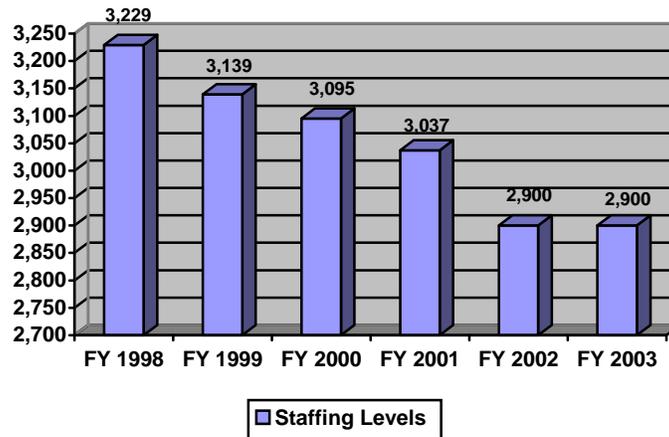


ADDITIONAL FACTS AND FIGURES

BWC Overall Staffing Levels, FY 1998-2003

Due to organizational changes made within BWC over the past several years, it is difficult to break down staffing levels by division. This graph illustrates BWC's total staffing levels between FY 1998 and FY 2003, with the numbers for FY 2002 and FY 2003 being estimates. The two charts following this graph break down this overall staffing levels by divisions. Staffing levels decreased from 3,229 in FY 1998, to 3,139 in FY 1999, to 3,095 in FY 2000, to 3,037 in FY 2001, and 2,900 in FY 2002 and FY 2003.



BWC Division Staffing Levels, FY 1998-1999

Program Series/Division	1998	1999
Administrative Areas	129	129
Claims Operations	1,681	1,556
Finance	128	122
Customer Service	83	80
Human Resources	92	86
Investigations	152	166
Legal	80	80
Management Information Systems	258	255
Medical Management, Cost Containment	157	151
Policy and Reporting*	16	19
Risk	154	159
Camera Center	113	137
Safety and Hygiene	176	189
Coal Workers' Pneumoconiosis Fund	1	1
Marine Industry Fund	0	1
DWRF 1 and 2	9	8
Totals	3,229	3,139

Source: BWC Payroll Recap Reports; FY 1999 data current through August 1998. Only estimated total agency staffing levels are available * Policy and Reporting Division created FY 1997.

BWC Division Staffing Levels, FY 2000-2003

Program Series/Division	2000	2001	2002	2003
CEO/Administration	41	44		
Legal	240	235		
Finance	183	182		
Field Operations	1,326	1,368		
Human Resources	46	43		
Information Technology	259	250		
Medical Management	151	153		
Rehabilitation Services	57	46		
Corporate Affairs	108	38		
Employer Operations	430	425		
Policy and Support	254	253		
Totals	3,095	3,037	2,900	2,900

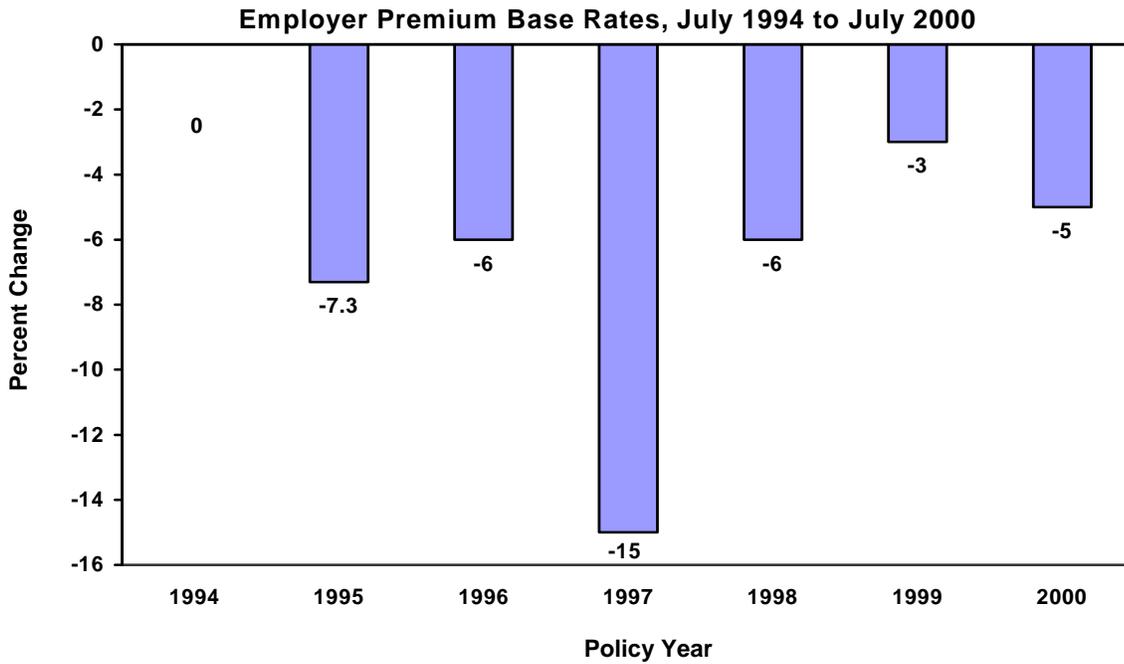
Source: BWC; Only estimated total agency staffing levels are available for FY 2002 and FY 2003.

- BWC has reorganized several times, resulting in the two charts with different staffing breakdowns per division. Some of the reorganization includes a transfer of Training employees from Human Resources to a new department named Policy and Support. Customer Service employees are now a part of the Employer Operations division, formerly known as the Risk division. However, some employees who work in communications used to be considered part of Customer Service but are now placed within Corporate Affairs.
- The table above shows BWC staffing levels by division or program. Staffing levels at BWC have decreased by 6% since 1998. Through an early retirement program and other ongoing strategies, BWC expects the workforce to be further reduced to 2,900 in the next biennium.
- The greatest staffing reductions at BWC have occurred in the claims-processing area. Between FY 1996 and FY 1999, staffing has decreased by 18 percent, from 1,894 to 1,556.

Personal Services Costs vs. Purchased Services Costs, FY 2000-2003

BWC intends to reduce staffing levels to the 2,900 mark by the end of the 2002-2003 biennium. Even with a decrease in staffing levels, BWC still estimates that personal services expenditures, which are devoted to employee compensation and benefits, will go from some \$177.5 million in FY 2000 to an estimated \$195.7 million in FY 2003.

BWC estimates that it will spend some \$25 million on purchased services in FY 2003, a decrease of 17.5 percent over actual FY 2000 spending of \$30.1 million. Agency officials have indicated that many of the agency's projects, including a contract with CARE Systems Corporation to help administer the Health Partnership Program (HPP), required BWC to contract with firms that offer specialized knowledge. Some projects, especially those in the information technology area, were also short-term, and thus BWC deemed it unnecessary to add staff to the agency payroll over the long term. These projects required BWC to hire more consultants in the last biennium than normally needed. For example, spending on purchased services in FY 1998 was \$22.3 million, some 35% less than was spent in FY 2000.



The bar chart above shows the annual percentage change in employer premium rates between 1994 and 2000.

- The good investment climate in recent years has boosted the State Insurance Fund balance from \$3.26 billion in FY 1996 to \$6.45 billion in FY 2000.
- Since 1994, Ohio's employers have saved more than \$6.2 billion through rebates, dividends, and rate decreases by the Bureau.

BWC Combined Ratio Trends For Fiscal Years 1996-2000

- BWC finished FY 2000 with a combined ratio of 85%. Combined ratio is a formula used by insurance companies to relate their premium income to the expenses of their claims, administration and dividend expenses. It is calculated by dividing the sum of incurred losses and expenses by earned premium. Combined ratio does not take into account investment income. A combined ratio of 85% means that BWC spends 85 cents for claims and administration for each dollar of earned premium. (Source: Rupp's Insurance and Risk Management Glossary).

