
Importance of salary continuation documentation

Salary continuation is a cost savings tool available to Ohio employers. When an injured worker misses eight or more days due to the allowed conditions in the claim, the Bureau of Workers' Compensation will pay temporary total compensation to replace lost wages. As the employer you have the option of offering salary continuation in lieu of temporary total compensation. By paying wages directly to the injured worker you are preventing the cost affiliated with temporary total, as well as reserves from being added to the claim. This can have a positive impact on your annual BWC premiums.

There are a few steps that you will need to take to meet the BWC's guidelines for salary continuation:

1. Complete the Salary Continuation Agreement (C-55) form and file it with the BWC or alert the BWC that you are paying salary continuation. This will put the BWC on notice that you intend to pay wages in lieu of temporary total.
2. Your beginning and end payment dates must be specific and align with the injured workers' medical disability documentation.
3. You must begin payment of the salary continuation with the **next scheduled pay date** after the injury. Employers are not permitted to wait until a claim allowance is decided and if payment does not commence on the next available pay date, you forfeit your right to offer salary continuation. The only exception to this guideline is if you have a collective bargaining contract that deals with salary continuation.
4. Salary continuation is a voluntary program. The injured worker is not required to accept salary continuation, unless there is a collective bargaining agreement that states otherwise.
5. You must pay the injured worker their **full wages and benefits** under a salary continuation agreement. If the BWC discovers that full wages are not being paid, they can approve temporary total compensation.
6. Payment of salary continuation may follow a period of temporary total compensation once temporary total compensation benefits have stopped. This new addition was added in early 2023.
7. If your injured worker leaves the company, you are no longer permitted to pay salary continuation and you must notify the BWC of this change to employment status.
8. Likewise, if you determine that salary continuation is no longer beneficial and you wish for the BWC to pick up payment of lost wages, you must notify the BWC within 72 hours of the last salary continuation payment.

By notifying and filing the appropriate salary continuation documentation with the BWC, you are ensuring that the BWC does not pay temporary total compensation. The BWC will monitor the salary continuation and will build a payment plan into the BWC system. This is beneficial as it allows you to participate in other cost saving initiatives offered by the BWC, such as handicap reimbursement.

If you have any questions, contact our Sedgwick program manager, Shane Castle at shane.castle@sedgwick.com