

Ohio Industrial Commission

Kerry Sullivan, Budget Analyst

- Appropriations in FY 2006 and FY 2007 equal those made in FYs 2003 to 2005
- Technological advances at the Industrial Commission are making the hearing process more efficient and less expensive

OVERVIEW

Duties and Responsibilities

The Ohio Industrial Commission (OIC) hears worker and employer appeals of workers' compensation claims decisions made by the Bureau of Workers' Compensation (BWC).

The Governor appoints the three commissioners who lead the Industrial Commission. Each commissioner must have at least six years experience in workers' compensation and at least one member must be licensed to practice law in Ohio. By reason of previous vocation, employment, or affiliation, one member must represent employees, one must represent employers, and one must represent the public. Each commissioner serves a six-year term.

The Commission's proceedings are quasi-judicial in nature and provide an opportunity for all parties to be heard before a decision is made. The hearing process begins when the Commission assumes jurisdiction of an issue after an appeal of a BWC order. The hearing process consists of three levels of adjudication. Claimants or employers make first-level appeals before District Hearing Officers. Second-level appeals are conducted by Staff Hearing Officers. District and staff-level hearings take place at Commission offices located throughout the state, and must occur within 45 days of a claimant or employer filing an appeal. Third-level appeals are held in Columbus with the three-member panel of commissioners. A Commission level hearing is conducted on a discretionary basis. Typically, commissioners hear unresolved cases that deal with an issue of policy or special circumstance that they believe warrants further consideration. If an injured worker or employer disagrees with the Commission's decision, the issue can be further adjudicated in the court system.

Ohio Industrial Commission operations, as well as those of the BWC, are funded through an Administrative Cost Fund (ACF) assessment that is added to employer workers' compensation premiums. Neither the OIC nor the BWC receives general revenue funds.

Agency in Brief

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2006	2007	2006	2007	
523	\$60.0 million	\$60.0 million	\$0	\$0	H.B. 65

*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2005.

ANALYSIS OF THE ENACTED BUDGET

For budget purposes, as detailed below, the Ohio Industrial Commission is considered a single program series agency and its activities are not subdivided into separate programs.

Program Series 1

Adjudication of Workers' Compensation Claims

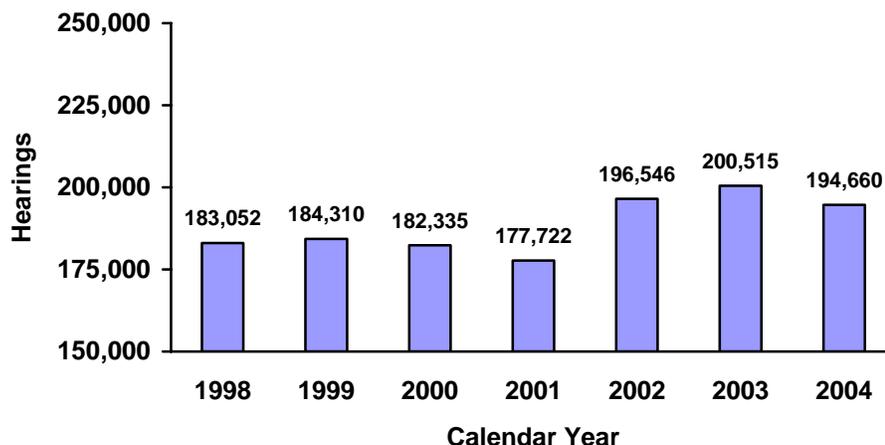
Purpose: To provide fair and impartial resolutions to disputes in workers' compensation claims through an easily accessible hearing process that is completed within specified time frames established by the legislature.

The following table shows the line items that are used to fund the adjudication of workers' compensation claims, as well as the enacted funding levels contained in H.B. 65.

Fund	ALI	Title	FY 2006	FY 2007
Workers' Compensation Fund				
5W3	845-321	Operating Expenses	\$50,270,800	\$50,270,800
5W3	845-402	Rent – William Green Building	\$6,116,466	\$6,116,466
5W3	845-410	Attorney General Payments	\$3,454,984	\$3,454,984
821	845-605	Service Account	\$157,133	\$157,133
Workers' Compensation Fund Subtotal			\$59,999,383	\$59,999,383
Total Funding: Ohio Industrial Commission			\$59,999,383	\$59,999,383

Adjudication of Workers' Compensation Claims

Program Description: The Ohio Industrial Commission serves injured workers and employers through expeditious and impartial resolutions of issues arising from workers' compensation claims and through establishment of adjudication policy. The hearing process begins when the Commission assumes jurisdiction of an issue after an appeal of a BWC order. The following chart provides information relative to the total number of cases (at all hearing levels) heard annually by the Industrial Commission from 1998 to 2004. The Commission is required to hear claims and issue orders at the District level within 52 days (45 days to hear the claim, and 7 days to issue the order). If a decision is appealed, the OIC has another 52 days to conduct a second-level hearing and issue an order.

Hearing Caseloads (all levels)**Telecommunications and Computer Services Contracts**

Enacted under section 125.021 of H.B. 65, the Department of Administrative Services is precluded from operating, superintending, or making contracts on behalf of the Industrial Commission for telephone, other telecommunication, or computer services. The Industrial Commission is therefore permitted discretion with respect to contracting for these services itself, or opting to have the Department of Administrative Services contract on its behalf. Other agencies that have this authority under existing law are the military department, the General Assembly, the Bureau of Workers' Compensation, and institutions administered by boards of trustees.

Funding Sources: Line items within Fund 5W3 are supported by administrative assessments paid by State Insurance Fund employers together with their overall premium payments. Fund 821 is supported by conference income, income received from coin copiers, and the sale of publications.

Implication of the Enacted Budget: Appropriations for FY 2006 and FY 2007 total \$59,999,383 each year. This amount is equivalent to the total appropriated in FYs 2003 to 2005 and will allow the agency to continue adjudicating workers' compensation claims at current service levels. Funding will also allow for the implementation of future phases of the OIC's electronic hearing process, referred to as the Enterprise Content Management (ECM) system, and various other program enhancements that are directed toward making the OIC and the hearing process more efficient and less expensive. Full implementation of the ECM system is expected to result in decreased travel expenses to review files at separate locations, lower paper and related printing costs, and better file integrity.