

Ohio | Industrial Commission
BIENNIAL BUDGET

2022 – 2023



Mike DeWine, Governor • **Jon Husted, Lt. Governor**



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LETTER FROM THE CHAIRMAN

The Ohio Industrial Commission (IC) is dedicated to a simple objective: Manage our public funds in a responsible, conservative manner while providing Ohio's injured workers and employers with timely, impartial resolution of their workers' compensation appeals. With that mission in mind, it is my pleasure to present to you our 2022 and 2023 Biennial Budget Request.



The IC is responsible for providing a forum for fair and impartial claims resolution of disputed workers' compensation claims, adjudicating claims involving an employer's violation of specific safety requirements, and determining eligibility for permanent total disability benefits. We serve the injured workers and employers of Ohio across a footprint of 12 offices and through an internet portal with a clear mission of customer service.

Since early 2020, the world has undergone a dramatic transformation. The COVID-19 pandemic has created challenging times for every Ohioan, business enterprise and state agency. I am proud to lead an agency that has responded to this global pandemic with innovation, dedication and courage. The IC retooled its hearing forum to move from an office site to a telephonic/laptop platform allowing hearing officers to conduct hearings from their home using IC resources. While this change curtailed the number of hearings conducted, the IC continued to ensure that injured workers were protected from financial

hardship. Early on, the IC designated six appeal issues as priority for hearing because they either dealt directly with wage replacement benefits, or with the allowance of conditions upon which those benefits could be paid. It was believed that replacing lost wages was the most important consideration, in light of our limited ability to conduct hearings via the new platform. Additional enhancements included laptop distribution across the non-hearing officer workforce, thus, enabling employees to replicate their normal work stations in the home and the centralized data infrastructure to support this remote access. Finally, the addition of Dragon voice recognition software allows hearing officers to dictate orders directly into the central hearing system so orders are completed remotely to expedite their publishing and mailing. By late June 2020, all issues filed were being adjudicated.

In keeping with Governor DeWine's directive for cost minimization, the IC has submitted a flat budget in line with Fiscal Year (FY) 2021's appropriation level. Only once in the past eight biennium has the IC requested an increase. This enviable record of accomplishment reflects an agency of innovation with a commitment to fiscal prudence, quality and timeliness.

These technical and work process innovations have allowed the IC to reduce staff by 49.8 percent through attrition from 643 positions in 1997 to 323 positions at the end of FY 2020, without sacrificing the quality of service. In the months since, staffing has fallen to 306 employees, which was brought on by a surge in retirements. This challenge is evidenced by a 32.6 percent full retirement eligibility across our current workforce by the middle of the next biennium. While the IC is currently limited to 328 staff for COVID-19 cost containment, the 18-month trend prior to COVID-19 suggested an operational floor of 330-335 staff to maintain the timeliness of hearings. Should the COVID-19 restriction be removed, the IC would re-staff accordingly plus a "knowledge transfer" overlap of 12-15 core business resources for a seamless hearing process to meet the retirement challenge. With a combined budget request of \$109.7 million for Biennium Years 22/23, the IC's biennium budget remains well below its fourteen-year high of \$123.6 million in FY 2008/FY 2009.

As a non-GRF agency, the IC is funded solely by an Administrative Cost Fund surcharge applied to the workers' compensation insurance base premium coverage rate. Prudent fiscal management has enabled the Commission to maintain a stable environment for Administrative Cost rates for our Ohio employer group stakeholders as BWC base rates have been reduced significantly over the decade. We intend to maintain the optimal rate structure through the end of the next biennial budget period to fund operations and benefit employers.

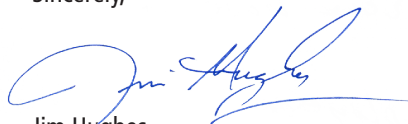
Decision quality is also of paramount importance as measured by external court review of an appealed order. Our 72 hearing officers, all of whom are licensed attorneys, adjudicated over 111,243 claims in fiscal year 2020. By external measure, the IC continues to be viewed favorably. IC orders that have been appealed to the Tenth District Court of Appeals through an action in mandamus have an 89 percent rate of affirmation for the period of January to December 2019. At the same time, the volume of those appeals dropped to 45 in 2019, which is an all-time low.

We recognize that COVID-19 imposed changes to the hearing process have adversely affected IC's ability to meet the required statutory timeframe of providing a hearing within 45 days of appeal filing, and 7 days to issue an order after that hearing, for a 52-day period maximum for both district (DHO) and staff (SHO) hearing levels. For calendar year 2020 at the DHO level, 31,512 claims were heard that qualified under the statutory timeframe. These claims were heard and an order issued, on average, at 48 days with 59 percent meeting the 52-day combined timeframe. At the SHO level, 18,750 claims were heard that qualified under the statutory timeframe. These claims were heard and an order issued, on average, at 42 days with 83 percent receiving a hearing within the 52-day timeframe. The IC will return to compliance in the near term with its plan to on-board the requested staff level and the introduction of further technology to its current remote access hearing platform.

In the next fiscal biennium, the IC will continue to provide injured workers and employers with a timely, impartial, high quality resolution of their workers' compensation appeals while remaining on a path of fiscal prudence and outstanding service.

The upcoming biennium presents continued challenges for our non-GRF agency both in staffing and technological evolution. We have laid the groundwork to ensure a smooth transition to remain a model for process innovation and commitment to quality.

Sincerely,



Jim Hughes

Chairman and CEO



WHO WE ARE

STABLE PREMIUM ASSESSMENT FOR OHIO EMPLOYERS

The IC does not receive any Ohio general revenue funding for its operations. The agency is funded by an Administrative Cost Fund (ACF) rate which is a surcharge that is applied to the workers' compensation base rate premiums of Ohio's employers. Since 2014, the Ohio Bureau of Workers' Compensation (BWC) has made significant reductions in employers' base rates which has a direct impact in the amount of revenue generated for funding IC operations. To offset the base rate decrease and maintain a stable revenue flow, the IC is compelled to increase rates. However, the IC has maintained a steady expenditure level through these years. The overall combined net change of the base and ACF rate has been minimized and a stable total rate structure has resulted.

ACF Rates by Policy Year

Employer Group	PY-19	PY-20
Private	2.24 percent	2.57 percent
Public State	4.06 percent	4.79 percent
Public Taxing Districts	2.98 percent	3.64 percent
Self-Insuring	7.62 percent	8.62 percent

PROVIDING EXCELLENT SERVICE DURING A GLOBAL PANDEMIC

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

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

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

With investment in state-of-the-art technological processes, the IC has been able to absorb a significant reduction in its workforce. By attrition only, staffing has decreased by more than 189 employees (38.1 percent) since FY 2008; yet the IC continued to meet and exceed statutory requirements for timely service until the emergence of the COVID-19 pandemic. Due to safety concerns, the IC modified its hearing platform from in-person hearings to a remote telephonic process. Rapid conversion to this Work From Home (WFH) process included:

- Modified existing core hearing process applications for external presentation. This required a rewrite of multiple application components, as well as significant security changes to support continued operations until such time that laptops were made available to all agency employees;
- Changes were made to the docketing system to move scheduling away from the office environment to bridge lines secured via CBTS;
- Secured cellphones for all hearing officers and critical hearing services support staff in order to support the hearing process being moved to teleconference environment;
- Procured laptops and prepared with the appropriate software images, encryption and distributed to employees at offices statewide;
- Deployed docking stations within the office environment as a desktop replacement to maintain flexibility in any possible future WFH order;
- Secured VPN and DUO two-factor authentication for employees agency wide; and
- Implementation of scalable Nuance Dragon voice recognition software for all hearing officers and allow for platform support outside of the office environment.

IC COMMISSIONERS



Jim Hughes
Employee Member
Dates of Service: July 2019 - June 2025

Jim Hughes has spent his career demonstrating his passion for public service.

He was appointed by Governor Mike DeWine to be the chairman and employee member of the Ohio Industrial Commission for a term that began on July 1, 2019.

Jim brings decades of legal knowledge and public policy experience to his role as chairman. He began his career as a bailiff and court constable in the Franklin County Court of Common Pleas. He later served as assistant prosecutor in the City of Columbus Prosecutor's Office and then as assistant prosecutor for Franklin County. He also worked previously as an attorney and partner at the Isaac Wiles law firm in Columbus.

In 2000, he was appointed to the Ohio House of Representatives and was later elected to the Ohio Senate in 2008. During his 18 years in the Ohio General Assembly, Jim supported legislation that toughened criminal penalties, protected children, reformed taxes, streamlined regulations, and incentivized businesses to settle in Ohio. He also served on many legislative committees including Civil Justice, Insurance and Financial Institutions, Energy and Public Utilities, Transportation and Public Safety, and Criminal Justice.

Jim has received numerous accolades from several groups over the course of his career. He has been named Legislator of the Year by the FOP Capitol City Lodge No. 9, the Ohio Fire Chief's Association, the Ohio Nurses Association, the Ohio Association of Professional Firefighters and the AMVETS Department of Ohio. In addition, he has received the Ohio Association for Justice Workers Compensation Outstanding Service Award, and the Watchdog of the Treasury Award, among others.

Jim earned his Juris Doctorate at Capital University Law School after completing his bachelor's degree in business administration at The Ohio State University. He and his wife Susan live in Upper Arlington, and have a daughter, Kaela.



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-funded 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 2017 - June 2023

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. Karen was first appointed to the IC by Governor John Kasich in July 2011 and was appointed to a second term in July 2017.

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.

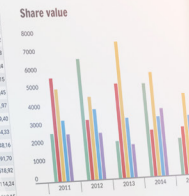
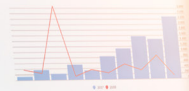
Karen was married to United States Congressman Paul Gillmor, who tragically passed away in 2007. They have five children, Linda, Julie, Paul Michael and twins Connor and Adam.

OUR BUDGET PLAN

REPORT

Financial Statement

	JANUARY	FEBRUARY	MARCH	2019 APRIL	MAY	JUNE	JULY
1	\$212.50	\$170.00	\$187.00	\$215.00	\$262.47	\$412.50	\$672.18
2	\$392.25	\$381.80	\$399.00	\$356.48	\$484.81	\$683.34	\$1,142.24
3	\$478.24	\$382.84	\$420.50	\$484.10	\$608.28	\$908.31	\$1,451.15
4	\$458.44	\$325.15	\$375.87	\$464.20	\$683.47	\$1,278.89	\$2,074.45
5	\$324.41	\$420.33	\$462.24	\$331.21	\$723.13	\$1,018.82	\$1,461.97
6	\$417.11	\$333.88	\$487.04	\$422.12	\$574.08	\$805.85	\$1,314.40
7	\$494.25	\$375.40	\$412.34	\$474.88	\$445.84	\$1103.81	\$1,484.31
8	\$264.82	\$188.22	\$208.14	\$235.36	\$205.83	\$458.99	\$788.76
9	\$471.58	\$377.26	\$414.99	\$477.24	\$485.04	\$914.15	\$1,487.58
10	\$794.82	\$837.04	\$700.76	\$805.88	\$1,060.98	\$1,345.81	\$2,018.82
11	\$212.50	\$170.00	\$187.00	\$215.00	\$262.47	\$412.50	\$672.18
12	\$392.25	\$381.80	\$399.00	\$356.48	\$484.81	\$683.34	\$1,142.24
13	\$478.24	\$382.84	\$420.50	\$484.10	\$608.28	\$908.31	\$1,451.15
14	\$458.44	\$325.15	\$375.87	\$464.20	\$683.47	\$1,278.89	\$2,074.45
15	\$324.41	\$420.33	\$462.24	\$331.21	\$723.13	\$1,018.82	\$1,461.97
16	\$417.11	\$333.88	\$487.04	\$422.12	\$574.08	\$805.85	\$1,314.40
17	\$494.25	\$375.40	\$412.34	\$474.88	\$445.84	\$1103.81	\$1,484.31

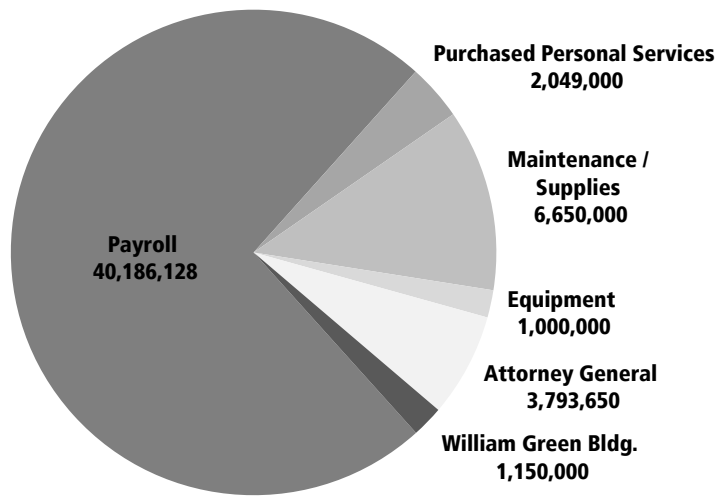


BUDGET REQUEST

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 52.1 percent of its current contingent of Full Time Equivalent resources eligible for at least one of three retirement options by the end of FY 2022. As the agency transitions through this period, it is devoted to keeping costs down while ensuring a seamless knowledge transfer as new employees enter and retirees exit. In the next biennium, we expect to encounter some overlapping in job classification staffing totals as succession transition continues.

Migration of legacy systems will be a high priority for the information technology staff as support for older programmed platforms becomes scarce. Migration costs are estimated at \$452,500 over the biennium. Cloud migration may also be initiated for various other IC hearing applications. Timing will depend on the further maturation of external solutions and their ability to match these applications' requirements. Funding will also be required for service fees related to the agency's further integration within the Ohio Department of Administrative Services (DAS) Office of Information Technology enterprise. While the IC's servers have been migrated to the SOCC, the AS400 midrange remains in place. Applications hosted on this platform will eventually be migrated to cloud-based services. This will represent an incremental increase in the current level of DAS Office of Information Technology expenses. 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 \$54,828,778 for FY 2022 and for FY 2023.

Exhibit A

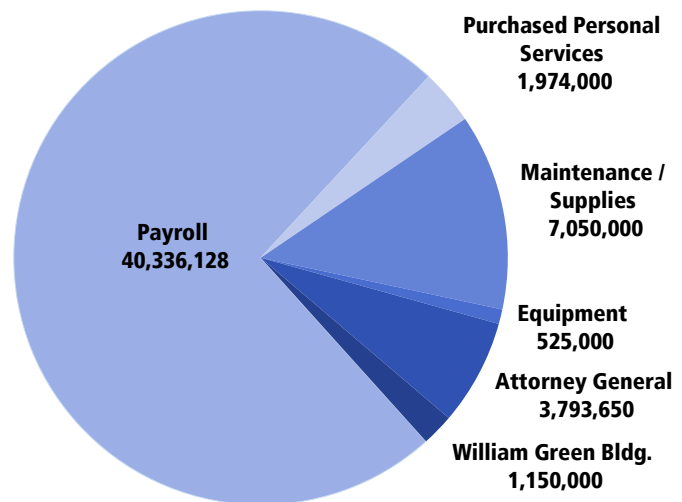


Biennium Budget – Fiscal Year 2022

Description	2022
Payroll	\$40,186,128
Purchases Personal Service	\$2,049,000
Maintenance/Supplies	\$6,650,000
Equipment	\$1,000,000
Attorney General	\$3,793,650
William Green Building	\$1,150,000
Total Budget	\$54,828,778

Biennium Budget – Fiscal Year 2023

Description	2023
Payroll	\$ 40,336,128
Purchases Personal Service	\$1,974,000
Maintenance/Supplies	\$7,050,000
Equipment	\$525,000
Attorney General	\$3,793,650
William Green Building	\$1,150,000
Total Budget	\$54,828,778

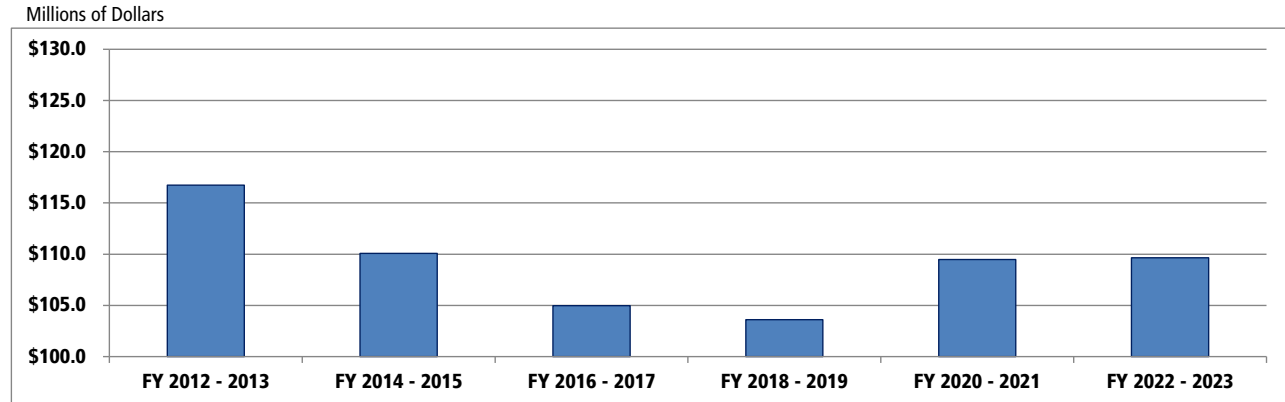


COMPARISON TO PREVIOUS BUDGETS

The proposed budget for FY 2022 at \$54.8m is flat with the current FY 2021 budget. The proposed budget for FY 2023 also remains flat. The combined biennium request remains level at \$109.7m.

Exhibit B

Biennium Appropriations Fiscal Year 2012/2013 – Fiscal Year 2022/2023



Average Biennium Change Over the Period: -1.16%

Fiscal Year 2020 budget request includes an estimated \$1.5m for the 27th Pay Period occurrence.

Biennium Years	Biennium Budgets	Biennium to Biennium Change
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%
FY 2020-2021	\$109.5 Million	5.67%
FY 2022-2023	\$109.7 Million	0.17%

Decrease in Biennium Request over the Period	\$7.1 Million	-6.06%
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FULL TIME EQUIVALENT (FTE) EMPLOYMENT LEVEL TREND

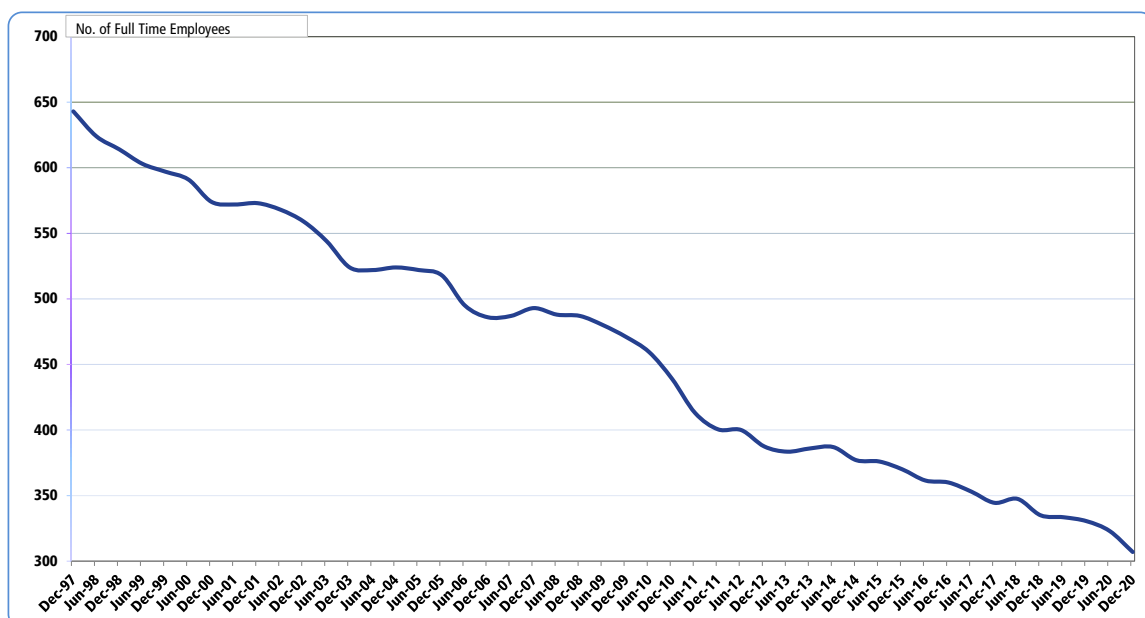
For two decades, the IC has steadily decreased its number of employees.

Since December 1997, the employment level has decreased from 643 to 306 by the end of CY 2020, which represents a total decrease of 52.3 percent. With full introduction of the paperless hearing process around January 2008 employment reductions through attrition represent an estimated \$97MM in payroll 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 have the capability to manage their own claims via online connection. 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 since calendar year 2018 through the last pre-pandemic month of February 2020 indicates that the IC has reached a “core” level of FTE’s with a median of 335 over this period. FTE levels ranged narrowly from 330 to 348. The impact of COVID-19 imposed hiring freezes combined with a surge in retirements and other resource exits have reduced the FTE level to 306. This level is considered inadequate to maintain the exceptional service provided before the pandemic.

In the next biennium, we expect to encounter some overlapping in job classification staffing totals as succession transition continues. The workforce should have an operational floor of 345-348 FTE’s to accommodate knowledge transfer hiring. The IC will continue to explore avenues for efficiency by expanding accessibility for direct stakeholder interaction and reviewing the potential for other internal operational labor-saving alternatives

Exhibit C Full Time Equivalent Employment Levels
December 1997 through December 2020



Current FTE count as of January 31, 2021 is 306.
Decrease in employment over the period: -52.3%

IC COST SAVINGS AND CUSTOMER SERVICE EFFORTS – HEARING PROCESS

The IC continues to install Customer Focus improvements by either its own operational review or 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:

- Created an online environment to allow IC employees throughout the state to telework throughout the COVID-19 pandemic to maintain seamless customer response from a remote setting.
- Implemented Microsoft Teams agency wide to allow for enhanced collaboration outside of the normal office environment due to the pandemic.
- Migrated all agency server infrastructure to the State of Ohio Computer Center in advance of the required date set forth by Governor DeWine’s Executive Order 15-D. This has allowed for the restructuring of technical staff to better support infrastructure-based applications agency-wide.
- Preserved a well-funded Administrative Cost Fund (ACF) reserve through long range forecasting and cost containment. Employer ACF rate change impacts have been stabilized by leveraging base rate reductions into our funding needs. These efforts significantly reduce the risk of fund depletion during challenging economic periods.
- Achieved a Minority Business Enterprise (MBE) Set-Aside rate of 32.4 percent versus the 15 percent statutory threshold in FY 2020. The Encouraging Diversity, Growth and Equality (EDGE) compliance rate is 27.4 percent vs. the 5 percent policy requirement for the same period.
- Vacated 8,251 square feet of warehouse space, which will provide an annual rental savings of \$109,083. Items previously stored in this warehouse have been consolidated and stored in the William Green Building at no additional cost to the agency.
- Updated all signage at our office locations throughout the state, including outside, front door and interior signage.

A VISION FOR THE FUTURE

In the next biennium, the IC will face a potential workforce “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 2022, the potential for retirement is as follows:

Exhibit D

Position Description	Type of Retirement		Total Eligible
	Unreduced Benefit	Reduced Benefit	
Claims Examiner (inc. Supervisor)	32.6%	20.9%	53.5%
District Hearing Officer	13.0%	6.5%	19.5%
Staff Hearing Officer (inc. SHO2)	32.6%	39.6%	72.2%
Word Processing Specialist 2	50.0%	16.7%	66.7%
All others	35.7%	14.0%	49.7%
Total Agency	32.6%	19.5%	52.1%

SHO ranks are back-filled by promoting eligible and qualified District Hearing Officers (DHO). New DHO positions will require external hiring at a level based on observed claim filing trends at that time. 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 is assigned. To avoid disruptions in customer service during this training and possibly exceed statutory timeframe mandates for hearing and order issuance, it is the IC’s intent to on-board new hires while the retiring employee is still active.

While the need to fill Claims Examiner (CE) slots is not as vital as a hearing officer since 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. We anticipate a high end of 348 FTE’s to be funded.

In the non-personnel area, migration of legacy systems will be a high priority for the information technology staff as support for these older programmed platforms becomes scarce. There are at least three systems that are a priority with direct impact to the hearing process. Migration costs are estimated at \$452,500 over the biennium. Cloud migration may also be initiated for various other IC hearing applications. Timing will depend on the further maturation of external solutions and their ability to match these applications’ requirements. Funding will also be required for service fees related to the agency’s further integration within the DAS Office of Information Technology enterprise. While the IC’s servers have been migrated to the State of Ohio Computer Center, the AS400 midrange remains in place. Applications hosted on this platform will eventually be migrated to cloud-based services. This will represent an incremental increase in the current level of DAS Office of Information Technology expenses.

The IC maintains an adequate reserve for funding these needs. Any shortfalls in revenue streams will be supported by these internal resources and enhanced by offsetting expenses in other non-priority areas. The economy will continue to be

uncertain as vaccination rollout continues into the next biennium. Recovery, in turn, is expected to be erratic as different industry sectors have been affected to different degrees.

The IC has a single mission dedicated to the adjudication of contested workers' compensation claims. In the upcoming biennium, activities focused on staffing management, customer service and technological advances will include:

- Develop workforce development plans that balances turnover to claim volume levels to on-site office staff presence need;
- Further Industrial Commission Online Network (ICON) enhancements for better claimant/employer/representative access;
- Migration of legacy systems to emerging technologies; and
- Migration of remaining core system servers to DAS Office of Information Technology's State of Ohio Computer Center or public cloud.

The IC has an enviable record in meeting these goals and it will continue to support Governor Mike DeWine's program through the next biennium's transactions.



**EXCELLENT CUSTOMER
SERVICE AT LOWER COST**

EXCELLENT CUSTOMER SERVICE AT A LOWER COST

In addition to the Commissioners, there are 71 hearing officers with 9 hires in process — all attorneys — in five regional and seven district offices throughout the state.

In FY 2020, the IC heard 95,536 claims at all adjudicatory levels. District Hearing Officers (DHOs) heard 66,268 claims, while Staff Hearing Officers (SHOs) heard 29,088 claims, and the Commission heard 180 claims.

The IC consistently adjudicated claims within the timeframes mandated by Ohio Revised Code 4123.511 throughout this fiscal year. The statutory requirement from the filing of a motion or appeal to the date of a hearing timeframe is set at 45 days. For Filing to Hearing, Allowance docket issues averaged 36 days, while Appeal docket issues averaged 35 days. The agency performance benchmark for the filing of a motion or appeal to the mailing of an order is set at 52 days. For Filing to Mailing, both Allowance and Appeal docket issues averaged 39 days.

The Industrial Commission Online Network (ICON) has made it easy for parties to file motions and appeals online. First level motions and appeals filed on ICON this fiscal year totaled 42,864. Second level and above ICON filings, inclusive of appeals filed to DHO and SHO orders, totaled 44,780 in FY 2020.

Customer Service received and responded to 1,258 AskIC submissions during this fiscal year. The department also scheduled 1,333 interpreters for injured workers hearings. In addition, our toll-free customer service line and two local customer service lines received 5,065 calls this fiscal year. Staff personnel assisted 12,910 people at our Columbus office. Customer Service also processed 29,609 documents.

INVENTORY

Motion/Appeal Filings

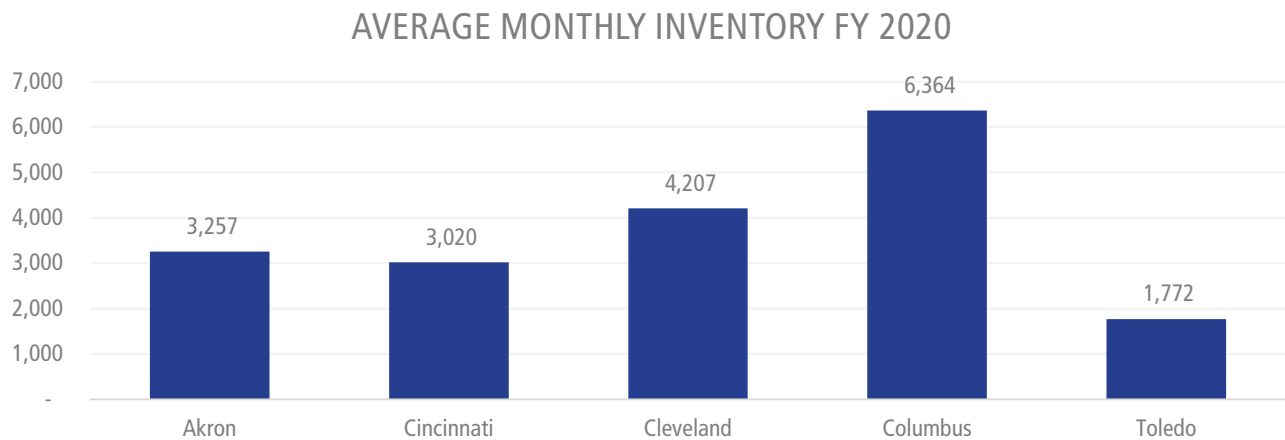
IC workloads and performance are initiated by and heavily dependent upon the volume of new motion and appeal filings. IC inventory volume is volatile depending on appeal filings, claim flows from the Bureau of Workers' Compensation (BWC), docketing volume, and other factors.

Approximately 104,413 new first level motions and appeals were filed during FY 2020 for 65,615 separate claims.

Hearing Inventory

Statewide average monthly DHO/SHO inventory, inclusive of medical inventory, was 18,619 for FY 2020.

Regional breakdown of average inventories for FY 2019 is as follows: Columbus - 34 percent; Cleveland - 23 percent; Akron - 17 percent; Cincinnati - 16 percent; and Toledo - 10 percent.



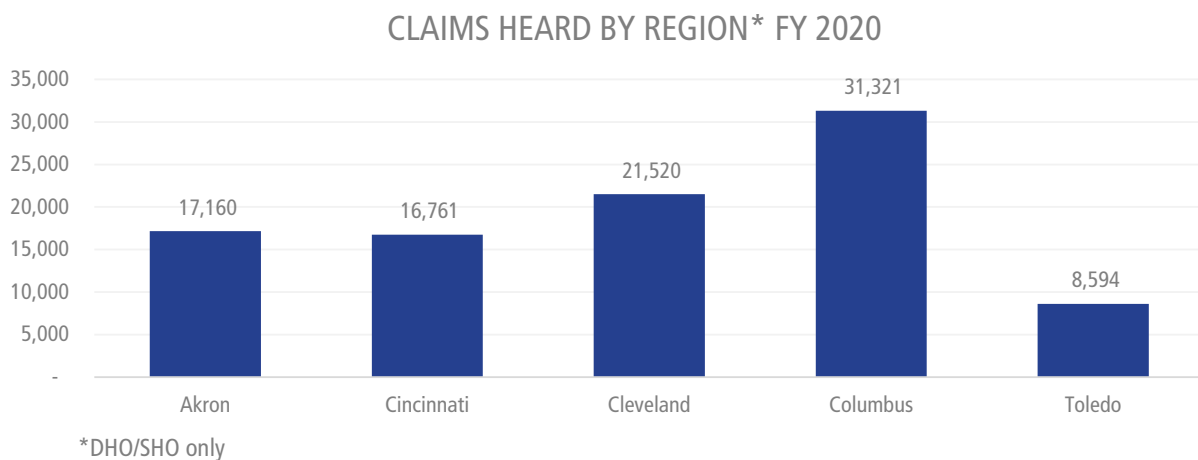
HEARING ACTIVITY

Formal hearings and administrative reviews account for the majority of IC activity. In FY 2020, the IC made approximately 111,243 decisions on issues arising from workers' compensation claims.

During FY 2020, the IC performed 15,707 administrative reviews and heard a total of 95,536 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, 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 processes and are reflected accordingly under respective hearing venues.

Claims Heard

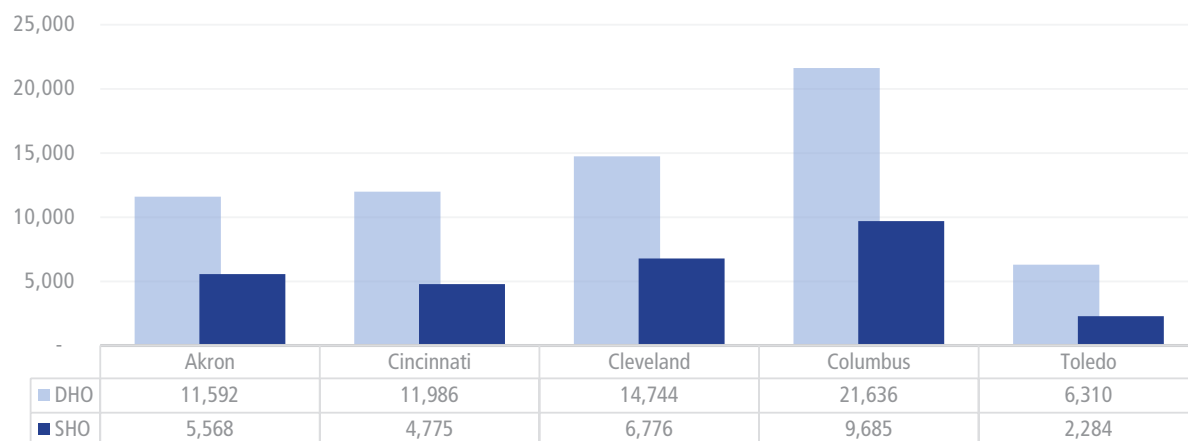
The total DHO hearing volume accounts for 69 percent of the overall hearings during FY 2020 at 66,268 claims heard, while the SHO volume is recorded at 29,088 claims heard. Deputy venue claims heard totaled 62 in FY 2020 while the Commission venue recorded 118 claims heard. Total claims heard is inclusive of continuances, referrals, dismissals, and other final determinations made as a result of a hearing.



Regionally, the distribution of FY 2020 claims heard at DHO and SHO hearing levels is as follows: Columbus at 33 percent; Cleveland at 23 percent; Akron and Cincinnati at 18 percent each; and Toledo at 9 percent.

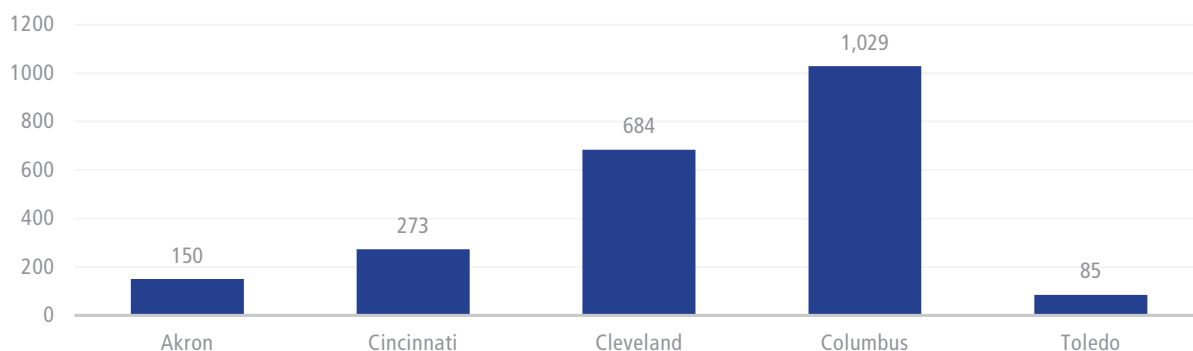
DHO and SHO hearings were conducted on 244 days during FY 2020. An average of 391 claims were heard per hearing day at the DHO and SHO hearing levels. District level hearings averaged 272 claims heard per day while Staff level hearings averaged 119 claims heard per day.

DHO/SHO CLAIMS HEARD FY 2020



A total of 2,221 hearing records were flagged as requiring interpreter services during FY 2020 accounting for two percent of total hearings held.

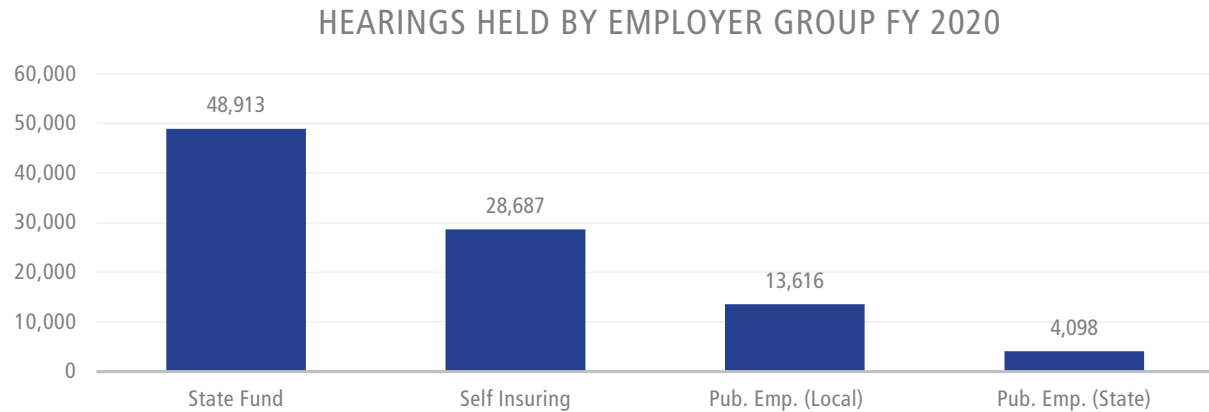
HEARINGS HELD REQUIRING AN INTERPRETER FY 2020



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

Hearings Held by Employer Group

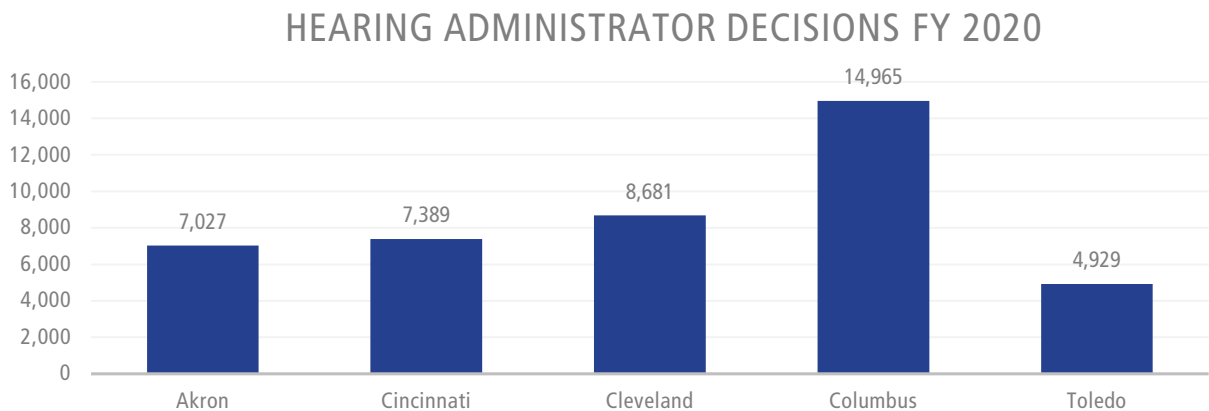
Hearings were conducted for approximately 25,930 different employers in FY 2020. Hearings for claims of private state funded employers accounted for 51 percent of all hearings while self-insuring employers accounted for 30 percent; public county employers accounted for 14 percent; public state employers' claims accounted for 4 percent (percentages may not equal 100% due to rounding).



Hearing Administrator

Hearing Administrators perform a variety of functions that facilitate the adjudication process. In addition to processing approximately 24,509 continuance requests during FY 2020, they also processed 13,688 requests to cancel scheduled hearings. Additionally, Hearing Administrators processed requests for extensions related to PTD filings and requests regarding other miscellaneous issues.

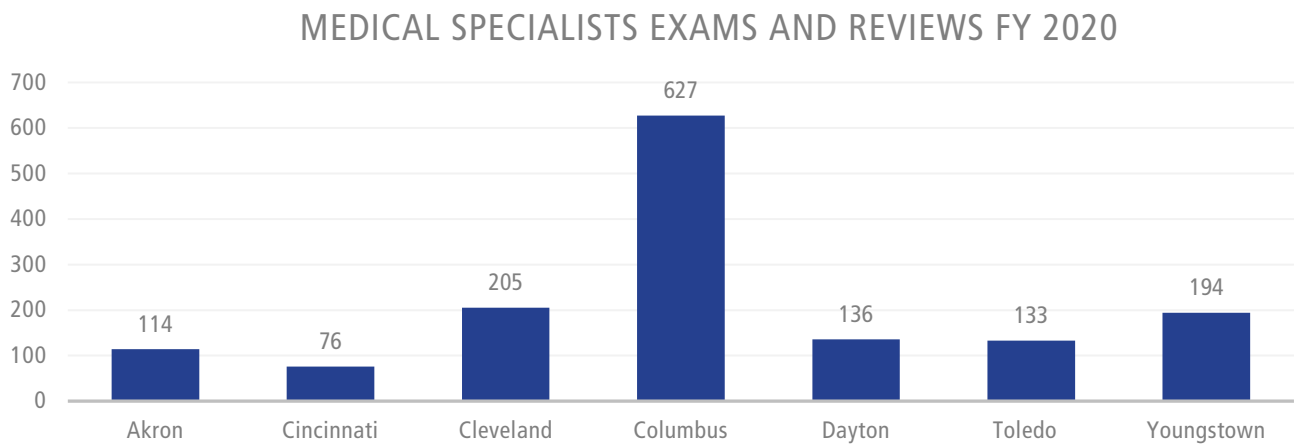
Statewide, Hearing Administrators made decisions on, or referred to hearing, approximately 42,991 issues during FY 2020. Regional volumes of Hearing Administrator activity are presented in the graph below



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, 2020, was 492 claims.

A total of 1,485 specialist exams and medical reviews were performed on behalf of the IC during FY 2020.



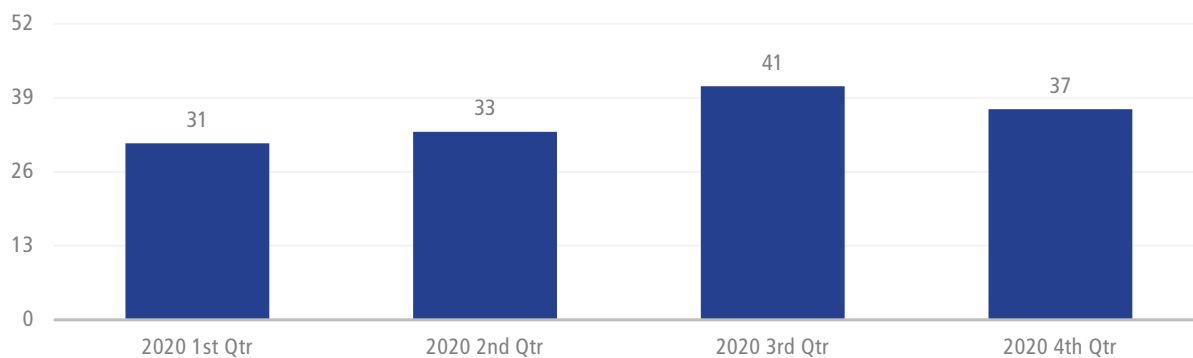
PERFORMANCE

IC hearing timeframes for DHO, SHO, and Commission hearing venues are mandated by Ohio Revised Code 4123.511. On average, all IC offices and venues performed within the statutory limits requiring a claim to be heard within 45 days of a motion or appeal filing. The IC benchmark for *Filing to Mailing* is set at 52 days; this performance measure is based on the entirety of the hearing process and combines the two statutory periods *Filing to Hearing* (45 days) and *Hearing to Mailing* (7 days).

District Hearing Officer Performance

DHOs 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 timeframe requirements outlined in Ohio Revised Code 4123.511. DHOs heard a total of 52,354 Allowance docket claims during FY 2020. Of those, 36,062 qualified for inclusion in time studies. Per statute, appeals or motions heard on DHO Allowance dockets must be heard within 45 days of filing. In FY 2020, Allowance dockets averaged 36 days for the statutory Filing to Hearing period. On average, the DHO Allowance process (*Filing to Mailing*) was completed within 39 days during FY 2020.

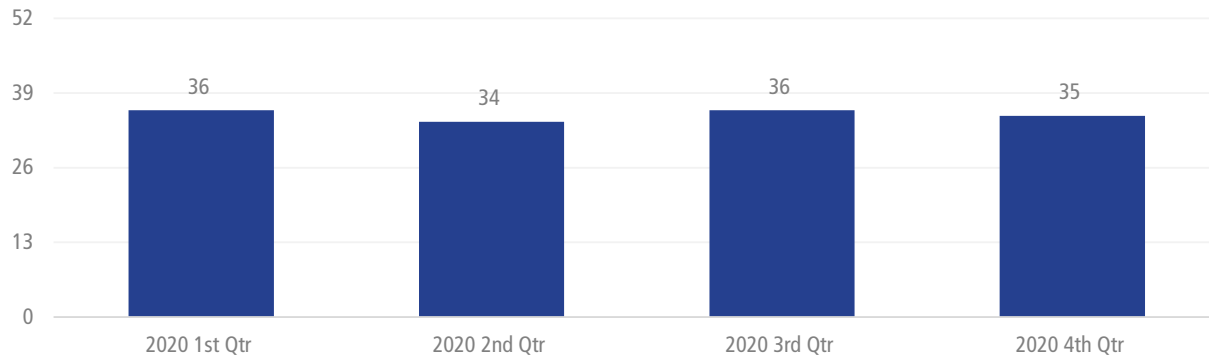
DHO ALLOWANCE FILING TO MAILING PERFORMANCE FY 2020



Staff Hearing Officer Performance

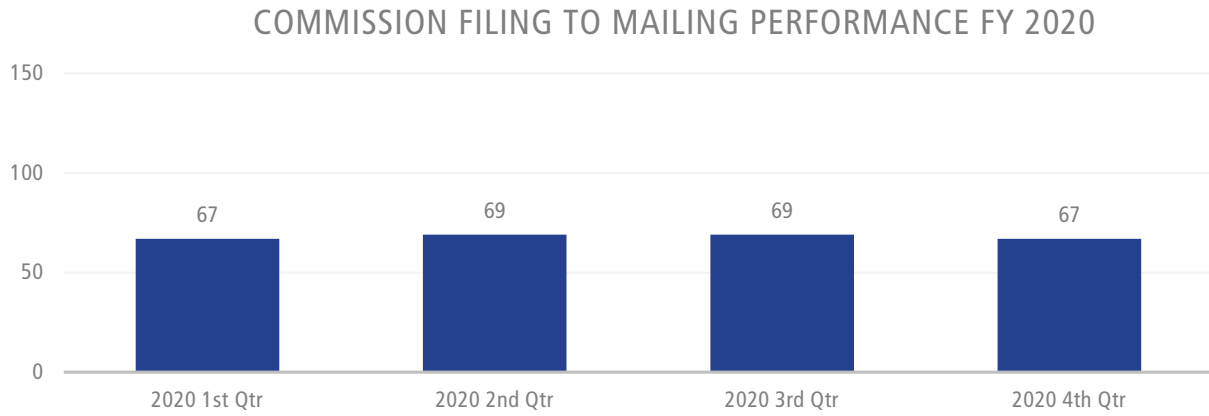
SHOs conduct hearings on five formal docket types – *Appeal* (primarily injury allowance, compensation, and treatment issues), *PTD* (permanent total disability), *Reconsideration* (permanent partial disability issues), *VSSR* (violations of specific safety requirements), and *Misc.* (other issues not designated to a pre-defined docket type). Only Appeal docket issues fall under timeframe requirements outlined in Ohio Revised Code 4123.511. SHOs heard a total of 24,785 appeal claims during FY 2020. Of those, 21,017 qualified for inclusion in time studies. Per statute, Staff hearing level appeals must be heard within a 45-day period. In FY 2020, SHO Appeal processes averaged 35 days for the statutory *Filing to Hearing* period.

SHO APPEAL FILING TO MAILING PERFORMANCE FY 2020



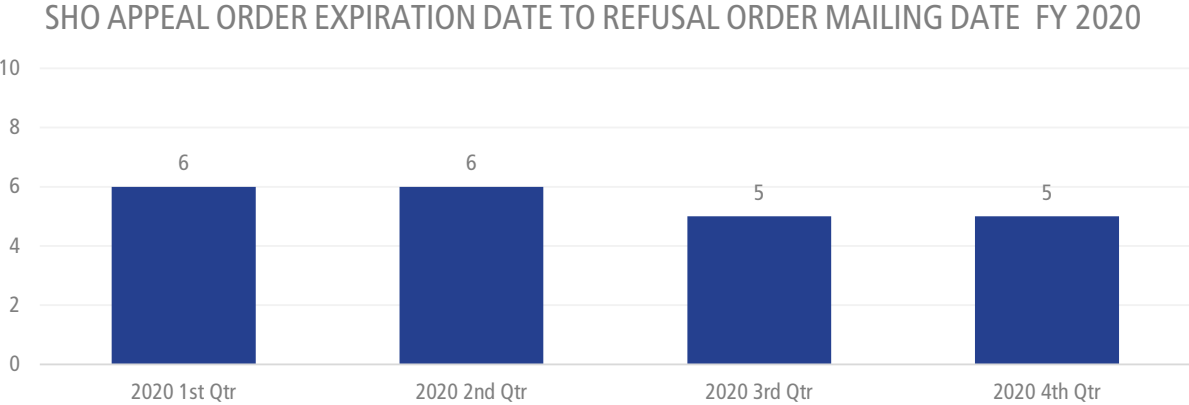
Commission Performance

For hearings conducted during FY 2020, the Commission venue average for the statutory *Filing to Hearing* period is 42 days. The Commission venue average for the *Filing to Mailing* timeframe is 68 days.



SHO Refusal Order Performance

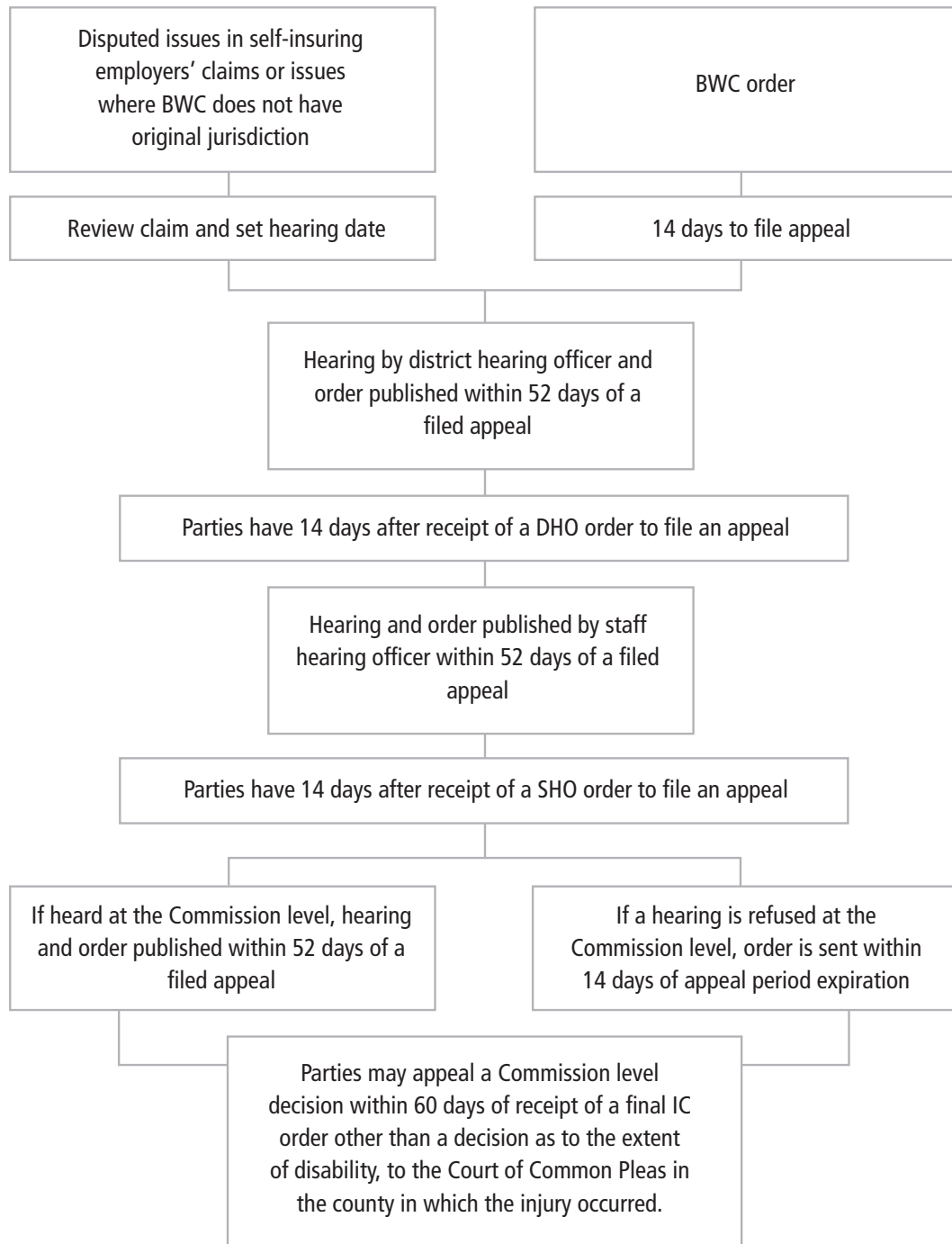
Appeals to SHO orders are discretionary in nature and processed centrally by the Commission Level Hearing Section in Columbus. Per mandate, if an appeal is refused, it is to receive a refusal order within 14 days of the expiration period in which an appeal may be filed to an SHO order.



ADMINISTRATIVE HEARING LEVELS CHART

Exhibit E

Administrative Hearing Levels Flow Chart*



*Only includes the allowance and appeal processes.

PERMANENT TOTAL DISABILITY (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.

PTD TIMELINE

Exhibit F

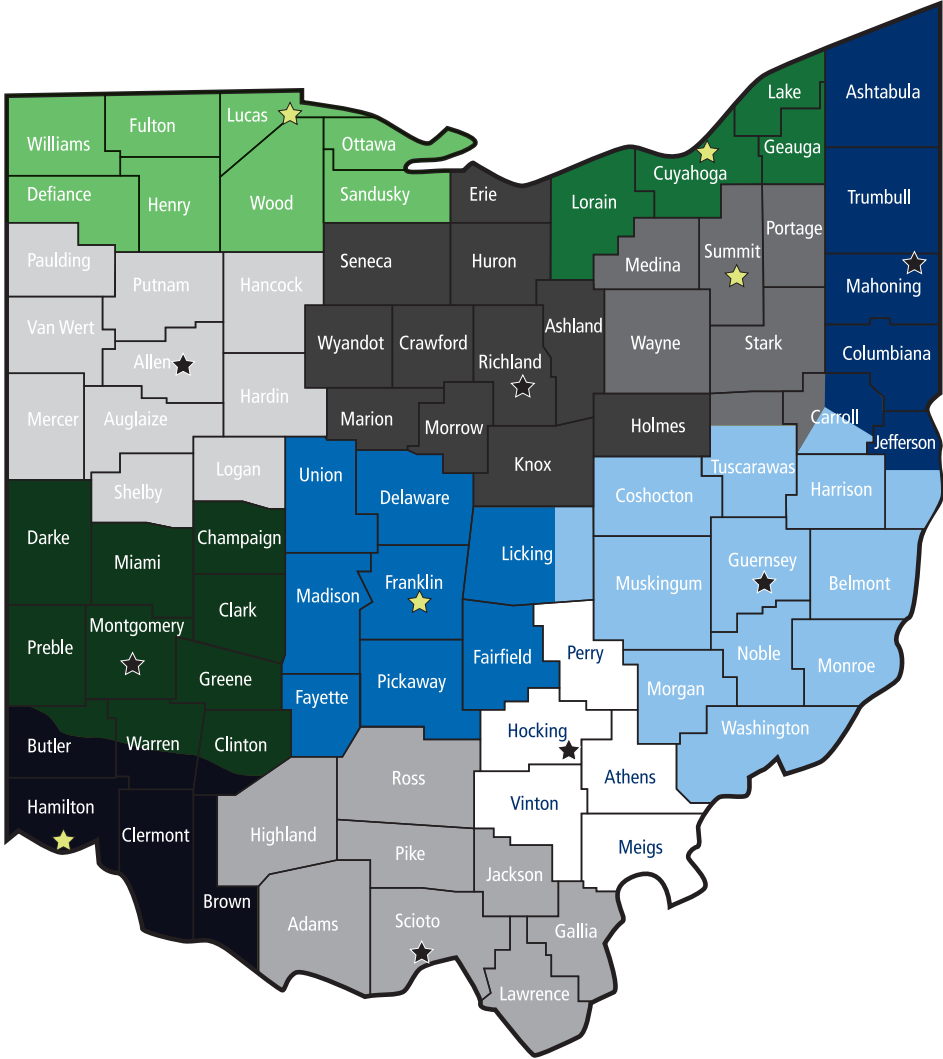
Permanent Total Disability (PTD) Timeline



* The entire PT Process averaged 214 days during CY 2020.

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

- Akron
- Columbus
- Mansfield
- Cambridge
- Dayton
- Portsmouth
- Cincinnati
- Lima
- Toledo
- Cleveland
- Logan
- 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
Web: 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

Youngstown*

242 Federal Plaza West
Youngstown, Ohio 44503-1206

Tel: 330.792.1063
Fax: 330.792.2473

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, 5th Floor
Cleveland, Ohio 44113-1898

Tel: 216.787.3001
Fax: 216.787.3483

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

Mansfield

240 Tappan Drive N., Suite A
Mansfield, Ohio 44906

Tel: 419.529.1360
Fax: 419.529.3084

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

*In-House Medical Examination Locations

Industrial Commission

Timely, Impartial Resolution of Workers' Compensation Appeals

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www.ic.ohio.gov, (800) 521-2691

Mike DeWine, Governor

Jon Husted, Lt. Governor

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Karen L. Gillmor, Ph.D., Member



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