



Ohio Revised Code

Section 4123.322 Rules for system of prospective payment of workers' compensation premiums.

Effective: September 17, 2014

Legislation: House Bill 493 - 130th General Assembly

(A) The administrator of workers' compensation, with the advice and consent of the bureau of workers' compensation board of directors, shall adopt rules establishing a prospective payment system, which shall include all of the following:

(1) A requirement that upon an initial application for coverage, a private employer shall file with the application an estimate of the employer's payroll for the period the administrator determines pursuant to rules the administrator adopts, and shall pay the amount the administrator determines by rule in order to establish coverage for the employer as described in division (B)(12) of section 4121.121 of the Revised Code;

(2) A requirement that upon an initial application for coverage, a public employer, except for a state agency or state university or college, shall file with the application an estimate of the employer's payroll for the period the administrator determines pursuant to rules the administrator adopts, and shall pay the amount the administrator determines by rule in order to establish coverage for the employer as described in division (B)(12) of section 4121.121 of the Revised Code;

(3) A requirement that an employer complete periodic payroll reports of actual expenditures for previous coverage periods for reconciliation with estimated payroll reports;

(4) The assessment of a penalty for late payroll reconciliation reports and for late payment of any reconciliation premium;

(5) The establishment of a transition period during which time the bureau shall determine the adequacy of existing premium security deposits of employers, the establishment of provisions for additional premium payments during that transition, the provision of a credit of those deposits toward the first premium due from an employer under the rules adopted under divisions (A)(1) to (4) of this section, and the establishment of penalties for late payment or failure to comply with the



rules.

(B) For purposes of division (A)(3) of this section, an employer shall make timely payment of any premium owed when actual payroll expenditures exceeded estimated payroll, and the employer shall receive premium credit when the estimated payroll exceeded the actual payroll.

(C) For purposes of division (A)(4) of this section, if the employer's actual payroll substantially exceeds the estimated payroll, the administrator may assess additional penalties specified in rules the administrator adopts on the reconciliation premium.

(D) As used in this section, "state university or college" has the same meaning as in section 4123.32 of the Revised Code.