

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201

June 18, 2012 – 10:30 a.m.

Commission Hearing Room A

This meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act.

1. APPROVAL OF AGENDA OF BUSINESS MEETING OF JUNE 18, 2012 *CHAIRMAN BECK*

2. APPROVAL OF MINUTES OF THE PUBLIC HEARING OF MAY 21, 2012 (Tab 1) *CHAIRMAN BECK*

APPROVAL OF MINUTES OF THE BUSINESS MEETING OF MAY 21, 2012 (Tab 2) *CHAIRMAN BECK*

APPROVAL OF MINUTES OF PUBLIC HEARING OF MAY 29, 2012 (Tab 3) *CHAIRMAN BECK*

APPROVAL OF MINUTES OF THE SPECIAL BUSINESS MEETING OF MAY 29, 2012 (Tab 4) *CHAIRMAN BECK*

3. GENERAL ANNOUNCEMENTS *MR. CANNON*

4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 5) *MR. SMITH*

5. DEPARTMENT DIRECTORS' REPORTS
Administration – Financial Report (Tab 6) *MS. GANTT*
Human Resources (Tab 7) *MS. FLOYD*
Information Services (Tab 8) *MS. HARTMAN*
Insurance & Medical Services (Tab 9) *MR. DUFFIELD*
Claims (Tab 10) *MR. LINE*
Judicial (Tab 11) *MS. CROCKER*

6. EXECUTIVE DIRECTOR'S REPORT (Tab 12) *MR. CANNON*

7. OLD BUSINESS *CHAIRMAN BECK*
 - A. Approve Language of Proposed Change to R 67-706 (R 4283) Oral Argument for General Assembly Review (Tab 13) *Mr. Cannon*
 - B. SC Vocational Rehabilitation Department (Tab 14) *Mr. Cannon*
 1. Memorandum of Agreement
 2. Resolution – Access to Records

8. NEW BUSINESS *CHAIRMAN BECK*
 - A. Lump Sum Payment Awards (Tab 15) *Mr. Cannon*

9. ADJOURNMENT *CHAIRMAN BECK*

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
PUBLIC HEARING

Monday, May 21, 2012

The South Carolina Workers' Compensation Commission held a Public Hearing in Hearing Room A of the Workers' Compensation Commission on Monday, May 21, 2012 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Amanda Underhill, Senior Application Analyst; Cathy Floyd, Human Resources Manager; Diana Gantt, Accounting/Fiscal Manager; W.C. Smith, Self-Insurance Director; Garry Smith, Compliance Director; Wayne Ducote, Coverage Director; Virginia Crocker, Judicial Department Director; Garry Smith, Compliance Director; and Keith Roberts, Law Clerk. Clara Smith with Injured Workers' Advocates was also present.

Chairman Beck called the meeting to order at 10:30 a.m.

STAFF REVIEW OF PROPOSED CHANGE TO REGULATION 67-706 ORAL ARGUMENT (R 4283)

Gary Cannon, Executive Director, gave an overview on the proposed change to Regulation 67-706 Oral Argument (R 4283). The Commission is proposing to amend Regulation 67-706 to include the addition of a subsection "D" to require parties to be present in the designated waiting area of the Commission no later than 30 minutes prior to the time for which their cases are scheduled to be argued. Mr. Cannon stated the Commission received no written comments on the proposed changes.

PUBLIC COMMENT PERIOD

There were no comments in support or opposition of the proposed change to Regulation 67-706 (R 4283).

MOTION TO ADJOURN

Commissioner Wilkerson made the motion to adjourn. Commissioner Roche seconded the motion, and the motion was approved.

ADJOURNMENT

The May 21, 2012 Public Hearing of the South Carolina Workers' Compensation Commission adjourned at 10:33 a.m.

Reported June 18, 2012
Kim Ballentine, Office of the Executive Director

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING

Monday, May 21, 2012

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, May 21, 2012 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director, Virginia Crocker, Judicial Director; Greg Line, Claims Director; Grant Duffield, Insurance and Medical Services Director; Betsy Hartman, IT Director; Amanda Underhill, Senior Application Analyst; W.C. Smith, Self-Insurance Director; Wayne Ducote, Coverage Director; and Garry Smith, Compliance Director. Clara Smith with Injured Workers' Advocates was also present.

Chairman Beck called the meeting to order at 10:33 a.m.

Chairman Beck welcomed new Commissioner Melody L. James, the Governor's appointment to fill the expired term of Commissioner Bryan Lyndon. Commissioner James joined the Commission on April 26, 2012.

AGENDA

Commissioner Barden moved that the agenda be approved. Commissioner Williams seconded the motion, and the motion was approved.

APPROVAL OF MINUTES – BUSINESS MEETING OF APRIL 16, 2012

Commissioner Roche moved that the minutes of the Business Meeting of April 16, 2012 be approved. Commissioner Williams seconded the motion, and the motion was approved.

RESOLUTION – RECOGNITION OF SERVICE – G. BRYAN LYNDON, JR.

Motion on Resolution of Appreciation to G. Bryan Lyndon, Jr.

Commissioner Wilkerson made a motion to approve the following Resolution of Appreciation to G. Bryan Lyndon, Jr.:

WHEREAS, Commissioner G. Bryan Lyndon, Jr. was appointed in 1995 by Governor David M. Beasley to serve the remainder of a six-year term ending in 1996; he was reappointed by Governor Beasley to a six-year term July 1, 1996 expiring in June 2002; and,

WHEREAS, Commissioner Lyndon was appointed in June 2003 by Governor Sanford to fill a term expiring in June 2004; and,

WHEREAS, Commissioner Lyndon was appointed by Governor Sanford to serve a six-year term July 1, 2004 – June 30, 2010; and,

WHEREAS, Commissioner Lyndon continued to serve the Commission, stakeholders in the workers' compensation system, claimants, and the citizens of South Carolina in a quasi-legislative and judicial capacity until April 25, 2012; and,

WHEREAS, Commissioner Lyndon in his judicial capacity was known by the claimants, attorneys, employers and insurance carrier representatives who appeared before him as being a fair and consistent judge of cases relying on the merits of the case to render a decision; and

WHEREAS, Commissioner Lyndon in his public policy making role on the Commission was contemplative, deliberate and judicious in his participation of the decisions of issues before the Commission having great impact on the overall system; and

WHEREAS, on April 25, 2012 after fifteen (15) years of service on the Commission, Commissioner Lyndon retired from the SC Workers' Compensation Commission to begin a new chapter in his life pursuing his favorite personal interests, which include but are not limited to, spending time with his family, following University of Georgia Bulldogs sports, playing golf, researching his family heritage, expanding his vast knowledge through reading and listening to books on tape; and,

NOW, THEREFORE, BE IT RESOLVED, on this 21st day of May, in the Year 2012, the South Carolina Worker's Compensation Commission commends and offers great appreciation for his years of dedicated service to the SC Workers' Compensation Commission and wishes all the best as he begins a new chapter in his life.

Commissioner Williams seconded the motion, and the motion was approved. The Resolution will be presented to G. Bryan Lyndon at the Employee Appreciation Luncheon.

GENERAL ANNOUNCEMENTS

Executive Director Gary Cannon welcomed Betsy Hartman as the new Director of Information Technology. Ms. Hartman began her employment with the Commission on May 17, 2012.

Mr. Cannon introduced Kristen Smalls. Ms. Smalls has been selected to work with the Agency through the SC Bar Diversity Clerkship program. She began her six week summer internship with the Agency on May 7, 2012.

Mr. Cannon announced the Employee Appreciation Luncheon will be held at Noon today in the First Floor Conference Room. The Commission's 2011 Employee of the Year will be announced at the luncheon.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Nine (9) prospective members of two (2) funds were presented to the Commission for approval. The applications were:

SC Home Builders SIF

Aurelio Bisuel, dba Bisuel Services
Claycor Contractors, Inc.
Garner Johnson Builders, LLC
Goluda and Company
Patco Builders, LLC
Rick Sipe dba R&K Investments
Sunnyside Builders, Inc.

Palmetto Timber Fund

James M Comer dba JMC Logging
W T S Company

After examination of the applications, it was determined that each complied with the Commission's requirements and each was recommended for approval. Commissioner Wilkerson made the motion to approve the applications to self-insure, and Commissioner Williams seconded the motion. The motion was unanimously approved.

DEPARTMENT DIRECTORS' REPORTS

The Department Directors presented their reports which were also submitted to the Commission in written form.

Administration Department

Diana Gantt presented the Summary of Revenues and Expenditures for the period ending April 30, 2012. The benchmark for April is 83.33%. The Commission's revenues are at 78.16%, and expenses are at 79%.

Human Resources Department

Cathy Floyd presented the Human Resources report for the period of April 10, 2012 through May 15, 2012. This was received as information.

Information Services

Betsy Hartman presented the Information Services Department's report. Work continues on the claims EDI Release 3 Upgrade. Ms. Hartman said she anticipates workers' compensation claims submissions with the first trading partner on Version 3 format in July.

Ms. Hartman reported IT and Insurance and Medical Services Division will meet with the SC Homebuilder's Association to discuss testing for the coverage verification web interface module.

Insurance & Medical Services

Grant Duffield presented the Insurance & Medical Services Department's report. He reported the outstanding carrier fines have been reduced from \$379,000 to \$153,000. He noted there were 2,968 "hits" on the Coverage Verification website during the month of April.

Claims Department

Greg Line presented the Claims Department's report. There were 471 fines for the month of April which is up from assessing 469 fines for the month of March. The dollar amount of the fines assessed for the month of April is \$101,350 which is down from assessing \$103,950 for the month of March. Mr. Line referred to the statistics for FY Year 2011-2012 report on individual forms. He said the forms are reviewed and processed to files manually. This report provides a snapshot of the work processed by the examiners and administrative assistants.

Judicial Department

On behalf of Virginia Crocker, Eugenia Hollmon presented the Judicial Department's report. Included in the report are year-to-date graphs on Pleadings Assigned, Informal Conferences Conducted, and Informal Conferences Requested. Ms. Hollmon expressed appreciation to Mr. Duffield for his assistance with preparing the graphs.

EXECUTIVE DIRECTOR'S REPORT

Gary Cannon, Executive Director, presented his report which was also submitted to the Commission in written form. He pointed out the following highlights from his report:

Claims Administration Workshop for Workers' Compensation Claims Adjusters

The Claims Administration Workshop for Workers' Compensation Claims Adjusters was conducted on May 3, 2012 at the Baxter Hood Center in Rock Hill. A total of 81 registered and a total of 68 participated at the workshop.

SCWCC Stakeholder Electronic Distribution List

Notice was recently posted on the website for interested persons to sign-up to receive updates and be informed of activities at the Commission. A total of 107 individuals currently receive notifications from the Commission.

Potential Hearing Site Visit

Mr. Cannon said that he and Grant Duffield visited the Goose Creek Municipal Complex (GCMC) on May 10 to view the Municipal Courtroom and discuss its use as a site for conducting hearings. The GCMC is five (5) miles from the Summerville site. At the present time, the GCMC is available for the Commission's use on Wednesdays and Fridays. This venue has been added to Judicial's list of available sites.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

Commissioner Williams reminded everyone about the Public Hearing on the proposed Mediation Regulation on Tuesday, May 29 at 10:30 a.m. in Hearing Room A.

Mr. Cannon presented a recommendation that the Commission recess and reconvene after lunch to go into Executive Session to discuss personnel matters.

Motion to recess until 1:00 p.m.

Commissioner Wilkerson moved to recess the business meeting until 1:00 p.m. Commissioner Williams seconded the motion, and the motion was approved.

Chairman Beck reconvened the business meeting at 1:15 p.m.

EXECUTIVE SESSION

Commissioner Barden moved to adjourn into Executive Session for the purpose of discussing personnel matters. Commissioner Williams seconded the motion. The Commission adjourned into Executive Session at 1:15 p.m.

[EXECUTIVE SESSION]

Commissioner Roche made a motion to arise from Executive Session. Commissioner Williams seconded the motion, and the motion was approved. The Commission arose from Executive Session at 1:51 p.m. Upon arising from Executive Session, Chairman Beck stated there was discussion with no action taken.

COMMISSION/STAFF WORKSESSION

Mr. Cannon and Mr. Duffield reviewed current and future potential financial resource requirements for the Commission. The information included revenue and expenditure projections and budget pro formas.

ADJOURNMENT

Commissioner Barden made the motion to adjourn. Commissioner Williams seconded the motion, and the motion was approved.

The May 21, 2012 meeting of the South Carolina Workers' Compensation Commission adjourned at 2:45 p.m.

Reported June 18, 2012
Kim Ballentine, Office of the Executive Director

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
PUBLIC HEARING

Tuesday, May 29, 2012

The South Carolina Workers' Compensation Commission held a Public Hearing in Hearing Room A of the Workers' Compensation Commission on Tuesday, May 29, 2012 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Greg Line, Claims Director; DiAnn Davis, Judicial Department; and Virginia Crocker, Judicial Director. Visitors present were: Clara Smith, Injured Workers' Advocates; Earl Ellis, Ellis, Lawhorne, & Sims, P.A.; Grady Beard, Sowell Gray Stepp & Laffitte, LLC; Kristian Cross, Collins & Lacy, P.C.; Ashley Hunter, The McKay Firm; and Caretha A. Kennedy, Key Risk Management Services.

Chairman Beck called the meeting to order at 10:30 a.m.

STAFF REVIEW OF PROPOSED NEW REGULATION ON MEDIATION (R 4286)

Gary Cannon, Executive Director, gave an overview on the proposed new regulation on Mediation. The proposed regulation will add a new Article 18 for the purposes of establishing a defined mechanism to resolve disputes pursuant to Title 42 of the SC Code of Laws without the necessity of a hearing. The deadline to receive comments during the drafting period was 5:00 p.m. on March 26, 2012. Comments were received from American Insurance Association and Samuels Law Firm. The Commission approved the language of the proposed Mediation Regulation at a Special Business Meeting on April 9, 2012. The proposed Mediation Regulation was published in the *State Register* on April 27, 2012. The deadline to receive written comments on the proposed Mediation Regulation was 5:00 p.m. on Monday, May 28, 2012. Comments were received from the SC Counties Workers' Compensation Trust and the American Insurance Association.

PUBLIC COMMENT PERIOD

Testimony was presented by Tom Marchant, President of Marchant Solutions, who spoke in favor of the proposed regulation.

ADJOURNMENT

The May 29, 2012 Public Hearing of the South Carolina Workers' Compensation Commission adjourned at 10:34 a.m.

Reported June 18, 2012
Kim Ballentine, Office of the Executive Director

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
SPECIAL BUSINESS MEETING

Tuesday, May 29, 2012

A Special Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Tuesday, May 29, 2012 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Greg Line, Claims Director; DiAnn Davis, Judicial Department; and Virginia Crocker, Judicial Director. Visitors present were: Clara Smith, Injured Workers' Advocates; Earl Ellis, Ellis, Lawhorne, & Sims, P.A.; Grady Beard, Sowell Gray Stepp & Laffitte, LLC; Kristian Cross, Collins & Lacy, P.C.; Ashley Hunter, The McKay Firm; and Caretha A. Kennedy, Key Risk Management Services.

Chairman Beck called the meeting to order at 10:34 a.m.

AGENDA

Commissioner Roche moved that the May 29, 2012 agenda be approved. Commissioner Williams seconded the motion and the motion was approved.

PROPOSED NEW MEDIATION REGULATION R 4286

Commissioner Williams expressed appreciation to the Commission for the approval to form a Mediation Regulation Advisory Committee to draft a regulation that would authorize the Commission to order mediations for certain cases in the workers' compensation system. He named the members of the Committee: Attorneys Earl Ellis, Lana Sims, Mills Gallivan, Stan Lacy, Buster Holland, Allison Carter, Cindy Dooley, Hugh McAngus, Ann Mickle, Kathryn Williams, David Pearlman, Anny Safran, Mark Arden, Kenny Harrell, and Hood Temple; others who were involved in the drafting process were Matt Robertson, State Accident Fund; Clifford Bourke, Southeastern Freight Lines, Inc., Leslie Mitchum, City of North Charleston; Ken Stoller, American Insurance Association; Ashley Hunter, The McKay Firm; Clara Smith, Injured Workers' Advocates; Micaela Islaer, Property Casualty Insurer's Association; Virginia Crocker, Judicial Director; Barbara Cullum, Zurich; and Latonya Edwards, SC Second Injury Fund.

Commissioner Williams also expressed appreciation to Commission staff for their assistance with the work of the Mediation Regulation Advisory Committee.

Commissioner Williams stated the new mediation regulation would not create a mandatory system for mediations. The proposed regulation authorizes Commissioners to order mediations in any case, and create a list of cases for which mediation would be beneficial to all parties. The proposed regulation includes procedures for requesting mediations, selecting mediators, and allocating costs. One of the main goals of the proposed regulation is to give Commissioners explicit authority to order mediation in any case.

Commissioner Williams said the Committee met on October 28 and December 2, 2011 and had numerous email contacts. He said that the proposed regulation will benefit the entire workers' compensation system.

Commissioner Williams stated for the record that Commissioner Barden is not present but she gave him her proxy for the Special Business Meeting today. He noted a scrivener's error whereby language was omitted in Section R67-1802: "*and the Federal Longshore and Harbor Workers' Compensation Act.*" R67-1802 should read: "*Claims arising under Section 42-9-10, or claiming permanent and total disability pursuant to Section 42-9-30 (21), occupational disease cases, third-party lien reduction claims, contested death claims, mental/mental injury claims, and cases of concurrent jurisdiction under the South Carolina Workers' Compensation Act and the Federal Longshore and Harbor Workers' Compensation Act must be mediated prior to a hearing.*"

Commissioner Williams said comments were received from several parties. American Insurance Association (AIA) expressed concern with the requirement in R67-1805 that each party has their attorney present at mediations. Commissioner Williams said he had conversation with Ken Stoller at AIA and explained that under the Circuit Courts Rules corporations must be represented by a lawyer. The parties may request mediation by the proper submission of a Form 21, Form 50, or Form 51, which are legal pleadings. Commissioner Roche stated that she did not think there is anything that prevents parties from mediating without an attorney before the pleadings are filed. Commissioner Williams said that from a standpoint of moving the mediation process along, obviously having a lawyer involved in this process actually helps.

Commissioner Williams said written comment was received from South Carolina Counties Workers' Compensation Trust (SCCWCT) in which they raised several issues. He discussed the issues individually:

(1) In their letter, SCCWCT commented that the proposed regulation fails to consider pro se cases. The SCCWCT suggested including language in R67-1805 which basically states that unless an unrepresented claimant requests that the claimant's case be mediated, the Commission shall enter an order dispensing with mediation. Commissioner Williams said the Committee discussed the need to have separate language for pro se cases and felt that the Informal Conference process takes care of most of the pro se issues, and if a case does not settle at the Informal Conference, the case will automatically be set for a hearing.

(2) SCCWCT expressed concern that the proposed regulations do not adequately address the individual issues that determine good faith participation by the parties in mediation, and the language needed to be more specific in identifying the elements that would be included in finding that a good faith dependency has not been carried forth through the process. Commissioner Williams said the higher courts have mediation programs in place and the proposed mediation regulation to the workers' compensation system dovetails a similar process in the higher courts. The SCCWCT also expressed concern that inherent in section 67-1801 (B) authority is the potential to order mediation of complex or problematic cases in order to defer the responsibility of rendering a decision. Commissioner Williams stated that is not the goal of the proposed regulation. If a Commissioner orders mediation under any circumstance, the Commissioner must retain jurisdiction of the claim solely for those issues being mediated.

(3) SCCWCT expressed concern that the proposed regulation fails to provide any mechanism to contain the actual costs associated with mediation, including the regulation of fees and expenses. Commissioner Williams said a Form 70 was created for mediators to update the Commission on whether the case was successfully mediated or not. The Form 70 would only be for tracking purposes and would not become a part of the Commission file. He proposed that the mediator's hourly rate, not the entire expense for the mediation, be included on the Form 70.

MOTION TO APPROVE LANGUAGE FOR THE NEW MEDIATION REGULATION (R 4286)

Commissioner Williams made a motion that the new Mediation Regulations be approved with the additional language added to R67-1802 concerning the Federal Longshore and Harbor Workers' Compensation Act, and amend the proposed Form 70 to include a place for the mediator's hourly rate.

There was discussion about including language in the proposed mediation regulation for pro se claimants. The Commissioners agreed to add a provision under R67-1805 indicating this regulation does not prevent a claimant from proceeding pro se.

Commissioner Wilkerson said with all the duly noted changes, he seconds the motion.

Chairman Beck said the motion is to adopt the new Mediation Regulations with the following amendments:

- Add the language concerning the Federal Longshore and Harbor Workers' Compensation Act to R67-1802;
- Add a subsection (4) to R67-1802, which states, "Unless an unrepresented claimant requests that the claimant's case be mediated, the Commission shall enter an order dispensing with mediation;
- Add as last sentence to R67-1805, "This regulation does not prevent a claimant from proceeding pro se."
- Add a section to the Form 70 which would add the hourly rate of the mediator.

In response to SCCWCT's concern about the Commissioners ordering mediation of complex or problematic cases in order to defer the responsibility of rendering a decision, Commissioner Roche said the Commissioners are under the judicial code and that would be a

blatant violation of the judicial code to fail to hear something that is properly before a Commissioner.

Chairman Beck expressed appreciation to Commissioner Williams and the Advisory Committee for all the efforts put forth on the proposed mediation regulation. He said it is the Commission's intent, once approved, to submit the proposed Mediation Regulation to the General Assembly and request the Senate include the consideration of the Mediation Regulations in the Sine Die Resolution.

There were no other comments. The vote was taken, and the motion carried. Commissioner Williams said that he received a proxy from Commissioner Barden whose vote is yes.

ADJOURNMENT

Commissioner Roche made the motion to adjourn. Commissioner Williams seconded the motion, and the motion was approved.

The May 29, 2012 Special Meeting of the South Carolina Workers' Compensation Commission adjourned at 10:59 a.m.

Reported June 18, 2012
Kim Ballentine, Assistant to the Executive Director

INTEROFFICE MEMORANDUM

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: DIANA GANTT, DIRECTOR OF ADMINISTRATION
SUBJECT: FINANCIAL REPORT PERIOD ENDING MAY 31, 2012
DATE: 6/13/2012

The Summary of Revenues and Expenditures for the period ending May 31, 2012, is attached.

- May is the 11th Fiscal Month of FY12.
- There were 64 payments made to vendors, travelers, and other State Agencies.
- The benchmark for May is 91.67%. The Commission's revenues are at 85.73% and expenses are at 87%.
- The following is a summary of each department expenditure benchmarks:

General Fund: Total expenses for Commissioners are up 2.33% due to an annual leave payout for a retiring Commissioner. Over all, the expenditures are 91% of budget, which meets the benchmark.

Earmark Fund:

Commissioners –

- Total expenditures are at 85% of budget.

Administration –

- Overall the expenditures are 74% of budget.

Claims –

- Expenditures are at 90% of budget.

Insurance & Medical –

- Total expenditures are at 84% of budget.

Judicial –

- Total expenditures are at 85% of budget.

Activity Report from the Procurement Office:

	MTD	YTD
SCEIS Shopping Carts	1	9
Vendors Contacted for Price Quotes	19	152
Visa Procurement Card Orders Placed	12	67
SC Dept of Corrections Orders Placed	0	10
Staples Orders Placed	5	52
State Leased Vehicles taken for Service	3	28
State Reports filed by Procurement Officer	1	35

Training: 7.5 hours of SCAGPO – “Ten Essential Characteristics for Success in Public Procurement”

Mail Room Activity:

	MTD	YTD
Files Copied for Outside Parties	172	2,566
Pages Copied	4,054	13,653

Director of Administration Training Activity:

4 hours of SCEIS – “Managing the Year-End Closing Process”

South Carolina Workers' Compensation Commission
Summary of Revenues and Expenditures
2011 - 2012 Budget
May 31, 2012

STATE APPROPRIATIONS	Budget	FY To Date	Benchmark	91.67%
General Appropriation	<u>\$ 1,763,619</u>	<u>\$ 1,616,650.75</u>		91.67%

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,329,429	\$ 1,249,038	\$ 80,391	94.0%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	434,190	355,598	78,592	81.9%
Total	<u>\$ 1,763,619</u>	<u>\$ 1,604,636</u>	<u>\$ 158,983</u>	<u>91.0%</u>

OTHER APPROPRIATIONS

EARMARKED	Budgeted Revenues	Received thru 5/31/12	% Received
Training Conference Registration Fee	\$ 1,000	\$ 6,315	631.50%
Sale of Publication and Brochures	8,000	5,995	74.94%
Workers' Comp Award Review Fee	75,000	67,650	90.20%
Sale of Photocopies	95,000	83,342	87.73%
Workers' Compensation Filing Violation Fee	1,891,000	1,567,111	82.87%
Sale of Listings and Labels	30,000	24,438	81.46%
Workers' Comp Hearing Fee	600,000	526,650	87.78%
Insurance Reserve Refund (Prepaid Legal)		33,238	
Earmarked Funds - Original Authorization	<u>\$ 2,700,000</u>	<u>\$ 2,314,739</u>	<u>85.73%</u>
Increase Authorization	418,815		
Increase Authorization - BD100	193,675		
Total Earmarked Revenues + Fund Balance	<u>\$ 3,312,490</u>		

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,544,990	\$ 1,267,282	\$ 277,708	82.0%
Taxable Subsistence	72,350	56,424	15,926	78.0%
Other Operating Expenses	1,246,966	1,045,911	201,055	83.9%
Employer Contribution	448,184	423,936	24,248	94.6%
Total Earmarked	<u>\$ 3,312,490</u>	<u>\$ 2,793,553</u>	<u>\$ 518,937</u>	<u>84.3%</u>

COMPUTER FUNDS CARRIED FORWARD

Computer Services - Carry forward	<u>\$ 9,931</u>	<u>\$ 2,475</u>	<u>\$ 7,456</u>	<u>24.9%</u>
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TOTAL OTHER APPROPRIATIONS	<u>\$ 3,322,421</u>	<u>\$ 2,796,028</u>	<u>\$ 526,392</u>	<u>84.2%</u>
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South Carolina Workers' Compensation Commission
2011 - 2012 Budget
May 31, 2012

Consolidated

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Commissioners								
Salaries	\$ 1,142,594	\$ -	\$ 1,142,594	\$ 113,148	\$ 1,062,013	93%	\$ -	\$ 15,926
Other Operating Expenditures								
Total Contractual Services	206,100	-	206,100	15,399	175,327	85%	-	30,773
Total Supplies & Materials	17,499	-	17,499	1,473	17,551	100%	-	(52)
Total Fixed Charges	146,102	-	146,102	14,462	134,248	92%	-	11,854
Total Travel	80,450	-	80,450	5,147	62,168	77%	-	18,282
Total Other Operating Exp	450,151	-	450,151	36,482	389,293	86%	-	60,858
Total Commissioners	\$ 1,592,745	\$ -	\$ 1,592,745	\$ 149,630	\$ 1,451,307	91%	\$ -	\$ 76,784
Administration								
Salaries	\$ 458,224	\$ 91,034	\$ 549,258	\$ 37,475	\$ 416,897	76%	\$ -	\$ 132,361
Other Operating Expenditures								
Total Contractual Services	194,027	6,000	200,027	10,750	151,293	76%	-	48,734
Total Supplies & Materials	19,803	-	19,803	3,220	16,576	84%	-	3,227
Total Fixed Charges	118,095	10,000	128,095	10,431	104,180	81%	-	23,915
Total Travel	12,490	5,500	17,990	944	10,731	60%	-	7,259
Total Equipment	-	-	-	-	-	0%	-	-
Total Other Operating Exp	344,415	21,500	365,915	25,344	282,781	77%	-	83,134
Total Administration	\$ 802,639	\$ 112,534	\$ 915,173	\$ 62,819	\$ 699,678	76%	\$ -	\$ 215,495
Claims								
Salaries	\$ 375,000	\$ -	\$ 375,000	\$ 31,386	\$ 343,873	92%	\$ -	\$ 31,127
Other Operating Expenditures								
Total Contractual Services	56,005	-	56,005	4,162	48,377	86%	-	7,628
Total Supplies & Materials	26,546	-	26,546	2,517	26,005	98%	-	541
Total Fixed Charges	73,739	-	73,739	7,342	68,688	93%	-	5,051
Total Travel	2,100	-	2,100	157	707	34%	-	1,393
Total Other Operating Exp	158,390	-	158,390	14,178	143,777	91%	-	14,613
Total Claims	\$ 533,390	\$ -	\$ 533,390	\$ 45,564	\$ 487,650	91%	\$ -	\$ 45,740
Insurance and Medical Services								
Salaries	\$ 458,368	\$ 14,956	\$ 473,324	\$ 38,284	\$ 402,018	85%	\$ -	\$ 71,306
Other Operating Expenditures								
Total Contractual Services	53,050	9,500	62,550	11,545	54,459	87%	-	8,091
Total Supplies & Materials	15,725	7,080	22,805	1,811	19,288	85%	-	3,517
Total Fixed Charges	55,520	8,120	63,640	5,746	50,875	80%	-	12,765
Total Travel	1,350	-	1,350	40	641	48%	-	709
Total Other Operating Exp	125,645	24,700	150,345	19,142	125,264	83%	-	25,081
Total Insurance and Medical Services	\$ 584,013	\$ 39,656	\$ 623,669	\$ 57,426	\$ 527,282	85%	\$ -	\$ 96,387
Judicial								
Salaries	\$ 379,608	\$ 26,985	\$ 406,593	\$ 30,259	\$ 347,943	86%	\$ -	\$ 58,650
Other Operating Expenditures								
Total Contractual Services	28,054	8,000	36,054	2,887	25,974	72%	-	10,080
Total Supplies & Materials	13,545	1,000	14,545	1,155	14,950	103%	-	(405)
Total Fixed Charges	63,116	3,000	66,116	6,412	60,400	91%	-	5,716
Total Travel	2,950	2,500	5,450	474	3,471	64%	-	1,979
Total Other Operating Exp	107,665	14,500	122,165	10,929	104,795	86%	-	17,370
Total Judicial	\$ 487,273	\$ 41,485	\$ 528,758	\$ 41,187	\$ 452,738	86%	\$ -	\$ 76,020
Totals By Departments								
Department Totals								
Commissioners	\$ 1,592,745	\$ -	\$ 1,592,745	\$ 149,630	\$ 1,451,307	91%	\$ -	\$ 76,784
Administration	802,639	112,534	915,173	62,819	699,678	76%	-	215,495
Claims	533,390	-	533,390	45,564	487,650	91%	-	45,740
Insurance & Medical	584,013	39,656	623,669	57,426	527,282	85%	-	96,387
Judicial	487,273	41,485	528,758	41,187	452,738	86%	-	76,020
Total Departmental Expend	\$ 4,000,060	\$ 193,675	\$ 4,193,735	\$ 356,626	\$ 3,618,655	86%	\$ -	\$ 510,426
Employer Contributions	882,374	-	882,374	73,259	779,534	88%	-	102,840
Total General & Earmarked Funds	\$ 4,882,434	\$ 193,675	\$ 5,076,109	\$ 429,885	\$ 4,398,189	87%	\$ -	\$ 613,266

South Carolina Workers' Compensation Commission
2011 - 2012 Budget
 May 31, 2012

General Appropriation

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date to Date	%	Encumb Balance	
Commissioners								
Salaries								
Chairman	\$ 115,567	\$ -	\$ 115,567	\$ 9,231	\$ 101,536	88%	\$ -	\$ 14,031
Commissioner	664,602	(19,170)	645,432	55,784	599,353	93%	-	46,079
Terminal Leave		19,170	19,170	19,170	38,340	200%	-	(19,170)
Classified Employees	290,075	-	290,075	24,256	266,360	92%	-	23,715
Total Commissioners	1,070,244	-	1,070,244	108,441	1,005,589	94%	-	-
Adminstration								
Salaries								
Director	\$ 94,152	\$ -	\$ 94,152	\$ 7,846	\$ 86,306	92%	\$ -	\$ 7,846
Classified Positions	44,825	-	44,825	3,735	41,089	92%	-	3,736
Total Administration	138,977	-	138,977	11,581	127,395	92%	-	11,582
Claims								
Salaries								
Classified Positions	\$ 67,000	\$ -	\$ 67,000	\$ 6,421	\$ 67,279	100%	\$ -	\$ (279)
Total Claims	67,000	-	67,000	6,421	67,279	100%	-	(279)
Insurance and Medical Services								
Salaries								
Classified Positions	\$ 25,350	\$ -	\$ 25,350	\$ 2,113	\$ 23,238	92%	\$ -	\$ 2,113
Total Ins and Medical Svcs	25,350	-	25,350	2,113	23,238	92%	-	2,113
Judicial								
Salaries								
Classified Positions	\$ 27,858	\$ -	\$ 27,858	\$ 2,322	\$ 25,537	92%	\$ -	\$ 2,322
Total Judicial	27,858	-	27,858	2,322	25,537	92%	-	2,322
General Funds								
Department Totals								
Commissioners	\$ 1,070,244	\$ -	\$ 1,070,244	\$ 108,441	\$ 1,005,589	94%	\$ -	\$ 64,655
Administration	138,977	-	138,977	11,581	127,395	92%	-	11,582
Claims	67,000	-	67,000	6,421	67,279	100%	-	(279)
Insurance & Medical	25,350	-	25,350	2,113	23,238	92%	-	2,113
Judicial	27,858	-	27,858	2,322	25,537	92%	-	2,322
Total Departmental Expend	\$ 1,329,429	\$ -	\$ 1,329,429	\$ 130,877	\$ 1,249,038	94%	\$ -	\$ 80,391
Employer Contributions	434,190	-	434,190	36,718	355,598	82%	-	78,592
Total General Fund Appropriations	\$ 1,763,619	\$ -	\$ 1,763,619	\$ 167,595	\$ 1,604,636	91%	\$ -	\$ 158,983

South Carolina Workers' Compensation Commission

2011 - 2012 Budget

May 31, 2012

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Commissioners								
Salaries								
Taxable Subsistence	\$ 72,350	\$ -	\$ 72,350	\$ 4,707	\$ 56,424	78%	\$ -	\$ 15,926
Total Salaries	72,350	-	72,350	4,707	56,424	78%	-	15,926
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	700	-	700	84	84	12%	-	616
Copying Equipment Service	200	-	200	-	-	0%	-	200
Print/Bind/Advertisement	510	-	510	-	508	100%	-	2
Print Pub Annual Reports	28	-	28	-	-	0%	-	28
Data Processing Services	30,000	-	30,000	2,323	27,858	93%	-	2,142
Freight Express Delivery	490	-	490	-	-	0%	-	490
Telephone	5,100	-	5,100	322	4,028	79%	-	1,072
Cellular Phone Service	8,100	-	8,100	608	6,818	84%	-	1,282
Legal Services/Attorney Fees	160,000	-	160,000	12,063	134,470	84%	-	25,530
Other Professional Services	972	-	972	-	1,561	161%	-	(589)
Total Contractual Services	206,100	-	206,100	15,399	175,327	85%	-	30,773
Supplies & Materials								
Office Supplies	4,000	-	4,000	239	5,835	146%	-	(1,835)
Copying Equipment	3,200	-	3,200	627	2,725	85%	-	475
Printing	1,200	-	1,200	-	1,470	123%	-	(270)
Data Processing Supplies	649	-	649	-	-	0%	-	649
Postage	8,000	-	8,000	591	7,277	91%	-	723
Communication Supplies	50	-	50	-	-	0%	-	50
Maint/Janitorial Supplies	200	-	200	17	136	68%	-	64
Motor Vehicle Supp/Gasoline	100	-	100	-	-	0%	-	100
Other Supplies	100	-	100	-	107	107%	-	(7)
Total Supplies & Materials	17,499	-	17,499	1,473	17,551	100%	-	(52)
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	110	2,117	85%	-	383
Rent-Non State Owned Property	141,000	-	141,000	14,353	131,291	93%	-	9,709
Rent-Other	250	-	250	-	-	0%	-	250
Insurance-State	1,633	-	1,633	-	840	51%	-	793
Insurance-Non State	169	-	169	-	-	0%	-	169
Fees & Fines	50	-	50	-	-	0%	-	50
Equipment Maintenance	500	-	500	-	-	0%	-	500
Total Fixed Charges	146,102	-	146,102	14,462	134,248	92%	-	11,854
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	350	-	350	-	103	29%	-	247
In State - Auto Mileage	10,000	-	10,000	1,086	9,966	100%	-	34
In State - Subsistence Allowance	30,000	-	30,000	861	22,001	73%	-	7,999
Out State - Meals	100	-	100	-	70	70%	-	30
Out State - Auto Mileage	2,000	-	2,000	-	692	35%	-	1,308
Leased Car	38,000	-	38,000	3,200	29,337	77%	-	8,663
Total Travel	80,450	-	80,450	5,147	62,168	77%	-	18,282
Total Other Operating Expenditures	450,151	-	450,151	36,482	389,293	86%	-	60,858
Total Commissioners	\$ 522,501	\$ -	\$ 522,501	\$ 41,189	\$ 445,717	85%	\$ -	\$ 76,784

South Carolina Workers' Compensation Commission
2011 - 2012 Budget
May 31, 2012

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Administration								
Salaries								
Classified Positions	\$ 307,000	\$ 91,034	\$ 398,034	\$ 25,556	\$ 281,114	71%	\$ -	\$ 116,920
Temporary Employees	11,247	-	11,247	338	8,387	75%	-	2,860
Terminal Leave	1,000	-	1,000	-	-	0%	-	1,000
Total Salaries	319,247	91,034	410,281	25,894	289,502	71%	-	120,779
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	5,200	6,000	11,200	480	5,792	52%	-	5,408
Copying Equipment Service	550	-	550	-	-	0%	-	550
Print/Bind/Advertisement	500	-	500	-	282	56%	-	218
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	143,000	-	143,000	8,228	129,236	90%	-	13,764
Freight Express Delivery	1,000	-	1,000	65	682	68%	-	318
Telephone	6,200	-	6,200	390	3,881	63%	-	2,319
Cellular Phone Service	1,925	-	1,925	117	1,732	90%	-	193
Education & Training Services	1,000	-	1,000	-	949	95%	-	51
Attorney Fees	34,000	-	34,000	1,470	7,107	21%	-	26,893
General Repair	230	-	230	-	120	52%	-	110
Audit Acct Finance	100	-	100	-	101	101%	-	(1)
Catered Meals	-	-	-	-	154	0%	-	(154)
Other Professional Services	100	-	100	-	-	0%	-	100
Other Contractual Services	200	-	200	-	1,257	629%	-	(1,057)
Total Contractual Services	194,027	6,000	200,027	10,750	151,293	76%	-	48,734
Supplies & Materials								
Office Supplies	5,000	-	5,000	245	2,907	58%	-	2,093
Subscriptions	175	-	175	-	-	0%	-	175
Copying Equipment Supplies	3,934	-	3,934	555	2,438	62%	-	1,496
Printing	1,964	-	1,964	304	1,468	75%	-	496
Data Processing Supplies	500	-	500	372	921	184%	-	(421)
Postage	6,800	-	6,800	833	7,426	109%	-	(626)
Maint/Janitorial Supplies	150	-	150	13	108	72%	-	42
Fees & Fines	280	-	280	-	50	18%	-	230
Gasoline/ Motor Vehicle Supply	100	-	100	-	-	0%	-	100
Employee Recog Award	800	-	800	898	898	112%	-	(98)
Other Supplies	100	-	100	-	360	360%	-	(260)
Total Supplies & Materials	19,803	-	19,803	3,220	16,576	84%	-	3,227
Fixed Charges								
Rental-Cont Rent Payment	5,000	5,000	10,000	319	5,584	56%	-	4,416
Rent-Non State Owned Property	88,986	-	88,986	9,287	84,953	95%	-	4,033
Rent-Other	3,500	-	3,500	326	2,908	83%	-	592
Insurance-State	7,490	-	7,490	-	665	9%	-	6,825
Insurance-Non State	134	-	134	-	-	0%	-	134
Dues and Memberships	3,985	5,000	8,985	-	4,650	52%	-	4,335
Sales Tax Paid	9,000	-	9,000	499	5,421	60%	-	3,579
Total Fixed Charges	118,095	10,000	128,095	10,431	104,180	81%	-	23,915
Travel (Includes Leased Car)								
In State - Meals Non/ Reportable	100	-	100	-	21	21%	-	79
Reportable Meals	100	-	100	-	-	0%	-	100
Out of State - Milage	90	-	90	-	-	0%	-	90
In State - Registration Fees	200	500	700	-	113	16%	-	587
Leased Car	12,000	5,000	17,000	944	10,597	62%	-	6,403
Total Travel	12,490	5,500	17,990	944	10,731	60%	-	7,259
Equipment								
Equipment Data Processing- PC's	-	-	-	-	-	0%	-	-
Total Equipment	-	-	-	-	-	0%	-	-
Total Other Operating Expenditures	344,415	21,500	365,915	25,344	282,781	77%	-	83,134
Total Administration	\$ 663,662	\$ 112,534	\$ 776,196	\$ 51,238	\$ 572,283	74%	\$ -	\$ 203,913

South Carolina Workers' Compensation Commission

2011 - 2012 Budget

May 31, 2012

Earmarked Funds

Year-To-Date : 91.67%

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Claims								
Salaries								
Classified Positions	\$ 293,000		\$ 293,000	\$ 24,291	\$ 267,201	91%	\$ -	\$ 25,799
Temporary Positions	14,000		14,000	674	9,393	67%	-	4,608
Terminal Leave	1,000		1,000	-	-	0%	-	1,000
Total Salaries	308,000	-	308,000	24,965	276,594	90%	-	31,406
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	200	-	200	66	66	33%	-	134
Print / Bind / Adv	750	-	750	-	282	38%	-	468
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	21,933	-	21,933	2,660	24,319	111%	-	(2,386)
Freight Express Delivery	500	-	500	-	-	0%	-	500
Telephone	4,000	-	4,000	305	3,055	76%	-	945
Cellular Phone Service	2,500	-	2,500	54	554	22%	-	1,946
Temporary Services	26,000	-	26,000	1,078	20,071	77%	-	5,929
Other Professional Services	100	-	100	-	30	30%	-	70
Total Contractual Services	56,005	-	56,005	4,162	48,377	86%	-	7,628
Supplies & Materials								
Office Supplies	8,271	-	8,271	65	2,867	35%	-	5,404
Copying Equipment	3,000	-	3,000	496	2,157	72%	-	843
Printing	900	-	900	-	1,164	129%	-	(264)
Data Processing Supplies	75	-	75	-	1,370	1827%	-	(1,295)
Postage	14,000	-	14,000	1,930	18,302	131%	-	(4,302)
Maint/Janitorial Supplies	200	-	200	25	145	72%	-	55
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	26,546	-	26,546	2,517	26,005	98%	-	541
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	166	2,377	95%	-	123
Rent-Non State Owned Property	68,000	-	68,000	7,176	65,645	97%	-	2,355
Rent-Other	225	-	225	-	-	0%	-	225
Insurance-State	1,080	-	1,080	-	665	62%	-	415
Insurance-Non State	134	-	134	-	-	0%	-	134
Equipment- Copying	800	-	800	-	-	0%	-	800
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Total Fixed Charges	73,739	-	73,739	7,342	68,688	93%	-	5,051
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	300	-	300	-	-	0%	-	300
In State - Lodging	600	-	600	-	-	0%	-	600
In State - Auto Mileage	600	-	600	105	339	57%	-	261
In-State Registration	200	-	200	-	-	0%	-	200
Reportable Meals	400	-	400	52	368	92%	-	32
Total Travel	2,100	-	2,100	157	707	34%	-	1,393
Total Other Operating Expenditures	158,390	-	158,390	14,178	143,777	91%	-	14,613
Total Claims	\$ 466,390	\$ -	\$ 466,390	\$ 39,143	\$ 420,371	90%	\$ -	\$ 46,019

South Carolina Workers' Compensation Commission
2011 - 2012 Budget
May 31, 2012

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%			
				Expended May	Year to Date	%	Encumb Balance
Insurance and Medical Services							
Salaries							
Classified Positions	418,000	14,956	432,956	34,920	364,940	84%	- 68,016
Temporary Employees	15,018		15,018	1,251	13,841	92%	- 1,177
Total Salaries	433,018	14,956	447,974	36,172	378,781	85%	- 69,193
Other Operating Expenditures							
Contractual Services							
Office Equipment Service	200	-	200	73	7	4%	- 193
Copying Equipment Service	300	-	300	-	-	0%	- 300
Print/Bind/Advertisement	500	500	1,000	-	312	31%	- 688
Print Pub Annual Report	24	-	24	-	-	0%	- 24
Data Processing Services	40,000	9,000	49,000	4,346	41,083	84%	- 7,917
Telephone	2,626	-	2,626	225	2,260	86%	- 366
Cell Phone	3,000	-	3,000	59	796	27%	- 2,204
Catered Meals	2,000	-	2,000	2,091	3,048	152%	- (1,048)
Other Professional Services	1,800	-	1,800	4,750	5,220	290%	- (3,420)
Other Contractual Services	2,600	-	2,600	-	1,734	67%	- 867
Total Contractual Services	53,050	9,500	62,550	11,545	54,459	87%	- 8,091
Supplies & Materials							
Office Supplies	3,000	-	3,000	100	3,823	127%	- (823)
Copying Equipment	3,500	-	3,500	548	2,384	68%	- 1,116
Printing	1,500	-	1,500	-	1,565	104%	- (65)
Data Processing Supplies	500	-	500	213	761	152%	- (261)
Postage	7,000	5,000	12,000	935	8,610	72%	- 3,390
Maintenance/Janitorial Supplies	75	100	175	15	119	68%	- 56
Building Materials	-	1,880	1,880	-	2,001	106%	- (121)
Fees & Fines	50	100	150	-	25	17%	- 125
Other Supplies	100	-	100	-	-	0%	- 100
Total Supplies & Materials	15,725	7,080	22,805	1,811	19,288	85%	- 3,517
Fixed Charges							
Rental-Cont Rent Payment	2,104	5,000	7,104	275	3,071	43%	- 4,033
Rent-Non State Owned Property	48,000	2,000	50,000	5,066	46,338	93%	- 3,662
Rent-Other	225	2,000	2,225	375	122	5%	- 2,103
Insurance-State	1,101	1,000	2,101	-	735	35%	- 1,366
Insurance-Non State	148	-	148	-	-	0%	- 148
Equipment Maintenance	942	-	942	-	-	0%	- 942
Sales Tax Paid	3,000	(1,880)	1,120	31	609	54%	- 511
Total Fixed Charges	55,520	8,120	63,640	5,746	50,875	80%	- 12,765
Travel (Includes Leased Car)							
In State - Meals (Non-Reportable)	400	-	400	-	58	15%	- 342
In-State Registration	100	-	100	-	-	0%	- 100
Reportable Meals	150	-	150	40	286	191%	- (136)
In State - Lodging	700	-	700	-	297	42%	- 403
Total Travel	1,350	-	1,350	40	641	48%	- 709
Total Other Operating Expenditures	125,645	24,700	150,345	19,142	125,264	83%	- 25,081
Total Insurance and Medical Services	\$ 558,663	\$ 39,656	\$ 598,319	\$ 55,313	\$ 504,044	84%	\$ - \$ 94,275

South Carolina Workers' Compensation Commission
2011 - 2012 Budget
May 31, 2012

Earmarked Funds

Year-To-Date : 91.67%

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Judicial								
Salaries								
Classified Positions	\$ 351,750	\$ 25,992	\$ 377,742	\$ 26,944	\$ 321,413	85%	\$ -	\$ 56,329
Terminal Leave		993	993	993	993	100%	-	-
Total Salaries	351,750	26,985	378,735	27,937	322,406	85%	-	56,329
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	80	-	80	59	59	74%	-	21
Copy Equipment Services	850	-	850	-	303	36%	-	547
Print/Bind/Advertisement	800	-	800	-	253	32%	-	547
Print Pub Annual Reports	20	-	20	-	-	0%	-	20
Data Processing Services	23,000	8,000	31,000	2,547	22,502	73%	-	8,498
Telephone	2,000	-	2,000	207	2,091	105%	-	(91)
Cellular Phone Service	1,104	-	1,104	74	766	69%	-	338
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	28,054	8,000	36,054	2,887	25,974	72%	-	10,080
Supplies & Materials								
Office Supplies	2,000	-	2,000	59	4,434	222%	-	(2,434)
Copying Equipment Supplies	1,200	1,000	2,200	444	1,941	88%	-	259
Printing	1,000	-	1,000	-	1,111	111%	-	(111)
Data Processing Supplies	75	-	75	-	445	594%	-	(370)
Postage	9,000	-	9,000	641	6,933	77%	-	2,067
Maintenance/Janitorial Supplies	150	-	150	12	86	57%	-	64
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	13,545	1,000	14,545	1,155	14,950	103%	-	(405)
Fixed Charges								
Rental-Cont Rent Payment	1,750	500	2,250	80	1,882	84%	-	368
Rent-Non State Owned Property	60,000	2,000	62,000	6,332	57,922	93%	-	4,078
Rent-Other	125	-	125	-	-	0%	-	125
Insurance-State	1,121	500	1,621	-	595	37%	-	1,026
Insurance-Non State	120	-	120	-	-	0%	-	120
Total Fixed Charges	63,116	3,000	66,116	6,412	60,400	91%	-	5,716
Travel (Includes Leased Car)								
In State - Meals / Non-Reportable	250	-	250	75	269	108%	-	(19)
Reportable Meals	250	500	750	78	684	91%	-	66
In State - Lodging	750	1,000	1,750	170	1,080	62%	-	670
In State - Auto Mileage	1,200	1,000	2,200	151	1,438	65%	-	762
In State - Misc Travel Expense	100	-	100	-	-	0%	-	100
In-State Registration	100	-	100	-	-	0%	-	100
Out State - Auto Mileage	300	-	300	-	-	0%	-	300
Total Travel	2,950	2,500	5,450	474	3,471	64%	-	1,979
Total Other Operating Expenditures	107,665	14,500	122,165	10,929	104,795	86%	-	17,370
Total Judicial	\$ 459,415	\$ 41,485	\$ 500,900	\$ 38,866	\$ 427,201	85%	\$ -	\$ 73,699
Earmarked Funds								
Department Totals								
Commissioners	\$ 522,501	\$ -	\$ 522,501	\$ 41,189	\$ 445,717	85%	\$ -	\$ 76,784
Administration	663,662	112,534	776,196	51,238	572,283	74%	-	203,913
Claims	466,390	-	466,390	39,143	420,371	90%	-	46,019
Insurance & Medical	558,663	39,656	598,319	55,313	504,044	84%	-	94,275
Judicial	459,415	41,485	500,900	38,866	427,201	85%	-	73,699
Total Departmental Expend	\$ 2,670,631	\$ 193,675	\$ 2,864,306	\$ 225,749	\$ 2,369,617	83%	\$ -	\$ 494,689
Employer Contributions	448,184	-	448,184	36,541	423,936	95%	-	24,248
Total Earmarked Funds	\$ 3,118,815	\$ 193,675	\$ 3,312,490	\$ 262,290	\$ 2,793,553	84%	\$ -	\$ 518,937
Capital / Computer Project Carryforward	\$ 9,931	\$ -	\$ 9,931	\$ -	\$ 2,475	25%	\$ -	\$ 7,456

MEMORANDUM

Date: June 12, 2012

TO: Mr. Gary Cannon
Executive Director

FROM: Cathy Floyd
Human Resources

SUBJECT: Human Resources Report Period of May 16 – June 12, 2012

Below is a summary of the Human Resources activity for the period of May 16 – June 12, 2012.

Recruitment and Selection

- The summer law clerk intern, Kristen Smalls, will end her 6-week term on June 15, 2012

Employee Relations (ER)

- One ER issue was addressed during the activity period
- The Employee Appreciation Luncheon was held May 21, 2012 in the First Floor Conference Room
- Kim Ballentine was recognized as the 2011 Employee of the Year
- The Social Committee continues to work on the Annual Holiday Event and bi-monthly office activities
- Assisted the State Auditor's with their financial audit of the Agency, primarily payroll issues

Benefits

- Assisted four employees with insurance coverage changes
- Issued four COBRA letters
- Assisted four employees with retirement inquiries
- Completed two inquiries with the Retirement Systems

SC Enterprise Information System (SCEIS)

- One employment verification
- Assisted two employees with payroll issues
- Assisted five employees with leave issues
- Twenty-one transactions were keyed into the system

Training

- Attended a SCEIS teleconference regarding Leave Accrual Changes
- Attended the HR Advisory Meeting
- Attended the Annual Health at Work Conference sponsored by Prevention Partners
- Provided training during the All Employee Meeting on the MySCEmployee Enhancements to Employee Self Service and Manager Self Service

Finance Related

- Completed the Tort Liability Report
- Assisted with the daily deposit
- Approved 59 SCEIS financial transactions

WCC IT - Projects Status Report

Period		6/18/2010		Status Key:		Not Started		On Track		Timing	
Projects											
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments			
	Phase II - Claims EDI release 3			July 2012	75%	65%	Duane	working on process testing			
	Phase II - Claims EDI release 3			July 2012	75%	45%	Amanda	finished element requirement testing. Working on process testing			
	Phase II - Claims EDI release 3			July 2012	80%	25%	Betsy	building implementation plan.			
	Electronic Service Initiatives	Electronic Service Initiatives Clinchers	67-213	hold until after EDI RLS 3	0%						
		Electronic Service Initiatives Fee Petitions - Form 61	67-213	hold until after EDI RLS 3	0%						
		Electronic Service Initiatives - Receipt of electronic pleadings	67-211	TBD	0%						
		Electronic receipt of any form or document	67-205	TBD	0%						
		12 M Revamp of current Minor Medical Reporting from Carriers	67-412	TBD	0%						
	SC Voc. Rehab	Automation of the Show Cause fines for printing invoices and letters automatically rather than manually		TBD	50%	0%	Betsy	Waiting on BravePoint for estimate			
	Late fees			TBD	15%	0%	Betsy	Have requirements from Compliance and claims. Will draft document to pass to new VCIO			

WCC IT Projects Status Report

Period	6/18/2010	Status Key:	Not Started	On Track	Timing
Lapse in Coverage notification	notification of canceled coverage for Home Builders Association request	80%	10%		In production with verification of policy information. Need to set up testing with Home builders.
iPad Application for eService	Ability to use eService on iPad	10%	35%		Setting up meeting with Hyland on workflow changes.
		7/1/2012 or sooner			
		st quarter FY 13/1			
			Projects Amanda	45%	
			Projects Duane	65%	
			Projects Betsy	70%	

WCC IT Projects Status Report

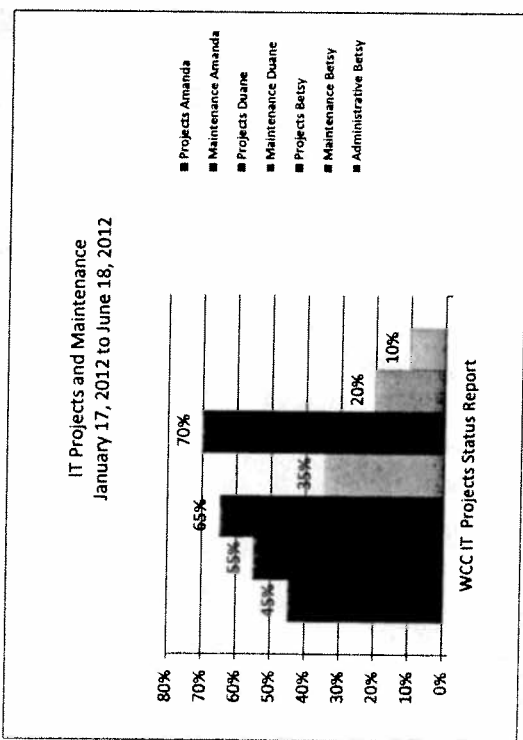
Period	6/18/2010	Status Key: Not Started	On Track	Timing
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Maintenance								
Priority	Maintenance issue	Project	Start date	Estimated completion	% complete	% of time devoted to issue	Assigned to	Status
8	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		35%	Duane	
					Maintenance Duane	35%		General issues
	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		55%	Amanda	
					Maintenance Amanda	55%		
	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		20%	Betsy	
					Maintenance Betsy	20%		

WCC IT Projects Status Report

Period	6/18/2010	Status Key: Not Started	On Track	Timing
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#	Project	Sub Project	Due Date	% of completion	% of time devoted to issue	Assigned to	Status
4	Business Continuity Planning & Contract issues	DSIT	ongoing	100%	10%	Betsy	building IT Road Map for transition to new VCIO. Developed checklist for laptop needs. Desk Top support, looking into upgrades on phones and air cards



State of South Carolina



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director

From: Grant Duffield
IMS Director

Date: 13 – June – 2012

Subj: Insurance and Medical Services Department
May 2012 Full Commission Report

Please find attached information provided to summarize the status and workflow of initiatives currently underway within the Insurance and Medical Services (IMS) Department

The statistical data concerning the IMS Department's April 2012 endeavors is organized as follows:

Page 1: Compliance Division Information.
Page 2: Coverage Division Information.
Page 3: Self Insurance and Medical Services.

In addition to the statistical data provided, please be advised of the following workflow initiatives:

- | | |
|---------------------|---|
| Compliance Division | <ol style="list-style-type: none">1. Processing of Outstanding Carrier fines.2. GEAR program support and scheduling of GEAR Hearings. |
| Coverage Division | <ol style="list-style-type: none">1. SC Homebuilder's Association coverage verification web interface module in testing.2. Working to implement cross training / staff development opportunities within IMS dept.3. Working with IT to refine EDI-R3 decision logic / matrix.4. 3,536 "hits" on Coverage Verification website |
| Medical Services | <ol style="list-style-type: none">1. Identifying updates / edits needed within the Medical Services Provider Manual.2. Completed MBR entity information update dbase/form.3. Working to Approve / Re-Approve Medical Bill review entities.4. Deployed template correspondence letters to support greater Bill Review/Dispute process efficiencies.5. Division received 5 Bill Disputes in May 2012.6. Weekly Bill Dispute resolution meetings with Dr. Adcock. |
| IMS Administration: | <ol style="list-style-type: none">1. Monthly department-wide meetings.2. Working with team-members to review / improve team processes and key functions.3. Working on fiscal impacts analysis with Ms. Gantt. |

Mr. Cannon, while this summary is in no way all-inclusive, it may serve to assist you and our Commissioners in understanding the key initiatives underway in the IMS Department and provide measures by which the Department's effectiveness can be gauged. IMS welcomes any guidance that you and/or our Commissioners can provide concerning our performance and direction.

Carryover Caseload:

The Compliance Division endeavors to maintain a month-on-month "carry-over" caseload (backlog) of 300 cases. Compliance closed May 2012 with 472 cases active, compared to an active caseload of 971 at the close of May 2011.

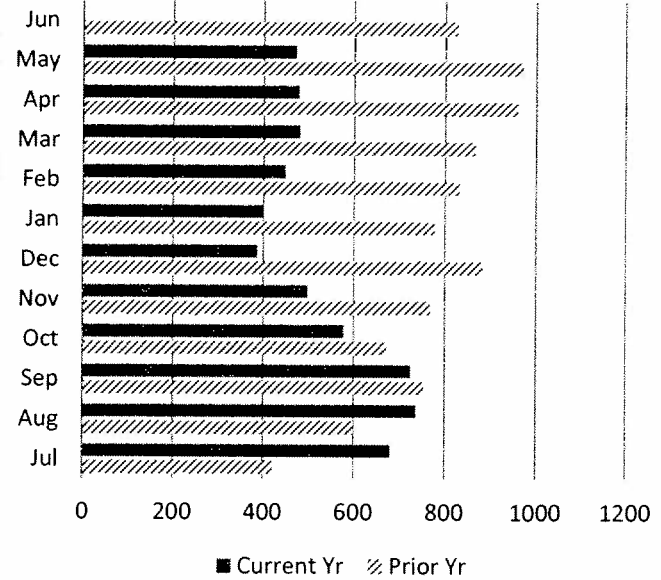
Cases Resolved:

Due to the decrease in carry-over, greater effort is focused on case resolution. For the month of May 2012, Compliance Division staff closed-out 91 cases, a slight increase from 87 cases closed in April 2012.

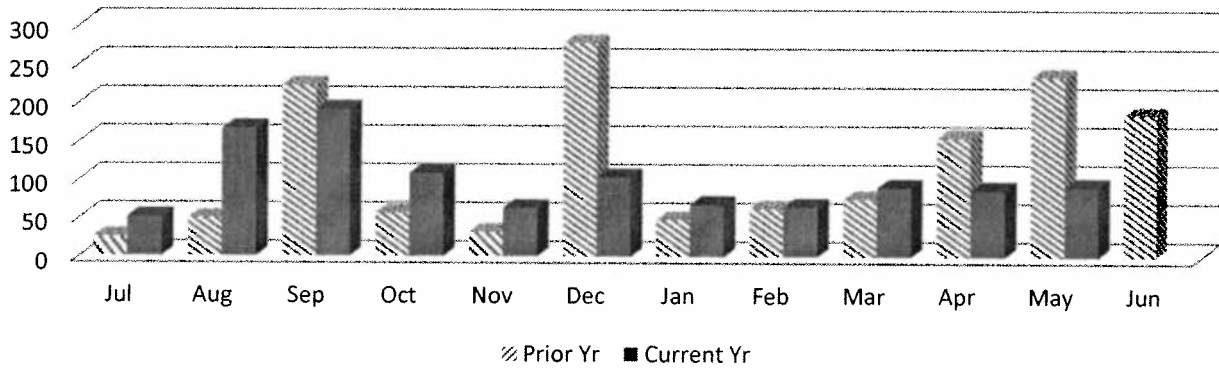
Compliance Fines:

Year to Date, the Compliance Division has collected \$314,101 in fines which represents 1.02% of prior year's accrual (\$307,019). Compliance fine revenue represents 19% of the Commission's annual earmarked revenue budget.

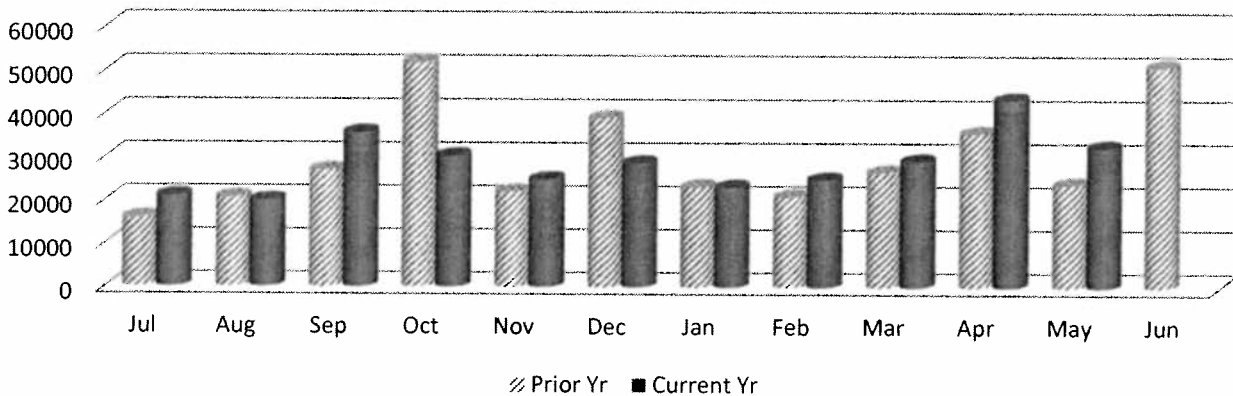
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year



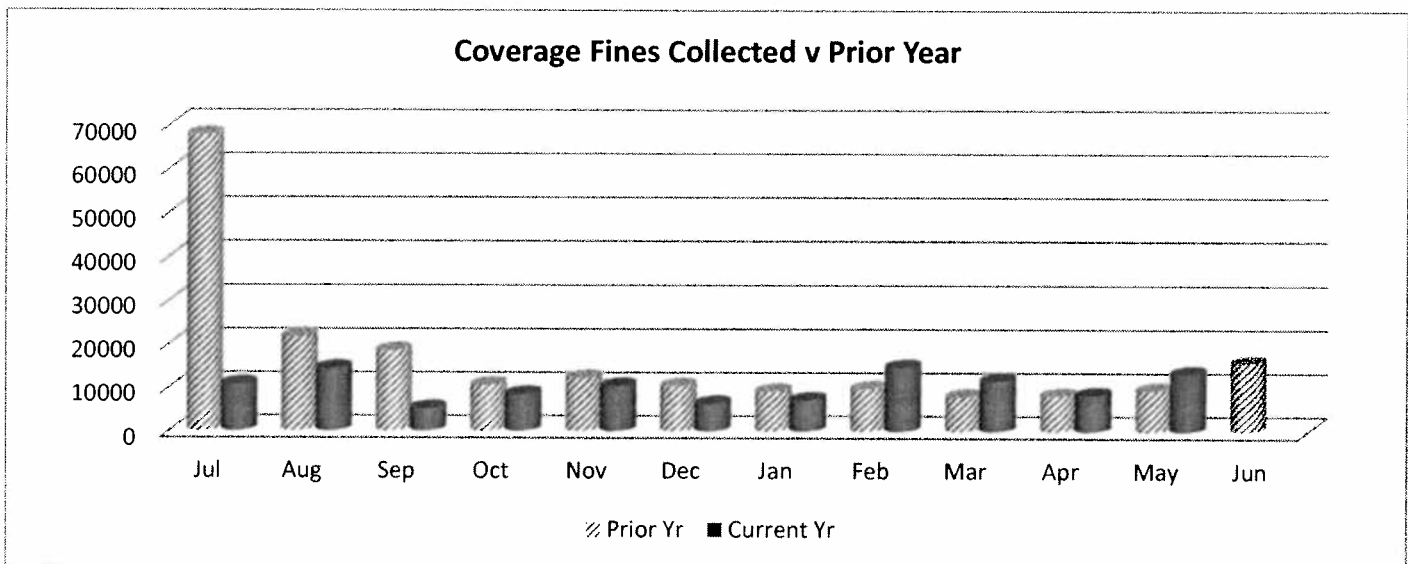
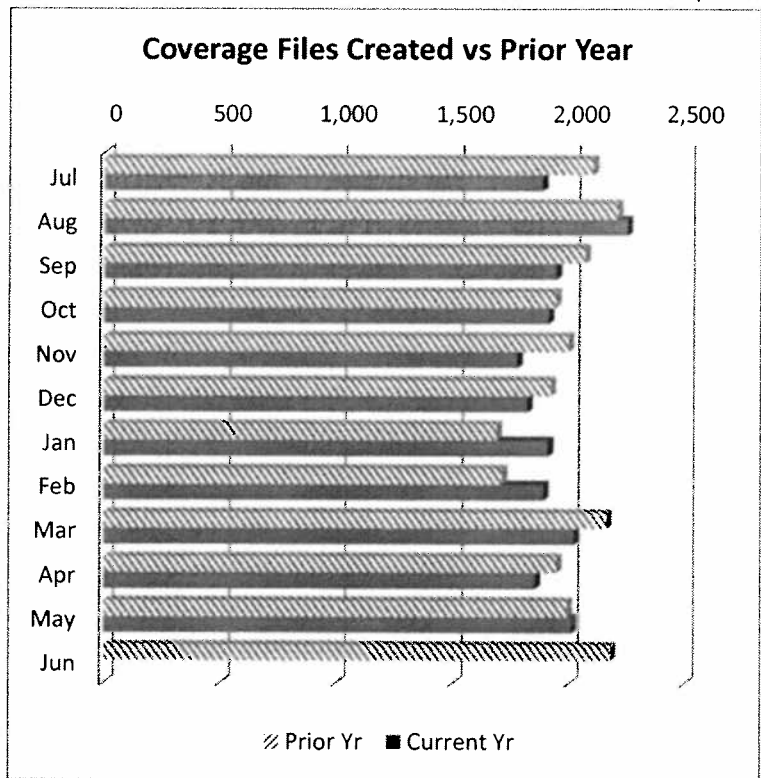
WCC Claim Files:

In May 2012, the Coverage Division created a total of 2,009 WCC Claim files. Of these, 1,636 were created electronically, and 373 were submitted in hard copy format. Year to Date, 21,248 Claim files have been created which is 98% of claim file volume for the same period in prior year (21,715).

Coverage Fines:

The Coverage Division collected \$13,300 in fine revenue in May 2012, a 28% increase from \$9,500 in Coverage fines/penalties accrued during the same period in prior year (May 2011).

Coverage Division fines represent 10% of the Commission's annual earmarked budget.



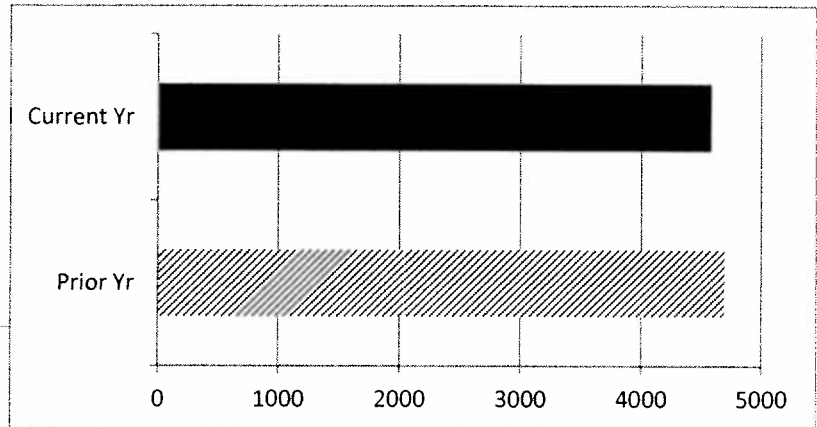
IMS SELF INSURANCE DIVISION

May 2012

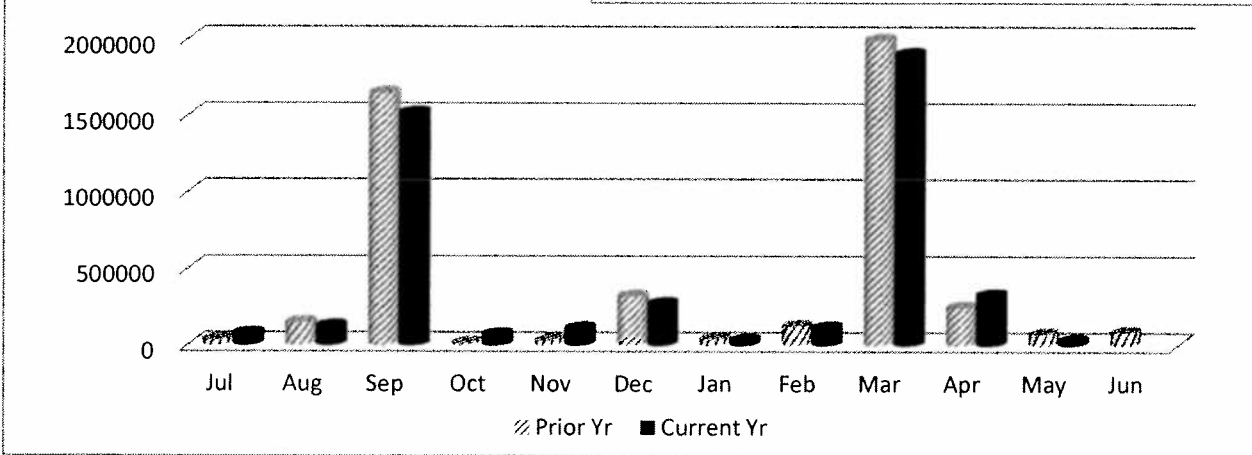
During the month of May 2012, the Self Insurance Division:

- * collected \$30,689 in self-insurance tax.
- * added 9 new self-insurers.
- * conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 98% of prior year and 56 Self Insurance audits have been completed.



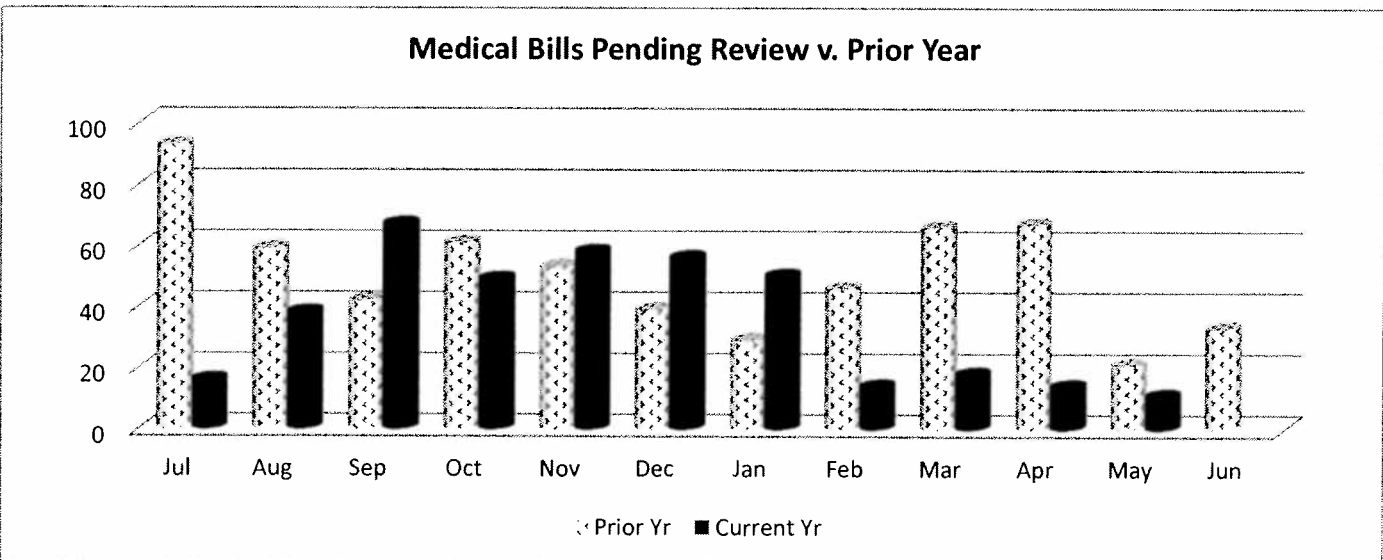
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In May 2012, the Medical Services Division began the month with 14 bills pending review, received an additional 32 bills for review, conducted 46 bill reviews and ended the month with 11 bills pending.

Medical Bills Pending Review v. Prior Year



TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: GREGORY S. LINE, DIRECTOR OF CLAIMS
SUBJECT: CLAIMS REPORT FOR THE MONTH OF February
DATE: June 11, 2012

Fines assessed for the month of May 2012:

- We assessed **392** fines for the month of **May** which was down from assessing **471** fines for the month of **April**.
- The dollar amount of the fines assessed for the month **May** was **\$ 84,200** which was down from assessing **\$101,350** for the month of **April**.

Fines received for the month of May 2012:

- We received payment on **299** fines for the month of **May** which was down from receiving **442** fines for the month of **April**.
- The dollar amount of fines received for the month **May** was **\$61,050** which was down from receiving **\$100,200** for the month of **April**.

The number of fines assessed and collected since January 2011:

• January '11 fines assessed	701	January fines collected	510
• February fines assessed	479	February fines collected	512
• March fines assessed	579	March fines collected	552
• April fines assessed	631	April fines collected	620
• May fines assessed	487	May fines collected	577
• June fines assessed	358	June fines collected	609
• July fines assessed	487	July fines collected	543
• August fines assessed	553	August fines collected	516
• September fines assessed	469	September fines collected	406
• October fines assessed	504	October fines collected	396
• November fines assessed	514	November fines collected	419
• December fines assessed	444	December fines collected	511
• January fines assessed	656	January fines collected	608
• February fines assessed	590	February fines collected	593
• March fines assessed	469	March fines collected	492

- April fines assessed **471** April fines collected **421**
- May fines assessed **392** May fines collected **299**

The fines assessed for Form 18's went up **7** fines for the month of April. The last five months the Form 18 fines assessed have averaged **232** fines per month.

The Department is working hard to ensure all files are reviewed timely. The examiners are diligently processing all forms daily to ensure the files/computer is as up to date as possible.

I would anticipate that the Form 18 fines would remain between the 200 and 250 fines per month for the next several months.

CLAIMS DEPARTMENT REPORT
STATISTICS FOR FISCAL YEAR 2011-2012
 Prepared June 11, 2012

I. Claims Services Division

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Forms 1	2,327	2,541	2,183	2,268	2,077	2,085	2,295	2,478	2,343	2,429	2,280		25,306
Forms 1	195	350	316	292	246	302	266	367	260	274	326		3,194
Forms 1	5,595	5,867	5,373	5,165	4,696	5,335	5,448	5,535	5,680	5,015	4,877		58,586
Forms 2	978	1,042	1,087	965	992	935	975	1,028	966	1,014	966		978
Form 50	188	246	273	264	253	168	316	235	302	235	274		188
Form 61	673	829	561	884	625	711	912	654	781	801	694		8,125
Letters c	165	196	177	167	211	293	175	150	174	151	185		2,044
Clincher	701	775	629	820	662	736	857	673	782	741	733		8,109
Third Pa	17	23	32	19	38	21	27	23	19	28	33		280
SSA Rec	119	152	147	109	101	79	145	118	125	125	118		1,338
Cases C	2,038	2,935	2,090	2,101	2,321	1,982	2,668	2,334	2,318	2,351	2,572		25,710
Cases R	1,057	1,626	1,043	1,050	1,334	787	1,420	1,777	1,660	1,400	1,194		14,348

**CLAIMS DEPARTMENT REPORT
STATISTICS FOR FISCAL YEAR 2011-2012**

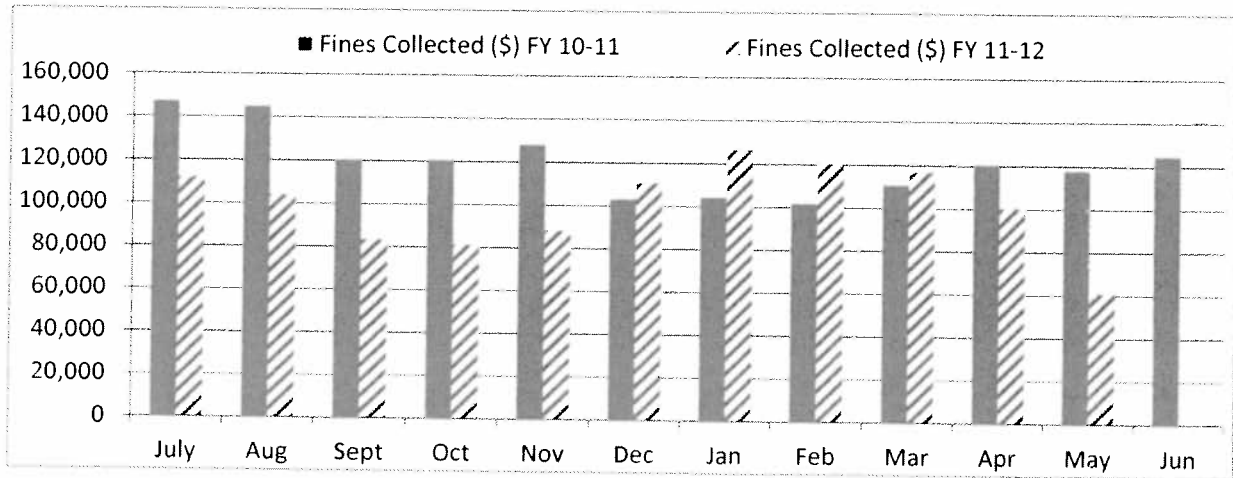
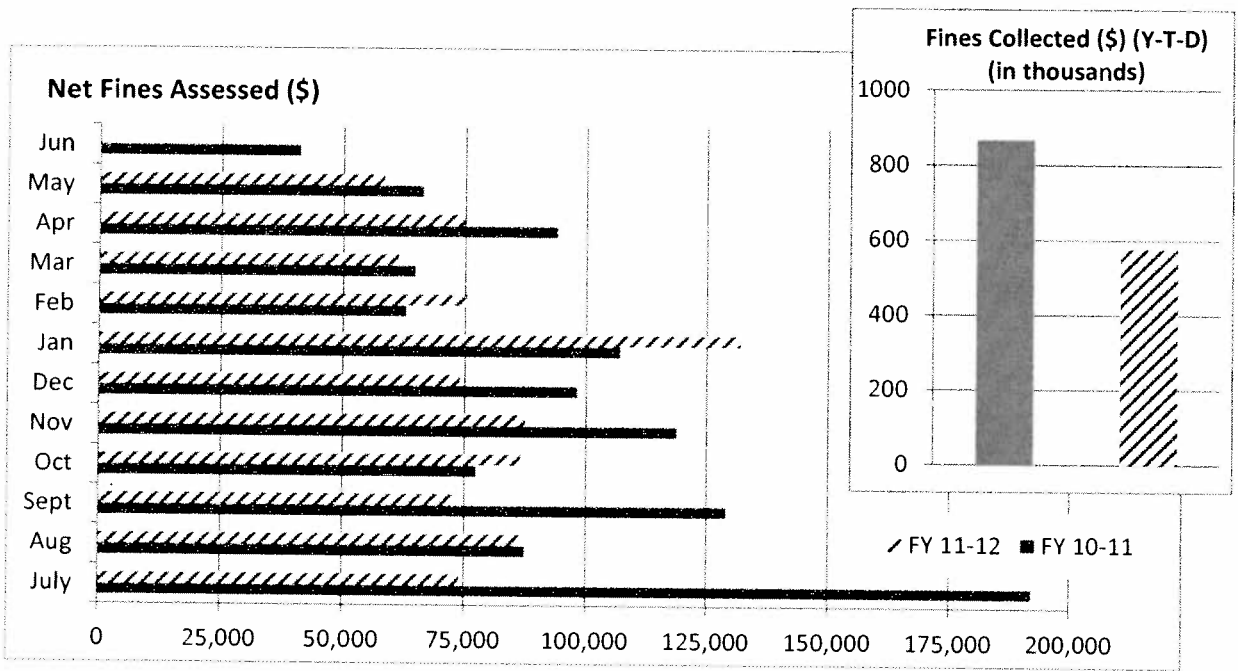
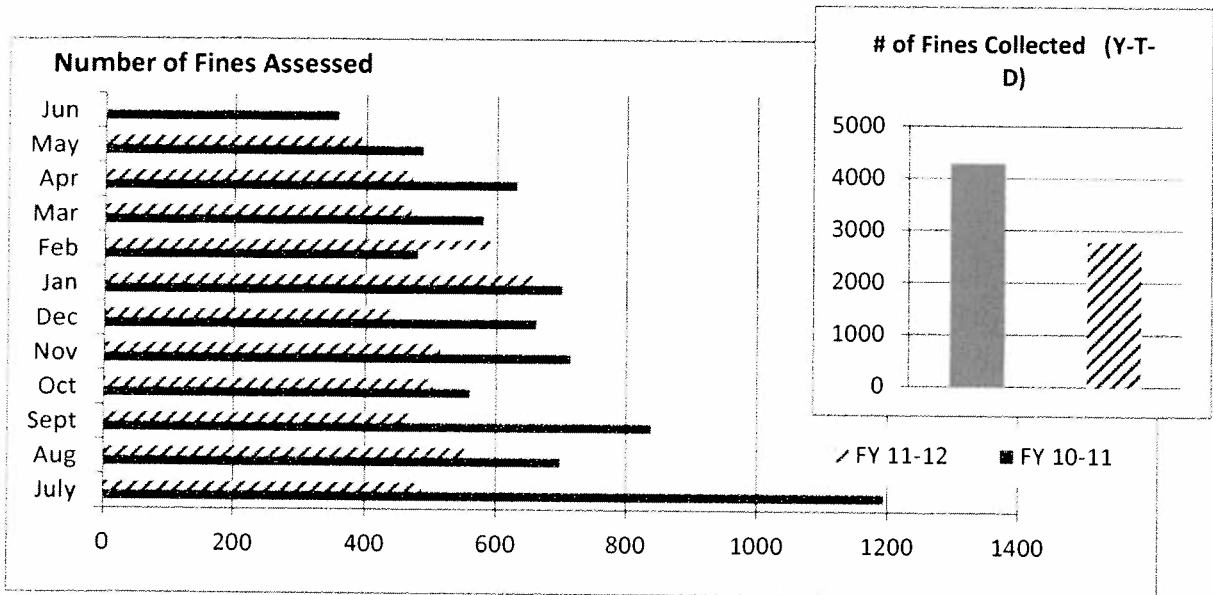
Prepared June 11, 2012

II. Fines Assessed by Claims Department

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Number	487	553	469	504	514	444	656	590	469	471	392		5,549
Number	116	136	92	85	104	96	171	208	157	107	100		1,372
Number	25	19	18	16	29	20	40	45	86	27	36		361
Number	543	516	406	396	434	511	608	593	592	421	299		5,319
Number	1,871	1,772	1,743	1,766	1,742	1,579	1,456	1,245	965	908	901		901

Total An	\$103,850	\$120,450	\$96,900	\$105,400	\$113,450	\$96,100	\$172,600	\$130,050	\$103,950	\$101,350	\$84,200		\$1,228,300
Total An	\$25,950	\$29,550	\$21,500	\$17,000	\$21,700	\$19,950	\$36,100	\$44,150	\$29,850	\$22,450	\$21,050		\$289,250

Total An	\$3,825	\$4,525	\$2,650	\$1,800	\$4,250	\$2,100	\$4,500	\$10,525	\$12,785	\$4,150	\$4,825		\$55,935
Total An	\$111,875	\$103,800	\$83,300	\$81,300	\$88,100	\$110,700	\$126,700	\$120,225	\$116,915	\$100,200	\$61,050		\$1,104,165
Total Ou	\$372,223	\$354,798	\$344,248	\$349,548	\$348,948	\$312,298	\$317,598	\$272,748	\$217,148	\$191,698	\$188,973		\$188,943



Fines Assessed (#)

	FY 10-11	FY 11-12
July	1195	487
Aug	699	553
Sept	839	469
Oct	560	504
Nov	715	514
Dec	661	444
Jan	701	656
Feb	479	590
Mar	579	469
Apr	631	471
May	487	392
Jun	358	0
	7904	5549
YTD	5370	2971

Fines Collected (#)

	FY 10-11	FY 11-12	
July	742	543	
Aug	722	516	
Sept	580	406	
Oct	599	396	
Nov	649	419	
Dec	488	511	
Jan	510	608	
Feb	512	593	
Mar	552	592	
Apr	620	421	
May	577	299	
Jun	609	0	
	7160	5304	74.1%
	4290	2791	65.1%

Net Fines Assessed (\$)*

	FY 10-11	FY 11-12
July	192,200	74,075
Aug	87,550	86,375
Sept	129,150	72,750
Oct	77,450	86,600
Nov	118,850	87,500
Dec	98,300	74,050
Jan	107,100	132,000
Feb	62,900	75,375
Mar	64,775	61,315
Apr	94,000	74,750
May	66,375	58,325
Jun	41,225	0
	1,139,875	883,115
	810,600	481,350

Fines Collected (\$)

	FY 10-11	FY 11-12	
July	147,025	111,875	
Aug	144,825	103,800	
Sept	119,325	83,300	
Oct	120,300	81,300	
Nov	128,000	88,100	
Dec	103,000	110,700	
Jan	104,200	126,700	
Feb	101,700	120,225	
Mar	110,650	116,915	
Apr	119,525	100,200	
May	117,875	61,050	
Jun	124,650	0	
	1,441,075	1,104,165	76.6%
	866,675	579,075	66.8%

*after reductions and recinded

Fines Collected Years 2007, 2008, 2009, 2010, 2011, 2012

	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
2007	21,620	34,891	36,520	35,339	45,785	36,760	46,555	68,018	49,261	58,934	45,203	40,261
2008	48,613	38,805	45,167	34,710	40,525	79,055	67,769	51,195	65,230	59,817	37,309	39,583
2009	37,080	44,750	35,960	49,842	93,182	65,351	100,383	119,853	100,026	66,565	61,627	54,390
2010	66,200	103,600	203,410	159,375	218,150	86,500	147,025	144,825	119,325	120,300	128,000	103,000
2011	104,200	101,700	110,650	119,525	117,875	124,650	111,875	103,800	83,300	81,300	85,100	110,700
2012	126,700	120,225	116,915	100,200	61,050							

*May collected figures include payments 5/1/2010 through 6/1/2010

** June collected figure includes payments 6/1/2010 through 6/30/2010***

Fine Report for Dec 2011 & Jan, Feb, Mar, Apr & May 2012

	Dec	Jan	Feb	Mar	Apr	May
Amt assess	\$96,300	\$172,600	\$130,050	\$103,950	\$101,350	\$84,200
# fines as	458	656	590	469	471	392
Amt coll	\$110,700	\$126,700	\$120,225	\$116,915	\$100,200	\$61,050

Fines coll	511	608	593	492	442	299
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Form 18's

Fines assess						
Daily	\$42,400	\$52,800	\$49,600	\$47,200	\$44,400	\$45,600
Fines assessed						
file review	\$ 4,200	\$48,400	\$15,400	\$10,200	\$7,200	\$ 7,600
Total amount						
Assessed	\$46,600	\$101,200	\$65,000	\$57,400	\$51,600	\$53,200

fines assess daily	197	254	246	203	187	203
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# fines assess						
file review	19	58	21	42	37	34

Total fines assess	216	302	267	245	224	237
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Amt coll	\$69,300	\$82,200	\$62,925	\$70,200	\$61,000	\$39,450
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# coll	299	372	289	347	238	184
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All other fines assessed

(Form 12-A, Form 15, Form 17, Form 19, denial letter, Form 20, failure to respond)

Amt assess	\$39,900	\$71,400	\$65,050	\$46,550	\$49,750	\$31,000
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# fines assess	242	354	323	224	247	155
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Amt paid	\$41,400	\$44,500	\$57,300	\$46,715	\$39,200	\$21,600
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# fines pd	212	236	304	245	218	113
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The dollar amount of fines assessed for each form, for the month of February, and fines collected for each form from May 1, 2012 through May 31, 2012

The number of fines assessed and collected, for each form, are in parenthesis.

	<u>Assessed</u>	<u>Collected</u>
Form 12A -	\$ 13,800.00 (69)	\$ 9,600.00 (49)
Form 15 Section I -	\$ 6,800.00 (31)	\$ 4,000.00 (22)
Form 15 Section II -	\$ 2,800.00 (14)	\$ 2,000.00 (11)
Form 15 S -	\$ 800.00 (4)	\$ 900.00 (5)
Form 17 -	\$ 200.00 (1)	\$ 200.00 (1)
Form 18 -	\$ 53,200.00 (237)	\$ 39,450.00 (184)
Form 19 -	\$ 200.00 (4)	\$ 100.00 (2)
Denial letter -	\$ 1,200.00 (6)	\$ 1,500.00 (8)
Failure to respond -	\$ 5,200.00 (26)	\$ 3,300.00 (17)
TOTAL -	\$ 84,200.00 (392)	\$ 61,050.00 (299)

TO: Gary M. Cannon, Executive Director
FROM: Gregory S. Line
Director of Claims
DATE: June 11, 2012
RE: Claims
Outstanding fine status

Below is a list of three carriers that were sent a Second and Final Notice of fines Assessment on January 3, 2012.

1. Zurich North America (00090)
 - a. Beginning bal \$ 11,636.33
 - b. Bal as of 6/11/12 \$ **1,200.00**

2. Liberty Mutual Ins. Co. (00055)
 - a. Beginning bal \$ 2,600.00
 - b. Bal as of 6/11//12 \$ **1,000.00**

4. American Casualty Co. of Rdg. PA (00017)
 - a. Beginning bal \$ 1,186.33
 - b. Bal as of 6/11/12 \$ **400.00**

TO: Gary M. Cannon, Executive Director
FROM: Gregory S. Line
DATE: June 11, 2012
RE: Claims
Outstanding Fines Status

Below is the status of 3 companies that were sent a Second and Final Notice of fines Assessment on August 8, 2011.

1. YRC, Inc. (00767)
 - a. Beginning bal \$ 1,800.00
 - b. Bal as of 5/11/12 \$ **200.00**

2. Accident Fund Ins. Co. of America (01072)
 - a. Beginning bal \$ 5,875.00
 - b. Bal as of 5/11/12 \$ 0

3. Preimer Group Ins. Co. (01100)
 - a. Beginning bal \$ 4,200.00
 - b. Bal as of 5/11/11 \$ **200.00**

TO: Gary M. Cannon, Executive

FROM: Gregory S. Line
Director of Claims

DATE: June 11, 2012

RE: Claims
Outstanding Fines Status

Below is a list of four carriers that were sent a Second and Final Notice of fines Assessment on May 30, 2012.

1. Castlepoint National Ins. Co. (01105)
 - a. Beginning bal \$ 1,000.00
 - b. Bal as of 06/11/12 \$ 1,000.00

2. Guarantee Insurance Co. (01094)
 - a. Beginning bal \$ 2,600.00
 - b. Bal as of 6/11/12 \$ 2,600.00

3. Firemans Insurance Co of Washington DC (01076)
 - a. Beginning bal \$ 1,400.00
 - b. Bal as of 06/11/12 \$ 1,400.00

4. Premier Group Insurance Company (01100)
 - a. Beginning bal \$ 4,900.00
 - b. Bal as of 6/11/12 \$ 4,900.00

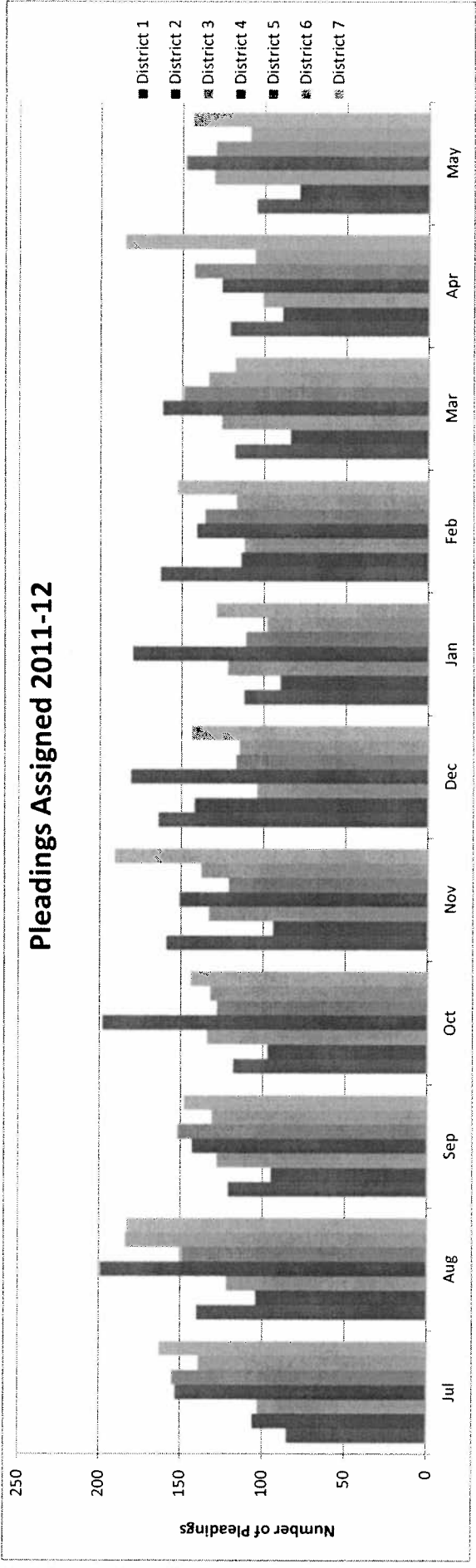
SCWCC Judicial Report

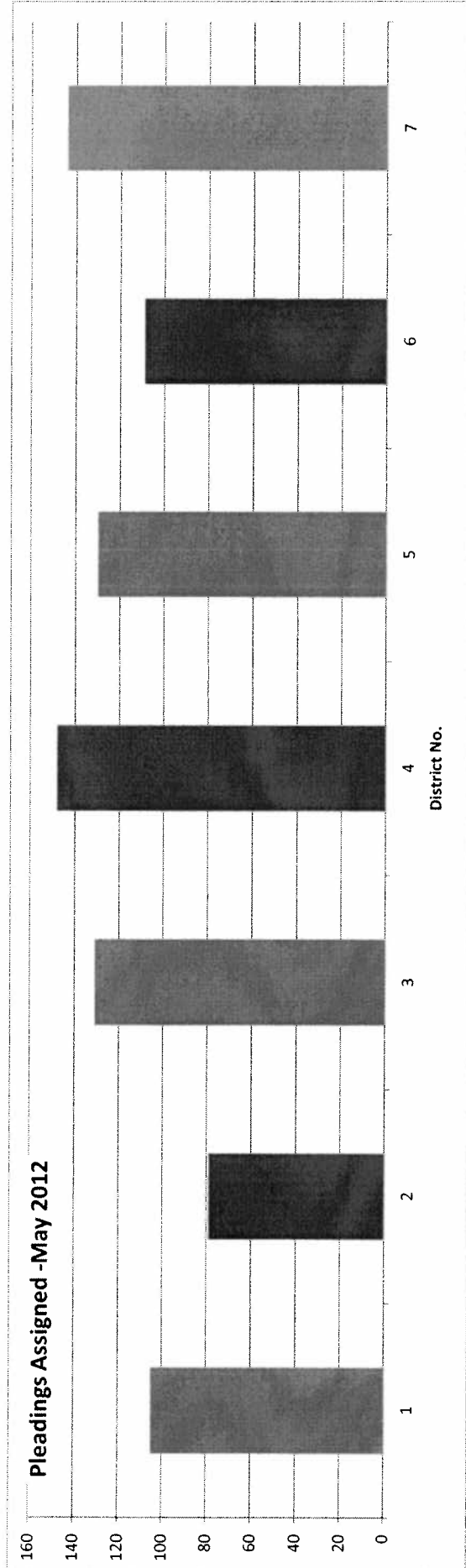
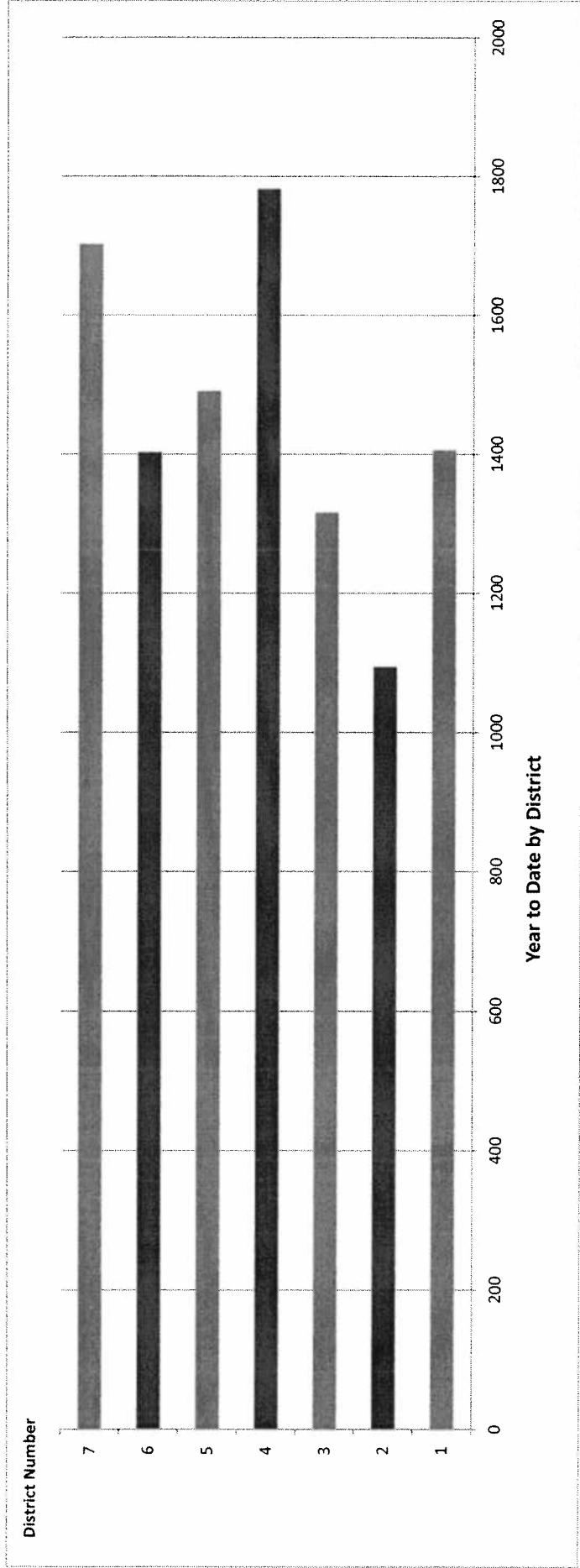


June 2012

Pleadings Assigned

	Greenville District 1		Anderson District 2		Orangeburg District 3		Charleston District 4		Florence District 5		Spartanburg District 6		Richland District 7		
	11-12	09-10	11-12	10-11	11-12	10-11	11-12	10-11	11-12	10-11	11-12	10-11	11-12	10-11	09-10
	85	113	106	111	103	118	105	199	155	146	139	114	163	140	140
Jul	140	91	104	106	68	73	73	199	149	138	184	109	99	183	83
Aug	121	105	95	85	73	128	101	143	152	107	131	103	162	148	149
Sep	118	99	97	76	86	134	84	198	128	162	132	83	129	144	118
Oct	159	112	94	50	91	133	122	151	121	112	138	98	138	191	188
Nov	164	113	142	81	132	104	111	131	88	120	115	83	127	144	159
Dec	112	108	90	83	94	122	123	180	111	90	98	101	119	129	166
Jan	163	132	114	67	111	112	102	141	136	89	117	85	119	153	163
Feb	118	165	84	100	87	126	109	139	136	140	134	133	98	118	132
Mar	121	130	89	83	81	101	112	163	149	140	106	106	72	185	144
Apr	105	104	79	90	89	131	113	148	130	96	109	86	95	144	139
May	95	119	79	79	101	112	117	138	110	112	111	144	144	152	157
Totals	1406	1318	1094	1011	1115	1316	1324	1782	1491	1478	1403	1212	1702	1692	1738





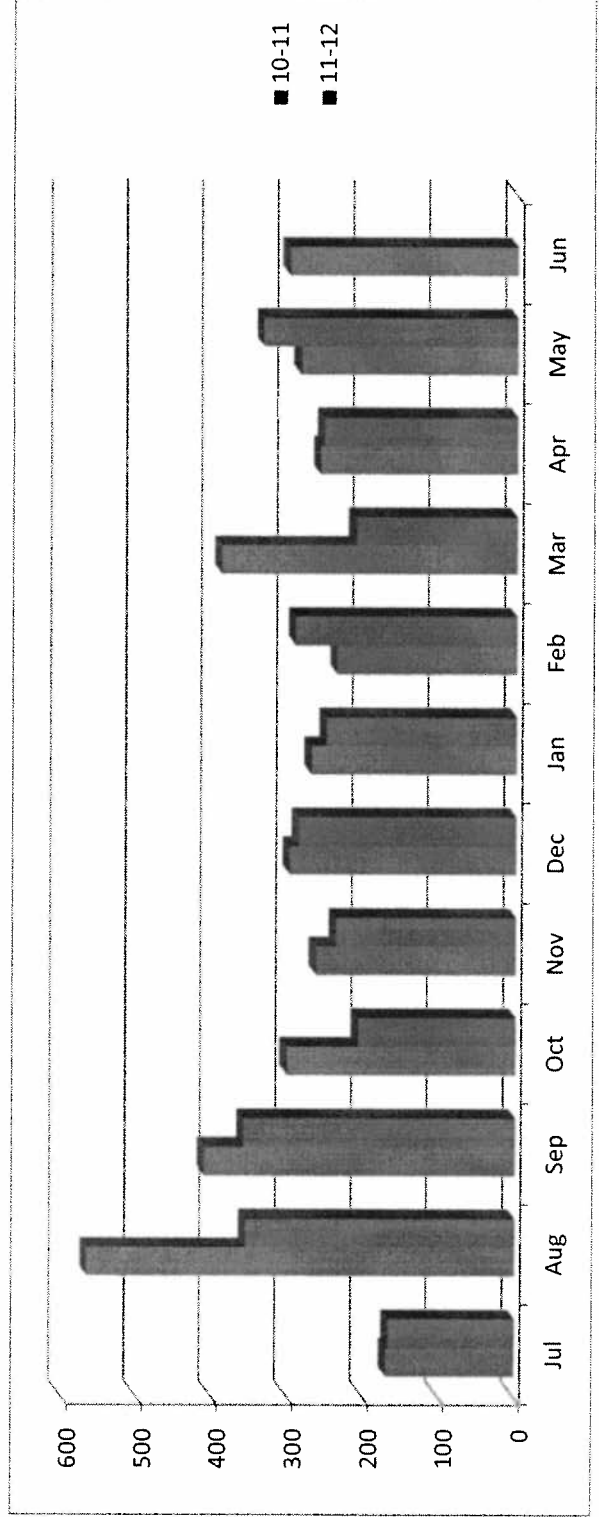
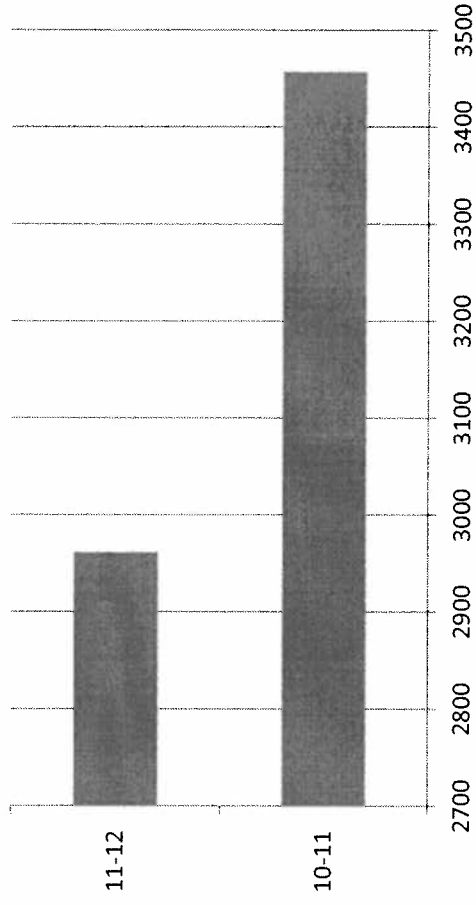
Informal Conf. Conducted

	10-11	11-12	
Jul	170	167	98.2%
Aug	567	356	62.8%
Sep	411	359	87.3%
Oct	302	208	68.9%
Nov	264	238	90.2%
Dec	299	287	96.0%
Jan	271	251	92.6%
Feb	237	292	123.2%
Mar	390	213	54.6%
Apr	260	255	98.1%
May	286	335	117.1%
Jun	301		
Total	3758	2961	

10-11 **3457** 11-12 **2961** **85.7%**

Y-T-D

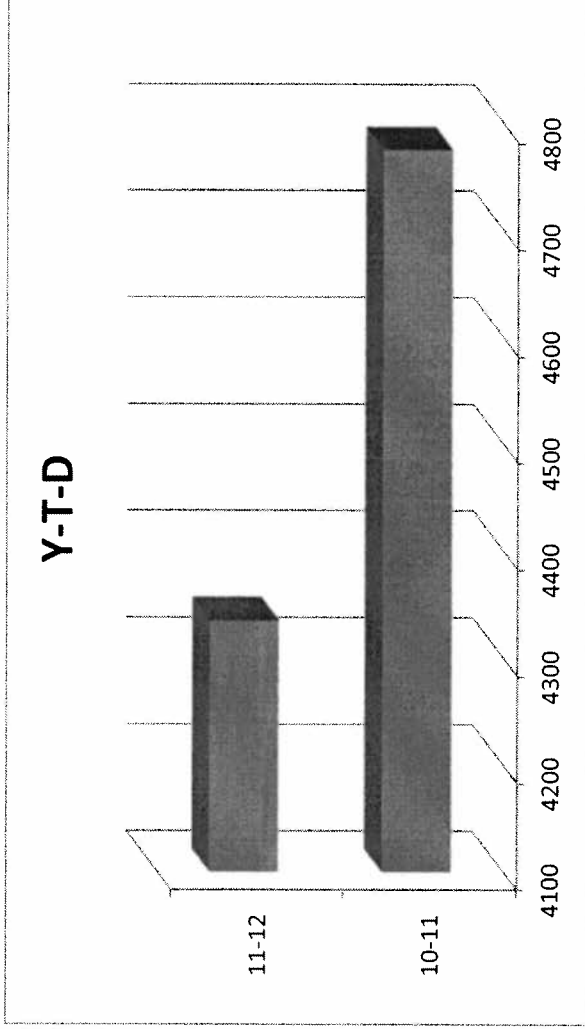
IC's to Date v. Prior



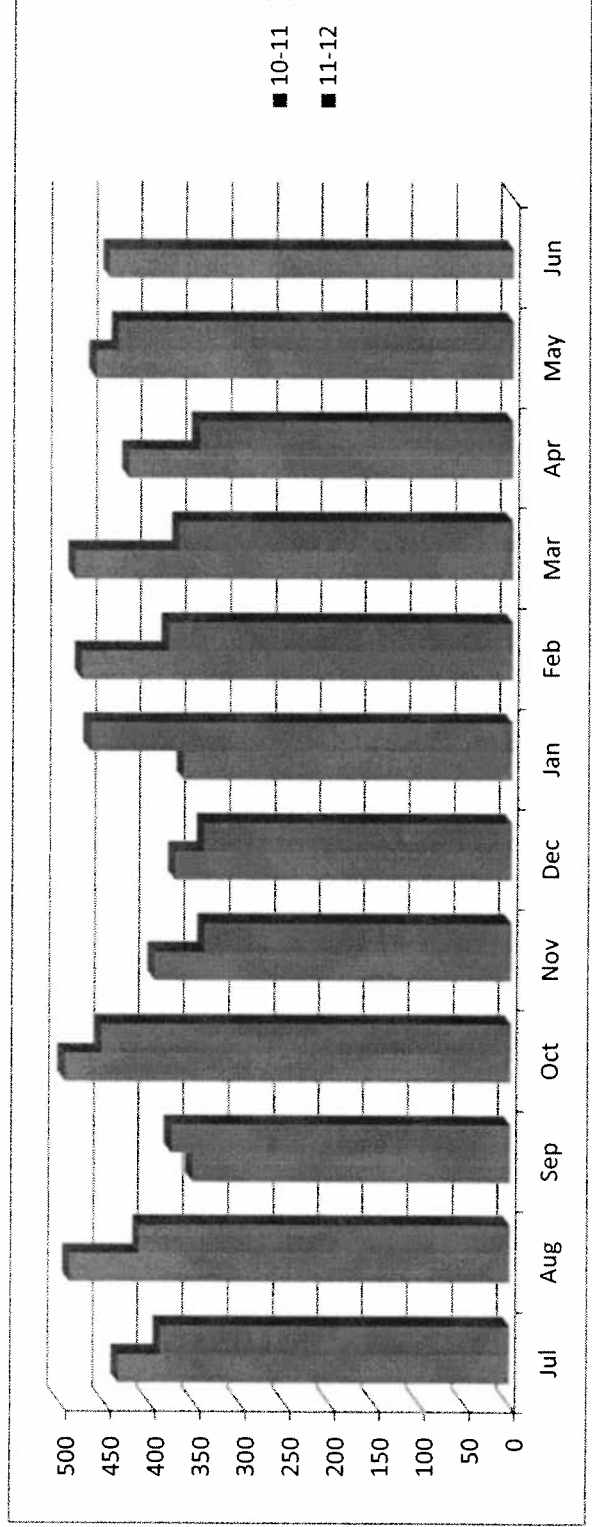
Informal Conf. Requested

	10-11	11-12
Jul	436	389
Aug	491	413
Sep	354	378
Oct	497	456
Nov	397	342
Dec	375	343
Jan	366	470
Feb	480	383
Mar	488	372
Apr	428	350
May	465	440
Jun	450	
Total	5227	4336

Y-T-D



10-11	4777
11-12	4336
Y-T-D	0.907683



Informal Conference & Mediations

Staff	Mileage/Hours	2011												Total		
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12			
Staff 1	Greg	SVM	225.00	410.00	0.00	218.00	769.00	375.00	1200.00	465.00	795.00	0.00	618.00			5075.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	603.00	0.00			603.00
		Time	12.00	23.00	44.00	12.00	56.00	42.00	64.00	34.00	46.00	48.00	35.00			416.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Staff 2	Ginger	SVM	426.00	187.00	0.00	620.00	455.00	0.00	0.00	0.00	0.00	0.00	0.00			1688.00
		PVM	0.00	43.00	28.00	34.00	390.00	0.00	0.00	0.00	0.00	0.00	0.00			495.00
		Time	32.00	26.00	48.00	44.50	51.00	0.00	0.00	0.00	0.00	0.00	0.00			201.50
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Mediations		SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	192.00	0.00			192.00
		PVM	0.00	0.00	301.00	0.00	0.00	0.00	0.00	245.00	0.00	0.00	582.00			1128.00
		Time	0.00	0.00	133.00	0.00	12.00	0.00	10.00	42.00	7.00	46.00	91.50			341.50
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	311.00	0.00	170.20				481.20
Staff 3	Vivian	SVM	302.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			302.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
		Time	28.00	8.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			44.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Staff 4	Garry	SVM	713.00	509.00	725.00	273.00	552.00	230.00	542.00	539.00	0.00	599.00	315.00			4997.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
		Time	38.50	32.50	41.00	27.50	31.50	32.50	55.50	32.00	16.00	43.25	28.00			378.25
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Staff 5	Kelly	SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
		Time	0.00	13.00	24.50	12.50	12.50	12.50	12.50	12.50	12.50	24.50	13.00			150.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Staff 6	Robin	SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	480.00	163.00			643.00
	DiAnn	PVM	190.00	0.00	367.00	139.00	56.00	31.00	0.00	0.00	0.00	0.00	0.00			783.00
		Time	43.50	18.50	86.00	23.00	27.50	9.00	11.00	23.00	42.50	44.00	31.00			359.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00

Totals FY 2011-2012	
SVM = State Vehicle Miles	12897.00
PVM = Personal Vehicle Miles	3009.00
T = Time	1890.25
H = Hotel Cost	481.20

Pleadings Assigned

Month	District 1	District 2	District 3	District 4	District 5	District 6	District 7
Jul-10	93	111	118	169	146	114	140
Aug-10	121	106	113	193	138	109	132
Sep-10	111	85	105	130	115	103	163
Oct-10	99	76	84	157	117	83	130
Nov-10	97	50	122	140	99	98	151
Dec-10	95	81	111	131	88	83	118
Jan-11	108	83	123	164	90	101	140
Feb-11	132	67	102	139	89	85	95
Mar-11	165	100	109	160	140	133	159
Apr-11	130	83	112	163	96	106	163
May-11	92	90	113	160	112	86	149
Jun-11	95	79	112	138	110	111	152
Totals	1338	1011	1324	1844	1340	1212	1692
FY 2010-2011							

State of South Carolina

1333 Main Street, 5th Floor
P.O. Box 1715
Columbia, S.C. 29202-1715



TEL: (803) 737-5700
FAX: (803) 737-5764

Workers' Compensation Commission

Executive Director's Report
Gary M. Cannon
June 18, 2012

Employee Meetings/Staff Training

The Employee Appreciation Luncheon was held on Monday, May 21, 2012. An all Employee Meeting was held May 24, 2012. Four employees participated in the employee focus group with the Executive Director on May 31. The Executive Staff met on May 30.

Constituent /Public Information Services

For the period May 15, 2012 through June 13, 2012 the Executive Director's Office had 337 contacts with various system constituents and stakeholders. The contacts included telephone communications; electronic and personal contacts with claimants or constituents, state agencies, federal agencies, attorneys, service providers, business partners; and letters with congressional offices.

SCWCC Stakeholder Electronic Distribution List

For the period May 14, 2012 through June 11, 2012, 139 individuals were added to the Commission's stakeholder distribution list. We have 246 individuals currently receiving notifications from the Commission.

SC Vocational Rehabilitation Department

Attached is a progress report on SCVRD/WCC referrals provided by Michelle Prevost, SCVRD Counselor, for May 2012

GEAR Hearing

Chairman Beck conducted hearings on June 11 of two cases of uncollected fines due the Commission scheduled to be sent to the Department of Revenue for collection.

Surgical Implant Advisory Committee

The Surgical Implant Advisory Committee is scheduled to meet on Wednesday, June 27, at 1:30 p.m. in the CBRE First Floor Conference Room.

Statutory/Regulatory Changes

H3111 - The Governor signed the bill on June 7.

R4286 (Mediation) – A Public Hearing was held on Tuesday, May 29, 2012 to receive comments on the proposed Mediation Regulations. A Special Business Meeting was held immediately following the Public Hearing wherein the Commission unanimously approved the final language. On May 29 the proposed Regulation 4286 was submitted to the General Assembly on for approval and a request submitted to the Senate to include the consideration of the Mediation Regulations in the Sine Die Resolution. The request was not included in the final draft of the Senate version of the Sine Die Resolution, and will be considered during the new legislative session.

R4283 (Oral Arguments) –A Public Hearing was held on Monday, May 21, 2012 to receive public comment on the proposed change to Regulation 67-706 (4283). The final language on the proposed change will be considered at the June 18 Business Meeting.

Court Fines and Assessments Aging Report

The attached Fines and Assessments Aging Report reflects the number and amount of fines assessed for the period ending May 31, 2012.

Other Meetings

The Executive Director participated in the following meetings/activities:

- May 23 – Met with auditors from the State Auditor’s Office
- May 23 – Briefing with Grady Beard, chairman, Surgical Implant Advisory Committee
- May 31 – Meeting with Marti Bluestein, Esquire
- June 5 – Made a presentation at Occupational Nurses Association Meeting
- June 12 – Conference call with Jeff Griffin, Kent Spafford
- June 14 – Made a presentation at the PHT General Membership Meeting
- June 15 – SCWCEA Reception



South Carolina Vocational Rehabilitation Department

*Enabling eligible South Carolinians with disabilities to prepare for,
achieve and maintain competitive employment.*

Barbara G. Hollis, Commissioner

MEMO

TO: Gary Cannon

FROM: Michelle A. Prevost, SCVRD Counselor

DATE: May 31, 2012

RE: SCVRD/WCC Referrals

As the SCVRD counselor assigned to the Workers Compensation Commission, I held office hours at WCC for three days this past month with absence due to personal leave and training conflicts.

During this month's office hours, I have been reviewing WCC Lexington County cases for 2009. I am currently reviewing approximately 1340 cases. In my review so far, I have found 22 inappropriate referrals and 34 appropriate referrals. I will continue to review the case files based upon body type and severity of injury through the Claims Maintenance and Documents on file for the cases. Letters will be sent to the potential appropriate referrals.

As of May 31st, I have had the following contacts regarding potential WCC referrals:

- 4 appointments with potential clients
 - *3 deferred application until after making decisions of retirement or return to work; or discussions with attorney about participation in VR services.
 - *1 eligibility application taken, pending records receipt to determine eligibility.
- 1 attorney referral
 - *Upon meeting with referral to discuss services, an application was taken.
 - Pending records receipt to determine eligibility.
- 1 letter from attorney requesting assistance in obtaining information regarding client's VR participation for assistance with SSDI application. Counselor currently reviewing request and information to assist attorney where possible.

SC Vocational Rehabilitation Dept
Workers' Comp Referrals SFY 2012

COUNTY	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Cnty Total
Abbeville						1							1
Aiken						1	1						2
Allendale													0
Anderson					1								1
Bamberg													0
Barnwell													0
Beaufort				1						2			3
Berkeley	1						1						2
Calhoun													0
Charleston	1			2			1						4
Cherokee													0
Chester													0
Chesterfield													0
Clarendon													0
Colleton													0
Darlington			1										1
Dillon													0
Dorchester			1										1
Edgefield													0
Fairfield	1												1
Florence													0
Georgetown		1											1
Greenville					1		1						2
Greenwood													0
Hampton													0
Horry							1						1
Jasper													0
Kershaw													0
Lancaster													0
Laurens													0
Lee													0
Lexington			1		1	1							3
Marion													0
Marlboro													0
McCormick													0
Newberry				2									2
Oconee													0
Orangeburg													0
Pickens													0
Richland		2	3	2					1	1			9
Saluda													0
Spartanburg													0
Sumter							1						1
Union													0
Williamsburg													0
York													0
Monthly Ttl's	3	3	6	7	3	3	6	0	1	3	0	0	35

SC Vocational Rehabilitation Dept
Workers' Comp Referrals SFY 2012

Primary Disability	#
Mobility Impairments	8
Manipulation/dexterity impairments (hand/fingers)	2
Other Orthopedic Impairments (e.g. limited range of motion)	14
General physical debilitation (faigue, weakness, chronic pain)	8
Hearing or visual impairments	2
Other physical impairments (not listed above)	1
Total	35

Fines and Assessments Aging Report
Monthly Totals

Summary All Depts.	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Total	\$1,241,794	\$1,234,176	\$1,208,332	\$1,304,713	\$1,305,072	\$1,397,007	\$1,290,780	\$1,560,584	\$1,165,443	\$1,178,221	
Count	3,499	3,427	3,479	3,449	3,353	3,235	3,007	2,701	2,691	2,636	
> 91 Days	\$1,012,890	\$900,257	\$909,163	\$896,275	\$867,105	\$884,951	\$892,186	\$872,320	\$899,578	\$902,577	
Count	2,726	2,522	2,577	2,508	2,328	2,170	2,032	1,845	1,816	1,862	
61-90 Days	\$59,842	\$48,768	\$45,694	\$49,704	\$93,413	\$111,589	\$77,012	\$117,344	\$55,053	\$52,010	
Count	197	164	188	166	198	249	152	189	186	127	
31-60 Days	\$72,480	\$83,613	\$80,385	\$114,064	\$156,864	\$115,896	\$178,400	\$87,369	\$72,075	\$82,245	
Count	204	289	251	285	346	269	294	295	205	285	
< 30 days	\$96,582	\$201,538	\$173,090	\$244,669	\$187,690	\$284,572	\$143,183	\$483,551	\$138,737	\$141,389	
Count	372	452	463	490	481	547	529	372	484	362	
Of Fines Over 90 Days Old											
Orders	\$2,585	\$2,385	\$2,385	\$2,385	\$1,775	\$1,775	\$1,275	\$1,275	\$1,275	\$1,275	
Count	10	8	8	8	6	6	5	5	5	5	
Judgments	\$200,174	\$253,507	\$253,387	\$253,267	\$253,222	\$252,702	\$252,702	\$252,702	\$250,792	\$250,792	
Count	532	542	541	540	539	538	538	538	537	537	

Claims	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$648,378	\$627,953	\$627,083	\$637,413	\$641,193	\$600,288	\$606,068	\$561,668	\$501,993	\$465,893	\$463,193	
Count	3,094	2,991	2,990	3,044	3,036	2,843	2,721	2,519	2,242	2,180	2,156	
> 91 Days	\$498,178	\$467,253	\$453,533	\$467,113	\$453,343	\$415,238	\$382,318	\$358,368	\$316,393	\$314,243	\$324,393	
Count	2,423	2,284	2,219	2,271	2,204	2,026	1,857	1,725	1,525	1,491	1,540	
61-90 Days	\$31,950	\$19,150	\$34,800	\$35,000	\$29,750	\$39,350	\$48,550	\$24,600	\$51,850	\$36,500	\$23,500	
Count	147	94	150	159	145	173	218	105	151	163	103	
31-60 Days	\$38,300	\$49,250	\$59,250	\$45,700	\$56,600	\$70,050	\$41,900	\$76,150	\$61,750	\$37,650	\$49,900	
Count	180	214	256	213	294	305	187	241	254	170	223	
< 30 days	\$79,950	\$92,300	\$79,500	\$89,600	\$101,500	\$75,650	\$133,300	\$102,550	\$72,000	\$77,500	\$65,400	
Count	344	399	365	401	433	339	459	448	312	356	290	
Of Fines Over 90 Days Old												
Orders	\$2,585	\$2,485	\$2,385	\$2,385	\$2,385	\$1,775	\$1,775	\$1,275	\$1,275	\$1,275	\$1,275	
Count	10	9	8	8	8	6	6	5	5	5	5	
Judgments	\$93,468	\$93,468	\$92,848	\$92,728	\$92,608	\$92,563	\$92,043	\$92,043	\$92,043	\$92,043	\$92,043	
Count	479	479	478	477	476	475	474	474	474	474	474	

Compliance	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$502,164	\$446,015	\$513,772	\$480,998	\$581,760	\$608,987	\$697,243	\$641,155	\$977,515	\$609,050	\$632,843	
Count	173	172	196	199	228	234	259	244	249	248	248	
> 91 Days	\$449,998	\$368,741	\$366,445	\$364,597	\$363,722	\$378,988	\$429,054	\$468,579	\$488,332	\$520,327	\$515,705	
Count	143	127	131	135	134	142	160	178	181	193	191	
61-90 Days	\$7,390	\$16,973	\$13,393	\$6,750	\$19,036	\$52,976	\$62,895	\$46,212	\$63,606	\$15,866	\$26,266	
Count	5	12	10	10	15	19	30	16	28	9	12	
31-60 Days	\$31,637	\$16,471	\$19,675	\$31,993	\$55,977	\$86,670	\$61,452	\$98,562	\$19,588	\$31,094	\$22,714	
Count	14	11	10	22	23	40	19	34	10	17	13	
< 30 days	\$13,139	\$43,830	\$114,259	\$77,659	\$143,025	\$90,353	\$143,841	\$27,802	\$405,989	\$41,763	\$68,158	
Count	11	22	45	32	56	33	50	16	30	29	32	
Of Fines Over 90 Days Old												
Orders												
Count												
Judgments	\$106,706	\$158,129	\$160,659	\$160,659	\$160,659	\$160,659	\$160,659	\$160,659	\$160,659	\$158,749	\$158,749	
Count	53	63	64	64	64	64	64	64	64	63	63	

Coverage	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$64,650	\$60,400	\$66,700	\$63,300	\$55,900	\$69,250	\$67,550	\$63,200	\$55,600	\$67,100	\$62,800	
Count	170	174	174	169	123	210	192	187	149	207	185	
> 91 Days	\$42,450	\$51,600	\$56,500	\$53,100	\$54,500	\$47,450	\$48,150	\$41,200	\$43,800	\$43,000	\$44,400	
Count	113	130	123	118	116	101	95	77	90	86	93	
61-90 Days	\$19,200	\$200	\$0	\$3,400	\$200	\$800	\$0	\$6,200	\$1,600	\$2,400	\$2,000	
Count	42	1	0	17	1	4	0	31	8	12	10	
31-60 Days	\$1,600	\$0	\$4,000	\$1,400	\$1,200	\$0	\$12,400	\$3,400	\$5,600	\$2,800	\$9,200	
Count	8	0	20	7	6	0	62	17	28	14	46	
< 30 days	\$1,400	\$8,600	\$6,200	\$5,400	\$0	\$21,000	\$7,000	\$12,400	\$4,600	\$18,900	\$7,200	
Count	7	43	31	27	0	105	35	62	23	95	36	
Of Fines Over 90 Days Old												
Orders												
Count												
Judgments												
Count												
Judicial												
Division Total	\$26,601	\$25,471	\$26,620	\$26,620	\$25,859	\$26,547	\$26,146	\$24,757	\$25,475	\$23,400	\$19,384	
Count	62	59	67	67	62	66	63	57	61	56	47	
> 91 Days	\$22,263	\$23,378	\$23,778	\$24,353	\$24,710	\$25,428	\$25,428	\$24,038	\$23,795	\$22,008	\$18,079	
Count	47	48	49	53	54	59	58	52	49	46	38	
61-90 Days	\$1,302	\$544	\$575	\$544	\$718	\$287	\$144	\$0	\$287	\$287	\$244	
Count	3	2	4	2	5	2	1	0	2	2	2	
31-60 Days	\$944	\$718	\$687	\$1,293	\$287	\$144	\$144	\$287	\$431	\$531	\$431	
Count	2	5	3	9	2	1	1	2	3	4	3	
< 30 days	\$2,093	\$831	\$1,580	\$431	\$144	\$687	\$431	\$431	\$962	\$575	\$631	
Count	10	4	11	3	1	4	3	3	7	4	4	

State of South Carolina

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Workers' Compensation Commission

TO: Workers' Compensation Commissioners
FROM: Gary M. Cannon
DATE: June 18, 2012
RE: Regulation 67-706 (R 4283) Oral Argument – Proposed Language

The Commission is requested to approve the final language of the proposed change to Regulation 67-706 Oral Argument (R 4283). The proposed change found in the attached document R 4283, add subsection "D". The new language requires parties to be present in the designated waiting area of the Commission no later than 30 minutes prior to the time for which their cases are scheduled to be argued before the Appellate Panel.

On April 27, 2009 the Commission approved the drafting of a regulation to require parties to arrive and sign in thirty minutes prior to their Appellate Hearing. At the September 19, 2011 Commission Business Meeting, Chairman Beck instructed staff to initiate the process to publicize the Notice of Drafting. The Notice of Drafting was published in the December 23, 2011 *State Register*.

On January 17, 2012 the Commission adopted a schedule for promulgation of the proposed change to Regulation 67-706 (R 4283) Oral Argument. The Commission approved the language of the Proposed Regulation at the February 21, 2012 Commission Meeting. The Proposed Regulation was published in the March 23, 2012 *State Register*. The publication included a call for comments on the proposed regulation and a Notice of Public Hearing. The deadline to submit written comments was Monday, April 23, 2012 5:00 p.m. No written comments were received by the Commission.

The Commission held a Public Hearing to receive public comment on the proposed change to Regulation 67-706 (R 4283) on May 21, 2012. No comments were offered to the Commission at the Public Hearing.

Agency Name: Workers' Compensation Commission
Statutory Authority: 42-3-30 and 42-17-50
Document Number: 4283
Proposed in State Register Volume and Issue: 36/3
Status: Proposed
Subject: Oral Argument

History: 4283

<u>By</u>	<u>Date</u>	<u>Action Description</u>	<u>Jt. Res. No.</u>	<u>Expiration Date</u>
-	03/23/2012	Proposed Reg Published in SR		

Document No. 4283
WORKERS' COMPENSATION COMMISSION
CHAPTER 67
Statutory Authority: 1976 Code Sections 42-3-30 and 42-17-50

67-706. Oral Argument.

Preamble:

The South Carolina Workers' Compensation Commission proposes to amend Regulation 67-706, Oral Argument. The Notice of Drafting regarding this regulation was published on December 23, 2011 in the *State Register*.

Section by Section Discussion

The Commission is proposing to amend regulation 67-706 to include the addition of a subsection "D" which would require parties to be present in the designated waiting area of the Commission no later than 30 minutes prior to the time for which their cases are scheduled to be argued. Any party who fails to comply with this regulation is subject to a \$100 fine, except for good cause shown. The requirements of this regulation must be set forth in bold type on the hearing notice. The proposed amendment will assist the Commission in maintaining an efficient schedule for its docket of appellate hearings.

Notice of Public Hearing and Opportunity for Public Comment:

Interested persons may submit written comments to the South Carolina Workers' Compensation Commission, attention Gary M. Cannon, Executive Director, Post Office Box 1715, Columbia, South Carolina 29202-1715. To be considered, comments must be received no later than 5:00 p.m. on Monday, April 23, 2012.

The South Carolina Workers' Compensation Commission has scheduled a public hearing for May 21, 2012 at 10:30 a.m. in Hearing Room A at the SC Workers' Compensation Commission, 1333 Main Street, Columbia, SC 29202.

Preliminary Fiscal Impact Statement:

The fiscal impact of the proposed changes to this regulation is \$0.

Statement of Need and Reasonableness:

The Workers' Compensation Commission is the regulatory agency of the State of South Carolina responsible for overseeing and administering the South Carolina Workers' Compensation Act. SC Code Ann. § 42-1-10 et seq. (1976). The Commission shall promulgate all regulations relating to the administration of the workers' compensation laws, and may conduct review and rehearing. § 42-3-30; § 42-17-50; R.67-706.

DESCRIPTION OF REGULATION: R.67-706, Oral Argument.

Purpose: Assists the Commission in maintaining an efficient schedule for its docket of appellate hearings.

Legal Authority: Section 42-3-30, Promulgation of rules and regulations by Commission and Section 42-17-50, Review and rehearing by Commission.

Plan for Implementation: The proposed regulation will take effect upon approval by the General Assembly and publication in the *State Register*.

DETERMINATION OF NEED AND REASONABLENESS OF THE PROPOSED REGULATION BASED ON ALL FACTORS HEREIN AND EXPECTED BENEFITS:

The Commission determined a need for considering the amendment to the regulation April 2009.

DETERMINATION OF COSTS AND BENEFITS:

There are no additional costs to the agency related to the proposed change to the regulation. The benefit of the proposed change is that it will assist the Commission in maintaining an efficient schedule for its docket of appellate hearings.

UNCERTAINTIES OF ESTIMATES:

None.

EFFECT ON ENVIRONMENT AND PUBLIC HEALTH:

None.

DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE REGULATION IS NOT IMPLEMENTED:

None.

Statement of Rationale:

The Commission is proposing to include the addition of a subsection "D" which would require parties to be present in the designated waiting area of the Commission no later than 30 minutes prior to the time for which their cases are scheduled to be argued. The amendment of this regulation will assist the Commission in maintaining an efficient schedule for its docket of appellate hearings.

~~Indicates Matter Stricken~~
Indicates New Matter

Text:

67-706. Oral Argument.

A. Each party is permitted ten minutes for oral argument. The appellant is permitted three minutes for reply.

B. If both parties have appealed, each party is permitted ten minutes for oral argument, and each party is permitted three minutes for reply.

C. A party may request additional time for argument by attaching a motion to the Form 30. The Commission will issue an order before the case is set for argument.

D. Parties must sign in and be present in the designated waiting area of the Commission no later than 30 minutes prior to the time for which their cases are scheduled to be argued. Any party who fails to comply with this regulation is subject to a \$100 fine, except for good cause shown. The requirements of this regulation must be set forth in bold type on the hearing notice.

**MEMORANDUM OF AGREEMENT
BETWEEN
THE SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
AND
THE SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT**

Parties to the Memorandum of Agreement

This Memorandum of Agreement is entered into by the South Carolina Workers' Compensation Commission, hereinafter referred to as "SCWCC," and the South Carolina Vocational Rehabilitation Department, hereinafter referred to as "SCVRD."

Legislative Mandate

The framework for this Memorandum of Agreement is based upon the following legislative mandates:

- The state of South Carolina has created the agencies, the South Carolina Workers' Compensation Commission (SCWCC), pursuant to South Carolina Code of Laws, Section 42-3-10, et seq., and the South Carolina Vocational Rehabilitation Department (SCVRD), pursuant to South Carolina Code of Laws, Section 43-31-10, et seq.
- The South Carolina Code of Laws, Section 42-3-80 states that the executive director for the administrative department of the SCWCC "shall also be responsible for the referral to the South Carolina Vocational Rehabilitation Department of all industrially injured persons that need vocational counseling or vocational evaluation, personal adjustment, training and placement."

Purpose

It is the intent of this MOA to promote mutual cooperation and communication between SCWCC and SCVRD in order to facilitate the referral of industrially injured persons for vocational rehabilitation services and serve those referrals who are eligible for services. The SCWCC and SCVRD agree that the "Cooperative Agreement between The South Carolina Industrial Commission and The South Carolina Vocational Rehabilitation Department," dated March 31, 1980, and modifications to that cooperative agreement are hereby rescinded.

Role of Each Agency

SCWCC

The mission of the South Carolina Workers Compensation Commission is to administer the workers' compensation law in South Carolina. The Commission, working closely with the Governor, the General Assembly, and the Commission's many constituents, ensures that the workers' compensation system is fair, equitable, and responsive to the needs of the citizens of South Carolina.

SCVRD

SCVRD's mission is to enable eligible individuals with disabilities to prepare for, achieve, and maintain competitive employment. Its time-limited, service delivery system focuses on working age people with physical and mental disabilities.

Respective Duties

SCWCC and SCVRD are committed to seek opportunities to better coordinate and maximize referrals of persons injured during the course and scope of their employment and assist those, whose injuries pose ongoing limitations for maintaining employment, through provision of appropriate, timely vocational rehabilitation services that will enable them return to competitive employment.

Objectives: The content of this Memorandum of Agreement shall focus on the attainment of the following objectives:

1. Maintain daily work relationships between the SCWCC and SCVRD that promote prompt and appropriate referrals of industrially injured persons for vocational rehabilitation services.
2. Improve the quality of vocational rehabilitation services and employment outcomes for the SCWCC referrals, whose injuries pose ongoing limitations for maintaining employment.
3. Access to the SCWCC database that:
 - a. advances the ability of each SCVRD area office to seek referrals of industrially injured persons in their home communities and
 - b. enhances the ability of the SCWCC to review and report real-time aggregate referral information to their stakeholders.
4. Provide relevant aggregate information to the SCWCC about the status and outcomes of referrals made by the SCWCC to the SCVRD, and maintain and improve the mechanisms for the exchange of specific client information by the mutual agencies.

Modifications

No amendments, changes, additions, deletions or modifications to or of this Agreement shall be valid unless reduced to writing, signed by the parties and attached hereto.

Notices

Any written communication or notice pursuant to this agreement shall be made to the following representatives of the respective parties at the following addresses:

For SCWCC:

Gary Cannon, Executive Director
P. O. Box 1715
Columbia, SC 29202-1715
Telephone: (803) 737-5744
Email: gcannon@wcc.sc.gov

For SCVRD:

James M. Williams, Client Services Specialist
1410 Boston Avenue, PO Box 15
West Columbia, SC 29170
Telephone: (803) 896-7993
Email: jwilliams@scvrd.state.sc.us

Duration

This term of this Memorandum of Agreement shall be for a period of five (5) years of the date of the last signature affixed hereto. The SCWCC executive director and the SCVRD commissioner will take appropriate action within their respective agencies to ensure effective implementation of the terms of this Memorandum of Agreement.

Termination

Either party may terminate the agreement at any time for any reason by giving written notice of at least thirty (30) days. The thirty (30) days shall commence upon receipt of such notice, which shall be deemed to have been received no later than five (5) days after transmittal to the address indicated below.

Signatures

South Carolina
Workers' Compensation Commission

South Carolina
Vocational Rehabilitation Department

_____/_____
Gary M. Cannon Date
Executive Director

_____/_____
Barbara G. Hollis Date
Commissioner

State of South Carolina

1333 Main Street, 5th Floor
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Workers' Compensation Commission

Resolution

Satisfying the Commission of a Parties Interest and Right to Inspect the Records of the Commission

WHEREAS, the SC Workers' Compensation Commission (Commission) is responsible for referring industrially injured persons who need vocational counseling or vocational evaluation, personal adjustment, training and placement to the SC Vocational Rehabilitation Department (SCVRD) pursuant to Section § 42-3-80 of the SC Code of Laws, 1976; and

WHEREAS, the Commission desires to enter into a cooperative arrangement with SCVRD to develop a referral claimant referral system that is timely, efficient and effective for all stakeholders; and

WHEREAS, the Commission and SCVRD desire a statewide referral system to allow all eligible workers' compensation claimants access to all SCVRD offices; and

WHEREAS, the Commission and SCVRD have determined the most optimum referral system will provide SCVRD staff electronic access to Commission case files in order to provide SCVRD offices access to the information; and

WHEREAS, the Section § 42-19-40 of the of the SC Code of Laws, 1976, provides the records of the Commission, in so far as they refer to accidents, injuries and settlements, shall not be open to the public, however parties satisfying the Commission of their interest in such records and the right to inspect them; and

WHEREAS, the Section § 43-31-150 of the Code of Laws of South Carolina, 1976, provides records and communications are confidential and privileged except for purposes directly connected with the administration of a vocational rehabilitation program; and

NOW, THEREFORE, BE IT RESOLVED, that the South Carolina Workers' Compensation Commission, a duly constituted body of the State of South Carolina, hereby determines SCVRD satisfies the Commission's interest in having access and right to inspect the Commission records for purposes of determining claimants eligibility for SCVRD services pursuant to Section §42-19-40 of the SC Code of Laws, 1976.

Approved by the SC Workers' Compensation Commission on this _____ day of _____, 2012

T. Scott Beck
Chairman

Date: _____

SECTION 42-3-80. Executive director of administrative department.

The administrative department of the commission shall be under the direction of the executive director. The director must be appointed by the commission, shall serve at its pleasure, and shall receive an annual salary not to exceed eighty-five percent of the salary paid to the commissioners.

The administrative director shall receive and be responsible for all files and records of the Industrial Commission and shall refer all claims to the judicial department for disposition and receive from that department reports, information and statistics as to the disposition of claims. He shall also be responsible for the referral to the South Carolina Vocational Rehabilitation Department of all industrially injured persons that need vocational counseling or vocational evaluation, personal adjustment, training and placement.

In the performance of his duties, the director is authorized to:

(a) With the approval of the chairman of the Commission, appoint and discharge, if necessary, all support personnel within the administrative department except division directors;

(b) Compile all statistics and reports concerning the administration of workers' compensation laws and the disposition of claims related thereto;

(c) Conduct administrative operations of the Commission in accordance with the provisions of this title and regulations promulgated thereunder.

HISTORY: 1962 Code Section 72-50.7; 1974 (58) 2251; 1980 Act No. 481; 2005 Act No. 85, Section 1, eff May 26, 2005; 2006 Act No. 327, Section 2, eff June 2, 2006.

SECTION 42-19-40. Records shall not be public.

The records of the Commission, in so far as they refer to accidents, injuries and settlements, shall not be open to the public, but only to parties satisfying the Commission of their interest in such records and of the right to inspect them.

HISTORY: 1962 Code Section 72-504; 1952 Code Section 72-504; 1942 Code Section 7035-69; 1936 (39) 1231.

SECTION 43-31-150. Unlawful disclosure or use of information; records and communications are confidential and privileged.

It shall be unlawful, except for purposes directly connected with the administration of the vocational rehabilitation program, and in accordance with regulations, for any person to solicit, disclose, receive or make use of, or authorize, knowingly permit, participate in or acquiesce in the use of any list of, or names of, or any information concerning, persons applying for or receiving vocational rehabilitation, directly or indirectly derived from the records, papers, files, communications of the State or subdivisions or agencies thereof, or acquired in the course of the performance of official duties without the written consent of each such applicant and recipient. The records, papers, files and communications shall be regarded as confidential information and privileged.

HISTORY: 1962 Code Section 71-285; 1957 (50) 114; 1972 (57) 2398.

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Workers' Compensation Commission

TO: Commissioners

FROM: Gary M. Cannon

DATE: June 18, 2012

RE: Lump Sum Payments §42-9-301

Section 42-9-301 (see attached) provides claimants may be paid weekly benefits in a lump sum payment so long as it is not contrary to the best interest of the employee or his dependents or when it prevents undue hardship on the employer or insurance carrier. The lump sum payment shall be fixed by the Commission to be no less than ninety percent of nor exceed the commutable value of future installments so as not to exceed six percent or less than two percent.

Regulation R67-1605 (see attached) establishes procedures for an employer or employer's representative for making a lump sum payment. It provides for calculating the present worth of the lump sum payment by using discount tables designated by the Commission. The tables approved by the Commission calculate the present value of the lump sum payment using a discount of two percent per annum for awards of less than one hundred weeks and a table based on a discount of five percent per annum for awards of more than one hundred weeks. These discount rates are within the range provided in Section 42-9-301.

The practical aspect of calculating the present day value or commuted value of future money ensures equity for the claimant and the employer or employer's representative to provide the claimant is paid an amount no more than the current value of the award and the employer or employer's representative is not required to pay more than the current value of the award by using a percentage discount rate on the total amount of the weekly benefits to be paid.

During the discussion to revise the Commission's discount tables it was determined alternative sources may exist for calculating the commuted value of awards more equitably. Therefore it is recommended that the Commission create an ad hoc advisory committee of stakeholders to review the current and alternative methodologies used to calculate net present value of lump sum payments to ensure fairness to the claimants and the employers.

SECTION 42-9-301. Lump-sum payments.

Whenever any weekly payment has been continued for not less than six weeks, the liability therefor may, when the employee so requests and the commission deems it not to be contrary to the best interest of the employee or his dependents, or when it will prevent undue hardship on the employer or his insurance carrier, without prejudicing the interest of the employee or his dependents, be redeemed, in whole or in part, by the payment by the employer of a lump sum which shall be fixed by the commission, but in no case to be less than ninety percent of, nor to exceed, the commutable value of the future installments commuted so as not to exceed six percent nor to be less than two percent. The commission, however, in its discretion, may at any time in the case of a minor who has received permanently disabling injuries, either partial or total, provide that he be compensated, in whole or in part, by the payment of a lump sum, the amount of which shall be fixed by the commission but in no case to be less than ninety percent of, nor to exceed, the commutable value of the future installments which may be due under this title. Upon a finding by the commission that a lump sum payment should be made, the burden of proof as to the abuse of discretion in such finding shall be upon the employer or carrier in any appeal proceedings.

HISTORY: 1983 Act No. 92 Section 5.

SECTION 67-1605. Lump Sum Payment.

A. The employer's representative shall pay, in lump sum, a settlement or award which is less than one hundred weeks. When a settlement or award is more than one hundred weeks, the Hearing Commissioner may order a lump sum payment or the claimant may request a lump sum payment by filing a Form 24, Application for Lump Sum Payment.

B. If the claimant is not represented by an attorney, the claimant may request lump sum payment by filing a Form 24 with the Commission's Claims Department. The department will contact the employer's representative to inquire if it consents to payment in lump sum.

C. An attorney for the claimant must request the employer's consent to payment in lump sum payment prior to filing a Form 24.

(1) If the parties agree to payment in lump sum, the claimant's attorney may file with the Claims Department a Form 24 and attach to the Form 24 a signed agreement for payment in lump sum.

(2) If the employer's representative does not consent to payment in lump sum, the claimant's attorney may file a Form 24 with the Claims Department and attach a letter stating that the insurance carrier does not consent to the lump sum payment.

(3) The Commission will automatically set a hearing. The parties will be notified according to R.67-607.

D. If the employer's representative consents to payment by lump sum, the Claims Department forwards the Form 24 to the original Hearing Commissioner who reviews the Form 24 and may approve the Form 24 without the appearance of the parties.

(1) If the Commissioner approves the Form 24, he or she signs the Form 24 and the Claims Department commutes the award or settlement to present day value as provided in E below.

(2) The employer's representative is notified of the amount of the lump sum payment.

(3) If the Commissioner does not approve the Form 24, a hearing will be set automatically and the parties notified according to R.67-607.

E. Unless a Commissioner orders otherwise, or unless the settlement or award is less than ten weeks, the insurance carrier receives a discount for payment in lump sum.

(1) To determine the discount, the Commission subtracts the number of weeks already paid from the total number of weeks as awarded.

(2) Weeks that have accrued but are not paid at the time of the commutation are not included in the calculation.

(3) Three weeks of compensation are accrued into the future to allow for processing the Form 24 and issuing the check to the claimant.

(4) The number of accrued weeks are deducted from the total number of weeks due the claimant, resulting in the number of weeks commuted.

(5) The present worth of the remaining weeks is determined according to the discount tables designated by the Commission.

(a) A table based on a discount of two percent per annum on each installment yet to mature is used for less than one hundred weeks.

(b) A table based on a discount of five percent per annum on each installment yet to mature is used for more than one hundred weeks.

(6) Multiplying the present worth of the weeks by the claimant's compensation rate results in the commuted value of the remaining weeks.

(7) Adding the value of the accrued weeks to the commuted value of the remaining weeks results in the total amount due the claimant.

F. The dollar value of a lump sum payment may be requested by writing the Claims Department.