

COMPARISON DOCUMENT

House Bills 123 and 124 129th General Assembly

Budget Bills
for

Bureau of Workers' Compensation
Workers' Compensation Council
Ohio Industrial Commission

(FY 2012 – FY 2013)

As Introduced
As Passed by the House

Legislative Service Commission

March 23, 2011

Executive

As Passed by the House

BWCCD1 Bureau of Workers' Compensation Board of Directors**R.C. 4121.12**

Requires the member of the Bureau of Workers' Compensation Board of Directors who is an actuary to be an associate or fellow with the Casualty Actuarial Society or a member in good standing with the American Academy of Actuaries rather than an associate or fellow with the Society of Actuaries or a member in good standing with the American Academy of Actuaries as under current law.

R.C. 4121.12

Same as the Executive.

BWCCD9 Workers' Compensation Board of Directors Nominating Committee**R.C. 4121.123**

Removes the President of the Ohio Municipal League from the Nominating Committee.

Requires the chief executive officer or the equivalent of the National Federation of Independent Businesses and the Ohio Farm Bureau each to serve on the Committee, rather than requiring the two groups to jointly select a representative, as under current law.

R.C. 4121.123

Same as the Executive.

Same as the Executive.

Executive

As Passed by the House

BWCCD6

Division of Research and Statistics

R.C. 4121.124, (Repealed), 4121.32, 4121.41

Abolishes the Bureau of Workers' Compensation Division of Research and Statistics and abolishes several statutorily required responsibilities of the Division, including the following duties: (1) to prepare and publish statistical summaries pertaining to the operation of the Bureau and the Industrial Commission, and (2) to provide the General Assembly, upon request, cost estimates for any legislation under consideration that has an impact upon the workers' compensation system or the operation of the agencies involved in the administration of the system.

Retains the requirement that the Bureau (1) conduct analyses examining the cost-effectiveness of the procedure for the assigning and transferring claims, and (2) compile statistics on the subjects of complaints regarding the Bureau.

Fiscal effect: None, as the Division of Research and Statistics is not currently staffed and all responsibilities are performed by other divisions within the Bureau.

R.C. 4121.124, (Repealed), 4121.32, 4121.41

Same as the Executive.

Same as the Executive.

Fiscal effect: Same as the Executive.

Executive

As Passed by the House

BWCCD2**Actuarial Evaluations of the State Insurance Fund****R.C. 4121.125**

Removes specified information that is required to be contained in the annual actuarial valuation of the State Insurance Fund submitted to the Bureau of Workers' Compensation Board, including: (1) a summary of the census data and financial information used in the valuation, (2) a description of the asset valuation method used in the valuation, and (3) a summary of findings that includes a statement of the actuarial accrued compensation and benefit liabilities and unfunded actuarial accrued compensation and benefit liabilities.

R.C. 4121.125

Same as the Executive.

BWCCD4**Health Partnership Program Report****R.C. 4121.44**

Reduces the biannual reporting requirement for the Health Partnership Program to once annually and requires the report to be submitted along with the annual report of the Bureau of Workers' Compensation Board of Directors.

R.C. 4121.44

Same as the Executive.

BWCCD7**Payment of Compensation and Benefits Resulting from Vocational Rehabilitation****R.C. 4121.68**

Eliminates the current law requirement that the Bureau of Workers' Compensation be considered the employer of a claimant who sustains an injury or occupational disease or dies in the course of and arising out of the claimant's participation in a vocational rehabilitation program.

R.C. 4121.68

Same as the Executive.

Executive**As Passed by the House**

Requires that the compensation and benefits paid to a claimant described above be charged to and paid from the Surplus Fund Account, but only for those employers who pay assessments into the Surplus Fund Account.

Same as the Executive.

Fiscal effect: This provision will have a minimal impact on state agencies, which do not currently pay into the State Insurance Fund Surplus Account. Under the bill, they would be required to pay for all benefits paid to an employee who is injured during rehabilitation, which is a relatively rare occurrence. Correspondingly, the provision will also result in a minor reduction in unfunded benefits paid out of the State Insurance Fund.

Fiscal effect: Same as the Executive.

BWCCD8 Health Partnership Program Implementation**R.C. 4121.99, (Repealed)**

Eliminates the penalty for the requirement that the Administrator of Workers' Compensation implement the Health Partnership Program no later than July 1, 1994.

R.C. 4121.99, (Repealed)

Same as the Executive.

Fiscal effect: None, as the Health Partnership Program (HPP), the Bureau's managed care program for medical claims, has been in place for several years.

Fiscal effect: Same as the Executive.

BWCCD10 Approval of Self-Insuring Status for Public Employers**R.C. 4123.35**

Allows the Administrator of Workers' Compensation to waive any of the continuing law requirements that certain public employers must satisfy to be granted status as a self-insuring employer.

R.C. 4123.35

Same as the Executive.

Executive

As Passed by the House

Eliminates the requirement that the Administrator must deny the public employer that status if the public employer cannot satisfy all of the continuing law requirements.

Same as the Executive.

Permits the Administrator to adopt rules establishing the criteria that a public employer must satisfy to qualify for a waiver.

Same as the Executive.

Allows the rules to require additional security from that public employer pursuant to continuing law requirements.

Same as the Executive.

Fiscal effect: This provision could allow more public employers to become self-insured for workers' compensation. Although it is not clear how many public employers would qualify for self-insurance under the provision, there could be some reduction in premiums deposited into the State Insurance Fund.

Fiscal effect: Same as the Executive.

BWCCD11

Payment of Medical Benefits

R.C. 4123.512

R.C. 4123.512

Requires the Administrator of Workers' Compensation to pay bills for medical and vocational rehabilitation services arising in a claim that upon final determination is denied if (1) the services were approved and were rendered by the provider in good faith prior to the date of the final determination, (2) the services were payable under continuing law prior to the date of the final determination, and (3) the request for payment is submitted within the statutory time limit.

Same as the Executive.

Requires such payments to be charged to the Surplus Fund Account and not to be included in a state fund employer's experience or in a self-insuring employer's paid compensation report.

Same as the Executive.

Executive

As Passed by the House

Fiscal effect: Minimal increase in benefits paid from the State Insurance Fund. The Bureau indicates that such situations rarely occur.

Fiscal effect: Same as the Executive.

BWCCD5 Payment of Medical and Vocational Rehabilitation Benefits

R.C. 4123.52

Reduces the time period for the payment of bills for medical or vocational rehabilitation services from two years to one year from the date of service or the date the payment is otherwise permitted under continuing law.

R.C. 4123.52

Same as the Executive.

Prohibits a medical or vocational rehabilitation services provider from billing a claimant for any bill that the Administrator of Workers' Compensation or Industrial Commission is prohibited from paying due to the provider failing to timely submit the bill.

Same as the Executive.

Fiscal effect: None, as the majority of care providers already meet the one-year deadline, and all other providers would likely take steps to meet the new deadline, ensuring that they receive payment for services rendered.

Fiscal effect: Same as the Executive.

BWCCD15 William Green Lease Payments

Section: 201

Requires that appropriation item 855401, William Green Lease Payments to OBA, be used to make lease payments to the Ohio Building Authority in fiscal years 2012 and 2013. Specifies that up to \$35,824,735 over the FY 2012-FY 2013 be used for this purpose and appropriates additional amounts if necessary.

Section: 201

Same as the Executive.

Executive**As Passed by the House**

Requires tenants of the William Green Building not funded by Workers' Compensation Fund (Fund 7023) appropriations to pay their share of the costs of lease payments into Fund 7023 via intrastate transfer voucher (ISTV).

Same as the Executive.

BWCCD13**Workers' Compensation Fraud Unit in the Attorney General's Office****Section: 201****Section: 201**

Requires the transfer of \$828,200 in cash in each fiscal year of the FY 2012-FY 2013 biennium to the Workers' Compensation Section Fund (Fund 1950) to cover the expenses of the Workers' Compensation Fraud Unit within the Attorney General's Office.

Same as the Executive.

BWCCD16**Safety and Hygiene****Section: 201****Section: 201**

Requires the Treasurer of State to transfer \$20,382,567 in cash in FY 2012 and \$20,161,132 in cash in FY 2013 from the State Insurance Fund to the Safety and Hygiene Fund (Fund 8260).

Same as the Executive.

BWCCD17**OSHA On-Site Consultation Program****Section: 201****Section: 201**

Authorizes the Administrator of Workers' Compensation to designate 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.

Same as the Executive.

Executive

As Passed by the House

BWCCD14

Vocational Rehabilitation

Section: 201

Requires the Bureau of Workers' Compensation and the Rehabilitation Services Commission to enter into an interagency agreement for the provision of vocational rehabilitation services and staff to mutually eligible clients, and requires the transfer of \$605,407 in FY 2012 and \$605,407 in FY 2013 from the State Insurance Fund to the Rehabilitation Services Commission for this purpose.

Section: 201

Same as the Executive.

BWCCD18

Fund Balance

Section: 201

Requires any unencumbered cash balance in excess of \$45,000,000 in the Workers' Compensation Fund (Fund 7023) on the 30th day of June of each fiscal year to be used to reduce the administrative cost rate charged to employers to cover appropriations for BWC operations.

Section: 201

Same as the Executive.

Executive

As Passed by the House

BWCCD12

Deputy Inspector General for BWC and OIC Funding

Section: 221

Transfers \$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, 2011, and January 1, 2012, and again on July 1, 2012, and January 1, 2013 to pay for the costs of the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission over the FY 2012-FY 2013 biennium.

Section: 221

Same as the Executive.

Executive

As Passed by the House

WCCCD1

Workers' Compensation Council

Section: 211

Requires that appropriation item 321600, Remuneration Expenses, be used to pay the payroll and fringe benefits costs of the employees of the Workers' Compensation Council.

Section: 211

Same as the Executive.

Executive

As Passed by the House

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: 1

Same as the Executive.