



FY 2020-21 Workers' Compensation Budget (House Bill 80) 133rd Ohio General Assembly (as passed by the House)

Summary of health note findings

House Bill 80, as passed by the House of Representatives, funds Ohio's workers' compensation system, provides additional coverage for first responders, discourages employers from misclassifying employees as independent contractors, and prohibits undocumented workers from receiving benefits if false information on immigration status is provided.

1. Workers' compensation helps relieve the economic burden of workplace injuries, that would otherwise be borne largely by workers, by covering costs of medical care and rehabilitation, providing reimbursement for lost wages, and compensating for permanent impairment.ⁱⁱ
2. Coverage of post-traumatic stress disorder for first responders can help ensure first responders get needed medical care while also reducing risk of on-the-job injury,ⁱⁱⁱ improving rates of return to work.^{iv}
3. Penalties for misclassifying employees as independent contractors will improve access to medical care,^v and reduce financial strain and stress-related health conditions for workers.^{vi}
4. New questions on claim form, related to immigration status, along with denial of benefits and threat of criminal prosecution for providing false answers, could further deter undocumented workers from filing claims.^{vii}

What is the goal of this health note?

Policy decisions made outside of public health and health care sectors, such as in education, transportation or criminal justice, can affect health and well-being. Health notes are intended to provide objective, nonpartisan information to help legislators understand the connections between these sectors and health. Health notes are not intended to make definitive or causal predictions.

Why was this bill selected?

Policy Matters Ohio selected this bill as an illustrative example to demonstrate the potential health impacts of proposed legislation.

Health Note

Bill number: H.B. 80, as passed by the Ohio House of Representatives

Bill topic: Workers' Compensation Budget

Primary Sponsor: Rep. Scott Oelslager

Summary of selected components:^{viii}
Appropriates funds for the Bureau of Workers' Compensation.

Makes first responders diagnosed with post-traumatic stress disorder eligible to receive workers' compensation regardless of accompanying physical injury.

Creates a test to determine whether an individual is an "employee" or an "independent contractor" for the purpose of specified labor laws. Penalizes employers for misclassifying an employee.

Requires compensation claim form to include questions about the employee's immigration status and authorization to work in the U.S. Untruthful answers subject claimants to criminal prosecution and result in denial of benefits.

Health Note analysts: Policy Matters Ohio

Additional Information: This health note was produced using a methodology and approach developed by the Health Impact Project at The Pew Charitable Trusts, and is part of a pilot program in several jurisdictions to test the use of health notes to inform policymaking at state and local levels. This health note is supported by a grant from the Health Impact Project. The views expressed are those of the authors and do not necessarily reflect the views of the Health Impact Project or the Pew Charitable Trusts.

Please visit Health Impact Project at www.healthimpactproject.org for more information.

What are the potential health impacts of H.B. 80?

- 1. Funding Ohio workers' compensation system could improve health outcomes of workers injured at work,** increase the likelihood that workers get treatment for acute injuries, reduce financial stress on workers and their families created by workplace injuries, lower the risk of injured workers developing associated anxiety-related health conditions, and help ensure injured workers return to work.^{ix} Employers benefit by being shielded from lawsuits by injured workers.^x There is strong evidence that prolonged financial strain increases levels of anxiety, depression and risk of suicide.^{xi} A fair amount of evidence supports a link between economic stress and physical manifestations of that stress, such as hypertension and heart disease.^{xii} A fair amount of evidence suggests workers' compensation premiums, based on employer safety records, encourage employers to put in place safety measures^{xiii} that result in fewer on-the-job injuries.^{xiv}
- 2. The health of first responders can benefit from expanded coverage for post-traumatic stress disorder (PTSD).** Very strong evidence shows emergency personnel are at least four times more likely to experience PTSD than the general population.^{xv} Strong evidence indicates emotional trauma is linked to higher risk of occupation injury,^{xvi} hypertension, coronary heart disease, and Type 2 diabetes.^{xvii} A fair amount of evidence suggests PTSD reduces the chances a person will return to work,^{xviii} and that better workers' compensation insurance coverage for PTSD is likely to result in more first responders seeking help.^{xix} Strong evidence indicates psychiatric treatment will reduce PTSD symptoms and help first responders get back to work.^{xx}
- 3. Penalizing employers for misclassifying employees as independent contractors will likely increase the number of workers covered by Ohio's workers' compensation insurance system.** This provision will extend workers' compensation coverage to some workers currently misclassified as independent contractors, improving worker access to medical care following workplace injury or illness^{xxi} and reducing financial stress from missed work and temporary or permanent work limitations due to injury.^{xxii}
- 4. Posing questions about immigration status on workers' compensation claim forms, under threat of criminal prosecution for falsifying information, may further discourage undocumented workers from filing claims.** Undocumented workers already file for workers' compensation at relatively low rates,^{xxiii} in part out of fear of employer retaliation.^{xxiv} This provision could further shift the financial burden of workplace injuries from employers to undocumented workers and the public health care system.^{xxv}

Methods summary

To complete this health note, staff conducted an expedited literature review using a systematic approach to minimize bias and identify studies to answer each of the identified research questions. The strength of the evidence is quantitatively described and categorized as: not well researched, a fair amount of evidence, strong evidence and very strong evidence. It was beyond the scope of this analysis to consider the fiscal impacts of this bill or the effects any funds dedicated to implementing the bill may have on other programs or initiatives in the state. To the extent that this bill requires funds to be shifted away from other purposes or would result in other initiatives not being funded, policymakers may want to consider additional research to understand the relative effect of devoting funds for this bill relative to another purpose. It should be noted that the workers' compensation system is primarily funded through employer contributions to the insurance system and operates independently of the general revenue fund. A detailed description of the methods is provided in Analysis Methodology on page 8.