



Ohio Administrative Code Rule 4123-17-62 Application for group experience rating.

Effective: July 1, 2024

(A) Sponsoring organization requirements.

(1) A sponsoring organization shall make annual application for group experience rating by submitting an employer roster for group rating plan (AC-25) for each group it sponsors. Each AC-25 shall:

(a) Be signed each year by an officer of the sponsoring organization to which the members of the group belong;

(b) Identify each individual employer to be included in the group policy year for which the group application is made; and

(c) Identify whether, in the previous policy year, each employer was:

(i) Enrolled in the same group,

(ii) Not enrolled in the same group, but enrolled in a different group sponsored by the sponsoring organization, or

(iii) Not enrolled in the same group, and not enrolled in a different group sponsored by the sponsoring organization.

(2) In the manner specified by the bureau of workers' compensation, the sponsoring organization shall annually identify all employers that were enrolled in the group in the previous policy year but are not enrolled in the group for the policy year for which the current application is made and specify whether the employer is enrolled in another group of the same sponsoring organization.

(3) The bureau may request from individual employers or the sponsoring organization any additional



information necessary for the bureau to rule upon the application for group experience rating. Failure or refusal of the sponsoring organization to provide the requested information in the manner requested by the bureau shall be sufficient grounds for the bureau to reject the application and refuse the group's participation in group experience rating.

(4) A sponsoring organization's application for group experience rating is effective for a single policy year. Continuation of a group for subsequent years requires timely filing of an application on a yearly basis and meeting eligibility requirements set forth in rule 4123-17-61 of the Administrative Code.

(B) Employer requirements.

An employer electing to participate in group experience rating must file an application for group rating (AC-26) with the sponsoring organization of the group in which the employer seeks to participate. If the sponsoring organization elects to include the employer in its group, the sponsoring organization must file the AC-26 form electronically with the bureau by the group experience rating application deadline set forth in the appendices to rule 4123-17-74 of the Administrative Code.

(1) An employer's AC-26 shall remain in effect for all subsequent policy years when the employer remains in the same group or another group sponsored by the same sponsoring organization.

(2) The employer must file an AC-26 if the employer applies for group experience rating with a different sponsoring organization or was not group-experience rated in the previous rating year.

(3) When an employer files a new AC-26 or multiple AC-26 forms during the application period, the latest-filed AC-26 shall establish the employer's intentions for group experience rating. The employer's AC-26 shall remain effective until any of the following occurs:

(a) The employer timely files a subsequent AC-26 indicating the desire to participate in a group with a different sponsor for the upcoming policy year;

(b) The sponsoring organization for the group does not include the employer on the group roster (AC-25);



(c) The group does not reapply for group experience rating or is rejected for failure to meet group eligibility requirements; or

(d) The employer fails to meet individual eligibility requirements set forth in paragraph (B) of rule 4123-17-61 of the Administrative Code.

(C) For private employers, the sponsoring organization shall file applications on or before the date identified in appendix A to rule 4123-17-74 of the Administrative Code. For public employers, the sponsoring organization shall file applications on or before the date identified in appendix B to rule 4123-17-74 of the Administrative Code.

(1) Except as provided in paragraph (B)(6) of rule 4123-17-61 of the Administrative Code, the sponsoring organization may not add an employer to a group after the application deadline. The sponsoring organization will be permitted to correct a clerical error that results in an employer being omitted from a group roster if:

(a) The sponsoring organization has made an error in reporting the name or policy number of the employer on the sponsoring organization's AC-25; or

(b) The sponsoring organization included the employer on the sponsoring organization's AC-25 but failed to file the employer's AC-26 with the bureau prior to the application deadline. The sponsoring organization must provide sufficient documentation, as determined by the bureau, that the employer timely filed its AC-26 with the sponsoring organization.

(2) A sponsoring organization that has applied for group experience rating may not voluntarily terminate the application during the bureau's evaluation period.

(3) Any changes to the sponsoring organization's original application must be filed in a manner prescribed by the bureau prior to the application deadline. Any rescissions made must be completed in writing and signed by an officer of the sponsoring organization to which the members of the group belong. Any changes received by the bureau after the application deadline will not be honored. The latest application form or rescission received by the bureau prior to the application deadline will be



used to determine the premium obligation for the group.

(D) A sponsoring organization shall notify an employer that is participating in a group of that sponsoring organization if the employer will not be included in a group by that sponsoring organization for the next rating year.

(1) For private employer groups, the sponsoring organization shall notify the employer in writing prior to the last business day of October of the year of the group application deadline set forth in appendix A to rule 4123-17-74 of the Administrative Code.

(2) For public employer taxing district groups, the sponsoring organization shall notify the employer in writing prior to the last business day of April of the year of the group application deadline set forth in appendix B to rule 4123-17-74 of the Administrative Code.

(3) If an employer notifies the bureau that a sponsoring organization has not complied with this paragraph, and the sponsoring organization fails to prove that the notice was provided in a timely manner, the bureau will, without the approval of the sponsoring organization, allow the employer to remain in the group for the rating year for which the notice was required. If that group no longer exists the bureau will, without the approval of the sponsoring organization, place the employer in a homogeneous group with the same sponsoring organization or take other appropriate action.

(E) When the bureau determines that individual employers in a proposed group do not meet the eligibility requirements set forth in rule 4123-17-61 of the Administrative Code, the bureau will notify the individual employers and the sponsoring organization of its determination. The sponsoring organization may continue in its application for group coverage without the disqualified employers, but the group must meet minimum requirements of rule 4123-17-61 of the Administrative Code.

(F) A sponsoring organization may request that an employer be removed from its group for a gross misrepresentation made on the employer's application to the group.

(1) "Gross misrepresentation" is an act by the employer that would cause financial harm to the other members of the group, and is limited to any of the following:



(a) The sponsoring organization discovers that the employer applicant for group experience rating has recently merged with one or more entities without disclosing such merger on the employer's application for membership in the group, and such merger adversely affects the experience modification (EM), as defined in rule 4123-17-03 of the Administrative Code, of the group.

(b) The sponsoring organization discovers that the employer applicant for group experience rating has failed to disclose the true nature of the employer's business pursuit on its application for membership in the group, and this failure adversely affects the EM of the group.

(2) Requests for removal of an employer pursuant to this paragraph must be submitted within thirty days of the bureau's notification to the sponsoring organization that a rate adjustment has occurred. The sponsoring organization must notify the employer of its request to remove the employer from the group for gross misrepresentation.

(3) The sponsoring organization must provide sufficient documentation, as determined by the bureau, to support its request to remove an employer from a group.

(4) The employer shall be removed from the group only with the bureau's approval.