

# Ohio Matters

An Official Publication of *The Ohio Chamber of Commerce*

By *Barry James, President and CEO, and David James, Senior Vice President, James Investment Research Inc.*

## ECONOMIC OUTLOOK 2018

*This year will be stronger economically than 2017*

Last year, we closed our thoughts on the economy in 2017 with “We believe 2017 will be stronger economically than 2016.” We do not want to sound like a broken record, but we believe the same for 2018. We have excellent momentum in the economy, our research points to few red flags and we have tax cuts and regulatory reform giving businesses more confidence in the future. When it comes to momentum, key aspects of Gross Domestic Product (GDP) have shown improvement in the last year. Whether it is the consumer, business or exports, all have grown while at the same time seeing a slight dropoff in government spending. While a decrease in government spending may not sound like an improvement, in the past we have found the economy actually accelerated at a faster rate when government spending was cut. We also track a number of tripwires that could signal trouble ahead, and none of them are giving any warning signs at this time.

Let us talk about tax cuts. While the final version may not be all we would want to see, tax cuts have a pretty good track record of giving a boost. The last four major tax cuts, after full implementation, had positive impacts on GDP growth, the unemployment rate, working class wages and even federal government tax receipts. Perhaps other issues brought some of these benefits, but the consistency of improvements is remarkable. (Image 1)

Ohio should benefit from corporate tax reductions. Nearly 93 percent of the publicly traded companies in

Ohio have an effective federal tax rate above 20 percent. In addition, the average company pays a rate above 30 percent and above the national average. Pass-through income is also critically important to Ohio, and we estimate a number of the pass-through companies in Ohio should see a benefit. (Image 2)

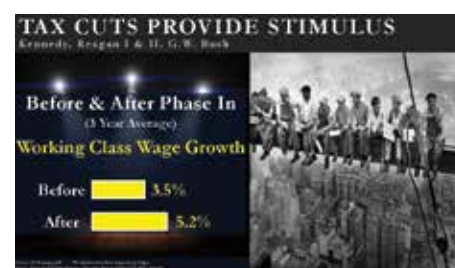
The regulatory environment has been a constant topic of concern to business, and it may be a surprise, but the new administration has already had a significant impact on reducing regulations. The president signed an executive order to cut two regulations for every new one imposed, but the track record is an astounding cut of 16 to one. Clyde Crews Jr., from Fredericksburg, Virginia, also reports the Federal Registry of Regulations has been cut by over 26,948 pages. These changes have moved worries about regulation down the list of concerns for business.

Of course, armed conflicts, trade wars and asset bubbles bursting could provide hurdles for growth. Still, we believe 2018 will be better than 2017, and businesses should be able to make up some ground from the slower growth decade just behind.

### STOCKS

Heading into 2018, we find stocks expensively priced by many measures. For example, Shiller’s CAPE, Tobin’s Q and Buffet’s Market Value-to-GDP ratios are quite frothy by historical standards. One measure, the typical company’s price-to-sales ratio, is said to be at an all-time high, a disquieting sign. While expensive valuations are not a good timing tool, they do suggest down-side risk is elevated. (Image 3)

One area in particular that may be at risk is e-commerce stocks. Their price run-up has exhibited similar



(Image 1)



(Image 2)

signs to modern asset bubbles. Additionally, their price-to-sales is approximately 25 percent higher than the typical stock.

Another market concern is the overwhelming degree of investor optimism. Investors Intelligence surveys institutions on bullish and bearish sentiment. Recently, net bullish (bulls-bears) readings were at their highest level in decades. Consumers are similarly entranced. These readings are often associated with market tops. Investors just now putting money to work in stocks will likely be disappointed. (Image 4)

A reason for the high level of optimism is tax cuts. The last four major tax cuts (Kennedy, Reagan I, Reagan II and Bush) saw stocks, on average, strongly advance before the tax cut signing. However, in each case, stocks underperformed in the year after the signing. This appears to be a classic case of “Buy the rumor and sell the fact.” Fortunately, the long-term impact of tax cuts is helpful for investors. (Image 5)

Currently, our tripwires do not indicate a recession in 2018. Some may wonder about the likelihood of a major market correction in the absence of a recession. Surprisingly, since 1959, we find roughly half of the corrections (a decline of 15 percent or more) occurred during a non-recessionary time.

Previously, the Federal Reserve initiated a policy of Quantitative Easing (QE), which flooded the economy with cheap money. Not surprisingly, the stock market took advantage of this new liquidity. In fact, our research found a 93 percent correlation between the QE era and

### GET INFORMED.

Economic outlook 2018

Primaries ahead

H.S. students recognized for professional skills

Following bizarre year, business priorities queued up for action

### SHARE SUCCESS.

Ohio provider resource association addressing workforce challenge

SBA advocate connects Ohio’s concerns to D.C.

Labor and employment law predictions for 2018

Workers’ comp cost control strategies

Chamber Research Foundation promotes prosperity

### STAY CONNECTED.

Are you prepared for a cyber-attack?

Meet Jennifer Osburn, Vice President, Administration

Member news

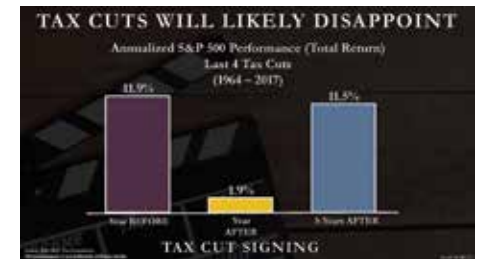
Chamber celebrates 125 years



(Image 3)



(Image 4)



(Image 5)

stock gains. Recently, the Federal Reserve has embarked on a new policy of Quantitative Tightening (QT), restraining money supply. Where QE was helpful for stocks, investors should not be surprised if QT disappoints.

There are, of course, positives for the stock market. Investors often find the market moving in long-term trends. The current advance is the second-longest bull market in history. This continues to provide some upward assistance for stock prices.

Additionally, we have seen a rebound in S&P 500 continuing earnings growth. Over the past year, earnings have grown more than 7 percent, compared to 4.5 percent in the previous four years. Although last year’s gains came from the low base of an earnings recession, such growth is encouraging.

Our recommendations for stock investors are to hold below-average equity levels. Further, investors are advised to concentrate on bargain securities. Bargain securities typically are characterized by better relative value, profitability and price appreciation. Recently, bargain stocks have regained the leadership role from speculative securities. In the past, we have seen such leadership changes last for years. 📈

*James Investment Research Inc. is a member of the Ohio Chamber of Commerce. Reach Barry and David James at (937) 426-7640.*

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*You're building  
a stronger business.*

*We're all building  
a better state.*

*We're All for Ohio!*

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In 2018, the Ohio Chamber of Commerce  
will celebrate 125 years!

For 125 years, through 28 governors, 63 General Assemblies and thousands of pieces of legislation and agency regulations, we have aggressively championed free enterprise, economic competitiveness and growth for the benefit of all Ohioans. We will strive to continue this mission for at least the next 125 years!

Thank you for your continued support, and we wish you  
a successful and prosperous New Year!

The Ohio Chamber of Commerce



## 2018 PRIMARIES AHEAD

2018 is going to be a critical year in Ohio politics, with many new faces angling for the governor's office, to a whole new slate of statewide officeholders, all the way down to the legislature. 2016 continued a trend of Republican domination in Ohio in both national and statewide contests. While Donald Trump won our state by a healthy margin, he is wildly unpopular nationally (35 percent approval as of Dec. 1). With recent election results in Alabama and Virginia, Ohio Democratic Party Chairman David Pepper is probably quite bullish on his party's chances of having a good cycle this year. His chairmanship likely depends on it.

In the Ohio House, there are 20 open seats due to term limits. Some of the current seats are in marginally Republican-leaning districts, especially in suburban Cuyahoga, Franklin and Summit counties. By my count, to date, there are at least 16 GOP primaries (for both sitting members and open seats) that we know of, and there could be more as the February filing deadline approaches. The high number of primaries is partly due to the brewing battle for speaker of the house after Cliff Rosenberger departs. In the case of open seats, new members of the GOP caucus will likely determine the next speaker. The last time there was a similarly contentious leadership race for House Republicans was 2008. That year, House Democrats took advantage of a poor state and national political climate to win control of the Ohio House for the period of one General Assembly.

In the Ohio Senate, there are 10 open seats due to term limits. With the three open Democratic seats safe, Minority Leader Kenny Yuko will look to dig out from their nine-member super-minority. Senate Democrats are likely to spend significant resources to pick up Senate Districts 3 (Northeast Franklin County), 5 (parts of Darke, Montgomery, Miami and Preble counties) and 13 (Huron and Lorain counties). Getting their caucus back into double digits would help build some momentum as they head into the 2020 presidential cycle and 2021 redistricting.

While I am not suggesting Ohio is Virginia, there is enough evidence to suggest that Statehouse Republicans will be playing heavy defense, and while Democrats may not be able to flip the chambers, they could be much more competitive than in previous cycles with good candidates and adequate resources. 📌



## OHIO HIGH SCHOOL STUDENTS EARN RECOGNITION FOR DEMONSTRATING PROFESSIONAL SKILLS

Ohio businesses report a lack of professional or "soft" skills as a barrier to hiring talented workers. To help address this challenge, the state of Ohio surveyed business leaders to identify which professional skills are in highest demand among employers.

Beginning with the class of 2018, high school students who demonstrate the top 15 professional skills, validated by three or more mentors, will be eligible to earn the OhioMeansJobs-Readiness Seal on their transcripts and diplomas.

Graduates who earn the OhioMeansJobs Readiness Seal are competitive; they are prepared to contribute value to your business by demonstrating the strong work ethic, experience and professional skills required for success in the workplace. 📌

To learn more, visit <http://www.education.ohio.gov/SuccessBound>.

## FOLLOWING BIZARRE YEAR, BUSINESS PRIORITIES QUEUED UP FOR ACTION IN 2018



It was, to say the least, an unusual second half of 2017 around the Ohio Statehouse.

The legislative year began routinely, with the Senate and House both passing the state's biennial budget at the end of June, followed immediately by members departing Columbus for their summer break.

Typically, lawmakers don't return until after Labor Day following completion of the budget. However, just over a week later, the House was back. The purpose of this unusual July session was to attempt to override several of the 47 items Gov. John Kasich vetoed from the budget bill. Taking up 11 of the vetoed items, lawmakers successfully overrode all 11.

The House's action prompted a similar return in August by the Senate, for just one day, solely to consider six of the 11 items the House had previously acted on. The Senate ultimately voted to override the governor on all six. Prior to this year, the last time the legislature even attempted to override multiple budget bill vetoes was 40 years ago, in 1977.

This, however, was just the beginning of what would be an atypical six months.

Though the General Assembly did return in September as normal, routine work on legislation, with committee hearings and legislative sessions, didn't last long. That's because, in mid-October, a popular veteran legislator, Sen. Cliff Hite, resigned after admitting to "inappropriate conversations" with a female state employee. Later, a second lawmaker resigned. About a month after Hite's resignation, Rep. Wes Goodman was forced out after acknowledging that he participated in inappropriate — albeit consensual — conduct in his Statehouse office.

Partly as a result of these circumstances, numerous scheduled session days were cancelled, and the Senate met only nine times and the House one fewer between Labor Day and the end of the year. Not surprisingly, several public policy objectives important to Ohio businesses weren't addressed.

Left undone at the end of 2017 was a longstanding Ohio Chamber legislative priority, restoring balance to Ohio's employment discrimination statutes. This is particularly frustrating given that

House Bill 2 was favorably reported out of committee in early May and yet — eight months later — still awaits assignment to the House calendar for a vote by the full House. This despite the fact that HB 2 underwent numerous changes in committee and the parties that initially opposed the bill are now neutral.

Also left undone — and even farther behind in the process — is a plan to fix Ohio's broke and broken unemployment compensation system. Reforms are urgently needed to update and strengthen the system for the benefit of Ohio's employers, employees and economy. Unfortunately, opposition by labor unions to virtually all potential reductions in benefit levels has stymied pursuit of a legitimate solution. Their solution is to pour more money into the system without addressing the cost drivers.

Conversations continue, but the political will to buck organized labor and pass a balanced bill that addresses both the revenue and spending sides of the equation simply has yet to materialize. Furthermore, as we head into an election year, political resolve will likely be in even shorter supply.

More optimistically, two bills the Ohio Chamber helped author were introduced late in the year, Senate Bill 221 in October and House Bill 450 in mid-December. SB 221 builds on the existing authority of the successful Common Sense Initiative, created in 2011 to help create a more jobs-friendly regulatory climate in Ohio. SB 221 would further minimize the negative impact that agency regulations have on businesses and could see quick action in the New Year.

HB 450 is designed to provide relief from health insurance mandates. Each new government-mandated benefit puts upward pressure on health insurance premiums, ultimately making health insurance even less affordable and accessible. With health care costs being a top concern of most businesses, relief is needed. HB 450 would ensure that existing mandates and their costs are periodically reviewed, provide health insurance purchasers with additional transparency about the cost impact of mandates and put common-sense guardrails around future mandates.

The General Assembly will need to move quickly when it returns in January on these and other bills that would improve Ohio's business climate. It's an election year, and this usually means significant legislative work comes to a halt prior to the May primary and often doesn't resume in earnest until after the November general election. In addition, that assumes a sense of normalcy returns to Columbus. If it doesn't, and 2018 is as unusual as 2017 was, all bets are off. 📌

By Jeff Davis, Director of Government Relations, Ohio Provider Resource Association

By Les Davies, Office of Advocacy's Regional Advocate for Federal Region 5

## OHIO PROVIDER RESOURCE ASSOCIATION ADDRESSING THE WORKFORCE CHALLENGE



The Ohio Provider Resource Association (OPRA) is tackling the workforce challenge head on. OPRA is a statewide association representing private providers who support individuals with developmental disabilities. Beginning in January 2018, OPRA is launching a new direct care recruitment initiative called DSPOhio. DSPOhio is a unique, statewide direct support professional (DSP) recruitment effort that combines targeted DSP multimedia advertising with an online DSPOhio job site that connects potential employees with provider employers.

“For providers in Ohio’s developmental disability system, recruiting direct care staff has become a make or break issue,” says Mark Davis, president of OPRA. “Our mission as providers is to support individuals to become as independent as possible. The more successful we are at supporting inclusion, the more invisible we become as providers. Oftentimes, jobseekers may not even know our field exists. Coupled with that, low wages, long hours and often challenging work are not job characteristics employers typically use to entice potential employees.

“Yet the job of supporting an individual with a developmental disability does indeed have its own intrinsic reward. Our belief that, as a direct support professional, the life you change most might be your own is more truth than fiction. We accept all the challenges associated with workforce recruitment and we intend to compete.”

### WHAT DSPOHIO DOES

DSPOhio has five major components.

- **Branding** – media planning and buying. Through the use of multimedia purchases, DSPOhio will build awareness and understanding of the term DSP, the rewarding nature inherent in the work and the career opportunities available.
- **Website.** The DSPOhio website will function as a job site and will be the conduit between interested employee and provider employer. The website will offer more in-depth information on the role and responsibilities of a DSP.
- **Connectivity.** Using a data-driven, integrated marketing communications strategy, DSPOhio focuses on provider-identified employee demographics and offers interested employees a simple way to immediately connect with prospective employers.
- **Sustainability.** Ultimately, DSPOhio will be a subscription-based service open to all developmental disability providers. Subscribing providers pay an annual fee, with an opportunity for additional paid advertising. Vendors will also have an opportunity to advertise. Revenue from subscriptions and advertising will be reinvested into multimedia buys, thereby ensuring an ongoing, year-after-year effort. The first year is offered free to all providers thanks to the financial commitment of a number of developmental disability system partners.
- **Metrics.** All components of DSPOhio are data-driven and measurable, allowing for continual learning and adaptation to become more sophisticated and effective.

“The media landscape continues to evolve and grow, giving people unlimited choices in how, when and where they choose to receive information and entertainment. This applies to jobseekers,” says Jeff Davis, OPRA’s director of Government Relations. “Customers are not waiting for marketers to catch up. Find them, communicate with them in the way they choose, or lose them. It’s as simple, and as difficult, as that.”

To learn more about DSPOhio, contact Jeff Davis at [jdavis@opra.org](mailto:jdavis@opra.org) or (614) 579-9957.

## SBA’S REGIONAL ADVOCATE CONNECTS OHIO’S CONCERNS TO WASHINGTON

Small businesses are the engine of the economy. In Ohio, there are nearly 186,000 small businesses employing close to 2.1 million employees. Small business accounts for 98 percent of all businesses by number and generates more than \$82.3 billion in payroll. Eighty-six percent of small businesses in Ohio have fewer than 20 employees.

When it comes to compliance with federal regulations, the Small Business Administration’s Office of Advocacy’s research shows that the burden falls most heavily on these small businesses.

Reducing the regulatory burden has been a top priority of the Trump Administration, and President Donald Trump has issued two important executive orders on regulation. The first requires each agency to take two regulations off of the books before a new major regulation is introduced and requires that the cost of compliance is less. The second requires each agency to form a task force to identify all unnecessary, irrelevant and redundant regulations.

This burden on small business was first recognized by Congress, and in 1976, it created the Office of Advocacy as the voice of small business in the federal government. Advocacy is an independent office within the SBA that represents small business before Congress, the White House, federal agencies and the federal courts.

Advocacy works with federal agencies to find alternatives to proposed rules that are disproportionately burdensome to small business. Most small business owners do not have the time or expertise to sift through the vast volumes of federal regulations and keep up with the ever-shifting sands of change. Advocacy acts as your voice in Washington, monitoring these changes and engaging small business in the regulatory process.

The Office of Advocacy has three primary roles: economic research, regulation and outreach.

### ECONOMIC RESEARCH

Advocacy’s Office of Economic Research is the government’s pre-eminent data house for information pertaining to small business. It releases numerous pieces of research annually. Its website, [www.sba.gov/advocacy](http://www.sba.gov/advocacy), contains state economic profiles, issue briefs, small business owner facts and small business facts with topics such as startup rates, the role of microbusiness in the economy and employment trends from new businesses.

### REGULATION

In 1986, Congress passed the Regulatory Flexibility Act (RFA). The RFA requires each federal agency to analyze the impact of proposed regulations on small businesses. Advocacy’s Office of Interagency Affairs monitors an agency’s compliance with the RFA and submits a report to Congress each year. Mitigating regulatory impact on the small business community is its primary focus.

### OUTREACH

Conducting economic research and monitoring compliance with the RFA is only part of what Advocacy does. The Office of Advocacy is actively engaged in outreach beyond Washington, D.C. There are regional advocates across the country, one in each of the 10 federal regions. These regional advocates travel throughout their region, meeting with small business owners, listening to their challenges and taking their issues back to Washington.

You can read more about the executive orders and offer your input on how federal regulations negatively affect your business by visiting the office’s regulatory reform page at <https://www.sba.gov/advocacy/regulatory-reform>. It is compiling this information to alert federal agencies of small business concerns. It also plans to use this data to construct regulatory roundtables across the country specific to market issues. Please visit the web page and provide your input so Advocacy can deliver your feedback to the decision-makers in Washington.

The website also displays regulatory comment letters written by Advocacy in response to small business concerns and small business alerts that inform businesses about comment periods and proposed regulatory changes that may impact small business.

The SBA Office of Advocacy plays an important role in supporting small businesses and keeping their engines running well. Whether it’s providing research or taking your concerns back to the nation’s leaders, the office is actively engaged on behalf of America’s small business community. Please reach out if you think the Office of Advocacy can help, and sign up for email updates for the latest news. 📧

*Les Davies is the Office of Advocacy’s Regional Advocate for Federal Region 5. Davies is the direct link between the region’s small business owners, state and local government agencies, state legislators, small business associations and the Office of Advocacy of the U.S. Small Business Administration. Federal Region 5 covers Indiana, Illinois, Michigan, Minnesota, Ohio and Wisconsin. You can reach Davies at [leslie.davies@sba.gov](mailto:leslie.davies@sba.gov).*



Most small business owners do not have the time or expertise to sift through the vast volumes of federal regulations and keep up with the ever-shifting sands of change.

By Mathew A. Parker, Associate Attorney, Fisher Phillips

## LOOKING INTO THE CRYSTAL BALL

Labor and employment law predictions for 2018



As we ring in the New Year, it's time for Ohio employers to begin planning for the next wave of employment law trends predicted for 2018. With President Donald Trump in the White House and Republican control of Congress, employers will see continued deregulation at the federal level and an uptick in state and local-level protections.

As a result, employers can expect to confront the growing challenge of operating within a patchwork of differing state and local laws. While Ohio tried to end such local legislation through Senate Bill 331, the law has been challenged. Looking ahead, employers should have these five employment law trends on their radar.

### A SHIFT IN PAID LEAVE

Last year, states and localities saw a flurry of legislative activity introducing new or expanding paid leave laws. More than 100 paid sick leave bills were introduced at the state level, and more than 10 were introduced locally. In 2018, Ohio employers can expect such legislation to continue. However, as a result of the recently introduced Workflex in the 21st Century Act in Congress, it may occur at a lower rate. If enacted, this bill would exempt employers from state and local paid leave laws if they offer employees a minimum number of paid sick days per year and institute a flexible work arrangement.

### THE EMERGENCE OF PREDICTIVE SCHEDULING

In recent years, predictive scheduling has increasingly gained steam among lawmakers nationwide. Generally, these laws require employers — mostly in the food, retail and hospitality industries — to provide employees with advance notice of their work schedule and any changes. Some even go so far as to provide “predictability pay,” which guarantees a minimum level of pay if schedule changes are made on short notice. Predictive scheduling legislation has already been introduced or passed at the state or local level in many states, including Ohio. In 2018, affected employers should review their scheduling practices and consider retraining managers to ensure compliance with these laws.

### GROWING BAN-THE-BOX MOVEMENT

Ban-the-box laws typically prohibit inquiries about a job applicant's criminal history in an employment application. They are designed

to prevent employers from eliminating applicants with a criminal record from the hiring process, without first considering their qualifications for the position. Although criminal history still comes into play, ban-the-box laws merely delay its consideration until later in the hiring process. Support for these policies has grown exponentially in recent years. In fact, 29 states — including Ohio — have already adopted some form of a ban-the-box law. While Ohio's law only applies to public-sector employers, it wouldn't be surprising if this law is extended to private employers, given the national trend.

### THE FIGHT FOR PAY EQUITY

States and localities continue to evolve their strategies to curb pay discrimination, including recently introduced laws restricting inquiries into an applicant's salary history during the hiring process. Last year, more than 100 equal pay bills were introduced at the state level. In 2018, Ohio employers can expect these efforts to continue, especially given the White House's reprieve of the EEO-1 reporting requirements, which were substantially expanded to include data on pay and hours worked. The Equal Employment Opportunity Commission and Office of Federal Contract Compliance Programs had planned to use the new data to increase enforcement of federal wage bias laws. Although Ohio currently allows inquiries into salary history, the Sixth Circuit Court of Appeals — which covers Ohio — has interpreted the federal Equal Pay Act to prohibit employers from relying on salary history as the sole justification for differing pay among otherwise equal employees.

### A CHANGE IN FEDERAL ENFORCEMENT STRATEGIES

Last year, the Trump administration began the process of rescinding many positions, priorities and enforcement strategies of the Obama administration. It's likely these reversals will result in laxer federal enforcement of laws, such as equal employment laws, the Fair Labor Standards Act, National Labor Relations Act and more. While this may come as welcome news to many Ohio employers, there is always some concern it could lead to an uptick in private lawsuits.

As federal enforcement of employment laws takes a backseat to President Trump's and Congressional Republicans' legislative priorities in 2018, Ohio employers can expect new legislation to be introduced at the state and local levels. In preparation, they should continue to monitor the growing patchwork of differing state and local laws and regularly update their policies and procedures as needed to comply with these laws. 📌

*Mathew Parker is an associate attorney at the Columbus office of Fisher Phillips, a national management-side labor and employment law firm.*

By Shawn Combs, CareWorks Family of Companies

## WORKERS' COMPENSATION

Are you neglecting something in your cost control strategy?

For many employers, workers' compensation is one of the largest cost centers in their budget. While much attention is given to the indemnity side of the equation (the benefits paid out to injured employees for lost time and wages), the cost of medical care is another key component that impacts employers' premium rates and eligibility for alternative rating programs such as group experience rating or group retrospective rating.

This is where the value of your workers' compensation managed care organization (MCO) becomes important. The MCO plays a key role in employers' overall workers' compensation cost control strategies, considering that medical costs can account for approximately half (or more) of all claim costs.

The challenge for employers is in understanding the roles of the various players in the workers' compensation system and how to best work with them to achieve optimal outcomes. How do you maximize the effectiveness of your MCO? We often speak of four key best practices for effective medical management, referred to as the “4 Rs” — Reporting, Referring, Remaining in Contact and Returning to Work.

### REPORTING

It is critical that you report a workplace injury to your MCO as soon as possible after the incident. Early reporting allows your MCO to become involved with the claim quickly to collect all necessary information and evaluate the injury and overall situation. This early intervention facilitates effective medical management with an eye toward a quicker return to work, which helps minimize medical costs incurred in the claim.

To make this process work as easily as possible, it is helpful to have a plan in place before an accident happens. For example, personnel policies can establish parameters for claim reporting — when, to whom, etc. Employers can also provide Injury Reporting Packets to their employees that provide instructions for the employees, supervisors and medical providers, reducing the chances for reporting errors and unnecessary delays.

After the claim is reported, it is key to investigate the details behind the accident. Talk to the injured employee to obtain a statement, as well as other witnesses who may have seen the incident or have other helpful information. As you collect these statements and collect facts, it is important to document this information and maintain a file.

### REFERRING

The choice of doctors is a critical piece that determines the quality of treatment your employee receives, as well as the cost for that care. Just as with non-occupational medicine, emergency room visits cost more than a family practice doctor. While employees have a choice in medical



We often speak of four key best practices for effective medical management, referred to as the “4 Rs” — Reporting, Referring, Remaining in Contact and Returning to Work.

providers, employers can establish relationships with local doctors who specialize in occupational medicine and who are experienced in treating patients with an outcome-based approach of returning the patient to full duty with their employer.

Your MCO can help to identify these providers in your area and facilitate a meeting with them and their staff, either at your office or theirs. At times, physicians are willing to attend a meeting in an employer facility to become familiar with your operations and the various job functions. The key is to establish a line of communication with these physicians and set expectations.

### REMAIN IN CONTACT

As the treatment plan progresses, it is vital to maintain an open line of communication with the injured employee, as well as with your MCO. Your MCO and TPA should keep you updated on any developments with the claim, but the employer should communicate any new information to the MCO, as well. There is no such thing as too much communication.

### RETURN TO WORK

The ultimate goal in medical management is for the employee to return to work as quickly and safely as possible. In many cases, that can happen fairly quickly. However, with more significant injuries, this process may take longer. In those cases, your MCO can work with you to identify temporary “modified duty” or transitional work for the employee to do while he or she is recovering. This allows you to keep the employee engaged and connected to the workforce and minimize costs charged to your workers' compensation policy. 📌

*To learn more about how to implement these managed care best practices into your business operations, contact Shawn Combs with the CareWorks Family of Companies at (614) 760-3555 or via email at shawn.combs@careworks.com.*

## SEEKING KNOWLEDGE TO GAIN UNDERSTANDING TO PROMOTE PROSPERITY

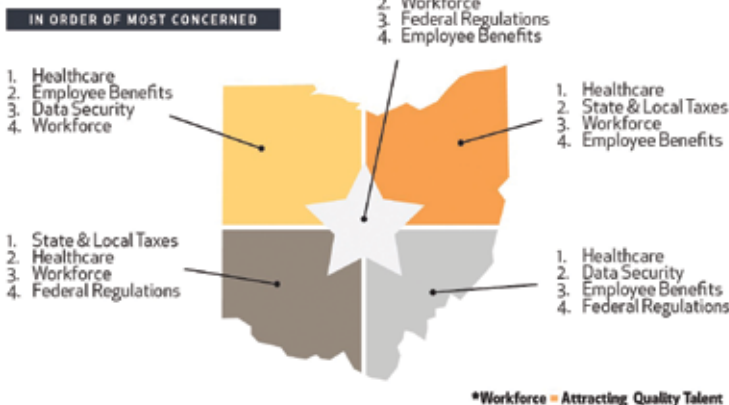
### Ohio Chamber of Commerce Research Foundation

The longstanding, traditional one-year anniversary gift (dating back to the Victorian Era), is paper. Many have speculated why paper was chosen. Some believe it represents a blank page — waiting to be filled with ideas, adventures, happiness and turmoil. Others believe it represents the fragility of new relationships and endeavors, and some believe it represents a timeless form of expression used for declarations. All three reasons are valid and resonate with our organization as we close Chapter One of our book and begin Chapter Two.

One year ago, Jan. 1, 2017, we started with a blank page. However, it is not blank anymore. Here are some highlights from 2017.

- We created the Prosperity Pulse, a quarterly survey of Ohio business leaders that will enable us to track the economic health of Ohio and build trendlines of prosperity over time.
- We partnered with seven local chambers (Akron, Cincinnati, Cleveland, Columbus, Toledo, Youngstown-Warren and Zanesville-Muskingum) to create the Ohio Innovation Economy Blueprint. This project, expected to be completed by June 2018, will offer recommendations to policy-makers on making Ohio a leader within the innovation economy.
- We hired a firm to conduct public opinion polling on the image of businesses in Ohio. The results were given to the Ohio Chamber of Commerce Board of Directors and will guide its image campaign in 2018.
- Organizationally, we created strategic goals and standard processes, and achieved the 2017 Platinum Seal of Transparency from GuideStar.

### TOP CONCERNS by OHIO REGIONS



We have also been busy forming new relationships and endeavors. We started with five founding board members, and through relationship building and strategic guidance, we have expanded that number to 10. The board of directors has been instrumental in cultivating relationships to strengthen our capacity and the organization.

Looking ahead, we have specific goals, but ultimately we are passionate about serving the members of the Ohio Chamber of Commerce by:

- Convening community initiatives to promote the economic well-being of Ohio
- Developing and disseminating reports, studies, programs and/or findings that impact Ohio's economy, job creation and long-term competitiveness
- Creating educational opportunities and information for the general public regarding civics and public policy

“Our work has only just begun,” says Brian Hicks, president of the board. “We plan to be an invaluable resource to the members of the Ohio Chamber of Commerce and Ohio policy-makers. Thank you to all who have helped get the Research Foundation off the ground. We look forward to creating new relationships that will move the research forward and help drive our vision of an Ohio where businesses thrive, communities are strong and safe, and public policy supports economic freedom.”

If you or your company has an issue that you would like to see the Ohio Chamber Research Foundation address, please contact Katie at (614) 629-0921 or [kkogelman@ohiochamber.com](mailto:kkogelman@ohiochamber.com).

To learn more about our projects or to support our work, visit our website at [www.ohiochamberfoundation.com](http://www.ohiochamberfoundation.com).

## FIGHT BACK AGAINST THE HACK

Are you prepared to deal with a cyber-attack or other business data breach?



No business or industry appears to be immune from making headlines as the next victim of a cyber-attack or data breach.

The massive breach of Equifax is only the latest in a long string of data breaches that includes a reported 95 percent of *Fortune* 500 companies. Government agencies including the IRS, CIA, Defense Department, Federal Office of Personnel Management and even the White House have all been hacked or had data compromised. But for every large business that makes the headlines, thousands of small to mid-sized businesses have experienced a data breach of some kind but were never in the news.

Small businesses have become attractive targets because they maintain the same type of confidential information about their customers and employees as larger companies, but they don't have the same high-profile security measures in place. They are easy prey.

If the largest of the large corporations and the massive infrastructure of the federal government can't keep their data safe, how is a small to mid-sized Ohio company supposed to deal with this threat?

### A SOLUTION

The Ohio Chamber of Commerce, along with Gallagher Affinity, is offering members exclusive access to a diverse suite of cyber and data breach solutions, including threat and risk assessments, ongoing monitoring and compliance options, and the increasingly necessary cyber and data breach liability insurance. These special member-only rates and programs are offered exclusively through the Ohio Chamber.

InfoSafe, a cyber compliance and protection tool, makes it simple and affordable for businesses to protect against a data breach and meet the

complex compliance requirements for safeguarding customer information. Reduce overall data breach risk and liability exposure, increase customer trust and attract new businesses by being InfoSafe Certified.

Cyber and data breach liability insurance provides the critical coverage necessary to help protect Ohio companies of all sizes from the high costs and implications of a cyber or other type of data breach-related incident. It also helps your business comply with state and federal regulations and insures against costly fines and penalties that can be levied on a company following a breach. Cyber insurance will not protect you against an attack — but will allow you to survive one.

Cyber and data breach liability insurance helps tame the significant financial hardship of a cyber-attack and/or data breach by offering coverage to help you with the associated costs of an event. The response costs associated with minimizing the damage of a data breach or cyber-attack can be extensive and can even put a company out of business.

More information on these cyber insurance and compliance tools may be found at [ohiochamber.com/cyber-insurance](http://ohiochamber.com/cyber-insurance). As a member, you can see your actual rates by simply answering a few short, online questions about your business. Each of the programs can be implemented online and put into effect within minutes.

Every business is at risk. But with some basic preparation, planning and insurance coverage, a cyber-attack or data breach on your business doesn't have to be lethal.

For more information, visit [ohiochamber.com/insurance](http://ohiochamber.com/insurance), or contact Laz Picciano at [lpicciano@ohiochamber.com](mailto:lpicciano@ohiochamber.com).



On Dec. 6, our board of directors held its December meeting. After hearing a presentation on Job Readiness, the board broke up into workgroups to further discuss the role the Ohio Chamber can play in workforce development issues.



On Nov. 29, Ohio Small Business Council members Tom Secor and Emily Turned, testified in the Senate Government Oversight and Reform Committee in favor of SB 221. This bill is a vital step in rule and regulatory reform for our state.

# MEET OUR STAFF

## Jennifer Osburn, Vice President, Administration



Jennifer Osburn keeps our office together, overseeing the finance and administration operations. She joined our team in May 2015

after working for our auditing firm, GBQ Partners, where we were one of her clients. Thus, she was well aware of the financial operations of the Ohio Chamber when she joined our team.

Jen, as she's known in the office, received her bachelor of science degree in business administration from Bowling Green State University and her master's of accounting degree from The Ohio State University. She and her husband, Keith, have two active boys, Hunter, 11, and Jacob, 2, and live in Bexley.

### Do you have any pets?

My husband and I have had three Labrador Retrievers over the past 15 years, two of which were rescues. We just adopted a Lab puppy now that our 2 year-old is potty-trained.

### Where did you grow up?

I was born in Columbus and we moved down to Lebanon, Ohio, when I was 7, which was where I lived until college.

### What is your favorite part of your job?

The variety. I handle the finances for the chamber and several other entities, work with the IT consultants, ensure HR compliance, worked on the implementation team for our CRM database and deal with building issues, among other day-to-day tasks.

### What do you do when you are not working?

My oldest son is involved in soccer and Scouts. My husband and I were

very involved with Cub Scouts during the past five years with him, leading his den, planning the calendar and den meetings, running the popcorn sale and serving on the leadership committee. That took up most of our free time, but it was very fulfilling.

### What is your favorite quote?

"Life is a beautiful book for those who choose to read it."

### If you could have dinner with two people, living or dead, who would they be?

Both of my grandmothers. I didn't get to spend enough time with them as an adult before they passed. They were both very strong women in their own unique ways, and I would love to just chat with them.

### If we asked your family and close friends to describe you in one word, what do you think they would say?

Loyal

### What is your career highlight?

I have two. One is passing the CPA exam early in my career, back when it was paper and pencil and you had to study for all four sections at the same time. The second is being named to *Columbus Business First's* Forty under 40 in 2013. It was such an honor and a very humbling experience to be recognized with so many great leaders in our community.

### What are your three favorite things?

My family, cheesecake and reading a good book

### Tell us one thing that most people don't know about you.

I earned the Girl Scout Gold Award when I was in high school, which is the equivalent to the Boy Scout Eagle Award, requiring a lot of work over many years and culminating in a service project where I worked with a domestic violence women's shelter. 🇺🇸

## MEMBER NEWS



### NEW MEMBERS

Welcome to the following new members that joined the Ohio Chamber of Commerce between Oct. 20 and Dec. 14, 2017. Welcome to the Ohio Chamber!

- August Mack Environmental Inc., Lewis Center
- CBD Advisors, Beavercreek
- Decatur Diamond LLC, Decatur, IN
- Littler Mendelson P.C., Columbus
- Teconomy Partners, Columbus

### New BWC website

The Ohio Bureau of Workers' Compensation will launch a new website in 2018. The first phase, expected to go live in early 2018, will focus on the areas users see prior to logging in to their accounts. Content and services that exist after logging in will be updated later in 2018. The website changes may impact the bookmarks that you have set.

Visit the website at [www.bwc.ohio.gov](http://www.bwc.ohio.gov).

### Ohio Safety Congress & Expo

The annual Ohio Safety Congress & Expo is March 7-9, 2018, at the Greater Columbus Convention Center. This is a free event, but attendees must register (using your BWC policy number) at <https://bwc.expoplanner.com>. There will be more than 200 free educational sessions at which attendees can earn continuing education credits and BWC program credits, along with hundreds of exhibitors.

### Upcoming educational conferences

The Ohio Chamber of Commerce partners with the Manufacturers' Education Council to provide educational conferences throughout the year. Below are the conferences for the first quarter of 2018. Registration and additional information are online at [www.mecseminars.com](http://www.mecseminars.com).

#### 27th annual Ohio Tax Conference – the Largest & Best Business Conference in the Nation

Tuesday, Jan. 23 and Wednesday, Jan. 24

Hyatt Regency Columbus, 350 N. High St., Columbus, OH 43215

This conference has been approved for 14 CEU credits, two hours of attorney professional conduct instruction and 16.5 hours of CPE credits.

The Ohio gubernatorial candidates have been invited.

\$695 per person, with discounts for companies that send two or more attendees

#### 22nd annual Ohio Energy Management Conference

Tuesday, Feb. 20 and Wednesday, Feb. 21

The Columbus Renaissance Hotel, 50 N. Third St., Columbus, OH 43215

This conference has been approved for 10 Ohio Professional Engineers PDH credits, two Certified Energy Managers credits and 10.75 CLE credits for attorneys.

\$625 per person, with discounts for companies that send three or more attendees

#### 27th annual Sustainability & EHS Symposium

Tuesday, March 27 and Wednesday, March 28

Duke Energy Center in Cincinnati, 525 Elm St., Cincinnati, OH 45202

This symposium has been approved for many continuing education credits; see the website for details.

\$495 per person, with significant savings for organizations sending multiple attendees 🇺🇸



For our 125th anniversary, we will be sharing photographs from our archives in each issue of *Ohio Matters*.

Annual Meeting at the Hilton Deshler in Columbus in the 1950s. Pictured left to right Ralph Bradford, executive vice president of the National Chamber of Commerce, Cy Weaver of Columbia Gas, and Fred Merrell of the Zanesville Chamber of Commerce.

Ohio Chamber members on a Great Lakes cruise sponsored by the Cleveland Chamber, 1958.

One of our original members, Standard Oil (now BP America)

An ad for the Ohio Chamber of Commerce thought to be around the time of World War II.

An ad from one of our original members, Goodrich, started in Akron, Ohio.



# CHAMBER CELEBRATES 125 YEARS



At the 12th annual meeting of the Ohio State Board of Commerce in Columbus on Dec. 7, 1905, Ebenezer H. Thresher, president of the Ohio Chamber from 1898 to 1902, spoke about the formation of the Ohio State Board of Commerce in 1893.

“I am perhaps the only one present who has been in attendance at all of the meetings of this body from the preliminary meeting in Cleveland in 1893.

“I do not know of another organization anywhere that has been able from the start to enlist so many representative citizens, so many men of ability, men who do things and bring them to pass, as has this Ohio State Board of Commerce. It has from the start demanded the best thought and expression in all of its lines of actions, and we are beginning to realize that our organization has gone over the breakers unharmed, that it has gone through the fire unscathed, and has shown that it can be trusted to do what it starts out to do. The men who are here represent the leaders of thought and progress in this great state of Ohio, and we

may justly expect them to carry on this work to still greater success in the future than we have achieved in the past.”

A quote from the Cleveland Plain Dealer on Thursday, Nov. 6, 1893, on the creation of the Ohio State Board of Commerce stated, “From among the various commercial organizations throughout the state, there was organized in this city yesterday a new institution known as the Ohio State Board of Commerce. Although but a few hours old, the infant is one of the most healthy specimens of its kind. It is as vigorous as a young colt and promises to become a great power throughout the state.”

And so it began. What was originally known as the Ohio State Board of Commerce was changed to the Ohio Chamber of Commerce in 1924. Over the years, the Ohio Chamber has led the fight for the Good Roads Law in 1906, legislation that supported the war effort during World War II, insurance pool law in 1953, state debt limit in 1977, workers’ compensation reform in 1986 and

tort reform in 1996, 2004 and 2006, while continuing to advocate for a competitive tax climate, reduction in regulations, affordable health care, education accountability — the list goes on and on.

This month, we kick off our 125th year with great plans for our members and the organization. Throughout the year, we will be celebrating our history while announcing great plans for our future. It is my hope that you will help us celebrate this once-in-a-lifetime accomplishment by participating in at least one event, webinar, committee meeting or business symposium this year. Watch your email and this publication for more information as we celebrate 125 years of advocating for Ohio’s business community. 🇺🇸

*Andrew E. Doehul*

#### EDITORIAL POLICY

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*Ohio Matters* is a bimonthly publication for members of the Ohio Chamber of Commerce. Subscription cost is included with annual dues.

#### POSTMASTER

Please send address changes to *Ohio Matters*, Attn: Database Manager, Ohio Chamber of Commerce, 230 East Town Street Columbus, Ohio 43215-0159.

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#### DESIGN AND PRODUCTION

*Ohio Matters* is published by Convero  
835 Sharon Drive, Suite 200  
Cleveland, OH 44145  
844-428-8844 • www.converoinc.com  
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DENTAL BENEFITS



## INTRODUCING THE OHIO CHAMBER OF COMMERCE INSURANCE PROGRAM – DENTAL BENEFITS

We are excited to announce our partnership with Delta Dental of Ohio to offer dental benefit plans exclusively for Ohio Chamber members!

Delta Dental of Ohio benefits provide:

- Coverage for small businesses with two to 99 employees
- Multiple plan designs to fit your company’s needs
- The largest dental network with Delta Dental of Ohio

Member-exclusive dental benefits from Delta Dental of Ohio can be purchased as a standalone plan. If you already have a plan with Delta Dental, you can switch to this new one at any time.

**For more information, go to [www.ohiochamber.com/insurance](http://www.ohiochamber.com/insurance).**



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