

Group retrospective rating for private employers

Our group retrospective programs have returned \$630 million in premium refunds, and our returns are significantly higher than our closest competitor.

Program overview

Group retrospective rating is a voluntary performance-based program sponsored by trade associations or professional organizations that is available to state-funded employers. The program is designed to reward participants that are able to keep their claim costs below a predetermined amount. Employers continue to pay their individual premium; however, they have the opportunity to receive retrospective premium adjustments (refunds or assessments) at the end of each of the three evaluation periods. Group retro is not for every employer. Employers may be assessed additional premium if they are not committed to improving workplace safety and accident prevention and/or do not take appropriate action to reduce the frequency and severity of accidents involving their employees.

Eligibility requirements

Private, state-funded employers can participate. Self-insured and state agency public employers are not eligible. Participants must:

- Be current on any and all premium payments, administrative costs, assessments, fines or amounts owed to the Ohio Bureau of Workers' Compensation (BWC) as of the application deadline
- Be current on all prospective billing true-up filings and payments
- Have active coverage by the application deadline

- Have no cumulative lapses in coverage in excess of 40 days within the 12 months preceding the application deadline
- Not be a member of more than one retro group or a retro and non-retro group
- Be homogeneous with the industry group of the retro group

If a workers' compensation claim is incurred in the "green period" (15-month period prior to the experience survey date), the employer shall attend two hours of safety training or complete BWC's online accident analysis form and online safety class.

Premium review (refunds and assessments)

A group's retrospective premium will be recalculated at 12, 24 and 36 months after the end of the policy year. At the end of each period, BWC will take a snap-shot of the incurred claims losses (indemnity, medical and reserves) for the entire group and calculate the group's retrospective premium (minimum premium plus developed losses*). If the retrospective premium that is calculated is less than the group's total standard premium, the participants will receive a refund. However, if the retrospective premium is greater than the group's total standard premium, an assessment will be levied by BWC. Each group limits the maximum assessment by selecting a premium cap between 5%-25% of merit rated premium.

Sample premium calculation	
Standard premium for group	\$20,000,000
Minimum premium (assume 32%)	\$6,400,000
+ Developed losses (incurred losses x BWC developmental factor)	\$3,600,000
= Retrospective premium (minimum premium + developed losses)	\$10,000,000
Group refund (standard premium - retro premium)	\$10,000,000
Estimated refund percentage	50%

Note: Incurred losses used in the retrospective premium will be limited to \$500,000 per claim and do not include surplus or VSSR costs. Salary continuation payments will also not be included, but the associated reserve will be included in the calculation.

Application and enrollment

Each employer within the sponsor's group will need to complete an Employer Statement Form (U-153) stating their intention to participate in group retro.

Program enrollment deadline	Coverage period
Last business day of January	July 1, 2027 — June 30, 2028

Premium calculation timeline

Private employer	
July 1, 2027	Policy year begins
June 30, 2028	Policy year ends
June 30, 2029	12-month evaluation
June 30, 2030	24-month evaluation
June 30, 2031	36-month evaluation

Compatibility with other BWC programs

While participating in the group retrospective rating plan, employers can participate in the Ohio BWC's Safety Council Program for the potential to earn an additional 3% rebate up to \$5,000.

Why choose Sedgwick's program

- Superior claims management and cost control services
- Our proprietary digital platform, viaOne, provides clients with complete, real-time visibility into their claims information
- Safety and loss control consulting services
- Annual performance updates