

COMPARISON DOCUMENT

**House Bills 51 and 52
131st General Assembly**

**Budget Bills for the
Ohio Industrial Commission and
Bureau of Workers' Compensation**

(FY 2016 – FY 2017)

**As Introduced
As Reported by House Finance**

**Legislative Service Commission
March 11, 2013**

Executive

As Reported By House Finance

OICCD2 Hearing spike personal service contracts

No provision.

R.C. 4121.351, (Repealed)

Eliminates the ability of the Industrial Commission to enter into personal service contracts with attorneys to serve as temporary district or staff hearing officers during a hearing spike and eliminates the requirement that the Industrial Commission prepare monthly reports regarding the use of these temporary officers.

Fiscal effect: Potential reduction in costs of preparing monthly reports, and potential decrease in hearing costs.

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: 2

Same as the Executive.

Executive

As Reported By House Finance

BWCCD7 Appeals regarding Health Partnership Program participation**R.C. 119.12**

Requires appeals of the Bureau of Workers' Compensation decisions regarding participation in the Health Partnership Program to be filed in the Franklin County Court of Common Pleas rather than, as under current law, filing the appeal in the court of common pleas of the county in which the place of business of the provider or the managed care organization is located or the provider is a resident and, pursuant to administrative rule, filing a copy of that appeal in the Franklin County Court of Common Pleas.

Fiscal effect: Potential increase in court costs for the Franklin County Court of Common Pleas to hear these appeals. Possible administrative savings for BWC to be realized under Fund 7023 line item 855407, Claims, Risk and Medical Management.

R.C. 119.12

Same as the Executive.

Fiscal effect: Same as the Executive.

BWCCD4 Elimination of the Long Term Care Loan Program**R.C. 4121.37, 4121.48 (repealed)**

Eliminates the Long-term Care Loan Program that allows BWC to make interest-free loans to nursing homes or hospitals so that they may purchase, improve, install, or erect certain lift equipment and electric beds to implement a facility policy of no manual lifting of residents by employees.

R.C. 4121.37, 4121.48 (repealed)

Same as the Executive.

Executive

As Reported By House Finance

Fiscal effect: Few such loans have been made in recent fiscal years. Interest paid by BWC amounted to \$644 in FY 2013 and no payments were made during FY 2014.

Fiscal effect: Same as the Executive.

BWCCD5 Number of unclassified employees in Division of Safety and Hygiene

R.C. 4121.37

Allows the Administrator of Workers' Compensation to designate more than six unclassified positions in the Division of Safety and Hygiene (current law limits the number of such designated employees to six) and removes the requirement that the BWC Board of Directors advise and consent on those designations.

Fiscal effect: None apparent. However, if the Administrator were to hire additional unclassified employees, there could be some additional payroll costs.

R.C. 4121.37

Same as the Executive.

Fiscal effect: Same as the Executive.

BWCCD12 Self-insured employers: BWC rehabilitation and handicap reimbursement programs

R.C. 4121.61, 4121.65, 4121.66, 4121.67, 4121.68, 4123.34, 4123.35, and 4123.56

Eliminates the requirement that a self-insuring employer be approved by the Bureau of Workers' Compensation prior to furnishing rehabilitation services directly.

Requires a self-insuring employer to furnish or pay directly for rehabilitation services, counseling, training, living maintenance payments, and certain wage loss compensation, or compensation and benefits for an injury, occupational disease, or death that results from a claimant's participation in a rehabilitation program rather than allowing for those payments to be made initially from

R.C. 4121.61, 4121.65, 4121.66, 4121.67, 4121.68, 4123.34, 4123.35, and 4123.56

Same as the Executive.

Same as the Executive.

Executive

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the Surplus Fund Account within the State Insurance Fund. Requires a self-insuring employer to furnish or pay directly, for all compensation, benefits, and services due to an employee for injury, occupational disease, or death caused by a pre-existing mental or physical handicap of the employee, rather than allowing a portion of those payments to be made initially from the Surplus Fund within the State Insurance Fund as under current law.

Same as the Executive.

Fiscal effect: None. No self-insured employers in recent years have participated in either BWC's rehabilitation program or handicap reimbursement program. If a self-insured employer elects to participate in either program, BWC charges an assessment that is deposited into the Surplus Fund to cover related expenses.

Fiscal effect: Same as the Executive.

BWCCD8 Duties of BWC Audit and Actuarial Committees

R.C. 4121.129

Requires the Workers' Compensation Audit Committee to recommend an accounting firm to the BWC Board of Directors to perform the Auditor of State's annual audit of the Safety and Hygiene Fund and administration of the Workers' Compensation Law.

R.C. 4121.129

Same as the Executive.

Eliminates the requirement that the Audit Committee recommend to the Board an actuarial firm to perform the required annual actuarial analysis of the workers' compensation funds.

Same as the Executive.

Requires the Workers' Compensation Actuarial Committee to review and approve rate schedules prepared and presented by the BWC actuarial division or by contracted

Same as the Executive.

Executive

As Reported By House Finance

actuarial consultants rather than reviewing only those rate schedules prepared by contracted actuarial consultants as under current law.

Fiscal effect: Minimal. There may be some administrative savings for BWC if the rate schedules that the Actuarial Committee are to review and approve can be done by BWC actuarial staff rather than contract actuarial consultants.

Fiscal effect: Same as the Executive.

BWCCD11 Volunteer corporate officers and workers' compensation

R.C. 4123.01

Exempts volunteer corporate officers who work for a nonprofit corporation from coverage under Ohio's Workers' Compensation Law, and does not allow these volunteer corporate officers to elect coverage under the law.

Requires persons who under continuing law may elect to be covered under the law to make that election in accordance with the rules adopted by the Administrator of Workers' Compensation with the advice and consent of the Bureau of Workers' Compensation Board of Directors.

Fiscal effect: Potential for few claims to be filed if these individuals would no longer be receiving coverage, However, the number of such claims would likely be small.

R.C. 4123.01

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

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BWCCD2 Sick leave and temporary total disability leave compensation**R.C. 4123.56**

Allows temporary total disability compensation to be paid without an offset for supplemental sick leave benefits provided by the employer if the employer and employee mutually agree in writing.

Fiscal effect: None apparent.**R.C. 4123.56**

Same as the Executive.

Fiscal effect: Same as the Executive.**BWCCD1 Workers' compensation death benefit eligibility****R.C. 4123.59**

Allows for a mentally or physically incapacitated dependent to continue receiving workers' compensation death benefits while the dependent is working in a sheltered workshop, as long as the dependent does not receive income, compensation or remuneration from that employment in excess of \$2,000 in any calendar quarter.

Fiscal effect: Potential increase in death benefit payments from the State Insurance Fund for dependents that meet these criteria.**R.C. 4123.59**

Same as the Executive.

Fiscal effect: Same as the Executive.**BWCCD6 Appeals from adjudicating committee decisions****R.C. 4123.291**

Eliminates the requirement that the Administrator of Workers' Compensation or Administrator's designee must hold a hearing on the employer's appeal of an adverse decision of an adjudicating committee, but requires a hearing if the employer requests one.

R.C. 4123.291

Replaces the Executive provision with a provision that (1) allows the employer to request that a hearing of an adverse decision be waived, and (2) requires the Administrator to decide whether to grant or deny a request to waive a hearing.

Executive

As Reported By House Finance

Fiscal effect: Potential reduction in administrative hearing costs if some employers choose not to have a hearing on an adverse decision.

Fiscal effect: Same as the Executive, but likely a smaller reduction in hearings under this provision than under the Executive.

BWCCD9 DWRf assessments and alternative funding of claims for certain private and public taxing district employers

R.C. 4123.411, 4123.419

Permits, rather than requires under current law, the Administrator of Worker's Compensation to levy assessments on employers for amounts necessary to sustain Disabled Worker Relief Fund (DWRf) for claims occurring before January 1, 1987.

R.C. 4123.411, 4123.419

Same as the Executive.

Allows the Administrator, with the advice and consent of the Bureau of Workers' Compensation Board of Directors, to transfer investment earnings of the surplus or reserve accounts in the State Insurance Fund amounts necessary to the DWRf to cover DWRf claims involving private and public taxing district employers, rather than levying these assessments against these employers.

Same as the Executive.

Eliminates the current law requirement to make transfers from the Disabled Worker Relief Fund to the GRF to reimburse the GRF for moneys appropriated for disabled worker relief.

Same as the Executive.

Fiscal effect: Potential reduction in moneys within the surplus and reserve accounts in the State Insurance Fund; however, DWRf claims in this provision are becoming rare. Also, potential small savings for certain private and public taxing district employers that will no longer be charged DWRf assessments.

Fiscal effect: Same as the Executive.

Executive

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BWCCD3 Notice to employer of appellate obligations**R.C. 4123.512**

Adds to the notice that the Administrator of Workers' Compensation must provide to an employer, upon appeal of an order of the Industrial Commission, that the results of the appeal may result in recovery against an employer who is a noncomplying employer.

Fiscal effect: None apparent.

R.C. 4123.512

Same as the Executive.

Fiscal effect: Same as the Executive.

BWCCD13 Workers' Compensation Fraud Unit**Section: 3**

Earmarks \$828,200 in each fiscal year of appropriation item 855410, Attorney General Payments, to fund the expenses of the Workers' Compensation Fraud Unit within the Attorney General's Office, and requires these payments to be processed at the beginning of each quarter of each fiscal year and deposited into the Workers' Compensation Section Fund (Fund 1950) used by the Attorney General.

Section: 3

Same as the Executive.

BWCCD14 Safety and Hygiene**Section: 3**

Requires the Treasurer of State to transfer \$21,661,132 in cash in each fiscal year from the State Insurance Fund to the Safety and Hygiene Fund (Fund 8260).

Section: 3

Same as the Executive.

Executive

As Reported By House Finance

BWCCD15 OSHA On-Site Consultation Program

Section: 3

Allows 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 operated by the Division of Safety and Hygiene..

Section: 3

Same as the Executive.

BWCCD16 Interagency agreement for provision of vocational rehabilitation services

Section: 3

Requires BWC and the Opportunities for Ohioans with Disabilities Agency to enter into an interagency agreement for the provision of vocational rehabilitation services and staff to mutually eligible clients. Specifies that BWC may provide up to \$605,407 in each fiscal year from the State Insurance Fund as part of the interagency agreement.

Section: 3

Same as the Executive.

Executive

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BWCCD17 Deputy Inspector General for BWC and OIC funding**Section: 4**

Requires the Director of Budget and Management to transfer \$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 and January 1 of each fiscal year, or as soon as possible after these dates, to pay for the costs of the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission over the FY 2016-FY 2017 biennium. Authorizes the Inspector General to seek Controlling Board approval for additional cash transfers and appropriations if needed.

Section: 4

Same as the Executive.