bureau of Workers' Compensation  
Workers' Compensation Council  
Ohio Industrial Commission

(FY 2012 – FY 2013)

**As Introduced**

**As Passed by the House**

**As Reported by Senate Insurance, Commerce and Labor**

**Legislative Service Commission**

**April 6, 2011**

Executive

As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

RETCD2      Disability Benefits Under State Retirement Systems

R.C.      145.27, 145.56, 145.561, 145.573, 145.82,  
145.95, 742.41, 742.46, 742.464, 742.47,  
742.64, 2329.66, 2929.192, 2929.193,  
3305.07, 3305.08, 3305.12, 3305.20, 3305.22,  
3307.20, 3307.373, 3307.41, 3307.42,  
3309.22, 3309.66, 3309.661, 3309.673,  
3309.82, 3309.95, 5505.04, 5505.263, 5506.34

No provision.

No provision.

Requires an existing disability benefit that is being paid by a public retirement system or an alternative retirement plan to be terminated if after the bill's effective date the recipient (1) became disabled in the commission of a felony offense of bribery, while engaging in a pattern of corrupt behavior, or while committing theft in office and (2) at that time was serving in a position of honor, trust, or profit.

No provision.

No provision.

Requires a public retirement system or alternative retirement plan provider, after receiving notice from the prosecutor that a member or plan participant has been charged with one of the specified felonies, to give notice to the prosecutor of whether the member or plan participant has been granted a disability benefit and to submit to the court the documents relied upon in granting the disability benefit.

No provision.

No provision.

Requires the court to hold a hearing regarding the condition for which the offender was granted a disability benefit prior to sentencing the offender to determine whether the offender's disabling condition arose out of the commission of the felony the offender was convicted of or pled guilty to.

No provision.

No provision.

Authorizes the public retirement system or alternative retirement plan provider to recover the disability benefit paid

Executive

As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

No provision.

No provision.

to the offender, if the court orders termination of the benefit.

Expands, for purposes of the law that requires forfeiture of the right to receive future retirement benefits for conviction of one of the specified felonies while serving in a "position of honor, trust, or profit," the definition to include a position in which, in the course of public employment, an employee has control over the expenditure of public funds of \$100,000 or more annually.

**Fiscal effect: Any disability benefits forfeited under the bill would reduce the respective retirement system or plan's liability, thus creating a minimal decrease in the retirement system or plan's expenditures to provide such a benefit. For counties and municipalities, the bill may minimally increase administrative costs for holding the required court hearing.**

**Executive**

**As Passed by the House**

**As Reported by Senate Insurance,  
Commerce and Labor**

**BWCCD1 Bureau of Workers' Compensation Board of Directors**

**R.C. 4121.12**

Requires the member of the Bureau of Workers' Compensation Board of Directors who is an actuary to be an associate or fellow with the Casualty Actuarial Society or a member in good standing with the American Academy of Actuaries rather than an associate or fellow with the Society of Actuaries or a member in good standing with the American Academy of Actuaries as under current law.

**R.C. 4121.12**

Same as the Executive.

**R.C. 4121.12**

Same as the Executive.

**BWCCD9 Workers' Compensation Board of Directors Nominating Committee**

**R.C. 4121.123**

Removes the President of the Ohio Municipal League from the Nominating Committee.

**R.C. 4121.123**

Same as the Executive.

**R.C. 4121.123**

Same as the Executive.

Requires the chief executive officer or the equivalent of the National Federation of Independent Businesses and the Ohio Farm Bureau each to serve on the Committee, rather than requiring the two groups to jointly select a representative, as under current law.

Same as the Executive.

Same as the Executive.

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

## BWCCD6      Division of Research and Statistics

## R.C.      4121.124, (Repealed), 4121.32, 4121.41

Abolishes the Bureau of Workers' Compensation Division of Research and Statistics and abolishes several statutorily required responsibilities of the Division, including the following duties: (1) to prepare and publish statistical summaries pertaining to the operation of the Bureau and the Industrial Commission, and (2) to provide the General Assembly, upon request, cost estimates for any legislation under consideration that has an impact upon the workers' compensation system or the operation of the agencies involved in the administration of the system.

Retains the requirement that the Bureau (1) conduct analyses examining the cost-effectiveness of the procedure for the assigning and transferring claims, and (2) compile statistics on the subjects of complaints regarding the Bureau.

**Fiscal effect: None, as the Division of Research and Statistics is not currently staffed and all responsibilities are performed by other divisions within the Bureau.**

## R.C.      4121.124, (Repealed), 4121.32, 4121.41

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

## R.C.      4121.124, (Repealed), 4121.32, 4121.41

Same as the Executive.

Same as the Executive.

**Fiscal effect: Same as the Executive.**

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor**BWCCD2 Actuarial Evaluations of the State Insurance Fund****R.C. 4121.125**

Removes specified information that is required to be contained in the annual actuarial valuation of the State Insurance Fund submitted to the Bureau of Workers' Compensation Board, including: (1) a summary of the census data and financial information used in the valuation, (2) a description of the asset valuation method used in the valuation, and (3) a summary of findings that includes a statement of the actuarial accrued compensation and benefit liabilities and unfunded actuarial accrued compensation and benefit liabilities.

**R.C. 4121.125**

Same as the Executive.

**R.C. 4121.125**

Same as the Executive.

**BWCCD4 Health Partnership Program Report****R.C. 4121.44**

Reduces the biannual reporting requirement for the Health Partnership Program to once annually and requires the report to be submitted along with the annual report of the Bureau of Workers' Compensation Board of Directors.

**R.C. 4121.44**

Same as the Executive.

**R.C. 4121.44**

Same as the Executive.

**BWCCD7 Payment of Compensation and Benefits Resulting from Vocational Rehabilitation****R.C. 4121.68**

Eliminates the current law requirement that the Bureau of Workers' Compensation be considered the employer of a claimant who sustains an injury or occupational disease or dies in the course of and arising out of the claimant's participation in a vocational rehabilitation program.

**R.C. 4121.68**

Same as the Executive.

**R.C. 4121.68**

Same as the Executive.

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

Requires that the compensation and benefits paid to a claimant described above be charged to and paid from the Surplus Fund Account, but only for those employers who pay assessments into the Surplus Fund Account.

Same as the Executive.

Same as the Executive.

**Fiscal effect: This provision will have a minimal impact on state agencies, which do not currently pay into the State Insurance Fund Surplus Account. Under the bill, they would be required to pay for all benefits paid to an employee who is injured during rehabilitation, which is a relatively rare occurrence. Correspondingly, the provision will also result in a minor reduction in unfunded benefits paid out of the State Insurance Fund.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**BWCCD8 Health Partnership Program Implementation**
**R.C. 4121.99, (Repealed)**

Eliminates the penalty for the requirement that the Administrator of Workers' Compensation implement the Health Partnership Program no later than July 1, 1994.

**R.C. 4121.99, (Repealed)**

Same as the Executive.

**R.C. 4121.99, (Repealed)**

Same as the Executive.

**Fiscal effect: None, as the Health Partnership Program (HPP), the Bureau's managed care program for medical claims, has been in place for several years.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**BWCCD10 Approval of Self-Insuring Status for Public Employers**
**R.C. 4123.35**

Allows the Administrator of Workers' Compensation to waive any of the continuing law requirements that certain public employers must satisfy to be granted status as a self-insuring employer.

**R.C. 4123.35**

Same as the Executive.

**R.C. 4123.35**

Same as the Executive.

**Executive**

**As Passed by the House**

**As Reported by Senate Insurance,  
Commerce and Labor**

Eliminates the requirement that the Administrator must deny the public employer that status if the public employer cannot satisfy all of the continuing law requirements.

Same as the Executive.

Same as the Executive.

Permits the Administrator to adopt rules establishing the criteria that a public employer must satisfy to qualify for a waiver.

Same as the Executive.

Same as the Executive, but requires, as opposed to permits, the Administrator to adopt rules establishing the criteria that a public employer must satisfy to qualify for a waiver and prohibits the Administrator from waiving any of the self ensuring requirements if a public employer does not meet these criteria.

Allows the rules to require additional security from that public employer pursuant to continuing law requirements.

Same as the Executive.

Same as the Executive.

**Fiscal effect: This provision could allow more public employers to become self-insured for workers' compensation. Although it is not clear how many public employers would qualify for self-insurance under the provision, there could be some reduction in premiums deposited into the State Insurance Fund.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**BWCCD11 Payment of Medical Benefits**

**R.C. 4123.512**

Requires the Administrator of Workers' Compensation to pay bills for medical and vocational rehabilitation services arising in a claim that upon final determination is denied if (1) the services were approved and were rendered by the provider in good faith prior to the date of the final determination, (2) the services were payable under continuing law prior to the date of the final determination, and (3) the request for payment is submitted within the statutory time limit.

**R.C. 4123.512**

Same as the Executive.

**R.C. 4123.512**

Same as the Executive.

**Executive**

**As Passed by the House**

**As Reported by Senate Insurance,  
Commerce and Labor**

Requires such payments to be charged to the Surplus Fund Account and not to be included in a state fund employer's experience or in a self-insuring employer's paid compensation report.

Same as the Executive.

Same as the Executive.

**Fiscal effect: Minimal increase in benefits paid from the State Insurance Fund. The Bureau indicates that such situations rarely occur.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

**BWCCD5 Payment of Medical and Vocational Rehabilitation Benefits**

**R.C. 4123.52**

**R.C. 4123.52**

**R.C. 4123.52**

Reduces the time period for the payment of bills for medical or vocational rehabilitation services from two years to one year from the date of service or the date the payment is otherwise permitted under continuing law.

Same as the Executive.

Same as the Executive, but requires the Administrator to adopt rules to provide for exemptions to the one year deadline.

No provision.

No provision.

Exempts, specifically, the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services from the one year billing deadline for reimbursement of conditional payments made pursuant to the Medicare Secondary Payer Act.

Prohibits a medical or vocational rehabilitation services provider from billing a claimant for any bill that the Administrator of Workers' Compensation or Industrial Commission is prohibited from paying due to the provider failing to timely submit the bill.

Same as the Executive.

Same as the Executive.

**Fiscal effect: None, as the majority of care providers already meet the one-year deadline, and all other providers would likely take steps to meet the new deadline, ensuring that they receive payment for services rendered.**

**Fiscal effect: Same as the Executive.**

**Fiscal effect: Same as the Executive.**

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor**BWCCD15 William Green Lease Payments****Section: 201**

Requires that appropriation item 855401, William Green Lease Payments to OBA, be used to make lease payments to the Ohio Building Authority in fiscal years 2012 and 2013. Specifies that up to \$35,824,735 over the FY 2012-FY 2013 be used for this purpose and appropriates additional amounts if necessary.

Requires tenants of the William Green Building not funded by Workers' Compensation Fund (Fund 7023) appropriations to pay their share of the costs of lease payments into Fund 7023 via intrastate transfer voucher (ISTV).

**Section: 201**

Same as the Executive.

Same as the Executive.

**Section: 201**

Same as the Executive.

Same as the Executive.

**BWCCD13 Workers' Compensation Fraud Unit in the Attorney General's Office****Section: 201**

Requires the transfer of \$828,200 in cash in each fiscal year of the FY 2012-FY 2013 biennium to the Workers' Compensation Section Fund (Fund 1950) to cover the expenses of the Workers' Compensation Fraud Unit within the Attorney General's Office.

**Section: 201**

Same as the Executive.

**Section: 201**

Same as the Executive.

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor**BWCCD16 Safety and Hygiene****Section: 201**

Requires the Treasurer of State to transfer \$20,382,567 in cash in FY 2012 and \$20,161,132 in cash in FY 2013 from the State Insurance Fund to the Safety and Hygiene Fund (Fund 8260).

**Section: 201**

Same as the Executive.

**Section: 201**

Same as the Executive.

**BWCCD17 OSHA On-Site Consultation Program****Section: 201**

Authorizes the Administrator of Workers' Compensation to designate a portion of appropriation item 855609, Safety and Hygiene Operating, to be used to match federal funding for the federal Occupational Safety and Health Administration's on-site consultation program.

**Section: 201**

Same as the Executive.

**Section: 201**

Same as the Executive.

**BWCCD14 Vocational Rehabilitation****Section: 201**

Requires the Bureau of Workers' Compensation and the Rehabilitation Services Commission to enter into an interagency agreement for the provision of vocational rehabilitation services and staff to mutually eligible clients, and requires the transfer of \$605,407 in FY 2012 and \$605,407 in FY 2013 from the State Insurance Fund to the Rehabilitation Services Commission for this purpose.

**Section: 201**

Same as the Executive.

**Section: 201**

Same as the Executive.

## Executive

## As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor**BWCCD18 Fund Balance****Section: 201**

Requires any unencumbered cash balance in excess of \$45,000,000 in the Workers' Compensation Fund (Fund 7023) on the 30th day of June of each fiscal year to be used to reduce the administrative cost rate charged to employers to cover appropriations for BWC operations.

**Section: 201**

Same as the Executive.

**Section: 201**

Same as the Executive.

**BWCCD12 Deputy Inspector General for BWC and OIC Funding****Section: 221**

Transfers \$212,500 in cash from the Workers' Compensation Fund (Fund 7023) to the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission Fund (Fund 5FT0) on July 1, 2011, and January 1, 2012, and again on July 1, 2012, and January 1, 2013 to pay for the costs of the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission over the FY 2012-FY 2013 biennium.

**Section: 221**

Same as the Executive.

**Section: 221**

Same as the Executive.

Executive

As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

WCCCD1      Workers' Compensation Council

**Section: 211**

Requires that appropriation item 321600, Remuneration Expenses, be used to pay the payroll and fringe benefits costs of the employees of the Workers' Compensation Council.

**Section: 211**

Same as the Executive.

**Section: 211**

Same as the Executive.

Executive

As Passed by the House

As Reported by Senate Insurance,  
Commerce and Labor

OICCD1      Rent - William Green Building

Section: 1

Requires that appropriation item 845402, Rent - William Green Building, be used to pay for rent and operating expenses for the space occupied by the Industrial Commission in the William Green Building.

Section: 1

Same as the Executive.

Section: 1

Same as the Executive.