

Information for contractors regarding House Bill 80

A new bill changes Drug Free Workplace (DFWP) requirements for Ohio contractors working on public improvement projects.

Who is affected by House Bill 80 (HB 80)?

Any construction employer (contractor or subcontractor) who bids on or provides labor services related to a state public improvement project.

When is the bill effective?

HB 80 becomes effective on March 30, 2007. The law affects all Ohio contractors that may be interested in bidding on or working on state-funded public improvement projects.

What does HB 80 do, and how does it affect me?

HB 80 states no contractor or subcontractor may provide labor services or on-site supervision on a state construction site unless he or she is enrolled in either BWC's Drug-Free Workplace Program (DFWP) or Drug-Free EZ Program (DF-EZ), or has a comparable BWC-approved program. The terms of every public improvement contract will contain this required language, so every construction employer interested in a state public improvement project must have a compliant drug-free program.



Summary of HB 80 requirements

Employers participating at Level 1, 2 or 3 of BWC's DFWP/DF-EZ must meet the requirements of their respective program levels and submit an annual self-assessment progress report (including requested documentation showing that requirements were met) to maintain compliance. Employers must also maintain active status with BWC. Employees and supervisors still must have received required employee education, and supervisors must have received skill-building training prior to working on a state construction site.

HB 80 includes an important provision requiring random testing while an employer provides labor or onsite supervision of labor on a public improvement contract/project. Each contracting authority provides details regarding frequency of testing. All other testing for BWC's DFWP/DF-EZ is still applicable.

HB 80 considers a contractor/subcontractor in breach of contract if he or she does not ensure a subcontractor or lower-tier subcontractor is enrolled in and in good standing in a BWC-approved drug-free program. This could lead the contracting authority to bar the contractor/subcontractor from bidding on or working on state projects up to five years after the date of the breach.

Effective March 30, 2007, a contractor or subcontractor operating a BWC-approved comparable DFWP/DF-EZ program (Level 0, no discount) that applies BWC's drug-free requirements to all workers/supervisors on state construction sites will not have to provide refresher education to employees and training to supervisors. In addition, the number of hours of required employee education and supervisor training is changing. For only those employers operating a comparable program, all employees, including supervisors, must receive at least one hour of employee education, and all supervisors must receive one additional hour of supervisor

skill-building training prior to working on a state construction project. All new employees must receive one hour of employee education initially and all new supervisors must receive one hour of supervisor training initially. No annual education or training refreshers are required once employees and supervisors have received the required education/training.

For additional information about HB 80, send an email to info@riskcontrol360.com or call them at 877-360-3608. Or, you may contact BWC directly via e-mail at dfwp@ohiobwc.com, or by calling them at 800-OHIO-BWC.

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CCI Announces Locations for Summer Cost Control Seminars

Compensation Consultants Inc. (CCI), CareWorks, and the private consultants of Riskcontrol360 will present Workers' Compensation Group Rating Cost Control Seminars.

The seminars will discuss important workers' compensation issues and assist clients in implementing and maintaining their safety programs, which the Bureau of Workers' Compensation (BWC) has required since 1996.

The dates and locations of the 2007 CCI Workers' Compensation Cost Control & Safety Seminars are:

- June 5 -- Columbus, CCI office
- June 7 -- Akron/Cuyahoga Falls, Sheraton Suites Akron/Cuyahoga Falls
- June 13 -- Cincinnati, Kings Island Resort and Conference Center
- June 20 -- Perrysburg, Holiday Inn French Quarter
- June 26 -- Cleveland, Beachwood Holiday Inn
- June 28 -- Columbus, CCI office

Two sessions will be held daily. The morning session will be from 8 a.m. to 12 p.m. and the afternoon session will be from 1 to 4:45 p.m. Seminar topics will include workers' compensation cost control strategies,

BWC's Drug-Free Workplace Program, managed care organizations and safety programs. All speakers at the seminar will be available for questions and discussion at the end of their presentation.

The seminar is free to CCI clients. New participants in the group rating program are encouraged to attend. Claims administrators, financial officers, payroll and human resource personnel are invited to attend in addition to the company's safety coordinator. Officers and supervisors are also welcome.

To register for the seminars, visit www.cciworkerscomp.com, and click on the Seminar Registration button, or e-mail CCI directly at bonnie.hursey@ccitpa.com. Invitations will be sent to CCI clients, which can be returned by fax to 614.210.5840 or mail. For more information, contact CCI at 800.837.3200, ext. 7245.

CCI

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BWC offers discounts for non-group employers

If your company is not eligible to participate in a group rating program, you may still be eligible to receive premium discounts and rebates through other BWC programs.

The Premium Discount Program Plus (PDP+) is a three-year program offering private and public non-group employers a discount of 10% in the first two years and 5% in year three. In addition, PDP+ participants have an opportunity to earn up to a 20% premium rebate in each of the three years for achieving targeted reductions



in frequency and severity rates. The program also allows participants to stack the discounts received through the Drug-Free Workplace Program to reduce premiums even further.

employers, on the other hand, may apply at any time but will only start receiving discounts at the beginning of their rate year, January 1.

Participants in this program must implement five steps of BWC's 10-Step Business Plan in the first year of participation and the remaining five steps in year two. The primary objective of any PDP+ implementation plan should be to reduce the number and severity of injuries in order to re-qualify for more substantial discounts through a group rating plan. Once established effectively, the components of the 10-Step Business Plan will help employers obtain group eligibility and remain eligible over the long term.

Some of the benefits of the PDP+ include:

- The potential for approximately 30 percent savings (discount cannot take the premium rate below a .90 experience modifier);
- Reduced workers' compensation costs; and,
- Increased safety awareness.

For more information about the PDP+ program contact CCI at 800-837-3200. You may also wish to speak with our loss prevention partner, RiskControl360, at 877-360-3608 or visit the Programs area of their web site at www.riskcontrol360.com.

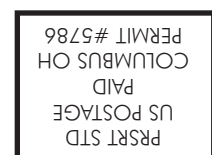
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The following employer requirements are in place to qualify for the program:

- Must be private or public state fund employer;
- Have .90, or greater, experience modifier;
- Current on all BWC premium payments;
- Active coverage with BWC; and,
- No have cumulative lapses in workers' compensation coverage of more than 59 days within the preceding 18 months.

PDP+ qualified private employers may enroll to begin the program on either January 1 or July 1. Public



Safety Council discount extended through '08

Employers are again eligible for discounts for participation in the Ohio Safety Council program. Businesses can obtain up to a four percent discount by meeting eligibility requirements and benchmarks.

"We're proud to announce the continuation of this meaningful program, which produces positive outcomes for both employers and employees alike," said BWC's Acting Administrator/CEO Tina Kielemeyer.

Currently, more than 9,000 Ohio businesses in 76 Safety Councils participate in this program, which promotes strategies to increase safety and health in both the workplace and the community. The announcement to continue the Safety Council program was made this week at the BWC-sponsored Ohio Safety Congress & Expo.

"Last year, more than 4,300 employers received over \$22 million in workers' compensation discounts through the Safety Council program," said Kielemeyer. "Building on the success of last year's program, BWC will continue to partner with businesses and their workers to help keep Ohioans working safely."

Safety councils are coordinated primarily through local chambers of commerce, American Red Cross chapters or business organizations. The councils host monthly meetings on topics related to occupational safety, accident prevention, risk management and workers' compensation issues.

Employers must meet all the following eligibility requirements to earn a 2 percent premium reduction:

- Enroll with local safety council by July 31, 2007.
- Attend 10 meetings or events, at least 8 through the local safety council. Employer has option to gain credit for up to two meetings through attendance at WCU, Ohio Safety Congress, DSH safety training courses or industry-specific training.
- CEO (highest ranking authority) must attend one safety council sponsored function or meeting (this counts as one of 10 meetings required).
- Submit semi-annual reports for the 2007 calendar year.

Employers can also earn an additional 2 percent performance bonus for reducing either frequency or severity by 10 percent, or with maintenance of both frequency and severity at zero. Employer must meet all requirements outlined above to be eligible for the performance bonus.

For more information about your local-area safety council, contact the BWC Division of Safety & Hygiene at 1-800-644-6292 (press option 2 when prompted, then press 2 again), or visit the BWC web site at ohiobwc.com.

BWC Safety Grant\$ are back for Ohio employers!

Employers may be eligible for grant money through re-instated program with BWC to improve the quality and safety of their workplace environment.

The Ohio Bureau of Workers' Compensation (BWC) is giving up to \$40,000 to employers to help improve safety and health at the workplace. The Safety Intervention Grant\$ Program is available to all Ohio state-fund and public employers for the purchase of the equipment and materials needed to substantially reduce or eliminate injuries associated with a particular task or operation. Multiple safety grants may be awarded to a company as long as the total does not exceed \$40,000.

To participate in the program you must have had at least one claim filed for the task or operation that the grant money is going to be used to improve within two years preceding the grant application. In addition, you must maintain active workers' compensation coverage.



In order to apply for the program you must complete a comprehensive four-page safety grant application and an IRS W-9 form for tax purposes. The application includes among other things, a description of the task or operation in question, a complete list of claims in the past two years,

and a detailed accounting of what equipment and / or materials will be needed to substantially reduce or eliminate the injuries.

Once the application is complete, a BWC safety consultant will visit your facility, review the application, observe the task or operation in question and then sign the application. The application is then submitted to BWC along with a baseline report of your claims for the two-year period prior to the submission of the application.

Upon approval by BWC, you will receive your SafetyGrant funds. From that point, you will have three months to spend the money on the pre-approved safety equipment and materials. You must submit proof of

spending (invoices, cancelled checks, etc.) within 30 days following the three month spending period. Any money received, but not spent must be returned to BWC at that time.



Due to the large number of requests for certain safety items, equipment and materials, some projects are no longer considered for safety grant money. These include requests for electric beds, forklifts, exercise equipment and many others. In addition, your company is not eligible if it has received the maximum reimbursement from the SafetyGrant\$ program prior to fiscal year 2007.

For a complete list of exclusions or for additional information about the BWC SafetyGrant\$ Program go to www.riskcontrol360.com/resources.html and click on Safety Grants under Ohio Miscellaneous Links. You may also contact your BWC representative or call RISKCONTROL360° toll-free at 877-360-3608 for more information.

Important Dates for 2007

May 15 - Public employers' annual payroll report and 45 percent of premium are due.

June 5, 7, 13, 20, 26, 28 - CCI Cost Control Seminars. See back panel for more information on registering.

July 1st - Premium Savings begin for the 2007-2008 year!

Workplace fatigue causes lost performance and injuries

One of the biggest steps toward preventing injuries in the workplace is understanding some the hidden or underlying causes and then addressing them before injuries occur.

A common problem that often goes unaddressed in the workplace may actually be causing accidents and injuries. Many workers are suffering from fatigue and either don't know about it, are ignoring it or simply don't know what to do about it.

The biggest contributor to workplace fatigue is a lack of quality sleep. While many things may lead to poor sleep, one of the most controllable elements is length. Doctors say that eight hours of sleep a night is optimum, but according to the 2005 Sleep Foundation poll, only 26 percent of the population actually get that much sleep – the average was 6.8 hours of sleep. In addition, a whopping 50 percent of those polled reported feeling tired, fatigued or not up to par at least once during the work week. A surprisingly large number of individuals also attribute missing work, as well as tardiness, to their lack of sleep.

Some symptoms of fatigue include:

- Muscle weakness;
- Dizziness;
- Headaches;
- Loss of appetite;
- Poor focus and concentration;
- Moodiness; and,
- Slow reaction time.

A number of factors at work may cause or contribute to fatigue. Some of the most prominent include shift work, burnout, workplace stress and bad workplace practices. Shift work can wreak havoc on a worker's internal circadian clock – responsible for making people naturally tired and sleep at night - making it difficult to sleep during the day. In addition, poor workplace practices, such as long hours, strenuous physical labor, boredom or poor working conditions (noise or temperature disturbances) could or exaggerate fatigue. Those who feel constant pressure at work are likely to suffer from extreme stress and develop fatigue.

The causes for fatigue aren't simply limited to the workplace environment. A number of causes exist that are psychological, or related to the individual's lifestyle. Sleeping, either too much or too little, can

create problems. Alcohol and drugs can alter the body's ability to sleep and function normally. Sleep that is disturbed because of young children, neighbors, uncomfortable sleeping quarters or a partner's snoring, is also likely to lead to increased fatigue.

Lack of exercise may also contribute to fatigue as an active lifestyle helps the body fight disease, stay healthy and in shape. Exercise also allows the body to rest well at night, and enables the body to ward off depression and anxiety. The same is true of the importance of maintaining a healthy diet.

Fatigue may be heavily influenced by psychological factors, like depression. Depression causes a person to feel prolonged bouts of anxiety, sadness and hopelessness. Someone constantly under stress may become anxious, preventing the body from relaxing, and creating excess adrenaline. This exhausts the body and causes fatigue.

Employers may do a number of things in an attempt to control workplace fatigue:

- Ensure workers are educated about healthy diets, exercise and the importance of quality sleep.
- Conduct regular safety audits, which may prevent unnecessary injuries.
- Allow workers to take breaks, especially if heavy physical labor is involved or the employees work late at night.
- Periodically evaluate the schedules of workers and allow a worker to alter his/her schedule if needed.
- Try to eliminate extreme pressure from supervisors and bullying from co-workers.
- Make counseling available to workers, especially those who have lost a loved one or have recently undergone a dramatic life change.
- Consult your workers. Ask if they feel fatigued at work, what might be cause and how they feel it should be addressed.

Most importantly, after an employer has made any changes or established new guidelines, it is imperative to provide proper training and supervision.

WebWatch

<http://www.inc.com/>

- Provides articles and resources on almost any business topic from women in business to human resources, leadership to technology and everything in between;
- Each section includes columns, how-to guides, ask the expert and recommended resources.

<http://www.businesssafety.com/>

- Includes links to safety sites like OSHA, AIHA, CDC and the National Safety Council;
- Provides resources on pest control, OSHA violations and general safety tips;
- Links to information on business liability and related news stories.