

# Modernizing BWC – The plan to reform the premium collection model

BWC is transitioning to a billing system that will provide more flexibility for employers while reducing overall systems costs. This change aligns BWC with standard industry practice and enables us to collect premiums before extending coverage. This transition becomes effective July 1, 2015, for private employers, and Jan. 1, 2016, for public employers. This conversion is part of BWC's ongoing efforts to modernize its operations and provide better service to Ohio's employers.

## The benefits of prospective payment

A switch to a prospective billing system will provide the following benefits to Ohio employers:

- Overall base rate reduction of 2 percent for private employers and 4 percent for public employers;
- Opportunities for more flexible payment options (up to 12 installments);
- Better opportunities for BWC to provide quotes online or via the phone;
- Increased ability for BWC to detect employer non-compliance and fraud.

## Transition credit

To eliminate the need for a double payment by employers, BWC will provide a one-time premium credit. For private employers, BWC will cover the August payroll report (covering the January through June 2015 premium) and the first two months (July and August 2015) of prospective premium. Public employers will receive a credit equivalent to one year of premium spread over the 2015 and 2016 policy years.

## Key dates to remember

Starting this year, many important dates dealing with rating plan and program sign-up deadlines will change (see charts below).

### For private employers

Rating plan/program	New deadline
Experience snapshot	September 30
Group-experience rating	Monday prior to Thanksgiving (Nov. 24, 2014)
Group-retrospective rating, Deductible Program, Individual-retrospective rating, One Claim Program	Last business day in January (Jan. 30, 2015)
Destination: Excellence	Last business day in May (May 29, 2015)

### For public employers enrolling for the 2016 policy year

Rating plan/program	New deadline
Experience snapshot	March 31
Group-experience rating	Last business day in May (May 29, 2015)
Group-retrospective rating, Deductible Program, Individual-retrospective rating	Last business day in July (July 31, 2015)
Destination: Excellence	Last business day of November (Nov. 30, 2015)

For more information, contact your local service office, or visit [www.bwc.ohio.gov](http://www.bwc.ohio.gov).