



## **OPERATING as a Self-Insured Employer**

From the only workers' compensation service provider with a mission to **protect and grow Ohio manufacturing**





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# Operating as a Self-Insured Employer

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# Establishing Your OMA Self-Insured Account

The first thing we'll do is establish your account so that we have the necessary data—as well as your preferences—to manage your claims. If we haven't already collected the following information during the application process, we'll need to know:

## Employer information

Company name

Company fiscal year

Self-insured policy # (provided by the Bureau of Workers' Compensation (BWC))

Self-insured effective date

Company address

Phone

Fax

Primary contact name

Title

Email

Phone

Fax

Secondary contact name

Title

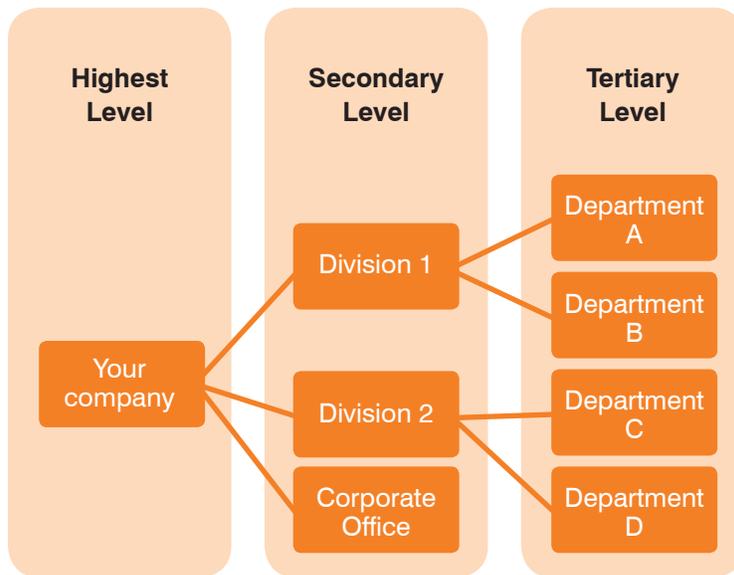
Email

Phone

Fax

## Corporate structure

Claim data are useful to your financial, safety, human resources, and other departments. With this in mind, determine how you will define your company's organizational structure so that claims can be tracked and reported by operating unit. For example:



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## **Excess insurance carrier & policy information**

Carrier name

Contact

Mailing address

Phone

Fax

Email

Term of coverage (e.g. policy year)

Retention \$ limit

Notification \$ limit

## **Checking account information (for the account from which you will make provider and indemnity payments)**

Bank name, city, state

Routing number

Account number

Fraction number

Starting check number

MICR spec sheet

## **Instructions for check signing authority and disbursement**

We believe it is good for your employees, and the medical providers who treat them, to perceive your authority over the program. Therefore, it is our recommendation that we mail checks to you in weekly or biweekly batches for you to disburse to injured workers and to providers. We have the ability to add your electronic signature to checks to facilitate your processes. Other options are available.

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# Managing Claims

## Maintaining Claim Files

The employer is required to maintain files for all claims at its location for the first year following BWC approval of self-insurance. We will provide you with guidance on how files should be set up and maintained. (Also reference BWC's Procedural Guide for Self-Insured Claims Administration.)

After the first year, the employer may request that BWC authorize the OMA to be the sole entity housing claim files.

In any event, OMA always maintains a complete duplicate, electronic file of all claims.

Upon request, OMA will provide an injured worker with a copy of his or her claim file within **72 hours** as required by BWC.

## Providing Accident Packets

OMA suggests that a best practice is to have "accident packets" available for your employees should a workplace accident occur.

The first priority in the event of an accident is medical attention; provide your employee with this packet as soon as practicable:

- **Cover letter** to the provider stating your company name and self-insured policy number, along with instructions to return a copy of the accident packet to you once completed. You may want to include additional pertinent information, such as your ability to accommodate light duty, post-accident drug testing request, etc.
- **BWC Form FROI-1** and/or your company's injury report
- **BWC Form MEDCO-14** (Medical Restrictions)
- **BWC Form C-101** (Medical Release)
- **Job Description** (It is suggested that this be provided to the medical facility either at the time of injury or as soon as possible after initial treatment.)

## Reporting Claims

Employees who sustain work-related injuries or illnesses file their claims directly with you, the employer, following your prescribed procedures, e.g. a completed accident packet (see above).

As soon as you are in receipt of a claim report (e.g. FROI or accident packet), fax or email it to OMA so that we can assist you.

The OMA will notify an injured worker of the claim determination within **30 days** from the date the claim is received. However, the claim determination will be made and communicated to the injured worker as soon as practical in order to maintain goodwill.

**IT IS IMPORTANT** to date-stamp each and every document. Consider purchasing a custom date stamp with your company name and the words, 'Self-Insured Workers' Compensation Program.' Use blue or black ink for best visibility when faxing or copying.

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## Researching a New Claim

After a claim is submitted, and you have notified OMA, we will make three-point contact: with you, the injured worker and the attending physician. We examine all evidence and documentation to ensure claim accuracy, completeness and compensability.

## Reporting a Claim to BWC

OMA files eligible claims on your behalf directly to the BWC. BWC requires claims that are contested or involve eight (8) or more calendar days of disability (lost time) to be filed within **30 days** of notification of the injury. BWC does not require a self-insured employer to file claims that are approved by you and medical-only in nature.

## Filing 'Incident Only' Claims

Whenever an incident occurs, collect and file an incident report with OMA as soon as possible. If the employee decides not to seek medical treatment, we will status the report as an "Incident Only" claim in the system.

Should medical treatment eventually be provided, we will reclassify the claim in the system as "Medical Only."

## Processing and Paying Medical Fee Bills

All requests for treatment (C-9s or similar documents) must be processed within **10 days** of receipt. We will assist the employer in determining how to respond to requests for treatment, including suggesting nurse case management when appropriate.

Using industry protocols that minimize expense, we will process **within 30 days** all medical fee bills presented by the providers involved in the care and treatment of any claimant.

We verify that fee bills for medical services and pharmaceuticals are related to the allowed conditions in the claim, presented by recognized attending providers, and are appropriate to the treatment.

Disbursing checks to the providers will be managed according to directions you have provided to us: We will mail checks to you for disbursement or mail them directly to providers.

## Processing and Paying Indemnity Payments

We will assist the employer in the calculation of the full and average weekly wages (FWW/AWW) for lost-time claims and provide documentation supporting the calculation.

Disbursing checks to injured workers will be managed according to directions you have provided to us: We will mail checks to you for disbursement or mail them directly to claimants, taking care to ensure timeliness. Timely payments help to preserve your relationship with the employee.

Employers have **21 days** from the first date of lost-time to pay compensation in a claim.

## Managing Return to Work Processes

We will work with you to safely expedite a worker's return to duty and will begin monitoring the employee's progress immediately, giving diligent consideration to any transitional work plan provided by the physician.

You can use the OMA Jobs/Duties Description form (found on **ohiomfg.com** under Workers' Compensation Services) to communicate specific details about work requirements to the physician.

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We'll conduct case conferences with all appropriate parties as needed in order to share information that controls costs and facilitates effective return to work plans. We'll recommend nurse case management, transitional work, and vocational rehabilitation service providers as appropriate.

### **Establishing 'Pre-Set' Claim Reserves**

Our system accommodates optional 'pre-set' reserve amounts to facilitate the claim payment process. We will want to discuss and determine your directions regarding initial reserve values for medical and indemnity claims and initial allocated expense for contested claims.

### **Establishing, Adjusting & Reporting Claim Reserves Ongoing**

Once a claim is in process, we will regularly review and, if appropriate, re-establish reserves that adequately reflect the exposure in the case and comply with the objectives of your program.

We will establish the reserve thresholds that you determine for notification, for example:

- If our review suggests that a claim reserve should be increased by more than \_\_% or \$\_\_ amount, we'll notify you; or
- If our review suggests the reserve total would exceed your pre-determined amount, we'll notify you.

### **Defining & Processing Claim Status Changes**

We will work with you to determine your definition of 'inactive' in order to status claims in the system, for example:

- Medical-only claims will be considered inactive (and reserve removed) after \_\_ months of inactivity.
- Lost-time claims will be considered inactive (and reserve removed) after \_\_ months of inactivity.

If an employee requests that his or her claim be reactivated, we will consult the BWC statutes of limitations for guidance to determine an appropriate course of action.

### **Identifying and Processing Claim Settlements**

We'll advance claim settlement strategies under appropriate circumstances and bring qualified negotiating resources to the table.

### **Managing a Contested Claim**

When an Industrial Commission hearing is required, OMA will plan the hearing strategy with you and your corporate or designated counsel.

If you want a referral to an experienced workers' compensation attorney, we will be happy to refer you to our network of legal partners.

### **Scheduling Comprehensive Claim Reviews**

OMA suggests quarterly meetings with your team to review all open claims/reserves. Meetings can be executed in person or by telephone/web conference.

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# Managing Reporting & Compliance

## Management Reporting

We will provide the reports that keep you abreast of claims status, activities and costs, and that you need in order to communicate with others in your organization, including, importantly, the financial management staff.

Just tell us who in your company needs to receive what information (e.g., check registers, loss run reports). Loss run reports are provided monthly or at your discretion.

## Excess Insurance Carrier Reporting

OMA will assist in responding promptly to any requests from your excess insurance carrier.

## Internal Revenue Service (IRS) Reporting

We will request and retain a W-9 (Request for Taxpayer Identification Number and Certification) for all providers.

Annually, we will prepare all appropriate Form 1099s per Internal Revenue Service requirements.

## Medicare/Medicaid Reporting

As your authorized assigned designee for Medicare Secondary Payer Act (MSPA) purposes, we will submit a query on each of your claims to determine if Medicare/Medicaid coordination is required by law. If a claim is to be coordinated with Medicare/Medicaid, we will execute the required government reporting.

## BWC Annual Reporting

We will assist in preparing your annual BWC SI-40, Report of Paid Compensation and Case Reserves, which is due no later than March 1 each year. This is the report on which the BWC determines your company's self-insured assessment.

We will also assist you with collecting any information you may require to complete your annual renewal application, which is due to the BWC Self-Insured Department 90 days prior to your annual renewal date.

## BWC Audits

We will prepare your organization for any state audit of self-insured claims by conducting an onsite pre-audit, helping complete BWC-required audit documentation, ensuring claim files are in order, and verifying procedures are in compliance with BWC specifications.

## Managing Complaints

We will assist you in addressing any complaint that might be reported to BWC as a result of your self-insured status. We can help supply any documentation requested by BWC. We will work with you and the BWC to resolve any issues in a timely, professional and effective manner.







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