

OMBUDS OFFICE

2016 Annual Report



Columbus Office
30 West Spring St., L1
Columbus, OH 43215-2256
800-335-0996
Fax 877-321-9481



**Ombuds
Office**

An Independent Service of
Ohio's Workers' Comp System

Cleveland Office
615 W Superior Avenue, L6
Cleveland, OH 44113-1889
800-335-0996
Fax 877-321-9481

Table of Contents

Message from the Chief Ombudsperson	2
About the Ombuds Office	4
Ombuds Office Workflow	6
Ombuds Office Case Stories	7
2016 Statistical Information Summary	12
Ombuds Office 2016 Statistics	
Method of Customer Contact.....	13
Cases by Customer Type	14
Cases by Type of Employer	15
Cases by Issue Type.....	16
Issue Report - Ombuds Complaints	17
Causation and Accountability Reports	18
Year-to-Year Comparison	19
Issue Report—Ombuds Inquiries	20
Issue Report - Other Inquiries	21
2016 Administrative Update	22
Ombuds Office Table of Organization	25
Expenditure Report	26
Ohio Workers' Compensation Statistics:	
Industrial Commission	27
Bureau of Workers' Compensation	28
Industrial Commission Nominating Council	30

Message from the Chief Ombudsperson



April 17, 2017

Industrial Commission
Nominating Council

Dear Council Members:

I am pleased to present the Ombuds Office Annual Report for calendar year 2016 (CY2016). In accordance with Ohio Revised Code section 4121.45, this report provides a statistical summary of the activity of the Ombuds system from CY2016. Ombuds Office staff again continued to perform our mission of assisting injured workers and employers in matters dealing with the Bureau of Workers' Compensation (BWC) and the Ohio Industrial Commission (IC).

2016 was a busy and productive year; of the 7,756 customer contacts handled by our office, we categorized 806 as complaints, based on the customer expressing dissatisfaction with BWC or IC. These complaint contacts came from the following sources:

- Injured workers (or their representatives) 62 percent;
- Employers (or their representatives) 34 percent;
- Other 4 percent.

Of the remaining 6,950 customer contacts, we categorized 4,230 as Ombuds inquiries and 2,720 were categorized as other inquiries. These contacts came from the following sources:

Ombuds inquiry

- Injured workers (or their representatives) 54 percent;
- Employers (or their representatives) 40 percent;
- Other 6 percent.

Other inquiries

- Employers (or their representatives) 76 percent;
- Injured workers (or their representatives) 16 percent;
- Other 8 percent.

In 2014 we developed a new approach to collect data and describe the issues presented to the office. Information about our customer contacts is critical in order to identify patterns, trends, and opportunities for improvement of the workers' compensation system. This report reflects the new, more robust approach to data collection and provides new detail related to all customer contacts to the Ombuds Office.

Customer outreach and education continued to be a priority for 2016 and will remain a high priority in the future. I completed my statewide visits to all BWC and IC service offices in 2015. These meetings provided an opportunity to clarify the Ombuds Office mission and purpose with agency staff and explain when referrals are appropriate. I also accepted various speaking engagements in 2016 including presenting at the AFL-CIO Workers' Compensation School, speaking to various safety councils throughout the state, speaking to OCSEA members, and speaking to the Columbus Bar Association Workers' Compensation Committee. We are still working with BWC to develop an online contact form for customers to fill out. Once functional, this form will provide customers with an alternative method to contact us. Simultaneously, it will provide staff with enough information so that we can efficiently begin to resolve issues quickly. I also worked with the IC to set up a self-help station for customers to be able to access their claim information in the Columbus Ombuds Office lobby.

Finally, we have maintained membership with the International Ombudsman Association (IOA) whose mission is to support and advance the ombudsman profession and ensure that practitioners work to the highest professional standards. The IOA provides a set of professional and ethical principles to which members adhere in their ombudsman practice. These principles reflect a commitment to promote ethical conduct in the performance of the ombudsman role and to maintain the integrity of the ombudsman profession – independence, neutrality, impartiality, confidentiality and informality. We also belong to the United States Ombudsman Association whose purpose is to assist existing ombudsmen and ombudsman organizations in improving the operation of ombudsman offices throughout the United States.

Once again, all Ombuds staff faithfully continued to perform their work and resolve issues for our customers. They deserve commendation for their continued dedication and hard work.

I appreciate the confidence placed in me by this nominating council and look forward to a productive 2017.

Sincerely,



Beryl Piccolantonio
Chief Ombudsperson

About the Ombuds Office

The Ohio General Assembly established a workers' compensation ombudsperson system, which has been in place since the 1970s (ORC 4121.45). The Ombuds Office is a neutral and independent resource available to employers, injured workers, and their representatives, to assist with problems navigating and questions arising out of the Ohio workers' compensation system. We answer inquiries and investigate complaints about the workers' compensation system, facilitating resolution of issues when possible. We capture, categorize and analyze inquiry and complaint data to identify areas of potential concern in the workers' compensation system. This information is published annually.

§ 4121.45 Ombudsperson system.

- A. There is hereby created a workers' compensation ombudsperson system to assist claimants and employers in matters dealing with the bureau of workers' compensation and the industrial commission. The industrial commission nominating council shall appoint a chief ombudsperson. The chief ombudsperson, with the advice and consent of the nominating council, may appoint such assistant ombudspersons as the nominating council deems necessary. The position of chief ombudsperson is for a term of six years. A person appointed to the position of chief ombudsperson shall serve at the pleasure of the nominating council. The chief ombudsperson may not be transferred, demoted, or suspended during the person's tenure and may be removed by the nominating council only upon a vote of not fewer than nine members of the nominating council. The chief ombudsperson shall devote the chief ombudsperson's full time and attention to the duties of the ombudsperson's office. The administrator of workers' compensation shall furnish the chief ombudsperson with the office space, supplies, and clerical assistance that will enable the chief ombudsperson and the ombudsperson system staff to perform their duties effectively. The ombudsperson program shall be funded out of the budget of the bureau and the chief ombudsperson and the ombudsperson system staff shall be carried on the bureau payroll. The chief ombudsperson and the ombudsperson system shall be under the direction of the nominating council. The administrator and all employees of the bureau and the commission shall give the ombudsperson system staff full and prompt cooperation in all matters relating to the duties of the chief ombudsperson.
- B. The ombudsperson system staff shall:
1. Answer inquiries or investigate complaints made by employers or claimants under this chapter and Chapter 4123. of the Revised Code as they relate to the processing of a claim for workers' compensation benefits;
 2. Provide claimants and employers with information regarding problems which arise out of the functions of the bureau, commission hearing officers, and the commission and the procedures employed in the processing of claims;
 3. Answer inquiries or investigate complaints of an employer as they relate to reserves established and premiums charged in connection with the employer's account;
 4. Comply with Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code and the nominating council's human resource and ethics policies.
 5. Not express any opinions as to the merit of a claim or the correctness of a decision by the various officers or agencies as the decision relates to a claim for benefits or compensation.

For the purpose of carrying out the chief ombudsperson's duties, the chief ombudsperson or the ombudsperson system staff, notwithstanding sections 4123.27 and 4123.88 of the Revised Code, has the right at all reasonable times to examine the contents of a claim file and discuss with parties in interest the contents of the file as long as the ombudsperson does not divulge information that would tend to prejudice the case of either party to a claim or that would tend to compromise a privileged attorney-client or doctor-patient relationship.

C. The chief ombudsperson shall:

1. Assist any service office in its duties whenever it requires assistance or information that can best be obtained from central office personnel or records;
2. Annually assemble reports from each assistant ombudsperson as to their activities for the preceding year together with their recommendations as to changes or improvements in the operations of the workers' compensation system. The chief ombudsperson shall prepare a written report summarizing the activities of the ombudsperson system together with a digest of recommendations. The chief ombudsperson shall transmit the report to the nominating council.
3. Comply with Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code and the nominating council's human resource and ethics policies.

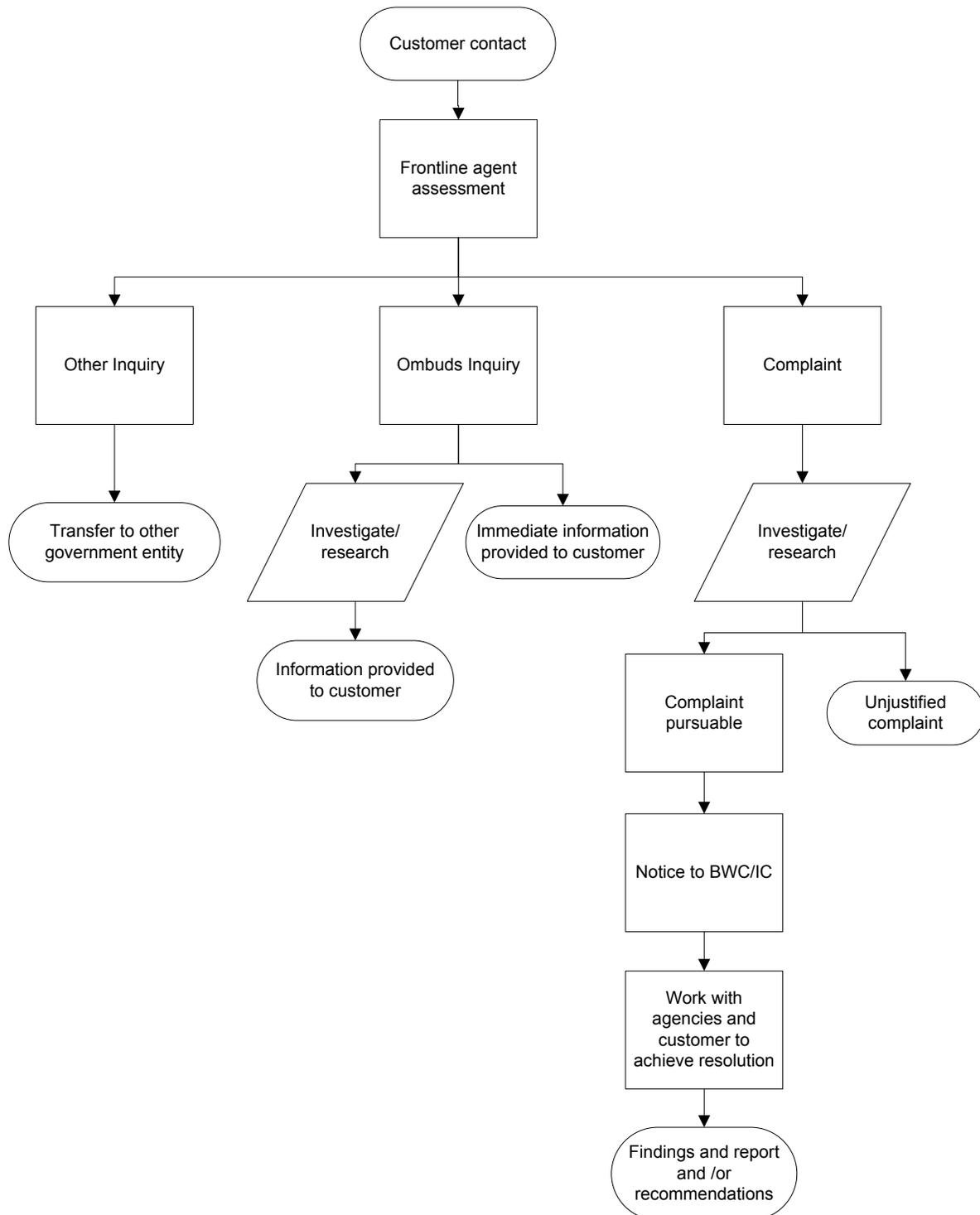
D. No ombudsperson or assistant ombudsperson shall:

1. Represent a claimant or employer in claims pending before or to be filed with the administrator, a district of staff hearing officer, the commission, or the courts of the state, nor shall an ombudsperson or assistant ombudsperson undertake any such representation for a period of one year after the ombudsperson's or assistant ombudsperson's employment terminates or be eligible for employment by the bureau or the commission or as a district or staff hearing officer for one year;
2. Express any opinions as to the merit of a claim or the correctness of a decision by the various officers or agencies as the decision relates to a claim for benefits or compensation.

E. The chief ombudsperson and assistant ombudspersons shall receive compensation at a level established by the nominating council commensurate with the individual's background, education, and experience in workers' compensation or related fields. The chief ombudsperson and assistant ombudspersons are full-time permanent employees in the unclassified service of the state and are entitled to all benefits that accrue to such employees, including, without limitation, sick, vacation, and personal leaves. Assistant ombudspersons serve at the pleasure of the chief ombudsperson.

F. In the event of a vacancy in the position of chief ombudsperson, the nominating council may appoint a person to serve as acting chief ombudsperson until a chief ombudsperson is appointed. The acting chief ombudsperson shall be under the direction and control of the nominating council and may be removed by the nominating council with or without just cause.

Ombuds Office Workflow



Ombuds Office Case Stories

The sampling of case stories below represent the variety of complaints and issues our customers brought to us in 2016.

Something is wrong!

An injured worker contacted the Ombuds Office because she was suffering serious financial hardship and questioning BWC's calculation of her loss of use award. The injured worker told Ombuds staff that she needed a vehicle and repairs done to her home but could not afford to spend any money until the issue was resolved with BWC.

The injured worker first contacted BWC and requested a breakdown of what it had paid and what it would still pay. BWC told her it would not provide that information to her because those details were contained within the written decision that granted her the award. The injured worker was confused because the balance she saw due in February was approximately \$54,000. However, by May, the balance was only \$22,000.

Ombuds staff researched the issue and learned that BWC was originally unsure about how many weeks it was to pay the award. BWC worked with its Legal Division to arrive at a final calculation. Ombuds staff then reached out to BWC and requested it describe in detail how much it determined the award to be, how much it had paid, and the balance remaining. After looking more closely, BWC realized it owed the injured worker more than what it thought. Once BWC determined the correct amount of the award, the injured worker was able to request a lump sum advancement that she used to make necessary home repairs.

This makes no sense!

An employer contacted the Ombuds Office and asked why it received a second invoice with a new installment due date before the installment payment contained on the first invoice was due. The employer explained he received an invoice with an installment due date of Jan. 1, 2016, which he paid online in December. The employer then received a second invoice indicating a due date of Feb. 2, 2016, which he also paid. After making the second payment, the employer received a third invoice indicating a due date of March. The employer then called BWC. A BWC representative told the employer no money was actually due.

The employer found this confusing and was angry he had paid money that was not due. At this point, Ombuds staff reached out to BWC. The bureau told Ombuds that it was aware of the issue. Unfortunately, BWC could do nothing at this time. However, BWC noted that its new computer system, once implemented, should resolve the issue. Ombuds staff worked with BWC to develop a document to be mailed to employers that would provide explanation of the invoices. The document also explained how employers can log in online to see an accurate reflection of their balance due and payment due date.

I need a policy number and certificate!

An employer contacted the Ombuds Office because she had not received a new policy number after purchasing a car dealership several months ago. Ombuds staff contacted BWC and was told it would not issue a certificate until the employer's balance due was paid. Ombuds staff learned the employer had a balance on her account because of a decision BWC made to combine two policies for this employer. Upon further discussion, Ombuds staff learned the employer believed the two policies were for separate companies and that BWC should not have combined them.

When the employer called BWC in August, an employee told her to fill out a *Notification of Business Acquisition/Merger or Purchase/Sale* (U-118). She explained to the BWC representative that she did not have a new policy number and the representative told her BWC would assign one to her. Upon receiving the U-118, BWC staff made a decision to combine the policies without contacting the employer to investigate whether the two companies were separate based on the names listed on the U-118.

Ombuds staff contacted BWC policy processing, which helped the employer fill out a new U-118 and get a new policy number assigned. Additionally, Ombuds discovered BWC charged the employer a No Coverage Penalty fee. Ombuds staff contacted BWC policy processing to have the fee removed because the employer should have had coverage since August. BWC staff agreed to remove the fee.

What can I do?

An unrepresented injured worker came to the Ombuds Office and asked if staff could explain her options in her claim. She explained she could not work due to a workplace injury. However, her self-insuring employer told her it would not pay any more compensation. The injured worker reported that her employer referred her to an orthopedic surgeon. In addition, she said she has medical reports and a *Physician's Report of Work Ability* (MEDCO-14) supporting a period of approximately one month that she was off work but not paid.

Ombuds staff reviewed the injured worker's claim with her. Staff members saw a pending motion for a consultation and a request for an additional allowance. However, there was nothing in the claim file indicating a request for compensation. Ombuds staff explained to the injured worker that she could file a *Motion* (C-86) to request the period of compensation. Staff also explained the employer would have an opportunity to respond to the request. If the employer indicated it was unwilling to pay the requested compensation, BWC would refer the motion to the IC for a hearing. Ombuds staff also explained the hearing process and what the standard of proof was to show entitlement to compensation.

The employer did not respond and the motion eventually was set for hearing. The injured worker contacted the Ombuds Office again because her employer would not allow her time off work to attend the hearing. Ombuds staff explained the process to request a continuance. The IC granted the continuance, and the injured worker eventually had a hearing where the IC granted her request for compensation.

Please help get this processed!

An injured worker's attorney contacted the Ombuds Office and requested assistance in getting BWC to refer a motion to the IC for adjudication. The attorney filed a motion in early October on which he requested BWC increase the injured worker's average weekly wage based on her young age at the time of injury. Rather than process or refer it, BWC dismissed the motion on the basis that the attorney had not submitted sufficient supporting documentation. Ombuds staff reached out to BWC's Legal Division, which determined BWC should refer the motion to the IC. The motion was then referred to the IC for adjudication.

Where is my compensation?

An unrepresented injured worker contacted the Ombuds Office wondering why he had not yet received compensation the IC had awarded at a district hearing officer (DHO) hearing. Ombuds staff reviewed the claim and saw the IC had granted the injured worker's temporary total disability compensation (TTD) at a DHO hearing. Additionally, Ombuds staff noticed this hearing was set on an emergency basis based on the injured worker's financial hardship. However, there was a typo in the order related to the dates of compensation to be paid. BWC staff said it needed a corrected order before it would process compensation.

Ombuds staff worked with BWC Legal to see if it would request a corrected order since the IC had scheduled the hearing on an emergency basis. BWC agreed to make the request and Ombuds staff followed up with the IC regional manager to ensure the corrected order was processed as quickly as possible. The IC issued a corrected order, and the injured worker received his TTD compensation.

This is unacceptable!

An employer contacted the Ombuds Office because she was extremely frustrated that BWC would not return a premium overpayment. The employer made a true-up payment on BWC's website but did not receive a confirmation screen. Therefore, the employer made a second payment. When the employer still did not receive a confirmation screen, she contacted BWC. BWC staff told the employer that both payments went through and that BWC would void the second payment. However, BWC did not void the second payment. Thus, BWC applied the extra payment of more than \$20,000 toward future installments.

When Ombuds staff initially investigated, BWC told us that the system would not allow a refund of overpayment. Upon further conversation with BWC, Ombuds staff learned the process where BWC applies excess money toward future installments was built into the system so employers could choose to make a full year premium payment without having the system return money. Additionally, Ombuds staff learned that based on the design of the system, it is cumbersome for BWC to return premium payments rather than apply them to future installments. Based on the unique facts of this situation, BWC returned the overpaid premium to the employer and agreed to consider whether it can make any modifications to the system.

When will this be processed?

An injured worker's attorney contacted the Ombuds Office and asked if we could assist in getting his client's permanent total disability (PTD) application processed. The attorney explained the application had been pending at the IC for more than a year, and that the IC had still not received a medical exam report.

Ombuds staff contacted the IC's Director of Adjudicatory Services and learned the IC had difficulty locating a physician to conduct the exam. The injured worker lived out of state and had several complicated medical conditions allowed in the claim. This delayed the IC in finding a provider. The director explained the IC eventually found a physician to conduct the exam. After several months, it still had not received the exam report. Ombuds staff requested that IC staff follow up with the physician to inquire about the report. The IC received the exam report 12 days after Ombuds staff contacted the IC. Ultimately, the IC processed and approved the injured worker's PTD application.

What happened to my records!

An unrepresented injured worker came to the Ombuds Office after a hearing. He was upset because he felt like the hearing officer had thrown him out of the hearing room when he submitted medical records. Ombuds staff talked with the injured worker about his claim and the hearing. After the discussion, staff determined it would have to wait to see the published order before holding further discussions.

The injured worker was unclear about what exactly occurred during the hearing except that it seemed to end abruptly after he handed the hearing officer a stack of medical records. Ombuds staff called the injured worker about a week later, after publication of the order, to review it with him. The order stated the employer made a request for a continuance during the hearing because the injured worker had submitted a voluminous amount of new medical records, which the employer had not reviewed. Ombuds staff explained the continuance process and the injured worker understood why he would have to come back for a new hearing.

However, the injured worker looked at his claim online and questioned why the medical records he submitted at the hearing were not there. Ombuds staff contacted the IC, which could not locate the medical records. Since the injured worker submitted his only copy of the records, Ombuds staff assisted the injured worker in contacting his medical provider to get a new set of records. Staff explained how he could re-submit them to the IC. Before the injured worker could obtain a new set of records, the re-set staff hearing officer (SHO) hearing occurred. The SHO dismissed the claim application. Ombuds staff worked with the injured worker and the IC to help get a deputy hearing scheduled since the IC was responsible for losing the records the injured worker submitted. Ultimately, the injured worker obtained a new set of records and had a hearing on the allowance of the claim.

Why did this happen?

An injured worker's son contacted the Ombuds Office because he was upset that BWC sent local police to his home to perform a wellness check to make sure his father was alive and residing there. The injured worker, who is in his late seventies, is permanently and totally disabled and has received benefits for many years. The injured worker's son was also upset that BWC contacted local law enforcement officials to canvass the neighborhood and talk to neighbors about whether anyone had recently seen the injured worker rather than calling either the injured worker or the son.

Ombuds staff worked with BWC's Legal Division and the BWC special investigations unit (SIU). The investigation revealed the BWC service office had not completed the required checklist prior to referring the claim over to SIU. In addition, Legal discovered BWC has no written policy on the process for requesting local police to conduct wellness checks. The injured worker's son was not satisfied with the answer and requested we send his complaint to the BWC Board of Directors.

Why am I receiving collection letters?

An employer contacted us with questions about repeated bills from the Attorney General's (AG) office. Ombuds staff investigated and found the BWC had denied the employer's request for retroactive cancellation of coverage because he could not produce tax documentation for the relevant time proving he had closed his business. BWC continued to charge him premium and eventually referred the collection to the AG's office.

Ombuds staff determined that in addition to being the employer, this customer was also an injured worker who received TTD/PTD during the same period when BWC had requested tax documentation. Ombuds staff worked with the BWC Employer Services Division and provided it with BWC policy documents related to workers' compensation benefits not being taxable along with copies of the orders granting benefits. Ultimately, BWC granted the employer's request for retroactive cancellation of coverage, and it worked with the AG's office to update its information.

2016 Statistical Information Summary

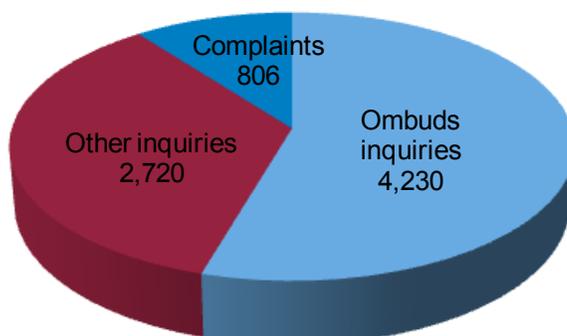
We processed 7,756 customer contacts in 2016. Our staff investigates and researches customer contacts to determine whether a case should be opened. The office classifies contacts as either a complaint (806), an Ombuds inquiry (4,230) or as an other inquiry (2,720). We classify a case as a complaint when a customer expresses dissatisfaction with the Ohio workers' compensation system. The most frequent complaints brought to our office for resolution include:

- Payment of indemnity benefits to injured workers;
- Employer concerns related to their policy accounts receivable balance;
- BWC processing delays;
- Non-payment of treatment bills.

In 2014, we began capturing information related to general inquiry contacts and added several new categories of issues to have a more complete picture of the type of issues that are presented. This additional information allows us to identify trends in order to make recommendations.

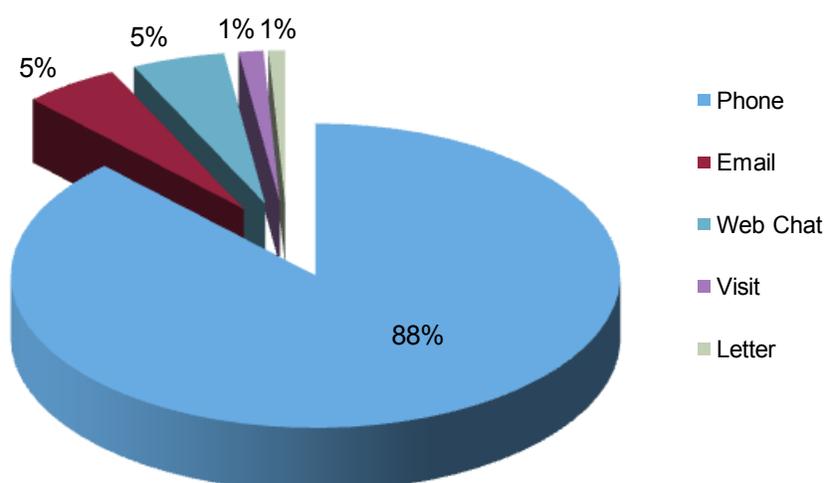
We deem a case to be an Ombuds inquiry when one of our staff directly provides the information requested by the customer and a complaint was not involved. The issues we receive the most inquiries about include employer policy coverage, accounts receivable balance and questions about canceling policy coverage. Additional frequent Ombuds inquiry issues include questions about the claim process and party rights, questions about forms required for various requests, questions about the IC hearing process, and questions about requirements for various types of compensation.

Finally, we receive a number of contacts that we do not open as Ombuds cases because the information requested is more properly obtained elsewhere. We determine quickly if another state agency can more appropriately assist a customer and we provide the proper contact information.



Method of Customer Contact

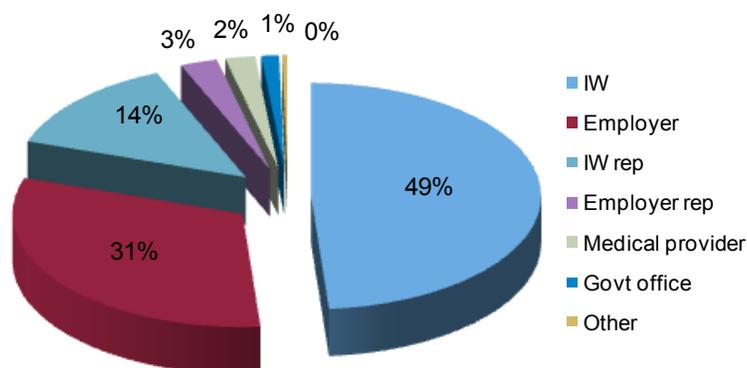
We processed 7,756 customer contacts during 2016, which we received by the methods below.



Contact Method	
Phone	6,811
Email	394
Web Chat	383
Visit	101
Letter	67
Total	7,756

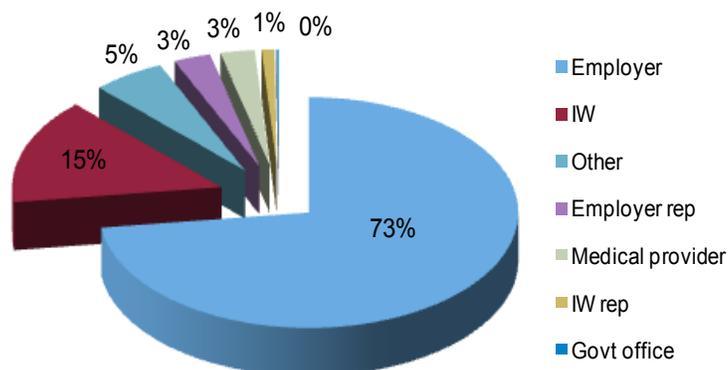
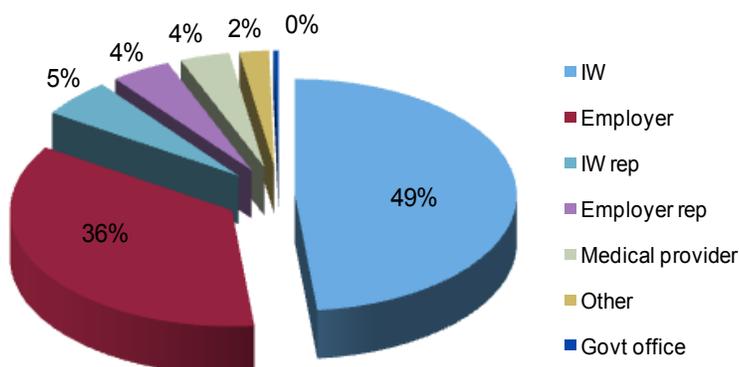
Cases by Customer Type

The charts below identify the customer type for each of the types of cases received: complaints, Ombuds inquiries and other inquiries.



Customer Type	Count
Injured worker	393
Employer	253
Injured worker representative	109
Employer representative	21
Medical provider	17
Government office	10
Other	3
Total	806

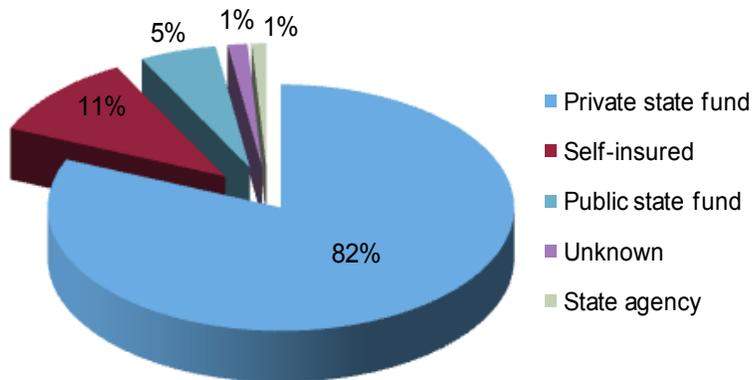
Customer Type	Count
Injured worker	2,047
Employer	1,512
Injured worker representative	225
Employer representative	185
Medical provider	154
Other	91
Government office	16
Total	4,230



Customer Type	Count
Employer	1,983
Injured worker	403
Other	153
Employer representative	78
Medical Provider	72
Injured worker representative	27
Government office	4
Total	2,720

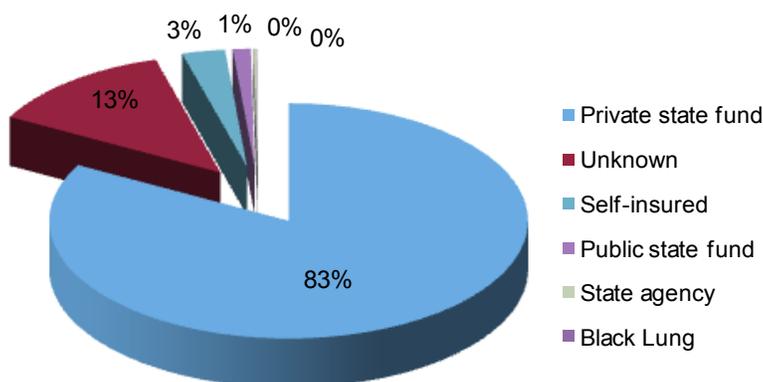
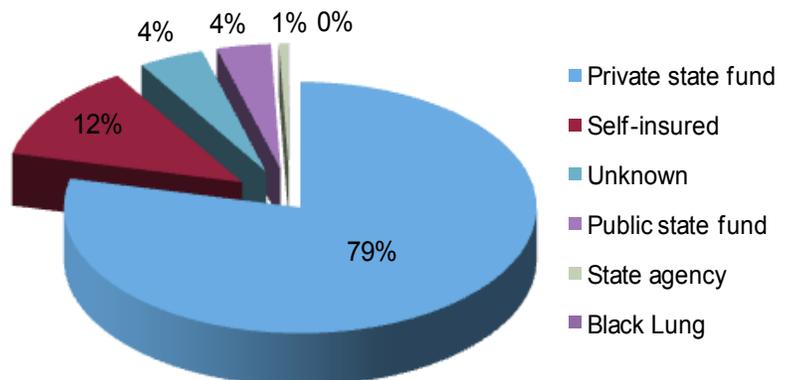
Cases by Type of Employer

The charts below identify the employer type for each of the types of cases received: complaints, Ombuds inquiries and other inquiries.



Complaints by Employer Type	
Private state fund	656
Self-insured	88
Public state fund	43
Unknown	11
State agency	8
Total	806

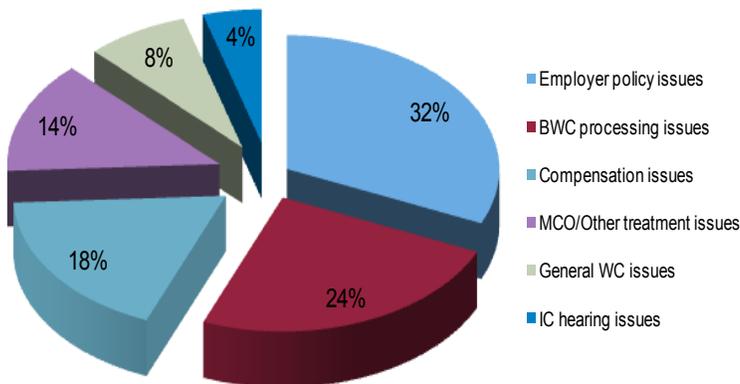
Ombuds Inquiries by Employer Type	
Private state fund	3,329
Self-insured	527
Unknown	189
Public state fund	157
State agency	27
Black Lung	1
Total	4,230



Other Inquiries by Employer Type	
Private state fund	2,254
Unknown	347
Self-insured	79
Public state fund	33
State agency	6
Black Lung	1
Total	2,720

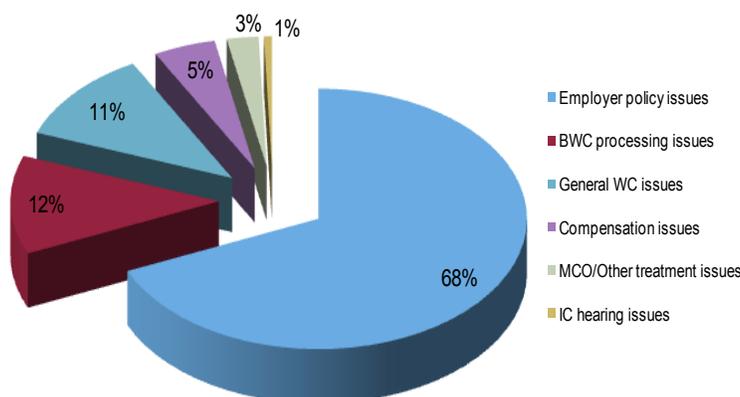
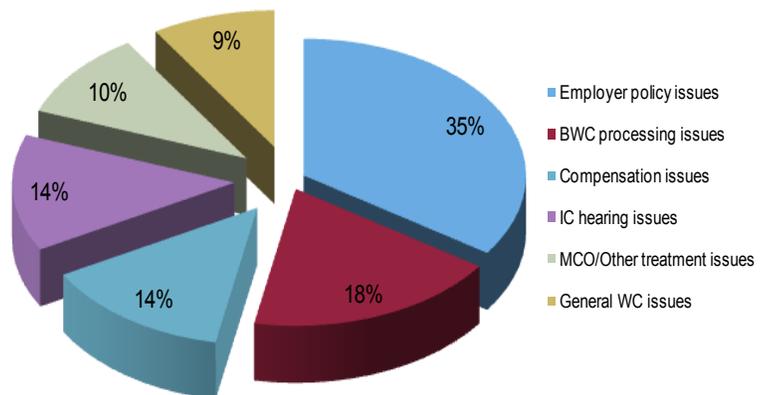
Cases by Issue Type

The charts below identify the issue type for each of the types of cases received: complaints, Ombuds inquiries and other inquiries.



Issue Report - Complaints	
Employer policy issues	255
BWC processing Issues	197
Compensation issues	146
MCO/Other treatment issues	109
General WC issues	63
IC hearing issues	36
Total	806

Issue Report - Ombuds Inquiries	
Employer policy issues	1,462
BWC processing Issues	780
Compensation issues	587
IC hearing issues	583
MCO/Other treatment issues	438
General WC issues	380
Total	4,230



Issue Report - Other Inquiries	
Employer policy issues	1,861
BWC processing Issues	333
General WC issues	311
Compensation issues	131
MCO/Other treatment issues	67
IC hearing issues	17
Total	2,720

Issue Report - Complaints

The codes below describe what issue our staff determined best described the complaint.

Employer Policy Issues	
Cancel/Sold company	51
Employer invoice	45
Accounts receivable balance	44
Prospective billing	17
Employer true up	16
Rebate/Refund	12
Coverage	11
Collections	8
Employer program	7
Elective coverage	7
Report and pay	5
Manual code classification	5
Installment payment	5
Policy combined/Transferred/Cancelled	5
Change of address	3
San Allen case	2
Rate	2
Certificate	2
Wrong policy number	2
Estimated annual premium	2
MCO	2
Payment issue	2
Total	255

BWC Processing Issues	
Processing delay	52
CSS/MCS	50
Claim process	40
Independent medical exam	22
BWC E account	14
BWC form	13
Website	5
Status of form/Application	1
Total	197

Compensation Issues	
Temporary total disability	70
Permanent partial disability	20
Wage loss	17
Lump sum settlement/Advancement	17
Permanent total disability/DWRF	7
Travel reimbursement	6
Banking issue	5
Death benefits	2
AWW/FWW amount	2
Total	146

MCO & Other Treatment Issues	
Bills non payment	31
Authorization of medical treatment	28
Medical provider	17
Prescription - general	8
Prescription - prior authorization	6
Self-insured medical bill	5
Find physician	4
Vocational rehabilitation	4
Provider Enrollment	2
MCO form	2
Prescription - generic vs. brand	1
MCO staff	1
Total	109

General Workers' Compensation Issues	
Self-insured complaint	23
Claim allowance	12
Employer delay of claim	6
Additional allowance	5
Attorney/Representative	5
Employer form	4
Statute of limitations	4
Fraud allegation	2
Non specific	1
Medicare	1
Total	63

IC Hearing Issues	
Hearing process/Hearing letter	17
Hearing decision	11
Hearing officer	4
IC form	2
Hearing delay	1
IC exam	1
Total	36

Causation and Accountability Reports - Complaints

These charts denote in further detail what we found to be the problem after investigating the complaint and identifying the responsible entity. 2015 data is included for comparison.

Causation	2015	2016
Unjustified complaint	354	408
CSS/MCS	164	105
Employer	123	72
Policy services	36	46
Injured worker	35	39
Medical provider	33	34
Billing issue	32	22
MCO	20	17
Attorney/Representative	22	15
Needs forms or information	17	10
Medical exam/Review required	11	7
IC	8	6
Prescription issue	11	6
Unresponsiveness CSS/MCS	5	6
Website	0	5
Appeal	11	3
Warrant returned or reissued	1	3
Claim status	3	2
Wanted claim expedited	3	0
Total	889	806

Accountability	2015	2016
Injured worker	262	275
Employer - state fund	244	208
BWC	221	183
Medical provider	55	44
Attorney/Representative	29	41
MCO	31	20
Employer - Self-insured	25	20
Pharmacy benefits manager	8	6
IC	5	4
Financial institution	4	3
Government office	5	2
Total	889	806

Year-to-year comparison - Complaints

The tables below provide a comparison of complaint data for years 2015 and 2016.

Complaints by Customer Type	2015	2016
Injured worker	421	393
Employer	261	253
Injured worker representative	148	109
Employer representative	18	21
Medical provider	24	17
Government office	10	10
Other	7	3
Total	889	806

Complaints by Employer Type	2015	2016
Private state fund	742	656
Self-insured	106	88
Public state fund	19	43
Unknown	13	11
State agency	9	8
Total	889	806

Issue Report - Complaints	2015	2016
Employer policy issues	254	255
BWC processing issues	225	197
Compensation issues	175	146
MCO/Other treatment issues	122	109
General WC issues	75	63
IC hearing issues	38	36
Total	889	806

Issue Report - Ombuds Inquiries

Ombuds staff directly provides information to the customer and there was not a complaint.

Employer Policy Issues	
Coverage	253
Accounts receivable balance	220
Cancel/Sold company	216
Employer invoice	163
Employer true up	106
Prospective billing	75
Certificate	62
Report and pay	58
Rebate/Refund	42
Change of address	34
Rate	33
Installment payment	33
Payment issue	25
Employer program	24
Lien	17
Elective coverage	16
Manual code classification	12
Collections	11
Policy combined/Transferred/Cancelled	11
Safety & Hygiene	10
MCO	10
San Allen case	9
Amended payroll	8
Other state coverage	7
Wrong policy number	4
Estimated annual premium	3
Total	1,462

BWC Processing Issues	
Claim process	365
BWC form	155
CSS/MCS	84
BWC E account	77
Independent medical exam	42
Processing delay	28
Website	16
Status of form/Application	13
Total	780

IC Hearing Issues	
Hearing process/Hearing letter	445
Hearing decision	89
IC form	40
Hearing delay	5
IC exam	3
Hearing officer	1
Total	583

Compensation Issues	
Temporary total disability	246
Lump sum settlement/Advancement	92
Permanent partial disability	71
Permanent total disability/DWRF	45
Wage loss	40
Death benefits	32
Banking issue	31
Travel reimbursement	16
AWW/FWW amount	12
Violation of specific safety requirements	1
Salary continuation	1
Total	587

MCO & Other Treatment Issues	
Bills non payment	97
Authorization of medical treatment	97
Find physician	64
Medical provider	58
Prescription - general	37
Self-insured medical bill	19
Prescription - prior authorization	18
Vocational rehabilitation	14
MCO form	12
MCO staff	11
Provider policy and fee schedule	5
Provider enrollment	4
Prescription - generic vs. brand	2
Total	438

General Workers' Compensation Issues	
Claim allowance	78
Employer form	61
Non specific	60
Additional allowance	41
Attorney/Representative	35
Medicare	23
Statute of limitations	23
Interstate jurisdiction	20
Self-insured complaint	18
Fraud allegation	10
Fee dispute	4
Light duty	4
Labor issue	2
Employer delay of claim	1
Total	380

Issue Report - Other Inquiries

Ombuds staff determines that the information being requested is more properly obtained elsewhere.

Employer Policy Issues	
Coverage	346
Accounts receivable balance	211
Employer true up	202
Report and pay	187
Cancel/Sold company	155
Certificate	134
Payment issue	116
Employer invoice	111
Rate	56
Employer program	43
Rebate/Refund	36
Collections	31
Lien	30
Estimated annual premium	30
Prospective billing	29
Manual code classification	28
Safety & Hygiene	25
Installment payment	25
Change of address	20
Policy combined/Cancelled/Transferred	13
Amended payroll	9
MCO	8
Elective coverage	7
Other state coverage	7
Wrong policy number	2
Total	1,861

BWC Processing Issues	
BWC E account	132
Claim process	117
CSS/MCS	45
BWC form	31
Independent medical exam	4
Processing delay	2
Status of form/Application	1
Website	1
Total	333

IC Hearing Issues	
Hearing process/Hearing letter	12
IC form	2
Hearing decision	2
Hearing delay	1
Total	17

General Workers' Compensation Issues	
Non specific	161
Interstate jurisdiction	51
Self-insured complaint	27
Employer form	21
Fraud allegation	20
Claim allowance	10
Attorney/Representative	7
Medicare	5
Labor issue	4
Statute of limitations	3
Additional allowance	2
Total	311

Compensation Issues	
Banking issue	50
Temporary total disability	23
Death benefits	17
Permanent total disability/DWRF	15
Lump sum settlement/Advancement	10
Wage loss	9
Permanent partial disability	5
AWW/FWW amount	1
Travel reimbursement	1
Total	131

MCO & Other Treatment Issues	
Provider enrollment	17
Medical provider	16
Bills non payment	10
Authorization of medical treatment	9
Prescription - general	6
Provider policy and fee schedule	5
Self-insured medical bill	2
Find physician	1
Prescription - prior authorization	1
Total	67

2016 Administrative Update

Budget

Expenditures to operate the Ombuds Office in CY2016 totaled \$665,584. This total includes payroll costs for staff of \$639,533 and operating expenses of \$26,051. Total expenditures for CY2016 rose 6 percent as compared to CY2015. A spreadsheet providing budget details is on page 31 of this annual report.

Total payroll costs for 2016 vs. 2015 increased 7 percent. This increase in payroll cost was expected and is attributed to state employees pay raises granted in the Collective Bargaining Agreement and by the legislature. Payroll costs include employee salary and employer paid benefits, including health insurance and retirement. Additionally, this portion of the budget includes a mass allocation (cost divided between BWC departments) for William Green Building security guards (personal service). There is some fluctuation in the payroll cost over CY2016 based on the 26 pay period cycle resulting in two months with three pay periods, and individual employees' selections related to their benefits.

In CY2016, staff included the chief ombudsperson, two exempt employees (in Columbus) and five bargaining unit employees (four in Columbus and one in Cleveland). In CY2016, no overtime was paid.

Non-payroll operating costs for the Ombuds Office for 2016 were \$26,051. This total is a decrease of about 17 percent from \$31,557 in 2015. This decrease is attributable to BWC no longer charging rent in the William Green building. The two largest operating expenses for us are utilities and building maintenance (these are mass allocations calculated based on the square footage of each department). Also included in this section of the budget, is the cost for office supplies, printing, telephone and travel.

Database

In December 2016 we concluded our eighth full year of the ePowerCenter tracking software. Benefits of this industry standard software include:

- Improved tracking of individual complaints and inquires;
- Improved consistency of information provided to Ombuds Office customers;
- Quicker recall history of prior discussions with customers;
- Quicker access to injured worker claims data;
- Quicker access to employer risk data;
- Improved report generating capabilities;
- Improved data trend analysis capabilities.

We began collecting data in January 2009, and this data continues to be useful in conducting year over year comparisons, and identifying customer trends. In addition, several BWC divisions now use ePowerCenter. The ePowerCenter data on the Ombuds system remains 100 percent segregated from BWC data, and we continue to retain statutory independence and neutrality. This sharing of the same software allows for better data trend analysis of current and future problems.

In 2014, we began tracking general inquiry information in addition to complaint information we previously tracked. This additional data provides a more robust picture of the type and source of issues presented to us for resolution. Additionally, we continuously review database parameters to ensure we are capturing as much information as possible from each customer contact.

The advantage to making these changes is that we can get a much clearer and more detailed picture of the type of issues brought to us. One disadvantage is that a year-to-year comparison is not possible until we have several years with stable parameters.

Promoting Ombuds Office services

In 2014, we resumed the practice of collecting information about how our customers learned of our office and/or the source of their referral. This information allows the office to conduct analysis to promote our services more effectively. Ensuring that potential customers and sources of referrals have an awareness of the office and the services provided continues to be a priority in 2016. I completed my statewide visits of all BWC and IC offices in 2015. Additionally, I presented an overview of the Ombuds Office to the AFL-CIO at their annual Workers' Compensation School and answered questions during an advanced training session with union representatives. I also presented and answered questions at various safety council meetings throughout the state, a seminar for OCSEA members, and at the Columbus Bar Association Workers' Compensation Committee.

Printed material

We produce and print our capabilities brochure in-house at minimal cost by BWC communications and DAS state printing. We mail this brochure upon request; distribute it at speaking engagements; and provide it to BWC, IC, employer and labor groups and other government entities for distribution to potential customers.

Promoting services to IC

We increased awareness of services to the IC in several ways including:

- Presenting an overview of the office and services provided to all IC hearing officers as part of their regional training;
- Meeting with IC support staff in IC offices statewide to discuss available services;
- Providing capabilities brochures to IC hearing officers and staff for distribution to employers, injured workers and their representatives;
- Maintaining placement of link to Ombuds Office information on the IC's website.

Promoting Services to BWC

We increased awareness of services to the BWC in several ways, including:

- Meeting with BWC customer service office managers and claims staff to discuss available Ombuds Office services;
- Meeting with BWC risk staff and employer services specialists to raise awareness of our services available to Ohio employers;

- Meeting with Division of Safety & Hygiene staff, both at headquarters in Pickerington, and in locations across Ohio, to increase awareness of our services available to Ohio employers;
- Meeting with BWC business consultants to increase their awareness of our services;
- Working with BWC's 1-800-OHIOBWC call center staff to increase awareness of our services and to increase appropriate referrals;
- Maintaining placement of link to Ombuds Office information on BWC's website;
- Working with BWC to determine placement of an option to reach the Ombuds Office on the 1-800-OHIOBWC phone line.

Promoting services to employers

We increased awareness of services to employers in several ways, including:

- Mailing letters to unrepresented employers prior to their first IC hearing;
- Distributing our capabilities brochure to business trade groups for distribution to their members;
- Providing information business trade groups can share on their websites;
- Speaking at special events and/or seminars with target audiences present;
- Providing information on our services to local and regional chambers of commerce and safety councils.

Promoting services to injured workers

We will increase awareness of services to injured workers in several ways, including:

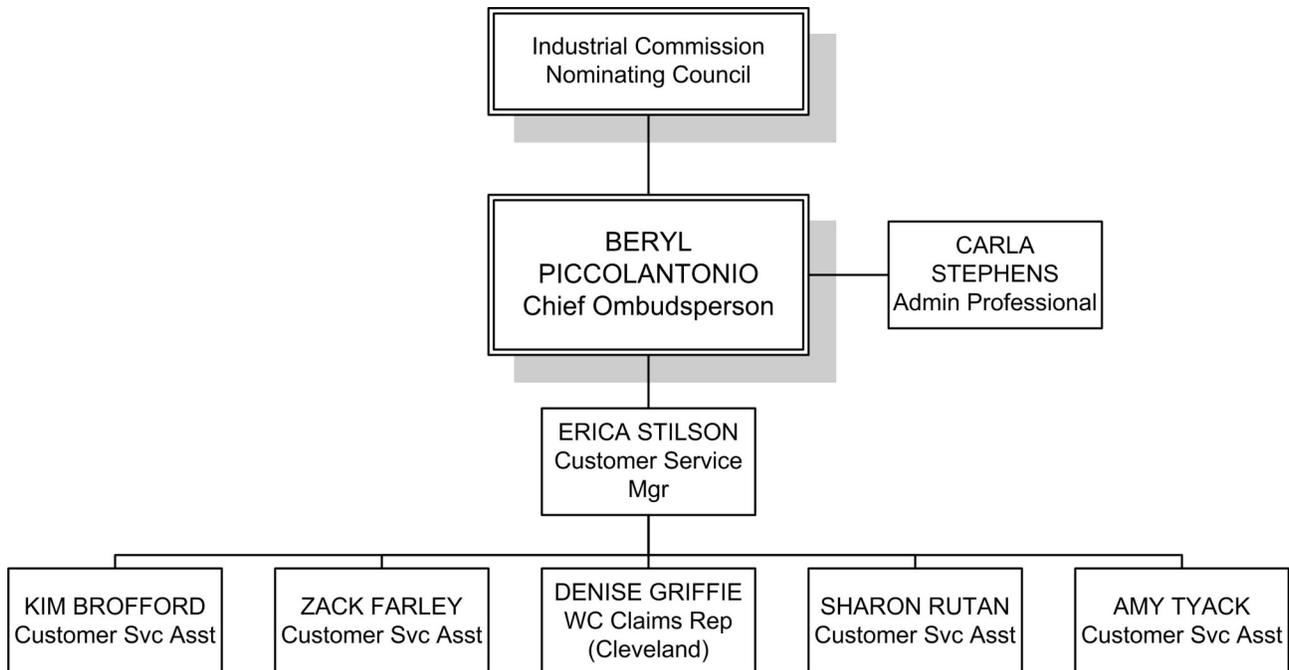
- Mailing letters to unrepresented injured workers prior to their first IC hearing;
- Distributing our capabilities brochure to local unions, across Ohio;
- Speaking at labor seminars, including AFL-CIO, UAW and Teamsters;
- Providing information local unions can share on their websites;
- Conducting meetings with local union stewards to increase their awareness of our services.

Promoting services to government officials

The Ombuds Office has increased awareness of services to other government agencies in several ways, including:

- Providing information about services available to members of the Ohio General Assembly and their staff to use as a resource when handling complaints and inquiries from constituents;
- Providing information on our services to call centers and action lines of local government entities, including Ohio cities, counties, and townships;
- Providing updated information about us to court personnel across Ohio.

Ombuds Office Table of Organization



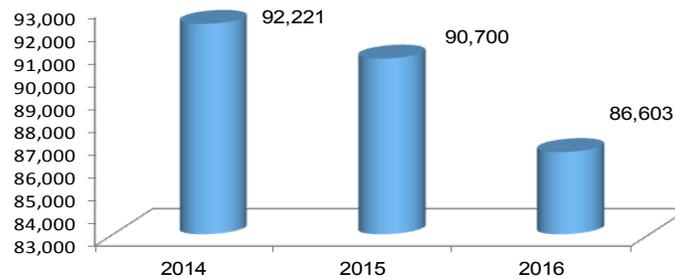
Ombuds Office Expenditure Report - Calendar Year 2016

OBJECT CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL EXPENSES
10 Payroll	69,008	46,273	46,305	46,179	45,800	45,916	70,794	47,783	47,887	48,413	48,521	72,700	635,579
10 Overtime Paid	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Personal Service	0	0	578	0	0	1,299	0	0	646	0	0	1,122	3,645
15 Other P.S.	0	0	160	0	0	0	0	0	0	0	0	150	310
Total 100	69,008	46,273	47,042	46,179	45,800	47,215	70,794	47,783	48,533	48,413	48,521	73,972	639,533
20 Edible Products	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Supplies	67	0	0	35	0	52	0	160	0	0	98	13	425
211 INTRNL SUPPLIES	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Vehicle Maint	0	0	0	0	0	0	0	0	0	0	0	0	0
221 INTRNL VEHICLE	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Travel Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Communications	4	0	0	0	0	0	0	0	0	0	0	0	4
241 INTRNL COMM	452	487	465	453	467	502	441	403	499	584	484	348	5,584
24 IT Lic Commun	144	145	145	145	2	146	304	163	157	157	1	157	1,666
25 Fuel/Utilities	0	0	1,322	0	0	1,394	0	0	1,340	0	0	1,277	5,333
26 Maintenance	0	0	3,524	0	0	2,598	0	0	1,160	0	0	3,399	10,681
27 Rentals	0	0	0	0	0	0	0	0	0	0	0	0	0
27 ISTV/Goods & Svcs	104	17	365	97	542	84	207	0	674	185	85	0	2,359
28 Printing/Advertising	0	0	0	0	0	0	0	0	0	0	0	0	0
281 INTRNL PRT/ADV	0	0	0	0	0	0	0	0	0	0	0	0	0
29 General/Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total 200	771	649	5,821	729	1,011	4,775	952	726	3,830	925	668	5,194	26,051
30 Food Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
31 Office Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
32 Motor Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	0
34 Communications Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
35 Medical/Lab Therap	0	0	0	0	0	0	0	0	0	0	0	0	0
36 Educ/Rec Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
37 Data Processing Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
371 INTRNL DP EQP	0	0	0	0	0	0	0	0	0	0	0	0	0
38 Copy/Print Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
39 Other Equip	0	0	0	0	0	0	0	0	0	0	0	0	0
Total 300	0												
Grand Total	69,778	46,922	52,863	46,908	46,811	51,990	71,746	48,509	52,362	49,339	49,190	79,166	665,584

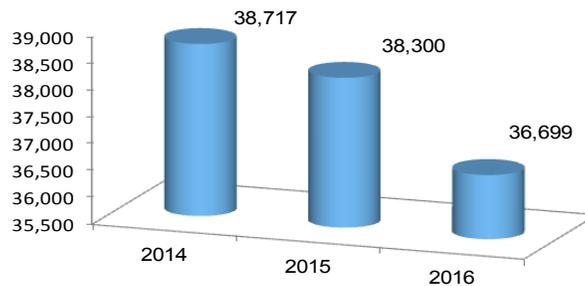
Note: Mass Allocations included in March, June, September, and December.

Industrial Commission 2016 Year-End Statistics

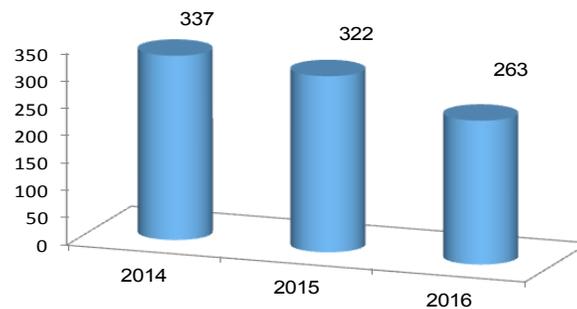
DHO level hearings



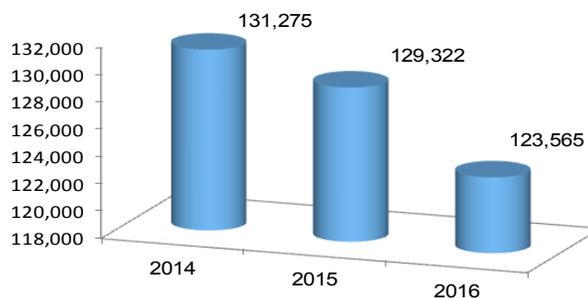
SHO level hearings



Commission level hearings



Total IC hearings



Source: IC Management Planning

Ohio Bureau of Workers' Compensation

2016 Year-End Statistics

	FY 2016	FY 2015	FY 2014
State-fund claims filed			
Lost time	10,932	11,870	12,134
Medical only	76,648	81,348	84,688
Occupational disease	407	533	592
Death	183	185	158
Disallowed or dismissed	<u>10,912</u>	<u>11,061</u>	<u>10,977</u>
Total	<u>99,082</u>	<u>104,997</u>	<u>108,549</u>
Net allowed injuries	88,170	93,936	97,572

NOTE: Every claim is evaluated at 60 days after filing for purposes of claim type, State Fund versus Self-Insured, combine status, and allowance status. Values exclude combined and Self-Insured claims.

Open claims (Per statute)

Lost time	263,618	288,059	315,951
Medical only	<u>488,694</u>	<u>503,579</u>	<u>542,822</u>
Total	<u>752,312</u>	<u>791,638</u>	<u>858,773</u>

Benefits paid

Medical benefits paid	\$580,294,319	\$614,375,366	\$660,912,037
Compensation paid			
Wage loss	\$9,810,677	\$12,764,857	\$14,948,538
Temporary total	219,298,295	220,766,392	231,607,195
Temporary partial	7,226	16,543	37,368
Permanent partial	19,708,785	19,269,456	17,869,347
% Permanent partial	65,019,190	67,385,815	65,387,993
Lump sum settlement	159,289,682	179,185,086	184,218,915
Lump sum advancement	21,852,376	18,067,160	24,768,008
Permanent total and DWRF	402,054,481	390,863,930	395,160,052
Death	85,945,428	83,090,326	82,644,603
Rehabilitation	33,080,852	35,492,795	38,651,042
Other	<u>5,535,475</u>	<u>6,153,354</u>	<u>6,046,420</u>
Total compensation paid	\$1,021,602,467	\$1,033,055,714	\$1,061,339,481
Total benefits paid	<u>\$1,601,896,786</u>	<u>\$1,647,431,080</u>	<u>\$1,722,251,518</u>

NOTE: Due to improvements in BWC data capture and reporting systems, prior year data may not agree with amounts previously reported.

Source: BWC Fiscal Year 2016 Annual Report

2016 Year-End statistics (continued)

	FY 2016	FY 2015	FY 2014
Fraud statistics			
Fraud dollars identified	\$56,571,121	\$60,450,575	\$60,124,021
\$\$\$ Saved to \$\$\$ spent ratio	4.61 to 1	5.34 to 1	5.28 to 1
Prosecution referrals	198	229	267
Active employers by type			
Private	239,331	247,829	249,602
Public (Local)	3,796	3,807	3,815
Public (State)	121	121	121
Self-insured	1,178	1,180	1,197
Black lung	31	34	36
Marine fund	138	135	146
Total	<u>244,595</u>	<u>253,106</u>	<u>254,917</u>
BWC personnel	1,842	1,866	1,953
IC personnel	363	375	386
Managed care organization fees paid	\$169,229,310	\$170,688,324	\$169,580,627
BWC combined funds financial data (000s omitted)			
	Audited FY 2016	Audited FY 2015	Audited FY 2014
Operating revenues			
Premium and assessment Income, net of provision for uncollectibles and ceded premiums	\$1,439,143	\$1,954,174	\$2,085,821
DWRF II unbilled assessment	(1,499,600)	-	-
Other income	<u>12,442</u>	<u>8,413</u>	<u>8,141</u>
Total operating revenues	<u>\$(48,015)</u>	<u>\$1,962,587</u>	<u>\$2,093,962</u>
Operating expenses			
Workers' compensation benefits and compensation adjustment expenses	\$1,211,609	\$1,394,939	\$1,519,175
Other expenses	119,419	118,372	117,277
Total operating expenses	<u>\$1,331,028</u>	<u>\$1,513,311</u>	<u>\$1,636,452</u>
Non-operating revenues			
Net investment earnings	\$633,497	\$602,902	\$664,670
Increase (Decrease) in fair value	<u>731,967</u>	<u>(93,020)</u>	<u>2,348,938</u>
Net investment income	<u>\$1,365,464</u>	<u>\$509,882</u>	<u>\$3,013,608</u>
Net dividends, rebates and credits	\$(6,674)	\$1,051,952	\$1,229,045
DWRF I alternative funding expense	\$507,891	\$-	\$-
Total assets	\$27,439,254	\$29,054,112	\$30,341,708
Total liabilities	\$18,742,292	\$19,800,028	\$20,881,495
Total net position	\$8,753,885	\$9,268,332	\$9,460,213

NOTE: Due to improvements in BWC data capture and reporting systems, prior year data may not agree with amounts previously reported.

Industrial Commission Nominating Council

Current as of April 2017

Employer Representatives

Eric Burkland
Ohio Manufacturers Association

Andrew Doehrel
Ohio Chamber of Commerce

Roger Geiger*
National Federation of
Independent Business / Ohio

Gordon M. Gough
Ohio Council of Retail Merchants

Debbie Lantman
Ohio Self-Insurers Association

Public Members

Daniel Massey

Robert Schmitz

Labor Representatives

Tim Burga**
Ohio AFL-CIO

Frank Gallucci
Plevin & Gallucci

JoAnn Johntony
Ohio Association of Public
School Employees Union

David Prentice
United Steelworkers

Ohio Association of Justice Representative

Philip Fulton***

* Chairperson

** Vice Chairperson

*** Secretary