

The Ohio Bureau of Workers' Compensation

30 W. Spring Street
Columbus, OH 43215-2256



Bob Taft

Governor

www.ohiobwc.com

James Conrad

Administrator/CEO

1-800-OHIOBWC

January 15, 2004

Ohio Municipal League
175 South Third Street
Suite 510
Columbus, Ohio 43215

Members of the Ohio Municipal League:

On December 12, 2003, the Workers Compensation Oversight Commission concurred with recommendations regarding rate and dividend issues. As with all decisions that impact workers' compensation premiums, I wanted you to be aware of the latest news.

The Commission approved the recommended 2% average increase in premium for public employers. Although two percent is the average, some sectors, such as Ohio's municipalities, will increase by 5% while other sectors, such as Ohio's villages, will only increase by 1%. The percentages are based, in part, upon the number of claims per industry, average industry costs of claims, and average industry claim type.

BWC would also like to take this opportunity to announce the most recent news regarding the dividend program, which has returned more than \$9 billion to Ohio's employers over the past seven years. BWC will again offer a dividend on the upcoming public and private employer premium bills. The oversight Commission recently concurred with the Governor Taft's and BWC's recommendation to offer a 20% dividend to both public and private employers. This 20% will be applied to 2003 premium which is payable in May and September 2004. And, as with all past dividends, BWC is able to offer this credit through gains in the surplus fund, thus maintaining the integrity of the State Insurance Fund while holding harmless injured worker benefits. Of course, as the economy continues to improve, it is our hope that we will be able to offer even greater dividends on future premium payments.

Over the past three years, BWC has been proactively targeting public employers to regain control over their workers' compensation costs. BWC has seen remarkable improvement in public employer efforts to create and maintain safe work environments. Thankfully, these efforts are paying off as evidenced by the 2% average increase verses last year's 12.1% average raise. To help public employers continue to address workplace safety, BWC would like offer assistance to you in your efforts to keep your employees safe. Our Safety and Hygiene Division can provide you with a comprehensive review and provide guidance as you work to enhance the safety of your workplace. BWC also has staff available to assist you in participating in premium discount and safety programs. Should you choose to participate in these programs and meet certain requirements, you may be eligible to receive reductions in your premium. In addition to our consulting services, numerous educational courses are also available to you and your staff at locations through out the state.

Information regarding BWC consulting services and a course listing can be found on line at www.bwc.com. While positive steps have been made, work still remains and we will continue to partner with members of the Municipal League to control their costs and improve safety. Obtaining our assistance is simple. It just takes one phone call to our staff at 1-800-BWC-OHIO. Our call center can answer any BWC related question and make sure you receive the appropriate assistance.

As always, if BWC can be of service to you, please do not hesitate to call. Thank you for your time and continued support of BWC.

Sincerely,

James Conrad
Administrator/CEO