

HFC Safety Council BWC Update Spring 2016

Timothy McDermott, ARM, CPM, CWCC
Regional Business Consultant
513-583-4594
timothy.m.1@bwc.state.oh.us

Thomas F. Bloom, PE, CIH, CSP
Industrial Safety Consultant Specialist
513-403-9897
thomas.b.2@bwc.state.oh.us

HFC Demographics

#	Category	Number	Per Cent
1	Construction	12	14
2	Manufacturing	16	19
3	Wholesale Trade	6	7
4	Retail Trade	5	6
5	Transportation/Warehouse	5	6
6	Education	6	7
7	Health Care	17	20
8	Information	1	1
9	Management Services	4	5
10	Professional, scientific	3	3
11	Public Administration	2	2
12	Financial Services	2	2
13	Food Service	1	1
14	Other	6	7

OSHA Quick Takes

- Source: <https://www.osha.gov/as/opa/quicktakes/qt020216.html>
- 300A forms posted until 4/30/16
- Enforcement emphasis (3 states) on high hazard industries: food, furniture, fabricated metal, computer products (through 9/30/16)
- Emergency response and preparedness rule meeting
- HAZCOM alignment: US and Canada
- Safety and Health Program Management guidelines
 - https://www.osha.gov/shpmguidelines/SHPM_guidelines.pdf

NIOSH E-News

- Source: <http://www.cdc.gov/niosh/enews/>
- NIOSH Ladder App now includes step ladders [February 2016]
- Respirator Service Life Estimator [January 2016]
- Firefighter training recommendations [January 2016]

BWC Safety Updates [January 2016]

- Source: <https://www.bwc.ohio.gov/employer/programs/safety/SandHNewsClips.asp>
- OSHA Web Page Re: Workplace Violence in Health Care Settings
- NIOSH Study on Long Haul Truckers
- New App for Health Nerds

BWC Accomplishments

- BWC has increased its commitment to safety.
- In 2014, BWC awarded \$15 million in safety grants to 535 employers.
- BWC approved another \$15 million in 2015.
- \$15 million will be available to employers in fiscal years 2016 and 2017.

Increased Commitment to Safety

- Expansion of Safety Council Program to include health and wellness
- Advanced workplace safety and health research-to-practice program
- Partnership with State Fire Marshall to fund additional training for firefighters
- Development of safety curricula and funding for skilled labor training program.

Safety Grants

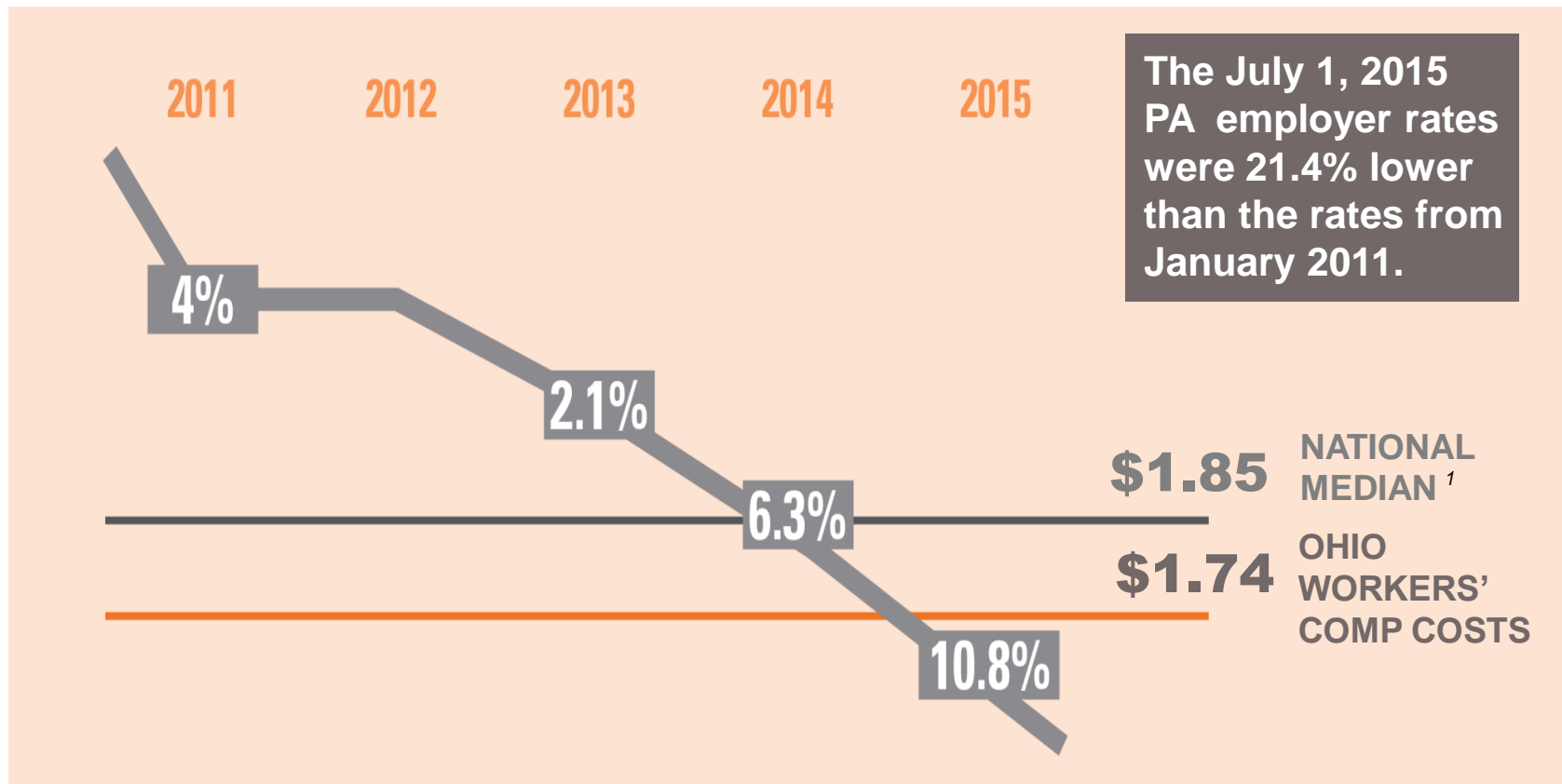
- Grants to assist employers in purchasing equipment that will substantially reduce or eliminate injuries
- 3-to-1 matching funds (up to \$40,000)
- Have you applied for your safety grant? If not, what are you waiting for?

Questions?

Recent Rebates to Employers

- In 2013 and 2014, BWC returned \$2 billion in rebates to Ohio employers.
- BWC is providing \$1.2 billion transition credit to Ohio employers to ease the transition to a prospective billing system.

PA Employer Rate Reductions



¹ 2014 Oregon Premium Rate Ranking Study (per \$100 of payroll)

Payroll True-up Is Coming

Payroll true-up period for private employers

- Begins July 1
- True-up reports due by Aug. 15
- Easiest, most convenient method is online reporting
- Do you have a BWC e-account?

BWC E-account

E-account user ID and password

- Different from your policy number
- User specific
- Primary user
- Secondary user

E-account gives you access to policy information

- Report and pay online
- Review individual claims and transaction history
- Complete year-end true-up

Interstate Jurisdiction

- Legislative changes
- Out-of-state employers working in Ohio
- Ohio employers working in other states
- New BWC out-of-state coverage

Interstate Jurisdiction

- In the past, BWC respected the extraterritorial right of the workers' compensation insurance coverage on a **reciprocal basis**.
- Ohio recognized an out-of-state employer's workers' compensation insurance coverage **to the extent the other state recognized BWC's extraterritorial coverage for Ohio employers with Ohio employees working temporarily in that state**.
- House Bill 493 removed the reciprocity provisions in Ohio law to end this practice in September, 2014.

Interstate Jurisdiction

- Ohio will allow out-of-state employees to enter Ohio to work temporarily and still be covered by their home state's workers' compensation system up to 90 days.
- Ohio will recognize the employers out-of-state coverage for their employees brought into Ohio, ***but not for any persons that are hired in Ohio.***
- If Ohio employees working in the other state must have workers' compensation coverage through that state, regardless of the duration of work performed, then Ohio will require out-of-state employees to be covered under Ohio's workers' compensation system

Interstate Commerce

- Employees of non-Ohio employers who have entered into an employment contract outside of Ohio to perform transitory services in interstate commerce only, both within and outside Ohio, are not reportable to BWC.
- This is relevant to interstate truck drivers and applies even if he or she is an Ohio resident.
- Out of state employers who specifically hire employees to work in Ohio must obtain coverage from BWC regardless of where they hire the workers.

Interstate Jurisdiction (new)

- Ohio employers with Ohio employees working temporarily in other states must obtain coverage in that state.
- In most cases must go thru state fund pool, at a higher rate.
- BWC will soon be able to cover Ohio employers with Ohio employees working in other states.
- Zurich Insurance was just selected to broker workers' comp coverage in all fifty states under a fronting agreement.

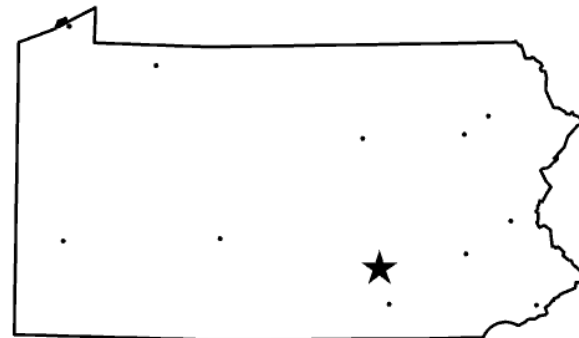
Other States Coverage

Ohio's Extraterritorial Coverage

- It's an extension of Ohio law for workplace injuries occurring outside Ohio.
- BWC generally covers claims of Ohio employees temporarily working out of state **as long as the claim is filed in Ohio.**

Jurisdictional Risk to Employers

- BWC cannot respond to claims filed in other states.
- Some states require coverage (other than BWC's coverage) for any work in the state, no matter how brief.



Coverage Options Available



- Private Insurer
- State Fund
- BWC Other States Coverage – available spring 2016

Eligibility Requirements



- Majority of business in Ohio
- Active workers' compensation policy with BWC
- No lapses in the previous 12 months (from the date the application was received)
- No past-due balances at the time of application
- Self-insuring employers, temporary employment agencies, staffing entities and professional employer organizations (PEOs) are not eligible.

Underwriting Guidelines



- Experience modifier
- Payroll
- Certain manual class restrictions – ammunition, aviation, etc.
- Other pertinent information, including:
 - Compliant with applicable rules and laws;
 - Past payment of premiums and assessments;
 - Safety record;
 - Loss history.

How It Will Work?

- Employer will apply directly to BWC. (ACORD 130 form)
- If eligible, employer will receive a quote for coverage.
- If an employer chooses to purchase coverage from BWC, it will remit payment to BWC.
- BWC will work through the vendor to issue a policy to cover out-of-state exposures.
- All claims will be handled by the vendor.



How It Will Look?

- Quote you will receive....



**Commercial Intellisys
Zurich American Insurance Company
1400 American Lane
Tower 1, 12th Flr.
Schaumburg, IL 60196
Rating Worksheets**

Named Insured:	BUCKEYE FARM SALES	Date:	02/10/16
Special Notes:	2/9/2016		
Quote Number:	1460009-01	Agy/Prod Number:	20953000
Policy Number:	WC	Agy/Prod Name:	UNITED STATES INSURANCE S
Customer ID:	0005269815	Operator:	BWCKXD10
System Assign:	86237000000000		
Release :	15.26		
Business Type:			
Insurance Co.:	ZURICH AMERICAN INSURANCE COMPANY		
Line Of Business:	WORKERS COMP (VOLUNTARY)		
Effective Date:	03/24/16	Expiration Date:	03/24/17
Anniversary Date:		Audit Frequency:	ANNUAL
Policy Term:	365 DAYS		
Predominant State:	MI		
Transaction Type:	NEW BUSINESS QUOTE		

POLICY PREMIUM TOTALS

<u>Coverages</u>	<u>Term Premium</u>
Class Premium	1,712.00
Standard Premium	1,712.00
Expense Constant	250.00
Terrorism	6.00
Catastrophe	3.00
Estimated Premium	1,971.00
Taxes and Assessments	46.00
Estimated Total	2,017.00

TERM STATE TOTALS

<u>State</u>	<u>Exposure</u>	<u>Estimated Premium</u>	<u>Taxes and Assessments</u>	<u>State Total</u>
IN	5,000	730.00	6.00	736.00
KY	10,000	722.00	40.00	762.00
MI	15,000	519.00	.00	519.00
Estimated Totals	30,000	1,971.00	46.00	2,017.00

Major Takeaways



- Know the coverage gaps.
- Weigh the options available.
- BWC will offer coverage beginning in March 2016.
- To begin the process, either contact a licensed insurance agent or BWC OSC unit to get the application form (ACORD 130)

Personal Insurance, are you covered?

- Check with your insurance agent to be sure.
- Your homeowner's insurance policy provides liability coverage for bodily injury and property damage to people injured by you or your property.
- There are two types of liability coverage:
 - personal liability coverage
 - medical payment coverage

Personal Liability Coverage

Your personal liability coverage applies:

- if you are found responsible for bodily injury or property damage:
 - slip-trip-fall
 - dog bites
 - damage to a neighbor's siding by son's baseball
- if injured person sues you, your insurance company may also pay to defend you

Medical Payment Coverage

Your medical payment coverage applies:

- if you are liable for bodily injury or property damage that occurring on your premises
- if you, a family member, or family pet are liable for bodily injury or property damage occurring away from your premises
- covered medical expenses include charges for: medical, surgical, X-ray, dental, ambulance, hospital and nursing services

Personal Insurance Exclusions

Personal insurance coverage won't apply:

- to medical expenses for you, family members or residents of your home
- if the injury and/or damage was inflicted intentionally or occurred in the commission of a crime
- if the injury and/or damage was the result of a business or professional activity

Business-Related Exclusions

- Business activities, even part-time ones, present higher risk than personal activities. As a result, most insurance policies have business-related exclusions you should be aware of.
- Examples of business-related activities include:
 - Courier injured delivering a business package to your home;
 - A client injured while visiting your home office;
 - An uninsured contractor injured while cleaning your gutters;
 - A self-employed contractor injured while building a deck for a customer.

Self-Employed Contractors?

Read the exclusions in your health insurance policy

- most health insurance policies will not cover any work-related injury or illness if workers' comp coverage was available and not taken
- some health insurance policies will cover a work-related injury or illness if workers' comp coverage was not available

What does this mean to you?

- If you are a homeowner and operate a home-based business, or if you hire an uninsured contractor to perform work on your property, you could be responsible for unexpected costs from injury or property damage to others.
- If you are self-employed and have a work-related injury or illness, you could be responsible for unexpected medical expenses and loss of income.

Protect Your Interests?

- Obtain workers' comp coverage through BWC:
 - to protect your business and employees
 - to protect yourself as a sole proprietor or partner
 - to protect yourself for work you have done at your residence
- If you operate a home-based business, contact your insurance agent for available liability coverage options.
- If you plan to hire someone to work on your property, require that they are licensed, bonded and insured.
 - get a copy of their license, bond and certificate of liability insurance, and then contact the carriers to verify the information.
 - it is readily available, so there is no excuse for them not to provide it.

Questions..Comments...

Other states coverage email box:

BWCothersstatescoverage@bwc.state.oh.us

Phone: 614-728-0535

Fax:1-800-671-2351

