

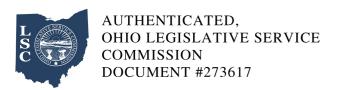
Ohio Administrative Code

Rule 4123-17-56.3 Industry-specific safety program.

Effective: March 26, 2018

(A) Definitions.

- (1) "Eligibility determination year" means the last full policy year for which payroll information is available.
- (2) "Program year" means the policy year for which the employer seeks to obtain the industry-specific safety discount.
- (3) "Loss prevention activities" means any of the following:
- (a) Industry-specific safety classes prescribed by the division of safety and hygiene;
- (b) Individual safety consulting with staff from the division of safety and hygiene or a sponsor approved by the division of safety and hygiene to conduct such consulting, and
- (c) The division of safety and hygiene's annual safety congress.
- (B) An employer may be eligible for an industry-specific safety bonus if:
- (1) The employer completes a safety risk assessment prescribed by the division of safety and hygiene and provides any follow-up data requested by the division, and
- (2) The employer completes loss prevention activities as follows:
- (a) If the employer reports payroll less than or equal to one hundred thousand dollars in the initial eligibility determination year, the employer participates in any one loss prevention activity;
- (b) If the employer reports payroll greater than one hundred thousand dollars and less than or equal to

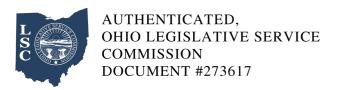


three hundred thousand dollars in the initial eligibility determination year, the employer participates in any two loss prevention activities;

(c) If the employer reports payroll greater than three hundred thousand dollars in the initial eligibility determination year, the employer participates in any three loss prevention activities.

In determining the requirements under this paragraphs (B)(2)(a) to (B)(2)(c) of this rule for new employers without a full year of recorded premium, the bureau may calculate and use the employer's expected payroll.

- (3) Completion of the requirements of this section shall be determined by the division of safety and hygiene.
- (4) Availability of individual safety consulting with staff from the division of safety and hygiene will be at the discretion of the division of safety and hygiene.
- (C) Eligibility requirements.
- (1) To receive the industry-specific safety program bonus under this rule, the employer must make application to the bureau by the applicable application deadline set forth in appendix A or B to rule 4123-17-74 of the Administrative Code and must meet the following criteria as of the application deadline:
- (a) The employer must be current with respect to all payments due the bureau, as defined in paragraph (A)(1)(b) of rule 4123-17-14 of the Administrative Code;
- (b) The employer must not have cumulative lapses in workers' compensation coverage in excess of forty days within the prior twelve months.
- (c) The employer must report actual payroll for the preceding policy year and pay any premium due upon reconciliation of estimated premium and actual premium for that policy year no later than the date set forth in rule 4123-17-14 of the Administrative Code. An employer will be deemed to have met this requirement if the bureau receives the payroll report and the employer pays premium

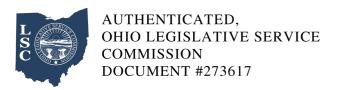


associated with such report before the expiration of any grace period established by the administrator pursuant to paragraph (B) of rule 4123-17-16 of the Administrative Code.

- (2) An employer shall not be eligible to receive benefits under this rule if:
- (a) The employer pays the minimum administrative charge for the applicable payroll reporting period as set forth in rule 4123-17-26 of the Administrative Code.
- (b) The employer is a state agency.
- (c) The employer is a self-insuring employer providing compensation and benefits pursuant to section 4123.35 of the Revised Code.
- (3) A professional employer organization ("PEO"), as defined in Chapter 4125. of the Revised Code, shall not be eligible to receive benefits under this rule unless all of the following requirements are met:
- (a) The PEO and each of the PEO's client employers meet all eligibility and program requirements.
- (b) The PEO electronically submits affirmation that the PEO and each of the PEO's client employers has made application for the program consistent with the requirements of paragraph (C)(1) of this rule.
- (c) The PEO submits a list of each of the client employers with whom it has an agreement as of May first of the applicable policy year.
- (i) The list shall be electronically submitted on a form prescribed by the bureau, and shall include each client employer's name, address, federal tax identification number, bureau of workers' compensation risk number, and the amount of payroll, listed by manual class code, reported by the PEO on behalf of each client employer.
- (ii) If the bureau determines that the PEO has manipulated the client list for purposes of obtaining benefits under this rule, the PEO shall not be eligible to receive such benefits.



- (iii) The bureau shall hold the list required under this paragraph as confidential pursuant to section 4125.05 of the Revised Code.
- (d) The forms and deadlines for meeting the requirements of paragraphs (C)(3)(b) and (C)(3)(c) of this rule shall be prescribed by the superintendent.
- (4) After the first program year in which an employer receives the industry-specific safety program bonus, the employer may receive the bonus in subsequent years if the employer meets the following requirements:
- (a) The employer completes loss prevention activities as follows:
- (i) A If the employer reports payroll less than or equal to one hundred thousand dollars in the applicable eligibility determination year, the employer participates in any one loss prevention activity;
- (ii) If the employer reports payroll greater than one hundred thousand dollars and less than or equal to three hundred thousand dollars in the applicable eligibility determination year, the employer participates in any two loss prevention activities;
- (iii) If the employer reports payroll greater than three hundred thousand dollars in the applicable eligibility determination year, the employer participates in any three loss prevention activities.
- (b) The employer reports actual payroll for the preceding policy year and pays any premium due upon reconciliation of estimated premium and actual premium for that policy year no later than the date set forth in rule 4123-17-14 of the Administrative Code. An employer will be deemed to have met this requirement if the bureau receives the payroll report and the employer pays premium associated with such report before the expiration of any grace period established by the administrator pursuant to paragraph (B) of rule 4123-17-16 of the Administrative Code.
- (D) Unless an employer notifies the bureau otherwise as outlined below, continued participation in this program for each subsequent program year shall be automatic provided that the employer



continues to meet the eligibility requirements set forth in paragraph (C) of this rule.

An employer that elects to opt out of continued participation in this program shall provide written notice to the bureau by the application deadline set forth in this rule.

(E) The industry-specific safety program bonus shall be equal to the amount identified in the appendix to rule 4123-17-75 of the Administrative Code times the employer's pure premium costs during the program year.