

NEGOTIATE A LUMP SUM SETTLEMENT FOR A CLAIM

WORKERS' COMPENSATION CLAIMS MANAGEMENT TOOLS FOR OHIO MANUFACTURERS

Lump sum settlement pays the injured worker a full and final settlement amount and may remove some or all reserve costs from the claim. The reserve is the estimated future cost of a claim and is used to calculate the BWC rates that will impact premiums while the claim is in the employer's experience. Under appropriate circumstances, settlement is a useful tool in containing costs.

BEST PRACTICE: We generally do not recommend settling a claim when the injured worker is still under your employment. However, there are special circumstances in which settlement may be deemed appropriate regardless of employment status. We strongly recommend that you consult with your OMA Account Manager regarding settlement opportunities any time there is a change in employment status.

Settling claims is one of the few tools that employers have to control the duration and costs of claims in their experience. To support your decision making, OMA will prepare premium-impact studies for various claim settlement scenarios.

Once a settlement agreement has been made between the employer and the injured worker, both parties must complete and sign the BWC C-240 form (settlement application).

BWC administers and approves all claim settlements and reviews the agreement to ensure that the settlement is fair to the parties.

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