



Workers' Compensation **Labor Basics**

Ohio Workers' Compensation

What is Ohio Workers' Compensation? Ohio's workers' compensation system dates back to 1911, with the signing of the first Ohio Workmen's Compensation Act. This bill, in response to the unchecked and frequent workplace injuries and fatalities of the Industrial Era, was sponsored by former state Senator and Ohio United Mine Workers President William Green and passed by the Ohio General Assembly. The Act created a state insurance fund to compensate workers injured on the job.

The Ohio Industrial Commission (IC) was given sole responsibility for running the state's workmen's compensation system until the Bureau of Workers' Compensation (BWC) was created in 1955. Since then, BWC has served as the administrative and insurance arm of the system, with the IC as its claims adjudicative arm.

All Ohio employers are required to either pay into the state workers' compensation insurance fund or be self-insured. Initial claim determinations made by the BWC or IC may be appealed by the employer, or employee, and adjudicated through the IC hearing process.

Although the purpose and tenets of the program have survived the test of time, no system of this magnitude is going to be perfect. However, any attempts to alter the system should not be taken lightly and should only occur with the consultation of informed employee organizations such as the Ohio AFL-CIO.

Unfortunately, over the years many corporate led efforts to limit claim eligibility or compensation for workers injured on the job have occurred. One of the high profile and most egregious attempts to reduce injured worker's claims and benefits was SB45, which was passed by the General Assembly in 1997. Later that year, in an unprecedented statewide referendum campaign led by the Ohio AFL-CIO, Ohioans voted overwhelmingly (500,000 vote margin) to overturn SB45.

How Has Ohio Workers' Compensation Benefited Workers and Employers? Prior to Ohio's workers' compensation system injured workers were left to fend for themselves and accidents and fatalities were routinely disregarded. Workers were forced to turn to the courts for monetary relief of workplace injuries.

Ohio workers' compensation laws have created a system that is beneficial to both employees and employers in the following ways:

- The employer contributes money to a common fund available to all employees, and in return is immune from full liability if an employee is injured during the course of employment.
- The employee surrenders the right to recover full damages in court for a work-related injury, and in return will quickly receive compensation to help them toward a speedy recovery, regardless of any action by the employee that may have led to the injury.

Under this system, workplace safety becomes a priority and a premium is placed on the health and welfare of the worker. Workers avoid past problems such as the inability to afford expensive court battles, extended litigation, and irregular or delayed awards from the courts. Additionally, a public administrator would adjudicate workers' claims in a fair and timely manner.

For the employer, Ohio's workers' compensation law has allowed employers to regularize the costs of on the job accidents and accurately account for compensation as a predictable cost of production in the premium. Additionally, the employer benefits from improved labor-management relations and safer workplaces, which enhances productivity.