



## Ohio Administrative Code

### Rule 4123-17-55 Transitional work development grant and transitional work bonus program.

Effective: July 1, 2024

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#### (A) Definitions.

As used in this rule:

- (1) "AEO" and "PEO" have the same meaning as defined in rule 4123-17-15 of the Administrative Code.
- (2) "Application deadline" means the applicable application deadline set forth in appendix A or in appendix B to rule 4123-17-74 of the Administrative Code.
- (3) "Client employer" has the same meaning as defined in rule 4123-17-15 of the Administrative Code.
- (4) "Program period" means the policy year for which the employer elects to participate in the transitional work program.
- (5) "Transitional work" has the same meaning as defined in rule 4123-6-01 of the Administrative Code.
- (6) "Transitional work developer" means the provider who develops the employer's transitional work program. A transitional work developer shall:
  - (a) Meet the minimum credentials designated in rule 4123-6-02.2 of the Administrative Code for one of the following provider types:
    - (i) A vocational rehabilitation case manager,
    - (ii) An occupational therapist, or



(iii) A physical therapist; and

(b) Complete bureau of workers' compensation sponsored transitional work development training prior to delivering transitional work programs and at two-year intervals.

(B) Eligibility requirements.

(1) To receive benefits under this rule, the employer must meet the following criteria as of the application date for the grant or the application deadline for the transitional work bonus:

(a) The employer must be current with respect to all payments due the bureau, as defined in rule 4123-17-14 of the Administrative Code.

(b) The employer must not have cumulative lapses in workers' compensation coverage in excess of forty days within the preceding twelve months.

(c) The employer must be in an active policy status. For purposes of this rule, "active policy status" does not include a policy that is a no coverage policy or a policy that is lapsed.

(d) The employer must report actual payroll for the preceding policy year and pay any premium due upon reconciliation of estimated premium and actual premium for that policy year no later than the application deadline.

(2) The following employers shall not be eligible for either a transitional work program development grant or a transitional work bonus under this rule:

(a) Employers paying the minimum administrative charge for the applicable payroll reporting period as set forth in rule 4123-17-26 of the Administrative Code;

(b) State agencies; and

(c) Self-insuring employers providing compensation and benefits pursuant to section 4123.35 of the



Revised Code.

(3) The following employers shall not be eligible to receive a transitional work program development grant under paragraph (C) of this rule:

(a) Employers who have elective coverage only; and

(b) Sole proprietors with zero payroll.

(4) An employer that is found to be ineligible for participation in the program may reapply for a subsequent program period.

(C) Transitional work program development grant.

(1) An employer interested in obtaining a transitional work program development grant shall apply to the bureau on a form provided by the bureau. In signing the application form, the chief executive officer or designated management representative of the employer is certifying to the bureau that the employer will comply with all program requirements.

(2) The bureau shall evaluate each application to determine the employer's eligibility to receive a transitional work program development grant and shall have the final authority to approve a grant for an eligible employer and to determine the amount of the grant. If, upon review of an application, the bureau determines that it can assist the employer in developing a transitional work program, the bureau may deny the grant and provide assistance to the employer directly.

(3) Transitional work program development grant awards expire five years from the date of the mailing of the notice of approval of the grant. Upon expiration of the grant, the employer loses any remaining grant funds that were awarded but unspent. However, the employer may apply for a new transitional work program development grant.

(4) An employer is eligible for no more than one transitional work program development grant per policy number every five years, calculated from the date of the mailing of the notice of approval of the previous transitional work program development grant. The bureau shall provide assistance to



employers as needed to update transitional work programs developed with previous grants.

(5) Grant amounts will be determined by the bureau based on employer size and the complexity of services needed for transitional work services. Factors which may determine appropriate grant amounts may include the employer's:

(a) Payroll;

(b) Job classifications;

(c) Job analyses needed; and

(d) Collective bargaining agreements.

(6) The bureau shall not reimburse an employer for costs associated with a transitional work developer's preparing and submitting a proposal to an employer and shall not reimburse for costs determined by the bureau to be ineligible or unnecessary. The bureau may monitor the content and implementation of transitional work services.

(7) The employer shall have and maintain continuous active state fund coverage for a period of one year from the date the bureau disburses the grant funds to the employer. The bureau may recover the entire grant if the bureau determines the employer has failed to maintain coverage as required by this rule.

(D) Transitional work bonus program.

An employer who has developed and implemented a transitional work program may be eligible to receive a transitional work bonus as provided in this rule.

(1) The employer must report actual payroll due upon reconciliation of estimated premium and actual premium for the program period no later than the date set forth in rule 4123-17-14 of the Administrative Code. An employer will be deemed to have met this requirement if the bureau receives the payroll report, and the employer pays premium associated with such report, before the



expiration of any grace period established by the administrator of workers' compensation pursuant to rule 4123-17-16 of the Administrative Code.

(a) Failure to comply with paragraph (D)(1) of this rule shall immediately remove the employer from the transitional work bonus program for the current program period, and the employer shall not be eligible for a transitional work bonus for the current program period.

(b) Should an employer fail to comply with paragraph (D)(1) of this rule, the employer may reapply to the transitional work bonus program subject to the eligibility requirements of paragraph (B) of this rule for the next program period.

(2) An employer interested in participating in the transitional work bonus program shall apply to the bureau on a form provided by the bureau. In signing the application form, the chief executive officer or designated management representative of the employer is certifying to the bureau that the employer will comply with all program requirements.

(3) The bureau shall evaluate each application to determine the employer's eligibility to participate in the transitional work bonus program at the time of the application. The bureau shall have the final authority to approve an eligible employer for participation in the transitional work bonus program.

(4) The transitional work program bonus calculation shall occur at six months following the end of the applicable program period. The bureau will evaluate all claims of the employer with injury dates that fall within the applicable program period to determine:

(a) How many of those claims had the potential for transitional work services, and

(b) How many of the claims identified in paragraph (D)(4)(a) of this rule utilized transitional work services.

(5) The bureau will calculate the employer's percentage of claims with potential for transitional work services in which transitional work services were utilized.

(6) The employer will receive a transitional work bonus equal to the percentage calculated pursuant



to paragraph (D)(5) of this rule multiplied by a percentage of the employer's pure premium for the applicable program period as set forth in the appendix to rule 4123-17-75 of the Administrative Code. The transitional work bonus will be posted to the employer's account with the bureau.

(7) An AEO or a PEO shall be eligible to receive a transitional work bonus under this rule for claims in which the AEO or the PEO was the employer of record on the date of injury and transitional work services were available under a transitional work program of either the AEO, the PEO or its client employer.

(8) An employer may appeal the bureau's transitional work bonus program application rejection or the bureau's transitional work bonus determination to the bureau's adjudicating committee pursuant to section 4123.291 of the Revised Code and rule 4123-14-06 of the Administrative Code.

(9) Unless an employer notifies the bureau otherwise as outlined below, continued participation in this program for each subsequent program period shall be automatic provided that the employer continues to meet the eligibility requirements set forth in paragraph (B) of this rule.

An employer that elects to opt out of continued participation in this program shall provide written notice to the bureau by the application deadline set forth in this rule.

(10) The transitional work bonus program will gradually be phased out with reductions in the percentage of the employer's pure premium for the applicable program period used in the transitional work bonus calculation pursuant to paragraph (D)(6) of this rule and the maximum transitional work bonus per employer, as set forth in the appendix to rule 4123-17-75 of the Administrative Code. The last policy year for the transitional work bonus program will be the policy year beginning July 1, 2025, for private employers, and beginning January 1, 2026, for public employers.