



## Group Retrospective Rating Private Employer

A performance-based incentive program designed to recover a portion of premium for employers that reduce injury rates to employees and lower associated claim costs.

### PROGRAM OVERVIEW

The Group Retrospective Rating Plan is a voluntary performance-based incentive program sponsored by trade associations or professional organizations that is available to state-funded employers. The program is designed to reward participants that are able to keep their claim costs below a predetermined amount. Employers continue to pay their individual premium; however, they have the opportunity to receive retrospective premium adjustments (refunds or assessments) at the end of each of the three evaluation periods. Group Retro is not for every employer. Employers may be assessed additional premium if they are **not** committed to improving workplace safety and accident prevention and/or do not take appropriate action to reduce the frequency and severity of accidents involving their employees.

### ELIGIBILITY REQUIREMENTS

- Private state-funded employer (self-insured and state agency public employers are not eligible).
- Current on any and all premium payments, administrative costs, assessments, fines or amounts owed to the Ohio Bureau of Workers' Compensation (BWC) as of the application deadline.
- Current on all prospective billing true-up filings and payments.
- Active coverage by the application deadline.
- No cumulative lapses in coverage in excess of 40 days within the 12 months preceding the application deadline.
- May not be a member of more than one retro group or a retro and non-retro group.
- Homogeneous with the industry group of the retro group.
- If a workers' compensation claim is incurred in the "green period" (15 month period prior to the experience survey date), the employer shall attend two hours of safety training or complete the BWC's online accident analysis form and online safety class.

### PREMIUM REVIEW (REFUNDS & ASSESSMENTS)

A group's retrospective premium will be recalculated at 12, 24, and 36 months after the end of the policy year. At the end of each period, the BWC will take a snap-shot of the incurred claims losses (indemnity, medical and reserves) for the entire group and calculate the group's retrospective premium (minimum premium plus developed losses\*). If the retrospective premium that is calculated is less than the group's total standard premium, the participants will receive a refund. However, if the retrospective premium is greater than the group's total standard premium, an assessment will be levied by BWC. Each group limits the maximum assessment by selecting a premium cap between 5% - 100% of merit rated premium.

\* developed losses = incurred losses multiplied by BWC loss development factor



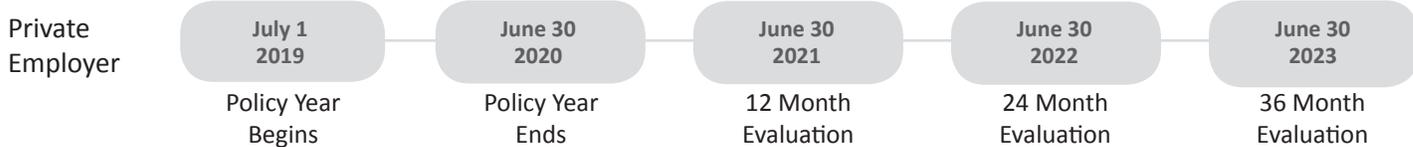
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## SAMPLE PREMIUM CALCULATION

Standard Premium for Group	\$20,000,000
Minimum Premium (assume 20%)	\$4,000,000
+ Developed Losses (incurred losses x BWC developmental factor)	\$6,000,000
= Retrospective Premium (minimum premium + developed losses)	\$10,000,000
Group Refund (Standard Premium - Retro Premium)	\$10,000,000
Estimated Refund Percentage	50%

*Note: Incurred losses used in the retrospective premium will be limited to \$500,000 per claim and do not include surplus or VSSR costs. Salary continuation payments will also not be included, but the associated reserve will be included in the calculation.*

## PREMIUM CALCULATION TIMELINE



## APPLICATION & ENROLLMENT

Each employer within the sponsor's group will need to complete an Employer Statement Form (U-153) stating their intention to participate in Group Retro.

Program Enrollment Deadline	Coverage Period
Last business day of January	July 1, 2019 - June 30, 2020

## COMPATIBILITY WITH OTHER BWC PROGRAMS

While participating in the Group Retrospective Rating Plan, employers can participate in the following programs:

- Go Green
- Lapse Free
- Safety Council (participation rebate only)

## COMPMANAGEMENT'S PROGRAM

- Superior claims management and cost control services
- viaOne® - web-based interactive resource for clients providing real-time access to claim information 24/7
- Safety & loss control consulting services
- Annual performance updates