

STATE OF OHIO  
**OFFICE OF THE INSPECTOR GENERAL**

RANDALL J. MEYER, INSPECTOR GENERAL

**REPORT OF  
INVESTIGATION**



**AGENCY: OHIO BUREAU OF WORKERS' COMPENSATION  
FILE ID NO.: 2013-CA00079  
DATE OF REPORT: APRIL 16, 2014**

## The Office of the Ohio Inspector General ... The State Watchdog

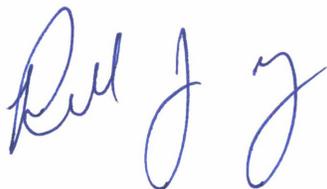
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Randall J. Meyer  
Ohio Inspector General



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RANDALL J. MEYER, INSPECTOR GENERAL

**REPORT OF INVESTIGATION**

**FILE ID NUMBER:** 2013-CA00079

**SUBJECT NAME:** Lou Ann Lauck

**POSITION:** Claims Representative 4

**AGENCY:** Ohio Bureau of Workers' Compensation (OBWC)

**BASIS FOR INVESTIGATION:** Agency Referral

**ALLEGATIONS:** Misuse or Abuse of State Property or Equipment;  
Misuse of Position or Office, Other than to Harass  
or Threaten;  
Failure to Comply with State Law and/or  
Regulations.

**INITIATED:** October 18, 2013

**DATE OF REPORT:** April 16, 2014

## **INITIAL ALLEGATION AND COMPLAINT SUMMARY**

On October 17, 2013, the Office of the Ohio Inspector General was notified by the Ohio Bureau of Workers' Compensation (OBWC), alleging that OBWC Lima Service Office Claims Representative 4 Lou Ann Lauck had accessed her son-in-law's claim file on at least two occasions. OBWC provided a Confidential Personal Information (CPI) Access log report confirming Lauck accessed her son-in-law's claim once on August 29, 2013, and again on October 4, 2013, using OBWC's internal claim computer system, Version 3 (V3). OBWC defines CPI in Memo 4.42 as "any injured worker data that contains a name or any other identifier, and which describes anything about, done by or done to a person." ([Exhibit 1](#))

## **BACKGROUND**

The Ohio Bureau of Workers' Compensation (OBWC) is responsible for providing workers' compensation insurance to all public and private employees except those that qualify for self-insurance. It is the largest exclusive workers' compensation system in the United States. An administrator/chief executive officer of OBWC is appointed by the governor. OBWC is also overseen by an 11-member board with members experienced in financial accounting, investments and securities, and actuarial management. OBWC is funded through assessments paid by employers.<sup>1</sup>

The Ohio General Assembly enacted Ohio Revised Code §121.52, effective September 10, 2007, which created the deputy inspector general for the Ohio Bureau of Workers' Compensation (OBWC) and the Industrial Commission of Ohio (OIC). This statute designated that this deputy inspector general "shall investigate wrongful acts or omissions that have been committed by or are being committed by officers or employees" of both OBWC and the OIC and provides the deputy inspector general the same powers and duties as specified in Ohio Revised Code §121.42, §121.43, and §121.45 for matters involving OBWC and OIC.

The OBWC Claims Representative 4 job description states duties include, but are not limited to, managing claims; performing initial and subsequent claims investigations; assisting injured workers with questions; processing medical and legal documents within prescribed timeframes;

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<sup>1</sup> Source: OBWC annual report.

and performing special assignments related to claims processing, including lump sum settlement activities and assisting other claims service specialists with difficult issues in V3.

Ohio Revised Code (ORC) §1347.15 (B) requires each state agency to adopt rules in accordance with Chapter 119 of the ORC which regulates “access to the confidential personal information the agency keeps, whether electronically or on paper.” This section requires the agency to maintain a CPI access log for instances unrelated to official agency purposes or at the individual’s request. This section also requires the agency to establish a training program to make the employees aware of “all applicable statutes, rules, and policies governing their access to personal information.” To comply with this requirement, OBWC implemented the following policies, which were reviewed as part of this investigation:

**Memo 4.42 Confidential Personal Information (CPI) Access and Logging** revised and reissued in July 2013,<sup>2</sup> defines CPI, identifies the computer systems that automatically log the employee accessing CPI, and identifies when an OBWC employee is required to manually log their access to CPI. ([Exhibit 1](#))

**Memo 4.21 COEMP and Special Handling Claims Policy**, revised September 2012, addresses the processing and management of past, present, and future claims of current and former OBWC and Industrial Commission of Ohio employees, their spouses, and claims for persons residing in their homes. This policy also defines special handling claims as “all claims past, present, or future pertaining to relatives (whether by blood or marriage) of current BWC/IC employees not residing in the residence” such as children and in-laws. ([Exhibit 2](#))

## **INVESTIGATIVE SUMMARY**

On a November 14, 2013, the Office of the Ohio Inspector General interviewed OBWC Governor’s Hill Service Office Injury Management Supervisor Tim Clark regarding a Lima Service Office employee’s relative’s claim managed by his team. Clark explained that the injured worker called on October 7, 2013, to complain about Claim Service Specialist (CSS)

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<sup>2</sup> OBWC initially issued this policy on June 1, 2011.

Daren Booker. During the phone call, Clark stated that the injured worker told him that he was being “jerked around,” that his mother-in-law worked in the Lima Service Office (LSO), and had said, “. . . when you got a family member who works there that you can ask questions of about your claim you know when somebody’s jerking you around.” ([Exhibit 3](#))

During the course of the telephone call, Clark explained that the injured worker had stated that his mother-in-law had read the physician review, the review’s results, and told him that the issue would have to be resolved through a hearing at the Industrial Commission. After telling the injured worker that he would review the claim file and would call him back, Clark stated he asked the injured worker for his mother-in-law’s name. The injured worker replied his mother-in-law was Lou Ann Lauck.

Clark stated he was aware that Lauck worked in the OBWC Lima Service Office, so he contacted Lima Service Office Injury Management Supervisor Lynn Benny, and explained his conversation with the injured worker to Benny. On October 7, 2013, Clark followed up his phone call to Benny with an email and sent a copy of the email to the Governor’s Hill and Lima Service Office managers. ([Exhibit 3](#))

Lima Service Office Manager Winnie Warren stated during a November 21, 2013, interview that Benny forwarded Clark’s email to her detailing the conversation with the injured worker. Warren stated it was clear to her that the injured worker had spoken with a relative of his that worked for OBWC and that the relative had advised him on how to address his OBWC concerns. Warren stated that she requested Benny to generate a CPI Access log for September 2013 and that the log did not show Lauck had accessed her son-in-law’s claim file. Warren stated she then contacted Labor Relations Officer Brad Nielson on October 7, 2013, to discuss the situation. Warren said Nielsen told her a CPI Access log would be generated for the life of the claim.

As required by ORC §1347.15, the OBWC V3<sup>3</sup> claims computer system automatically logs each time an OBWC employee accesses Confidential Personal Information (CPI). On October 22,

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<sup>3</sup> The V3 claims computer system contains all claim activity, including agency notes, some of which are not available to the public.

2013, OBWC provided the Office of the Ohio Inspector General a copy of the CPI Access log documenting Lauck had accessed her son-in-law's claim file two times, once each on August 29, 2013, and October 4, 2013.

Memo 4.21 *COEMP and Special Handling Claims Policy* ([Exhibit 2](#)) states when an employee has knowledge of a COEMP or Special Handling claim, the employee should promptly notify his or her immediate supervisor or contact the Special Claims supervisor to have the claim flagged and reassigned. During a December 10, 2013, interview with OBWC Special Claims Injury Management Supervisor Robyn Garver, she stated that each time a supervisor becomes aware of or is notified of a COEMP or Special Handling claim, it is to be discussed by Special Claims and the service office manager to determine whether the claim file will remain in the office it was filed, or will be transferred to Special Claims. Garver was unable to locate documentation of conversations regarding the injured worker's claim except for Clark's email received on October 7, 2013. On October 8, 2013, Garver replied to Clark's email stating that she had flagged the claim file as special handling and that the claim file was auto-reassigned by V3 to her team.

Benny recalled during her November 21, 2013, interview, Lauck had told Benny that Lauck's son-in-law had filed a claim about a month or so before that, maybe longer. When questioned why this was not sent to Special Claims, Benny stated at the time, she thought if an immediate family member had a claim file that was filed at the Lima Service Office, it would need to be transferred to COEMP, but did not think it was a problem if it was filed in another office.

When asked about her conversations with Lauck about the injured worker's claim, Benny also mentioned that she thought Lauck asked her if "... it's okay if I talk to them or get on my computer or something about the claim." Benny replied that she told Lauck that she could not use state equipment, such as the computer or phone, to review the claim file. Benny stated Lauck replied, "Oh, no. Oh, no. I would never do that. I know that." Benny also remembered Lauck later mentioning the assigned CSS was not returning calls and that she had told Lauck to refer her son-in-law to the CSS' supervisor.

Warren also recalled during her interview with the Office of the Ohio Inspector General that Lauck had mentioned that she (Lauck) had a bad experience with OBWC and was not happy. When Warren questioned her, Lauck responded that her son-in-law had been hurt and began to tell her what was happening with the claim. Warren stated that she was questioning in her mind how Lauck knew this information and asked Lauck, “you haven’t been in the claim, have you?” Warren stated that Lauck replied, “Well, no, not here.” Warren recalled this conversation occurred when she arrived to work, and believed it either occurred the same day that Benny had received the email, October 7, 2013, or the next morning.

When implementing policies Memo 4.21 and 4.42, OBWC emailed the revised policies to its employees and required employees to complete a webinar and pass a test about the OBWC CPI policy. On October 22, 2013, OBWC Labor Relations Director Brian Walton provided documentation showing that Lauck completed an acknowledgement on March 14, 2013, indicating she had read Memo 4.21 *COEMP and Special Handling Claims Policy*; an acknowledgement indicating she had read Memo 4.42 *Confidential Personal Information (CPI) Access and Logging* on June 3, 2011, and July 11, 2013; and completed OBWC’s online training on June 3, 2011.

On November 21, 2013, the Office of the Ohio Inspector General interviewed Claims Representative 4 Lou Ann Lauck. Lauck explained that her understanding of OBWC’s CPI policy was that “... you’re not supposed to get in claims of friends or family or anything like that...” and that access should be for a business purpose. Lauck explained that the CPI Access manual log was to be used when a person accesses a claim that he/she is not permitted to access; however, Lauck stated she had never logged such an access before and could not explain how an individual would log such an access.

When asked about her understanding of the COEMP policy, Lauck replied that anyone related to her should not have their claim processed by the OBWC Lima Service Office. Lauck then stated that her son-in-law had been injured at the end of August 2013 and that his claim was being processed by the OBWC Governor’s Hill Service Office. Lauck recalled mentioning to Benny that her son-in-law filed a claim for benefits when he began having troubles. When asked

whether she asked to have the claim moved to special handling, Lauck replied, “No. I never even thought about it.” Lauck then admitted to giving her son-in-law his CSS’ supervisor’s name that she had found using OBWC’s internal phone website which shows an employee’s supervisor.

Lauck admitted to discussing with her son-in-law OBWC’s policies; things that he could and should do; what forms to file to get compensation including the C-84 and MEDCO-14; and has since told him that there wasn’t anything she could do for him. Lauck stated she told her son-in-law that she “... felt that this claim shouldn’t be that difficult.” Lauck also admitted that her son-in-law showed her his claim information while at his house.

When asked whether she had mentioned to Warren the difficulties her son-in-law was experiencing, Lauck replied that she did. When asked what her response was when Benny and Warren had asked her if she had accessed her son-in-law’s claim using V3, Lauck replied, “No. But I had.” Lauck admitted to accessing her son-in-law’s claim at the LSO using V3 twice and that she also accessed her son-in-law’s claim file through OhioBWC.com using his login id and password from her home.

Lauck explained in the beginning that she had accessed V3 to get her son-in-law’s claim number because he was concerned whether the claim had been filed. When asked whether she looked at the specifics of the claim, Lauck replied that initially she looked to make sure the claim was filed, and that she looked at the claim another time to see if there was a physician review in the claim. Lauck admitted that she had accessed the claim because her son-in-law was wondering whether the physician review had come through and that her son-in-law was not proficient at accessing his claim file on line.

Lauck admitted to printing off the physician review in her son-in-law’s claim file; thought about showing it to an OBWC nurse but decided against doing so; and that she either shredded the review or placed it in the recycling bin. Lauck stated she did not discuss the review with her son-in-law because she knew that he had it and had taken it to his doctor. When asked about what she advised her son-in-law, Lauck stated she thought she would have told him that “... he

was going to have to wait until he got something from the Bureau” and that “... he may have to file something and go to a hearing.”

When asked whether her son-in-law mentioned his phone conversation with Clark, Lauck stated after the conversation that her son-in-law told her that he understood he was not going to get paid. Lauck stated that she was not aware of the comments made by her son-in-law about being jerked around, but admitted that she told her son-in-law to tell Clark that his mother-in-law worked for OBWC. Lauck explained she did this so that Clark would know how her son-in-law got his name. Lauck denied her son-in-law’s comment that she had reviewed the physician review packet with him, and she had only told him it was there and that he should get a copy of it. When questioned further about the son-in-law’s comment that she read the physician’s review to him, Lauck stated again that she did not read the review to him, she accessed it at the OBWC Lima Service Office, and she would not have taken time on the phone to go over it with him.

Lauck explained that her son-in-law was repeatedly calling her no matter where she was, including on her personal cell while she was at work, wanting to talk to her about his claim. Lauck stated she listened to him for a while and when she could not handle it anymore, she told him that, “I can’t get myself in trouble at work.” Lauck indicated she told her son-in-law that she was not permitted to access his claim file and that she should not have done so. Lauck stated her son-in-law expressed concern that he did not want to get her into trouble and he knew she was just trying to help him. Lauck stated that, “I know I am not supposed to do that and I know that,” and has not accessed the claim file since. Lauck admitted accessing her son-in-law’s claim file was not permissible per OBWC Memos 4.21 and 4.42.

## **CONCLUSION**

On October 17, 2013, OBWC provided to the Office of the Ohio Inspector General a CPI Access log identifying a total of two instances that Lima Service Office Claims Representative 4 Lou Ann Lauck accessed her son-in-law’s claim file. On October 22, 2013, OBWC provided documentation showing that Lauck completed an acknowledgement that she had read Memo 4.21 *COEMP and Special Handling Claims Policy* and Memo 4.42 *Confidential Personal Information (CPI) Access and Logging* and had completed OBWC’s online CPI training.

This investigation determined that Lima Service Office Claims Service Specialist Lou Ann Lauck accessed her son-in-law's claim file on August 29, 2013, and October 4, 2013, using OBWC's internal claims management system and her state computer. On November 21, 2013, Lauck admitted to telling Lima Service Office Manager Winnie Warren and Injury Management Supervisor Lynn Benny that she had not accessed her son-in-law's claim file using V3 when in fact she had. Lauck admitted to:

- Accessing her son-in-law's claim file using V3 on August 29, 2013, to determine whether the claim had been filed;
- Accessing the claim file on October 4, 2013, to determine whether the physician review had been received; and
- Printing off the physician review and either shredded the review or placed it in the recycling bin.

Lauck admitted accessing her son-in-law's claim file was not permissible under OBWC Memo 4.21 *COEMP and Special Handling Claims Policy* and Memo 4.42 *Confidential Personal Information (CPI) Access and Logging*.

**Accordingly, the Office of the Ohio Inspector General finds reasonable cause to believe wrongful acts or omissions occurred in these instances.**

In an interview conducted by the Office of the Ohio Inspector General on November 21, 2013, Lima Service Office Injury Management Supervisor Lynn Benny stated Lauck had said Lauck's son-in-law had a claim being processed by the Governor's Hill Service Office. Benny stated that since the claim file was being managed in a different office that it was not an issue. During an interview conducted on December 10, 2013, OBWC Special Claims Injury Management Supervisor Robyn Garver stated OBWC Memo 4.21 *COEMP and Special Handling Claims Policy* stipulates that the claim of an injured worker who has a relationship with an OBWC employee(s) requires additional review. Garver added that each time a supervisor becomes aware of, or is notified of such an injured worker's claim, that the facts surrounding the reason

for access are to be discussed by Special Claims and the service office manager to determine whether the claim file remains in the office where it was filed or be transferred to Special Claims. Garver did not have record of any discussions regarding the claim other than the email received on October 7, 2013, from Governor's Hill Service Office Manager Tim Clark requesting the claim be flagged as special handling.

**Accordingly, the Office of the Ohio Inspector General finds reasonable cause to believe wrongful acts or omissions occurred in these instances.**

### **RECOMMENDATIONS**

The Office of the Ohio Inspector General makes the following recommendations and asks the administrator of the Ohio Bureau of Workers' Compensation to respond within 60 days with a plan detailing how these recommendations will be implemented. The Ohio Bureau of Workers' Compensation should:

1. Review the conduct of Lou Ann Lauck and Lynn Benny and determine whether administrative action is warranted.
2. Determine if additional or remedial training is warranted for Lauck for proper handling of confidential personal information, and for Lauck and Benny when Special Claims should be notified.
3. Determine whether refresher training should be provided to employees accessing confidential personal information, reminding them of the requirements set forth in OBWC Policy 4.42, including when an employee is required to log access, and the procedures to follow when logging their access, in the CPI manual log.
4. Determine whether refresher training should be provided to employees, reviewing the process to be followed when the employee has knowledge of a claim that potentially meets the requirements of COEMP or Special Handling set forth in OBWC Policy 4.21 to

determine whether the claim should be transferred to another service office or the Central Claims office.

**REFERRAL**

The Office of the Ohio Inspector General will forward this report of investigation to the Allen County Prosecutor and the City of Lima Attorney for consideration.

**[\(Click here for Exhibits 1 – 3 Combined\)](#)**



STATE OF OHIO  
**OFFICE OF THE INSPECTOR GENERAL**

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RANDALL J. MEYER, INSPECTOR GENERAL

**NAME OF REPORT: Ohio Bureau of Workers' Compensation**

**FILE ID #: 2013-CA00079**

**KEEPER OF RECORDS CERTIFICATION**

**This is a true and correct copy of the report which is required to be prepared by the Office of the Ohio Inspector General pursuant to Section 121.42 of the Ohio Revised Code.**

**Jill Jones**  
**KEEPER OF RECORDS**

**CERTIFIED**  
**April 16, 2014**

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