



## Ohio Administrative Code

### Rule 4123-17-14 Reporting of payroll and reconciliation of premium due.

Effective: July 1, 2024

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#### (A) Definitions.

##### (1) As used in this chapter of the Administrative Code:

(a) "Applied EM" means the experience modification, or "EM," as set forth in rule 4123-17-03 of the Administrative Code, except where such EM is modified by participation in the group experience rating program set forth in rules 4123-17-61 to 4123-17-66 of the Administrative Code, the claim impact reduction program set forth in rule 4123-17-71 of the Administrative Code, or the EM cap program set forth in rule 4123-17-03.2 of the Administrative Code. In such cases, "applied EM" means the experience modifier resulting from participation in those programs.

(b) "Current" with respect to payments due the bureau of workers' compensation means not more than forty-five days past due.

(c) "Payments due the bureau" means any premiums, administrative costs, assessments, fines or monies otherwise due to any fund administered by the bureau for which the employer has not submitted a dispute of the obligation to the bureau's adjudicating committee as set forth in rule 4123-14-06 of the Administrative Code.

(d) "Payroll" or "wages" means the entire remuneration allowed by an employer to employees in the employer's service for the applicable period.

(e) "Public employer taxing district" means an employer that is not the state itself and subject to the provisions of sections 4123.38 and 4123.39 of the Revised Code.

(f) "Remuneration" has the same meaning as defined in division (H) of section 4141.01 of the Revised Code.



- (i) The definition of remuneration applies to all persons of such employers considered to be employees under the statutes or rules of the bureau, regardless of whether the employer is required to report payroll or remuneration to the Ohio department of job and family services under Chapter 4141. of the Revised Code or whether the employer reports payroll or remuneration to the Ohio department of job and family services for such persons considered to be employees by the bureau.
  - (ii) For employees who customarily receive tips or gratuities, remuneration includes all actual wages paid and all tips and gratuities.
- (2) All other terms have the same meaning as prescribed in section 4123.01 of the Revised Code.
- (B) Private employers: notice of estimated premium.
- (1) Except as otherwise provided in paragraph (E) of this rule, the bureau will notify private employers of the development of estimated premium no later than the first day of May preceding the policy year for which such premium is due.
  - (2) The bureau will provide all of the following:
    - (a) The estimated payroll used by the bureau to calculate the employer's estimated premium due;
    - (b) The classification codes in which the employer's payroll is allocated and the base rates for each of the classification codes identified;
    - (c) The employer's applied EM used in determining premium due; and
    - (d) The employer's estimated premium due for the applicable policy year.
  - (3) An employer may revise the estimated payroll amount used to calculate estimated premium due for the policy year for good cause shown, as determined by bureau policy.
    - (a) The estimated premium will be revised for the policy year and the balance of installments for the remainder of the policy year will be adjusted to reflect the new estimated premium amount.



(b) Requests will not be accepted to revise payroll for a policy year after the last business day of March in that policy year; the adjustment to premium due will be upon the employer's report of actual payroll pursuant to paragraph (D) of this rule.

(C) Private employers: invoice and estimated premium payments.

(1) Except as otherwise provided in paragraph (E) of this rule, the bureau will provide private employers with an invoice for estimated premium no later than the first day of June immediately preceding the policy year for which the estimated premium is charged. The bureau will provide subsequent invoices according to a schedule made available with the notice of estimated premium.

(2) Payment of invoices will be due no later than the date indicated on each invoice.

(3) The administrator of workers' compensation may assess penalties and late fees on payments received after the deadlines set forth in paragraph (C)(2) of this rule, pursuant to rule 4123-17-16 of the Administrative Code.

(D) Private employers: payroll report and reconciliation of premium due.

(1) Except as otherwise provided in paragraphs (D)(5) and (E) of this rule, after the conclusion of each policy year, every private employer shall submit a payroll report to the bureau containing the number of employees employed within each of the employer's assigned classification codes and the aggregate amount of wages paid to such employees over the relevant time period.

(2) The bureau will establish an electronic payroll reconciliation process to address the difference between estimated gross payroll and actual gross payroll immediately upon the filing of the payroll report.

(3) The payroll report shall report data for the full policy year. The report must be filed by, and any payment due the bureau paid by the fifteenth day of August, and effective the policy year beginning July 1, 2024, by the thirty-first day of August, immediately following the conclusion of the policy year. Any balance due the employer will be credited to the employer's account.



(4) An employer may elect to provide payment other than through the electronic reconciliation process, provided payment is received by the fifteenth day of August, and effective the policy year beginning July 1, 2024, by the thirty-first day of August, immediately following the conclusion of the policy year.

(5) The administrator may waive the provisions of paragraph (D)(1) of this rule for private employers who:

(a) Are not an alternate employer organization ("AEO") as defined in section 4133.01 of the Revised Code or a professional employer organization ("PEO") as defined in section 4125.01 of the Revised Code;

(b) Do not have any employees in the policy year, including no employees subject to rule 4123-17-07 of the Administrative Code; and

(c) Have reported no payroll on the payroll report for the three previous policy years.

(E) Alternate employer organizations and professional employer organizations.

(1) Each employer that is recognized by the administrator as an AEO or as a PEO shall submit a monthly payroll report.

(2) The AEO or the PEO shall electronically report data for each month no later than the fifteenth day after the last day of the month for which payroll is being reported and pay all monthly premium and assessments concurrently with the filing of the monthly payroll report.

(3) If an AEO or a PEO fails to make timely payment of premiums and assessments pursuant to this rule, coverage will lapse, and the administrator will proceed to revoke the registration of the AEO or the PEO pursuant to rule 4123-17-15.7 of the Administrative Code.

(4) The administrator may waive the provisions of paragraph (D)(1) of this rule for a client employer of an AEO or a PEO if the client employer:



- (a) meets all of the criteria of paragraphs (D)(5)(a) and (D)(5)(b) of this rule;
  - (b) has been in an AEO agreement or a PEO agreement for the entire policy period; and
  - (c) reports all wages under the workers' compensation policy for the AEO or PEO for the entire policy period.
- (F) Public employer taxing districts: notice of estimated premium.
- (1) The bureau will notify public employer taxing districts of the development of estimated premium due no later than the last day of October preceding the start of the policy year.
  - (2) The bureau will provide all of the following:
    - (a) The estimated payroll used by the bureau to calculate the employer's estimated premium due;
    - (b) The classification codes in which the employer's payroll is allocated and the base rates for each of the classification codes identified;
    - (c) The employer's applied EM; and
    - (d) The employer's estimated premium due for the applicable policy year.
  - (3) An employer may revise the estimated payroll amount used to calculate estimated premium due for the policy year for good cause shown, as determined by bureau policy.
    - (a) The estimated premium will be revised for the policy year and the balance of installments for the rest of the year will be adjusted to reflect the new estimated premium amount.
    - (b) Requests will not be accepted to revise payroll for a policy year after the last business day of September in that policy year; the adjustment to premium due will be upon the employer's report of actual payroll pursuant to paragraph (H) of this rule.



(G) Public employer taxing districts: invoice and estimated premium payments.

(1) The bureau will provide public employer taxing districts with an invoice for estimated premium no later than the first day of December immediately preceding the policy year for which the estimated premium is charged. The bureau will provide subsequent invoices according to a schedule made available with the notice of estimated premium.

(2) Payment of invoices will be due no later than the date indicated on each invoice.

(3) The administrator may assess penalties and late fees on payments received after the deadlines set forth in paragraph (G)(2) of this rule pursuant to rule 4123-17-16 of the Administrative Code.

(H) Public employer taxing districts: payroll report and reconciliation of premium due.

(1) After the conclusion of each policy year, every public employer taxing district shall submit a payroll report to the bureau containing the number of employees employed within each of the employer's assigned classification codes and the aggregate amount of wages paid to such employees over the policy year.

(2) The employer shall submit its payroll report electronically and remit any payments due the bureau no later than the fifteenth day of February, and effective the policy year beginning January 1, 2025, no later than the last day of February, immediately following the conclusion of the policy year. Immediately upon receipt of the payroll report, the bureau will adjust the premium and assessments charged to each employer for the difference between estimated gross payrolls and actual gross payrolls. At the conclusion of the payroll and premium reconciliation, each employer shall remit any payments due the bureau. If the reconciled premium results in a credit, the bureau will post such credit to the employer's account.

(I) Allocation of payroll.

(1) If an employer elects under section 4123.292 of the Revised Code to obtain other-states' coverage directly from an other-states' insurer for employment relationships localized in Ohio, the employer



shall notify the bureau of the election on a form prescribed by the bureau and provide the bureau with a copy of the other-states' coverage policy.

(2) An employer that elects to obtain other-states' coverage directly from an other-states' insurer under section 4123.292 of the Revised Code shall include on the payroll report required by this rule only the remuneration for work the employees performed in Ohio and other work not covered by the other-states' policy. The employer will maintain documentation of the amount of remuneration paid to its employees for work performed outside of Ohio and covered by the other-states' policy and provide it to the bureau upon request.

(3) If an employer employs an employee covered under a federal Longshore and Harbor Workers' Compensation Act policy, the employer shall include on the payroll report the remuneration for work the employees performed in Ohio for which the employees are eligible to receive compensation and benefits under Chapters 4121. and 4123. of the Revised Code. The employer will maintain documentation of the amount of remuneration for work covered by an insurer under the federal Longshore and Harbor Workers' Compensation Act and provide it to the bureau upon request.