

Audit Committee
Executive Summary

Prospective Billing:
Installment Payments Rule

Background

BWC transitioned to prospective billing effective July 1, 2015 for private employers and effective January 1, 2016 for public employer taxing districts (PEC). This change aligned BWC with the standard industry practice by collecting premiums before extending coverage.

This rule packet contains updates to the installment payment section of the prospective billing rules.

Proposed Changes

OAC4123-17-14.2 (G) PEC Deferred Payment

- Clarifies that the election to defer payments must occur by November 15th prior to the beginning of the new policy year.
- Provides more detail on the calculation of the deferment fee.

OAC4123-17-14.2 (H) Early Payment Discount

- Provides an incentive for employers to pay the full estimated annual premium by the due date for the first installment for each policy year.