

a glance at the past



and a vision of the future

# table of contents

3	GLANCE
4	REFLECTION
8	VISION
10	FOCUS
12	SCOPE
16	ENVISION

# a glance at our journey

*"We can chart our future clearly and wisely only when we know the path which has led to the present."*

~ Adlai E. Stevenson

March 1, 2002, is an important milestone that sets the foundation for workers' compensation in Ohio. This date marks the 90th anniversary of the establishment of the State Insurance Fund. Ohio's employment sector remains prosperous and profitable, while workers' safety and security continues to be the Ohio Bureau of Workers' Compensation's (BWC's) first and foremost priority.

Today, Ohio's workers' compensation system services enable employers to file claims and pay premiums online, participate in safety programs that garner significant financial savings and provide their employees with the best medical care and return-to-work options.

Now, we want to take a **glance** back at how it all began, how the system has evolved and where we're headed in the future. The introduction of Ohio's workers' compensation system in 1912 provided the structure to evolve into the largest state-fund insurance system in the country. We continue to look to the future to meet the needs and challenges of employers and employees today; to keep them safe, and minimize the physical and financial impacts of workplace injuries. BWC reaches this milestone with a surplus budget and a better workers' compensation program, built with our customers in mind. Ninety years of continued progress is the foundation of BWC and IC's future commitment to excellence.



REFLECTION

# a reflection on beginnings

*"The path to success  
is to take massive,  
determined action."*

~ Anthony Robbins

The adoption of workers' compensation during the Progressive Era altered the political-economic landscape of the United States in significant ways. Workers' compensation was the first widespread social insurance program, the first major tort reform and the first employer mandate of the 20th century.

Since 1912, the State of Ohio has helped employees and employers cope with workplace injuries by providing medical and compensation benefits for work-related injuries, diseases and deaths. Now insuring about two-thirds of Ohio's work force, Ohio's workers' compensation system dates back to June 15, 1911, with the signing of the first Ohio Workmen's Compensation Act.

This bill, sponsored by former Ohio United Mine Workers President William Green and passed by the Ohio General Assembly, created the State Insurance Fund, which was dispensed by the short-lived State Liability Board of Awards. In 1913, Governor James Cox signed the Workmen's Compensation Bill into law, creating the Industrial Commission of Ohio (IC). The act gave sole responsibility for running the state's workmen's compensation system to the IC, until the Bureau of Workers' Compensation was created in 1955.

Since then, BWC has served as the administrative and insurance arm of the system, with the IC as its claims adjudicative arm. The state fund began on March 1, 1912. From its inception, more than 25.6 million claims have been filed, and the bureau has dispersed \$34 billion in benefits.

The Ohio workers' compensation system founders' dedication is a **reflection** of the commitment employers needed to protect their most valuable commodity: their employees' well-being and productivity.

*Since 1912,  
more than  
25 million  
claims have  
been filed, and  
\$34 billion  
in benefits  
have been paid.*

On April 28, 1913, sheet-metal worker Lemuel C. Fridley received the first workmen's compensation check for a severed-finger injury at Delphos Manufacturing Co.

Ohio's workers' compensation system's pioneer was William Green, a coal miner who steadily rose through the ranks of the United Mine Workers and the American Federation of Labor (AFL). As an Ohio Senator in 1912, he introduced a workers' compensation law creating a system that has become an international model. Green was a vigorous force for economic justice and human welfare.

In the early 1970s, effort was exerted to improve and expand BWC's service through the creation of district field operations to expedite compensation. By 1972, BWC provided approximately 4.5 million state-fund and self-insured workers with claim disbursements of approximately \$179 million.

New and dynamic managerial initiative highlighted 1984, as the largest single-line insurance operation in the world — the Ohio State Insurance Fund — was operated by BWC and IC. The fund's assets grew to a then record high of \$4.7 billion in 1984.

1912

Establishment of Ohio's State Insurance Fund



1955

Ohio Bureau of Workmen's Compensation created



1913

Industrial Commission of Ohio (IC) created to oversee state workmen's compensation system

1925

Division of Safety & Hygiene (DSH) created as part of the IC. Today, DSH is part of the Ohio Bureau of Workers' Compensation (BWC)

1977

In the early 1990s, Ohio's workers' compensation system faced a challenge. Slow claims processing, coupled with a \$1.9 billion deficit, threatened the economic stability of Ohio's businesses. In 1991, Ohio's governor declared the state workers' compensation system, "the silent killer of jobs." Commitment by Ohio's leadership, including the Ohio Legislature, brought about a new wave of reform efforts that broke down the barriers of bureaucracy and paved the way for employees' voices to be heard. In 1995, the Workers' Compensation Oversight Commission was formed, and BWC's Chief Executive Officer became an appointed member of the governor's cabinet. Working with stakeholders, BWC instituted a system-wide reorganization, which intensified customer-friendly programs with cost-saving incentives, including the implementation of the Health Partnership Program.

*"We're now entering our third frontier — the frontier of knowledge and innovation."*

~ Governor Bob Taft, 2002

Recent reforms — including successful investment strategies, increased management efficiency and streamlined processes — have enabled BWC to return \$9.5 billion to employers without a single reduction in injured worker benefits. Under the leadership of Governor Bob Taft, workers' compensation leaped into the information age as Ohio leads the nation in online services.

With BWC and IC's commitment to its visions and goals, Ohio's workers' compensation system will continue to meet the changing needs of its customers in its next 90 years of service to Ohioans.



1979

Ohio Bureau of Workmen's Compensation name changed to the Ohio Bureau of Workers' Compensation

Rehabilitation Division created as part of IC. In 1989, non-adjudicative duties, such as rehab and safety, were further transferred to BWC

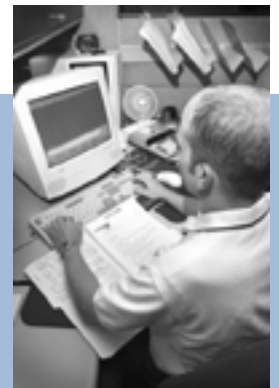
1993 — 1997

Legislation makes workers' compensation fraud a felony

BWC implemented Ohio's Health Partnership Program

2000

BWC launched the **Dolphin Project** in 2000, enabling customers to conduct business online. The Industrial Commission Online Network (**I.C.O.N.**) was introduced in 2001





VISION

# a vision with purpose

*“Good business leaders create a vision, articulate the vision, passionately own the vision and relentlessly drive it to completion.”*

~ Jack Welch  
General Electric CEO

The nation still struggles with the turmoil that prevails after the terrorist attacks on Sept. 11, 2001. Life seemed to take on new meaning. And, almost automatically, American businesses took on new perspectives. BWC and IC were no different. **Vision** became clearer, more necessary and more vital.

BWC and the IC work together to provide services and protect the workers' compensation rights of Ohio's work force. The IC serves injured workers and Ohio employers through expeditious and impartial resolution of issues arising from workers' compensation claims and through establishment of adjudication policy. The IC's **vision** focuses on expanding customer service through evolving technology. Injured workers, employers and their representatives may conduct their IC business at [www.ohioic.com](http://www.ohioic.com), where service is customer-focused and quality driven. Today, the IC conducts more than 180,000 hearings annually, and most hearings take place within 45 days of the original claim appeal.

At BWC, our mission is to provide a quality, customer-focused workers' compensation insurance system for Ohio's employers and employees. **Our goals are to improve customer satisfaction and reduce costs.**

BWC's **vision** centers on Ohio's employers and employees. The ultimate success is increasing Ohio workers' security, safety and peace of mind — the same priorities of all Americans after last fall's Attack on America.

BWC will continue to provide the structure and security that Ohio's employers and employees depend on at a time when dependability and accountability are paramount.



## FOCUS

# focus on our customers and partners

*"Satisfaction lies  
in the effort, not  
the attainment.  
Full effort is  
full victory."*

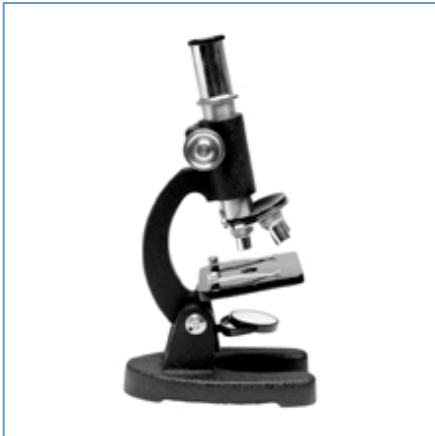
~ Mahatma Gandhi

Ohio is a national leader in workers' compensation, paving the way to improved safe work practices and reduced costs, thanks to our partners — employers, organized labor, medical providers, injured workers, stakeholders and legislators. Each plays an integral part in transforming Ohio's workers' compensation from a slow and deficit-laden program to a \$23 billion business — the largest state-fund system in the country.

In calendar year 2001, BWC processed 249,327 state-fund claims, and dispersed more than \$1 billion in indemnity benefits and \$759 million in medical benefits.

Yet, BWC's customer **focus** is evident in its returns — to employers. BWC has refunded \$2.4 billion to employers since January 1999. This year, private state-fund employers will receive a 75-percent premium reduction, and for some, another 5-percent average premium rate decrease, the seventh consecutive private employer reduction since 1995. Premium rates, on average, are 39 percent lower than those in effect six years ago. Successful investment strategies, increased BWC management efficiency and BWC's streamlined processes continually enable us to pass these savings onto employers. Most importantly, all of these savings are possible without a single reduction in benefits to Ohio's injured workers.

Without our partners, we couldn't boast such successes. They are the key components helping us keep Ohio employees safer, premiums lower and injured worker care better. This **focus** will continue well into the new millennium.



## SCOPE

# our scope on progress

*“Vision without action  
is a daydream.  
Action without vision  
is a nightmare.”*

~ Japanese Proverb

For BWC, service is about savings. Whether saving employers money, saving employees’ lives or saving injured workers time, BWC’s **scope** of service provides Ohio’s work force with the safety programs, services and guidance to be productive and successful.

Successful partnerships rely on communication. BWC takes its partnership with Ohio’s employers and employees seriously, striving to provide our customers with open and honest communication. To achieve that, BWC conducts statewide meetings with our customers regularly. These include **The Ohio Safety Congress and Expo, MCO Summits, town meetings, Workers’ Compensation University, Ohio’s Governor’s Excellence Awards in Workers’ Compensation** and others.

Consistent communication with our customers is our priority. **BWC Focus** — Ohio’s awarding-winning workers’ compensation magazine with a circulation of more than 150,000 — along with our safety publications and brochures, customer service representatives, employer services specialists and safety consultants, are just a few of our vital links to our customers. Communication, for us, goes hand-in-hand with service and savings.

**The Dolphin Project** is our “online, anytime” customer connection. As BWC’s electronic business system, it’s packed with the tools customers need to conduct BWC business 24/7. At [www.ohiobwc.com](http://www.ohiobwc.com), users can access claim and policy information, file a claim, report payroll and pay premiums, apply for discount programs, update company information and much more.

Then, there’s our division with a mission of safety. BWC’s Division of Safety & Hygiene (DSH) offers a broad spectrum of services, including research, education,

*"The best injury  
is the one that  
never happens."*

~ James Conrad  
BWC Administrator/CEO

publications, local informational networks and on-site consulting services. Our professionals offer expertise in loss prevention and loss control for all trades.

DSH's two libraries provide our customers with thousands of free videos and publications. With more than 2,500 bound volumes and periodicals, the library system is one of the most comprehensive safety and health resources in the country. The DSH training center is an adult continuing-education facility specializing in occupational safety and health. Through seminars and workshops, the training center provides students with the knowledge, tools and skills they need to prevent occupational injuries and illnesses.

With **SafetyGRANT\$**, we back up our marketing with money. Unveiled by Governor Taft, BWC gives 4-to-1 matching grants up to \$40,000 each, to employers who implement programs to prevent specific injuries; and 2-to-1 grants to implement our Drug-Free Workplace Program. At the end of 2001, we awarded more than \$19 million in grant funds.

BWC's **return-to-work** program is continually expanding to help keep employees at work or return them to the job as quickly and safely as possible. Along with the injured worker's doctor, employer and a team of rehabilitation professionals, BWC works with the employee's managed care organization to coordinate a treatment plan personally tailored for the injured worker's job, as well as the injury.

Transitional work is the future of the workers' compensation industry. Our **Transitional WorkGRANT\$** program enables BWC to reimburse employers up to 80 percent in funding. This program establishes a transitional work program specifically for a business to return injured workers to their jobs and reduce disability costs.

The **Premium Discount Program Plus** (PDP+) assists qualifying employers with a safer, more cost-effective workplace. For implementing PDP+ with BWC's

*“We want to reward employers who run a safe workplace, and open new opportunities for those injured on the job.”*

~ Governor Bob Taft

10-Step Business Plan, employers can receive premium discounts of up to 30 percent for each of the first two years of participation, and up to 25 percent for the third year, upon meeting program goals.

Through the **Drug-Free Workplace Program**, private and public state-fund employers can receive premium discounts of between 10 percent and 20 percent for up to five years for establishing a safer and more cost-effective workplace through a substance-free environment.

In its fifth year, the **Health Partnership Program** (HPP) provides access to high-quality medical care for injured workers. HPP’s fundamental goal is to provide quality, cost-effective health care that will facilitate an early return to work or return the injured worker to a functional lifestyle. With unique aspects, such as open access to medical providers certified by BWC and BWC’s *Injured Worker Pledge of Service*, HPP has become a model of study for several states and foreign countries.

By the end of 2001, HPP had cut the claim filing lag time by more than 75 percent, and Ohio injured workers and employers continue to rate HPP at or above 80 percent in customer satisfaction.

Fraud is a hidden cost of workers’ compensation insurance. Under the administration of Governor Taft, BWC’s fraud and special investigations department has expanded and uncovered more than \$280 million in workers’ compensation fraud. In fiscal year 2001, and for the third consecutive year, each dollar spent investigating fraud yielded more than \$8 in savings.

We continue to develop new initiatives and expand and improve existing programs to meet the ever-changing needs of Ohio’s work force.



ENVISION

# envisioning tomorrow and beyond

*"We weren't sent  
here to mark time.  
We were sent here  
to get things done."*

~ Governor Bob Taft  
February 5, 2002

There is always tomorrow. But today, we are certain that BWC will continue its mission of providing Ohio's employers and employees with the best possible workers' compensation service at the most reasonable price. We will continue to communicate with our customers, identify their needs and develop programs and services that enable them to be productive and effective.

BWC's achievements are just unfolding. Through committed leadership from Governor Taft, we keep enhancing and improving our programs, such as safety initiatives and innovative grant programs, to ensure that Ohio's work force has economic stability. To continue serving as a model for companies around the world, we **envision** a better workers' compensation system for Ohio's work force with new cutting-edge technological offerings, such as interactive Web services and paperless claims processing. Ohio's agencies are working together to streamline and support Governor Taft's goal of "moving Ohioans from in line to online."

BWC's success depends on service, savings and communication — essential ingredients for success. The biggest part of that successful equation is Ohio's employers and employees working in partnership with BWC to create a better workers' compensation system. Together, tomorrow brings greater opportunities and unsurpassed expectations.



Bob Taft  
Governor



**Ohio Bureau  
of Workers'  
Compensation**

James Conrad  
Administrator/Chief Executive Officer

---

Sandy Blunt  
Assistant Administrator

Troy Ames  
Chief of Field Operations

John Annarino  
Chief Legal and Fraud Officer

John Romig  
Chief of Employer Services

John Fish  
Chief of Policy & Support

Terrence Gasper  
Chief Financial Officer

Tina Kielmeyer  
Chief Medical Management Officer

Jim Samuel  
Chief of Corporate Affairs

Chuck Quinlan  
Chief Information Officer

Barbara Young  
Chief Human Resources Officer



**Industrial  
Commission  
of Ohio**

William E. Thompson  
Chairperson/Chief Executive Officer

---

Donna Owens  
Member

Patrick J. Gannon  
Member

Phil Haddad  
Executive Director

Tim Adams  
Director, Non-Adjudicatory Operations

Tom Connor  
Director, Hearing Services

Paul Walker  
Legal Counsel

---

**Workers' Compensation  
Oversight Commission**  
*(voting members)*

William Sopko, Chairman  
Thomas H. Bainbridge  
William A. Burga  
George L. Forbes  
Rachel Longaberger

# service offices

## Akron

Ocasek Government Building  
161 S. High St.  
Akron, OH 44308-1617  
Claims .....(330) 643-3111  
Employer Services.....(330) 643-3075  
Industrial Commission .....(330) 643-3550

## Bridgeport

P.O. Box 388-389  
56104 National Road  
Bridgeport, OH 43912-0388  
Claims .....(740) 635-1163  
Employer Services.....(740) 635-0942  
Industrial Commission .....(740) 635-6259

## Canton

P.O. Box 24801  
400 Third St., SE  
Canton, OH 44701-4801  
Claims .....(330) 438-0638  
Employer Services.....(330) 471-0937  
Industrial Commission .....(330) 438-0611

## Cincinnati

125 E. Court St.  
Cincinnati, OH 45202-2196  
Claims .....(513) 852-3341  
Employer Services.....(513) 852-3216  
Industrial Commission .....(513) 357-9750

## Cleveland

615 Superior Ave. NW  
Cleveland, OH 44113-1889  
Claims .....(216) 787-3050  
Employer Services.....(216) 787-3060  
Industrial Commission .....(216) 787-3001

## Columbus North

30 W. Spring St.  
Columbus, OH 43215-2256  
Claims .....(614) 728-5416  
Employer Services.....(614) 752-4538  
Industrial Commission .....(614) 466-4683

## Columbus South

30 W. Spring St.  
Columbus, OH 43215-2256  
Claims .....(614) 466-6446  
Employer Services.....(614) 466-8451  
Industrial Commission .....(614) 466-4683

## Dayton

3401 Park Center Drive  
Dayton, OH 45414  
Claims .....(937) 264-5000  
Employer Services.....(937) 264-5217  
Industrial Commission .....(937) 264-5116

## Governor's Hill

8500 Governor's Hill Drive  
Cincinnati, OH 45249  
Claims .....(513) 583-4400  
Employer Services.....(513) 583-4403

## Hamilton

1 Renaissance Center  
245 High st.  
Hamilton, OH 45011  
Claims .....(513) 785-4500  
Employer Services.....(513) 785-4510  
Industrial Commission .....(513) 785-4680

## Independence

P.O. Box 318030  
5990 West Creek Road, Suite 200  
Independence, OH 44131-8030  
Claims .....(216) 573-7700  
Employer Services.....(216) 573-7030

## Lima

P.O. Box 780  
2025 E. Fourth St.  
Lima, OH 45802-0780  
Claims .....(419) 227-3127  
Employer Services.....(419) 227-4116  
Industrial Commission .....(419) 227-7193

## Logan

P.O. Box 630  
1225 W. Hunter St.  
Logan, OH 43138-0630  
Claims .....(740) 385-5607  
Employer Services.....(740) 385-9848  
Industrial Commission .....(740) 385-1813

## Mansfield

P.O. Box 8051  
240 Tappan Drive N.  
Mansfield, OH 44906-8051  
Claims .....(419) 747-4090  
Employer Services.....(419) 529-4528  
Industrial Commission .....(419) 529-1367

## Portsmouth

P.O. Box 1307  
1005 Fourth St.  
Portsmouth, OH 45662-4195  
Claims .....(740) 353-2187  
Employer Services.....(740) 353-3419  
Industrial Commission .....(740) 354-2334

## Richmond Heights

26301 Curtiss Wright Parkway  
Richmond Heights, OH 44143-1433  
Claims .....(216) 289-4290  
Employer Services.....(216) 289-5390

## Springfield

P.O. Box 1467  
1 South Limestone St.  
Springfield, OH 45501-1467  
Claims .....(937) 327-1425  
Employer Services.....(937) 327-1365  
Industrial Commission .....(937) 327-1344

## Toledo

P.O. Box 794  
1 Government Center, Suite 1136  
Toledo, OH 43695-0794  
Claims .....(419) 245-2700  
Employer Services.....(419) 245-2474  
Industrial Commission .....(419) 245-2740

## Warren

P.O. Box 1190  
258 E. Market St.  
Warren, OH 44482  
Claims .....(330) 306-4000  
Employer Services.....(330) 306-4142

## Youngstown

242 Federal Plaza W., Suite 200  
Youngstown, OH 44503  
Claims .....(330) 797-5500  
Employer Services.....(330) 797-5010  
Industrial Commission .....(330) 792-1063

## Zanesville

P.O. Box 37  
905 Zane St.  
Zanesville, OH 43702-0037  
Claims .....(740) 450-5151  
Employer Services.....(740) 450-5260  
Industrial Commission .....(740) 450-5162



Governor Bob Taft • BWC Administrator/CEO James Conrad • IC Chairperson/CEO William E. Thompson

