

# BAYLOR BULLETIN

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## 2007 WORKERS' COMPENSATION PROGRAM

Thank you for your confidence in us and we appreciate the privilege of working with you to control your workers' compensation cost. We have outlined below some essential procedures as well as the responsibilities of our associates who handle particular elements of your cost control program.

You may call Baylor Associates Inc. toll-free at 800-433-1922 or 440-546-7600. On claims matters, contact your claims administrator, for Betty Gillan, Ext. 7609 or e-mail [bgillan@baylorwc.com](mailto:bgillan@baylorwc.com); for Tracy Johnson, Ext. 7607 or e-mail [tjohnson@baylorwc.com](mailto:tjohnson@baylorwc.com); or for Rand Worcester, Ext. 7612 or e-mail [rworcester@baylorwc.com](mailto:rworcester@baylorwc.com). You may contact the attorney, Mr. Drushel, toll-free at 800-478-6499 or 440-546-7616. His e-mail address is

[kdrushel@kedlaw.com](mailto:kdrushel@kedlaw.com). Make a copy for your records and then be sure to forward to us the original of any information directed to you from the Ohio Bureau of Workers' Compensation, Industrial Commission of Ohio, and claimant's representatives or other outside third parties. This includes both rejected and certified claims. After our review, we will forward it to the appropriate party. Forward us copies of any information directed to your Managed Care Organization (MCO).

**Please FAX us hearing notices immediately at (440)546-7601.**

For inquiries on BWC billings, rates, premium, alternative programs or BWC visits contact Joel Danner at Ext. 7614 or e-mail [jdanner@baylorwc.com](mailto:jdanner@baylorwc.com); or Lynne Miller at Ext.

7611 or e-mail [lmiller@baylorwc.com](mailto:lmiller@baylorwc.com). The original of a payroll report and premium payment is always mailed directly to the Ohio Bureau of Workers' Compensation so that they receive it no later than the end of February and the end of August. Remember, a postmark does not constitute receipt. The reports and premium payments must be in the hands of the Bureau by the due date. Be sure to forward us a copy.

Please consult with us concerning any acquisitions or dispositions of operations. Such transactions may affect your manual classifications, your experience rate as well as your standing in a workers' compensation group rating plan and other discount programs. We will hold this information in the strictest confidence.

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## EMPLOYER CONTACT UPDATE

To maintain the most current contact information on your Ohio Workers' Compensation policy, please complete the enclosed Permanent Authorization form.

Please provide phone, fax and e-mail address if available so we may provide you with information on your policy in a timely manner. Fax the completed form to us

at 440-546-7601. **Do not send the form directly to the BWC** because we are required to maintain a record of the form. The form can also be mailed to us.

## **BWC Safety Grant\$ Are Back**



*“purchase equipment or other materials to substantially reduce or eliminate injuries and illnesses.”*

The Safety Intervention Grant\$ Program has been reinstated by BWC and is available to any Ohio state-fund or public employer who wishes to purchase equipment or other materials to substantially reduce or eliminate injuries and illnesses associated with a particular task or operation.

Private and public employers are eligible for a 4-to-1 matching grant, up to a maximum of \$40,000. For example if a total of \$50,000 is spent, \$10,000 is contributed by the employer and \$40,000 from BWC.

To participate, an employer must have a minimum of one claim filed for the task or operation affected by the intervention within the two years preceding the grant application, and must maintain active workers' compensation coverage.

In return for the grant money, the employer submits quarterly data reports to BWC, an interim report after one year and a final report two years from the date of the intervention. BWC will use this information to determine the effectiveness of the intervention and share

successes with other employers.

If you have received the maximum amount under any of BWC's SafetyGRANT\$ programs prior to fiscal year 2007, you are not eligible to apply.

There are certain types of equipment that are no longer eligible due to previous ergonomic studies completed by BWC. If you are interested in the program, visit the Bureau's web site [www.ohiobwc.com](http://www.ohiobwc.com).

## **ALTERNATIVE WORKERS' COMPENSATION PREMIUM REDUCTION PROGRAMS**



Not all our clients can qualify for group rating. Now is the time to review the other cost reducing alternatives that you might use for the coming policy year. We discuss just a few below.

Some employers can qualify for the Premium Discount Program Plus. This can provide a 10% discount on annual premium with up to a 20% rebate after finishing the policy year.

Businesses with less than 25 employees may take

advantage of the Drug-Free EZ program. This program can also provide a 10% discount and up to a 20% rebate. Larger employers can use the Drug-Free Workplace Program. It involves greater responsibility for training and drug testing than Drug-Free EZ. It can make available between a 10% and 20% discount, but there is no year end rebate. These two programs may be stacked with group rating or the Premium Discount Program Plus.

Employers with annual premium in excess of \$25,000 can look at Retrospective Rating. This plan creates additional risk and we have found that a client seldom feels comfortable with the program, unless their annual premium exceeds \$300,000. Along the same lines, clients with over 500 employees and annual premiums over \$500,000 may want to explore self-insurance.

## RECREATIONAL WAIVER

As the days become longer and bowling leagues give way to golf outings, Ohio employers must be sensitive to an injury sustained by an employee while participating in an employer-sponsored recreation or fitness program. These types of injuries may give rise to workers' compensation claims, absent specific action by an employer to avoid this liability.

Ohio employers may obtain a waiver of workers' compensation liability for such activity. For purposes of this waiver a "recreation or fitness activity" may include a sporting league (golf, bowling, softball, etc.) for which the employer pays the entrance fee or purchases uniforms, a company

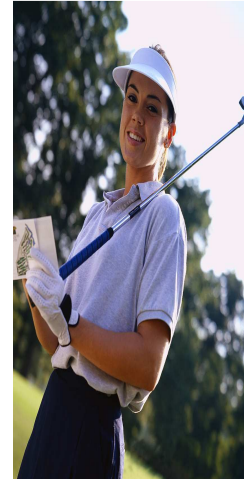
picnic, on-site fitness facility, health club membership paid for by the employer or a simple basketball hoop provided for use during breaks.

Some companies would prefer that such injuries be covered by workers' compensation because of concern with what other means may be used to pay for the medical bills or the possibility of a negligence lawsuit if workers' compensation does not remain a remedy to the employee. To date, we are unaware of any such lawsuits. You are encouraged to consult with legal counsel for advice if this issue is of concern to your company.

If you decide to eliminate employer-sponsored recreation or fitness activity injuries from your

workers' compensation exposure, we suggest that each employee, prior to participating in this type of activity, be asked to execute a BWC form C-159. This form may be found on page "b" in the Appendix of the Baylor Associates Ohio Workers' Compensation Guidebook or contact us for the form and instructions.

The employee must be provided a copy of the fully executed form, but there is no need to file the form with the Bureau of Workers' Compensation or Industrial Commission of Ohio unless a claim is filed for an injury sustained during the recreation or fitness activity. We suggest that you retain a copy of the form for at least three years.



## CHANGES IN SAFETY COUNCIL REBATE

The BWC will continue the safety council incentive program for policy year beginning July 1, 2007 but with changes in the eligibility requirements and rebate calculation.

The enrollment deadline has changed from September 30 to July 31, 2007. The employer must still attend eight meetings of the local safety council plus two additional events from Workers'

Compensation University, Ohio Safety Congress & Expo, Division of Safety & Hygiene training course or industry specific safety training. The chief executive officer must attend one safety council meeting and the employer must submit semiannual reports.

Employers who meet the eligibility requirements will earn a 2% rebate and an additional 2% performance

rebate for reducing either their claims frequency or claims severity by 10%. Last year employers received a 4% rebate for meeting the eligibility requirements.

For additional information go to [ohiobwc.com](http://ohiobwc.com) and click on the Safety Council Incentive Program link.

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# 50/50 PAYMENT DUE MAY 1

## Baylor Associates, Inc.

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Employers participating in the 50/50 payment plan must pay their second payment by May 1. The payment must be made online at [ohiobwc.com](http://ohiobwc.com) and cannot be mailed. If the payment is late, the BWC

will charge penalties, interest, and lapse the coverage. If your policy is lapsed, you will be directly liable for any claim that occurs from May 1, 2007 to the date the bureau receives your payment.

A lapse of coverage also jeopardizes your future participation in the alternative rating programs.

## KEY SAFETY PROGRAM PARAMETERS

**A written safety and health policy signed by the top company official that expresses the employer's values and commitment to workplace safety and health.** The safety and health policy must clearly state your company is committed to effective safety management and wants to provide a safe working environment. The commitment is by the owners, management and employees. The policy must stress the safe work environment is initially provided and continuously maintained for all employees. This may be the first step in implementing effective safety and health programs.

The top executive in your company should sign the safety and health policy. The policy must be given to all employees. A special meeting can be held to communicate the policy to all employees. Annual review of the safety and health policy with all employees will show your continued

commitment. Include in the policy the responsibility and role of the manager, supervisor, team leader and employee. The policy should also mention returning injured or ill employees to work as soon as possible.

**Visible senior management leadership that promotes the belief that the management of safety is an organizational value.**

Senior management must act as a role model for all employees in creating a safe work environment. Senior management will establish the importance of safety in all operations and by taking the lead; management helps in the campaign to reduce accidents. Senior management's leadership, support and active commitment encourages management and employees to make the safety health system successful.

To promote visible, active senior management leadership, issue a safety

policy that assigns roles and responsibilities and establishes annual and long-term safety goals. Senior management should discuss safety processes and improvements regularly in all staff and employee meetings and authorize the necessary resources. Management should accompany supervisors, safety team members or safety committee members during periodic departmental surveys and openly discuss safety issues with employees during the surveys. Senior management participation in meetings with accident prevention coordinators and as a student in employee safety training programs. Senior management should personally present safety recognition awards to deserving employees. Senior management must determine the progress of the safety and health processes by reviewing the minutes of safety committee meetings and safety survey reports.