



# Common Sense Initiative

Mike DeWine, Governor  
Jim Tressel, Lt. Governor

Joseph Baker, Director

## Business Impact Analysis

Agency, Board, or Commission Name: Ohio Bureau of Workers' Compensation

Rule Contact Name and Contact Information: Eva Dixon, enotification@bwc.ohio.gov

Regulation/Package Title (a general description of the rules' substantive content):

Self-insured AEOs and PEOs

Rule Number(s): Adm.Code 4123-17-15.5

Date of Submission for CSI Review: December 31, 2025

Public Comment Period End Date: January 14, 2026

Rule Type/Number of Rules:

New/    rules

No Change/    rules (FYR?   )

Amended/ 1 rules (FYR? NO)

Rescinded/    rules (FYR?   )

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

**Reason for Submission**

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

**Which adverse impact(s) to businesses has the agency determined the rule(s) create?**

**The rule(s):**

- a.  Requires a license, permit, or any other prior authorization to engage in or operate a line of business.
- b.  Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.
- c.  Requires specific expenditures or the report of information as a condition of compliance.
- d.  Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

**Regulatory Intent**

2. Please briefly describe the draft regulation in plain language. *Please include the key provisions of the regulation as well as any proposed amendments.*

Ohio Administrative Code 4123-17-15.5 contains provisions governing self-insured alternate employer organizations (AEOs) and self-insured professional employer organizations (PEOs).

House Bill 81, effective September 26, 2025, included changes to R.C. 4125.07 and R.C. 4133.10 deleting statutory provisions that required self-insured AEOs and self-insured PEOs to provide information to BWC to develop an experience modification factor (EM) whenever a client employer terminated an AEO agreement or a PEO agreement. These changes were made at the recommendation of BWC because most client employers who have returned to the State Insurance Fund from self-insured AEOs and self-insured PEOs are base-rated employers. Base-rated employers do not require EMs; consequently, BWC was collecting a large amount of information from self-insured AEOs and self-insured PEOs that was not required for its day-to-day operations. Furthermore, the few client employers who received an EM following an AEO or PEO agreement were nearly equally split between debit-rated and credit-rated. Therefore, BWC's State Insurance Fund is not at risk by foregoing the collection of data on these employers.

Paragraphs (E) and (F) of Ohio Adm. Code 4123-17-15.5 contain the provisions that House Bill 81 deleted in R.C. 4125.07 and 4133.10. Therefore, paragraphs (E) and (F) of Ohio Adm. Code 4123-17-15.5 are deleted in their entirety.

**3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.**

Authorized By: R.C. 4121.12, 4121.121, 4121.30, 4123.05, 4123.35, 4125.02, 4125.05, 4133.02, 4133.07.

Amplify: R.C. 4123.35, 4125.05, 4133.07.

**4. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?**

*If yes, please briefly explain the source and substance of the federal requirement.*

No.

**5. If the regulation implements a federal requirement, but includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.**

N/A.

**6. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?**

R.C. 4125.02 and R.C. 4133.02 require BWC to adopt rules to administer and enforce Chapters 4125 and 4133 of the Revised Code. Adm.Code 4123-17-15 through 4123-17-15.7 govern the administration and enforcement of AEOs and PEOs operating in Ohio. Moreover, BWC is responsible for determining eligibility and regulation of self-insurance for workers' compensation purposes in the State of Ohio pursuant to R.C. 4123.35.

**7. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?**

BWC is able to assign staff to other projects by not collecting information and completing EMs for several hundred employers that terminate a self-insured AEO agreement or self-insured PEO agreement each year. BWC will monitor the effectiveness of the legislation and rule proposal by monitoring for "risk-washing," whereby employers with bad experience would enter a self-insured AEO agreement or self-insured PEO agreement for a short period of time to remove a bad EM. Data reviewed by the BWC Actuarial Division has not identified this issue as a problem in the State of Ohio to date.

**8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931?**

*If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.*

No.

**Development of the Regulation**

**9. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.**

*If applicable, please include the date and medium by which the stakeholders were initially contacted.*

The proposed rule was distributed to various stakeholders who have registered to receive rule proposals, the National Association of Professional Employer Organizations (NAPEO), Employer Services Assurance Organization (ESAC), and all registered AEOs and PEOs in the State of Ohio.

**10. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?**

BWC received several responses from stakeholders who raised concerns and proposed alternative proposals. BWC withdrew the rule from consideration from its Board of Directors for two months to allow further discussions with the responding stakeholders. All comments and alternative proposals were considered but based on the statutory changes enacted by House Bill 81, BWC is proceeding with the original rule proposal that was drafted.

Stakeholder feedback and BWC's responses are documented on the attached Stakeholder Feedback Grid.

**11. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

The Actuarial Division of BWC researched the legislative changes contained in House Bill 81 relative to this rule proposal. Their research found most client employers who have returned to the State Insurance Fund from self-insured AEOs and self-insured PEOs are base-rated employers. Base-rated employers do not require EMs; consequently, BWC was collecting a large amount of information from self-insured AEOs and self-insured PEOs that was not required for its day-to-day operations. Furthermore, the few client employers who received an EM following a self-insured AEO agreement or self-insured PEO agreement were nearly equally split between debit-rated and credit-rated. Therefore, BWC's State Insurance Fund is not at risk by foregoing the collection of data on these employers.

**12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

*Alternative regulations may include performance-based regulations, which define the required outcome, but do not dictate the process the regulated stakeholders must use to comply.*

BWC did consider alternative proposals that were proposed by stakeholders. For example, several stakeholders proposed to allow self-insured AEOs or self-insured PEOs, *at their sole discretion*, to file the information necessary to develop an EM for whenever a client employer terminates a self-insured AEO agreement or self-insured PEO agreement. These stakeholder proposals were not adopted because BWC must treat all client employers similarly situated the same. The rule proposal as filed accomplishes this goal by following the changes made through House Bill 81.

**13. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?**

BWC is the only state agency that regulates AEOs, PEOs, and employers who are self-insured for workers' compensation purposes in the State of Ohio. Therefore, this regulation does not duplicate an existing Ohio regulation.

**14. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.**

BWC will implement the rule by following the changes made through House Bill 81 and not requiring self-insured AEOs and self-insured PEOs to submit any data to BWC to develop an EM whenever a client employer terminates a self-insured AEO agreement or self-insured PEO agreement.

**Adverse Impact to Business**

**15. Provide a summary of the estimated cost of compliance with the rule(s). Specifically, please do the following:**

**a. Identify the scope of the impacted business community, and**

All self-insured AEOs, self-insured PEOs, and client employers of self-insured AEOs and self-insured PEOs.

**b. Quantify and identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance, etc.).**

*The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a representative business. Please include the source for your information/estimated impact.*

Adm.Code 4123-17-15 through 4123-17-15.7 contain initial registration, annual registration, and per-instance late processing fees that remain unchanged through this rule proposal. R.C. 4133.07(D)(1) requires all AEOs to provide security in an amount not less than \$1 million.

By choosing to become self-insured, self-insured AEOs and self-insured PEOs have several responsibilities that have compliance and financial requirements. For example, by becoming self-insured, AEOs and PEOs agree to pay all claims directly during their self-insurance rather than through the State Insurance Fund in accordance with R.C. 4123.35 and Adm.Code 4123-19-03. Self-insured AEOs and self-insured PEOs may need to provide additional security in the form of a letter of credit as a condition of self-insurance per Adm.Code 4123-17-15.5(B)(1). Self-insured AEOs and self-insured PEOs must provide an actuarial estimate of unpaid loss and loss adjustment expense liabilities by an accredited independent actuary at least every two years per Adm.Code 4123-17-15.5(B)(2). Self-insured AEOs and self-insured PEOs must pay self-insured assessments in accordance with Adm.Code 4123-17-32 and the Self-Insuring Employers' Guaranty Fund, per Adm.Code 4123-17-15.5(B)(3) and (B)(4). Self-insured AEOs and self-insured PEOs are liable for reimbursement to BWC of all Disabled Workers' Relief Fund payments made in claims in which the self-insured AEO, self-insured PEO, or its client employers are the employer of record of record, per Adm.Code 4123-17-15.5(B)(5). All these requirements upon an AEO or a PEO choosing to become self-insured remain unchanged through this rule proposal.

**16. Are there any proposed changes to the rules that will reduce a regulatory burden imposed on the business community? Please identify. (*Reductions in regulatory burden may include streamlining reporting processes, simplifying rules to improve readability, eliminating requirements, reducing compliance time or fees, or other related factors*).**

Yes. The proposed rule changes reduce a regulatory burden on self-insured AEOs and self-insured PEOs. Self-insured AEOs and self-insured PEOs no longer are required to provide information to BWC necessary to develop an EM factor whenever a client employer terminates a self-insured AEO agreement or self-insured PEO agreement.

**17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?**

Initial registration, annual registration, and per-instance late processing fees are not contained in this rule and remain unchanged. A letter of credit in an amount of at least \$1 million is mandated for AEOs by R.C. 4133.07(D)(1). None of the adverse impacts contained in paragraphs (A) through (D) in Adm.Code 4123-17-15.5 were changed, and BWC received no stakeholder feedback concerning these paragraphs. All stakeholder feedback concerned the deletions of paragraphs (E) and (F).

## **Regulatory Flexibility**

**18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.**

No. Self-insured AEOs and self-insured PEOs are typically larger businesses, and many operate in multiple states. The proposed rule is applied equally to both large and small employers.

**19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?**

BWC will apply R.C. 119.14(C)(1) to such offenses on a case-by-case basis.

**20. What resources are available to assist small businesses with compliance of the regulation?**

BWC provides employers with a toll-free telephone number, or via the BWC website, to contact and communicate with customer service representatives. Employer Service Specialists are available to assist employers with their workers' compensation policy. Additionally, BWC has a designated AEO/PEO Unit. The Self-Insured Department also has dedicated AEO and PEO staff available as a resource for self-insured AEOs and PEOs, or AEOs or PEOs that are interested in becoming self-insured.

**Self-insured AEOs and PEOs.**

(A) An AEO or a PEO registered with the bureau of workers' compensation under rule 4123-17-15.2 of the Administrative Code may apply to pay compensation directly as a self-insuring employer.

(1) The AEO or the PEO must meet all eligibility criteria set forth in section 4123.35 of the Revised Code.

(a) The AEO or the PEO will provide five years of financial records as set forth in division (B)(1)(e) of section 4123.35 of the Revised Code. The administrator of workers' compensation cannot waive this mandate.

(b) Worksite employees of an AEO and shared employees of a PEO will be considered employees of the AEO or the PEO for the purposes of meeting the provisions of division (B)(1)(a) of section 4123.35 of the Revised Code only if the following criteria are met:

(i) An AEO will demonstrate to the bureau that it is in compliance with all of the following:

(a) The duties of organization regarding worksite employees set forth in section 4133.03 of the Revised Code, as amplified in paragraph (D) of rule 4123-17-15 of the Administrative Code;

(b) The provisions of section 4133.07 of the Revised Code; and

(c) The provisions of section 4133.10 of the Revised Code, as amplified by paragraphs (A)(3) and (A)(4) of rule 4123-17-15.1 of the Administrative Code;

(ii) A PEO will demonstrate to the bureau that it is in compliance with all of the following:

(a) The duties of organization regarding shared employees set forth in section 4125.03 of the Revised Code, as amplified by paragraphs (C) and (E) of rule 4123-17-15 of the Administrative Code;

(b) The provisions of section 4125.05 of the Revised Code; and

(c) The provisions of section 4125.07 of the Revised Code, as amplified by paragraphs (A)(3) and (A)(4) of rule 4123-17-15.1 of the Administrative Code.

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(iii) Client employer wages.

- (a) For an AEO, all of the client employer's wages for worksite employees are paid and reported under the tax identification number of the client employer for federal tax reporting purposes as stated in section 4133.03 of the Revised Code and paragraph (D) of rule 4123-17-15 of the Administrative Code.
- (b) For a PEO, all of the client employer's wages are paid and reported under the tax identification number of the PEO for federal tax reporting purposes.

- (2) Any AEO or PEO application for self-insured status will be referred to the self-insured review panel pursuant to paragraph (F)(1) of rule 4123-19-14 of the Administrative Code.
- (3) Any application to add an AEO or a PEO to an existing self-insured entity will be referred to the self-insured review panel pursuant to paragraph (F)(1) of rule 4123-19-14 of the Administrative Code.

(B) An AEO or PEO granted the privilege of self-insured status must do all of the following:

- (1) If determined necessary by the bureau, furnish security, in the amount, and in the form of a letter of credit from a federally insured financial institution or other security approved by the bureau, as provided by paragraphs (F), (G), and (H) of rule 4123-19-03 of the Administrative Code.
  - (a) The amount of security deemed necessary will be as determined by the bureau.
  - (b) The AEO or the PEO is not permitted to use an assurance organization to meet its security obligations under this rule.
  - (c) The bureau may, pursuant to paragraph (N) of rule 4123-19-03 of the Administrative Code, demand the AEO or the PEO to furnish additional security within thirty days of receiving the notice issued pursuant to this rule.

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- (2) Submit to the bureau every two years, or upon the bureau's request, an actuarial estimate of the unpaid loss and loss adjustment expense liabilities of the AEO or the PEO performed by an independent actuary with a fellow of the society of actuaries or casualty actuary society credential.
- (3) Make contribution to the self-insuring employers' guaranty fund as set forth in rule 4123-19-15 of the Administrative Code. For purposes of this rule, the premium as reported on the total of the last two full six-month semi-annual payroll reports will include the premium of the AEO or the PEO and all its client employers.
- (4) Pay all assessments levied upon self-insuring employers under rule 4123-17-32 of the Administrative Code.
- (5) Reimburse the bureau for disabled workers' relief fund payments on claims for which the AEO or the PEO, or its client employers are employer of record, pursuant to paragraph (B) of rule 4123-17-29 of the Administrative Code.
- (6) Make a quarterly report to the bureau that details the active clients, all claims, and the claim reserves for each claim of the AEO or the PEO.

(C) For purposes of this rule, "paid compensation" means all amounts paid by the AEO or the PEO and its client employers for living maintenance benefits, all amounts for compensation paid pursuant to sections 4121.63, 4121.67, 4123.56, 4123.57, 4123.58, 4123.59, 4123.60 and 4123.64 of the Revised Code, all amounts paid as wages in lieu of such compensation, all amounts paid in lieu of such compensation under a nonoccupational accident and sickness program fully funded by the AEO or the PEO, or its client employers, and all amounts paid by an AEO or a PEO and its client employers for a violation of a specific safety standard pursuant to Section 35 of Article II, Ohio Constitution and section 4121.47 of the Revised Code. Any reimbursement received from the surplus fund pursuant to section 4123.512 of the Revised Code by the AEO or the PEO, or its client employers for any such payments or compensation paid is to be applied to reduce the amount of paid compensation reported in the year in which the reimbursement is made. Any amount recovered by the AEO or the PEO, or its client employers under section 4123.931 of the Revised Code and any amount that is determined not to have been payable to a claimant in any final administrative or judicial proceeding will be deducted, in the year collected, from the amount of paid compensation reported.

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- (1) For an AEO or a PEO that is a self-insuring employer for which paragraph (l) of rule 4123-17-32 of the Administrative Code is applicable, paid compensation includes any amounts paid by the state insurance fund for claims directly attributable to the AEO or the PEO and any client employers of the AEO or the PEO. In determining the applicability of paragraph (l) of rule 4123-17-32 of the Administrative Code to an AEO or a PEO, the bureau will use the date on which the AEO or the PEO was added to the self-insured policy if such date is after the effective date of the self-insured policy.
- (2) If a client employer enters into a new AEO agreement with an AEO, or a new PEO agreement with a PEO, that is self-insured risk which paragraph (l) of rule 4123-17-32 of the Administrative Code is applicable, paid compensation includes any amounts paid by the state insurance fund for claims directly attributable to that client employer.

(D) An AEO or a PEO granted the privilege of self-insured status cannot:

- (1) Enter into AEO agreements or PEO agreements to provide workers' compensation coverage through the state insurance fund; or
- (2) Enter into a partial-lease agreement.

~~(E) An AEO or a PEO granted the privilege of self insured status shall do all of the following:~~

- ~~(1) Prior to entering into an AEO or a PEO agreement with a client employer, provide written notice to the client employer that the submission of a lease termination notice form by the AEO or the PEO to the administrator will require the AEO or the PEO to report all information necessary for the administrator to develop a state fund experience modification factor for each client employer involved in the lease termination.~~
- ~~(2) The self insured AEO or the self insured PEO will submit all necessary information by the date set by the administrator, and in a format determined by the administrator. This information is to be submitted each year following the submission of a lease termination notice form by the AEO or the PEO, for as many years as deemed necessary by the administrator to develop a state fund experience modification factor for each client employer involved in the lease termination. The self insured AEO or the self insured PEO may have to submit additional information to the administrator if the administrator~~

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~~determines that additional information is needed to develop a state fund experience modification factor for each client employer involved in the lease termination.~~

~~(3) A self insured AEO or a self insured PEO that submits a lease termination notice form to the administrator will provide the following information to the administrator within thirty calendar days from the lease termination date for each client employer involved in the lease termination:~~

~~(a) The payroll of each client employer involved in the lease termination, organized by classification code and policy year;~~

~~(b) The medical and indemnity costs of each client employer involved in the lease termination, organized by claim; and~~

~~(c) Any other information the administrator may need to develop a state fund experience modification factor for each client employer involved in the lease termination.~~

~~(4) The administrator may revoke or refuse to renew the privilege of operating as a self insuring employer if an AEO or a PEO fails to provide the information requested by the administrator under this rule.~~

~~(f) The administrator will use the information provided under this rule to develop a state fund experience modification factor for each client employer involved in a lease termination with a self insured AEO or a self insured PEO.~~



<b>4123-17-15.5 Rule Change</b>				
<b>Stakeholder feedback and recommendations</b>				
	<b>External Party</b>	<b>Section</b>	<b>Suggestion/Concerns</b>	<b>BWC Response</b>
1.	Nathan Kenny Spooner Inc.	4123-17-15.5	The recommendations portion of the executive summary states that “the vast majority of client employers engaged with SI AEOs and PEOs are base-rated employers and they don’t require EMs” is only true because they have spent years with the SI PEOs or AEOs and have no experience. The vast majority of client employers with AEOs and PEOs are most certainly experience-rated employers when accounting for all payroll and claims (with SI PEOs/AEOs or BWC experience)	Executive Summary has been clarified to state the majority of client employers that return to the State Insurance Fund are base-rated employers. Historically, data reviewed did not support the statement that the vast majority of client employers with self-insured AEOs and self-insured PEOs are experience-rated when leaving the AEO or PEO relationship.
2.	Nathan Kenny Spooner Inc.	4123-17-15.5	The result of the rule change is going to be allowing large employers that carry significant risk the ability to walk back into a max group rating program for several years and pay highly discounted premiums. The original reason the rule was created was to stop this practice.	Historically, BWC has not observed this practice occurring. Further, BWC has collected data for all employers but needed this data for a mere handful of employers. BWC is removing this onerous process to improve customer experience without sacrificing rate adequacy.
3.	Tony Sharrock Lisa O'Brien Sedgwick	4123-17-15.5	Phone conference with Jay Kemo, Rex Blateri, Carolyn Mangas, and Todd Gropper 8/6/2025.  Does this rule change how BWC calculates an EM if a SI employer returns to the State Fund?	No, if a self-insuring employer fully or partially returns to the State Insurance Fund, BWC will gather the self-insuring employer's payroll and claims data to calculate an EM.
4.	Tony Sharrock Lisa O'Brien	4123-17-15.5	Phone conference with Jay Kemo, Rex Blateri, Carolyn Mangas, and Todd Gropper 8/6/2025.	BWC will use what has been reported to BWC while the employer was in the State

	Sedgwick		What if an employer was not with a SI AEO/PEO long enough to have all the claims and payroll data with the SI PEO/AEO?	Insurance Fund. This could be one to four years of data.
5.	Tony Sharrock Lisa O'Brien Sedgwick	4123-17-15.5	Phone conference with Jay Kemo, Rex Blateri, Carolyn Mangas, and Todd Gropper 8/6/2025.  Will employers be eligible for the 0.99 Construction Cap if their EM is 1.00?	Yes, current 0.99 Construction Cap rules still apply.
6.	Tony Sharrock Lisa O'Brien Sedgwick	4123-17-15.5	Phone conference with Jay Kemo, Rex Blateri, Carolyn Mangas, and Todd Gropper 8/6/2025.  Will SI AEO/PEO data collected in the past be used to calculate 2025 EMs?	No, BWC will not use self-insured AEO or self-insured PEO data to calculate 2025 EMs.
7.	Tony Sharrock Lisa O'Brien Sedgwick	4123-17-15.5	Phone conference with Jay Kemo, Rex Blateri, Carolyn Mangas, and Todd Gropper 8/6/2025.  Sedgwick was pleased as this rule change took red tape out of the system and made coming back to the State Fund easier for TPAs and SI AEO/PEO clients.	No response required.
8.	Hannah Walker NAPEO	4123-17-15.5	Supported BWC effort to streamline process and support the rule change. They ask the Bureau to continue to maintain vigilant oversight to preserve the integrity of the system and ensure equitable insurance ratings after this rule change goes into effect.	BWC will continue to monitor rate adequacy of employers and ensure rates are neither inadequate nor excessive for their risk exposure.
9.	Terrence O'Donnell	4123-17-15.5	We believe the potential financial risk of failing to give an employer the appropriate experience rating outweighs the benefits of the reduced administrative burden of collecting information.	Historically, data reviewed did not support the first statement. Only a few employers were experience-rated leaving a self-insured AEO or a self-insured PEO, and

	Dickinson Wright PLLC		In closing, please pause consideration of the proposed rule to allow for more stakeholder feedback and possible revisions that will alleviate administrative burdens while protecting the integrity of the state fund.	those that were, the EMs were split evenly between credit-rated and debit-rated. However, BWC did pause consideration of the proposed rule to engage further with stakeholders.
10.	Rick Carfagna Ohio Chamber of Commerce	4123-17-15.5	The proposed rule eliminates the requirement for PEOs and AEOs to provide claims data for all clients returning to the state fund. Eliminating the sharing of any claims data could lead to a scenario where an employer with a history of poor experience returns to the state insurance fund with a premium that does not reflect their risk. A properly calculated experience modifier is essential, as it provides a tangible incentive for businesses to invest in robust safety programs and injury prevention that ultimately benefit employees and employers alike. The BWC can protect the state insurance fund's financial health and ensure employers have incentives for creating safe workplaces by adopting an alternative rule that allows PEOs and AEOs the option to provide a client employer's claims data.	Administrative rules must align with statutes and must ensure equal treatment of all employers. The proposed solution does not meet these criteria and cannot be used.
11.	Thomas Amato Group Management Services Inc	4123-17-15.5	Expressed concerns that the statutory change will create inequities in employers' experience rating and will potentially encourage employers to move in and out of PEOs and AEOs more frequently with the proposed solution to allow self-insured PEOs and AEOs to submit data voluntarily when it would be required for experience rating.	Administrative rules must align with statutes and must ensure equal treatment of all employers. The proposed solution does not meet these criteria and cannot be used.