



Ohio Administrative Code

Rule 4123-17-66 Termination and transfers for group experience rating.

Effective: July 1, 2024

This rule on termination and transfer of group experience rating shall apply at the group level after the bureau of workers' compensation applies the applicable individual rules on transfer of experience.

(A) A group formed for the purpose of group experience rating may not retroactively include experience in a plan, exclude experience from a plan, or voluntarily terminate a plan during the policy year. A change in the name of the group will not constitute a new group. A change of the organization sponsoring a group or moving a group to a new sponsoring organization shall constitute a new group and the members of the new group must meet the homogeneity requirement of paragraph (B)(3) of rule 4123-17-61 of the Administrative Code. A group will be considered a continuing group if more than fifty per cent of the members of the group in the previous rating year are members of the group in the current rating year.

(B) Successor: Files petition for bankruptcy

Predecessor: No predecessor

An individual employer which is a member of a group for the purpose of experience rating and which becomes a debtor-in-possession during the policy year shall remain a member of the group for the entire policy year.

(C) Successor: Entity not having coverage

Predecessor: Group rated with employees and reported payroll

Where one legal entity not having coverage in the most recent experience period wholly or partially succeeds another legal entity in the operation of a business, and the predecessor entity was a member of a group for experience rating, the successor shall be considered a member of the group, and the



successor entity's rate shall be based on the group's experience, as long as the successor employer is homogeneous to the group. For a partial transfer, the effective date of the group experience transfer shall be on the first day of the next payroll reporting period (January first or July first).

(D) Successor: Group rated

Predecessor: Experience rated (either individually or in a different group), or non-group base rated

Where a legal entity having established coverage is a member of a group for experience rating and wholly succeeds another legal entity, the successor entity shall remain a member of the group for experience rating, and the experience of the predecessor shall be included with the experience of the group for the purpose of experience rating.

(E) Successor: Non-group rated

Predecessor: Group rated

Where a legal entity having established coverage is a member of a group for the purpose of experience rating and is wholly succeeded by another legal entity which is not a member of the group, the successor entity shall not become a member of the group.

(F) Successor: Group rated

Predecessor: Group rated

Where a legal entity which is a member of group for the purpose of experience rating wholly succeeds another legal entity which is also a member of the same group for the purpose of experience rating, the successor entity shall remain a member of the group for the purpose of experience rating.

(G) Successor: Group rated

Predecessor: Self-insured



When an individual employer which has returned to the state insurance fund from self-insured status and has used the self-insured experience in calculating the experience rate becomes a member of a group for the purpose of experience rating, the self-insured experience shall be included in the experience of the group for experience rating purposes. Upon returning to the state insurance fund the employer shall provide the bureau with a payroll, a list of all claims incurred while the employer was self-insured, all payments made with respect to those claims, and any additional information required by the bureau to calculate the employer's experience.

(H) Successor Group rated

Predecessor: Non-group rated

Where a legal entity succeeds in the operation of a portion of a business of another legal entity and the successor entity is a member of a group for experience rating, the successor entity shall remain a member of the group for experience rating, and the experience of the predecessor shall be included with the experience of the group for the purpose of experience rating. The effective date of the group experience transfer shall be on the first day of the next payroll reporting period (January first or July first).

(I) Successor: Non-group rated

Predecessor: Group rated

Where a legal entity having established coverage succeeds in the operation of a portion of a business of another legal entity, and the successor entity is not a member of a group and the predecessor is a member of a group for experience rating, the successor entity will not become a member of the group for experience rating, and the predecessor will remain a member of the group.

(J) Successor: entity not having coverage

Predecessor: Group rated with no employees and no reported payroll



Where one legal entity not having coverage in the most recent experience period wholly or partially succeeds another legal entity in the operation of a business, and the predecessor entity was a member of a group for experience rating, the successor entity shall not become a member of the group unless and until the entity applies for membership in the group in the next experience period.

(K) When any combination or transfer of experience is indicated, the effective date of such combination or transfer shall be the beginning date of the next following payroll reporting period. In cases where an entity not having coverage wholly succeeds another entity, the effective date shall be the actual date of succession.

(L) An individual employer which is a member of a group for the purpose of experience rating may not participate in a retrospective rating plan during the policy year in which the employer is a member of the group.