

Ohio | Industrial Commission  
**2018-2019 BUDGET**



*Efficient, impartial resolution  
of workers' compensation appeals*



# TABLE OF CONTENTS

<b>Letter from the Chairman</b> .....	<b>1</b>
<b>Reduced Premium Assessment For Ohio Employers</b> .....	<b>2</b>
<b>Providing Excellent Service While Cutting Expenditures</b> .....	<b>3</b>
<b>IC Commissioner Bios</b> .....	<b>4</b>
<b>Our Plan to Control Costs</b> .....	<b>7</b>
Budget Request.....	8
Comparison to Previous Budgets.....	9
Full Time Equivalent Employment Levels Trend.....	10
Cost Saving Efforts/Customer Service - Hearing Process .....	11
Cost Saving Efforts/Fiscal Performance - Support Areas .....	12
A Vision for the Future .....	13
<b>Excellent Customer Service at a Lower Cost</b> .....	<b>15</b>
Administrative Hearing Levels Chart .....	17
Inventory .....	18
Hearing Activity.....	19
Hearing Performance.....	23
District Offices Assignments Map.....	27
Office Locations.....	28
Permanent Total Disability (PTD) Submission Process.....	29
PTD Timeline.....	30



## Letter from the Chairman



It is my pleasure to present to you the Ohio Industrial Commission's (IC) 2018 and 2019 Biennial Budget Request. The upcoming biennium presents continued challenges for our agency (which does not receive any general revenue funds) both in staffing and technological advances. We have laid the groundwork for continued process innovation and a commitment to quality.

In the next biennium, the IC will face a continued maturing of its workforce and the potential for an increased "retirement wave." While the volume of retirements over the past three fiscal years has increased, that level as a percentage of the total workforce remains modest at 2.9 percent. The Staff Hearing Officer (SHO) and Claims Examiner classifications are at a moderate to high risk for thirty year retirement eligibility. Both positions require extensive periods of training to perform their functions independently. SHO ranks can be back-filled by promoting eligible and qualified District Hearing Officers (DHO). In turn, these DHO positions will require external hiring. Due to the advanced legal and medical knowledge required for this DHO position, the training period is usually a minimum of six months before a full schedule of hearings is assigned to the individual. To avoid disruptions in customer service during this training and possibly exceed statutory time frame mandates for hearing and order issuance, it is IC's intent to on-board new hires while the retiring employee is still active at a level limited to observed claim filing trends. The IC also has an 18 percent retirement risk in its Claims Examiner (CE) classifications. The need to fill claims examiner positions is not as vital as the SHO due to previous investments in centralizing workflow technologies and the implementation of standardized processes. However, at both levels, we anticipate some temporary staffing overlaps to secure an effective knowledge transfer, and to deliver a high standard of service to our customers.

Within our technological infrastructure, the IC is in process of converting to the Case Manager hearing platform as discussed in our previous biennium request. This effort is approximately 40 percent complete and in production. In-house staff has been successful in achieving this milestone with limited overtime expense and without the cost of external staff augmentation. Through this process, the information technology team has identified and coded other peripheral work processes to achieve efficiencies. However, there will still be a need to have a contingency for the services of non-IC developers, but at a level significantly lower than the previous request.

The IC has reaped a high multiple in future savings for current investments. Since the beginning of FY 2008 through the end of FY 2016, staffing has been reduced by 26.7 percent, resulting in an estimated cumulative savings of \$46MM in payroll expense. Much of this reduction, all through attrition, relates to laborsaving, claim-processing automation and process standardization statewide. Despite this reduction, the IC maintains a significantly high level of compliance of 88 percent or better with statutory hearing and hearing order issuance time frames across the DHO and SHO levels.

In addition, the quality of the IC's hearing orders remains high. By external measure, IC decisions continue to show favorable review. Orders appealed to the Tenth District Court of Appeals through an action in mandamus have an 81 percent rate of affirmation for the period of January 2016 to September 2016. At the same time, the volume of those external appeals dropped to 69 in 2016, a new ten-year low. For reference, there were 248 actions filed in 2005.

The FY 2018/2019 Biennium Budget request totals \$103.6MM, which is a 1.3 percent decrease from the FY 2016/2017 adjusted appropriation of \$105.0MM. As a non-GRF agency funded by an Administrative Cost surcharge (ACF) to the employers' workers' compensation coverage base rate, the IC continues to pass along our efficiency-based savings. ACF rates held steady across the board for the 2016 policy period. This actually translates to a realized ACF revenue reduction for the IC as the Ohio Bureau of Workers' Compensation (BWC) lowered its base rates during the same period.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas H. Bainbridge". The signature is fluid and cursive, written over a light blue horizontal line.

Thomas H. Bainbridge  
Industrial Commission Chairman

## Reduced Premium Assessment for Ohio Employers

The IC is funded by an Administrative Cost Fund (ACF) rate that is applied to the workers' compensation base rate premiums of Ohio's employers. The agency does not receive any Ohio general revenue funding for its operations. Continued stability in operational expenditures has allowed the IC to reduce its ACF revenue needs by \$2MM between Policy Year 2016 and Policy Year 2017.

### ACF Rates by Policy Year

Employer Group	PY-15	PY-16
Private	1.87 percent	1.87 percent
Public State	3.12 percent	3.12 percent
Public Taxing Districts	2.09 percent	2.09 percent
Self-Insured	6.68 percent	6.68 percent

## Providing Excellent Service While Cutting Expenditures

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

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

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

With investment in technological processes, the IC has been able to absorb a significant reduction in its workforce. By attrition only, staffing has decreased by more than 132 employees (26.7 percent) since FY 2008; yet the IC continues to meet and exceed statutory requirements for timely service. This process migration has been alleviated by the implementation of computerized improvements in our paperless hearing process (ECM – Enterprise Content Management), through the ICON (Industrial Commission Online Network) website presence, and broadening data transmission connectivity. This system allows claims examining work and clerical work such as word processing and scanning/indexing to be assigned to employees regardless of their location among our 12 offices. In turn, employee utilization is increased by having a low volume work site process claims or hearing orders for a higher volume work site. At the same time, stakeholders can directly manage their claims and submit or update documentation through ICON. The IC even offers e-distribution of hearing notices, hearing orders, and other correspondence to reduce postage and hard copy costs.

We are an agency that is already maximizing productivity while minimizing expenditures, a value that will serve us well in meeting the next biennium's challenges.

# IC Commissioners

## **Thomas H. Bainbridge**

### **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.

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

He resides in Columbus. He and his late wife, Deidre, have three grown sons who also reside in Columbus.

## **Jodie M. Taylor**

### **Employer Member**

**Dates of Service: July 2015 - June 2021**



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

In July 2009, Jodie was appointed as the employer member of the Commission. On January 14, 2011, Governor John Kasich appointed Commissioner Taylor as Chairperson of the Commission. Jodie served in this capacity until July 2011. On February 13, 2013, Governor Kasich again appointed Jodie as Chairperson of the Commission. Jodie served in this position until July 2013. In June 2015, Governor Kasich reappointed Jodie to a second term which will end in June 2021.



Her first day on the job was a homecoming for Jodie. 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 Commission, 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 chair of the State Employment Relations Board from 1997 to 2007 and was a consultant to the United States Secretary of Labor.

Nationally, Karen served on the Health Committee of the American Legislative Exchange Council, as well as on the Health and Human Services Committee of the Council of State Governments' Midwestern Region. Karen was married to United States Congressman Paul Gillmor, who tragically passed away in 2007. They have five children, Linda, Julie, Paul Michael and twins Connor and Adam.

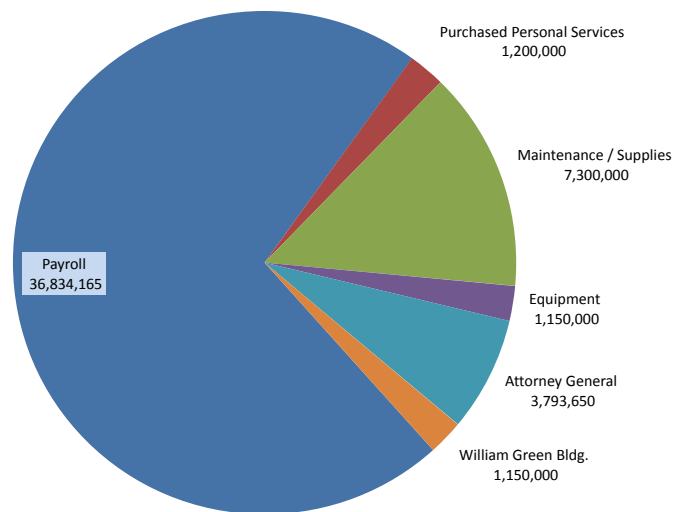


# OUR PLAN TO CONTROL COSTS

# Budget Request

As we prepare to enter the next biennium budget period, the IC faces the continued challenges of succession planning and technological infrastructure conversion. The IC has approximately 39 percent of its current Full Time Equivalent (FTE) resources eligible for at least one of three retirement options by the end of fiscal year 2018. As the agency transitions through this period, the IC is devoted to keeping costs down while ensuring a seamless knowledge transfer as new employees enter and retirees exit. In addition, the agency continues its progress with the migration of the paperless hearing process to a new platform, as the current system will not be vendor supported past 2019. This effort is approximately 40 percent completed. Finally, the agency needs funding to accommodate transitional and on-going costs related to the Office of Information Technology (OIT) Transformation Initiative. Conservative financial projections and highly scrutinized spending have kept the IC on firm financial footing and this will continue in the next biennium. We are requesting a total budget of \$51,427,815 for fiscal year 2018 and \$52,167,300 for fiscal year 2019 (See Exhibit A).

## Exhibit A

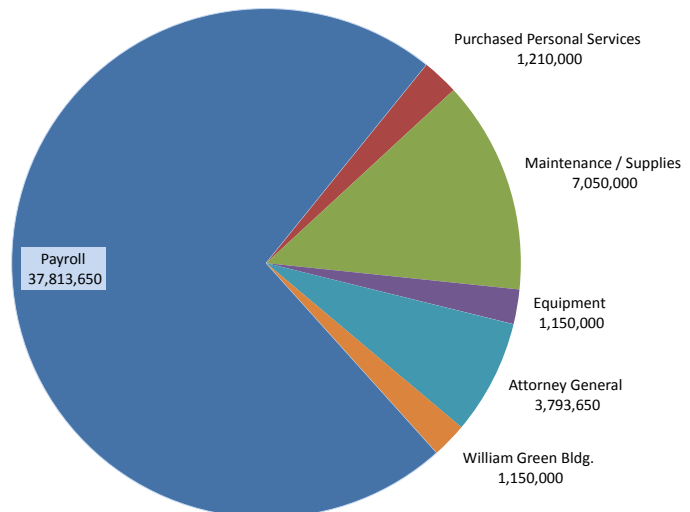


### Biennium Budget – Fiscal Year 2018

Description	2018
Payroll	\$36,834,165
Purchases Personal Service	\$1,200,000
Maintenance/Supplies	\$7,300,000
Equipment	\$1,150,000
Attorney General	\$3,793,650
William Green Building	\$1,150,000
<b>Total Budget</b>	<b>\$51,427,815</b>

### Biennium Budget – Fiscal Year 2019

Description	2019
Payroll	\$37,813,650
Purchases Personal Service	\$1,210,000
Maintenance/Supplies	\$7,050,000
Equipment	\$1,150,000
Attorney General	\$3,793,650
William Green Building	\$1,150,000
<b>Total Budget</b>	<b>\$52,167,300</b>

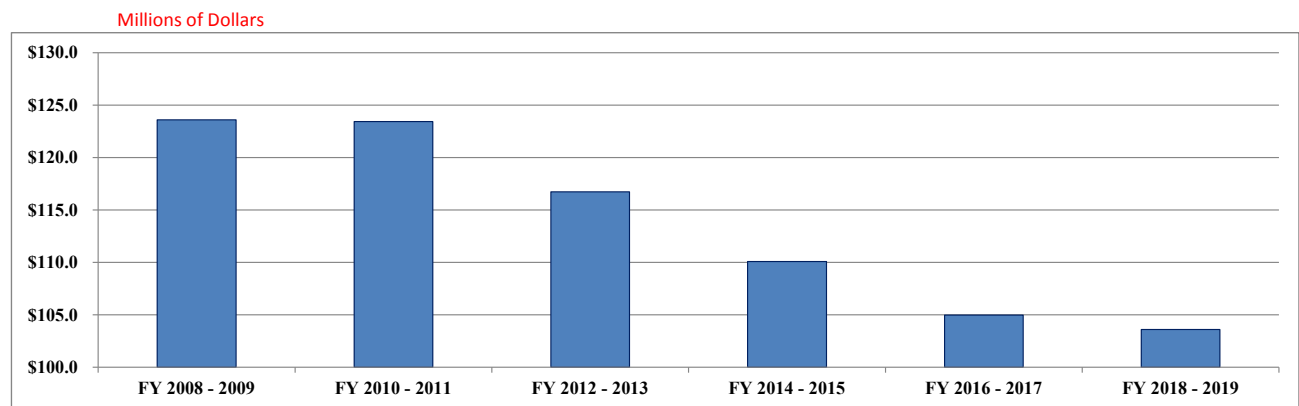


## Comparison to Previous Budgets

The proposed budget for FY 2018 at \$51.4m is 3.7 percent less than the current FY 2017 adjusted budget, which is \$53.4m. The proposed budget for FY 2019 at \$52.2m is 2.3 percent less than FY 2017. Over the past five budgets, the IC request has been a decrease from the previous biennium. In a historical 10-year perspective, our proposed FY 2018/2019 budget is actually 16 percent less than our FY 2008/2009, which was \$123.6m. Despite factors beyond our control such as negotiated pay raises, step increases, increases in health insurance and other inflation, we were able to reduce our overall budget during the last ten years.

### Exhibit B

#### Biennium Appropriations Fiscal Year 2008/2009 – Fiscal Year 2018/2019



Average Biennium Change Over the Period: -3.44%

Proposed Biennium Amount vs. Current Biennium Amount: -1.31%

Biennium Years	Biennium Budgets	Biennium to Biennium Change
FY 2008-2009	\$123.6 Million	
FY 2010-2011	\$123.4 Million	-0.14%
FY 2012-2013	\$116.7 Million	-5.43%
FY 2014-2015	\$110.1 Million	-5.71%
FY 2016-2017	\$105.0 Million	-4.63%
FY 2018-2019	\$103.6 Million	-1.31%

---

<b>Decrease in Biennium Request over the Period</b>	<b>\$20 Million</b>	<b>-16.18%</b>
---	---------------------	----------------

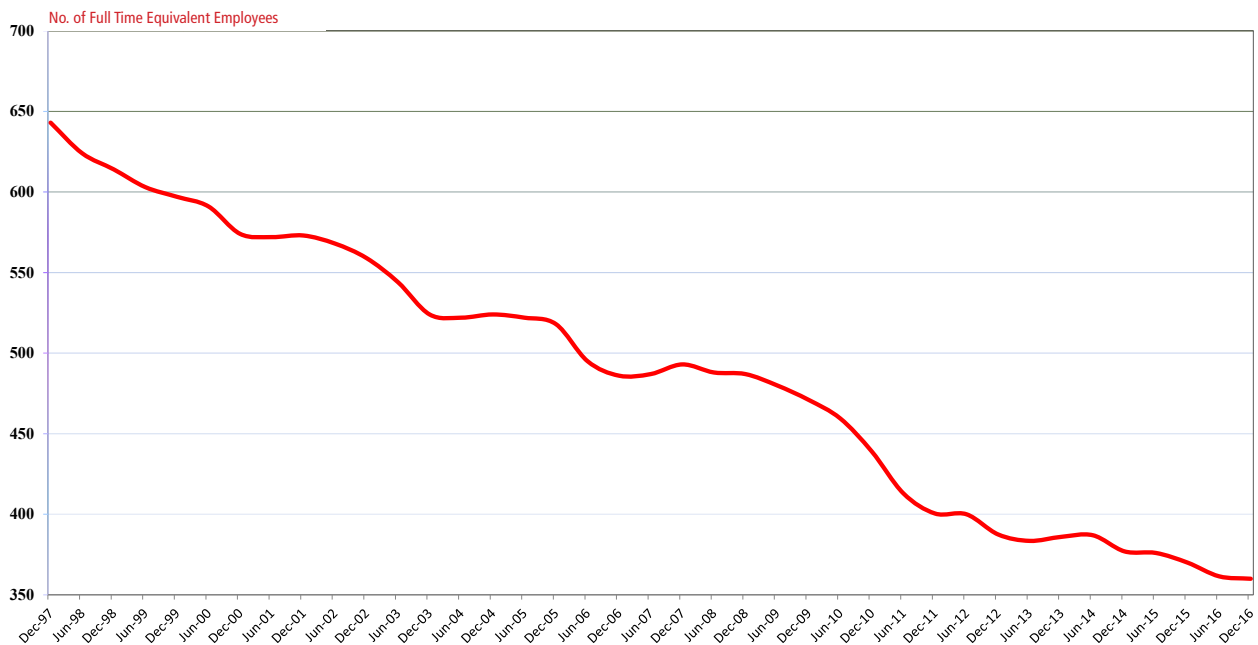
# Full Time Equivalent (FTE) Employment Level Trend

For more than 18 years, the IC has steadily decreased its number of employees.

Since December 1997, the employment level has decreased from 643 to 362 by the end of FY 2016, which represents a 44 percent decrease. In recent years, the employment level has decreased from 496 in January 2008 to a present level of 362. This is a decrease of 27 percent and an estimated \$46MM in payroll expense savings. Most of our employment decreases have been the result of computer automation, the emergence of electronic claims processing, claim process standardization, hands-on customer claim management, and automated mailing services. Work productivity gains have been achieved by the automation of hearing notice and hearing order generation, by the high degree of hearing order content being auto-populated, and by the expansion of connectivity capacity among offices to allow support functions like claims examining and word processing to be completed throughout the state regardless of the hearing location. This has reduced the need for filling support functions lost to attrition and the need to staff remote offices to previous levels for the hearing process. In addition, customers can manage their own claims online. Claimants and representatives can directly upload support documentation for consideration at the hearing thereby reducing their mailing costs as well as costs related to manual processing on the IC side.

Reviewing employment levels in 2016 indicates that the IC has reached a “core” level of FTEs averaging 362.5 over this period. The range is approximately 9.5 FTEs running from a low of 359.5 to a high of 369 at the start of this period. In the next biennium, the IC expects to encounter some overlapping in job classification staffing totals as succession transition continues. The IC will continue to explore avenues for efficiency by expanding accessibility for direct stakeholder interaction and reviewing the potential for other internal operational laborsaving alternatives.

## Exhibit C Full Time Equivalent Employment Levels December 1997 through December 2016



Current FTE count as of January 30, 2017 is 362.

## IC Cost Savings and Customer Service Efforts – Hearing Process

The IC continues to improve our customer experience by listening to its stakeholders (employers, injured workers, representatives, legislators, etc.). In turn, some of these changes result in greater efficiencies and cost savings for the hearing process.

Improvements to the hearing and medical examination experience in the current biennium include:

- After a nearly two-year review process, the IC Hearing Officer Manual has been updated for relevant policies and procedures and retitled: “Adjudications before the Ohio Industrial Commission.” The new title more appropriately includes IC commissioners and hearing administrators.
- Expanded the versatility and response time of ICON to further integrate the paperless hearing process by:
  - Full notification to all representatives when appeals are filed;
  - Interactive access for representatives to add scheduled hearings to their personal calendars and to enter temporary changes to their attorney schedules;
  - Developed a secure system for IC Medical Examiners to submit and receive reports to eliminate the less secure fax option;
  - Provided access for the Attorney General for external claim management; and
- Further increased the integration of progressive auto-populated text and document merge throughout the various hearing forms, correspondence, and reports to reduce error rates and achieve laborsaving efficiencies in back office operations.
- Development and implementation work continues with the conversion to the Case Manager platform, which will be the new user interface to the Workflow hearing system. This project will touch every aspect of each IC hearing level. To date, 40 percent of the process has moved into production with early Fiscal Year 2019 being the target completion date.
- Completed the renovation of the Cleveland Regional Office to better accommodate customer needs, enhance security and improve the hearing experience with noise abatement measures.

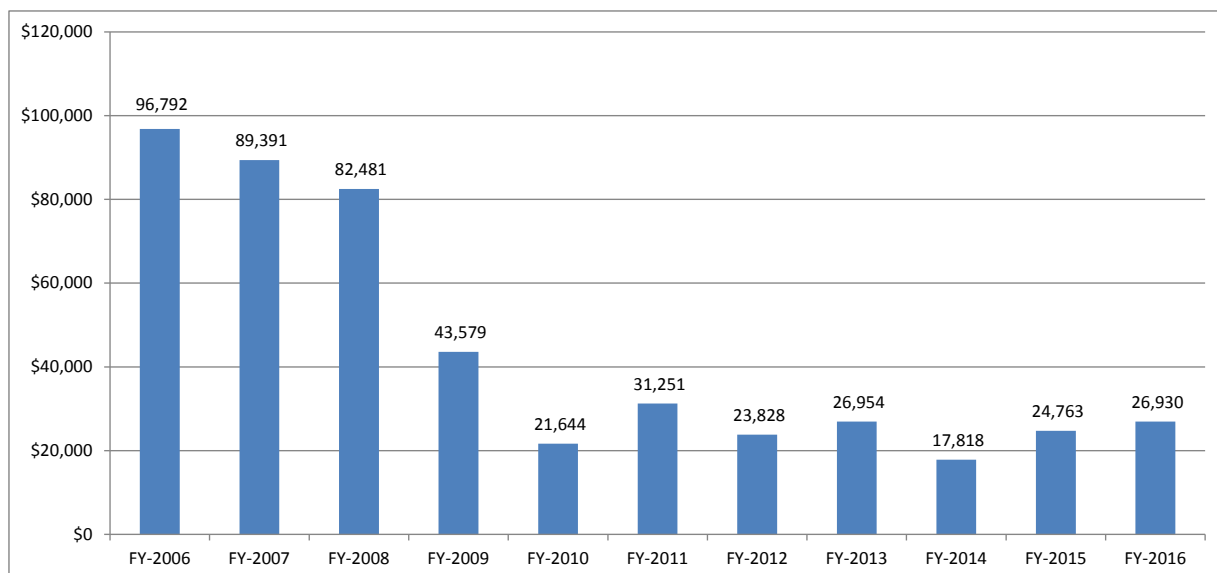
## IC Cost Savings Efforts and Fiscal Performance – Support Areas

While agency attrition since FY 2008 has yielded estimated payroll expense savings in excess of \$46MM, there are other areas of note, which have contributed to the IC's low cost structure. These include:

- For a sixth straight year, the Administrative Cost Fund rates for three of four risk groups were reduced or remained flat. Since Policy Year 2008, annual operational revenue needs have declined by \$21MM by Policy Year 2016;
- With the DAS awarding of a single supplier CRP contract, the IC ended its program of leveraging toner purchases through a vendor point program to secure needed equipment replacements and maintenance. From FY 2012 and ending FY 2016, this program saved \$392,000 in such outlays;
- The IC achieved a 37.7 percent Set-Aide rate in FY 2015 and 47.3 percent in FY 2016 for Minority Business Enterprise (MBE) directed expenditures vs. the statutory mandate of 15 percent. This was the sixth consecutive year in which the IC exceeded the threshold;
- The IC achieved a 19.8 percent rate in FY 2015 and a 10.8 percent rate in FY 2016 for Encouraging Diversity Growth & Equality (EDGE) directed expenditures vs. the policy mandate of 5 percent. This was the fifth consecutive year in which IC exceeded the threshold;
- As noted below, the IC has also slashed overtime paid by 72 percent from \$96,792 in FY 2006 to \$26,930 in FY 2016 even before adjusting for pay rate increases over the time span. Most overtime in FY 2016 was dedicated to the Case Manager conversion effort, which is significantly more cost effective than engaging external staff augmentation.

### Exhibit D

#### OVERTIME EXPENSES





## A Vision for the Future

In the next biennium, the IC will face the continued maturing of its workforce and its potential for a “retirement wave.” Most at risk is our Staff Hearing Officer (SHO) classification, but other classifications note moderate to high risk of retirement eligibility. By the end of FY 2018 in the next biennium, the potential for retirement is as follows:

Position Description (Core business areas itemized)	Type of Retirement as of 6-30-2018			Total Retirements Potential
	30 Years	55 & 25	60 & 5	
<b>Staff Hearing Officer</b>	37.8%	20.0%	4.4%	62.2%
<b>District Hearing Officer</b>	7.5%	5.0%	15.0%	27.5%
<b>Claims Examiner</b> (includes all levels)	17.5%	10.7%	10.7%	38.8%
<b>Word Processor</b>	12.5%	25.0%	0.0%	37.5%
<b>All others</b>	17.4%	12.8%	6.0%	36.2%
<b>Totals</b>	18.7%	12.7%	7.9%	39.4%

SHO ranks can be back-filled by promoting eligible and qualified District Hearing Officers (DHO). Conversely, these DHO positions will require external hiring at a level based on observed claim filing trends at that time. As noted in the last budget request, advanced legal and medical knowledge is required for a DHO position. The training period is usually a minimum of six months before a full docket of hearings can be assigned. To avoid disruptions in customer service during this training and possibly exceed statutory time frame mandates for hearing and order issuance, it is the IC’s intent to on-board new hires while the retiring employee is still active. The IC also has an 18 percent retirement risk in its Claims Examiner (CE) classifications. While the need to fill the (CE) slots is not as vital as a hearing officer because CE work is pooled through the paperless platform, extended training of at least 3-4 months will be required to determine success. This will result in some staffing overlaps to secure an effective knowledge transfer resulting in a temporary bump in FTE counts during these transitions. While overlap costs may be experienced in the short-run, the overall trend will be a decline in payroll expense in the long run as the more tenured and higher compensated employee exits the agency. The payroll margin will be thin in accommodating this initiative with perhaps a maximum average FTE level of 368 – 370 in FY 2018, including funding for the three Commissioners and interns for FTE equivalents. This intern program has been quite successful in identifying quality talent for future hire consideration. This is about a two percent expansion margin.

Moving through FY 2017 and into FY 2018, the IC will absorb the last of three consecutive 2.5 percent pay rate increases along with the Ohio Department of Administrative Services initiated compression adjustments and the standard step/longevity increases. FY 2019 notes a significant increase of 2.2 percent in the fringe benefit factor per SOPPS Payroll Projection. While the IC will accommodate these inflators under the budget threshold, it will undoubtedly move payroll expenditures above the stable levels seen in recent years. If significant retirements are to occur, this situation may ease.

Another challenge is IC’s conversion to the Case Manager hearing platform started in FY 2015. This effort replaces the current Workflow BPM user interface scheduled for end-of-service life in April 2017. However, the IC was able to secure a month-to-month extension to complete its work. This conversion and migration may require the use of staff augmentation

## A Vision for the Future

through the Knowledge Services contract. Based on current rates for emerging technologies, the approximate cost for this project over the next biennium will be \$225,000 for Personal Service Contracts.

Service support expirations will also require investments in replacement for other hardware and software needs including:

- the AS/400 mid-range processor,
- DTM - a mainframe word processor system used to build hearing orders, notices and other correspondence within the paperless Workflow system,
- desktop personal computers statewide, and
- printer upgrade.

These initiatives have an estimated combined total of \$1.64MM.

By agreement with OIT and in conformance with the Governor's cost-efficiency program, a majority of IC's server farm will transition to OIT by December 2017. Funding for this OIT service is expected to be \$540,000 in FY 2018 and just over \$1MM in FY 2019 based on current IC production levels and OIT's FY 2017 fee structure. Funding for the Ohio One Network and the OIT Development Fund are expected to total a combined \$360,000 in each year. Savings from economies scaling may not be realized until after FY 2019.

The IC does not foresee any issue with its funding sources over the coming period. While economic growth is not robust per GDP standards, it is steady as evidenced by job creation figures. Knowing this, the IC maintains a sufficient cash reserve to fund any unanticipated shortages in the receipt pattern.

The IC has a single mission dedicated to the adjudication of contested workers' compensation claims. From a non-personnel standpoint, the "heartbeat" of our operation lies within the paperless hearing process. In the upcoming biennium, emphasis will focus on the full implementation of the Case Manager interface, replacement of the AS/400 mid-range server due to age, and replacement of the word processor component. ICON will include enhancements to reduce fax transmissions and hard copy paper exchange with a mechanism by which representatives can download specific documents from the hearing folder to complement the upload function. Introduction of these new features has encountered slow acceptance rates. However, stakeholder directed marketing efforts continue to promote the advantage of these technology based options.

Internally, there are continued efforts to streamline document production with the aforementioned progressive auto-populated document build and providing a mechanism by which hearing officers can type their own orders. The funding request includes a set aside amount of an estimated \$225,000 to scope, pilot, and implement any voice recognition platform that may prove effective over the next biennium. This investment would yield a return via attrition in the Word Processor ranks.

**EXCELLENT CUSTOMER SERVICE  
AT A LOWER COST**

## Excellent Customer Service at a Lower Cost

Even with our history of fiscal prudence, our production has not suffered. During FY 2016, the IC heard 509 claims per day and conducted 2,488 medical exams in FY 2016. This requires great teamwork, especially when customers need our help in emergencies.

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

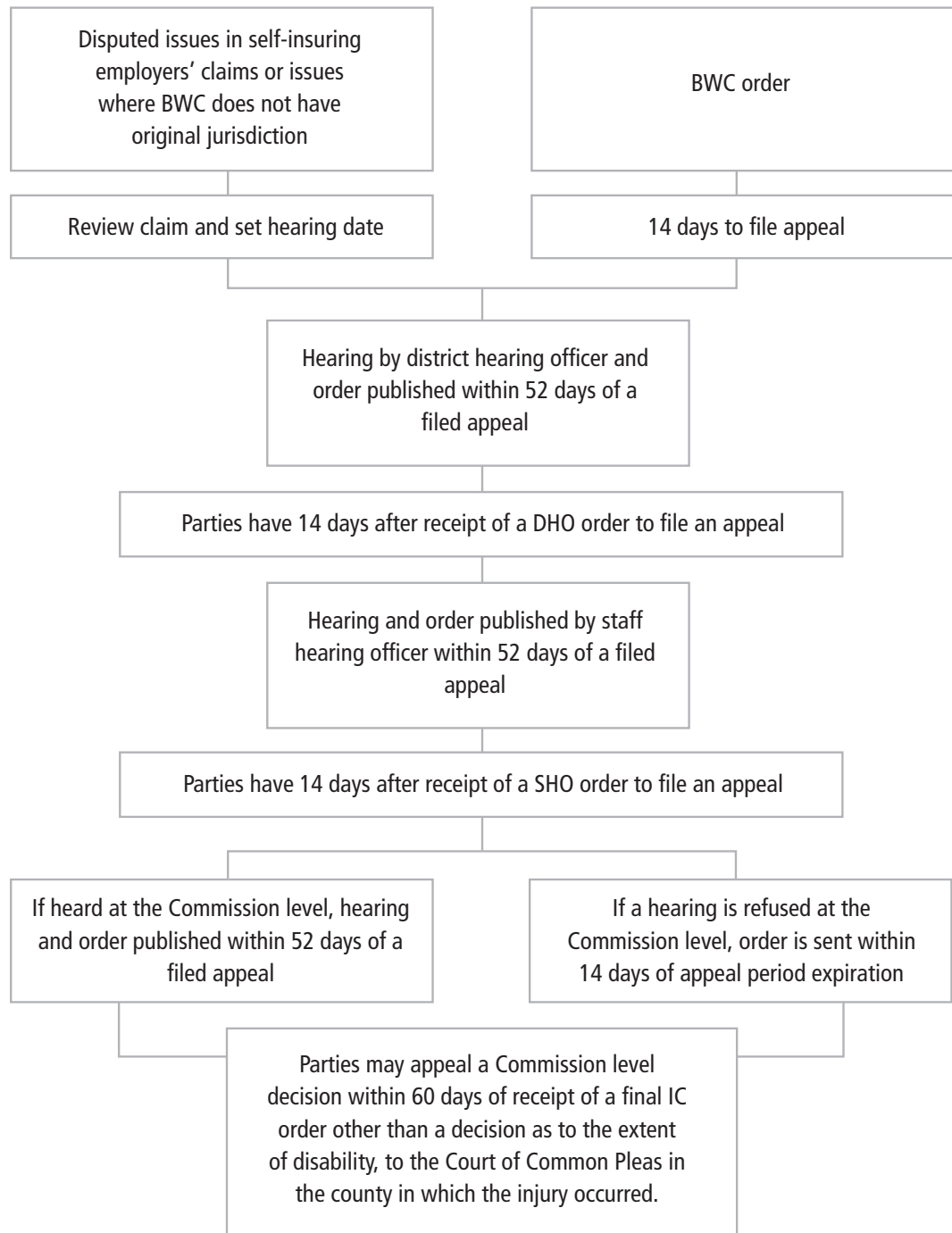
BWC initially determines claims. If a BWC order is appealed, by statute the IC has 45 days to conduct the first level hearing. If this decision is appealed, the IC conducts the second level hearing within 45 days. A final appeal may be made to the three-member Commission.

Exhibit E (next page) outlines the potential flow of an appeal through the process.

# Administrative Hearing Levels Chart

## Exhibit E

### Administrative Hearing Levels Flow Chart



# Inventory

## Motion/Appeal Filings

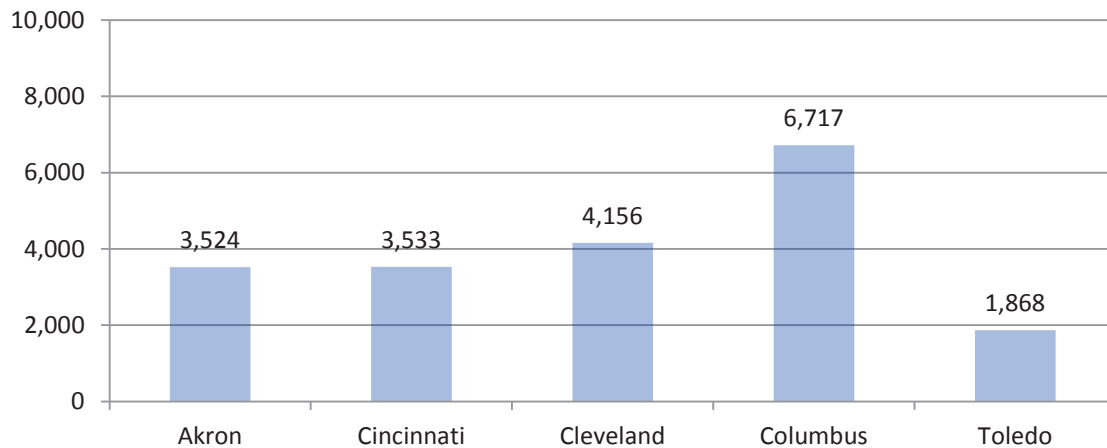
Ohio Industrial Commission (IC) workloads and performance are initiated by and heavily dependent upon the volume of new claims filed with the Ohio Bureau of Workers' Compensation along with new motion and appeal filings. IC inventory volume is subject to change dependent on appeal filings, claim flows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

Approximately 129,851 new first level motions and appeals were filed during FY 2016 for 82,250 separate claims. Additional appeals are filed at upper level commission venues.

## Hearing Inventory\*

Statewide average monthly DHO/SHO inventory was 19,798 claims for FY 2016. Regional breakdown of average inventories for FY 2016 is as follows: Columbus – 34 percent; Cleveland – 21 percent; Cincinnati – 18 percent; Akron – 18 percent; Toledo – 9 percent.

**Average Monthly Inventory | FY 2016**



\*Hearing inventory inclusive of medical inventory

# Hearing Activity

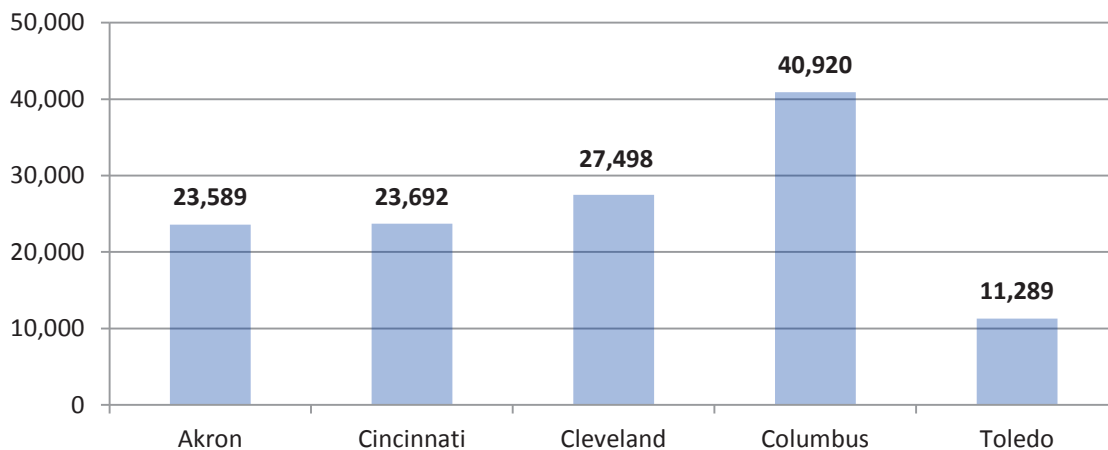
Formal hearings and administrative reviews account for the majority of IC activity. In FY 2016, the IC made approximately 209,926 decisions on issues arising from workers' compensation claims.

During FY 2016, the IC performed 82,782 administrative reviews and heard a total of 127,144 claims at all adjudicatory levels. Claims heard is inclusive of hearings at the DHO, SHO, Deputy, and Commission venues. Administrative reviews incorporate issues that do not initially require formal adjudication via hearing (Hearing Administrator issues, Commission requests, cancellation requests, etc.). These issues receive review and processing at the 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.

## Claims Heard

The total DHO hearing volume accounts for 70 percent of the overall hearings during FY 2016 at 89,143 claims heard, while the SHO volume is recorded at 37,845 claims heard. Deputy venue claims heard totaled 122 in FY 2016 while the Commission venue recorded 188 claims heard. Total claims heard is inclusive of continuances, referrals, dismissals, and other final determinations made as a result of a hearing.

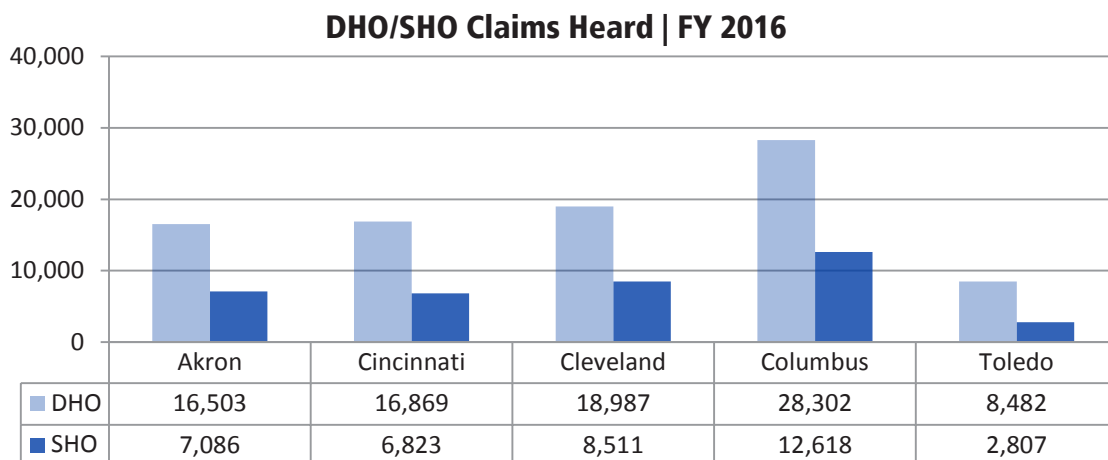
**Claims Heard By Region\* | FY 2016**



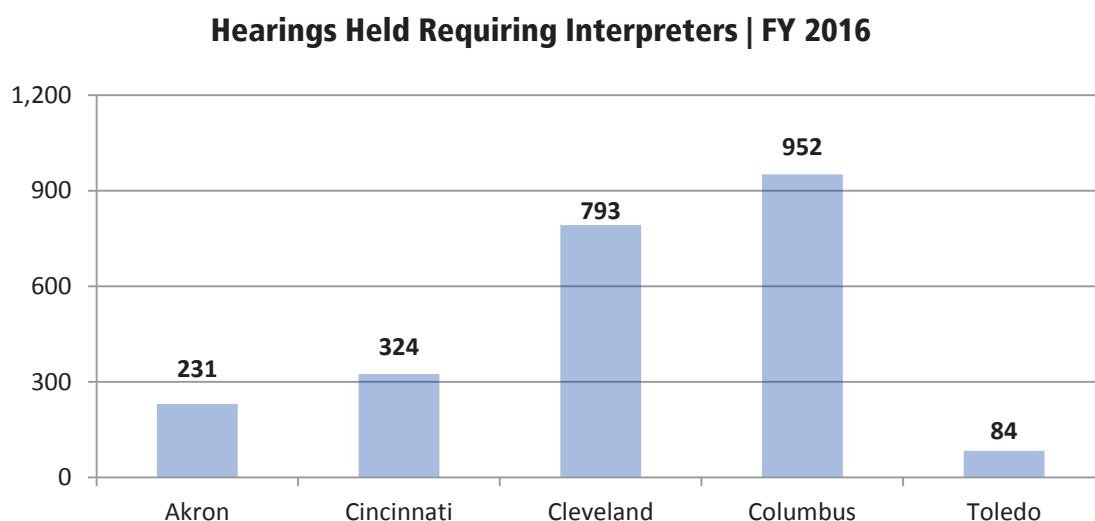
\*DHO/SHO ONLY

Regionally, the distribution of FY 2016 claims heard at DHO and SHO hearing levels is as follows: Columbus at 32 percent; Cleveland at 22 percent; Akron and Cincinnati each at 19 percent; and Toledo at 9 percent.

DHO and SHO hearings were conducted on 247 days during FY 2016. An average of 514 claims were heard per hearing day at the DHO and SHO hearing levels. District Hearing Officers averaged 361 claims heard per day while Staff Hearing Officers averaged 153 claims heard per day.



A total of 2,384 hearing records were flagged as requiring interpreter services during FY 2016 accounting for about two percent of total hearings held.



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



## Hearings Held by Employer Group

Hearings were conducted for approximately 32,777 different employers in FY 2016. Hearings for claims of private state funded employers accounted for 55 percent of all hearings while self-insuring employers accounted for 28 percent; public county employers accounted for 13 percent; and public state employers' claims accounted for 4 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 may be slightly lower. For example, one PTD hearing may include three claims to be considered for an Injured Worker. Reporting would reflect these totals accordingly.

Employer Type	State Fund	Self-Insured	Pol. Sub (County)	State	Total
Hearings Held	69,159	35,521	16,795	5,405	126,880
Claims Heard*	69,210	35,559	17,046	5,469	127,284

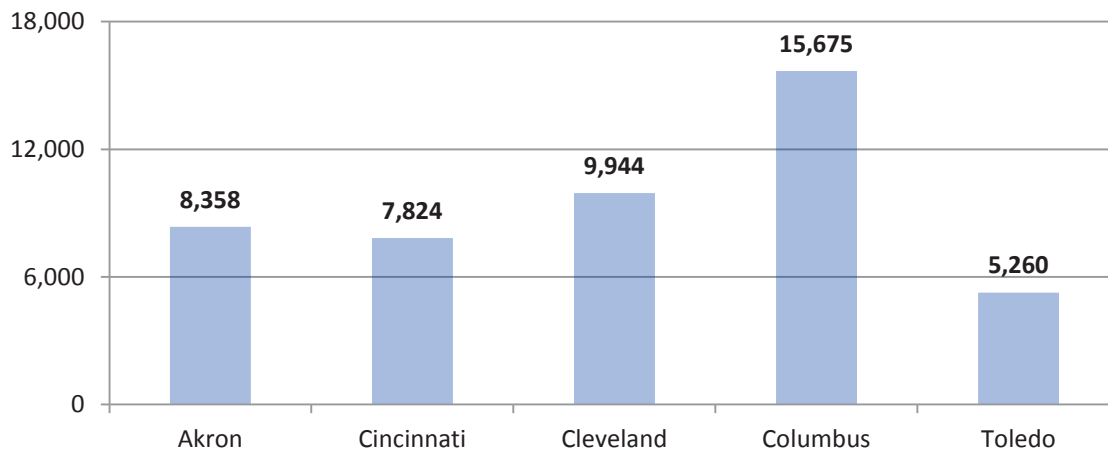
\* Claims heard inclusive of PT Heard-With claims

## Hearing Administrator

Hearing Administrators perform a variety of functions that facilitate the adjudication process. In addition to processing approximately 25,866 continuance requests during FY 2016, they also processed 15,673 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 47,061 issues during FY 2016. Regional volumes of Hearing Administrator activity are presented in the graph below.

### Hearing Administrator Decisions | FY 2016

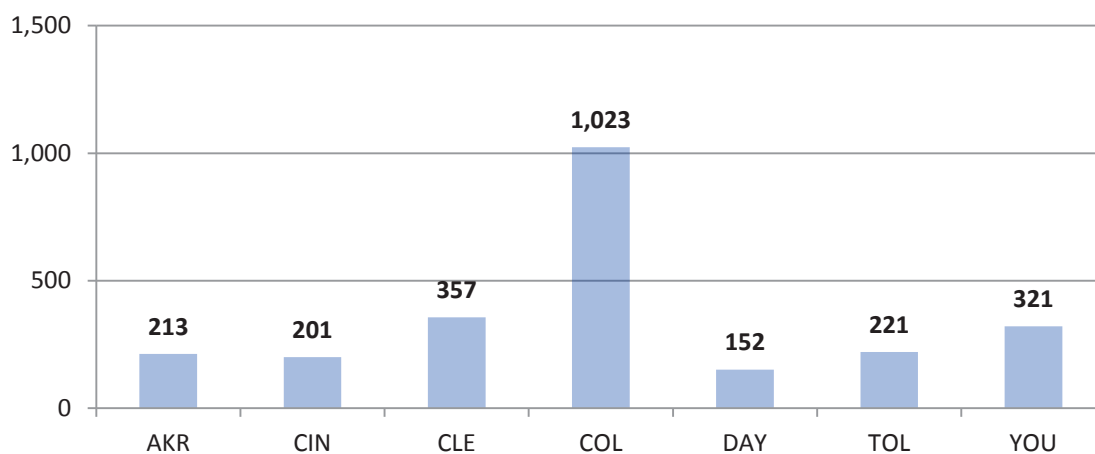


## Medical Activity

The IC 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, 2016, was 385 claims.

A total of 2,488 specialist exams and medical reviews were performed on behalf of the Industrial Commission during FY 2016.

### Medical Specialist Exams and Reviews | FY 2016



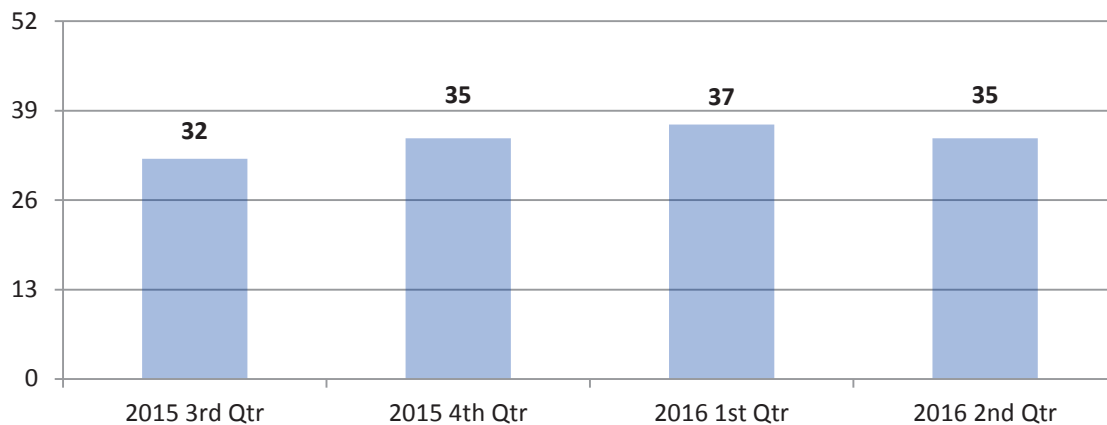
# Hearing Performance

Hearing timeframe performance mandates have been set forth in R.C. 4123.511 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 docket issues fall under time frame requirements outlined in R.C. 4123.511. DHOs heard a total of 70,050 allowance docket claims during FY 2016. Of those, 52,506 qualified for inclusion in time studies. On average, the DHO process (filing of motion/appeal to mailing of DHO order) was completed within 35 days during FY 2016.

**DHO Allowance Filing to Mailing Performance | FY 2016**

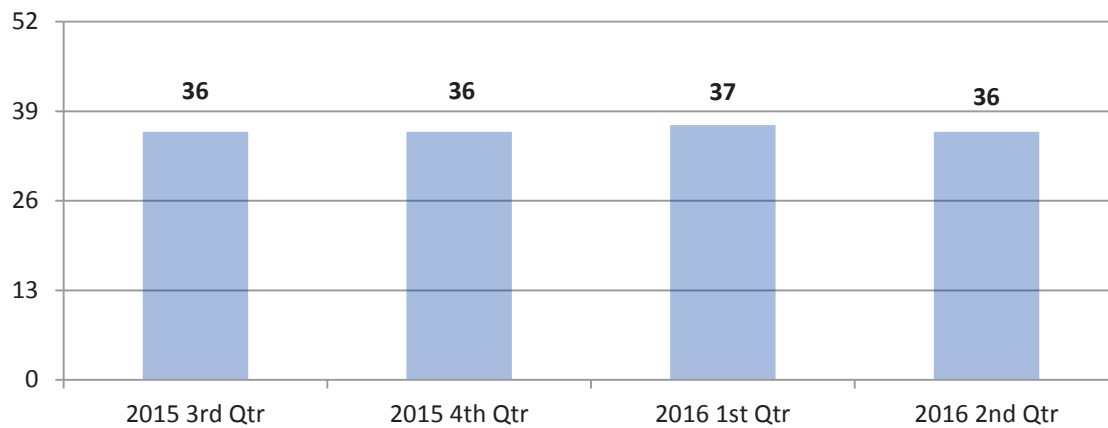


Appeals or motions heard on DHO Allowance dockets must be heard within a 45-day period [R.C. 4123.511(C)]. In FY 2016, DHO Allowance processes averaged 31 days for the statutory filing to hearing period.

## SHO Performance

Staff hearing officers (SHO) conduct hearings on five formal docket types – Appeal (primarily injury allowance, compensation, and treatment issues), PTD (permanent total disability), Reconsideration (permanent partial disability issues), VSSR (Violations of Specific Safety Requirements), and MISC (other issues not designated to a pre-defined docket type). Only appeal docket issues fall under time frame requirements outlined in R.C. 4123.511. SHOs heard a total of 31,815 appeal claims during FY 2016. Of those, 26,731 qualified for inclusion in time studies.

### SHO Appeal Filing to Mailing Performance | FY 2016



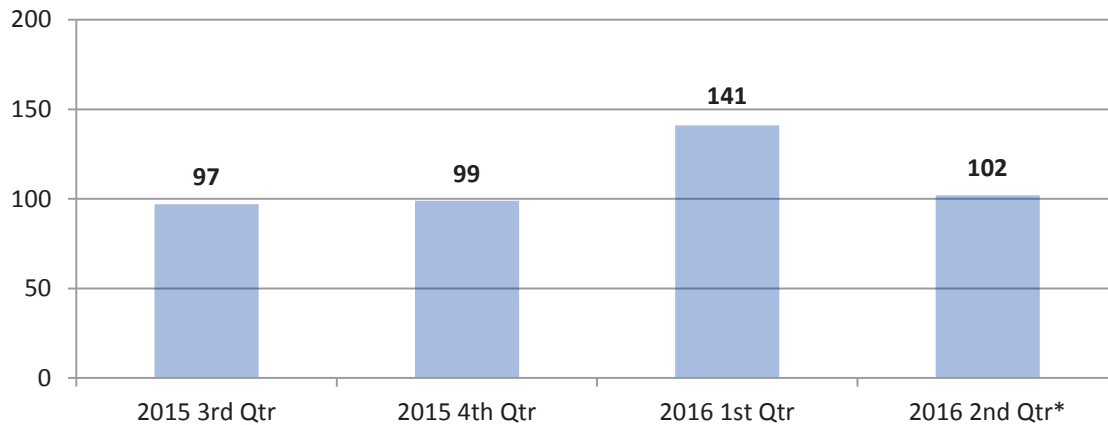
Staff Hearing level appeals must be heard within a 45-day period [RC 4123.511(D)]. In FY 2016, Staff Appeal processes averaged 33 days for the statutory filing to hearing period.

## Commission Performance

For hearings conducted during FY 2016, the Commission venue average for the statutory **Filing of Appeal to Hearing Date (F-H)** period is 58 days.

The Commission venue average for the **Filing of Appeal to Mailing of Order** time frame is 110 days.

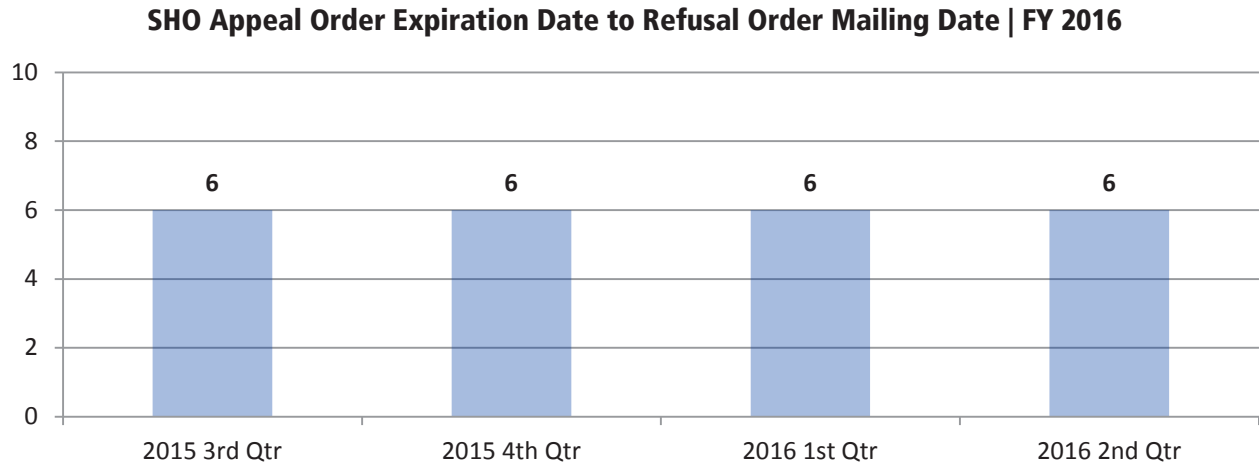
### Commission Filing to Mailing Performance | FY 2016



\*Eligible commission orders through May 2016

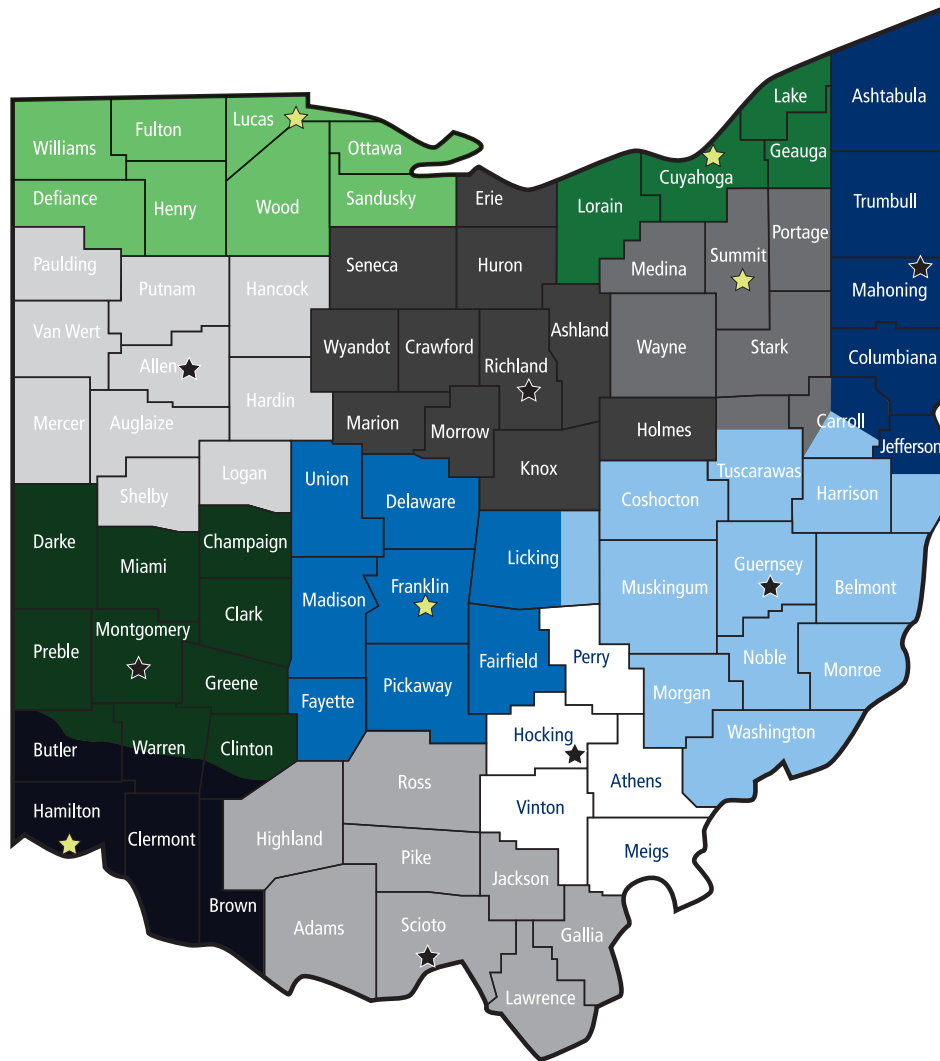
## SHO Refusal Order Performance

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.



# 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.



## Offices Servicing Each County

- |   |   |   |
|---|---|---|
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #555; border: 1px solid black; margin-right: 5px;"></span> Akron         | <span style="display: inline-block; width: 15px; height: 15px; background-color: #0070C0; border: 1px solid black; margin-right: 5px;"></span> Columbus | <span style="display: inline-block; width: 15px; height: 15px; background-color: #333; border: 1px solid black; margin-right: 5px;"></span> Mansfield     |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #ADD8E6; border: 1px solid black; margin-right: 5px;"></span> Cambridge  | <span style="display: inline-block; width: 15px; height: 15px; background-color: #006400; border: 1px solid black; margin-right: 5px;"></span> Dayton   | <span style="display: inline-block; width: 15px; height: 15px; background-color: #A9A9A9; border: 1px solid black; margin-right: 5px;"></span> Portsmouth |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #000000; border: 1px solid black; margin-right: 5px;"></span> Cincinnati | <span style="display: inline-block; width: 15px; height: 15px; background-color: #D3D3D3; border: 1px solid black; margin-right: 5px;"></span> Lima     | <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black; margin-right: 5px;"></span> Toledo     |
| <span style="display: inline-block; width: 15px; height: 15px; background-color: #008000; border: 1px solid black; margin-right: 5px;"></span> Cleveland  | <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFFFF; border: 1px solid black; margin-right: 5px;"></span> Logan    | <span style="display: inline-block; width: 15px; height: 15px; background-color: #000080; border: 1px solid black; margin-right: 5px;"></span> Youngstown |

# Office Locations & Contact Information

## Customer Service and Interpretive Services

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

Email: [askic@ic.ohio.gov](mailto:askic@ic.ohio.gov)  
Web: [www.ic.ohio.gov](http://www.ic.ohio.gov)

### 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, 7<sup>th</sup> 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., 7<sup>th</sup> Floor  
Columbus, Ohio 43215-2233

Tel: 614.466.4683  
Fax: 614.644.8373

#### Cambridge

2130 E. Wheeling Ave.  
Cambridge, Ohio 43725

Tel: 740.435.4000  
Fax: 740.435.4010

#### Logan

12898 Grey St.  
Logan, Ohio 43138

Tel: 740.380.9685  
Fax: 740.385.2436

#### Portsmouth

1005 Fourth St.  
Portsmouth, Ohio 45662-4315

Tel: 740.354.2334  
Fax: 740.353.6975

### TOLEDO REGION

#### Toledo\*

One Government Center, Suite 1500  
640 Jackson Street  
Toledo, Ohio 43604

Tel: 419.245.2740  
Fax: 419.245.2652

#### Lima

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

Tel: 419.227.7193  
Fax: 419.227.7150

\*Medical Examination Locations



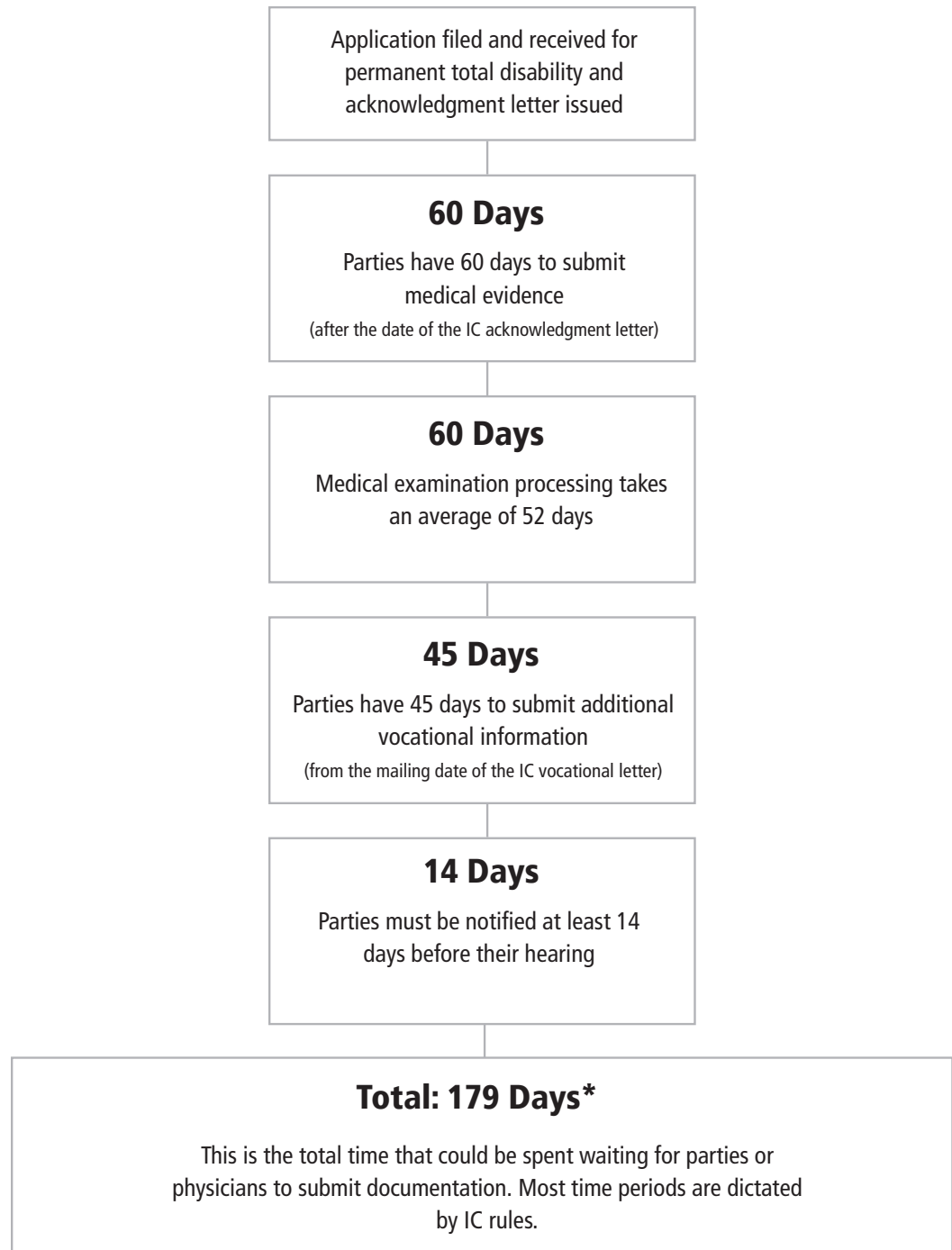
## PTD Submission Process

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

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

## Exhibit F

### Permanent Total Disability (PTD) Timeline



\* The IC is currently processing PTD applications at a rate of 163 days.



# **Industrial Commission**

Timely, Impartial Resolution of Workers' Compensation Appeals

**30 West Spring Street, Columbus, Ohio 43215**

**[www.ic.ohio.gov](http://www.ic.ohio.gov), (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



*An Equal Opportunity Employer and Service Provider*