

# Earn a premium rebate through safety education



Thousands of Ohio employers find value and workers' compensation premium savings by actively participating in their local safety councils. And you can join them.\*

To earn a safety council rebate, employers must meet rebate eligibility requirements in one of 84 BWC-sponsored safety councils.

Below is a breakdown of potential rebates when an employer is an active member of a safety council.

- Employers meeting all safety council rebate eligibility requirements that are not enrolled in a group-rating program will earn a 2-percent participation rebate on their premium and the potential of an additional 2-percent performance bonus.
- Employers meeting all safety council rebate eligibility requirements that are also enrolled in a group-experience-rating program have the potential to earn a 2-percent performance bonus.
- Employers meeting all safety council rebate eligibility requirements that are also enrolled in a group-retrospective-rating program will earn a 2-percent participation rebate.

To earn a performance bonus, employers must reduce either the severity or frequency of injuries in their workplace by 10 percent or remain at zero.

BWC Safety Councils can help you:

- Learn techniques for increasing safety in your workplace.
- Learn how to better manage your workers' compensation program.
- Network with other employers in your community.
- Access useful, money-saving workers' comp and risk management information.

For more information, call 1-800-644-6292, or visit [www.bwc.ohio.gov](http://www.bwc.ohio.gov):

- Click on Safety.
- Then Safety Councils.
- Then locations.

\* The rebate offer excludes self-insuring employers and state agencies. Limitations apply to a professional employer organization and its clients. BWC encourages all employers to become active safety council members.

\*\* At least eight through the local safety council. You can get credit for up to two meetings through attendance at BWC's safety training courses or industry-specific training.

## Rebate eligibility requirements

To qualify for the BWC Safety Council rebate, you must meet the following eligibility requirements:

1. Join your local safety council by July 31, 2019;
2. Attend 10 safety council meetings\*\*;
3. Send a qualified senior-level manager to a safety council sponsored meeting;
4. Submit semiannual workplace accident reports for the 2019 calendar year.

# Safety Council Rebate Program Eligibility Requirements FY20

## Enroll in local safety council by July 31, 2019

- Find a list of Ohio safety councils at [www.bwc.ohio.gov](http://www.bwc.ohio.gov).

## Attend 10 meetings or events between July 1, 2019, and June 30, 2020

- At least eight of the 10 meetings must be safety council meetings. Up to two of the 10 can be external educational options outlined below, but all 10 can be safety council meetings.
- A person can represent only one policy number with his or her attendance at a safety council meeting or external training event. The attendance of any employer representative qualifies to meet the attendance requirement.
- Employer has the option to gain credit for up to two meetings through attendance at BWC's Division of Safety & Hygiene (DSH) safety training courses or industry-specific training, the Ohio Safety Congress & Expo or another safety council special event, seminar or workshop. Safety council *monthly* meetings do not qualify for meeting credit for any employer not enrolled in that safety council.
- DSH safety training credit is available for training conducted at the Ohio Center for Occupational Safety and Health (OCOSH) in Pickerington or one of its branches.
- No matter the duration of the training or special event, attendance applies toward only **one** external training credit.
- Safety training conducted at the employers' workplace or online does **not** qualify for the safety council rebate program eligibility.
- It is the employer's responsibility to submit documentation to his or her safety council by June 30, 2020, for attendance at non-safety council training or events to qualify.
- Documentation must be an official certificate of attendance or transcript.

## CEO must attend any one safety council sponsored function or meeting

- CEO attendance counts as credit toward one of the 10 required meetings.
- If a CEO represents multiple policy numbers, his/her attendance fulfills the CEO attendance requirement for all policies, but counts as meeting credit for only one policy number.
- The CEO credit must be fulfilled at a meeting of the safety council in which the employer is enrolled.
- CEO credit is fulfilled with attendance of the highest-ranking local official.

## Submit semiannual reports for the 2019 calendar year

### 2-percent premium rebate

- Employers not enrolled in a group-experience rating program, but meeting these program eligibility requirements, will receive a rebate of 2 percent of their annual premium and will be eligible for a 2-percent performance bonus rebate.
- Group-experience-rating program employers who meet the program eligibility requirements will be eligible for a 2-percent performance rebate.
- Group-retrospective-rating program employers who meet the program eligibility requirements will receive a rebate of 2-percent of their annual premium.
- The rebate offer excludes self-insuring employers and state agencies. However, BWC encourages everyone to become active safety council members.
- BWC cannot calculate a performance bonus for employers entering into a third-party transaction in the benchmark period.
- To receive the rebate, employers must be current with respect to all payments due BWC. Employers may not have cumulative lapses in workers' compensation coverage in excess of 40 days within the prior 12 months. Additionally, employers must have timely reported actual payroll for the preceding policy year and pay any premium due upon reconciliation of estimated premium and actual premium.

# Safety Council Rebate Program

## Frequency and Severity Defined FY20

### 2-percent premium rebate

- Employers who reduce their frequency or severity by 10 percent or more below the previous year's frequency or severity, or employers who maintain both frequency and severity at zero will receive an additional 2-percent refund of their annual premium.

### Frequency = claims per \$million of payroll

- BWC calculates frequency by multiplying the total number of claims reported in the measurement year by 1 million and dividing by the employer's total reported payroll for that year.
- The entry date, i.e., the date on which a BWC staffer enters the claim into BWC's claim management system, determines the year in which the employer reports claims.
- BWC excludes claims combined into other claims, as well as claims in a disallowed, disallowed/appeal or dismissed status as of the date on which it measures frequency.
- BWC will count each claim only once. Additional allowances on existing claims do not constitute new claims. BWC treats medical-only and lost-time claims equally — a claim is a claim regardless of its type or severity.
- The employer's payroll helps create equity — a large employer with many claims may actually have a lower frequency than a smaller employer with fewer claims.
- Likewise, if an employer's payroll increases while the number of claims reported remains constant, frequency will decrease.
- An employer having no claims in the year in which his or her baseline frequency is established and no claims in its measurement year will receive the 2-percent premium refund for frequency reduction because it is impossible to reduce zero by 10 percent.

### Severity = days absent per \$1 million of payroll

- BWC calculates severity by multiplying the total number of days absent during the measurement year by \$1 million and dividing by the employer's total reported payroll for that year.
- BWC will calculate the total number of days absent in the measurement year using those claims reported in the measurement year, plus claims with injury dates in any of the four previous years.
- BWC charges no days to the employer's severity if the claim incurring the days absent during the measurement year is outside this five-year period.

### Example

A claim with an injury date in 2010 would be included in measurement years 2012, 2013, 2014, 2015 and 2016 only. For that claim, BWC would ignore any absent days occurring for measurement in year 2017.

- BWC excludes combined claims, as well as claims in a disallowed, disallowed/appeal, or dismissed status as of the date on which severity is measured.
- BWC calculates days absent as the days between the last day worked and the return to work date. BWC does not count the last day worked nor the return-to-work date as a day absent.
- BWC assumes the date of injury is the last day the employee worked unless the employer specifies a different last day worked.
- BWC assumes the return-to-work date is beyond the end of the measurement year unless the employer specifies an actual return-to-work date.

- BWC assesses medical-only claims no more than seven days absent.
- BWC assesses lost-time claims as days absent from the last day worked (or date of injury if no last day worked exists) until the earliest of:
  - The end of the measurement year.
  - Actual return to work.
  - Claim settlement.
  - Injured worker's death (except death claims, defined below).
- If a claim experiences several periods of disability (time off work), BWC evaluates each period separately. Only those days absent occurring in the measurement year are counted.
- There are two specific exceptions to the rules governing the calculation of days absent and both apply to lost-time claims where there is no record of a last day worked. Normally, BWC would assess these claims days absent beginning on the day after injury and continuing forever, for a maximum of 365 days in each of the measurement years.  
However:
  - BWC will assess zero days absent for occupational disease claims (i.e., accident type equals occupational disease) classified as lost time but having no last day worked.
  - BWC will assess zero days absent for lost-time claims having no last day worked and no pay plan other than percent permanent partial.
- An employer having no days absent in the year in which his or her baseline severity is established and no days absent in its measurement year will receive the 2-percent premium refund for severity reduction because it is impossible to reduce zero by 10 percent.

### Death claims

- A death claim is one where the accident type is specified as death, rather than accident or occupational disease.
- BWC assesses death claims, due to their social and financial severity, 365 additional days absent after the date of death.
- For frequency purposes, BWC will count death claims only once.
- For severity purposes, death claims will incur days absent over at least two measurement years.

### Example

- A worker suffers a serious injury on May 11, 2009.
- He remains in a coma until he dies on Nov. 13, 2011.
- The claim incurs days absent from May 12, 2009, through Nov. 13, 2011, or 234 days absent in 2009, 365 days in 2010 and 317 days in 2011.

## Frequency/severity timelines

### State fund

- BWC will calculate frequency using claims and payroll reported between July 1, 2019, and June 30, 2020, (policy year 2019). BWC will compare this frequency to the baseline frequency, which it calculates using claims and payroll reported the previous year July 1, 2018 and June 30, 2019 (policy year 2018).

### Public employers

- BWC will calculate frequency using claims and payroll reported between Jan. 1, 2019, and Dec. 31, 2019, (policy year 2019). BWC will compare this frequency to the baseline frequency, which it calculates using claims and payroll reported the previous year Jan. 1, 2018, and Dec. 31, 2018, (policy year 2018).