



December 8, 1961

Mr. John T. Cantlon, President
John T. Cantlon & Associates, Inc.
40 W. Third Avenue
Columbus 1, Ohio

EFFECT OF OCCUPATIONAL DISEASE CLAIM LOSSES ON WORKMEN'S COMPENSATION INSURANCE NET PREMIUM RATE

Dear John:

Since much of the large increase in our premium per year beginning July 1, 1961 is traceable to respiratory occupational disease claim losses, we are up-grading our program of dust collection and enforced respirator use. We are considering periodic chest examinations by mobile unit and rotation to jobs without exposure. Additionally, we are trying to obtain amendments in the Workmen's Compensation Statute, particularly inclusion of asbestos in the handicapping disease sections.

The law provides for the regular Insurance Fund, or accident fund, and for the Occupational Disease Fund, and for separate employer contribution into each. We believe the law requires that payment of accident claims be made out of one Fund, and occupational disease claims be made out of the other. We may want to question the Commission's treatment of the Funds as a unit and the right of the Actuarial Section to charge the cost of occupational disease claim losses against our experience in computing our merit-rating modification for accident insurance.

Before making any decision, we should know what our total cost of claims, our merit-rating modification, and our premiums would have been had not the cost in compensation, medical expenses and reserves of occupational disease claims been included. We ask that you make

the recalculation and comparison for us. I have compiled below ~~close~~ a schedule of the occupational disease claims which are pertinent. I have not included Claim OD 117279 William E. Latto or Claim OD 118382 Essie Jackson, Deceased, which are pending and for which no charge has been made.

Claim No.	Claimant	Disabled	Period
3226	Clarence A. Hulette	4/13/59	61-62 60-61
7910	Henry N. Hoerst	11/15/60	61-62 60-61
3274	Herbert L. Gooch	10/18/58	61-62 60-61
3877	Doney Whitley	7/24/58	61-62 60-61

Sincerely,

for

L. A. Pechstein
Assistant Secretary

cc: R. J. Preston
L. A. Obenshain