

**10:00 a.m. (EST)**  
**1-866-362-9768**  
**552-970-8972#**



# **Safety & Workers' Compensation Committee**

**Thursday May 23, 2019**

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**2019 Safety & Workers'  
Compensation Committee  
Calendar**

**Meetings begin at 10:00 a.m.  
Wednesday, October 2, 2019**

**OMA Safety & Workers' Compensation Committee  
Meeting Sponsor:**





## OMA Safety & Workers' Compensation Committee May 23, 2019

### AGENDA

<b>Welcome &amp; Self-Introductions</b>	Larry Holmes, Fort Recovery Industries Inc.
<b>BWC Update</b>	Brian Jackson, OMA Staff
<b>OMA Counsel's Report</b>	Sue Roudebush
<b>Public Policy Report</b>	Rob Brundrett, OMA Staff
<b>Guest Panel</b>	Kim Nelson, OSHA Area Director, Toledo Region Larry Johnson, OSHA Area Director, Columbus Region Ken Montgomery, OSHA Area Director, Cincinnati Region Howie Eberts, OSHA Area Director, Cleveland Region

Please RSVP to attend this meeting (indicate if you are attending in-person or by teleconference) by contacting Denise: [dlocke@ohiomfg.com](mailto:dlocke@ohiomfg.com) or (614) 224-5111 or toll free at (800) 662-4463.

Additional committee meetings or teleconferences, if needed, will be scheduled at the call of the Chair.

**Thanks to Today's Meeting Sponsor:**



# **OSHA in Ohio**

## **A Conversation with Ohio Area Directors**

### **Ohio Manufacturer's Association**

**Kim Nelson, Larry Johnson, Ken Montgomery & Howie Eberts**

**Area Directors**

**Occupational Safety and Health Administration**

**Toledo, Columbus, Cincinnati & Cleveland Area Offices**

**May 23, 2019**

# OSHA's Continuing Mission

- Every year more than **4,500** Americans die from workplace injuries.
- Perhaps as many as **50,000** workers die from illnesses in which workplace exposures were a contributing factor.
- **Millions** of workers suffer a serious nonfatal injury or illness annually.



# Secretary of Labor



Alex Acosta

# Deputy Assistant Secretary of Labor - OSHA



**Loren Sweatt**

Former Senior Policy Advisor for the House  
Committee on Education and the Workforce

# New Assistant Secretary of Labor – OSHA\*



**Scott Mungo**

Vice President for Safety, Sustainability and Vehicle Maintenance at FedEx Ground in Pittsburgh

\*Pending senate confirmation

# Federal OSHA

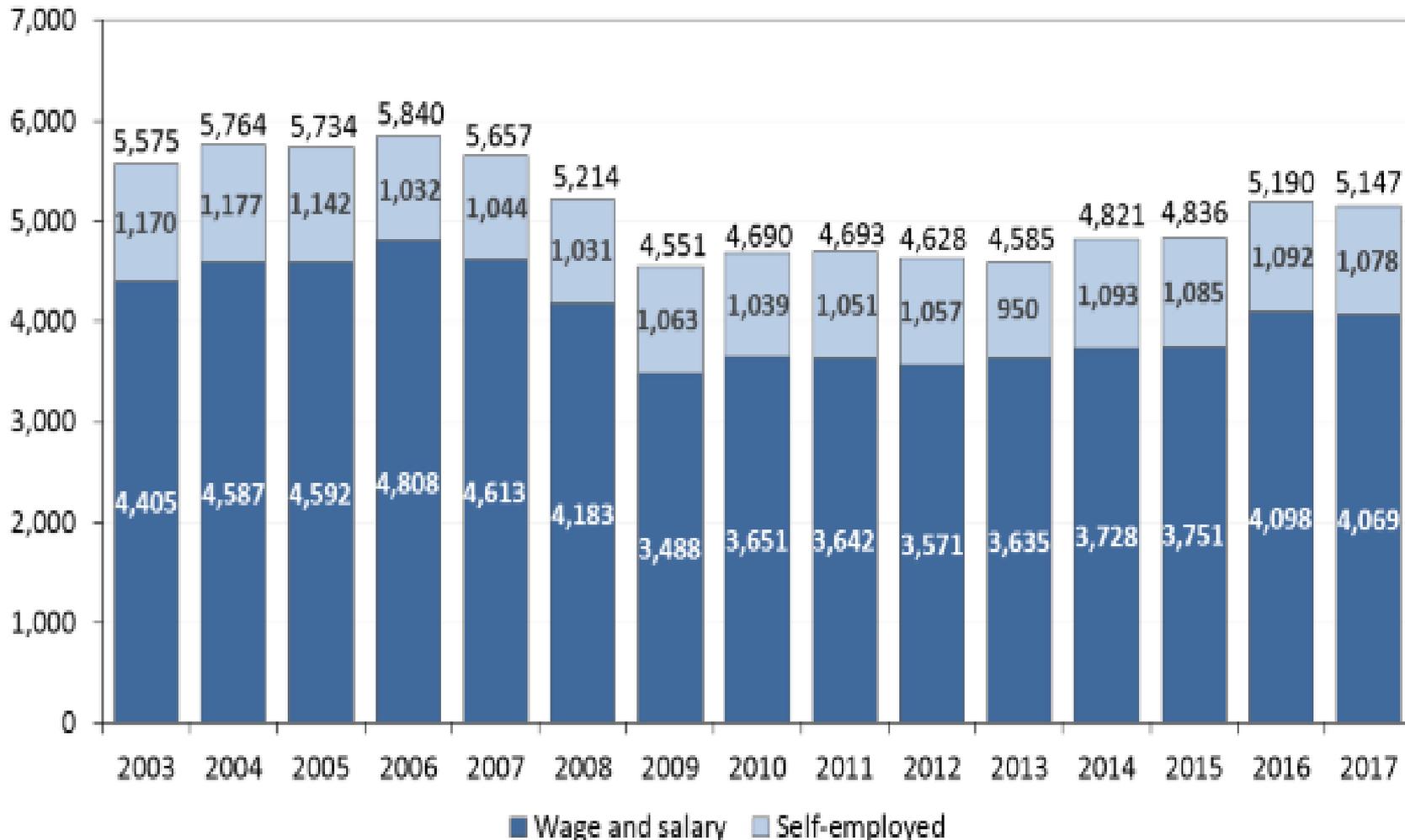
- OSHA Staff: ~~2,305~~ 1,800?
- Workers: 130 million
- Worksites: 8 million
- Regional Offices: 10
- Local Area Offices: 90

# Federal OSHA Ohio Offices

- OSHA Inspectors: ~~58~~ 52
- Workers: 5.0 million
- Worksites: 287,865
- Local Area Offices: 4
  - Toledo
  - Columbus
  - Cleveland
  - Cincinnati

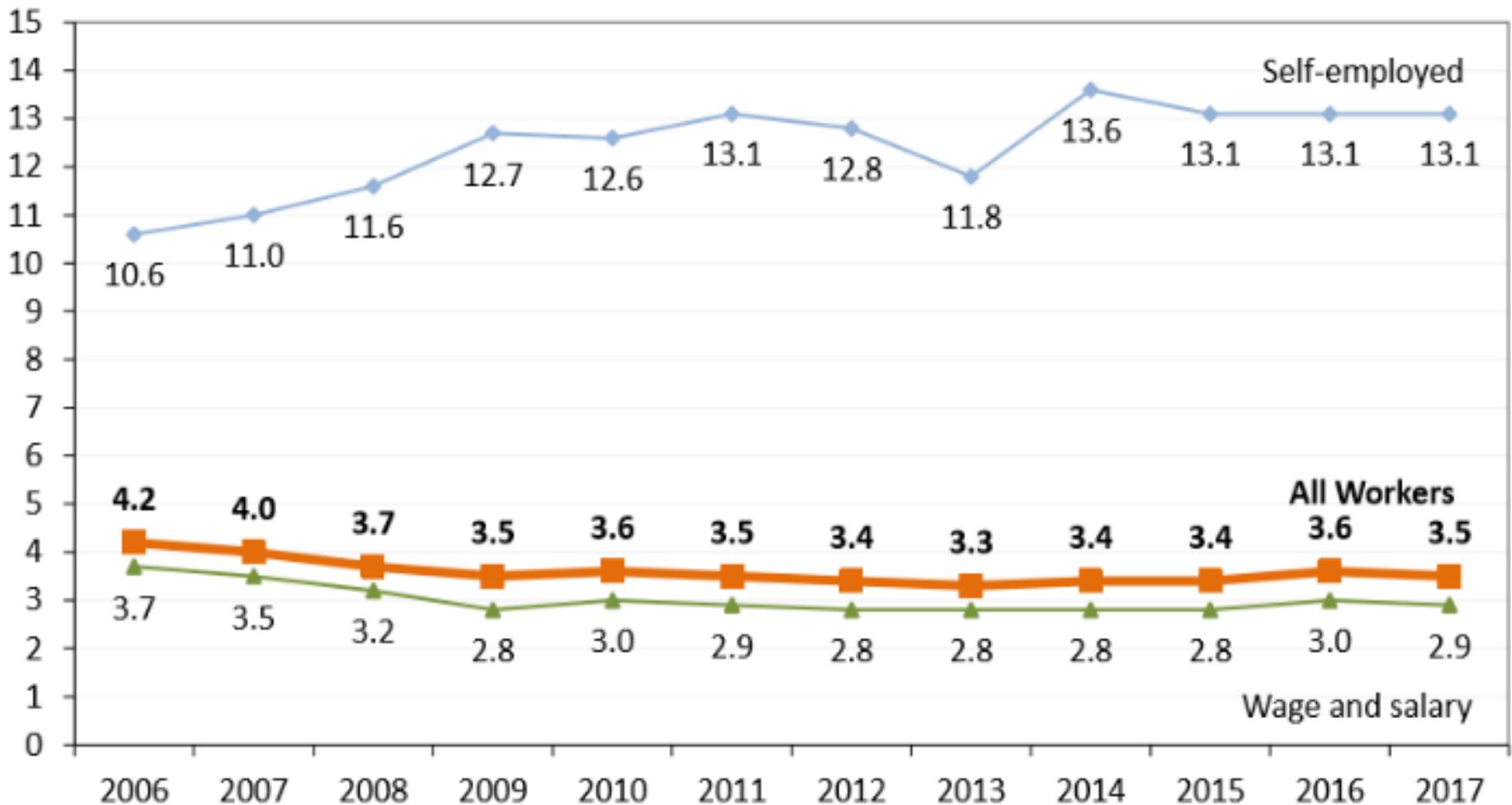


# Chart 1. Number of fatal work injuries by employee status, 2003–17



- 5,147 workers died from occupational injuries in 2017.
- This number decreased slightly from the 5,190 in 2016.

# Rate of fatal work injuries per 100,000 full-time equivalent workers by employee status, 2006–17



The 2017 all-worker fatal work injury rate was 3.5 fatal work injuries per 100,000 full-time equivalent workers (FTEs).

# Region V Fatality Data

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December 2018

# FY 18 Data

## REGION V FATALITY STATISTICS

Fatalities under OSHA's jurisdiction in Region V

Fiscal Year 2018	Fiscal Year 2017
End Date: September 30th	End Date: September 30th
<b>131</b>	<b>99</b>

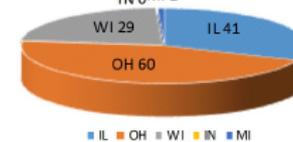


FATALITIES BY EVENT AND INDUSTRY SECTOR			
FY 2018			
	CONSTRUCTION NAICS 23*	MANUFACTURING NAICS 31* -33*	OTHER
CAUGHT	6	10	26
ELECTROCUTIONS	2	0	7
FALL	18	4	12
FIRE & EXPLOSION	0	0	4
OTHER/ PENDING	2	1	7
STRUCK-BY	11	8	13
TRENCH CAVE-INS (ALREADY INCLUDED IN CAUGHT)	2	0	0
<b>TOTAL</b>	<b>39</b>	<b>23</b>	<b>69</b>

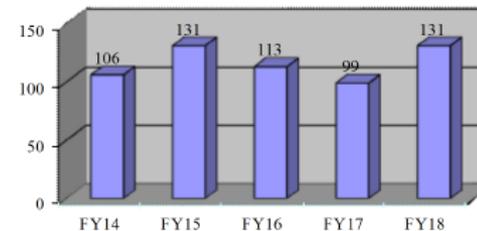
### Immigrant Language Fatalities FY 2018

Immigrant Language Fatality Inspections	<b>12</b>
Hispanic	<b>11</b>

Number of Fatalities Investigated per State for FY 2018



### REGION V FATALITIES



Produced by the Audit & Analysis Team on 10/1/18. NOTE: Data subject to change upon completion of investigations

# FY 19 Data

## REGION V FATALITY STATISTICS

Fatalities under OSHA's jurisdiction in Region V

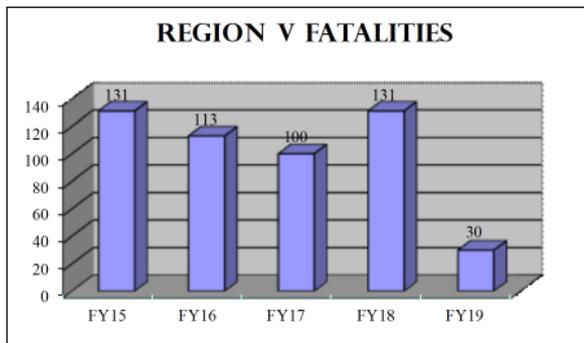
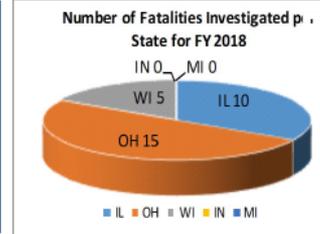
Fiscal Year 2019	Fiscal Year 2018
End Date: January 31st	End Date: January 31st
30	47



FATALITIES BY EVENT AND INDUSTRY SECTOR			
FY 2019			
	CONSTRUCTION NAICS 23*	MANUFACTURING NAICS 31*-33*	OTHER
CAUGHT	4	5	6
ELECTROCUTIONS	1	1	0
FALL	2	1	1
FIRE & EXPLOSION	1	0	0
OTHER/ PENDING	0	0	2
STRUCK-BY	2	2	2
TRENCH CAVE-INS (ALREADY INCLUDED IN CAUGHT)	0	0	0
<b>TOTAL</b>	<b>10</b>	<b>9</b>	<b>11</b>

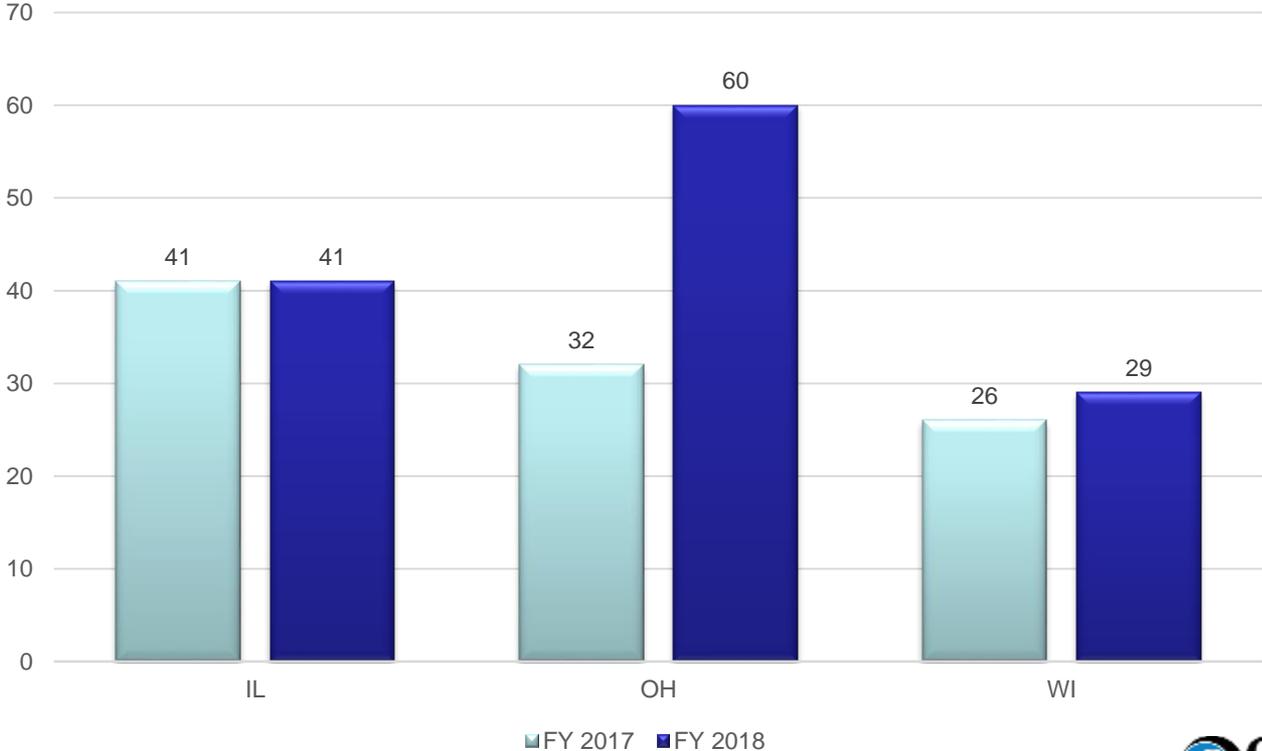
### Immigrant Language Fatalities FY 2019

Immigrant Language Fatality Inspections	2
Hispanic	2

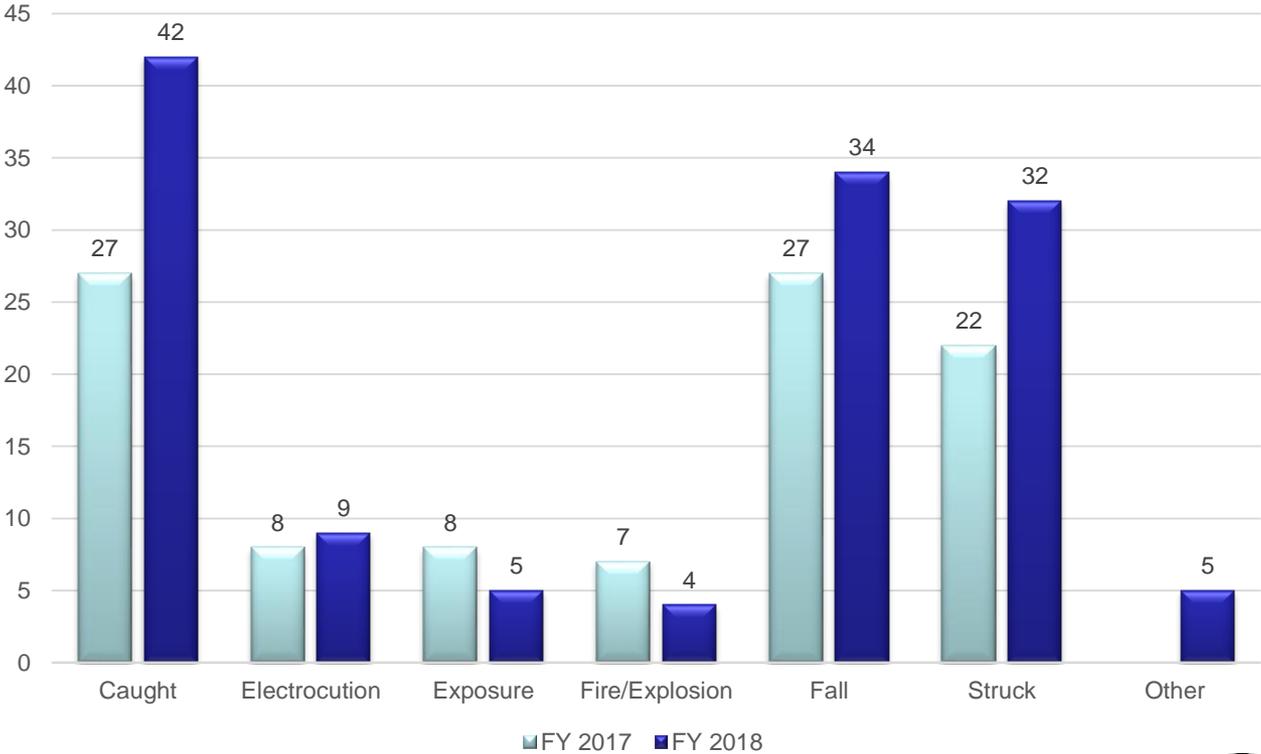


Produced by the Audit & Analysis Team on 2/5/19. NOTE: Data subject to change upon completion of investigations

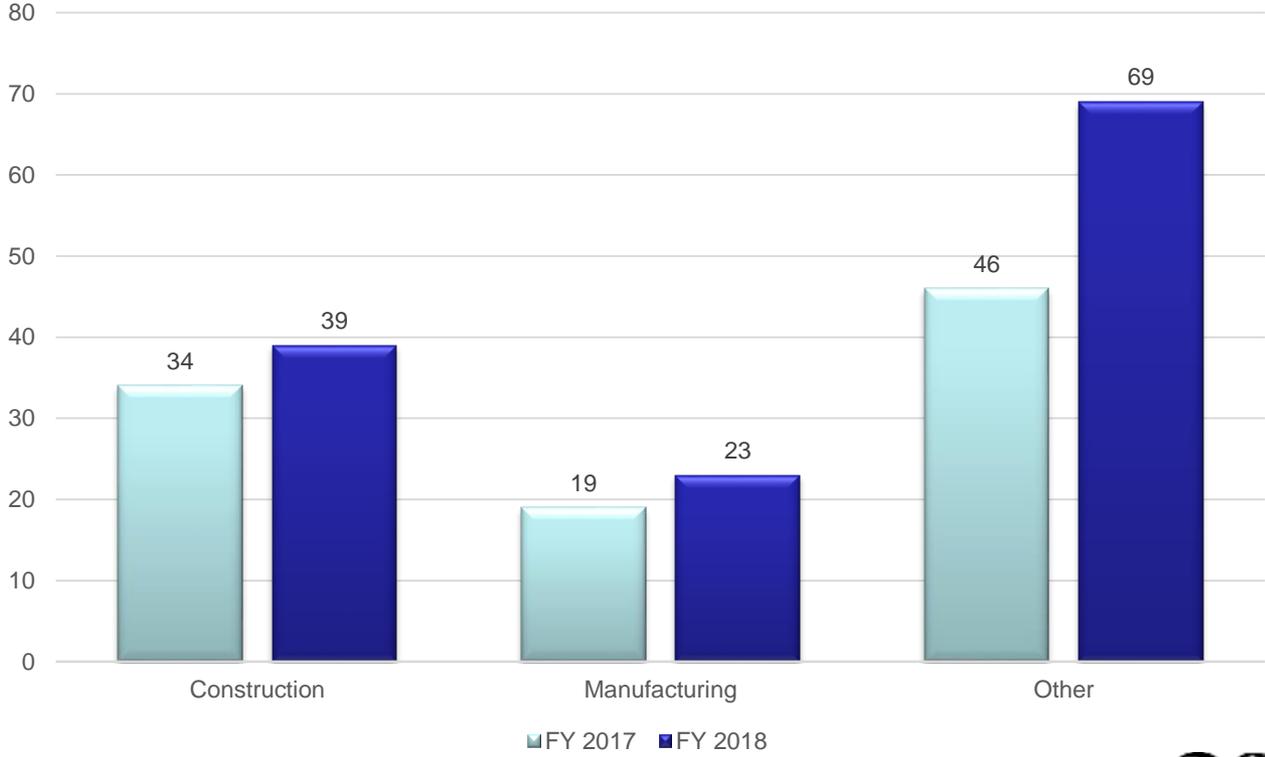
### Fatalities by State



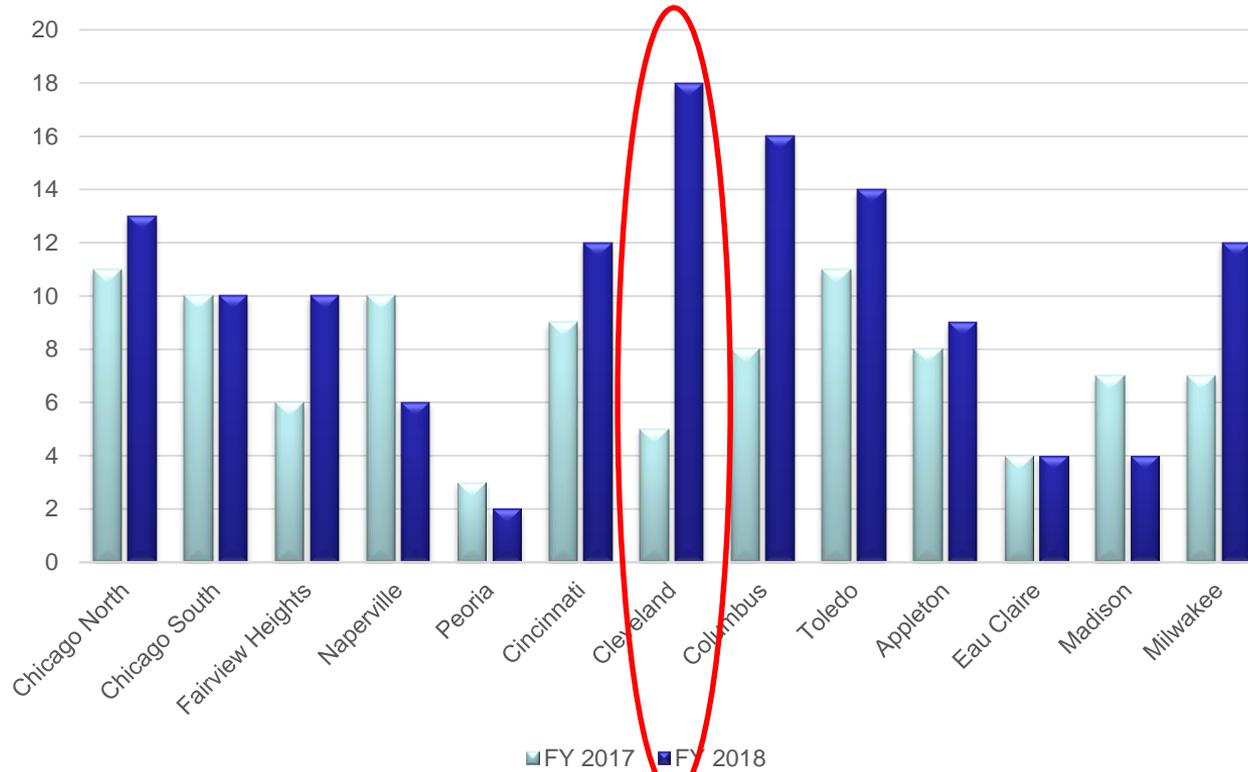
### Fatalities by Event



### Fatalities by Industry



### Fatalities by Area office

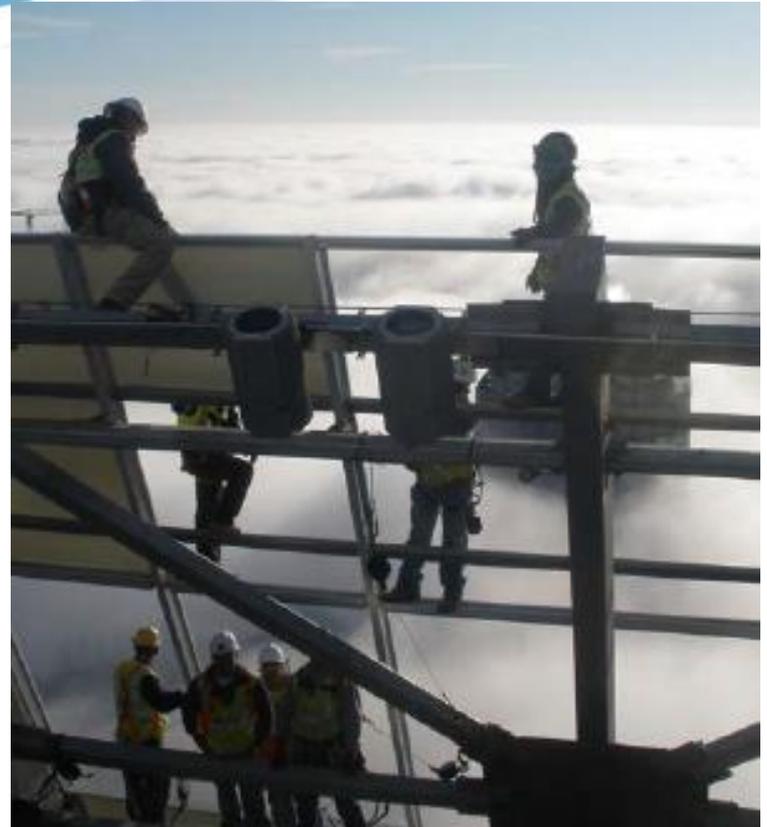


# FY-2019 – Cleveland Area 9 Fatality Inspections

Opening Conference Date	Inspection Number	Company Name	Report Summary	Event Type	Age of Deceased
10/29/2018	1357184	Evermilk Logistics	A milk truck driver fell from the top of the truck tanker to the concrete floor below.	Fall	68
11/14/2018	1360070	Avalon Food Service	An employee was fatally injured when a pallet jack stacked with empty pallets fell on the employee.	Struck	56
12/3/2018	1363701	Warzala Construction	While replacing metal roofing, an employee was fatally injured when he fell through the old metal sheeting to the ground below.	Fall	54
12/4/2018	1364362	Abramo LLC	A construction contractor was taking measurements when a semi-truck backed into him, pinning the employee between the truck and the building.	Caught	77
12/7/2018	1365115	Arcelor Mittal	An employee was found on the ground unresponsive next to a machine. The employee died 10 days later as a result of a skull fracture that may have been caused by a fall from the machine.	Fall	70
12/17/2018	1366855	Summit Painting LLC	An employee fell from a two foot perry scaffold and sustained head injuries. Employee died five days later.	Fall	56
1/17/2019	1372290	McKinley Industries LLC	During demolition operations, an employee operating an excavator was fatally injured when an elevator shaft collapsed and fell on top of the excavator, crushing the employee.	Caught	65
2/5/2019	1377294	In & Out Beverage	An employee was fatally shot while working at a liquor store.	Homicide	
2/8/2019	1377049	Lipari Foods	While unloading a refrigerated truck, an employee was fatally injured when another truck backed in behind him, dropped his tandem, and pinned the employee between the two trucks.	Struck	66

# OSHA's Key Tools

- Enforcement
- Outreach & Compliance Assistance
- Partnership & Alliance



# Top 10 Violations

## OSHA's 2018 Top 10 Most Frequently Cited Violations



## Most frequently cited OSHA standards during FY 2018 inspections

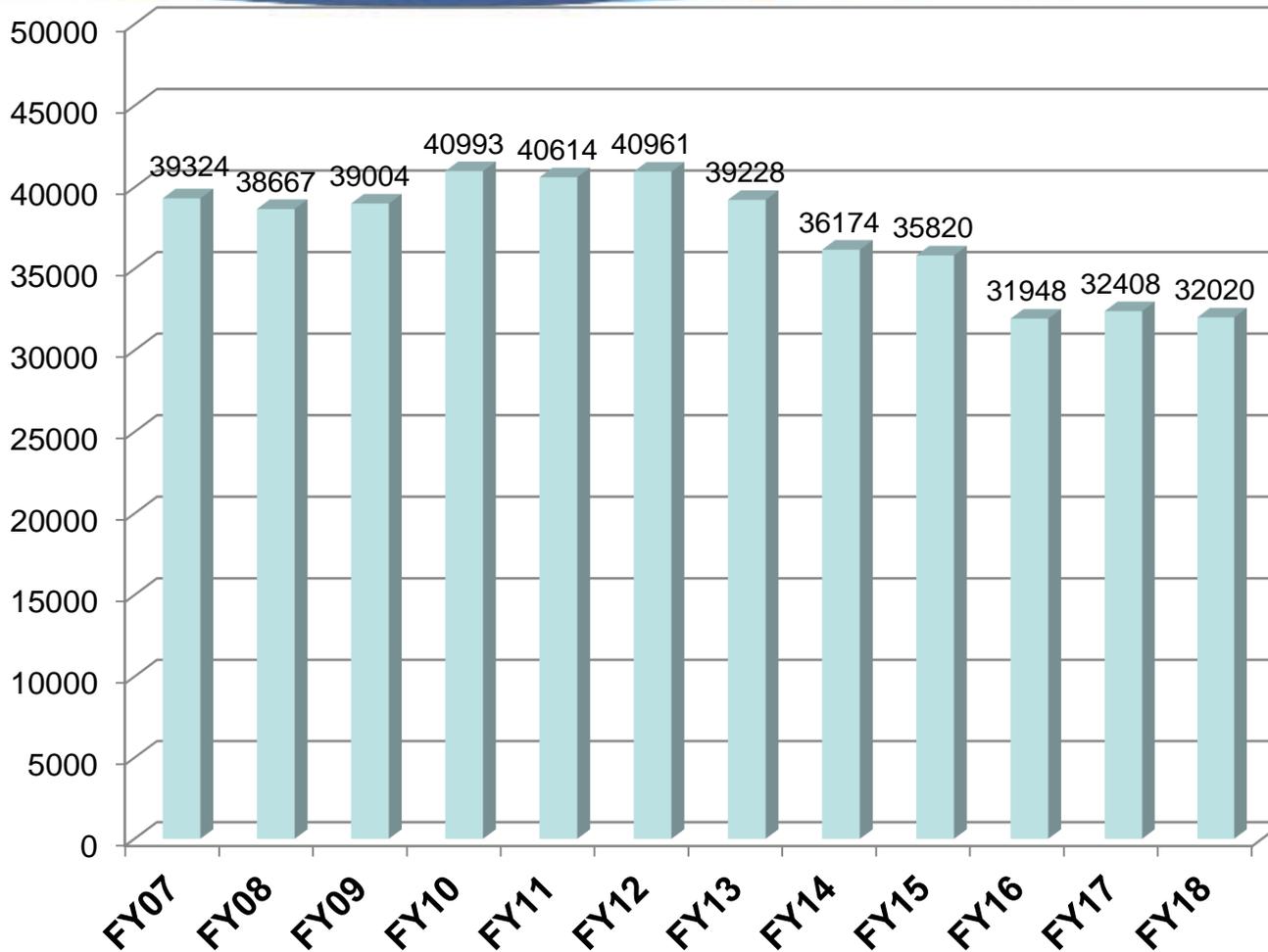
1. Fall Protection – General Requirements (1926.501)
2. Hazard Communication (1910.1200)
3. Scaffolding (1926.451)
4. Respiratory Protection (1910.134)
5. Lockout/Tagout (1910.147)
6. Ladders (1926.1053)
7. Powered Industrial Trucks (1910.178)
8. Fall Protection – Training Requirements (1926.503)
9. Machine Guarding (1910.212)
10. Eye and Face Protection (1926.102)

# OSHA Penalty Levels: 2019

Type of Violation	New Maximum
<ul style="list-style-type: none"><li>• Serious and</li><li>• Other-Than-Serious</li><li>• Posting Requirements</li></ul>	<b>\$13,260 per violation</b> <b>(\$12,934 in 2018)</b>
Willful or Repeated	<b>\$132,598 per violation</b> <b>(\$129,340 in 2018)</b>
Failure to Abate	<b>\$13,260 per day</b> beyond the abatement date

What are the benefits of an employer entering into a settlement agreement with OSHA?

# Inspections by Federal OSHA



- In FY 2018, federal OSHA conducted 32,020 inspections.
- State Plans conducted 40,993 inspections.

# Does OSHA use drones?!?

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# Inspection Tool: Use of Unmanned Aircraft Systems in Inspections (UAS or drones)



# Employer Responsibilities

- **OSH Law:** Workplace safety and health is the responsibility of **employers**
- **Cornerstone:** **Prevention**
- **Set the tone:** Make safety and health a workplace **priority**
- **Right incentives:** Reward workers for showing initiative, **raising safety concerns**, and participating in prevention efforts



# Recordkeeping



- Many employers with more than 10 employees are required to keep a record of serious work-related injuries and illnesses.
- Certain low-risk industries are exempted
- Minor injuries requiring first aid only do not need to be recorded.

# Recent Change (January 2019)

- **OSHA has just eliminated a key provision of the rule:**

Companies with 250 or more employees will not be required to electronically submit information from OSHA Form 300 (Log of Work-Related Injuries and Illnesses) and OSHA Form 301

# Posting OSHA 300A

## Employers Must Post Injury/Illness Summary Through April 30

Employers are reminded of their obligation to post a copy of [OSHA Form 300A](#), which summarizes job-related injuries and illnesses logged during 2018. Each year, from Feb. 1 through April 30, the summary must be displayed in a common area where notices to employees are usually posted. Businesses with 10 or fewer employees and those in certain low-hazard industries are exempt from OSHA recordkeeping and posting requirements. Visit OSHA's [Recordkeeping Rule webpage](#) for more information on recordkeeping requirements.

**OSHA's Form 300A (Rev. 04/2004)**  
**Summary of Work-Related Injuries and Illnesses**

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**Number of Cases**

Total number of deaths	Total number of cases with days away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
0	0	0	0
(G)	(H)	(I)	(J)

---

**Number of Days**

Total number of days away from work	Total number of days of job transfer or restriction
0	0
(K)	(L)

---

**Injury and Illness Types**

Total number of ...	
(M)	
(1) Injuries	0
(2) Skin disorders	0
(4) Poisonings	0
(5) Hearing loss	0

# Recordkeeping Resources

- Recordkeeping Webpage

[www.osha.gov/recordkeeping](http://www.osha.gov/recordkeeping)

- Local OSHA Offices

[www.osha.gov/html/RAmap.html](http://www.osha.gov/html/RAmap.html)

- E-correspondence/Contact Us

[www.osha.gov/html/Feed\\_Back.html](http://www.osha.gov/html/Feed_Back.html)



The screenshot shows a presentation slide with a red header bar containing the text "Recordkeeping Forms (00:06 / 15:12)", "LINKS/ACCESSIBILITY", and "BOOKMARK". Below the header, there are two circular callouts with quotes: "It's easy and beneficial." and "It's important and required." The main title of the slide is "Brief Tutorial on Completing the OSHA Recordkeeping Forms". Below the title is a group photo of diverse workers. To the right of the photo are two text boxes: the first contains a speaker icon and the text "Because this presentation includes voiceover narration, it is best experienced using audio speakers or headphones."; the second contains a question mark icon and the text "If links or attachments from this presentation fail to launch, add the presentation url to the allowed web addresses in your pop-up blocker settings." At the bottom of the slide is a navigation bar with "SLIDE 1 OF 18", "PAUSED", a progress indicator "00:36 / 00:08", and navigation buttons. A "Transcript" button is also visible in the bottom right corner.

# Reporting Fatalities and Severe Injuries

- All employers are required to notify OSHA when an employee is **killed** on the job or suffers a work-related **hospitalization, amputation, or loss of an eye**.
- A fatality must be reported **within 8 hours**.
- An in-patient hospitalization, amputation, or eye loss must be reported **within 24 hours**.





# Site-Specific Targeting program & electronic recordkeeping?

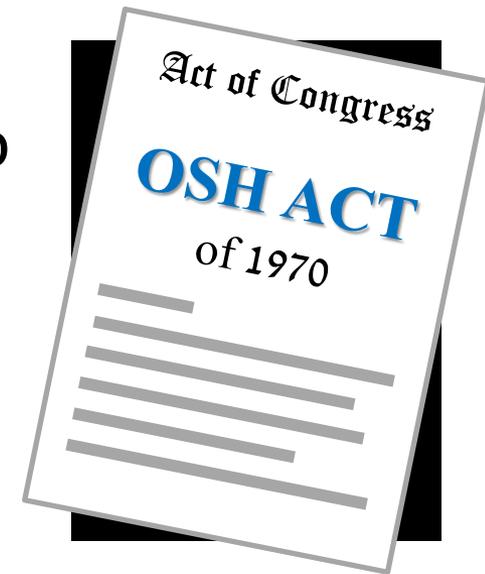
- I didn't enter data. What next?
- I entered incorrect data – can I correct it?

# Whistleblower Protections

## What Rights Do Employees Have?

Under the **OSH Act**, employees have the right to:

- Report **unsafe conditions and injuries** to management or to OSHA
- Assist an **OSHA investigation**
- Request **PPE**



# Whistleblower Protections

## What is “Retaliation”?

Employers cannot retaliate against workers who exercise their rights. Retaliation includes:

- Reducing pay or hours
- Firing, laying off, or suspending a worker
- Reassigning, disciplining, or demoting
- Harassing, threatening, or intimidating
- Blacklisting from hiring

**RETALIATION**

How is OSHA going to enforce incentive programs tied to injuries (can I really get cited for a “Pizza Party” or post-accident drug testing???)

How does OSHA interact with BWC's OSHA On-Site Consultation Program & Loss Prevention personnel?

# Heat Illness Prevention



## WATER. REST. SHADE.

OSHA's Campaign to Keep Workers Safe in the Heat

- Heat illness **sickens** thousands and results in the **deaths** of dozens of workers each year
- Campaign educates employers and workers on danger of working in heat
- Resources include OSHA-NIOSH heat safety app
- Informal launch is May 24, 2019 (“No-Fry Day” – Friday before Memorial Day)

# Safe + Sound Week

(Aug. 12-18, 2019)

- Nationwide event to raise awareness of value of safety and health programs
- Organizations of any size or in any industry can participate
- OSHA provides suggested activities

SAVE THE DATE

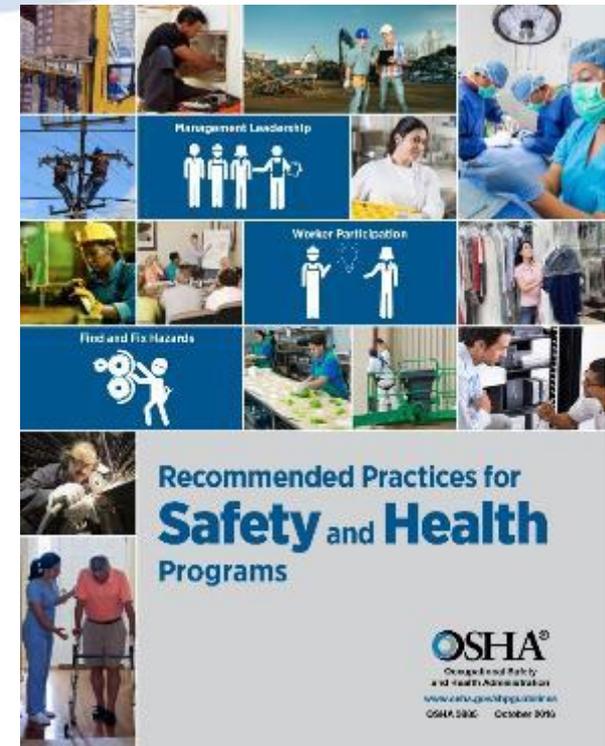


SHOW YOUR COMMITMENT TO SAFETY

**If you could tell employers one thing that they could do to improve their S & H programs, what would it be?**

# Safety and Health Programs: OSHA's Recommended Practices

- Based on best thinking and experiences of **successful employers**
- Will help **small and medium-sized employers** find and fix hazards before workers are harmed
- Shows how **multiple employers** on same worksite **can coordinate efforts** to ensure all workers are given equal protection



# Safety and Health Programs: Seven Core Elements

- Management leadership
- Worker participation
- Hazard identification and assessment
- Hazard prevention and control
- Education and training
- Program evaluation and improvement
- Coordination and Communication on Multi-Employer Worksites



What is the most common cause of inadequate safety and health management systems in the employers you visit?

# Protecting Temporary Workers: A joint responsibility

- **Both host employers and staffing agencies** have roles in complying with workplace health and safety requirements and they share responsibility for ensuring worker safety and health.
- Legally, **both the host employer and the staffing agency** are employers of the temporary worker.

**Shared control over worker = Shared responsibility for worker**

**THANK YOU!!!**



[www.osha.gov](http://www.osha.gov)

**Cleveland OSHA Office: 216-447-4194**



Ohio Manufacturers' Association  
Workers' Compensation Counsel Report  
May 23, 2019

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## Regulatory Actions

**The BWC filed the following rules with JCARR on April 19, 2019, to be effective May 1, 2019:**

- 4123-6-08 Bureau fee schedule.
- 4123-6-37.2 Payment of hospital outpatient services: administrative changes based on annual Medicare updates.
- 4123-6-37.3 Payment of ambulatory surgical center services: administrative changes based on annual Medicare updates and other changes to reimbursement rates for ambulatory surgical center services.

## Legislative Actions

**H.B. 80 Creates FY 2020-2021 Industrial Commission budget** (referred to Committee 3/12/19)

**H.B. 80 Creates FY 2020-2021 Workers' Compensation budget** (referred to Committee 2/20/19)

**H.B. 81 Regards post-diagnostics-prison guard exposed to bodily fluids**

Pursuant to R.C. § 4123.026, specific types of employers are required to pay the costs of post-exposure medical diagnostic services for employees exposure to another person's blood or bodily fluids to investigate whether an injury or occupational disease was sustained. The proposed language would add detention facility employees to the list of specified employers. (reintroduction from last session, HB733, 132nd General Assembly)

**H.B. 167 Modify certain workers' compensation benefits and claim processes**

Proposed language to modify worker's compensation benefit amounts for occupational pneumoconiosis claims and to create the Occupational Pneumoconiosis Board to determine medical findings for such claims. (referred to Committee 4/2/19)

## **Judicial Decisions**

### **Supreme Court:**

#### ***State ex rel. Honda of America Mfg., Inc. v. Indus. Comm., 2019-Ohio-1006.***

Honda of America Manufacturing Inc., brought an action to the Tenth District Court of Appeals seeking a writ of mandamus to vacate an order from the Industrial Commission awarding permanent total disability (PTD) to a claimant who sustained numerous work-related injuries to various parts of her body while working at Honda. In addition to medical conditions that are allowed to be compensated by Ohio's workers' compensation program, the claimant also suffered from several non-allowed medical conditions.

The Tenth District referred the case to a magistrate who determined that the Commission properly awarded PTD based solely on claimant's allowed conditions and did not abuse its discretion by omitting non-medical disability factors, such as claimant's failure to participate in re-education or retraining. Honda then filed objections with the Tenth District regarding the magistrate's decision, contending that the commission erroneously relied on the treating physician's opinion because he considered non-allowed conditions in reaching his opinion, and the doctor's conclusion that claimant was incapable of sustained remunerative employment was inconsistent with some of his other findings.

The Tenth District ultimately adopted the magistrate's decision and upheld the Commission's order granting PTD. The Court found that the doctor's opinion regarding PTD was based only on allowed medical conditions and the Commission was not required to consider non-medical disability factors because the doctor's conclusion that the claimant was incapable of sustained remunerative employment was consistent with his other opinions.

#### ***Kljun v. McCloud, Slip Opinion No. 2019-Ohio-1334.***

The Supreme Court of Ohio ruled in a 4-3 decision that an appeal from the Eight District Court of Appeals had been improvidently accepted by the highest court. The trial court case dealt with challenging a provision in the 2012 mid-biennium budget review bill where the Cuyahoga County Common Pleas court ruled in favor of the Bureau of Workers Compensation (BWC). The Common Pleas court originally found that a portion of the bill allowing the BWC to refuse to grant lump-sum workers who lost limbs, organs, or bodily systems was constitutional.

Jeffrey Kljun and five other injured workers appealed the decision to the Eight District Court of Appeals who ruled that the portion of the statute was unconstitutional and remanded to the trial court. The trial court, relying on the Eight District's decision, forbade the BWC to refuse granting lump-sum payments to injured workers. The State appealed again to the Eight District who refused to hear a second appeal. The State then appealed to the Supreme Court of Ohio who originally granted jurisdiction, but later found that the appeal was improvidently granted.

This action leaves the Eight District's decision as final, but the Supreme Court in its ruling stated that the lower decision may not be cited as authority except by the parties in the original action without explanation of its reasoning.

Three justices dissented in this opinion stating that they believed the lower court's decision was erroneous and taking issue with the Supreme Court's lack of explanation for leaving the Eighth District's decision in place along with a do-not-cite order. Justice DeWine, who wrote a dissenting opinion, stated that "today's decision creates uncertainty and invites more litigation."

***State ex rel. Vonderheide v. Multi-Color Corp., Slip Opinion No. 2019-Ohio 1270***

The Industrial Commission denied the request of Vonderheide for temporary total disability (TTD) compensation and Vonderheide appealed to the Tenth District Court of Appeals for a writ of mandamus ordering the commission to vacate its decision. The Tenth District granted the writ finding that the commission's decision was not based on "some evidence" as is required by Ohio case law. The commission appealed to the Supreme Court of Ohio seeking to reverse the Tenth District's decision.

The commission based its decision on evidence that Vonderheide was not actively part of the workforce when she underwent knee surgery from injuries sustained at her farm. The commission concluded that at the time of the surgery, the farm was a passive investment and because Vonderheide was not an active worker, she had no wages to replace. The Tenth District granted the writ of mandamus relying on a Department of Labor's Bureau of Labor Statistics Current Population Survey that indicated the indicia for active workers for farm workers was different than other workers, and determined Vonderheide was an active farm worker.

The Supreme Court of Ohio overruled the Tenth District's decision determining that the commission's decision was based on "some evidence" that Vonderheide was no longer in the workforce. The Court also found that the Tenth District inappropriately relied on the Current Population Survey as a guideline for determining employment. Ultimately, the commission's decision to deny TTD compensation was approved.

**Tenth District Court of Appeals:**

***State ex rel. Calhoun v. Industrial Commission (Tenth District, Franklin County No. 17AP-820, 2019-Ohio-720, February 28, 2019)***

A relator commenced an action in mandamus with the Tenth District Court of Appeals seeking an order to compel the Industrial Commission of Ohio to vacate its order allowing the relator's employer to suspend the relator's claim for workers' compensation benefits. The Court referred the case to a magistrate who issued a decision that the relator failed to demonstrate a clear legal

right to have the suspension of his claim lifted because he refused to undergo psychological testing proposed by his employer's examining physician. The relator then filed objections to the magistrate's decision arguing that the Commission's Medical Examination Manual ("manual") gives him the right to refuse psychological testing by his employer's physician, and such a refusal triggers the "good cause exception" of R.C. 4123.651(C). Relator argues that because of the good cause, the Commission cannot suspend his claim.

The Court addressed the issue of whether the relator's refusal to undergo psychological testing by his employer's examining physician constitutes good cause under R.C. 4123.651(C), and therefore prevented suspension of his claim. The Court found that language in R.C. 4123.651(A)<sup>1</sup> gives an employer the right to have a claimant examined and the manual has no effect on this right. The Court also held that a claimant's refusal to submit to an examination cannot automatically constitute good cause because such a position would nullify language with R.C. 4123.651(C)<sup>2</sup>. The Court's analysis concluded by saying that, "absent a showing of good cause, suspension of the claim is required during the period of refusal" of examination.

The Court ultimately adopted the magistrate's decision and denied the relator's request for a writ of mandamus.

***State ex rel. Kathleen Bomer v. Indus. Comm., 10th Dist. Franklin No. 17AP-701, 2019 WL 1531791.***

A relator brought an action with the Tenth District Court of Appeals seeking mandamus to overturn two Industrial Commission decisions denying a 2014 claim for temporary total disability (TTD) compensation and a 2017 claim for permanent total disability (PTD) compensation. The commission had previously denied two claims for the same relator for PTD in 2007 and 2009 based on a claim-related surgery in 2000. In both denials, the relator was found to be capable of sedentary work and the commission relied on this ability to work in its denial of the 2014 claim for TTD.

The Relator testified that they went to three different temporary agencies in order to find employment in 2012 but had no documentary evidence to corroborate this. As such, the commission found that the relator had voluntarily abandoned the workforce before the 2014 claim. The relator could not provide any evidence between 2014 and 2017 that demonstrated they returned to the workforce or engaged in a good-faith effort to return to the workforce since

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<sup>1</sup> R.C. 4123.651(A): "The employer of a claimant who is injured or disabled in the course of his employment may require, without the approval of the administrator or the industrial commission, that the claimant be examined by a physician of the employer's choice one time upon any issue asserted by the employee or a physician of the employee's choice or which is to be considered by the commission."

<sup>2</sup> R.C. 4123.651(C): "If, without good cause, an employee refuses to submit to any examination scheduled under this section \* \* \* his right to have his claim for compensation or benefits considered, if his claim is pending before the administrator, commission, or a district or staff hearing officer, or to receive any payment for compensation or benefits previously granted, is suspended during the period of refusal."

2014. The commission used this original determination of abandonment and no other evidence of attempt to return as grounds to deny the 2017 claim for PTD.

On appeal, the Tenth District referred the matter to a magistrate who found that the commission did not abuse its discretion when it determined the relator had voluntarily abandoned the workforce, and the magistrate recommended that the Court deny the relator's request for a writ of mandamus. The relator filed an objection with the Tenth District for the magistrate's findings stating that the magistrate failed to address the merits of relator's challenge to the commission's 2014 denial and then relied on that same finding in upholding the 2017 denial.

The Tenth District agreed with relator's objection but ultimately slightly modified the magistrate's decision and upheld the decision to deny the writ of mandamus, finding that the evidence of voluntary abandonment of the workforce was appropriately assessed by the commission.

**TO: OMA Safety and Workers' Compensation Committee**  
**FROM: Rob Brundrett**  
**RE: Safety and Workers' Compensation Report**  
**DATE: May 23, 2019**

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### **Overview**

Five months into the new Administration and the BWC has already passed a 20% private employer rate cut starting this summer and this week announced \$1.5 billion back to employers.

The BWC and IC budget bills are still pending in the House. Typically, the bills would have been passed to the Senate by now. The House Insurance Committee passed the bill out of committee nearly unanimously earlier this week with no changes. A sub bill is expected today as the Finance Committee begins its debate. We have been told there is a very good chance some form of PTSD coverage will be in the sub bill. The bills are required to be signed by the Governor by the end of June.

### **Legislation and Rules**

#### **House Bill 79 – Industrial Commission Budget**

The IC budget received two hearings and passed quickly out of the House Insurance Committee. The bill is now pending in the House Finance Committee. Its first hearing will be today. Traditionally the IC budget is non-controversial and usually only contains operating appropriations. The bill must be passed and signed by the end of June.

#### **House Bill 80 – Bureau of Workers' Compensation Budget**

Administrator McCloud provided testimony on the BWC budget to the House Insurance Committee in February. The budget bill has a 7% increase in funding due to the extra pay period in 2019.

The bill traditionally does not contain much policy in the introduced versions. However, the General Assembly has been known to make substantive changes to BWC law when debating the bill. We are expecting a possible sub bill this week. There is rumor that the sub bill will contain some form of PTSD coverage and prevent illegal aliens from receiving workers' compensation coverage.

### **BWC Agency Notes**

#### **Yet Another Billion Back**

On Monday the BWC announced another billion back at OMA member Dynalab. The money would be Ohio's fifth investment return to private and public employers of at least \$1 billion since 2013 and sixth overall during that time. If approved manufacturers can begin expecting their checks later this year.

#### **Jim Hughes to Chair Ohio's Industrial Commission**

Gov. Mike DeWine appointed Jim Hughes of Upper Arlington (Franklin Co.) to the Industrial Commission of Ohio, which adjudicates workers' compensation disputes. Hughes' term begins July 1, 2019 and will end June 30, 2025. He will serve as chair of the commission when his term commences.

A Republican, Hughes was a member of the Ohio State Senate from 2008 to 2016, as well as a member of the Ohio House from 2000 to 2008. He has worked an assistant prosecutor for Franklin County.

#### BWC Rebranding?

Administrator McCloud sent a letter to stakeholders asking for Ohio BWC rebranding suggestions and opinions.

#### BWC Drops OxyContin from Formulary

Earlier this year the Ohio Bureau of Workers' Compensation (BWC) announced that the painkiller OxyContin, widely blamed for the nation's opioid crisis, will no longer be newly prescribed for injured workers in the BWC system starting July 1.

Following a recommendation from BWC Chief Medical Officer Terry Welsh, the agency's board of directors voted to drop the drug from the BWC formulary and replace it with what Welsh calls "an equally effective but harder-to-abuse drug" named Xtampza ER.

Welsh added the move was recommended by BWC's Pharmacy and Therapeutics Committee, a diverse group of pharmacists and prescribing physicians who advise the bureau on matters regarding appropriate prescription and authorization of medicines.

#### BWC Board Approves Largest Private Employer Rate Decrease in 60 Years

Earlier this year the Ohio Bureau of Workers' Compensation (BWC) Board of Directors approved a 20% reduction in the average premium rate it charges private employers, which is the largest rate cut in nearly 60 years.

Fewer workplace injuries and falling estimates of future medical costs are driving the recommendation.

The rate reduction is effective July 1 and is projected to save private employers \$244 million over premiums for fiscal year 2019.

Premiums paid to BWC not only cover health care and wages for injured workers, they support BWC's Safety & Hygiene Division, which offers grants, training, consultations and other services to help employers improve workplace safety.

The 20% rate cut represents an average statewide change. The actual premium paid by individual private employers depends on a number of factors, including the expected future claims costs in their industry, their company's recent claims history and their participation in various BWC rebate programs.

#### BWC Board Releases MCO Study

The board of directors recently heard a presentation on a second phase of a study of managed care organization (MCO) performance in the Ohio system.

Unlike 20 years ago when Governor Voinovich called the Ohio workers' compensation system the "silent killer of jobs," the Ohio system today is a national leader on any number of metrics, including medical.

However, that success comes at a cost. The study indicates that MCOs are paid 27% of total medical costs; meanwhile, benchmarks in from other programs are 15% of total costs for administrative costs.

That suggests a possible overpayment of \$70 to \$80 million for MCO services. Those costs, of course, are born by employers.

The BWC has established work groups to study this matter in detail.

#### BWC Launches Opioid Workplace Safety Program

BWC's pilot program to support employers willing to hire workers struggling to overcome an addiction to opioids and other dangerous substances launched last fall in three counties.

The Opioid Workplace Safety Program will provide up to \$5 million over two years to help employers in Montgomery, Ross and Scioto counties hire, manage and retain workers in recovery.

BWC is partnering with county Alcohol, Drug Addiction and Mental Health boards to coordinate the pilot program. The boards will identify eligible employers and employees, disperse funding and measure results.

#### Safety Issues

##### OSHA Relieves Some Reporting for Employers with 250+ Employees

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) has issued a final rule that eliminates the requirement for establishments with 250 or more employees to electronically submit information from OSHA Form 300 (Log of Work-Related Injuries and Illnesses) and OSHA Form 301 (Injury and Illness Incident Report) to OSHA each year.

OSHA indicates it made this ruling to protect worker privacy.

The final rule does not alter an employer's duty to maintain OSHA Forms 300 and 301 on-site, and OSHA will continue to obtain these forms as needed through inspections and enforcement actions.

Covered establishments are still required to electronically submit information from OSHA Form 300A (Summary of Work-Related Injuries and Illnesses). The deadline for submission is March 2, 2019.



May 20, 2019

The Honorable Larry Householder  
Speaker  
Ohio House of Representatives  
77 S. High St., 14<sup>th</sup> floor  
Columbus, Ohio 43215

The Honorable Tom Brinkman  
Chairman, House Insurance Committee  
Ohio House of Representatives  
77 S. High St., 11<sup>th</sup> floor  
Columbus, Ohio 43215

Dear Speaker Householder and Chairman Brinkman:

Our organizations, on behalf of our members, are strongly opposed to amending House Bill 80, the BWC operating budget, with respect to PTSD compensation where the PTSD is not also accompanied by a physical injury or illness.

The Ohio workers' compensation system was designed to compensate injured workers' physical injuries/illnesses and any mental conditions that arise as a result of such physical injuries/illnesses. Our organizations have a history of opposing proposals that would permit PTSD compensation where there is no associated physical injury or illness. The adoption of a mental-only diagnosis would create such a significant change to the Ohio workers' compensation system that the concept deserves standalone legislative consideration.

Expanding PTSD coverage in the workers' compensation will lead to cost increases to Ohio's public and private employers and deserves a full impact analysis. In addition, given that mental health benefits have parity with physical health benefits under health insurance plans, it is important to have a broader conversation about where PTSD arising apart from a workplace physical injury/illness is most effectively and appropriately financed -- health insurance, workers' compensation insurance, or a completely different model.

Therefore, we would respectfully ask that the House of Representatives reject any amendments to the BWC budget bill related to workers' compensation coverage for PTSD at this time.

cc: Niraj Antani, Vice Chair, House Insurance Committee  
Scott Oelslager, Chairman, House Finance Committee

As Introduced

133rd General Assembly  
Regular Session  
2019-2020

H. B. No. 80

Representative Oelslager

**A B I L L**

To make appropriations for the Bureau of Workers' 1  
Compensation for the biennium beginning July 1, 2  
2019, and ending June 30, 2021, and to provide 3  
authorization and conditions for the operation of 4  
the Bureau's programs. 5

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** All items in this section are hereby appropriated 6  
out of any moneys in the state treasury to the credit of the 7  
designated fund. For all appropriations made in this act, those in 8  
the first column are for fiscal year 2020, and those in the second 9  
column are for fiscal year 2021. 10

BWC BUREAU OF WORKERS' COMPENSATION 11

Dedicated Purpose Fund Group 12

7023	855407	Claims, Risk and	\$	120,939,816	\$	124,329,031	13
		Medical Management					
7023	855408	Fraud Prevention	\$	14,095,916	\$	14,231,413	14
7023	855409	Administrative	\$	117,250,236	\$	116,025,396	15
		Services					
7023	855410	Attorney General	\$	4,621,850	\$	4,621,850	16
		Payments					
8220	855606	Coal Workers' Fund	\$	186,632	\$	188,487	17
8230	855608	Marine Industry	\$	78,188	\$	78,698	18

8250	855605	Disabled Workers Relief Fund	\$	193,419	\$	195,709	19
8260	855609	Safety and Hygiene Operating	\$	24,079,350	\$	23,745,661	20
8260	855610	Safety Grants	\$	20,000,000	\$	20,000,000	21
8260	855611	Health and Safety Initiative	\$	6,000,000	\$	6,000,000	22
8260	855612	Safety Campaign	\$	1,500,000	\$	1,500,000	23
8260	855613	Research Grants	\$	2,000,000	\$	2,000,000	24
8260	855618	Substance Use Recovery and Workplace Safety Program	\$	5,000,000	\$	10,000,000	25
8260	855619	Safety and Health Center of Excellence	\$	2,000,000	\$	0	26
TOTAL DPF Dedicated Purpose Fund Group			\$	317,945,407	\$	322,916,245	27
Federal Fund Group							28
3490	855601	OSHA Enforcement	\$	1,676,000	\$	1,676,000	29
3FW0	855614	BLS SOII Grant	\$	195,104	\$	195,104	30
3FW0	855615	NIOSH Grant	\$	24,995	\$	0	31
TOTAL FED Federal Fund Group			\$	1,896,099	\$	1,871,104	32
TOTAL ALL BUDGET FUND GROUPS			\$	319,841,506	\$	324,787,349	33
WORKERS' COMPENSATION FRAUD UNIT							34
Of the foregoing appropriation item 855410, Attorney General Payments, \$828,200 in each fiscal year shall be used to fund the expenses of the Workers' Compensation Fraud Unit within the Attorney General's Office. These payments shall be processed at the beginning of each quarter of each fiscal year and deposited into the Workers' Compensation Section Fund (Fund 1950) used by the Attorney General.							35 36 37 38 39 40 41
SAFETY AND HYGIENE							42

Notwithstanding section 4121.37 of the Revised Code, the 43  
Treasurer of State shall remit \$24,080,000 cash in fiscal year 44  
2020 and \$23,746,000 cash in fiscal year 2021 from the State 45  
Insurance Fund to the state treasury to the credit of the Safety 46  
and Hygiene Fund (Fund 8260). 47

**SAFETY GRANTS 48**

Notwithstanding section 4121.37 of the Revised Code, the 49  
Treasurer of State shall remit \$20,000,000 in cash in fiscal year 50  
2020 and \$20,000,000 in cash in fiscal year 2021 from the State 51  
Insurance Fund to the state treasury to the credit of the Safety 52  
and Hygiene Fund (Fund 8260) to be used for Safety Grants. 53

**HEALTH AND SAFETY INITIATIVE 54**

Notwithstanding section 4121.37 of Revised Code, the 55  
Treasurer of State shall remit \$6,000,000 in cash in fiscal year 56  
2020 and \$6,000,000 in cash in fiscal year 2021 from the State 57  
Insurance Fund to the state treasury to the credit of the Safety 58  
and Hygiene Fund (Fund 8260). These amounts shall be used under 59  
appropriation item 855611, Health and Safety Initiative, for the 60  
purpose of creating and operating a health and wellness program. 61

**SAFETY CAMPAIGN 62**

Notwithstanding section 4121.37 of the Revised Code, the 63  
Treasurer of State shall remit \$1,500,000 in cash in fiscal year 64  
2020 and \$1,500,000 in cash in fiscal year 2021 from the State 65  
Insurance Fund to the state treasury to the credit of the Safety 66  
and Hygiene Fund (Fund 8260). These amounts shall be used under 67  
appropriation item 855612, Safety Campaign, for the purpose of 68  
creating and operating a statewide safety awareness and education 69  
campaign. 70

**FEDERAL GRANT PROGRAMS 71**

The foregoing appropriation item 855609, Safety and Hygiene 72

Operating, may be used to provide the state match for federal 73  
grant funding received by the Division of Safety and Hygiene. 74

VOCATIONAL REHABILITATION 75

The Bureau of Workers' Compensation and the Opportunities for 76  
Ohioans with Disabilities Agency may enter into an interagency 77  
agreement for the provision of vocational rehabilitation services 78  
and staff to mutually eligible clients. The Bureau may provide 79  
funds from the State Insurance Fund to fund vocational 80  
rehabilitation services and staff in accordance with the 81  
interagency agreement. 82

RESEARCH GRANTS 83

Notwithstanding section 4121.37 of the Revised Code, the 84  
Treasurer of State shall remit \$2,000,000 in cash in fiscal year 85  
2020 and \$2,000,000 in cash in fiscal year 2021 from the State 86  
Insurance Fund to the state treasury to the credit of the Safety 87  
and Hygiene Fund (Fund 8260). These amounts shall be used under 88  
appropriation item 855613, Research Grants, for the purpose of 89  
creating and operating the occupational safety and health research 90  
program. 91

OPIOID WORKPLACE SAFETY PROGRAM 92

Notwithstanding section 4121.37 of the Revised Code, the 93  
Treasurer of State shall remit \$5,000,000 in cash in fiscal year 94  
2020 and \$10,000,000 in cash in fiscal year 2021 from the State 95  
Insurance Fund to the state treasury to the credit of the Safety 96  
and Hygiene Fund (Fund 8260). These amounts shall be used under 97  
appropriation item 855618, Opioid Workplace Safety Program, for 98  
the purpose of creating and operating the opioid workplace safety 99  
program. 100

SAFETY AND HEALTH CENTER OF EXCELLENCE 101

Notwithstanding section 4121.37 of the Revised Code, the 102

Treasurer of State shall remit \$2,000,000 in cash in fiscal year 103  
2020 from the State Insurance Fund to the state treasury to the 104  
credit of the Safety and Hygiene Fund (Fund 8260). These amounts 105  
shall be used under appropriation item 855619, Safety and Health 106  
Center of Excellence, for the purpose of creating a center of 107  
excellence at the Ohio Center of Occupational Safety and Health. 108

**Section 2.** DEPUTY INSPECTOR GENERAL FOR BWC AND OIC FUNDING 109

To pay for the FY 2020 costs related to the Deputy Inspector 110  
General for the Bureau of Workers' Compensation and Industrial 111  
Commission, on July 1, 2019, and January 1, 2020, or as soon as 112  
possible thereafter, the Director of Budget and Management shall 113  
transfer \$212,500 in cash from the Workers' Compensation Fund 114  
(Fund 7023) to the Deputy Inspector General for the Bureau of 115  
Workers' Compensation and Industrial Commission Fund (Fund 5FT0). 116

To pay for the FY 2021 costs related to the Deputy Inspector 117  
General for the Bureau of Workers' Compensation and Industrial 118  
Commission, on July 1, 2020, and January 1, 2021, or as soon as 119  
possible thereafter, the Director of Budget and Management shall 120  
transfer \$212,500 in cash from the Workers' Compensation Fund 121  
(Fund 7023) to the Deputy Inspector General for the Bureau of 122  
Workers' Compensation and Industrial Commission Fund (Fund 5FT0). 123

If additional amounts are needed, the Inspector General may 124  
seek Controlling Board approval for additional transfers of cash 125  
and to increase the amount appropriated in appropriation item 126  
965604, Deputy Inspector General for the Bureau of Workers' 127  
Compensation and Industrial Commission. 128

**Section 3.** Law contained in the Main Operating Appropriations 129  
Act of the 133rd General Assembly that applies generally to the 130  
appropriations made in that act also applies generally to the 131  
appropriations made in this act. 132

**Section 4.** The provisions of law contained in this act, and 133  
their applications, are severable. If any provision of law 134  
contained in this act, or if any application of any provision of 135  
law contained in this act, is held invalid, the invalidity does 136  
not affect other provisions of law contained in this act and their 137  
applications that can be given effect without the invalid 138  
provision or application. 139

**Section 5.** Except as otherwise specifically provided in this 140  
act, the amendment, enactment, or repeal by this act of a section 141  
of law is exempt from the referendum under Ohio Constitution, 142  
Article II, Section 1d and section 1.471 of the Revised Code and 143  
therefore takes effect immediately when this act becomes law. 144

**FOR IMMEDIATE RELEASE:**

May 20, 2019

**MEDIA CONTACTS:**

Dan Tierney: 614-644-0957  
Jill Del Greco: 614-644-0957

## **Governor DeWine, BWC Propose \$1.5 Billion for Ohio Employers**

(COLUMBUS, Ohio)—Ohio Governor Mike DeWine and Ohio Bureau of Workers' Compensation (BWC) Administrator/CEO Stephanie McCloud today proposed giving \$1.5 billion to Ohio employers this year following strong returns on the agency's investments.

"This is great news for Ohio," said Governor DeWine. "This money will help Ohio employers expand their businesses, create jobs, and invest in capital improvements. Ohio's economy is strong, and this proposal reinforces our goal of creating more jobs in the state."

In addition to money for private businesses, the \$1.5 billion proposal [also includes money for public employers](#), including approximately \$114 million for local governments and around \$50 million for public schools.

The money would be Ohio's fifth investment return to private and public employers of at least \$1 billion since 2013 and sixth overall during that time.

"Our investment portfolio is strong, our injury claims are falling, and our safety and wellness initiatives are making a difference," said Administrator McCloud. "All of these actions mean big savings for employers, and we're delighted to share this success with them."

State law requires businesses to carry workers' compensation coverage to protect workers who suffer injuries or illnesses on the job. The employers' premiums are invested to grow the fund that supports injured worker claims. When investment returns are strong, the agency shares a portion of the investments with qualifying employers in the form of a dividend.

The \$1.5 billion dividend equals 88 percent of the premiums employers paid for the policy year that ended June 30, 2018 (calendar year 2017 for public employers). BWC insures roughly 242,000 public and private employers.

Governor DeWine and Administrator McCloud announced their proposal this morning at Dynalab Electronic Manufacturing Services in Reynoldsburg.

"I really appreciate this news today and what Governor DeWine and BWC are doing to help businesses succeed," said Dynalab, Inc. President Gary James. "To compete in the global market, we must be on the cutting edge at all times and that takes resources. The check we'll receive in late summer will definitely help."

McCloud will present the proposal to the BWC Board of Directors on Wednesday during board committee meetings. A vote would follow at the board's June 28 meeting. If approved, checks would be issued to employers in September.

## BWC: A Partner for Economic Growth in Ohio

Initiatives since 2011 mean \$10 billion more for Ohio employers

### A grand bargain

Referred to as the Grand Bargain, workers' compensation systems were created to ensure injured workers received care and businesses were protected from lawsuits. Workers' compensation in Ohio has proven to be a grand bargain for businesses and workers. Since 2011, BWC has saved employers \$10 billion in workers' comp costs and seen injury rates and claims drop dramatically.

### A force for economic growth

Ohio's employers need simplicity and savings. From a one-time-forgiveness program that erases penalties for simple mistakes to a new billing system that offers greater flexibility in making payments, BWC is making life simpler for employers. And, with overall rate decreases averaging 35 percent for private employers and 42 percent for public employers, along with \$5.7 billion in dividends, Ohio business are seeing tremendous savings.

### A champion of safety

Safe workplaces mean lower premiums and, more importantly, more Ohioans returning to home safely each night. BWC has invested millions of additional dollars to make workplaces safer, and injury claims dropped to 85,000 in 2018, down from 260,000 in 2000. Ohio's injury rates are currently below the national average and lower than all its surrounding states.

### By the numbers

Premium reductions, dividends, safety grants and credits to modernize BWC's billing system have resulted in Ohio employers saving \$10 billion.

Employer rate levels	Rate cuts
Private employers	Average rate 35% lower than in place on Dec. 31, 2010 Cumulative difference in premiums collected - \$2,341,000,000
Taxing districts	Average rate 42% lower than in place on Dec. 31, 2010 Cumulative difference in premiums collected - \$545,000,000
<b>Combined total</b>	<b>Cumulative difference in premiums collected</b> <b>\$2,886,000,000</b>

Dividends	Dividends
Fiscal year 2013	\$965,635,975
Fiscal year 2015	\$1,013,171,352
Fiscal year 2016 (counties)	\$15,172,667
Fiscal year 2017	\$1,014,363,197
Fiscal year 2018	\$1,261,295,979
Fiscal year 2019 (if approved)	\$1,500,000,000
<b>Dividends total</b>	<b>\$5,769,639,170</b>

Safety grants								
Year	2011	2012	2013	2014	2015	2016	2017	2018
Amount	\$3,718,122	\$2,929,124	\$3,993,469	\$14,841,235	\$14,956,903	\$14,999,977	\$12,650,128	\$9,127,504
<b>Total</b>								<b>\$77,216,462</b>

Transition to prospective billing premium credits	Credits
Private employers	\$1,064,000,000
Public taxing district employers	\$196,000,000
<b>Transition total</b>	<b>\$1,260,000,000</b>
<b>Total amount BWC has returned or saved Ohio employers (since 2011)</b>	<b>\$9,992,855,632</b>



# Rebranding BWC

## 2018-2020 Strategic Plan **External Communications Workgroup**

August 2018



**Bureau of Workers'  
Compensation**

Governor John R. Kasich  
Administrator/CEO Sarah D. Morrison  
Page 65 of 82

# 2018-2020 Strategic Plan

## External Communications Workgroup

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**Purpose:** To explore BWC’s brand and “corporate” identity from an external perspective. How do we want to be thought of by people and organizations who have an interest in Ohio’s workers’ compensation system?

**Team Members:** Bob Braun                      Shawn Crosby                      Tony Gottschlich  
Sarah Huffman                      Susan Murnane                      Brian Wilson

**Board Liaison:** Chan Cochran

**Leadership Liaison:** Maria Rossi-Cook

**Key Points:** Our Vision is to be a world-class insurance carrier and the catalyst for a safe, healthy, and prosperous Ohio.

Our strategies and goals are evolving to live up to this Vision.

We are leaders and experts in workplace safety. We’re adding goals to include health and wellness, both in and out of the workplace.

Our brand doesn’t reflect who we are, what we do, and what we aspire to be.

---

## Background

The inspiration for this work began with a Senior Leadership retreat in early 2018. Leaders developed the 2018 – 2020 Strategic Plan (Appendix 1), which includes a Vision Statement, reinforcement of the current Mission, five core Values, and six Strategic Goals. At the heart of this is our desire to build a world-class organization. We care deeply about injured workers, employers, and providers and we want to contribute each day to making Ohio prosper.

The Communications and Outreach strategic goal states: *“Elevate communications and outreach to support operations, strengthen customer and partner relationships, and advance the strategic plan.”* Our workgroup, External Communications, was initially charged with developing a list of new organizational names for consideration by leadership and the Board of Directors.

Recognizing that our name is just one element of how we are perceived, the objective of our workgroup is to gain an understanding of how BWC is viewed externally and then provide a recommendation about improving the brand identity of the organization.

It’s also important to note that while our charge does not include the development or implementation of brand strategies, we understand there will be challenges and costs around that effort if leadership chooses to move forward. This will be a significant undertaking and it’s one we believe the organization can achieve best from a position of strength like the one we currently enjoy.

---

## Our Process

We met six times between June and August. Each meeting was focused on a specific objective, so it was fast-paced, creative, and deliberately challenging to individual biases. We worked hard to approach the scope of our work from an external perspective.

At the early meetings, we built a foundation for understanding whether rebranding is necessary. We completed an analysis of our strengths, weaknesses, opportunities, and threats (SWOT), solicited and shared perceptions of BWC from external sources, and each group member presented a one-minute elevator speech on why we shouldn’t change.

We concluded that rebranding is essential to the overall goal of achieving world-class status as an organization. Thus, our work shifted to identifying the key reasons to support a new brand identity and the remaining meetings focused on building those arguments.

As a creative exercise, each member brought a new name idea to each meeting. In our final session we evaluated each idea and discussed characteristics of a name that are critical to consider:

- Does it convey what we do?
- Does it convey a sense of mission, commitment and helping others?
- Does it convey a sense of movement, forward motion and progress?

---

## Analysis – where we are today

Mentioned above is an exercise that we conducted in our first session. Each member was asked to solicit feedback from three people outside of the organization regarding their perception of BWC. The results set the tone for our eventual recommendation. Of the 19 comments, perceptions of 10 were unfavorable, five were favorable, and four were neutral. While this data wasn't gathered scientifically, it is still troubling on an anecdotal basis that twice as many people had an unfavorable view of the agency than a favorable or neutral view, even in the wake of \$8 billion in rebates and savings to the people of this state over the last seven years.

We have an opportunity to bridge the gap between the good we are accomplishing and the public's understanding of those accomplishments. An effective branding strategy, executed consistently over the long-term, is one way to bridge the gap.

---

## Five Reasons We Should Rebrand

The workgroup was thoughtful about the charge we were given. There are good arguments to keep on the current path and we debated these thoroughly. We have made significant strides in how we conduct business to the clear benefit of injured workers, employers, and providers. Implementing a new branding strategy is disruptive and must be sustained over the long term to be effective. Internal communication, employee engagement, and culture will need to adapt.

However, we believe progress is the right path to choose and we are recommending that BWC pursue a branding strategy that helps achieve the vision of being a people-first, world-class insurance carrier.

### Here's why we should rebrand:

**Our name doesn't reflect who we are, what we do, or what we want to become.** Our name signals that we're a government bureaucracy that pays money to workers. It's the first impression that forms perceptions. A new name would bring attention to our mission of caring for others and convey a sense of action and progress on safety, prevention, health, and wellness.

**We must provide Ohioans with what they expect and deserve.** Like every public and private business enterprise, we can't be successful without the necessary "buy-in" from those we serve. We need to capture their hearts and minds and make them believe in us and make them believe their best interests are at the center of everything we do. In addition, if our constant refrain is "world class insurance carrier," we must give Ohioans the world-class service they expect and deserve. Brand identity sets the tone and culture for how we conduct every aspect of our business.

**Progress is optimal when done from a position of strength.** We are in an ideal position right now to rebrand. Financially and operationally, this is a great moment in the history of our organization. There has never been a better time to take advantage of the opportunity to build on our success.

**We have a duty and responsibility to lead.** Successful organizations do not stand still, they lead. World class organizations adapt quickly to changes in the external environment to ensure the smooth continuity of their mission. As a top-20 workers' comp carrier and one of only four monopolistic systems in the country, BWC is in a unique position to lead. We have data, expertise, knowledge, and skills, and it's our responsibility to leverage those for the benefit of our stakeholders. Rebranding signals our intent to lead.

A modern, mission-oriented rebranding will be a significant help in recruiting the workforce of the future, starting with the generation called “Millennials” now entering the workforce. As a group, they seek employment that they believe serves others and makes the world better. BWC has long done both, and it’s time that it’s reflected in our branding.

**Moving forward signals willingness to grow and evolve.** Rebranding demonstrates to our employees and the public that we are moving forward, and we’re determined to define our story, rather than have it defined for us. Branding binds the elements of the Strategic Plan. Specifically, an effective brand strategy supports building an innovative culture and provides a landmark for modernizing technology. And as our employee demographics evolve in the next few years, the brand will help attract talented millennials to our organization.

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## Recommendation

The work of our team provides a clear path to recommend that Senior Leadership and the Board of Directors pursue a robust, long-term rebranding strategy that includes a new name, taglines and slogans, brand identification, and visual identity packaging (logos, colors, style guides).

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## Inspiration

Appendix 2 is a July 2016 RFP from the California Plug-In Electric Vehicle Collaborative ([www.pevcollaborative.org](http://www.pevcollaborative.org)). This RFP served as a roadmap for our team. It’s clear that the mission, strategies and goals of the PEV Collaborative had evolved and that the brand needed to change as well. Just one year later, in August 2017, the PEV Collaborative became Veloz ([www.veloz.org](http://www.veloz.org)). We encourage you to visit the two websites for inspiration on how an organization can quickly and effectively rebrand itself.

---

## Where do we go from here?

The workgroup believes and recommends that a firm with branding expertise be engaged to complete the complex and specialized work of rebranding, and that a timeline be established for completion of this work late in the current year. In that way, appropriate recommendations will be in place as the Bureau experiences new leadership both in the Administrator’s office and the Governor’s office at the beginning of next year. The workgroup stands ready to be a resource both to management and to the selected contractor during this process.

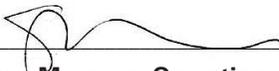
We appreciate the opportunity to serve on this workgroup, and we’re excited to recommend rebranding our organization.



**Bob Braun, Strategic Direction**



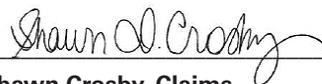
**Tony Gottschlich, Communications**



**Susan Murnane, Operations**



**Chan Cochran, Board Liaison**



**Shawn Crosby, Claims**



**Sarah Huffman, Legal**



**Brian Wilson, Medical**

## Strategic Plan Framework 2018-2020

Vision				
To be a world-class insurance carrier and the catalyst for a safe, healthy, and prosperous Ohio.				
Mission				
To protect Ohio's workers and employers through the prevention, care and management of workplace injuries and illnesses at fair rates.				
Values				
Integrity	Courage	Stewardship	Service Excellence	Caring





## REQUEST FOR PROPOSAL

Name creation, brand strategy and identity package  
for a new electric vehicle nonprofit organization

Release date: July 26, 2016

### 1. GOAL

California is a global leader in electric vehicle (EV) sales with more than 215,000 cars on the road. However, even though the current EV models have been marketed and sold for more than six years, awareness of the benefits and availability of EVs is low and must increase to meet California's aggressive goal of 1.5 million zero-emission vehicles on the road by 2025. This has propelled the PEV Collaborative to develop a new public-private partnership that will focus on launching a statewide campaign to increase awareness and accelerate sales of EVs in California.

The intent of this Request for Proposal (RFP) is to create an organization name, brand, and a comprehensive visual identity package in support of the new entity and its goals.

### 2. BACKGROUND AND PROJECT DESCRIPTION

The California Plug-In Electric Vehicle Collaborative (PEV Collaborative), created in 2010, is a public-private organization focused on accelerating the adoption of plug-in electric vehicles (PEVs) to meet California's economic, energy and environmental goals. Using the expertise of each member, the PEV Collaborative, **convenes**, **collaborates** and **communicates** on emerging PEV market trends and works to address challenges to enable a robust PEV market.

The PEV Collaborative membership (<http://www.pevcollaborative.org>) includes elected and appointed officials, automakers, utilities, infrastructure providers, government organizations, research universities, environmental organizations and others.

During its first five years, the PEV Collaborative primarily operated as a business-to-business entity with the primary consumer base being early EV adopters. In the last year, the organization has started to become more public facing with the goal of bringing EVs to the mainstream consumer market. The new entity's focus will work to **engage**, **educate**, **empower** and provide hand-on **experience**. With this in mind, the new entity must position itself as public-friendly and consumer-oriented with a focus on mainstream markets while continuing to maintain core values of **convene**, **collaborate** and **communicate**. The core focus will be on plug-in EVs in the early years, but a flexible approach is needed so the organization may later include other zero-emission vehicle technologies at its option.

In summer 2016, the PEV Collaborative is working to launch a new 501(c)3 entity. A new name, brand strategy and visual identity package are key to a successful launch of the new organization.

#### **4. SCOPE OF WORK:**

This RFP solicits interest from public relations firms, brand managers, marketing experts and similar specialists that would provide the following:

1. Facilitate the naming of the new entity to reflect the focus of the organization
2. Provide associated branding for the new organization
3. Create a visual identity package for the new organization, including a logo, and a style guide for its use

##### **Task 1: Project Kickoff**

The contractor will meet with PEV Collaborative staff and a select team of PEV Collaborative members in person or via teleconference to go over the project history, tasks, timeline and desired outcomes. Following the kick-off meeting, the contractor will work to finalize a detailed schedule that includes dates, tasks and responsible parties.

##### **Task 2: Facilitate the Renaming of the Organization & Provide Final Recommendation**

Using proven methods, facilitate the renaming of the PEV Collaborative with consideration of the organization's new consumer-facing focus and the continuance of the core values of the PEV Collaborative. Working with PEV Collaborative staff, the solicitation and documentation of feedback from select PEV Collaborative members and other stakeholders is key. It is expected that this would include a combination of in-person and teleconference meetings, and other feedback-gathering methods as recommended by the contractor.

Any organization names that are considered should be vetted to ensure they can be legally used and are not already registered by another entity.

A minimum of three (3) organization name recommendations should be presented to PEV Collaborative leadership, with a plan for coming to consensus on the final choice. Once that plan is approved, the contractor shall carry out the plan so that current members of the PEV Collaborative can successfully choose the final name of the organization.

Throughout this naming process, the contractor will take detailed meeting notes and provide updates on an agreed schedule to the PEV Collaborative contract manager. A

final executive-level recommendation should be presented in a document no more than two (2) pages in length for PEV Collaborative members.

### **Task 3: Brand the Organization**

In conjunction with renaming the PEV Collaborative, facilitate and determine branding for the organization. In consultation with PEV Collaborative staff and member-leaders, determine how the organization would like to be perceived through its identity with the goal of moving its constituents to action. Put the entity's core values to paper, including brand purpose, personality and promise.

Through facilitation, work with PEV Collaborative members and staff to come to consensus on final branding. Make recommendations on what the organization can do to consistently reinforce its brand through its staff, members, contractors, supporters, interactions with others and communications strategies.

Prepare a one (1) page final report that succinctly and clearly lays out the organization's brand.

### **Task 4: Create a Visual Identity Package for the New Organization, Including Logo and Style Guide**

Following the selection of the organization's name and delineating its brand, the contractor will create a complementary visual identity and logo package, including a guide for its consistent use. This task includes working with PEV Collaborative members and staff, and facilitating the selection of the final package.

A minimum of three (3) recommendations should be presented and should include:

- Logo in color, and a black and white version
- Letterhead and stationery system
- Color palette
- Font guidelines
- Social media icon and header set (specifically for Twitter and Facebook)
- Electronic newsletter masthead and footer
- Positioning statement
- Other associated visual elements

The contractor will facilitate the approval process and final selection of the visual identity package, logo and guide. With the final selection, the letterhead and logo should be created in JPEG and EPS formats for use with Microsoft Word, MailChimp and InDesign. All files should be provided in low- and high-resolution formats.

As a final report, the contractor will prepare and deliver the package in a format no longer than five (5) pages that delivers the final recommendation, why it was chosen and visually represents the key elements of the package. The associated use guidelines may be attached as an addendum.

#### **Task 5: Approach and Process for Tasks 2, 3 and 4**

Provide a plan for the approach and process to be taken for Tasks 2, 3 and 4. Recommend specific strategies, timelines and steps for how each task would be taken from concept to final decision-making and approval through consensus building.

#### **4. CONTRACTOR QUALIFICATIONS:**

The contractor should have the following skills:

4. Experience naming new organizations.
5. Successful brand management for organizations.
6. Creative portfolio of visual identity packages for organizations.
7. Verified methods of working with organization leaders to illicit focused feedback, consensus and decision-making.
8. Experience working with organizations of varying size and the ability to strategically communicate with organization leaders and stakeholders for maximum participation.
9. Understand target audiences and stakeholders that need to be engaged for EV sales in California.
10. Proven demonstration of strong organizational skills, reliability and follow-through.
11. Administrative strengths in meeting coordination, documentation and time management.
12. Strong ability to work with a team.
13. Track record of delivering tasks with a top-tier quality, on time and within the agreed budget.

#### **5. SUBMITTAL PROCESS, BUDGET AND TIMELINE**

The PEV Collaborative has budgeted up to \$30,000 for this RFP. Services billed should not exceed the amount allocated the project. This includes all hard and soft budget expenses, including travel. The contractor will be paid in three (3) phases based on completion of the tasks described in the Scope of Work, minus a 10 percent holdback that will be paid upon completion of the final deliverables.

We are working on an expedited timeline and anticipate the entire project to span no more than eight (8) weeks. However, we expect the time required of the contractor should be somewhat flexible during this time period, reflecting the status of work required. The contractor will ensure that work is completed in a timely manner and does not get pushed to the end of the project. To this end, we will develop and monitor mutually agreed upon deadlines.

## TIMELINE

- This RFP is dated July 26, 2016
- **Proposals are due no later than 5:00 p.m. (PDT) August 9, 2016**, to [gpaauwe@pevcollaborative.org](mailto:gpaauwe@pevcollaborative.org)
- Questions should be submitted in writing to [gpaauwe@pevcollaborative.org](mailto:gpaauwe@pevcollaborative.org)  
Responses will be posted on the PEV Collaborative website at [www.PEVCollaborative.org](http://www.PEVCollaborative.org) no later than close of business three (3) workdays after questions are received. No questions will be accepted after 5 p.m. (PDT) on August 3, 2016.
- The PEV Collaborative, at its option, may interview bidders. The interviews will be for the purpose of clarifying the proposals. Interviews may involve a presentation or a question-and-answer format or any combination of these.

## PROPOSAL REQUIREMENTS

The completed proposal must contain the following information:

- Proposals must be no more than six (6) single-sided pages in length
- Cover letter
- Statement of work outlining how contractor will fulfill each task, including any subcontractors and staff
- Team members and roles
- Primary contractor and subcontractor qualifications and experiences
- Proposed initial schedule
- Cost proposal
- Proposals should include hourly rates and an estimate of how many hours the contractor or other personnel will spend to complete this project between August 12 and October 14, 2016
- References

## PROPOSAL REVIEW PROCESS

A review committee will evaluate proposals for each project based on the following criteria and weighting:

### **100 total points possible:**

- 20 Understanding the problem
- 20 Approach to completing each task
- 20 Contractor qualifications
- 20 Previous experience
- 20 Cost

## 6. CONTACTS

- The primary contact is Gennet Paauwe, Communications Advisor – [gpaauwe@pevcollaborative.org](mailto:gpaauwe@pevcollaborative.org)



- The secondary contact is Josh Boone, Deputy Executive Director – [jboone@pevcollaborative.org](mailto:jboone@pevcollaborative.org)

## Safety & Workers' Compensation

### Study: Ohio Workers' Compensation Costs Competitive May 17, 2019



Ohio employers pay, on average, the 16th lowest workers' compensation premium rates in the nation. That's according to a **recent study** by the Oregon Department of Consumer and Business Services, which compared the workers' comp premium rates of all 50 states and the District of Columbia.

Over the years, the OMA has worked hard to advocate for more competitive workers' comp costs. As of 2018, Ohio's index rate of \$1.40 per \$100 of payroll was 82% of the national median, according to the Oregon study. Meanwhile, New York had the most expensive index rate at \$3.08 per \$100 of payroll, while North Dakota was least expensive at \$0.82.

As a reminder, the OMA is Ohio's only workers' compensation third-party administrator that exclusively serves manufacturers. If your company is not already using OMA Workers' Compensation Services, **check us out** and see how the OMA can simplify your workers' comp responsibilities. *5/15/2019*

### OSHA Offers Guidance for Employers With Young Workers May 17, 2019

With summer almost here, OSHA has published its guidance for employers with young workers, especially teenagers who are new to the workforce. The agency states: "First-line supervisors have the greatest opportunity to protect young workers and influence their work habits. Stress safety!" See OSHA's employer guidance by **clicking here**. *5/15/2019*

### BWC Symposium Spotlights Medical Care of Injured Workers

### May 3, 2019

Last week, the Ohio Bureau of Workers Compensation held its **2019 Medical & Health Symposium**, themed Comprehensive Care for Injured Workers. More than 800 health care practitioners, staff and legal professionals from around the state attended the two-day event in Columbus.

The goal for the symposium was to address health care issues facing Ohio's injured workers by bringing together medical and health specialists, along with legal professionals. John Annarino, Chief Medical and Health Officer, said experts nationwide are learning about the BWC's innovative approaches and programs in caring for Ohio's workers. *4/26/2019*

### May 31 Enrollment Deadline for BWC Premium-Discount Programs May 3, 2019

Friday, May 31, is the next deadline to enroll in these Bureau of Workers' Compensation (BWC) **premium-discount bonus programs**:

- **Industry Specific Safety Program**
- **Drug-free Safety Program**
- **Transitional Work Program**

These programs focus on return-to-work for injured workers, efficient management of accounts, and cost-control efforts for employers. Program premium savings are distributed after the completion of the program participation year as a bonus applied to the employer's policy, if all program requirements are satisfied.

To discuss your options, as well as the advantages and disadvantages of participation, contact the OMA's **Brian Jackson**. *4/29/2019*

### BWC Systems Outage this Weekend May 3, 2019

The Bureau of Workers' Compensation (BWC) is upgrading its systems for better service. Due to systems maintenance, the BWC website, call center and other systems will be unavailable from Friday, May 3, at 5 p.m. until Monday, May 6, at 7 a.m. *5/2/2019*

### BWC Employer Webinars are May 14 & 30 May 3, 2019

The BWC's next employer webinars are scheduled for May 14 and 30. Topics include policy year 2019 renewal (Estimated Annual Premium updates and the annual true-up report), program options for employers, and the monthly safety tip. Follow these links to attend online: 1:30 p.m. **Tuesday, May 14**; or 11:30 a.m. **Thursday, May 30**. 5/2/2019

**Fulfill BWC-Mandated Safety Training by June 30**  
**April 26, 2019**

Employers participating in a 2018/19 group experience rating or group retrospective rating plan — and that had a workers' compensation claim during the period of July 1, 2016 to September 30, 2017 — are **required to fulfill** BWC-mandated safety training by June 30, 2019.

OMA makes complying easy. Every month, the OMA offers a safety webinar that counts for one-hour of BWC-mandated safety training.

Here's our **2019 schedule** of OMA safety webinars. **Register here**. If you need help registering, call (800) 662-4463 or **email us**. If you have questions, contact OMA's **Brian Jackson**. 4/22/2019

**Alert: More Ohio Employers Facing VSSR Fines**  
**April 19, 2019**

Dinsmore, an OMA Connections Partner, reports an uptick in workers' compensation claimant allegations that an employer has caused an accident due to violation of a specific safety requirement (VSSR). VSSRs are additional awards paid to injured workers, and they are billed directly to employers.

Dinsmore has published a **summary** on VSSRs. The summary includes information on how employers can prepare to defend against VSSR claims. 4/17/2019

**More Businesses Buzzing About Drones**  
**April 19, 2019**



The Ohio Bureau of Workers' Compensation (BWC) is assisting the business community's efforts to utilize drones to save time, resources and manpower, especially in the area of safety.

Josh Grappy, BWC's Unmanned Aircraft System (UAS) program coordinator, works with companies that want to explore starting a drone program. He says, "Drones are often advertised as being able to perform the dull, dirty and dangerous jobs," adding that there are many "innovative ways businesses can use drones to keep their workers safe."

Companies interested in starting a drone program can contact **Grappy** at 614-332-7343. 4/17/2019

**James Hughes to Chair Ohio's Industrial Commission**  
**April 19, 2019**

Gov. Mike DeWine this week appointed James M. Hughes of Upper Arlington (Franklin Co.) to the Industrial Commission of Ohio, which adjudicates workers' compensation disputes. Hughes' term begins July 1, 2019, and will end June 30, 2025. He will serve as chair of the commission when his term commences.

A Republican, Hughes was a member of the Ohio State Senate from 2008 to 2016, as well as a member of the Ohio House from 2000 to 2008. He has worked as an assistant prosecutor for Franklin County. 04/18/2019

**BWC Programs with March 29 Deadline**  
**March 22, 2019**

Attention private employers that participate in the Drug-Free Safety Program (DFSP), One

Claim Program (OCP) and EM Cap Program: March 29 is the deadline for:

- **DFSP** participants to submit an annual report.
- **OCP** participants to complete education requirements.
- **EM Cap** participants to complete education requirements.

Contact OMA's **Brian Jackson** if you have questions. 3/17/2019

### **BWC Employer Webinar is March 28** **March 22, 2019**

The BWC's March 28 employer webinar will cover important updates on your policy, the estimated annual premium letter, the Safety Council rebate program, the upcoming rate reduction, and changing your installment schedule or estimated exposure. Plus the monthly safety tip.

Register to **attend online** Thursday, March 28, at 11:30 a.m. or sign up to **attend in person** at one of BWC's service offices. 3/17/2019

### **OSHA Seeks Information on Powered Industrial Trucks Standard** **March 22, 2019**

OSHA is **requesting information** as the agency considers rulemaking to update the powered industrial trucks standards for general, maritime, and construction industries. The standards became effective in 1971, and were based on industry consensus standards from 1969. Since then, national consensus standards have been updated several times.

OSHA is requesting information on: the types, age, and usage of powered industrial trucks; maintenance and retrofitting; how to regulate older powered industrial trucks; types of accidents and injuries associated with operating these machines; costs and benefits of retrofitting the machines with safety features; and other components of a safety program. OSHA will use the information received in response to this request to determine what action, if any, it may take to reduce regulatory burdens and create jobs while improving worker safety.

Comments must be submitted on or before June 10, 2019.

Powered industrial trucks include forklifts, fork trucks, tractors, platform lift trucks, motorized hand trucks, and other specialized industrial trucks powered by an electrical motor or an internal combustion engine. 3/21/2019

### **In the BWC's DFSP? Your Annual Report is Due at the End of March** **March 15, 2019**

Employers who participate in the Bureau of Workers' Compensation (BWC) **Drug-free Safety Program**(DFSP) are required to submit an annual report by the end of March each year. Don't panic. Here's a **helpful video** from OMA Connections Partner, *Working Partners*<sup>(R)</sup>, that will help you comply. If you're still stuck, contact *Working Partners*<sup>(R)</sup> for assistance. 3/14/2019

### **We had a Blast at OSC19!** **March 8, 2019**



Well, in a safe way. Thank you to everyone who stopped by the OMA booth at the BWC's Ohio Safety Congress this week.

Manufacturers put a pin in our big 'safe manufacturers' map so we could learn where they were all from.

We enjoyed seeing so many of our friends in person.

Special shout-out to OMA member Pepperidge Farm for supplying the Goldfish cracker snacks. 3/6/2019

*OMA workers' compensation account managers Juliet Walker and Melissa Ross with OMA member B.J. Fisher, EHS Coordinator, Haviland Drainage Products, at Ohio Safety Congress #OSC19*

**Kudos to OMA Member Francis Manufacturing for #1 Safety Innovation Award**  
**March 8, 2019**

The Ohio Bureau of Workers' Compensation (BWC) this week presented **Safety Innovation Awards** to four Ohio employers for developing innovative safety solutions. First place with a cash prize of \$6,000 was awarded to OMA member Francis Manufacturing Company, Russia.

A panel of independent judges evaluated and scored the innovations based on several criteria, including risk reduction, innovation, cost savings and potential for the innovation to be used by other employers.

Francis Manufacturing Company is a family owned aluminum sand foundry. The sand molding process required approximately 20 workers to shovel sand from floor level into molding machines. This could require workers to shovel more than 20,000 pounds of sand per nine-hour shift, increasing the risk of back and upper extremity injuries.

The company worked with Hapman, a material handling equipment company, to design a hopper-conveyor system. Workers now fill the hopper with a skid steer loader, eliminating the shoveling. The conveyor automatically dispenses sand into molds, further reducing upper extremity ergonomic risks.

Automating the molder's sand handling has resulted in reduced absenteeism and increased production. Workers have reported increased energy at the end of shifts and have fewer complaints of back and shoulder pain.

Watch a **video** about the Hapman Sand Conveyance System. 3/7/2019

**BWC Administrator/CEO McCloud Announces Re-Branding Initiative – Calls for Stakeholder Input**  
**March 8, 2019**

An email from Administrator McCloud:

Dear Stakeholder,

An organization's name is its identity. It bears the burden of conveying its substance and mission to its customers and stakeholders. That's why I am excited we are considering a name change that better reflects the mission and good work of the Ohio Bureau of Workers' Compensation.

We seek a name and brand that capture the spirit and dedication of our employees, as well as our commitment to be a world-class insurance carrier, a catalyst for a safe, healthy and prosperous Ohio.

A diverse internal working group began exploring a name change last summer (**detailed in this report**). Now we are seeking the feedback and ideas of BWC employees throughout the state and from you, our stakeholders. We recently sent the **attached letter** to BWC staff. I encourage you to read it and participate in this effort. If you have any feedback or creative ideas that may help us, please email **Bob Braun** at BWC by Friday, March 15.

Thank you for your support. We look forward to hearing from you.

Stephanie B. McCloud, Administrator/CEO  
3/5/2019

**BWC 20% Rate Reduction is Official**  
**March 1, 2019**

At its meeting last week, the Ohio Bureau of Workers' Compensation (BWC) board of directors **approved** a 20 percent reduction in the average premium rate it collects from private employers. The reduction is BWC's largest in nearly 60 years.

Overall, the average rate levels for the 242,000 Ohio employers in the BWC system are at their lowest in at least 40 years.

The 20 percent rate cut represents an average statewide change. The actual total premium paid by individual private employers depends on a number of factors, including the expected future claims costs in their industry, their company's recent claims history, participation in various

BWC rebate programs as well as assessments collected to fund the operations of the system. The board will consider these assessment rates during its next meeting in March.

The reduction will be effective beginning July 1. 2/25/2019

### **McCloud Goes to Work to Sell BWC Budget** **March 1, 2019**



This week new Bureau of Workers' Compensation (BWC) Administrator/CEO Stephanie McCloud **testified** in front of the House Insurance Committee in support of the BWC's budget bill, **House Bill 80**.

McCloud testified: "In comparison to our last budget, this budget reflects an 8.7% increase over the adjusted appropriations for fiscal years 2018 and 2019. This increase can largely be attributed to the 27th additional pay period in fiscal year 2020, the 2.75% increase in wages due to the last collective bargaining agreement and additional support for our Substance Use Recovery and Workplace Safety Program. The increase would support expanding the program to other counties and providing support staff to ensure the program is running efficiently and appropriately."

The bill, which is mainly an appropriations bill, will become a political football over the next several months as business and labor work to make changes to the agency that benefit their constituencies. 2/28/2019

*BWC Administrator/CEO Stephanie McCloud was a special guest presenter at OMA's Safety & Workers' Compensation committee meeting this week. Shown with committee chairman, Larry Holmes, Vice President – Finance & Administration, Fort Recovery Industries, Inc.*

### **Industrial Commission Chairman Testifies in Support of Agency Budget** **March 1, 2019**

This week Tim Bainbridge, Chairman of the Industrial Commission of Ohio (OIC), **provided testimony** in support of his agency's budget, **House Bill 79**. Bainbridge testified: "In order to accommodate statutory payroll adjustments and an increase in wages due to the last collective bargaining agreement, the Industrial Commission is requesting an increase in its total budget of 5.7%." The function of the OIC is to adjudicate contested workers' compensation claims. Bainbridge said this in testimony: "In calendar year 2018, our 82 hearing officers, all of whom are licensed attorneys, adjudicated over 114,000 claims."

The bill appropriates funding for the agency of 335 staff over the next two years and is required to be passed and signed into law by the end of June. 2/28/2019

### **BWC Drops OxyContin from Formulary** **March 1, 2019**

Last week the Ohio Bureau of Workers' Compensation (BWC) **announced** that the painkiller OxyContin, widely blamed for the nation's opioid crisis, will no longer be newly prescribed for injured workers in the BWC system starting July 1.

Following a recommendation from BWC Chief Medical Officer Terry Welsh, the agency's board of directors voted to drop the drug from the BWC formulary and replace it with what Welsh calls "an equally effective but harder-to-abuse drug" named Xtampza ER.

Welsh added the move was recommended by BWC's Pharmacy and Therapeutics Committee, a diverse group of pharmacists and prescribing physicians who advise the bureau on matters regarding appropriate prescription and authorization of medicines. 2/22/2019

**Workers' Compensation Legislation**  
Prepared by: The Ohio Manufacturers' Association  
Report created on May 21, 2019

- HB79**      **INDUSTRIAL COMMISSION BUDGET** (OELSLAGER S) To make appropriations for the Industrial Commission for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of Commission programs.  
*Current Status:* 5/23/2019 - House Finance, (First Hearing)  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-79>
- HB80**      **BWC BUDGET** (OELSLAGER S) To make appropriations for the Bureau of Workers' Compensation for the biennium beginning July 1, 2019, and ending June 30, 2021, and to provide authorization and conditions for the operation of the bureau's programs.  
*Current Status:* 5/23/2019 - House Finance, (First Hearing)  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-80>
- HB167**      **OCCUPATIONAL LUNG CONDITIONS** (CERA J) To modify workers' compensation benefit amounts for occupational pneumoconiosis claims and to create the Occupational Pneumoconiosis Board to determine medical findings for such claims.  
*Current Status:* 4/2/2019 - Referred to Committee House Commerce and Labor  
*State Bill Page:* <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA133-HB-167>