

**Trish Harris, Chief Operating Officer  
Ohio Bureau of Workers' Compensation  
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Hello!

**My name is Trish Harris. I am the Chief Operating Officer of the Ohio Bureau of Workers' Compensation.** I'm excited to be here to share information with you about BWC.

Before I get started, I would like to thank **Tony Fiore from Kegler Brown** for inviting me to be here.

**What do we do?**

- At its core, **BWC is an insurance company** — one of the largest mono-line insurers in the world.
- Our job is to ensure workers injured on the job receive the medical treatment necessary to recover and return to work, and to make sure they receive fair compensation during that recovery.
- The premiums Ohio's private and public employers pay for coverage totally support our agency. **We are not funded by state tax dollars.**

**A few stats for you**

- As of June 30, 2020, the end of fiscal year 2020, we:
  - Managed \$27.8 billion in total assets.
  - Had 1,753 employees in 12 locations throughout Ohio dedicated to our mission of delivering consistently excellent experiences for each BWC customer every day.
  - We covered a little more than 249,000 private and public employers in Ohio (roughly half of Ohio's workforce). The remaining employers are self-insured.
- Our agency is unique — **one of only four in the country** which, by law, is the exclusive provider of workers' compensation coverage for employers in their states.
- BWC's **premium rates remain among the lowest in the country (16th lowest in 2018, down from 3<sup>rd</sup> highest in 2003).**
- **Claims** — Our **injured worker claims fell to 84,364 in 2019**, down from 101K in 2012 and 260K in 2000. In 2020, they fell to **71,519**, a bigger drop than what we

would expect, most likely because of COVID-19 and the business shut down for much of the last quarter.

### **BWC adjusts to the COVID-19 pandemic**

- The emergence of COVID-19 in Ohio early this year gave us an opportunity to demonstrate just how nimble and agile our agency is.
- One of our first hurdles was moving our annual Ohio Safety Congress & Expo in early March from an in-person event to a virtual one as seamlessly as possible. The 2021 event will be online-only again.
- In mid-March, when Governor DeWine ordered state employees to telework, we had our entire workforce up and running from home in a matter of days.
  - Since then we have risen to the challenges of the ongoing pandemic to serve injured workers, employers, other state agencies and each other in amazing ways.

### **Here are a few of the recent successes we are proud to report:**

- This year, our board has approved sending **THREE dividends, totaling nearly \$8 billion**, to Ohio's private and public employers. The first was approved in April, the second one in September. The third was approved Nov. 2.
- The most recent dividend of \$5 billion is the largest we have ever provided. These recent dividends provided immediate financial relief for Ohio employers amid the ongoing pandemic.
- Since March, we have allowed employers to defer premium payments two times to help them focus resources on re-opening their businesses and keeping their workers safe amid the pandemic. The move also kept \$579 million in the economy.
- We've also shipped 23 million masks to nearly 200,000 Ohio employers at no cost to them since late May as part of **Protecting Ohio's Workforce — We've Got You Covered**.
- In a second round, we will soon begin sending approximately 23 million masks to employers, who will not be billed for the items. The funding comes from our Division of Safety & Hygiene at no impact to the division's safety services and grant programs.
- Our board approved a **13% rate cut for private employers that went into effect July 1**. It is saving those employers around \$132 million over their 2019 premiums.
  - This was the 11th cut for private employers since 2008.
- Our board **also approved a 10% rate cut for Ohio's public employers on Aug. 24. It goes into effect Jan. 1, 2021**. It will allow cities, townships, and local governments to keep more money (nearly \$15 million) in their budgets starting in January.

- This is BWC's 12th rate cut for public employers since 2009.
- All told, BWC has **saved Ohio employers more than \$15 billion** over the last decade in workers' compensation costs through dividends, discount programs, rate reductions and greater operational efficiencies.
- As all of these numbers clearly demonstrate, we truly want to be a partner in the economic development of our state and want to do all we can to keep costs as low as possible for our employers while maintaining the best workers' comp services this country has to offer.

### **COVID-19 Claims: The numbers, the process, compensation, our good work**

- We have created a special team to handle newly filed COVID-19 claims to provide them with careful attention.
- From March 11 through Nov. 2, we've received 1,542 COVID-19 claims. Of those, we've accepted 360.
- We dismissed 374 claims (most were filed in error). We have denied 117 claims. In most cases, the claim did not include a diagnosis of COVID-19. In other cases, the evidence did not satisfy the definition of "occupational disease."
- As of Monday, Nov. 2, we have recorded 1,542 claims from Ohio workers believing they had contracted COVID-19 in the workplace.
  - Please note: This number is the combined total of BWC claims (1,000) and claims received by self-insured employers (541). More on this in moment.
  - This is since March 11.
  - Of those, 1,091 were from health care and emergency worker sectors
  - 360 – BWC Accepted
  - 117 – BWC Denied (most didn't test (+) for covid; some lacked provider's medical opinion.)
  - 541 were from employers that are self-insured for workers comp coverage. They reported accepting 266 claims and rejecting 176 claims.
    - However, this is really an "at least" number because self-insured employers don't report all of their claims to us. (They don't report "medical-only" claims, where workers are back to work in less than 7 days.)
- We have created a special team to handle COVID-19 claims to provide them with careful attention.
- Generally, communicable diseases like COVID-19 are not workers' compensation claims because people are exposed in a variety of ways, and few jobs have a hazard or risk of getting the diseases in a greater degree or a different manner than the general public.

- However, we are in unique times, and that's why we've created a special team to look at these claims carefully.
- If you work in a job that poses a special hazard or risk and contract COVID-19 from the work exposure, we could allow your claim.

### **HERE'S HOW IT WORKS, HOW WE INVESTIGATE ANY CLAIM IN GENERAL:**

- We investigate each claim on a case-by-case basis. By law, we have 28 days to decide a case. We look at:
  - The medical evidence – test results, the support of their physician. (Interestingly, the great majority of the claims we denied were because the worker did not actually contract the disease!)
  - The circumstances involved, the nature of the job, the risk it presents, etc. The evidence must satisfy the definition of “occupational disease” in the Ohio Revised Code.
  - Generally speaking, a successful claim will include evidence the disease was contracted in the course of employment by demonstrating specific on-the-job exposure to the virus.
    - If needed: (ORC 4123.01 (F)) requires that the nature of the worker's employment results in a hazard that distinguishes the employment in character from employment generally, and the employment creates a risk of contracting the disease in greater degree and in a different manner from the public in general.
- If we are inclined to deny a claim, we wait until the 28th day to give that worker every opportunity to provide test results and supporting evidence

### **COMPENSATION — HOW MUCH WILL A WORKER RECEIVE?**

#### **GENERALLY speaking...**

- Like any other claim, you must miss at least 7 days of work because of the illness or injury to receive compensation benefits.
- For COVID Claims, most commonly compensation = 72% of their current wages for up to 12 weeks, not exceeding our 2020 maximum average weekly wage of \$980 per week.
  - If longer than 12 weeks, we go to a different formula:
    - Prior Year Average Weekly Wage X 66.67%
- Compensation ends when you return to work, your doctor releases you to work, or we have (in consultation with medical providers) determined you've reached your maximum medical improvement.

## On the opioid and substance use front...

- We've taken numerous measures to mitigate the impact of this epidemic on Ohio's labor force and business community.
- We are a national leader in reducing opioids. Among our efforts, we've stopped covering Oxycontin, the drug widely blamed for kickstarting our nation's substance use epidemic.
  - Instead, we're covering alternative painkillers with stronger abuse-deterrent technology.
- Our total number of opioid prescriptions dropped **70% between 2011 and 2019 to 143,588. Also, the number of injured workers receiving an opioid prescription fell 70% over that same period.**
  - We've built a first-class pharmacy program that's the envy of state workers' comp systems and it's been a driving force in reducing our opioid numbers and the potential abuse or misuse of other dangerous drugs in our system.
  - What's particularly impressive is that we've built a stronger department while significantly reducing our medication costs.
  - During FY20, our prescription reimbursement costs totaled \$43.7 million, a **decrease of \$18.9 million** when compared to FY19.
  - This is the result of fewer injured workers filling a prescription, smaller prescription quantities, increased use of generic drugs, and stronger prescription protocols implemented by our Pharmacy and Therapeutics Committee.
  - This continues an ongoing trend in recent years. In calendar year 2014, our total pharmacy drug costs were \$111.5 million. **By calendar year 2019, these costs had dropped to \$62.8 million.**
  - Despite rising drug prices, **we recognized a \$48.7 million or 56% decrease in drug costs due to better** management.

## Protecting the State Insurance Fund from fraud

- We've got our own crime-fighting unit! Types of fraud:
  - **Injured workers** – injured workers who are collecting benefits but take another job.
  - **Employers** – Some don't carry coverage and refuse to do so, and others under report or misrepresent — avoiding the required premium.
  - **Health Care Providers** – Physicians and other providers who submit phony bills to us, run pill mills, don't take care of injured workers.
- **Prevention/Prosecution**
  - Our Special Investigations Department comprises more than 121 agents, supervisors, and support personnel across the state who are charged with protecting the State Insurance Fund by investigating, detecting and deterring fraud.

- Last year (FY20), they closed 1,515 investigations, resulting in 88 fraud and fraud-related convictions, saving the BWC system an estimated \$77.8 million.
- We have an active fraud prevention team to help protect the fund so that it's there for the employers, employees, and health-care providers.

### How our budget changes lives for the better

- Our budget priorities drive the work we do — helping to ensure workers can go home to their families safe at the end of the day.
- We remain a **committed partner for economic growth** and for the health, safety and wellness of Ohioans.
- We are especially proud of our participation in a multiagency task force **Gov. DeWine established called RecoveryOhio.**
- BWC's **Substance Use Recovery and Workplace Safety Program** is a part of this work. This program supports recovery and our economy by paying for drug screens and additional training for employers on how to work with employees in recovery.
- The COVID-19 emergency made us push pause on the program for a bit, but we've begun reintroducing the program to the public and it is expanding. We're now partnering with 15 local boards covering 32 counties, and 83 employers are participating.
- In February, the Controlling Board granted us the authority to spend an additional \$30 million on **workplace safety grants for 2020 and 2021**, bringing total funding to \$70 this biennium.
- The grants fund **body armor for law enforcement and equipment that reduces firefighter exposure to carcinogens and other toxins**, as well as equipment and innovations that improve workplace **safety in schools and businesses** across Ohio. Social workers and others who work with people with disabilities also can apply for grants.

### Safety training and consultations

- Despite the COVID-19 emergency, we are still offering **no-cost workplace safety training** to Ohio employers. In recent months, our consultants and trainers have presented weekly webinars covering a wide variety of topics to keep Ohio's workplaces safe and healthy.
- You can find info about these webinars on our website, BWC.Ohio.gov, or on our social media channels.
- We also provide **no-cost safety consultations** to any employer covered by the State Insurance Fund. Right now, all consulting is done on the phone or virtually. These consultations can include ergonomic assessments, safety management reviews, and much more. This can save employers hundreds or even thousands of dollars on outside consultant fees for the same services.
- Additionally, we provide a wealth of resources on safety, health, workers' comp and rehabilitation in our safety and video library, replete with training materials you can check out and stream.

### Note a few programs and events:

#### Safety Council Program

- Most of our safety council partners are offering virtual meetings in the wake of COVID-19.
- Although the program does not have the usual in-person meetings or financial incentives for employers this fiscal year, we are happy most of the local councils are offering virtual meetings as a way to keep providing valuable workplace safety information and resources to members.

### **Safety Congress**

- Mark your calendar for the **Ohio Safety Congress & Expo** March 10-11, 2021. Due to the ongoing pandemic, we are offering it as an online-only event. It will include several educational sessions and a digital expo, allowing participants to learn remotely and chat virtually with presenters and exhibitors.
- As always, **attendance is free**, and registration opens in December.

### **Better You, Better Ohio!**

- This is a FREE wellness program — FREE for employers and employees — for businesses of 150 employees or less. No administrative costs at all.
- The key reasons to have a wellness program are:
  - ✓ **Healthy workers have fewer injuries**
  - ✓ **Healthy worker accidents tend to be less severe**
  - ✓ **Healthy workers recover faster if an injury does occur.**
- Better You, Better Ohio! targets small employers in certain high-risk industries.
- Offers health and wellness coaching, smoking cessation, etc.
  - Financial incentive for employees to take biometric screening.
- More than 21,000 individuals have enrolled in the program. Employers have had 11 successful on-site biometric screening events since the program opened up again in June.

### **Outreach**

- We are simplifying and personalizing our communications — with a **goal of providing a better experience for everyone who interacts with our agency.**
- We want to make it **easier to everyone to do business** with our agency.
- This includes **the launch of our updated website** – BWC.Ohio.gov – in August. Our site now looks and feels much like other State of Ohio agency websites, providing some familiarity and consistency for some users.

- More importantly, it provides enhanced tools, features, and other functions that are better geared for our customers and business partners.
- We are also ramping up our communications outreach to engage more of Ohioans about all that we do. Check out our social media — follow us on our new Facebook page or on YouTube, Twitter, LinkedIn and our blog.

I encourage you to find out more **on our website, [BWC.Ohio.gov](http://BWC.Ohio.gov)**

Thank you again for inviting me here today. I'm happy to take your questions.