



*A Comparison of the Provisions of
House Bill 67
126th General Assembly*

*Bureau of Workers' Compensation
Operating Appropriations Bill*

As Introduced
As Reported by House Finance and Appropriations

Legislative Service Commission
February 23, 2005

As Introduced

As Reported by House Finance and Appropriations

1 (CD-41-BWC) Long-Term Care Loan Program**R.C. 4121.48**

Requires the Bureau of Workers' Compensation to operate a Long-Term Care Loan program and establishes the Long-Term Care Loan Fund for this purpose. Directs the Administrator of Workers' Compensation to use the fund to make no-interest loans to nursing homes to assist them in purchasing sit-to-stand floor lifts, ceiling lifts, other lifts, and fast electric beds, and to pay for the education and training of personnel, so that employees of the nursing home may move patients without having to lift them manually. Moneys deposited to the Long-Term Care Loan Fund are to be transferred by the Director of Budget and Management from the Safety and Hygiene Fund, at the request of the Administrator.

Fiscal effect: The Administrator is authorized to adopt rules establishing criteria for loan eligibility, maximum loan amounts, loan periods, default penalties, and other terms related to the loan program. It is not known at this time how the program will operate or how much money will be transferred to the Long-Term Care Loan Fund from the Safety and Hygiene Fund.

R.C. 4121.48

No change.

As Introduced

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2 (CD-40-BWC) Fast Response Program**R.C. 4123.511**

Permits the Administrator of Workers' Compensation to adopt rules that identify specific medical conditions that have a historical record of being allowed whenever included in a claim. The Administrator may then grant immediate allowance and make immediate payment of medical bills for any medical condition identified in those rules when the condition is included in a claim. If an employer later contests the claim, and the claim is disallowed, then payment for the claim must be paid from the Surplus Fund, established under section 4123.34 of the Revised Code.

Fiscal effect: Dubbed the "Fast Response" program, the practice of allowing for the immediate payment of certain types of claims was first established as a pilot program in January 2002. The BWC identified 49 specific injuries that have characteristics of being simple in nature, highly predictable, and typically low in cost. The Fast Response program allows for the electronic review, processing, and approval of these claims without a need for manual processing. Since the inception of the pilot program, over 100,000 claims have been processed in this manner. The BWC estimates savings of approximately \$57,000 in administrative costs and approximately \$42,000 in postage, to date.

R.C. 4123.511

No change.

As Introduced

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3 (CD-42-BWC) Transfer of PERRP and OSHA's On-Site Consultation Program

R.C. 4167.02, and sections 121.08, 4121.12, 4121.121, 4167.06 to 4167.09, 4167.11, 4167.12, 4167.14 to 4167.17, 4167.19, 4167.27, Section 3, and Section 4

Transfers the Public Employment Risk Reduction Program (PERRP) from the Department of Commerce to the BWC. The Public Employment Risk Reduction Advisory Commission under the Department of Commerce is abolished, and the Administrator of the BWC, with the advice and consent of the Workers' Compensation Oversight Commission, is required to adopt rules for the administration and enforcement of the program. Under current law, the Department of Commerce also administers the Occupational Safety and Health Administration's (OSHA) on-site consultation program. The bill transfers the administration of OSHA's on-site consultation program and the associated OSHA Enforcement Fund (Fund 349) from the Department of Commerce to the BWC. In addition, the functions of the Division of Labor and Worker Safety within the Department of Commerce, together with all of its employees, assets, liabilities, capital spending authority, vehicles, equipment, and records that relate to OSHA's on-site consultation program are transferred from the Department of Commerce to the BWC.

Fiscal effect: An appropriation of \$1,527,750 is made to Fund 349, OSHA Enforcement, for each year of the biennium, and temporary law provides that matching funds may be provided from appropriation item 855-609, Safety and Hygiene Operating. In total, approximately 14 FTEs support PERRP and 18 FTEs support the on-site

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consultation program. These employees will be transferred to the BWC.

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4 (CD-47-BWC) Long-Term Care Loan Fund**Section: 3**

Requires the Director of Budget and Management to transfer cash from the Safety and Hygiene Operating Fund (Fund 826) to the Long-Term Care Loan Fund (Fund 829), which is newly established under section 4121.48 of the Revised Code. The amounts transferred shall be at the request of the Administrator of Workers' Compensation, and with the advice and consent of the Workers' Compensation Oversight Commission.

Section: 3

No change.

5 (CD-49-BWC) Vocational Rehabilitation**Section: 3**

Requires the Administrator of Worker's Compensation to provide \$587,774 FY 2006 and \$605,407 in FY 2007 from the State Insurance Fund for vocational rehabilitation services and staff in accordance with an agreement the Bureau is to negotiate with the Rehabilitation Services Commission.

Section: 3

No change.

6 (CD-50-BWC) Workers' Compensation Fund Balance**Section: 3**

Specifies that any unencumbered cash balance in excess of \$45 million in the Workers' Compensation Fund (Fund 023) on June 30 of each fiscal year is to be used to reduce the administrative cost rate charged to employers. Administrative cost assessments are charged to all State Insurance Fund employers and are used to pay for operating costs of the Bureau.

Section: 3

No change.

As Introduced

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7 (CD-43-BWC) William Green Lease Payments**Section: 3**

Prescribes the manner in which funds in appropriation item 855-401, William Green Lease Payments to OBA, are to be expended. Over the biennium, up to \$39,862,500 is available for this purpose.

Section: 3

No change.

8 (CD-44-BWC) Workers' Compensation Fraud Unit**Section: 3**

Requires that in each of FYs 2006 and 2007, the BWC transfer \$773,151 to the Attorney General's Workers' Compensation Fraud Unit (Fund 195) from appropriation item 855-410, Attorney General Payments. The Bureau makes quarterly payments to the Attorney General to offset costs related to the operation of that agency's fraud unit, which works in conjunction with BWC fraud investigators.

Section: 3

No change.

9 (CD-51-BWC) OSHA Enforcement Fund Transfer**Section: 3**

Requires the Director of Budget and Management to transfer the OSHA Enforcement Fund (Fund 349) from the Department of Commerce to the BWC, and authorizes the Director to cancel encumbrances in appropriation item 800-626, OSHA Enforcement, within the budget of the Department of Commerce and to re-establish these encumbrances to appropriation item 855-601, OSHA Enforcement, within the budget of the Bureau of Workers' Compensation. The amount appropriated to line item 855-601 for each of FYs 2006 and 2007 is \$1,527,750.

Section: 3

No change.

As Introduced

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10 (CD-48-BWC) OSHA On-Site Consultation Program**Section: 3**

Authorizes the Bureau of Workers' Compensation to designate a portion of appropriation item 855-609, Safety and Hygiene Operating, to be used to match federal funding for OSHA's on-site consultation program. Federal Special Revenue Fund OSHA Enforcement (Fund 349) is transferred to the BWC from the Department of Commerce in another section of temporary law. Moneys in the Safety and Hygiene Operating line will be used to match dollars in this fund.

Section: 3

No change.

11 (CD-46-BWC) Safety and Hygiene**Section: 3**

Requires the Administrator of Worker's Compensation to transfer money from the State Insurance Fund to appropriation item 855-609, Safety and Hygiene Operating, to insure that the Division of Safety and Hygiene is provided with \$20,130,820 in each of FYs 2006 and 2007.

Section: 3

No change.

As Introduced

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12 (CD-52-BWC) Division of Labor and Worker Safety Transfer**Section: 4**

Specifies that on July 1, 2005, the functions of the Division of Labor and Worker Safety within the Department of Commerce, together with all employees, assets, liabilities, capital spending authority, vehicles, equipment, and records that pertain to OSHA's on-site consultation program are to be transferred to the BWC. Business commenced but not completed by the Department of Commerce or the Division of Labor and Worker Safety pursuant to the consultation program are to be completed by the Administrator or the Bureau. All rules, orders, and determinations enacted or adopted by the Division that relate to the transfer of the program are to continue in effect by the Bureau until the Bureau modifies or rescinds them.

Fiscal effect: The fund associated with OSHA's on-site consultation program is Fund 349, OSHA Enforcement. That fund is appropriated \$1,527,750 in each year of the biennium, and temporary law provides that matching funds may be provided from appropriation item 855-609, Safety and Hygiene Operating. The on-site consultation program works in conjunction with the Public Employment Risk Reduction Program (PERRP), which is also transferred to the BWC under permanent law. In total, approximately 14 FTEs support PERRP and 18 FTEs support the on-site consultation program.

Section: 4

No change.