



## December 2018 Newsletter

**"Backbone beats wishbone every time."  
unknown**

### Upcoming Deadlines

- December 21, 2018 Premium installment due to Ohio BWC (for those of you who are on a semi-annual, quarterly, bi-monthly or a monthly installment payment plan with BWC)
- January 1, 2019 Deductible program application deadline date for 7/1/19 start date
- **January 23, 2019 Group Retrospective Enrollment deadline for 7/1/19 start date**
- January 31, 2019 Individual retro rating application deadline for 7/1/19 start date
- January 31, 2019 OCP program application deadline for 7/1/19 start date

### Ohio BWC Offering Free, Informative Monthly Webinars

Conducted twice per month, the BWC offers free Webinars that last approximately 20 minutes. The topics of these informational webinars change monthly. You can also view past recorded webinars. Register for upcoming BWC webinars [here](#).

### Lump Sum Settlements

A Lump Sum Settlement (LSS) is an agreement between the employer, injured worker and Ohio Bureau of Workers' Compensation (BWC) for a lump sum payment to settle one or more workers' compensation claims. The negotiated settlement amount is paid by BWC to the injured worker in exchange for closure of the claim, or a portion of the claim, as defined by the agreement. The written LSS agreement specifies the terms of the settlement and is the final resolution of all medical, compensation and liability claims, whether known or unknown. BWC will consider if the settlement is fair to all parties and must approve all settlements.

Numerous issues should be considered before settling a claim:

- Is the injured worker still employed, working, able to work or disabled?
- Will there be a need for future medical costs?
- Is there a claim reserve still active in the employer's experience?
- Will the settlement create a positive financial outcome for the employer?

Any party involved can submit an LSS application called a *Settlement Agreement and Application for Approval of Settlement Agreement (C-240)*. The injured worker may or may not use legal counsel to represent them with

the settlement negotiations and the employer can choose to use legal counsel or, as in most cases, have their Third Party Administrator (TPA) help with the settlement process.

Once BWC evaluates the C-240 and all parties agree to the settlement amount, BWC will send an approval letter to all parties. The approval letter begins a 30 day waiting period during which time any party can reject the agreement. Once the 30 day period expires BWC will pay the settlement to the injured worker.

Lump Sum Settlements can financially benefit the injured worker, the BWC and the employer. LSS pays a benefit to the injured worker and helps BWC reduce reserves and other associated administrative costs and is a very effective claim management strategy used to help employers lower their premiums and qualify for group rating programs. While an LSS does not remove a claim from an employer's experience it does preclude additional claim costs and removes the claim's reserve costs. It is also important to note that, even though the settlement is paid by BWC, the fixed settlement amount is added to the employer's claim experience and will be used in determining an employer's rates. Employers can face many issues when considering an LSS and CareWorksComp recommends that they should always consult with their TPA on all settlement issues.

### **Our Cost Containment Philosophy**

During this time of year, you may receive marketing materials from other TPAs to influence your workers' comp program decisions. The information overload can cause confusion, so we want you to be absolutely confident that our dedicated cost containment team is focused on minimizing the financial impact of claims to reduce your premium dollars. Here's how we do it:

- Provide safety consulting and analysis to support accident prevention.
- Continuously review and monitor all potential claims for Handicap Reimbursements and Lump Sum Settlements.
- Create an action plan and identify the best time frame to pursue the cost containment action in an effort to maximize the employer's return on investment.
- Communicate with our customer on our pre- and post-cost containment efforts, and the expected savings as a result.
- Provide the most comprehensive cost containment experience for our customers.

### **Unemployment Tax Deadline**

Employers should have received 2019 tax notices from the Ohio Department of Job and Family Services. We encourage you to contact us to discuss your notice and learn about the tax options that are available to reduce your unemployment costs. Last year, the common/joint tax rate option that we identified saved one customer over \$14,000!

During tax season, we have lowered our service fee for the Claims and Tax Management Service. To learn more and receive help with your tax analysis, please contact Kammy Staton, our Unemployment Manager, at 614.526.7165 or [kammy.staton@careworkscomp.com](mailto:kammy.staton@careworkscomp.com).

Don't wait to call! Tax appeals must be filed by December 21, 2018.

### **OSHA Launches Program to Target High Injury and Illness Rates**

OSHA is initiating the [Site-Specific Targeting Program](#) to target workplaces with high injury rates for inspection. Using injury and illness information electronically submitted by employers for calendar year 2016, OSHA will inspect establishments that should have provided 300A data, but did not. This program helps OSHA ensure

that employers provide safe and healthful workplaces by directing enforcement resources to those workplaces with the highest rates of injuries and illnesses

***Wishing you and yours a safe and productive year for your business, and all the best this holiday season.***

Contact your program manager for more information:

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