PUTTING OUR CUSTOMERS FIRST

Ohio | Industrial Commission
BUDGET 2014-2015
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It is my pleasure to present to you the Industrial Commission’s 2014 and 2015 Biennial Budget Request. Ours is an agency of process innovation and a commitment to quality.

The Industrial Commission of Ohio, founded in 1911, adjudicates workers’ compensation disputes in a fair and impartial manner. Decision quality is of paramount importance. Our 93 hearing officers, licensed attorneys all, adjudicated nearly 150,000 claims in 2011, of which only 122 were advanced through a writ of mandamus to the Tenth District Court of Appeals. This was a 25 percent decrease from 2010. The IC’s decisions were affirmed 73 percent of the time. In 2012, there were 89 new mandamus cases filed being a 37 percent decrease from the 122 new cases filed in 2011. The 89 new cases is the lowest number of new mandamus cases filed in many years. Of these court decisions rendered in 2012, the Court of Appeals denied the writ – or, in other words, affirmed the Commission – in 78 percent of the cases. To put this achievement in perspective, 248 of these cases were filed in 2005 and 295 such cases were filed in 2001. Appeals to court are now at an all-time low.

Over the past decade or so, the Industrial Commission staff has, through attrition, been reduced from 643 employees in 1997 to 400 by the end of Fiscal Year (FY) 2012. This reduction was achieved by our investment in claim processing automation to achieve labor savings in the workflow process. Despite this reduction in workforce and due to the efficiencies gained through automation, the IC remains in substantial compliance with legislated timelines that were enacted in the early 1990s. These timelines were designed to ensure that claims matters would be adjudicated both fairly and in a timely manner.

As such, the Industrial Commission’s budget has been reduced from a ten-year high of $62.6 million in FY 2011 to $57.2 million in FY 2013. Looking ahead, the annual budgets are projected to decrease to $54.4 million by FY 2015.

We recognize that as a non-General Revenue Funded agency, we have a responsibility to our Ohio employer funding groups to maintain the lowest possible cost structure while attaining our goals of quality, timeliness, and impartiality. As such, Administrative rates for three of four Ohio employer groups were cut for FY 2013. The fourth group, while not realizing a reduction, remains stable with no rate increase.

As we face the challenges in the next fiscal year and beyond, our mission remains the same: Provide superb customer service in an environment of professionalism and fairness while adhering to a philosophy of fiscal accountability with unwavering conviction.

Sincerely,

Jodie M. Taylor
Chairperson and CEO
Reduced Premium Assessment for Ohio Employers

The Industrial Commission of Ohio (IC) is funded by administrative rates applied to the workers’ compensation premiums of Ohio employers.

The agency does not receive any Ohio state income taxes or sales taxes to fund its operations. Because of significant expenditure reduction initiatives in recent years, the IC has been able to reduce its portion of administrative rates charged to Ohio employers by an aggregate of $12.4m or 20.5 percent from 2009 to 2012.
Providing Outstanding Service While Minimizing Costs

The Industrial Commission of Ohio (IC) provides a forum for appealing Ohio Bureau of Workers’ Compensation (BWC) and self-insured employer decisions. IC Hearing Officers resolve issues of dispute in a workers’ compensation claim, determine violations of specific safety requirements, and determine if an injured worker is permanently and totally disabled due to a work-related injury or occupational disease. Throughout the appeals process, the agency offers information and resources to assist parties, including a customer-service phone line and assorted web services, which allow representative interaction to manage and submit evidence for consideration by the IC.

The IC adjudicates claims across three (3) hearing levels. The first level of hearings is at the District Hearing level (DHO). If this DHO decision is appealed, a hearing is held at the Staff Hearing level (SHO). If the SHO hearing is appealed, the claim can then be appealed to the Commission level. The Governor appoints the three-member Commission and the Ohio Senate confirms these appointments. By previous vocation, employment, or affiliation, one member must represent employees, one must represent employers and one must represent the public. One of these members must be an attorney. Hearings are conducted in 12 IC offices around the state. The Executive Director manages the agency’s day-to-day operations.

The performance of the IC continues to meet the statutory mandates of providing a hearing within 45 days of appeal filing and 7 days to issue an order after that hearing for a 52-day time frame maximum for both DHO and SHO levels. DHO/SHO levels have a very high compliance rate with the statutory time frame mandates as discussed further in this document.

With investment in state-of-the-art technological processes, the IC has been able to absorb a significant reduction in its workforce. By attrition only, staffing has decreased by more than 240 employees (37.8 percent) over the past fifteen years, yet the IC continues to meet and exceed statutory requirements for timely service. This process migration has been facilitated by the implementation of computerized improvements in our paperless hearing process (ECM – Enterprise Content Management) and data transmission connectivity. This system allows claims examining work and clerical work such as word processing and scanning/indexing to be assigned to employees regardless of their location among our 12 offices. In turn, employee utilization is increased by having a low volume site process claims or hearing orders for a higher volume site.

We are an agency that is already maximizing productivity while minimizing expenditures, a philosophy that is serving us well as the economy slowly recovers. Prudent planning has allowed our budget to remain relatively flat while introducing many efficiency upgrades in technology.
IC Commissioners

Jodie M. Taylor, Chairperson and CEO
Employer Member
Dates of Service: July 2009 - June 2015


Jodie has been the employer member of the Commission since July 2009.

Her first day on the job was a homecoming for the newest Industrial Commissioner. From 1997 to 2000, Jodie served as an assistant to an IC Commissioner. In this role, she performed legal and legislative research, assisted during hearings, and gained an extensive understanding of the agency.

After leaving the IC, Jodie served as an attorney for two Columbus law firms, where she represented state-fund and self-insured employers at all levels of IC hearings and in court actions throughout Ohio. She is also a frequent lecturer on workers’ compensation issues with extensive legal knowledge in both the private and public sectors.

Jodie earned her bachelor’s degree in diplomacy and foreign affairs from Miami University in 1991. While at Miami, Jodie studied overseas in Luxembourg. In 1995, she received her law degree from the University of Akron School of Law. She is a member of the Ohio State Bar Association and is also a board-certified specialist in workers’ compensation.

Jodie lives in Dublin with her husband, Michael. In October 2009, they welcomed twins, a boy and a girl, Evan and Elizabeth.

Gary M. DiCeglio
Employee Member
Dates of Service: July 2007 - June 2013

Through a lifelong dedication to worker safety issues, Gary brings a wealth of workers’ compensation experience to his role as Employee Member of the IC.

Originally from Akron, Ohio, Gary earned a Bachelor of Science degree in economics from the University of Akron in 1988. In 1992, he received his law degree after graduating cum laude from the University of Akron School of Law.

After law school, Gary began a private law practice, focusing on workers’ compensation matters.

As an employee of the Goodyear Tire and Rubber Company, Gary became a Division Chairman with the United Rubber Workers, a labor union for workers employed by rubber manufacturers. When the United Rubber Workers merged with the United Steelworkers in the 1990s, Gary worked to improve its members’ wages and benefits as a lobbyist in Washington D.C.
In 1998, Gary joined the Ohio AFL-CIO, the largest federation of unions in the United States, as the Director of Compensation and Safety. In this position, Gary focused on worker safety issues, establishing Ohio’s prescription drug discount card program and raising the state minimum wage. Gary also played an important role in crafting Senate Bill 7, which made numerous changes to the Workers’ Compensation law in Ohio.

Gary is a member of the Ohio State Bar Association and resides in Blacklick, Ohio.

Karen L. Gillmor, Ph.D.
Public Member
Dates of Service: July 2011 - June 2017

With over three decades of dedicated public service, Karen brings a tremendous knowledge of workers’ compensation issues to the Industrial Commission of Ohio. A native of Ohio, she earned her diploma from Rocky River High School before earning a bachelor’s degree with honors from Michigan State University and a master’s degree and Ph.D. from The Ohio State University. Her career shows a passionate interest in the fields of health care, labor relations and workers’ compensation. From 1983 to 1986, Karen served as Chief of Management Planning and Research at the Industrial Commission of Ohio. In this position, she authored a study of self-insurance, which was incorporated into Ohio’s omnibus workers’ compensation reform law. She also served as the employee representative to the Industrial Commission of Ohio’s Regional Board of Review and the Ohio Bureau of Workers’ Compensation Oversight Commission. Before coming to the IC, Karen was elected to Ohio’s 26th Senate District seat in 1992, 1996 and 2008. She chaired the Senate Insurance, Commerce and Labor Committee, was a member of the Unemployment Compensation Advisory Committee, and the Labor-Management-Government Committee. She served as vice chair of the State Employment Relations Board from 1997 to 2007 and was a consultant to the United States Secretary of Labor.

Nationally, Karen served on the Health Committee of the American Legislative Exchange Council, as well as on the Health and Human Services Committee of the Council of State Governments’ Midwestern Region. Karen was married to United States Congressman Paul Gillmor, who tragically passed away in 2007. They have five children, Linda, Julie, Paul Michael and twins Connor and Adam.
OUR PLAN TO DECREASE SPENDING
As we prepare to enter the next biennium budget period, the IC is faced with the challenge of succession planning. The IC currently has approximately 24 percent of its current contingent of Full Time Equivalent resources eligible for retirement by the end of calendar year 2013. As the agency transitions through this period, it is devoted to controlling costs. Conservative financial projections and highly scrutinized spending have kept the IC on firm financial footing during this extended period of economic uncertainty. With proactive financial planning and budgeting for the future, we plan to continue these initiatives during fiscal years 2014 and 2015. We are requesting a total budget of $55,642,436 for fiscal year 2014 and $54,428,168 for fiscal year 2013 (See Exhibit A).
Comparison to Previous Budgets

The proposed budget for fiscal year 2014 at $55.6m is 4.7 percent less than the original fiscal year 2013 budget, which was $58.4m. The proposed budget for fiscal year 2015 at $54.4m is 6.8 percent less than the original fiscal year 2013 budget. As shown in Exhibit B the IC has had many years of either no budget increases or small increases. Our proposed fiscal year 2015 budget is actually 8.8 percent less than our fiscal year 2003 budget, which was $59.7m. Despite factors beyond our control such as negotiated pay raises, step increases, increases in health insurance and other inflation, we were able to reduce our budget over the last twelve years.

Exhibit B

Fiscal Year Appropriations FY 2005 - FY 2015
Year to Year Percentage Change in Appropriate Levels

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Budgets (Rounded)</th>
<th>Fiscal Year</th>
<th>Year to Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2005</td>
<td>$60.0 Million</td>
<td>FY 2005</td>
<td>0.00%</td>
</tr>
<tr>
<td>FY 2006</td>
<td>$60.0 Million</td>
<td>FY 2006</td>
<td>0.00%</td>
</tr>
<tr>
<td>FY 2007</td>
<td>$60.0 Million</td>
<td>FY 2007</td>
<td>0.00%</td>
</tr>
<tr>
<td>FY 2008</td>
<td>$61.8 Million</td>
<td>FY 2008</td>
<td>3.00%</td>
</tr>
<tr>
<td>FY 2009</td>
<td>$61.8 Million</td>
<td>FY 2009</td>
<td>0.00%</td>
</tr>
<tr>
<td>FY 2010</td>
<td>$60.8 Million</td>
<td>FY 2010</td>
<td>-1.64%</td>
</tr>
<tr>
<td>FY 2011</td>
<td>$62.6 Million</td>
<td>FY 2011</td>
<td>3.06%</td>
</tr>
<tr>
<td>FY 2012</td>
<td>$59.5 Million</td>
<td>FY 2012</td>
<td>-5.02%</td>
</tr>
<tr>
<td>FY 2013</td>
<td>$57.2 Million</td>
<td>FY 2013</td>
<td>-1.85%</td>
</tr>
<tr>
<td>FY 2014</td>
<td>$55.6 Million</td>
<td>FY 2014</td>
<td>-2.85%</td>
</tr>
<tr>
<td>FY 2015</td>
<td>$54.4 Million</td>
<td>FY 2015</td>
<td>-2.16%</td>
</tr>
</tbody>
</table>
For over a decade, the IC has steadily decreased its number of employees.

Since December 1997, the employment level has decreased from 643 to 400 by the end of FY 2012, which represents a total decrease of 38 percent. In more recent years, the employment level has decreased from 496 in January 2008 to a present level of 388, which is a decrease of 22 percent and an estimated $12.2m in payroll expense savings. Most of our employment decreases have been the result of computer automation and the emergence of electronic claims processing. Work productivity gains have been achieved by the automation of hearing notice generation, by the high degree of hearing order content being auto-populated, and by the expansion of connectivity capacity among offices to allow support functions like claims examining and word processing to be completed throughout the state regardless of hearing location. This has reduced the need for filling support functions lost to attrition and the need to fully staff remote offices for the hearing process. In addition, the inter-office delivery of claims is no longer required, which reduces the frequency of on-site trips and the support staff needed to perform that function.

This ‘Workflow’ system allows us to determine the exact employment needs for our major work classifications. Therefore, we are able to reduce employment through attrition to match these needs. The IC was at the forefront of identifying the maturing of our workforce and constructed a Workforce Development Plan that was used as a model by DAS.

From the human capital prospective, gains have been realized by standardizing claims processing for the agency’s Claims Examiners throughout the state. In cooperation with Bargaining Unit leaders, outdated positions were rededicated to the core functions of claims preparation, review, and docketing using retrained internal resources rather than external hiring.

The IC continues to explore avenues for efficiency by expanding accessibility for direct stakeholder claim management thereby removing any redundancies from the overall process.

**Exhibit C**

**Full Time Employment Levels**  
**December 1997 through December 2012**

<table>
<thead>
<tr>
<th>Month</th>
<th>No. of FTE's</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-97</td>
<td>643</td>
</tr>
<tr>
<td>Jun-98</td>
<td>624</td>
</tr>
<tr>
<td>Dec-98</td>
<td>614</td>
</tr>
<tr>
<td>Jun-99</td>
<td>603</td>
</tr>
<tr>
<td>Dec-99</td>
<td>597</td>
</tr>
<tr>
<td>Jun-00</td>
<td>591</td>
</tr>
<tr>
<td>Dec-00</td>
<td>574</td>
</tr>
<tr>
<td>Jun-01</td>
<td>572</td>
</tr>
<tr>
<td>Dec-01</td>
<td>573</td>
</tr>
<tr>
<td>Jun-02</td>
<td>568</td>
</tr>
<tr>
<td>Dec-02</td>
<td>559</td>
</tr>
<tr>
<td>Jun-03</td>
<td>544</td>
</tr>
<tr>
<td>Dec-03</td>
<td>524</td>
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<tr>
<td>Jun-04</td>
<td>522</td>
</tr>
<tr>
<td>Dec-04</td>
<td>524</td>
</tr>
<tr>
<td>Jun-05</td>
<td>522</td>
</tr>
<tr>
<td>Dec-05</td>
<td>518</td>
</tr>
<tr>
<td>Jun-06</td>
<td>495</td>
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<tr>
<td>Dec-06</td>
<td>486</td>
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<tr>
<td>Jun-07</td>
<td>487</td>
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<tr>
<td>Dec-07</td>
<td>493</td>
</tr>
<tr>
<td>Jun-08</td>
<td>488</td>
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<tr>
<td>Dec-08</td>
<td>487</td>
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<tr>
<td>Jun-09</td>
<td>480</td>
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<tr>
<td>Dec-09</td>
<td>471</td>
</tr>
<tr>
<td>Jun-10</td>
<td>459.5</td>
</tr>
<tr>
<td>Dec-10</td>
<td>439</td>
</tr>
<tr>
<td>Jun-11</td>
<td>413</td>
</tr>
<tr>
<td>Dec-11</td>
<td>400.5</td>
</tr>
<tr>
<td>Jun-12</td>
<td>400</td>
</tr>
</tbody>
</table>

Current FTE Count as of February 2013 is 388

Decrease in Employment over the Period: 37.8%
Our Cost Savings Efforts - Hearing Process

Along with the training and adaptability of the IC workforce, another primary factor that improved the efficiency and operations of the IC over several years is the dedication to applying smart automation. Over fifteen years ago, the IC made a major investment in computerizing the hearing process, which converted a completely manual based process to one that is nearly fully automated.

We send nearly one million hearing notices per year to injured workers, employers and other interested parties, advising them of their hearing dates. These hearing notices are now computer generated with direct connectivity to DAS’s centralized mailing center.

We mail approximately one million hearing orders to injured workers, employers and other interested parties. Much of the data required on the hearing order is retrieved from our computer database requiring only the specifics of the claim findings to be typed into the system. This saves many processing hours. As with the hearing notices, the hearing orders are electronically transmitted to DAS centralized mailing for insertion and dissemination to the parties of the claim. This process minimizes in-house supplies, labor and logistics related to mailing. We are in the midst of evolving this end process with the recent implementation of the e-notification program in December 2012. This program allows representatives to receive hearing notices, orders, and letters electronically rather than through the U.S. mail. To date, 45 of 2,000 representatives have elected to do so.

We have also initiated many other improvements in our processes. The IC utilizes quantity and quality standards for our two most populated work classifications, word processors and claims examiners. This has allowed us to calculate exactly how many employees are required in these classifications. With these numbers in hand, we are reducing our staffing to our calculated employment needs through attrition.

The IC has also empowered customer interaction with the claims adjudication process. The IC’s e-commerce interactive business process is available through ICON (Industrial Commission Online Network) located on our Web site, www.ohioc.com. ICON provides the Bureau of Workers’ Compensation (BWC), injured workers, employers and their representatives the ability to file most appeals online. Through ICON, the parties involved and the BWC can view claim activity, mark documents as relevant to the hearing, view their personalized hearing calendar, and retrieve and print claim documents so they do not have to travel to the local IC office to prepare for their hearings. ICON enhancements this past year include:

- Allow all involved parties to view photographs and videos on-line that have been submitted and stored to the paperless ECM hearing application
- Employers and representatives can interactively enter their hearing docket availability for future scheduling without IC assistance
- Configured to now allow stakeholder accessibility through a variety of mobile electronic devices including the Windows PC, the MacBook, the iPhone, the iPad, the Android tablet, and the Android phone.
Our Cost Savings Efforts – Support Areas

While agency attrition since Fiscal Year 2008 has yielded estimated payroll expense savings in excess of $12MM, there are other areas of note that have contributed to the IC’s low cost structure. These include:

- Lease payment expense – an aggregate of $2.4MM since FY 2009 using office consolidations and rent renegotiations in IC district offices
- VoIP operations have saved an aggregate of $219,000 since FY 2009 while expanding our broadband capabilities to the district offices
- Leveraged toner purchases using a vendor point program to secure $106,000 in needed equipment replacements without a cash outlay
- Reduced annual expenditures for office supplies from $219,000 in FY 2008 to $109,000 in FY 2012 through office consolidations, claims processing workflow, and utilizing centralized mailing.
- Server virtualization has allowed Single Point Management and improved Disaster Recovery capabilities while negating the need to expend $200,000 to replicate these advantages with more hardware
- Images stored within our paperless hearing process have been converted to a Content Engine platform that allows faster access while eliminating $76,000 in annual licensing costs associated with the previous platform.
- As noted in Exhibit D, the IC has also slashed overtime paid by 75 percent from $96,792 in FY 2006 to $23,828 in FY 2012. Most of our recent overtime expenditures were devoted to the server virtualization project whose savings more than covered this temporary expense outlay.

Exhibit D

OVERTIME EXPENSES

Higher overtime totals in FY 2011 and FY 2012 vs. 2010 related to IT Server Virtualization project which has saved in excess of $200,000 in redundancy hardware costs.
A Vision for the Future

The primary concentration of the IC’s business plan for FY 2013 and the coming biennium is succession planning. The IC currently has 86 employees eligible for retirement by the end of calendar year 2013. This represents 22 percent of current Full Time Equivalent staffing. We have significant vulnerability in our SHO and Claims Examining classifications where 21 resources and 22 resources respectively could retire now or by the end of 2013. While SHO departures could be filled with on-staff DHO’s, the challenge becomes the acquisition of qualified DHO on a timely basis.

For the claims examining function, efforts will concentrate on the continuation of the goal standardization, the creation of a training certification program to upgrade the knowledge and skill sets for Claims Examiners seeking advancement, and a revision of the classification specifications. It is anticipated that these actions will consolidate functions and boost the learning curve thereby achieving a high quality optimum statewide workforce that eliminates redundant functions and allows for a net attrition effect.

The requested budget enables the IC to operate with an FTE ceiling of 420. It is the intention of the IC to only fill those vacancies deemed necessary to meet our statutory mandates. If a backfill is required for a retired position, the ceiling will allow some lead-time cushion to post, recruit, and select successors when a retirement notification is received. The lead-time will allow a learning curve to be developed and the resource to assume full duties around the point of departure for the retiree. At no point is it anticipated that the agency FTE count will be become embedded at or near 420.

Future projects in our IT area will also minimize staffing needs as customer e-commerce interaction will become more accessible and all claims processing will initiate from one production platform. Among these planned enhancements:

- eForms will be created on ICON, which will allow external parties to complete on-line forms and submit them directly into our Teleform scanning process. This will reduce paper and IC hands-on scanning activity
- Partner with BWC IT area to use electronic transfer to forward IC notices and Hearing Orders thereby reducing paper, toner, and handling costs
- All hearing related functions including order processing will be streamlined onto one platform that will allow most orders to be generated by the Hearing Officer without Word Processor interaction.
- The potential introduction of Voice Recognition software where hearing officers’ dictation will be converted to text for order creation in Workflow.
- To support the statewide Disaster Recovery initiative, IC will replace an older coding system in our documents program to bar codes. This will allow State Printing to parcel out IC jobs to back-up state sites should an event occur. Currently, IC would need to print out notices and orders should State Printing go off line.

Looking past the next biennium budget period in 2014, we expect a large decrease in our yearly expenses because the bond debt-service for the William Green Building will expire and will save $3 million per year. It is anticipated that this expense reduction will allow the IC to recommend stable rates that are commensurate with prevailing inflationary trends. At the same time, our investments in upgrading our IT infrastructure will also be expended in a stable manner as to maintain a state of the art system while avoiding excessive outlays at any one point.

We look forward to providing the same high level of commitment, dedication, performance and fiscal prudence to our stakeholders over the coming biennium.
GREAT CUSTOMER SERVICE, LOW EXPENSES
Great Customer Service, Low Expenses

Even with our history of fiscal prudence, our production has not suffered. The IC consistently hears almost 700 claims per day and performs approximately 3,000 medical exams per year. This requires great teamwork, especially when customers need our help in emergency situations.

When an injured worker has a dire need, the IC strives to docket an emergency hearing on the injured worker’s claim within three to five days after the injured worker files a request for an emergency hearing. This may happen, for instance, in a case where an injured worker is about to be evicted because their injury has prohibited them from being able to work and receive wages to pay their bills. In some cases, cash relief could be a matter of life and death. Sometimes the injured worker simply cannot afford to wait the 45 days that it may take for their claim to be processed, so we work to expedite their claim in these urgent situations. We also offer Interpreter Services to injured workers.

BWC initially determines claims. If a BWC order is appealed, by statute the IC has 45 days to conduct the first level hearing. If this decision is appealed, the IC conducts the second level hearing within 45 days. A final appeal may be made to the three-member Commission. Exhibit E (next page) outlines the potential flow of an appeal through the process.
Disputed issues in self-insured employers’ claims or issues where BWC does not have original jurisdiction

Review claim and set hearing date

Hearing by district hearing officer and order published within 52 days of a filed appeal

Parties have 14 days after receipt of a DHO order to file an appeal

Hearing and order published by staff hearing officer within 52 days of a filed appeal

Parties have 14 days after receipt of a SHO order to file an appeal

If heard at the Commission level, hearing and order published within 52 days of a filed appeal

If a hearing is refused at the Commission level, order is sent within 14 days of appeal period expiration

Parties may appeal a Commission level decision within 60 days of receipt of a final IC order other than a decision as to the extent of disability, to the Court of Common Pleas in the county in which the injury occurred.
**Ohio Industrial Commission Reduced Workers’ Compensation Rates**

In June 2012, the Ohio Industrial Commission proposed new, lower administrative rates for three of four Ohio employer groups. The fourth employer group, while not realizing a reduction, remained stable with no rate increase.

Ohio employers pay assessments that are used to fund the administrative operations of the Ohio Industrial Commission. Employers are divided into four distinct groups: private state insurance fund participating employers, state government agencies, other public taxing districts, and self-insuring employers. Periodically, the Commission examines rates for each of these groups and related operational costs.

For Calendar Year 2012 and for the current Calendar Year 2013, the IC’s Administrative Cost Fund rates are as follows:

<table>
<thead>
<tr>
<th>EMPLOYER GROUP</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private</td>
<td>2.10%</td>
<td>2.03%</td>
</tr>
<tr>
<td>Public State</td>
<td>3.31%</td>
<td>3.26%</td>
</tr>
<tr>
<td>Public Taxing Districts</td>
<td>1.81%</td>
<td>1.81%</td>
</tr>
<tr>
<td>Self-Insuring</td>
<td>7.50%</td>
<td>7.25%</td>
</tr>
</tbody>
</table>

**Industrial Commission of Ohio Launches Facebook Page**

In an effort to reach out to its customers and open the lines of communication in an efficient and cost-effective manner, the Ohio Industrial Commission launched its own Facebook page on October 18, 2011.

On the IC’s Facebook page, injured workers and employers now have quick access to vast amounts of information about the agency. Followers of the IC Facebook page are the first to receive IC news releases, office closure announcements, IC job postings, IC rules and resolution changes, Hearing Officer Manual updates, new publication announcements, and ICON-related announcements.

A link to the IC Facebook page is available on the IC website at www.ohioic.com. Customers may also search for the Industrial Commission’s page on Facebook. If an injured worker or employer does not have a Facebook account, then they will still be able to receive agency news via traditional means, such as press releases and website announcements.

**New Customer Comment Tracking System Allows IC to Hear From You**

As part of the IC’s Marketing Plan, the IC revamped the customer comment cards.

Subsequent marketing initiatives quickly led to an overwhelming number of cards being completed, yet the agency decided to go a step further in our quest for customer feedback.

As part of this initiative, the IC developed a comment card tracking system. Now, when a customer fills out a comment card at any IC office, he or she can place it into a new, locked, comment card box.

Once the IC receives the cards, staff members enter information into a database. Then, a manager is assigned to find a
resolution to the issue within 30 days of the date that the comment card was entered into the database. Resolution can mean implementation, denial or partial implementation, or denial.

After a resolution is achieved, if the customer left his or her contact information, a staff member will contact the customer and let him or her know the results of the submission.

**IC Commissioners Can Now Sign Orders Electronically**

The Ohio Industrial Commission announced on December 16, 2011, that IC Commissioners can sign hearing orders electronically.

With the implementation of electronic signatures for discretionary appeals, Commissioners will now have the option to sign the orders remotely, which will lead to faster publication of orders. The Industrial Commission Online Network (ICON) allows Commissioners to access and sign orders from a personal computer, MacBook, iPad or Android Tablet.

Each electronic signature is password protected to ensure maximum security. Electronic signatures were not the only improvement that the IC has developed for its customers.

In November 2011, discretionary appeals at the Commission-level were added to Workflow. In Workflow, orders are created and promptly routed to the appropriate staff members for review. In addition to this advancement, a new search feature was added that allows Commissioners to search for orders by claim number, party last name, or party first name.

**Video Evidence Now Available for Viewing on ICON**

The Ohio Industrial Commission started adding video evidence into its document management system on February 27, 2012.

This video evidence is available for viewing in ICON and during hearings.

Submitted video evidence can be uploaded by some offices now, and soon all offices will be able to upload video evidence.

Submitted video evidence will show in the list of claim documents, and it is identified with a document type of “HCE” and a document description that contains “Video.”

If submitted video evidence is not seen in the list of claim documents, the party submitting it must be prepared to bring the video and the necessary equipment to play the video at the hearing.

**New Mail Pickup Location in the William Green Building**

Picking up flat mail in the William Green Building became more convenient for workers’ compensation representatives.

In March 2012, workers’ compensation attorneys and representatives began retrieving their flat mail from the Customer Service Department on the first floor. Previously, representatives had to go to Level B-2 to retrieve their flat mail.

The previous mail pickup location did not offer the same convenience as the new location. In the past, attorneys and representatives would have to obtain a visitor badge at the security desk before going to Level B-2.
Hearing Inventory

Industrial Commission workloads and performance are initiated by and heavily dependent upon the volume of new claims filed with the Bureau of Workers’ Compensation along with new motion and appeal filings. IC inventory volume is subject to volatile daily swings dependent on appeal filings, claim flows from the BWC, docketing loads, and other factors.

Statewide average monthly DHO/SHO inventory was 22,950 claims for FY 2012. Regional breakdown of average inventories for FY 2012 is as follows: Columbus – 29 percent; Cleveland – 27 percent; Cincinnati – 20 percent; Akron – 15 percent; Toledo – 9 percent.
Hearing Activity

The Industrial Commission heard approximately 147,574 claims during FY 2012 at all adjudicatory levels. The total DHO volume accounts for 70 percent of overall hearings at 103,194 claims heard. Total SHO claims heard are recorded at 43,928 claims. Deputy venue claims heard totaled 125 in FY 2012 while the Commission venue recorded 327 claims heard.

Approximately 53,691 issues were captured that do not initially require formal adjudication via hearing (lump sum settlements, lump sum advancements, Hearing Administrator issues, PT adjustments, etc.). These issues receive administrative review and processing at the clerical, claims examining, word processing, and hearing officer levels but are not typically reflected in routine production reports under DHO or SHO dockets. These issues may subsequently result in a hearing under the normal adjudicatory process and are reflected accordingly under respective hearing venues.

> TOTAL REVIEWS IN FY 2012 - 53,691
> ADMIN REVIEWS INCLUSIVE OF HEARING ADMIN, COMMISSION SCREENING, AND OTHER NON-HEARING ISSUES
Regionally, the distribution of FY 2012 claims heard at DHO and SHO hearing levels is as follows: Cleveland – 29 percent; Columbus – 28 percent; Cincinnati – 20 percent; Akron – 14 percent; Toledo – 9 percent.

The total claims heard figure is inclusive of continuances, referrals, dismissals, and other final determinations made as a result of a hearing.

DHO and SHO hearings were conducted on 248 days during FY 2012. An average of 593 claims were heard per day at the DHO/SHO hearing levels. District Hearing Officers averaged 416 claims heard per day while Staff Hearing Officers averaged 177 claims heard per day.
A total of 2,204 hearing records were flagged as requiring interpreter services during FY 2012, marking a decrease of three hearing records from FY 2011.

Hearings Held by Employer Group

Hearings were conducted for approximately 38,011 different employers in FY 2012. Hearings for claims of private state funded employers accounted for 56 percent of all hearings while self-insuring employers accounted for 26 percent; public county employers accounted for 13 percent; and public state employers’ claims accounted for 5 percent.

The volume of claims heard reflects actual employee workload production as each claim must be reviewed and processed at multiple levels to perfect the adjudication process. Given that multiple claims may be scheduled for presentation at one hearing, the hearings held figure will be slightly lower. For example, one PTD hearing may consist of three claims filed by an Injured Worker. Reporting would reflect these totals accordingly.

<table>
<thead>
<tr>
<th>Employer Type</th>
<th>State Fund</th>
<th>Self-Insured</th>
<th>Pol. Sub (County)*</th>
<th>State*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hearings Held</td>
<td>82,698</td>
<td>38,453</td>
<td>19,031</td>
<td>6,653</td>
<td>146,835</td>
</tr>
<tr>
<td>Claims Heard*</td>
<td>83,110</td>
<td>38,640</td>
<td>19,144</td>
<td>6,680</td>
<td>147,574</td>
</tr>
</tbody>
</table>
Hearing Administrator

Hearing Administrators perform a variety of functions that facilitate the adjudication process. In addition to processing approximately 25,758 continuance requests during FY 2012, they also processed 12,525 requests to withdraw motions or appeals and to cancel scheduled hearings. Additionally, Hearing Administrators processed requests for extensions related to PTD filings and requests regarding other miscellaneous issues.

Statewide, Hearing Administrators made decisions on, or referred to hearing, approximately 43,929 issues during FY 2012. Regional volumes of Hearing Administrator activity are presented in the graph below.
Medical Activity

The Industrial Commission schedules medical exams for injured workers who have filed for permanent total disability benefits related to work injuries. Most of these claims will result in a subsequent hearing. The volume of claims within the IC medical section during FY 2012, was 546 claims.

A total of 2,816 specialist exams and medical reviews were performed on behalf of the IC during FY 2012.

![Medical Specialist Exams / Reviews FY 2012](chart.png)

**MEDICAL SPECIALIST EXAMS / REVIEWS**
**FY 2012**

<table>
<thead>
<tr>
<th>City</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akron</td>
<td>364</td>
</tr>
<tr>
<td>Cincinnati</td>
<td>242</td>
</tr>
<tr>
<td>Cleveland</td>
<td>348</td>
</tr>
<tr>
<td>Columbus</td>
<td>1,111</td>
</tr>
<tr>
<td>Dayton</td>
<td>198</td>
</tr>
<tr>
<td>Toledo</td>
<td>265</td>
</tr>
<tr>
<td>Youngstown</td>
<td>288</td>
</tr>
</tbody>
</table>

**TOTAL EXAMS FOR FY 2012 - 2,816**
Commission Performance

Hearing timeframe performance mandates and benchmarks have been set forth in HB 107 and HB 413 for the DHO, SHO, and Commission hearing venues. On average, all IC offices and venues performed within the statutory limits set forth that require a claim to be heard within 45 days of a motion or appeal filing. The overall IC performance benchmarks for Filing to Mailing are set at 52 days for each hearing venue. This performance measure is based on the combination of the two statutory periods Filing to Hearing and Hearing to Mailing (45 + 7).

DHO Performance

District hearing officers (DHO) conduct hearings on two formal docket types – Allowance (primarily injury allowance, compensation, and treatment issues) and C-92 (permanent partial disability issues). Only allowance dockets fall under time frame requirements outlined in HB 107. DHOs heard a total of 79,895 allowance docket claims during FY 2012. Of those, 65,670 qualified for inclusion in time studies. On average, the DHO process was completed within 41 days during FY 2012.

DHO FILING TO MAILING PERFORMANCE - FY 2012

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>3rd QTR 2011</td>
<td>38</td>
</tr>
<tr>
<td>4th QTR 2011</td>
<td>40</td>
</tr>
<tr>
<td>1ST QTR 2012</td>
<td>44</td>
</tr>
<tr>
<td>2ND QTR 2012</td>
<td>42</td>
</tr>
</tbody>
</table>

*BENCHMARK IS 52 DAYS
SHO Performance

Staff hearing officers (SHO) conduct hearings on five formal docket types – Appeal (primarily injury allowance, compensation, and treatment issues), PTD (permanent total disability), Reconsideration (permanent partial disability issues), VSSR (Violations of Specific Safety Requirements), and MISC (other issues not designated to a pre-defined docket type). Only appeal dockets fall under time frame requirements outlined in HB 107. SHOs heard a total of 37,111 appeal claims during FY 2012. Of those, 31,767 qualified for inclusion in time studies. On average, the SHO process was completed within 38 days during FY 2012.

![SHO Filing to Mailing Performance - FY 2012](image_url)
Commission Performance

For hearings conducted during FY 2012, the Commission venue average for the period Filing of Appeal to Hearing Date (F-H) is 43 days.

The Commission venue average for the Filing of Appeal to Mailing of Order time frame is 113 days.
**SHO Refusal Order Performance**

Appeals to SHO orders are discretionary in nature and processed centrally by the Commission Level Hearing Section in Columbus. Per mandate, if an appeal is refused, it is to receive a refusal order within 14 days of the expiration period in which an appeal may be filed to an SHO order.

**SHO Appeal Order Expiration Date to Refusal Order Mailing Date**

*FY 2012*

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Number of Refusal Orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>3rd QTR 2011</td>
<td>7</td>
</tr>
<tr>
<td>4th QTR 2011</td>
<td>7</td>
</tr>
<tr>
<td>1ST QTR 2012</td>
<td>7</td>
</tr>
<tr>
<td>2ND QTR 2012</td>
<td>6</td>
</tr>
</tbody>
</table>

**STATUTE - 14 DAYS**
Our 12 offices in 5 regions blanket the state. IC office locations are carefully chosen so that most injured workers do not have to drive more than 45 minutes from their home to get to their hearing.
Office Locations & Contact Information

**Customer Service and Interpretive Services**

800.521.2691; toll free, nationwide
614.466.6136; Franklin County
800.686.1589; toll free, TDD

Email: askic@ic.state.oh.us
Web: www.ohioic.com

**AKRON REGION**

*Akon*  
161 S. High St., Suite 301  
Akron, Ohio 44308-1602  
Tel: 330.643.3550  
Fax: 330.643.1468

*Mansfield*  
240 Tappan Drive N., Suite A  
Mansfield, Ohio 44906  
Tel: 419.529.1360  
Fax: 419.529.3084

**CINCINNATI REGION**

*Cincinnati*  
125 E. Court St., Suite 600  
Cincinnati, Ohio 45202-1211  
Tel: 513.357.9750  
Fax: 513.723.9811

*Dayton*  
1242 E. Dayton-Yellow Springs Rd.  
Fairborn, OH 45324  
Tel: 937.264.5116  
Fax: 937.264.5130

**CLEVELAND REGION**

*Cleveland*  
615 Superior Ave. NW, 7th Floor  
Cleveland, Ohio 44113-1898  
Tel: 216.787.3001  
Fax: 216.787.3483

*Youngstown*  
242 Federal Plaza West  
Youngstown, Ohio 44503-1206  
Tel: 330.792.1063  
Fax: 330.792.2473

**COLUMBUS REGION**

*Columbus*  
30 W. Spring St., 7th Floor  
Columbus, Ohio 43215-2233  
Tel: 614.466.4683  
Fax: 614.644.8373

*Cambridge*  
2130 E. Wheeling Ave.  
Cambridge, Ohio 43725  
Tel: 740.435.4000  
Fax: 740.435.4010

*Logan*  
12898 Grey St.  
Logan, Ohio 43138  
Tel: 740.380.9685  
Fax: 740.385.2436

*Portsmouth*  
1005 Fourth St.  
Portsmouth, Ohio 45662-4315  
Tel: 740.354.2334  
Fax: 740.353.6975

**TOLEDO REGION**

*Toledo*  
One Government Center, Suite 1500  
640 Jackson Street  
Toledo, Ohio 43604  
Tel: 419.245.2740  
Fax: 419.245.2652

*Lima*  
2025 E. Fourth St.  
Lima, Ohio 45804-0780  
Tel: 419.227.7193  
Fax: 419.227.7150

*Medical Examination Locations*
PTD Submission Process

Permanent total disability (PTD) claims are in a category all their own because they are handled much differently than typical claims that come to the IC. PTD claims take much longer to go through the process because there is a required independent medical exam, and there are submission periods built in to allow parties time to obtain medical and vocational information. The submission periods were put into place so that parties could provide hearing officers with the most information possible when they decide whether to grant or deny a PTD award. Exhibit F shows the submission periods for permanent total disability processing.

As shown in Exhibit F (next page), while there are potentially six months of submission periods built into the PTD process, overall the IC is processing PTD claims at a faster rate than the submission periods dictate.
**PTD Timeline**

**Exhibit F**

### Permanent Total Disability (PTD) Timeline

<table>
<thead>
<tr>
<th>Event Description</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application filed and received for permanent total disability and acknowledgment letter issued</td>
<td></td>
</tr>
<tr>
<td><strong>60 Days</strong></td>
<td></td>
</tr>
<tr>
<td>Parties have 60 days to submit medical evidence</td>
<td>60 Days</td>
</tr>
<tr>
<td>(after the date of the IC acknowledgment letter)</td>
<td></td>
</tr>
<tr>
<td><strong>63 Days</strong></td>
<td></td>
</tr>
<tr>
<td>Medical examination processing takes an average of 60 days</td>
<td>63 Days</td>
</tr>
<tr>
<td><strong>45 Days</strong></td>
<td></td>
</tr>
<tr>
<td>Parties have 45 days to submit additional vocational information</td>
<td>45 Days</td>
</tr>
<tr>
<td>(from the mailing date of the IC vocational letter)</td>
<td></td>
</tr>
<tr>
<td><strong>14 Days</strong></td>
<td></td>
</tr>
<tr>
<td>Parties must be notified at least 14 days before their hearing</td>
<td>14 Days</td>
</tr>
</tbody>
</table>

**Total: 183 Days**

This is the total time that could be spent waiting for parties or physicians to submit documentation. Most time periods are dictated by IC rules.

* The IC is currently processing PTD applications at a rate of 173 days.