FY 2013Ohio Industrial Commission ANNUAL REPORT

John R. Kasich Governor Mary Taylor Lt. Governor

Thomas H. Bainbridge Chairman Jodie M. Taylor Member Karen L. Gillmor Member

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LETTER FROM THE CHAIRMAN



Governor John Kasich is dedicated to leading Ohio's state agencies on a path to better customer service and increased accountability at a lower cost to all Ohioans.

As chairman of the Industrial Commission of Ohio (IC), I share Governor Kasich's vision and firmly believe in implementing innovative ideas while never losing sight of our financial responsibility to the citizens of Ohio.

Throughout fiscal year (FY) 2013, our agency has delivered timely, impartial workers' compensation hearings while cutting expenditures, streamlining procedures, simplifying hearing processes, improving customer service and eliminating excessive bureaucracy.

A few of the highlights from the fiscal year:

- Presented a biennium budget for FY 2014/2015, which was a combined 6.6 percent reduction from the previous budget year. It passed in the 130th General Assembly unanimously.
- Cut administrative rates for three of four Ohio employer groups for a third straight year, resulting in an estimated combined \$6.6 million savings for these groups.
- Negotiated the Commission's exit as an obligated party to the William Green Building debt service and annual maintenance assessment, resulting in a combined savings of \$6.1 million for FY 2013/2014.
- Reduced total expenditures to \$45.9 million for FY 2013, a level not seen since FY 1999.
- Achieved a 31.9 percent set-aide rate for Minority Business Enterprise (MBE) directed expenditures, while the statutory mandate is 15 percent.
- Employment levels continued to be reduced in FY 2013, resulting in 22.7 percent decrease through attrition since January 2008, representing an estimated cumulative savings of \$19.6 million.

In furtherance of our commitment to fiscal accountability, I am pleased we have remained compliant with statutory mandates despite reducing costs and implementing new, innovative services.

Looking into the future, the IC will strongly focus on cost-effective methods that will only enhance our customer's experience with our agency. Each new idea will be met with an open mind, and if an improvement to agency operations is identified it will be implemented promptly to better serve our stakeholders.

Each fiscal year brings new challenges, but the IC will remain dedicated to a simple mission: Provide injured workers and employers with timely, impartial resolution of their workers' compensation appeals while remaining fiscally responsible stewards of public funds.

Sincerely,

Thomas H. Bainbridge, Chairman Industrial Commission of Ohio

ABOUT THE IC

The IC conducts more than 150,000 hearings each fiscal year, and most of these hearings take place within 45 days of the original claim appeal. That means you may expect first-class customer service as the IC provides a forum for appealing BWC and self-insured employer decisions. Since 1912, the IC has resolved issues between parties who have a dispute in a workers' compensation claim. With each claim, the agency is dedicated to offering information and resources to help customers navigate through the appeals process.

The IC conducts hearings on disputed claims at three levels: the District level, the Staff level, and 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.

During this fiscal year, Jodie M. Taylor represented employers; Karen L. Gillmor represented the public; and Gary M. DiCeglio represented the interests of employees.

Thomas H. Bainbridge was appointed the employee member of the agency on July 1, 2013 and then made Chairman on July 9, 2013.

IC COMMISSIONERS



Thomas H. Bainbridge, Chairman Employee Member Dates of Service: July 2013 - June 2019

Thomas (Tim) Bainbridge brings over four decades of workers' compensation experience to his role as Chairman of the Industrial Commission of Ohio.

As an attorney, Tim has spent a tremendous amount of time protecting the rights of Ohio's workers through his involvement with numerous organizations, which are dedicated to improving Ohio's workers' compensation system.

Tim displayed his knowledge and expertise as the Chairman of the Columbus Bar Association Workers' Compensation Committee from 1982 to 1983, and served as the Chairman of the Workers' Compensation Section of the Ohio Association for Justice from 1991 to 1993. He also served as President of the Ohio Association for Justice. Later, he served Ohio's injured workers and employers as the Commissioner for the Bureau of Workers' Compensation Oversight Commission from 1995 to 2006.

Tim's passion for workers' compensation has been evident throughout his career. Before arriving at the IC, Tim served as an attorney and managing partner at Ward, Kaps, Bainbridge, Maurer & Melvin from 1968 until 2009. He later served as a partner at the Bainbridge Firm from 2009 until 2013.

Tim is a member of the Ohio State Bar Association, Columbus Bar Association, Ohio Association for Justice and the American Association for Justice.

Originally from Steubenville, Ohio, Tim earned his bachelor's degree from Washington & Jefferson College in Washington, Pennsylvania, and then received his law degree from The Ohio State University.

Tim was admitted to the Ohio Bar in 1967 and has also been admitted to practice before the US District Court in the Southern District of Ohio.

He resides in Columbus with his wife, Deidre. The couple has three grown sons.



Jodie M. Taylor Employer Member Dates of Service: July 2009 - June 2015

Jodie brings years of workers' compensation experience to her role as Commissioner of the Industrial Commission of Ohio.

Her first day on the job was a homecoming for this 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 an Ohio State Bar Association member and is 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.



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 chairman 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.

FISCAL YEAR HIGHLIGHTS

In addition to the Commissioners, there are 95 hearing officers — all attorneys — in five regional and seven district offices throughout the state.

In FY 2013, the IC heard 150,070 claims. District hearing officers heard 104,538 claims. Staff hearing officers heard 45,110 claims and the Commission heard 422 claims.

The IC consistently achieved a high success rate in adjudicating claims well within the periods mandated by law throughout this fiscal year. From filing date to hearing date, district level (first level) hearings averaged 30 days and staff level (second level) hearing appeals averaged 32 days. Both averages are well below the 45 days mandated by law.

The statistics of filing date to mailing date were just as positive. For the district level, filing date to mailing date was 34 days on average. For the staff level, it averaged 36 days.

The Industrial Commission Online Network (ICON) is one reason for our continued success because it has made it easy to file appeals online. There were 64,877 first-level motions and appeals filed on ICON this fiscal year. There were also 65,548 second-level (or above) appeals filed on ICON during the fiscal year.

AskIC is another tool that has helped accelerate our response to customer inquiries. AskIC is an email feature of our website, www.ohioic.com. The feature gives injured workers, employers, and their representatives the opportunity to submit questions to our Customer Service Department.

Customer Service received and responded to 1,065 AskIC submissions during the fiscal year. The department also scheduled 1,274 interpreters for injured worker hearings. In addition, our toll-free customer service line received 8,245 calls this fiscal year. Staff personally assisted 8,364 people at our Columbus office.

CUSTOMER SERVICE INITIATIVES

New Customer Service Location Offers Greater Convenience

In September 2012, the Customer and Staff Resources Department officially moved to the first floor of the William Green Building in Columbus. Unlike the previous location on the ninth floor, the new site allows the department to see its customers on a daily basis. Before the move, customer service assistants would often travel to the ninth floor from the first floor front desk to remedy a problem. The new location eliminates this issue because a customer service supervisor is always available on the first floor.

Workers' Comp Reps Saying Goodbye to Snail Mail

With a few clicks of the mouse, workers' compensation representatives no longer have to wait for the mail carrier in order to have instant access to IC hearing orders and notices. In January 2013, hearing notices, orders, and letters were made available to representatives digitally via ICON instead of by U.S. mail. The new system of delivery allows claims representatives to receive correspondence at a faster rate than traditional mail delivery. Representatives may view their electronic notices, orders, and letters by using the daily correspondence link available on ICON. The procedure is designed to ease the process, save paper, and encourage the active use of ICON among representatives. With as much paper as the IC handles on a daily basis, this innovative approach will not only simplify the hearing process, but also save the agency money on paper, ink, and work hours devoted to mail delivery.

Commitment to Security Leads to Safer Customers

The IC is dedicated to providing the most enhanced security training to its employees. Throughout FY 2013, each IC employee received in-depth training on how to respond if an active shooter enters an IC facility. As a safety reference, a simulated active shooter video was posted on the agency's internal website for IC employees to review. In addition, the agency launched a comprehensive workplace violence training program, educating our IC employees on workplace violence issues and ways to react if an unstable situation occurred. Additionally, Captain Steve Saltsman, bomb squad commander at the City of Columbus Division of Fire, visited the William Green Building in January 2013 to offer his expertise in handling potentially deadly packages and letters.

New IT Initiatives Will Better Serve Customers

In June 2013, the Information Technology Department launched two new services that will boost customer service throughout each IC office. On June 17, after a successful pilot program with two representative firms and two third party administrators, the IC began allowing hearing documents to be faxed and emailed directly into the IC imaging system. This process will offer customers a faster and more convenient method of sending documents to the agency. On June 19, all IC offices began providing expanded Internet access via an additional secure wireless network, ICWIFI. Use of this service requires logging in with a username and password after obtaining an agency-issued identification card.

INVENTORY

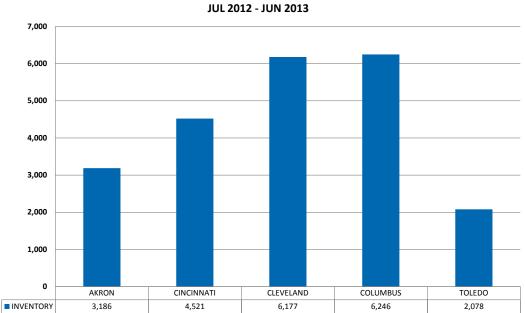
Motion/Appeal Filings

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.

Approximately 145,762 new first level motions and appeals were filed during FY 2013 for 95,774 separate claims. Additional appeals are filed at upper level commission venues.

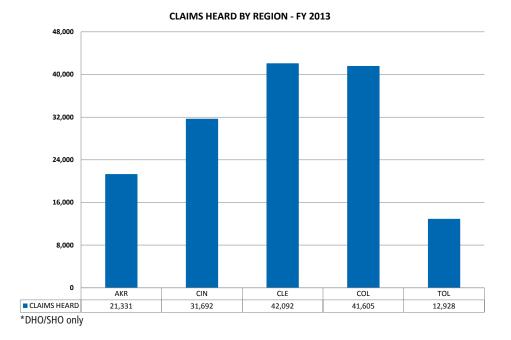
Hearing Inventory

Statewide average monthly district hearing officer and staff hearing officer (DHO/SHO) inventory was 22,208 claims for FY 2013. Regional breakdown of average inventories for FY 2013 is as follows: Columbus – 28 percent; Cleveland – 28 percent; Cincinnati – 20 percent; Akron – 14 percent; Toledo – 9 percent.

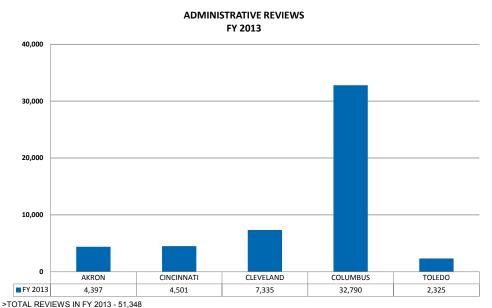




The Industrial Commission heard approximately 150,070 claims during FY 2013 at all adjudicatory levels. The total DHO volume accounts for 70 percent of overall hearings at 104,538 claims heard. Total SHO claims heard are recorded at 45,110 claims. Deputy venue claims heard totaled 167 in FY 2013 while the Commission venue recorded 255 claims heard.



Approximately 22,762 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.

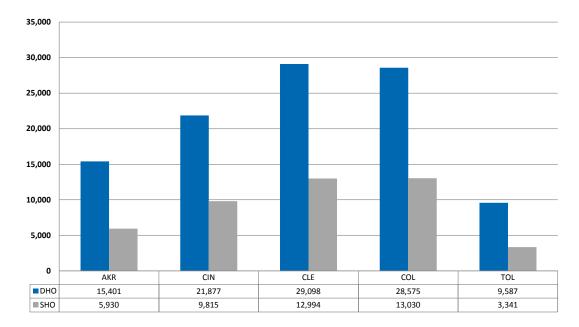


>ADMIN REVIEWS INCLUSIVE OF HEARING ADMIN, COMMISSION SCREENING, AND OTHER NON-HEARING ISSUES

Regionally, the distribution of FY 2013 claims heard at DHO and SHO hearing levels is as follows: Cleveland – 28%; Columbus – 28%; Cincinnati – 21%; Akron – 14%; Toledo – 9%.

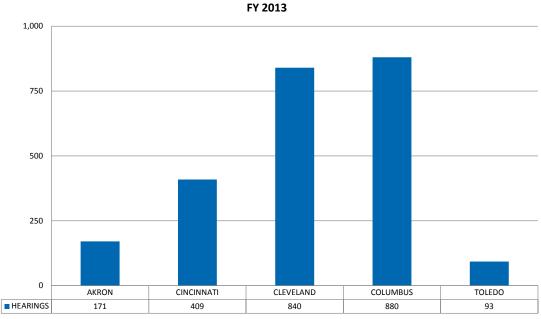
The total claims heard figure is inclusive of continuances, referrals, dismissals, and other final determinations made as a result of a hearing.

DHO and SHO hearings were conducted on 245 days during FY 2013. An average of 608 claims were heard per day at the DHO and SHO hearing levels. District Hearing Officers averaged 427 claims heard per day while Staff Hearing Officers averaged 184 claims heard per day.



DHO/SHO CLAIMS HEARD - FY 2013

A total of 2,393 hearing records were flagged as requiring interpreter services during FY 2013 marking an increase of 8.6 percent from FY 2012.



HEARINGS HELD REQUIRING INTERPRETERS FY 2013

Note: An interpreter may not have been present at each hearing.

Hearings Held by Employer Group

Hearings were conducted for approximately 38,512 different employers in FY 2013. Hearings for claims of private state funded employers accounted for 57 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 four 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 permanent total disability (PTD) hearing may consist of three claims filed by an Injured Worker. Reporting would reflect these totals accordingly. Rates are assessed based on the lower hearings held figure.

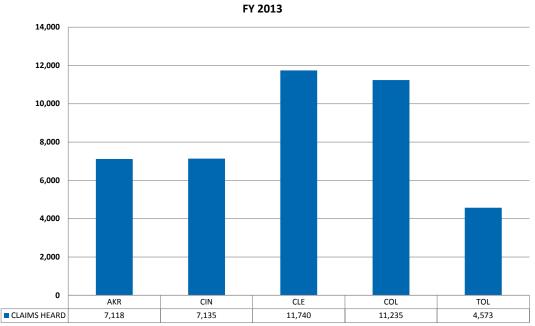
Employer Type	State Fund	Self-Insured	Pol. Sub (County)	State	Total
Hearings Held	85,170	38,210	19,463	6,564	149,407
Claims Heard*	85,401	38,316	19,718	6,645	150,080

* Claims heard inclusive of PT Heard-With claims

Hearing Administrator

Hearing Administrators perform a variety of functions that facilitate the adjudication process. In addition to processing approximately 23,231 continuance requests during FY 2013, they also processed 13,488 requests to withdraw motions or appeals and 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 41,801 issues during FY 2013. Regional volumes of Hearing Administrator activity are presented in the graph below.



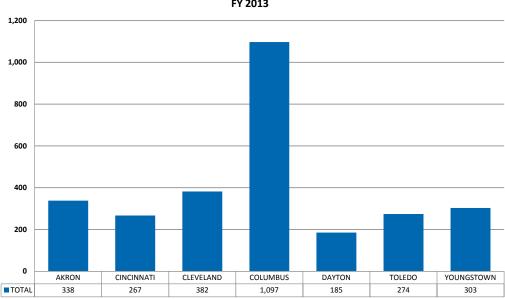
HEARING ADMINISTRATOR DECISIONS

TOTAL DECISIONS IN FY 2013 - 41,801

Medical Activity

The Industrial Commission schedules medical exams for injured workers that 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 as of June 30, 2013, was 635 claims.

A total of 2,846 specialist exams and medical reviews were performed on behalf of the Industrial Commission during FY 2013.



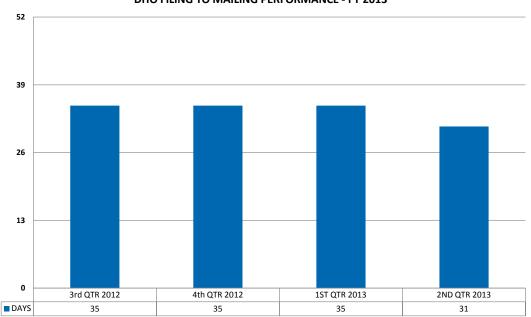
MEDICAL SPECIALIST EXAMS / REVIEWS FY 2013

TOTAL EXAMS FOR FY 2013 - 2,846

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 HB107. DHOs heard a total of 80,840 allowance docket claims during FY 2013. Of those, 68,941 qualified for inclusion in time studies. On average, the DHO process was completed within 34 days during FY 2013.

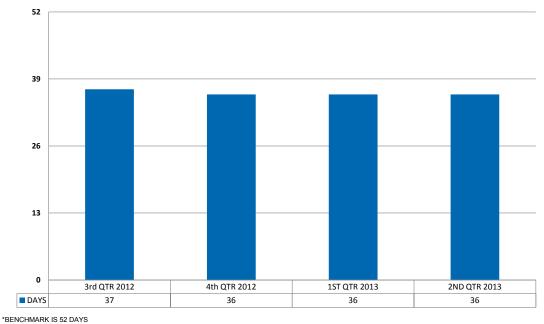


DHO FILING TO MAILING PERFORMANCE - FY 2013

*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), MISC (other issues not designated to a pre-defined docket type). Only appeal dockets fall under time frame requirements outlined in HB107. SHOs heard a total of 37,054 appeal claims during FY 2013. Of those, 32,424 qualified for inclusion in time studies. On average, the SHO process was completed within 36 days during FY 2013.

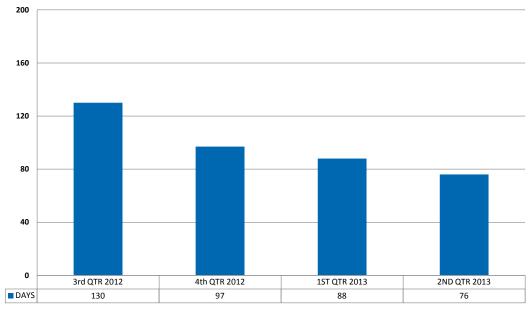


SHO FILING TO MAILING PERFORMANCE - FY 2013

Commission Performance

For hearings conducted during FY 2013, the Commission venue average for the period **Filing of Appeal to Hearing Date (F-H)** is 46 days.

The Commission venue average for the Filing of Appeal to Mailing of Order time frame is 98 days.

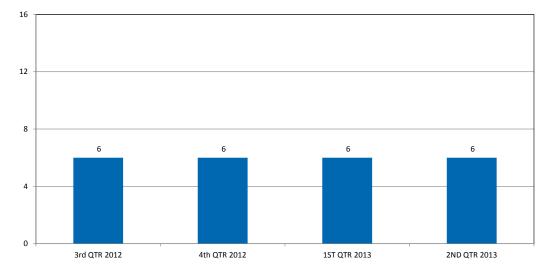


COMMISSION FILING TO MAILING PERFORMANCE - FY 2013

BENCHMARK - 52 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.

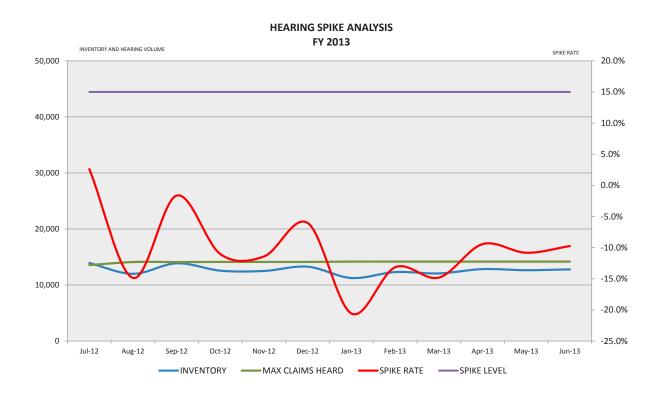


SHO APPEAL ORDER EXPIRATION DATE TO REFUSAL ORDER MAILING DATE FY 2013

STATUTE - 14 DAYS

Hearing Spike Analysis

The Hearing Spike Analysis is compiled in conformance with the directives set forth in HB413 and IC Resolution 96-1-05. Per this directive, a hearing spike occurs when the volume of claims ready for hearing at the end of any given month exceeds the maximum number of DHO/SHO claims heard in any of the preceding twelve calendar months by fifteen percent. The IC is currently well below the threshold for having a hearing spike.



LOCATIONS & CONTACTS

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 Akron*

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

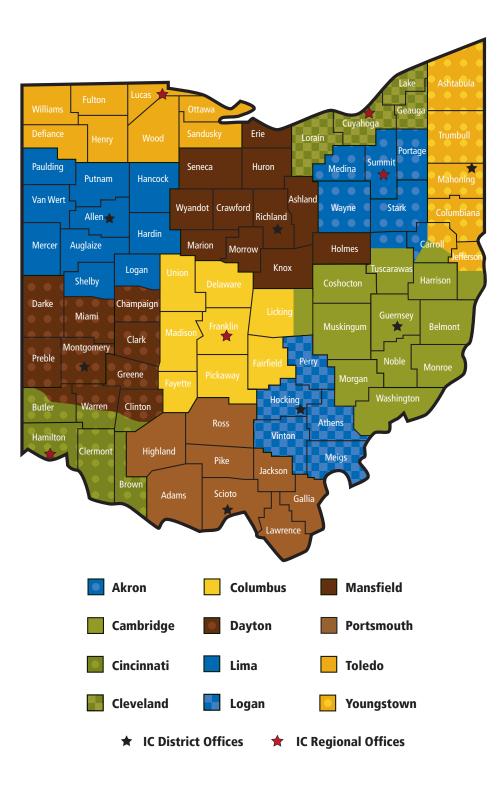
2025 E. Fourth St. Lima, Ohio 45804-0780

Tel: 419.227.7193 Fax: 419.227.7150

*Medical Examination Locations

DISTRICT OFFICES ASSIGNMENTS MAP

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.



Ohio Industrial Commission

Timely, Impartial Resolution of Workers' Compensation Appeals

30 West Spring Street, Columbus, Ohio 43215 www.OhioIC.com, (800) 521-2691

John R. Kasich, Governor Mary Taylor, Lt. Governor

Thomas H. Bainbridge, Chairman Jodie M. Taylor, Member Karen L. Gillmor, Ph.D., Member

