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June 6, 2017

TO: Chairman Jay Hottinger
Ohio Senate Insurance and Financial Institutions Committee

FROM: Ohio Municipal League

RE: Support for Pending HB 27, Workers Compensation Budget Brinkman (R-Mt. Lookout)

Dear Chairman Hottinger, Ranking Member Brown, and Members,

Thank you for considering our testimony on HB 27 the Workers Compensation Budget. All municipalities in Ohio have a strong interest in maintaining a strong workers compensation system with low premiums, modern business practices, efficient administration, vigorous fraud enforcement, and adequate benefits. We are always very attentive to workers compensation issues because municipalities are one of Ohio's largest employers and have many employees with a high risk profile.

The Ohio system does not provide for competition among insurance carriers (although it does allow for self-insurance under certain circumstances). Despite this, public employer rates in our system have dropped an average of 26.2 % over the last six years. According to the BWC, this has resulted in nearly \$251 million remaining in local communities that otherwise would have went to premium payments. Meanwhile, the system have rebated and reduced money to employers more than \$4.8 billion over the last six years.

We have been pleased with the transition to prospective billing and the BWC's Other States Coverage option. We are also happy with the BWC's efforts to promote workplace safety, including the Safety Intervention Grant Program expansion. We are also supportive of the BWC's efforts to accommodate paperless business practices.

We also encourage members to support changes in this budget that address the backlog of C-92 applications. The problem is that these applications cannot be dismissed (except for the case of death of the claimant) even after great efforts to reach the claimant. This change will help eliminate the 20,000 claimant backlog of these applications by allowing the BWC to dismiss the claim after the injured workers misses two appointments with no notice. As with current practice, the BWC could only dismiss the claim after numerous attempts to contact the injured worker. Meanwhile, the provisions would continue to protect the workers by allowing them to re-file such claims after dismissal.

Thank you for your consideration and please contact us if you would like to discuss this further.

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