

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

September 16, 2013 – 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 SEPTEMBER 16, 2013 *CHAIRMAN BECK*
2. APPROVAL OF MINUTES OF THE BUSINESS MEETING OF AUGUST 12, 2013 (Tab 1) *CHAIRMAN BECK*
3. GENERAL ANNOUNCEMENTS *MR. CANNON*
4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) *MR. SMITH*
5. DEPARTMENT DIRECTORS' REPORTS
Administration – Financial Report (Tab 3) *MS. GANTT*
Human Resources (Tab 4) *MS. FLOYD*
Information Services (Tab 5) *MS. HARTMAN*
Insurance & Medical Services (Tab 6) *MR. DUFFIELD*
Claims (Tab 7) *MR. DUFFIELD*
Judicial (Tab 8) *MS CROCKER*
6. EXECUTIVE DIRECTOR'S REPORT (Tab 9) *MR. CANNON*
7. OLD BUSINESS *CHAIRMAN BECK*
8. NEW BUSINESS *CHAIRMAN BECK*
 - A. Request - Production of Medical Records Pursuant to Form 27 (Tab 10) *Chairman Beck*
 - B. Commissioners Annual Ethics Training (Tab 11) *Mr. Cannon*
 - C. Amendments to EPMS Policy (Tab 12) *Mr. Cannon*
 - D. FY 2014-15 Budget Request (Tab 13) *Mr. Cannon*
9. ADJOURNMENT *CHAIRMAN BECK*

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12	Amendments to EPMS Policy
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**THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING**

Monday, August 12, 2013

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, August 12, 2013 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
AISHA TAYLOR, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER**

Present also were Gary M. Cannon, Executive Director; Grant Duffield, Insurance and Medical Services Director; Virginia Crocker, Judicial Director; Betsy Hartman, IT Director; Diana Gantt, Accounting/Fiscal Manager; Cathy Floyd, Human Resources Manager; Wayne Ducote, Coverage Director; W.C. Smith, Self-Insurance Director; Amanda Underhill, Business Analyst; and Keith Roberts, Attorney. Also present was Clara Smith, Injured Workers' Advocates.

Chairman Beck called the meeting to order at 10:53 a.m.

AGENDA

Commissioner Wilkerson moved that the agenda be approved. Commissioner Taylor seconded the motion, and the motion was approved.

APPROVAL OF MINUTES – BUSINESS MEETING OF JULY 15, 2013

Commissioner James moved that the minutes of the Business Meeting of July 15, 2013 be approved. Commissioner Taylor seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

There were no general announcements.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Thirty-two (32) prospective members of three (3) funds were presented to the Commission for approval. The applications were:

Palmetto Timber Fund

Alexander Logging
Clinton Hardwoods

SC Automobile Dealers SIF

Wheelz, LLC dba Sumter Chrysler Dodge Jeep Ram

SC Home Builders SIF

Adam T. Humphrey
Air One Heating & Air by Lowell Brannan, LLC
Alex Chertovskoy dba European Granite
Anthony Baldwin Painting, Inc.
Barrett Merrell Construction, LLC
Bobby Mishoe
Dalton W. Dyches dba Dyches Construction Co.
David's Heating & Air, Inc.
Emerald Home Builders, LLC
Fore Left Builders, LLC
Four Corners Fencing, LLC
Foskey Heating & Air, LLC
Jeffrey Dickson
John Barigol
Joseph L. Wolf Construction
Mackcrete, Inc.
Palmetto Pines Custom Homes & Renovations, LLC
Millstream Millworks, LLC
Pope Turner dba Turners' Trim Specialist
Renaissance Company, Inc.
Renee Graham dba 3G
Rob Morris Construction, LLC
The CountertopStore, Inc.
Titan Construction
Tom Carroll dba Wright Touch Solutions
Tyrone Wright dba Wright Touch Solutions
Vision Homes, Inc.
Wright Electrical, LLC
Whitney Ainsworth

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 Barden 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 Fiscal Year 2013. Revenue collected for FY 2013 was under budget at 85.21%. 100% of State Appropriations were spent and 97.5% of Earmarked Funds were spent for FY 2013.

Ms. Gantt presented the Summary of Revenues and Expenditures for the period ending July 31, 2013. The benchmark for July is 8.33%. The Commission's revenues are at 6.55%, and expenses are at 8%.

Human Resources Department

Cathy Floyd presented the Human Resources report for the period of July 10, 2013 through August 6, 2013. She made the following announcements:

- 2013 summer law clerk internships have ended
- Training on the new combined position description and EPMS form is scheduled for all supervisors on August 22, 2013
- The agency will participate in the 2013 Multi-Agency Harvest Hope Food Drive August 12-23, 2013.

Information Services

Betsy Hartman presented the Information Services Department's report. Ms. Hartman reported 86% of Release 1 Trading Partners have converted to EDI Release 3. She announced effective January 1, 2014, the Commission will no longer accept claims reported in EDI Release 1 standard format.

There was discussion on electronic processing of the Form 18. Ms. Hartman explained the IT Department is moving towards implementing a Subsequent Report of Injury (SROI) process which will enable the Commission to receive forms electronically. She said this project could require up to a year and a half to fully implement.

Insurance & Medical Services Department

Grant Duffield presented the Insurance & Medical Services Department's report. Mr. Duffield reported year to date the Compliance Division has collected \$83,217 in fines, which represents 14% of prior year's year-end collection of \$587,429. IMS continues to review and evaluate processes for service improvements.

Claims Department

Mr. Duffield presented the Claims Department's report. For the month of July, Claims Department closed 1,970 individual cases. Fine revenue received in July was \$42,350 a decrease of \$6,150 over prior month. Claims Examiners reviewed 404 individual case files. Claims Department and IT staff are reviewing and identifying ways to improve key system processes.

Judicial Department

Virginia Crocker presented the Judicial Department's report. Ms. Crocker announced that when a case comes off the docket due to mediation, the file is returned to Judicial for follow up and not General Files. Three workshops on the new mediation regulation are scheduled throughout the state as well as a presentation at the SC Bar's Annual Workers' Compensation Seminar.

EXECUTIVE DIRECTOR'S REPORT

Gary Cannon, Executive Director, presented his report which was also submitted to the Commission in written form. He announced the dates and locations for the Mediation Regulations Workshops: September 26 at the Convention Center in North Charleston; October 3 at SC Department of Archives & History in Columbia; and October 10 at Greenville Technical College in Greenville.

OLD BUSINESS

A. Proposed Regulation Change to 67-1605 Lump Sum

Mr. Cannon presented for approval a draft of the proposed regulation change to R 67-1605 Lump Sum for publication in the September 27, 2013 *State Register*.

Motion to Approve Draft of Proposed Regulation Change to 67-1605 Lump Sum

Commissioner Taylor made the motion to approve the draft of the proposed regulation change to R 67-1605 Lump Sum for publication in the September 27, 2013 *State Register*. Commissioner Wilkerson seconded the motion, and the motion was approved. The deadline for submission of comments is October 28, 2013. The Public Hearing will be held on October 29, 2013 in Hearing Room A at the Commission Office.

NEW BUSINESS

A. Approval of 2014 Commission Calendar

Mr. Cannon presented a recommendation to approve the proposed 2014 Commission Calendar.

Following discussion, Commissioner Barden suggested the following change in dates for the Commission Business Meetings and Appellate Panel Hearings:

- June Commission Business Meeting – June 9
- June Commission Appellate Panel Hearings – June 10
- August Commission Business Meeting – August 11
- August Commission Appellate Panel Hearings – August 12
- October Commission Business Meeting – October 27
- October Commission Appellate Panel Hearings – October 28

The Commissioners agreed with Commissioner Barden's suggested changes.

Motion to Approve Proposed 2014 Commission Calendar

Commissioner Roche made the motion to adopt the 2014 Commission Calendar as amended. Commissioner Barden seconded the motion, and the motion was approved.

ADJOURNMENT

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

The August 12, 2013 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:19 a.m.

Reported September 16, 2013

Kim Ballentine, Office of the Executive Director

INTEROFFICE MEMORANDUM

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: DIANA GANTT, DIRECTOR OF ADMINISTRATION
SUBJECT: FINANCIAL REPORT PERIOD ENDING AUGUST 31, 2013
DATE: 9/10/2013

The Summary of Revenues and Expenditures for the period ending August 31, 2013, is attached.

- August is the 2nd Fiscal Month of Fiscal Year 2014.
- The benchmark for August is 16.67%. The Commission's revenues are at 14.24% and expenses are at 19%.
- There were three payrolls processed during the month of August (1, 16, 30) therefore, the benchmarks for salaries are high due to this additional expense.
- There were 70 payment made to vendors, travelers, and other State Agencies
- The following is a summary of each department expenditure benchmarks:

General Fund: Total expenditures are at 21%.

Barmark Fund:

Commissioners –

- Total expenditures are at 16% of budget.

Administration –

- Overall the expenditures are 17% of budget.

Claims –

- Expenditures are at 19% of budget.

Insurance & Medical –

- Total expenditures are at 17% of budget

Judicial –

- Total expenditures are at 16% of budget

Activity Report from the Procurement Office:

	MTD	YTD
SCEIS Shopping Carts	0	0
Vendors Contacted for Price Quotes	16	31
Visa Procurement Card Orders Placed	7	9
SC Dept of Corrections Orders Placed	0	1
Staples Orders Placed	3	5
State Leased Vehicles taken for Service	3	5
State Reports filed by Procurement Officer	1	6

Mail Room Activity:

	MTD	YTD
Files Copied for Outside Parties	227	410
Pages Copied	11,561	18,980

South Carolina Workers' Compensation Commission

2013 - 2014 Budget

August 31, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 16.67%				
				Expended August	Year to Date	%	Encumb	Balance
Commissioners								
Salaries								
Taxable Subistence	\$ 72,350	\$ -	\$ 72,350	\$ 4,057	\$ 15,387	21%	\$ -	\$ 56,963
Total Salaries	72,350	-	72,350	4,057	15,387	21%	-	56,963
Other Operating Expenditures								
Contractual Services								
Copying Equipment Service	1,300	-	1,300	-	-	0%	-	1,300
Data Processing Services	34,000	-	34,000	-	2,216	7%	-	31,784
Freight Express Delivery	100	-	100	-	-	0%	-	100
Telephone	3,500	-	3,500	307	615	18%	-	2,885
Cellular Phone Service	11,500	-	11,500	863	863	8%	-	10,637
Legal Services/Attorney Fees	150,675	-	150,675	15,368	20,399	14%	-	130,277
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	201,275	-	201,275	16,538	24,099	12%	-	177,182
Supplies & Materials								
Office Supplies	2,900	-	2,900	673	684	24%	-	2,216
Copying Equipment	2,300	-	2,300	-	664	29%	-	1,636
Printing	1,800	-	1,800	-	-	0%	-	1,800
Data Processing Supplies	50	-	50	-	-	0%	-	50
Postage	4,800	-	4,800	273	812	17%	-	3,988
Maint/terminal Supplies	150	-	150	20	35	24%	-	115
Motor Vehicle Supp/Gasoline	50	-	50	-	24	48%	-	26
Other Supplies	70	-	70	-	-	0%	-	70
Total Supplies & Materials	12,120	-	12,120	966	2,220	18%	-	9,894
Fixed Charges								
Rental-Cont Rent Payment	1,000	-	1,000	74	74	7%	-	926
Rent-Non State Owned Property	143,000	-	143,000	11,940	23,880	17%	-	119,120
Insurance-State	8,300	-	8,300	3,603	8,603	104%	-	(303)
Insurance-Non State	1,169	-	1,169	-	-	0%	-	1,169
Dues & Memberships	430	-	430	-	-	0%	-	430
Total Fixed Charges	153,899	-	153,899	20,617	33,557	23%	-	121,342
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	200	-	200	51	51	26%	-	149
In State - Auto Mileage	18,000	-	18,000	1,502	1,749	10%	-	16,251
In State - Subsistence Allowance	9,000	-	9,000	492	492	5%	-	8,508
Out State - Meals	100	-	100	95	95	95%	-	5
Out State - Auto Mileage	300	-	300	-	-	0%	-	300
Leased Car	30,000	-	30,000	-	2,279	8%	-	27,721
Total Travel	57,600	-	57,600	2,140	4,666	8%	-	52,934
Total Other Operating Expenditures	424,894	-	424,894	40,261	63,536	15%	-	381,358
Total Commissioners	\$ 497,244	\$ -	\$ 497,244	\$ 44,319	\$ 78,923	16%	\$ -	\$ 418,321

South Carolina Workers' Compensation Commission

2013 - 2014 Budget

August 31, 2013

Earmarked Funds:

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 26.67%				
				Expended August	Year to Date	%	Encumb	Balance
Administration								
Salaries								
Classified Positions	\$ 316,210	\$ -	\$ 316,210	\$ 57,830	\$ 96,383	30%	\$ -	\$ 219,827
Temporary Employees	12,614	-	12,614	7,115	8,765	69%	-	3,849
Terminal Leave	-	-	-	-	-	0%	-	-
Total Salaries	328,824	-	328,824	64,945	105,148	32%	-	223,876
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	8,100	-	8,100	550	1,100	14%	-	7,000
Copying Equipment Service	3,000	-	3,000	-	-	0%	-	3,000
Print/Bind/Advertisement	10,000	-	10,000	-	-	0%	-	10,000
Print Pub Annual Reports	6,000	-	6,000	-	-	0%	-	6,000
Data Processing Services	213,993	-	213,993	-	2,759	1%	-	211,234
Freight Express Delivery	1,800	-	1,800	29	29	2%	-	1,771
Telephone	7,060	-	7,060	295	591	8%	-	6,469
Cellular Phone Service	5,000	-	5,000	196	196	4%	-	4,804
Education & Training Services	5,000	-	5,000	-	-	0%	-	5,000
Attorney Fees	25,000	-	25,000	-	-	0%	-	25,000
General Repair	1,500	-	1,500	-	-	0%	-	1,500
Audit Acct Finance	110	-	110	-	-	0%	-	110
Catered Meals	4,000	-	4,000	-	-	0%	-	4,000
Other Professional Services	1,500	-	1,500	-	-	0%	-	1,500
Other Contractual Services	2,000	-	2,000	-	-	0%	-	2,000
Total Contractual Services	294,063	-	294,063	1,079	4,675	2%	-	290,384
Supplies & Materials								
Office Supplies	9,500	-	9,500	610	1,575	17%	-	7,925
Copying Equipment Supplies	4,434	-	4,434	-	574	13%	-	3,860
Printing	3,500	-	3,500	-	-	0%	-	3,500
Data Processing Supplies	2,300	-	2,300	5	5	0%	-	2,295
Postage	8,000	-	8,000	215	588	7%	-	7,413
Maint/Minorial Supplies	1,000	-	1,000	71	84	8%	-	916
Fees & Fines	1,800	-	1,800	-	-	0%	-	1,800
Gasoline/ Motor Vehicle Supply	100	-	100	-	-	0%	-	100
Employee Recog Award	1,500	-	1,500	-	-	0%	-	1,500
Other Supplies	1,000	-	1,000	-	-	0%	-	1,000
Total Supplies & Materials	33,134	-	33,134	803	2,826	9%	-	30,308
Fixed Charges								
Rental-Cont Rent Payment	6,000	-	6,000	376	978	16%	-	5,022
Rent- Man State Owned Property	95,000	-	95,000	7,726	15,452	16%	-	79,548
Rent- Other	11,000	-	11,000	2,040	2,740	25%	-	8,260
Insurance-State	7,490	-	7,490	3,013	3,033	40%	-	4,477
Insurance-Non State	750	-	750	-	-	0%	-	750
Dues and Memberships	5,000	-	5,000	10	10	0%	-	4,990
Sales Tax Paid	8,186	-	8,186	549	549	7%	-	7,637
Total Fixed Charges	133,426	-	133,426	13,713	22,741	17%	-	118,685
Travel (Includes Leased Car)								
In State - Meals Non/ Reportable	1,000	-	1,000	14	73	7%	-	927
Reportable Meals	1,000	-	1,000	46	25	9%	-	915
In State - Lodging	1,000	-	1,000	-	78	8%	-	922
In State - Auto Mileage	-	1,000	1,000	127	127	13%	-	873
In State - Registration Fees	2,000	(1,000)	1,000	43	125	13%	-	875
Out State - Lodging	-	400	400	300	300	75%	-	300
Out State - Meals	-	100	100	75	75	75%	-	25
Leased Car	15,000	(500)	14,500	-	808	6%	-	13,692
Total Travel	20,000	-	20,000	643	1,671	8%	-	18,329
Equipment								
Equipment Data Processing PC's	-	-	-	-	-	0%	-	-
Total Equipment	-	-	-	-	-	0%	-	-
Total Other Operating Expenditures	480,623	-	480,623	16,189	31,913	7%	-	448,710
Total Administration	\$ 809,447	\$ -	\$ 809,447	\$ 81,233	\$ 137,061	17%	\$ -	\$ 672,388

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
 August 31, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date - 16.67%				
				Expended August	Year to Date	%	Encumb	Balance
Claims								
Salaries								
Classified Positions	\$ 301,790	\$ -	\$ 301,790	\$ 27,596	\$ 27,596	9%	\$ -	\$ 274,194
Temporary Positions	15,450	-	15,450	1,257	1,257	8%	-	14,193
Terminal Leave	-	-	-	-	-	0%	-	-
Total Salaries	317,240	-	317,240	28,854	28,854	9%	-	288,386
Other Operating Expenditures								
Contractual Services								
Copying Equipment Service	1,800	-	1,800	-	-	0%	-	1,800
Data Processing Services	33,050	-	33,050	-	-	0%	-	33,050
Telephone	4,000	-	4,000	262	262	7%	-	3,738
Cellular Phone Service	1,720	-	1,720	-	-	0%	-	1,720
Total Contractual Services	40,570	-	40,570	262	262	1%	-	40,308
Supplies & Materials								
Office Supplies	2,000	-	2,000	-	-	0%	-	2,000
Copying Equipment	3,000	-	3,000	526	526	18%	-	2,474
Printing	1,500	-	1,500	-	-	0%	-	1,500
Data Processing Supplies	3,500	-	3,500	934	934	27%	-	2,566
Postage	14,000	-	14,000	2,179	2,179	16%	-	11,821
Mew/Janitorial Supplies	500	-	500	12	12	2%	-	488
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	24,600	-	24,600	3,651	3,651	15%	-	20,949
Fixed Charges								
Rental-Copj Rent Payment	2,500	-	2,500	-	-	0%	-	2,500
Rent-Non State Owned Property	75,000	-	75,000	5,970	5,970	8%	-	69,030
Insurance-State	2,800	-	2,800	-	-	0%	-	2,800
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	82,234	-	82,234	5,970	5,970	7%	-	76,264
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	-	-	0%	-	600
In-State Registration	200	-	200	-	-	0%	-	200
Reportable Meals	400	-	400	-	-	0%	-	400
Total Travel	2,100	-	2,100	-	-	0%	-	2,100
Total Other Operating Expenditures	149,504	-	149,504	9,894	9,894	7%	-	139,610
Total Claims	\$ 466,744	\$ -	\$ 466,744	\$ 38,747	\$ 38,747	8%	\$ -	\$ 428,007

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
 August 31, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 16.67%				
				Expended August	Year to Date	%	Encumb	Balance
Insurance and Medical Services								
Salaries								
Classified Positions	430,540	-	430,540	29,133	29,133	7%	-	401,407
Temporary Employees	15,469	-	15,469	-	-	0%	-	15,469
Terminal Leave	0	-	0	0	0	0%	-	-
Total Salaries	446,009	-	446,009	29,133	29,133	7%	-	416,876
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	100	-	100	-	-	0%	-	100
Copying Equipment Service	100	-	100	-	-	0%	-	100
Data Processing Services	55,000	-	55,000	1,620	1,620	3%	-	53,380
Telephone	2,300	-	2,300	214	214	9%	-	2,086
Cell Phone	1,000	-	1,000	-	-	0%	-	1,000
Catered Meals	1,600	-	1,600	-	-	0%	-	1,600
Other Professional Services	38,298	-	38,298	1,087	1,087	3%	-	37,211
Other Contractual Services	500	-	500	546	546	109%	-	46
Total Contractual Services	98,898	-	98,898	3,467	3,467	4%	-	95,431
Supplies & Materials								
Office Supplies	9,000	-	9,000	-	-	0%	-	9,000
Copying Equipment	2,500	-	2,500	581	581	23%	-	1,919
Printing	2,500	-	2,500	-	-	0%	-	2,500
Data Processing Supplies	500	-	500	467	467	93%	-	33
Postage	5,000	-	5,000	814	814	16%	-	4,186
Maintenance/Janitorial Supplies	150	-	150	14	14	9%	-	136
Building Materials	1,000	-	1,000	-	-	0%	-	1,000
Fees & Fines	50	-	50	-	-	0%	-	50
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	20,800	-	20,800	1,876	1,876	9%	-	18,924
Rental Charges								
Rental-Cont Rent Payment	2,500	-	2,500	-	-	0%	-	2,500
Rent-Non State Owned Property	52,000	-	52,000	4,214	4,214	8%	-	47,786
Rent-Other	2,000	-	2,000	-	-	0%	-	2,000
Insurance-State	2,500	-	2,500	-	-	0%	-	2,500
Insurance-Non State	148	-	148	-	-	0%	-	148
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	3,000	-	3,000	-	-	0%	-	3,000
Total Rental Charges	63,090	-	63,090	4,214	4,214	7%	-	58,876
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	400	-	400	-	-	0%	-	400
In-State Registration	100	-	100	-	-	0%	-	100
Reportable Meals	150	-	150	-	-	0%	-	150
In State - Lodging	700	-	700	-	-	0%	-	700
Total Travel	1,350	-	1,350	-	-	0%	-	1,350
Total Other Operating Expenditures	184,138	-	184,138	9,554	9,554	5%	-	174,582
Total Insurance and Medical Services	\$ 630,147	\$ -	\$ 630,147	\$ 38,690	\$ 38,688	6%	\$ -	\$ 591,457

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
 August 31, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 16.67%				
				Expended August	Year to Date	%	Encumb	Balance
Salaries								
Classified Positions	\$ 360,302	\$ -	\$ 360,302	\$ 24,954	\$ 24,954	7%	\$ -	\$ 335,348
Temporary Employees	2000	-	2000	1184	1184	59%	-	816
Total Salaries	362,302	-	362,302	26,138	26,138	7%	-	336,164
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	80	-	80	-	-	0%	-	80
Copy Equipment Services	850	-	850	-	-	0%	-	850
Print/Band/Advertisement	800	-	800	-	-	0%	-	800
Data Processing Services	29,972	-	29,972	-	-	0%	-	29,972
Telephone	2,500	-	2,500	184	184	7%	-	2,316
Cellular Phone Service	1,120	-	1,120	-	-	0%	-	1,120
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	35,522	-	35,522	184	184	1%	-	35,338
Supplies & Materials								
Office Supplies	4,000	-	4,000	-	-	0%	-	4,000
Copying Equipment Supplies	2,500	-	2,500	471	471	19%	-	2,029
Printing	2,000	-	2,000	-	-	0%	-	2,000
Data Processing Supplies	2,500	-	2,500	467	467	19%	-	2,033
Postage	18,000	-	18,000	1,010	1,010	6%	-	16,990
Maintenance/Janitorial Supplies	150	-	150	11	11	7%	-	139
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	29,270	-	29,270	1,959	1,959	7%	-	27,312
Fixed Charges								
Rental-Cont Rent Payment	3,000	-	3,000	-	-	0%	-	3,000
Rent-Non State Owned Property	65,300	-	65,300	5,268	5,268	8%	-	60,032
Rent-Other	125	-	125	-	-	0%	-	125
Insurance-State	2,000	-	2,000	-	-	0%	-	2,000
Insurance-Non State	120	-	120	-	-	0%	-	120
Total Fixed Charges	70,545	-	70,545	5,268	5,268	7%	-	65,277
Travel (Includes Leased Car)								
In State - Meals / Non-Reportable	450	-	450	-	-	0%	-	450
Reportable Meals	770	-	770	-	-	0%	-	770
In State - Lodging	2,200	-	2,200	-	-	0%	-	2,200
In State - Auto Mileage	1,800	-	1,800	-	-	0%	-	1,800
In State - Misc Travel Expense	25	-	25	-	-	0%	-	25
Non-State Registration	100	-	100	-	-	0%	-	100
Out State - Auto Mileage	100	-	100	-	-	0%	-	100
Total Travel	5,445	-	5,445	-	-	0%	-	5,445
Total Other Operating Expenditures	140,782	-	140,782	7,410	7,410	5%	-	133,372
Total Judicial	\$ 503,084	\$ -	\$ 503,084	\$ 33,548	\$ 33,548	7%	\$ -	\$ 469,536
Earmarked Funds								
Departmental Totals								
Commissioners	\$ 497,244	\$ -	\$ 497,244	\$ 44,319	\$ 78,923	16%	\$ -	\$ 418,321
Administration	809,447	-	809,447	81,233	137,061	17%	-	672,386
Claims	466,744	-	466,744	38,737	38,737	8%	-	428,007
Insurance & Medical	630,147	-	630,147	38,690	38,690	6%	-	591,457
Judicial	503,084	-	503,084	33,548	33,548	7%	-	469,536
Total Departmental Expend	\$ 2,906,666	\$ -	\$ 2,906,666	\$ 236,527	\$ 326,989	11%	\$ -	\$ 2,579,787
Employer Contributions	485,400	-	485,400	57,979	57,979	12%	-	407,421
Total Earmarked Funds	\$ 3,372,066	\$ -	\$ 3,372,066	\$ 294,506	\$ 384,938	12%	\$ -	\$ 2,987,126
Capital / Computer Project Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -

MEMORANDUM

Date: September 11, 2013

TO: Mr. Gary Cannon
Executive Director

FROM: Cathy Floyd
Human Resources

SUBJECT: Human Resources Report Period of August 7 – September 10, 2013

Below is a summary of the Human Resources activity for the period of August 7 – September 10, 2013.

Employee Relations (ER)

- Two ER issues were addressed during the activity period
- Processed a lateral reclassification within the Claims Department
- Revised the Employee Performance Management System Policy to reflect updated PD/EPMS Form and HRD Model Policy Update
- Worked 6 hours on three special projects/strategic planning initiatives
- One employee injury was reported to CompEndium
- The Agency participated in the 2013 Multi-Agency Harvest Hope Food Drive – August 12 – 23, 2013
- Held Sub Sandwich Luncheon on August 22, 2013 for all employees

Benefits

- Attended the Annual Benefits at Work Conference - Open Enrollment will be in October for 2014
- Assisted three employees with benefit related matters
- Completed one inquiry with the Retirement Systems
- Assisted two employees with dependent status changes
- Issued one COBRA notice
- Completed the PEBA Customer Satisfaction Survey for both Insurance and Retirement

Training

- Trained all supervisors on the newly combined PD/EPMS Form and provided a refresher on performance appraisal procedures and techniques
- Attended the United Way Campaign Coordinator Training
- Attended the monthly SCEIS Users Group Meeting
- Attended a SHRM Webinar – Class of 2013 – Millennials in the Workplace

SC Enterprise Information System (SCEIS)

- Processed one employment verification
- Assisted two employees with payroll related issues
- Continue to assist employees with leave and time issues caused by SCEIS
- Fifty-nine transactions were keyed into the system

State Human Resources Department (HRD)

- Contacted HRD Consultant regarding two issues

Finance Related

- Processed 5 daily deposits
- Approved eighty-four SCEIS financial transactions



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Betsy Hartman
IT Director
Date: September 11, 2013
Subject: IT Department
September 2013 Full Commission Report

Summary of IT Department Activities for previous month

Director of IT

- SCITDA Conference
 - Presentation on IT and Business Working Together Highlighted 6 WCC applications
- Security Audit and Assessment
 - BCB and DeLoitte
 - nGuard
- SCVRD Business advisory Council Monthly meeting

Annual Report data

Accountability Report metrics

Mediation Processing

Claims R3

Claims Department process reviews

Implemented

- File routing on Assignment
 - Reduction in paper

Business requirement development

- Claims Department
 - Research on scanning queues by forms
 - Requirements for submitting questions via email from eCase

- Requirements for emailing additional Claims fines and requests for documentation
- SROI implementation planning
- Medical Dispute Portal
- Enhancements to eCase
 - Upload documents
 - Ability to upload APA documents in lieu of secure email
 - ePayments
 - Start with View documents as an alternative for copies
 - Viewing documents
 - Working with Key Mark on licensing cost

Projects – In Process

EDI Release 3

- Metrics

Daily Average	Release 1	R1 %	Release 3	R3 %
November	130	100%	0	0%
December	90	54%	78	47%
January	66	43%	86	56%
February	53	40%	78	60%
March	42	29%	103	71%
April	37	30%	87	70%
May	41	22%	143	78%
June	39	30%	92	70%
July	20	14%	119	86%
August	16	11%	132	89%

SCVRD Portal

- Chuck Hamden to demonstrate portal SCVRD Staff September

Projects – to be started

DSIT Contract

- Waiting on DSIT for Security language to be added to the contract

Production Server Upgrade

- Upgrading Progress to Open Edge 10.2b 7
- Test

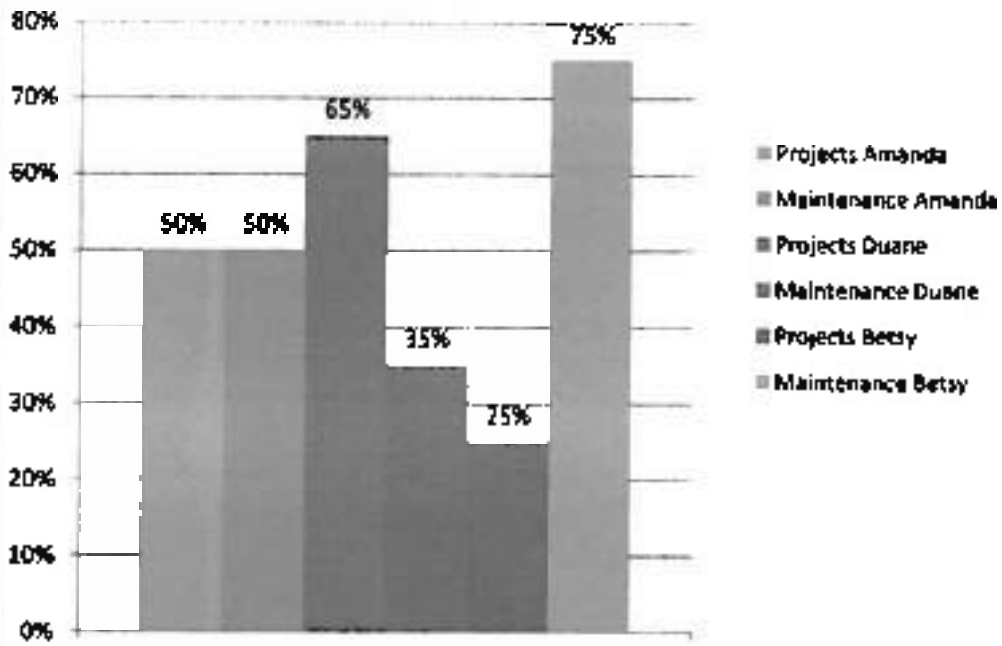
Medical Dispute Portal

- Move to a secure portal similar to eCase
- Need ability to upload HIPPA and PII documents securely – pattern after eCase and APA documents

X-File Process Review

- Writing up current process for all types of X-Files

IT Projects and Maintenance
August 2013



WCC IT Projects Status Report

WCO IT Projects Status Report

Project Name	Business Unit	Project Lead	Start Date	End Date	Phase	Status	Notes	
Project 1: [Project Name]			December 2012	2013	10%	10%	Design	Initial requirements gathering
Project 2: [Project Name]			December 2012	2013	10%	10%	Analysis	Business process review
Upgrade of [Project Name]			2013	2013	50%	50%	Design	Testing and deployment
IT Strategy Review	Upgrade of WCOBOL		2013	2013	90%	3%	Review	Review progress to date. Review findings to be reported to Executive Committee
Upgrade of [Project Name]			TBD					After full testing of development
ITBC process and execution	CRM/ITBC process		TBD		25%	0%	Analysis	On Hold
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%	0%	Analysis	Requirements phase - developing detailed requirements for electronic services to Executive Office
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%	0%	Analysis	
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%			
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%			
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%	10%	Review	Initial requirements being gathered. Working with Executive Office to define. Plans to report to Executive Office
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%	10%	Review	Final scope complete. Review plan to Executive Office. Detailed requirements being gathered. Working with Executive Office to define. Plans to report to Executive Office
Electronic Service Interaction	Electronic Service Interaction	07-2013	TBD		5%	10%	Review	Final scope complete. Review plan to Executive Office. Detailed requirements being gathered. Working with Executive Office to define. Plans to report to Executive Office
ITBC process and execution	ITBC process		ASAP		10%	10%	Review	
					Projects Analysis	10%		
					Projects Design	65%		
					Projects Review	37%		

Project Summary						
Project Name	Business Unit	Project Lead	Start Date	End Date	Phase	Status
Project 1: [Project Name]			December 2012	2013	10%	10%
Project 2: [Project Name]			December 2012	2013	10%	10%
Project 3: [Project Name]			December 2012	2013	10%	10%
Project 4: [Project Name]			December 2012	2013	10%	10%
Project 5: [Project Name]			December 2012	2013	10%	10%
Project 6: [Project Name]			December 2012	2013	10%	10%
Project 7: [Project Name]			December 2012	2013	10%	10%

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Grant Duffield
IMS Director

Date: 11 – Sept – 2013

Subj: Insurance and Medical Services Department
August 2013 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

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

- | | |
|---------------------|--|
| Compliance Division | <ol style="list-style-type: none">1. Working to improve Carrier Order and Rule to Show Cause notice process.2. Working in conjunction with IT staff to better define outstanding Carrier fine debt to be addressed through ORSC process.3. Exploring ways to better manage DEW case file workflow |
| Coverage Division | <ol style="list-style-type: none">1. Working with staff to review workflow processes and explore opportunities to enhance service provision. |
| Medical Services | <ol style="list-style-type: none">1. Identifying updates / edits needed within the Medical Services Provider Manual.2. Engaging stakeholders and contract resources to begin preparing for ICD-10 Medical Coding transition under the AHA. |
| IMS Administration: | <ol style="list-style-type: none">1. Working with team-members to review / improve team processes and key functions.2. Working with Department Mgrs to provide cross coordination of mgmt. functions.3. Working closely with IT staff to explore opportunities to improve function and processes within IMS.4. Working with in-house Counsel to improve RTSC case preparation process.5. Working with Executive Team concerning strategic planning and future needs forecasting. |

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 closed August 2013 with 335 cases active, compared to an active caseload of 425 at the close of August 2012.

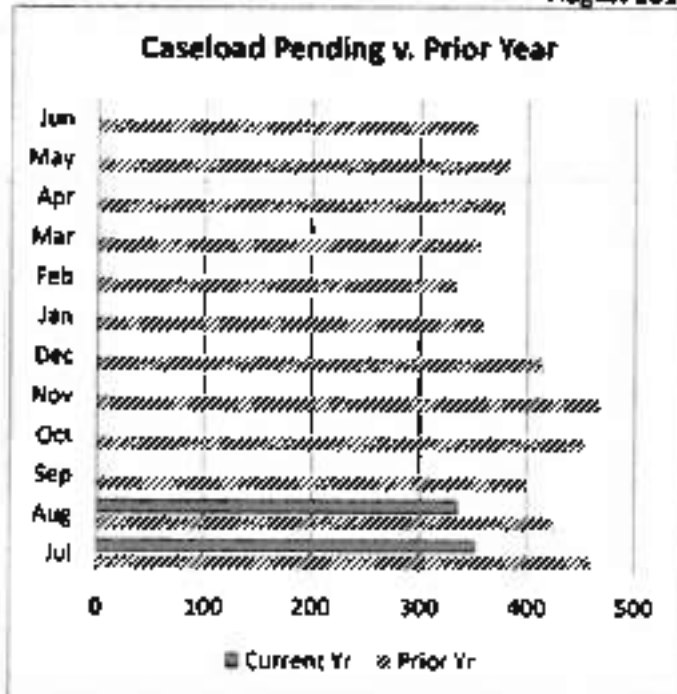
Cases Resolved:

Due to the decrease in carry-over, greater effort is focused on case resolution. For the month of August 2013, Compliance Division staff closed-out cases.

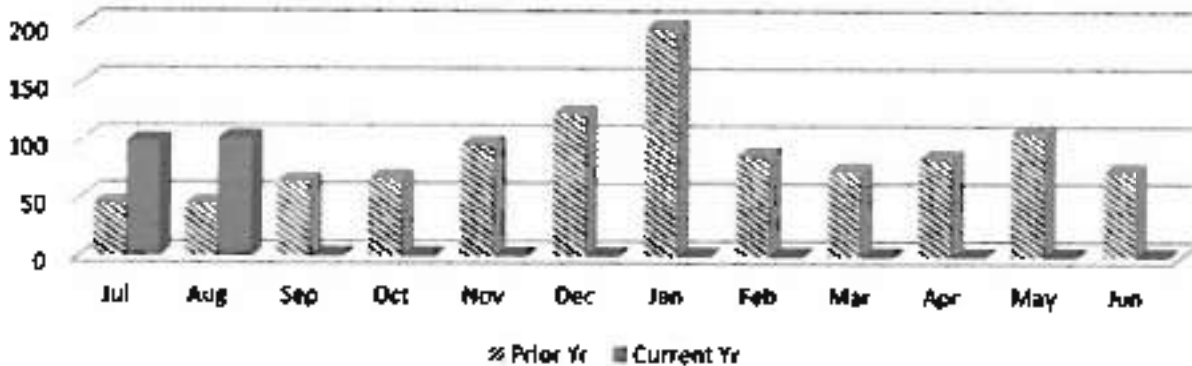
Compliance Fines:

Year to Date, the Compliance Division has collected \$120,312 in fines which represents 20% of prior year's year-end collection (\$587,429). The Compliance Division Year-to-Date revenue trend is 308% of prior year, and month-on-month is at 184% of same month / prior year (August 2012).

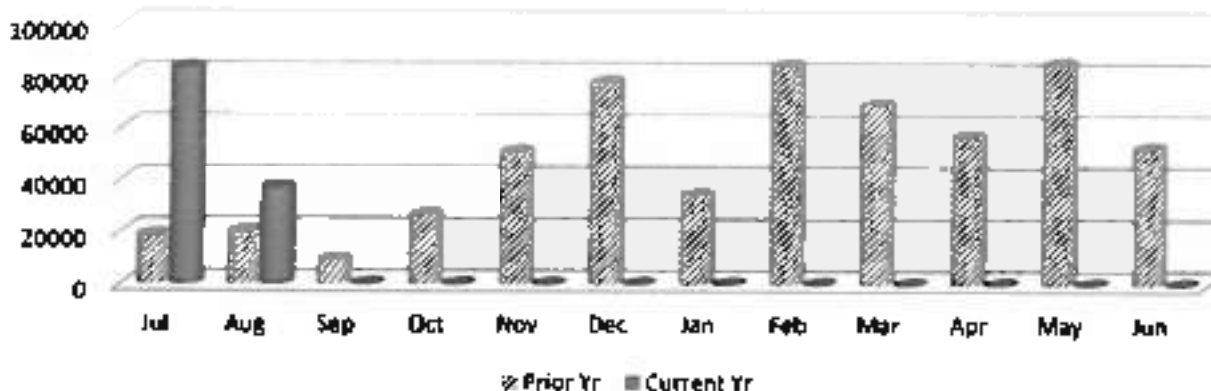
Compliance fine revenue represents 19% of the Commission's annual earmarked revenue budget.



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year



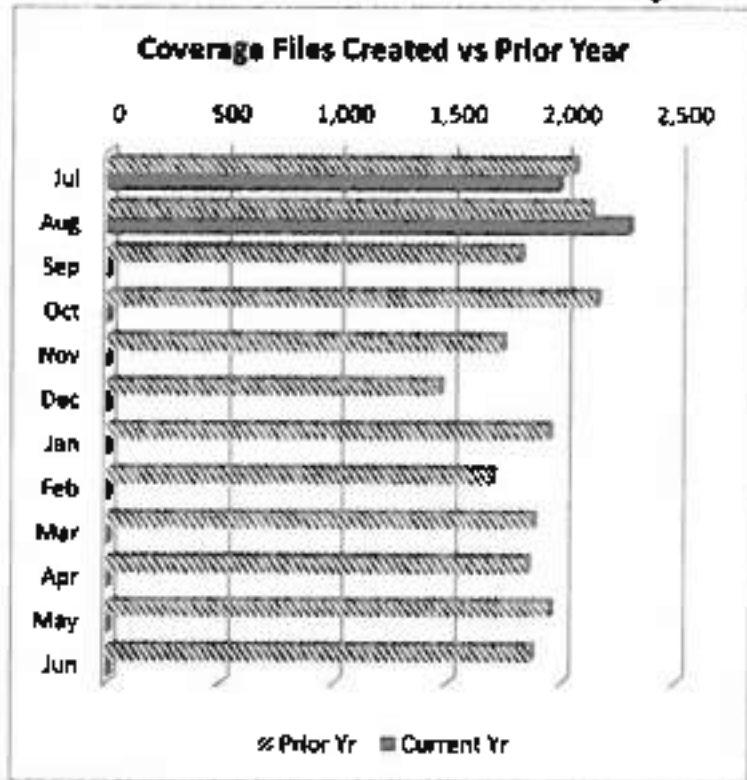
WCC Claim Files:

In August 2013, the Coverage Division created a total of 2,293 WCC Claim files. Of these, 1,859 were created electronically, and 434 were submitted in hard copy format. Year to Date, 1,982 Claim files have been created which is 102% of claim file volume for the same period in prior year (4,175).

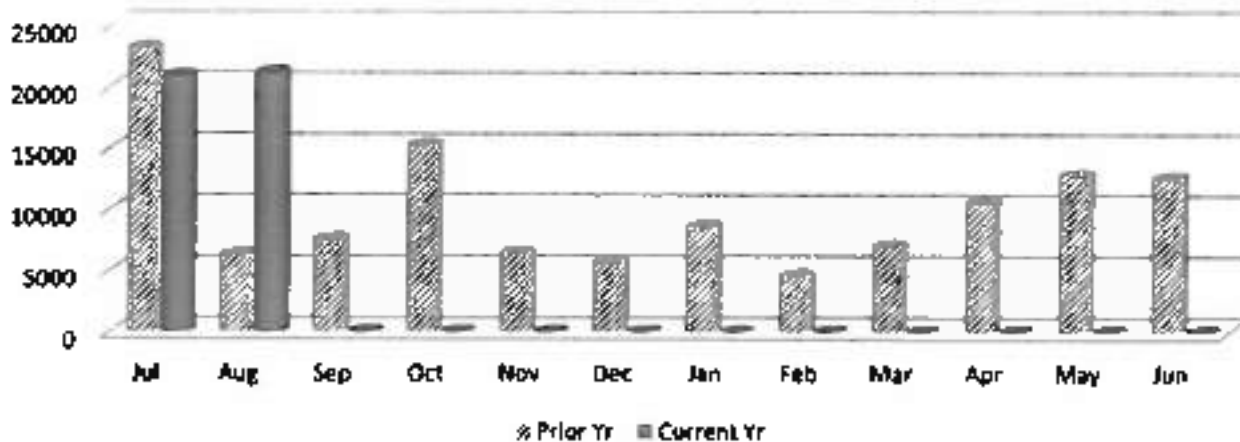
Coverage Fines:

The Coverage Division collected \$21,125 in fine revenue in August 2013, as compared to \$6,250 in Coverage fines/penalties accrued during August 2012. Year on Year, Coverage fines are at 142% of collections for the same period.

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



Coverage Fines Collected v Prior Year



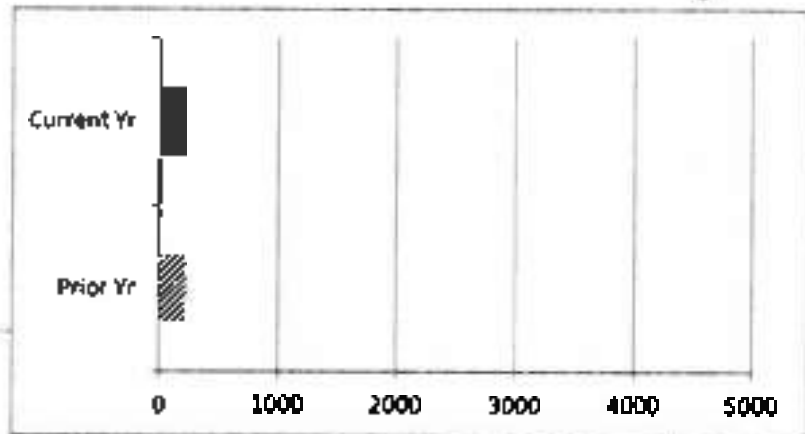
IMS SELF INSURANCE DIVISION

August 2013

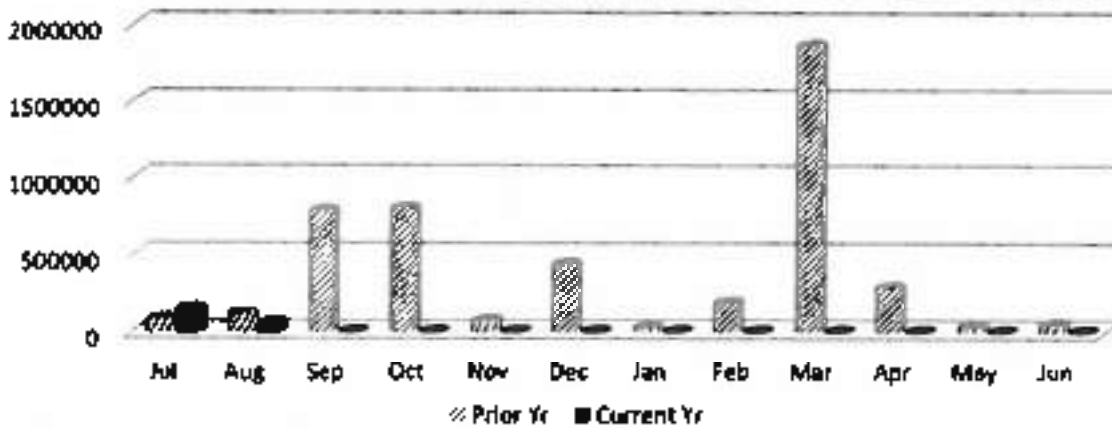
During the month of August 2013, the Self Insurance Division:

- * collected \$62,105 in self-insurance tax.
- * added 32 new self-insurers.
- * conducted 3 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 100% of prior year and 7 Self Insurance audits have been completed.



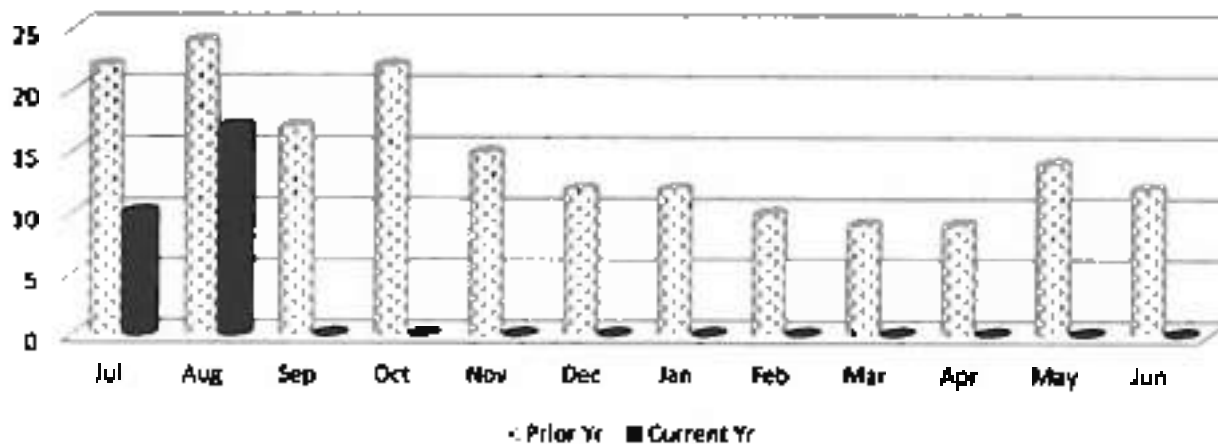
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In August 2013, the Medical Services Division began the month with 10 bills pending review, received an additional 20 bills for review, conducted 13 bill reviews and ended the month with 17 bills pending.

Medical Bills Pending Review v. Prior Year



State of South Carolina



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director

From: Grant Duffield
Interim Claims
Director

Date: September 9, 2013

Subj: Claims Department
August 2013 Full Commission Report

Please find attached information provided to summarize key workflow benchmarks related to the functions of the Claims Department. In addition to the statistical data provided herein, please note the following information.

For the month of August 2013, the Claims Department has:

1. Closed 2154 individual case files.
2. Collected \$21,200.00 in Fine revenue. This amount is reduced in part by a shift in 12A fine posting from Claims to IMS Coverage.
3. Held weekly "staff coordination" meetings to discuss workflow challenges and opportunities.
4. The examiners reviewed 473 individual case files.
5. Continued to assist IMS in the processing of Carrier related Order and Rule to Show Cause Hearing matters.
6. Conducted 362 informal conferences in 8 locations with 213 settled.
7. Worked closely with IT department and Staff to identify key processes that can be enhanced/improved through greater use of Information Technology resources.
8. Continued to work with IT to better define Claims related priority projects and timelines for implementation during Transition period (see attached).

Five Year Claims Fine Collection History												
FY 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014												
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
2009-2010	100,283	119,853	100,026	66,585	61,627	54,390	66,200	1,003,600	203,410	139,375	218,150	86,508
2010-2011	147,025	144,825	119,325	128,300	128,000	103,000	104,200	101,700	110,650	118,525	117,875*	124,650*
2011-2012	111,875	103,800	81,300	81,308	85,100	110,780	126,700	120,225	116,915	100,200	61,050	90,450
2012-2013	80,825	68,100	57,075	91,825	64,825	65,960	80,550	79,875	67,000	56,650	47,550	48,580
2013-2014	42,350	21,900										

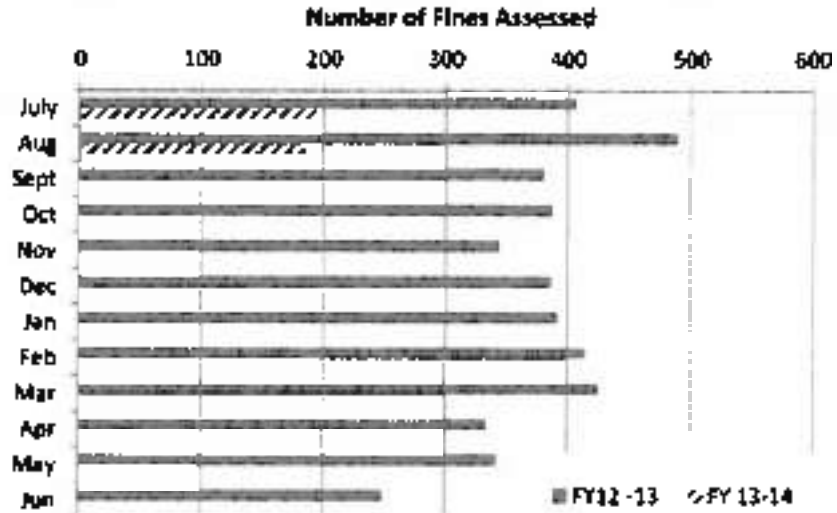
*May collected figures include payments 5/1/2010 through 6/1/2010

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

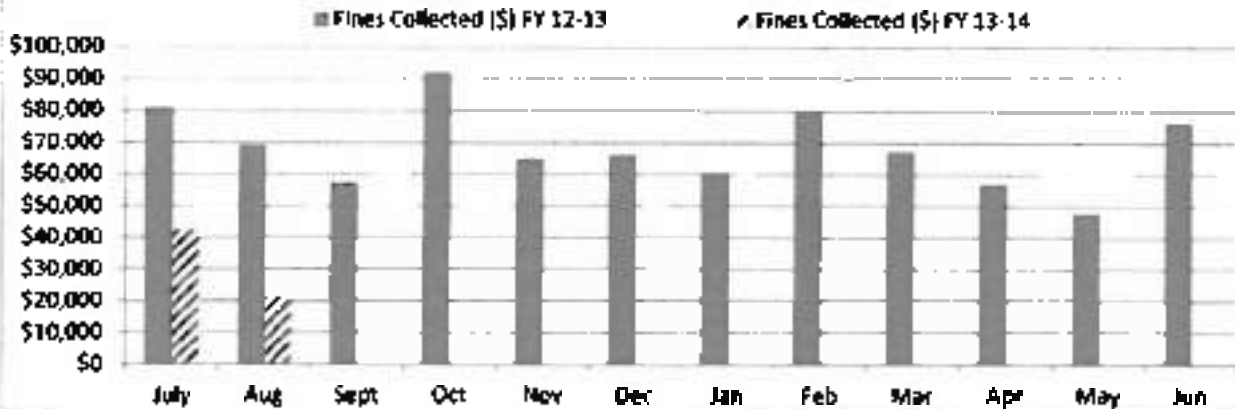
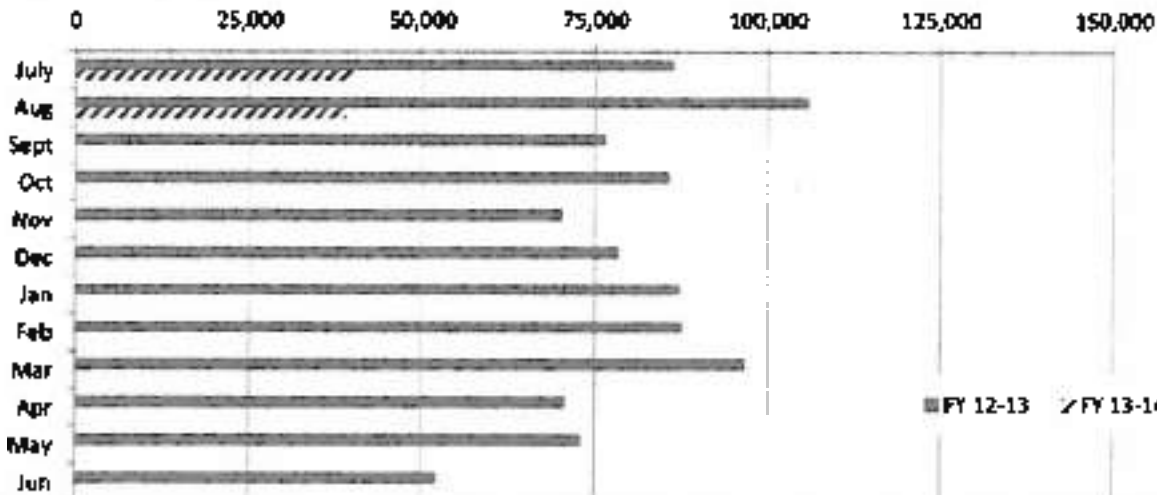
CLAIMS DEPARTMENT - Fine Activity Report August 2013

The number of fines assessed by the Claims Department decreased in number from 193 in July to 185 in August. The number of Claims fines paid increased from 162 in July to 190 in August.

Total fine dollars assessed in August was \$39,000 a slight decrease over prior month \$40,000. Fine revenue received in August was \$21,200 a decrease over prior month \$42,350.



Net Fines Assessed (\$)



Claims Department - Fine Activity Report - August 2013

Fines Assessed (#)			Fines Received (#)		
	FY 12-13	FY 13-14		FY 12-13	FY 13-14
July	406	193	July	363	162
Aug	489	185	Aug	314	190
Sept	380	0	Sept	275	0
Oct	387	0	Oct	437	0
Nov	344	0	Nov	295	0
Dec	386	0	Dec	313	0
Jan	391	0	Jan	302	0
Feb	414	0	Feb	373	0
Mar	425	0	Mar	334	0
Apr	333	0	Apr	307	0
May	342	0	May	235	0
Jun	248	0	Jun	371	0
Total	4,545	378	Total	3,919	352
Mo Avg	379	379	Mo Avg	478	327

Net Fines Assessed (\$)*			Fines Collected (\$)		
	FY 12-13	FY 13-14		FY 12-13	FY 13-14
July	86,325	40,000	July	\$80,825	42,350
Aug	105,800	39,000	Aug	\$69,100	21,200
Sept	76,500	0	Sept	\$57,075	0
Oct	85,780	0	Oct	\$91,925	0
Nov	70,300	0	Nov	\$64,825	0
Dec	78,400	0	Dec	\$65,950	0
Jan	87,200	0	Jan	\$60,550	0
Feb	87,700	0	Feb	\$79,875	0
Mar	96,650	0	Mar	\$67,000	0
Apr	70,750	0	Apr	\$56,650	0
May	73,000	0	May	\$47,550	0
Jun	52,100	0	Jun	\$76,100	0
Total	970,505	79,000	Total	817,425	63,550
Mo Avg	80,875	6,583	Mo Avg	68,119	5,296

*after reductions and rescinded

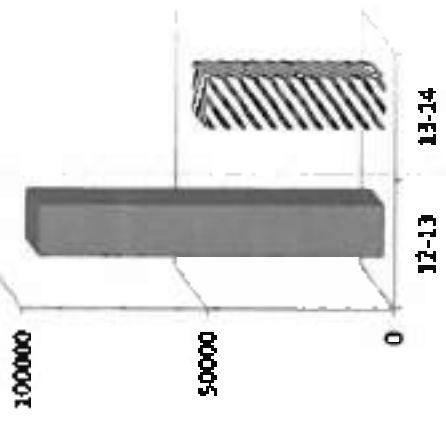
FORM 18 FINE ASSESSMENTS

Consistent with overall Commission strategy, the Claims Department works with our Carrier partners to develop approaches that result in increased compliance levels and reduced Fine related costs to businesses in South Carolina.

A key "success measure" of this effort is the Form 18 Fine Assessment report. For the month of August 2013, this has resulted in a decrease in Form 18 Fine Assessments to 519,800 as compared to July 2013 (528,400). The actual number of fines assessed decreased from 123 in July 2013 to 119 in August 2013.

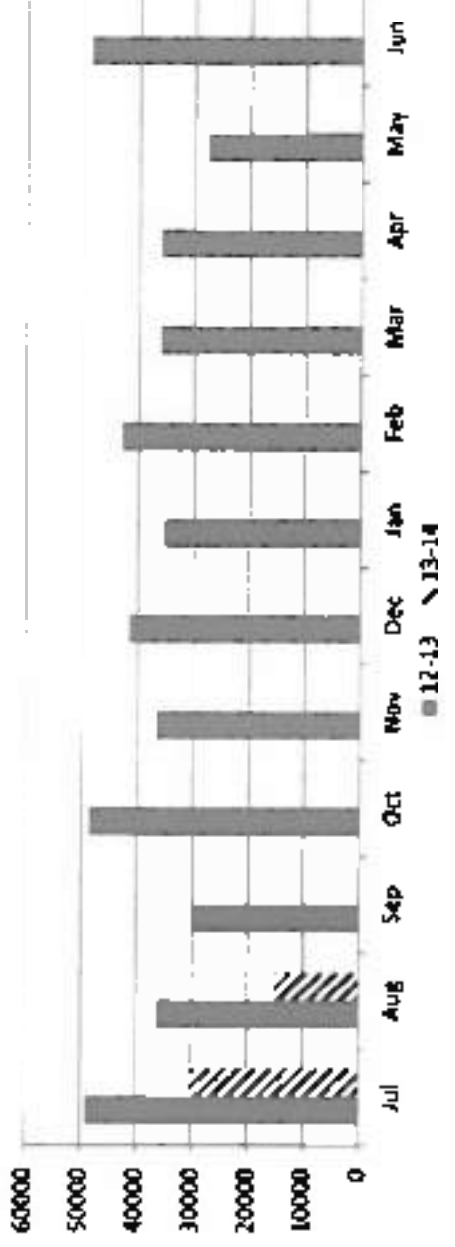


FORM 18 FINE ASSESSMENTS YTD
Form 18 Fine Assessment is trending at 53% of prior year assessments.

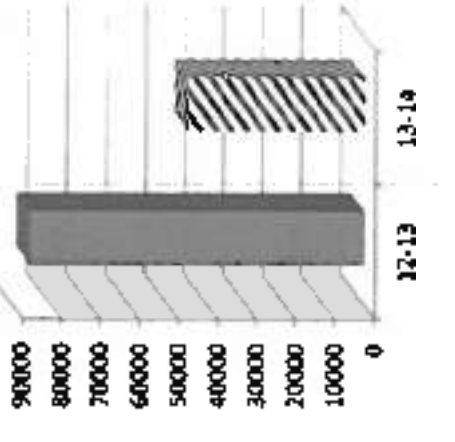


FORM 18 FINE COLLECTION

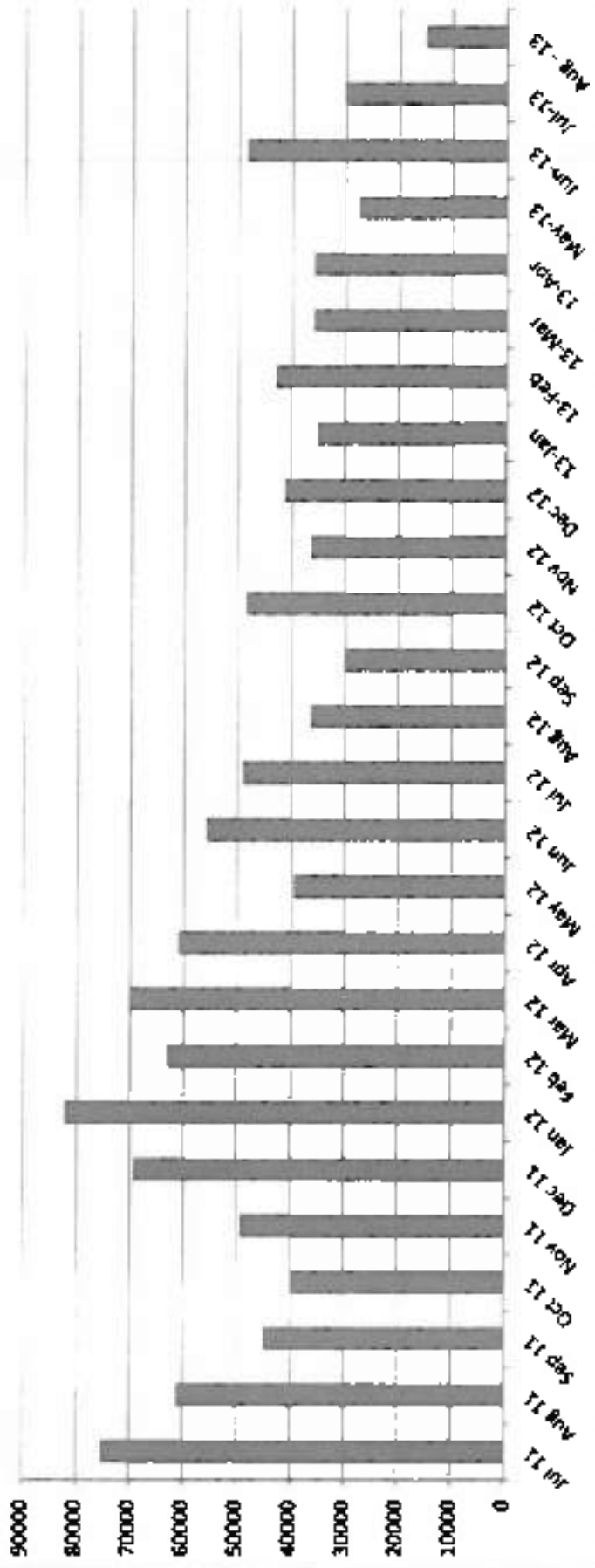
In August 2013, the Claims Department received payment on 75 outstanding Form 18 Fines resulting in revenue of \$15,000.



FORM 18 FINE REVENUE YTD
Form 18 Fine Revenue is trending at 75% of prior year collections.



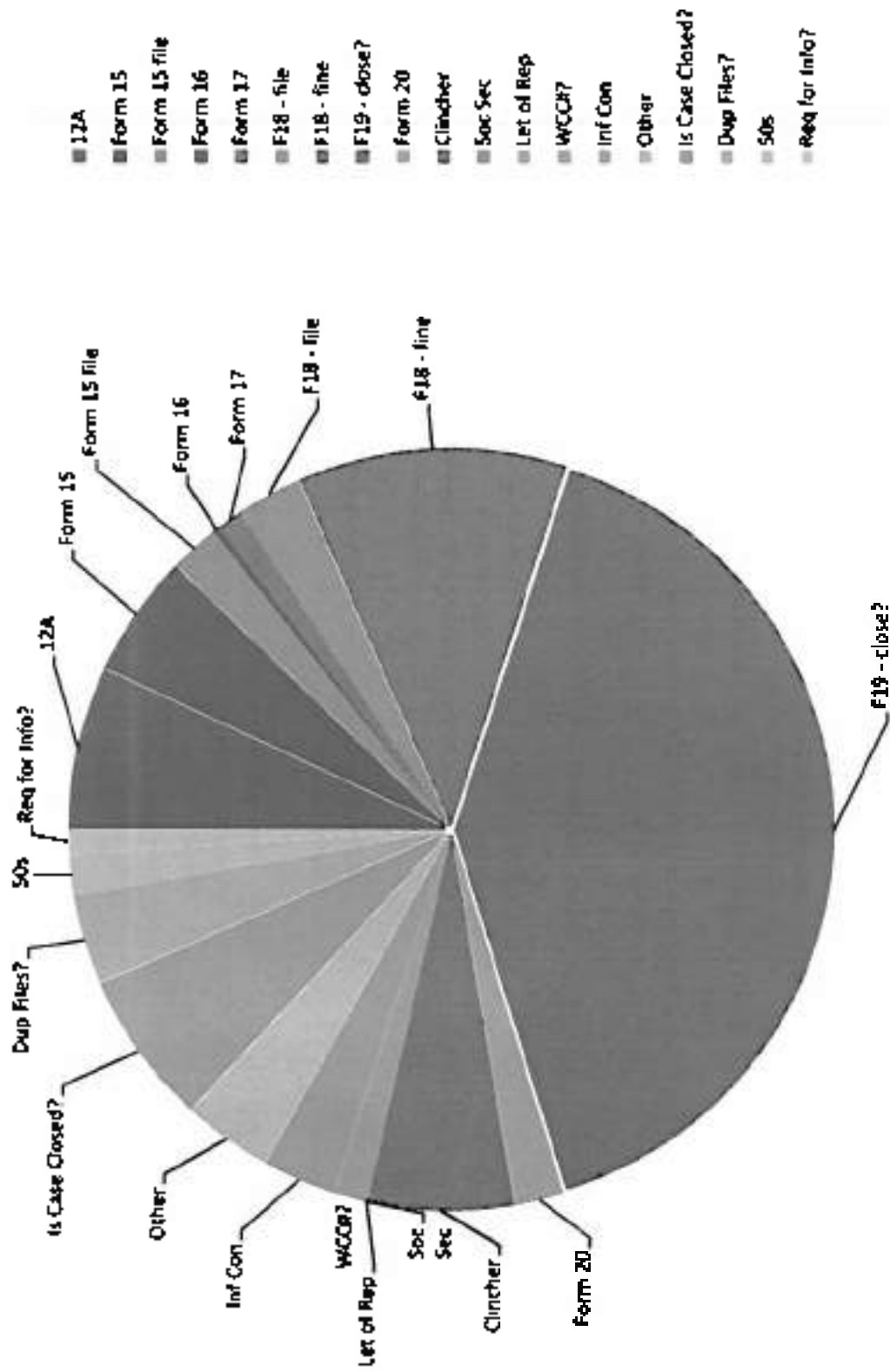
Form 18 Fine \$ Collected



Claims Email Questions 8/1 - 8/31

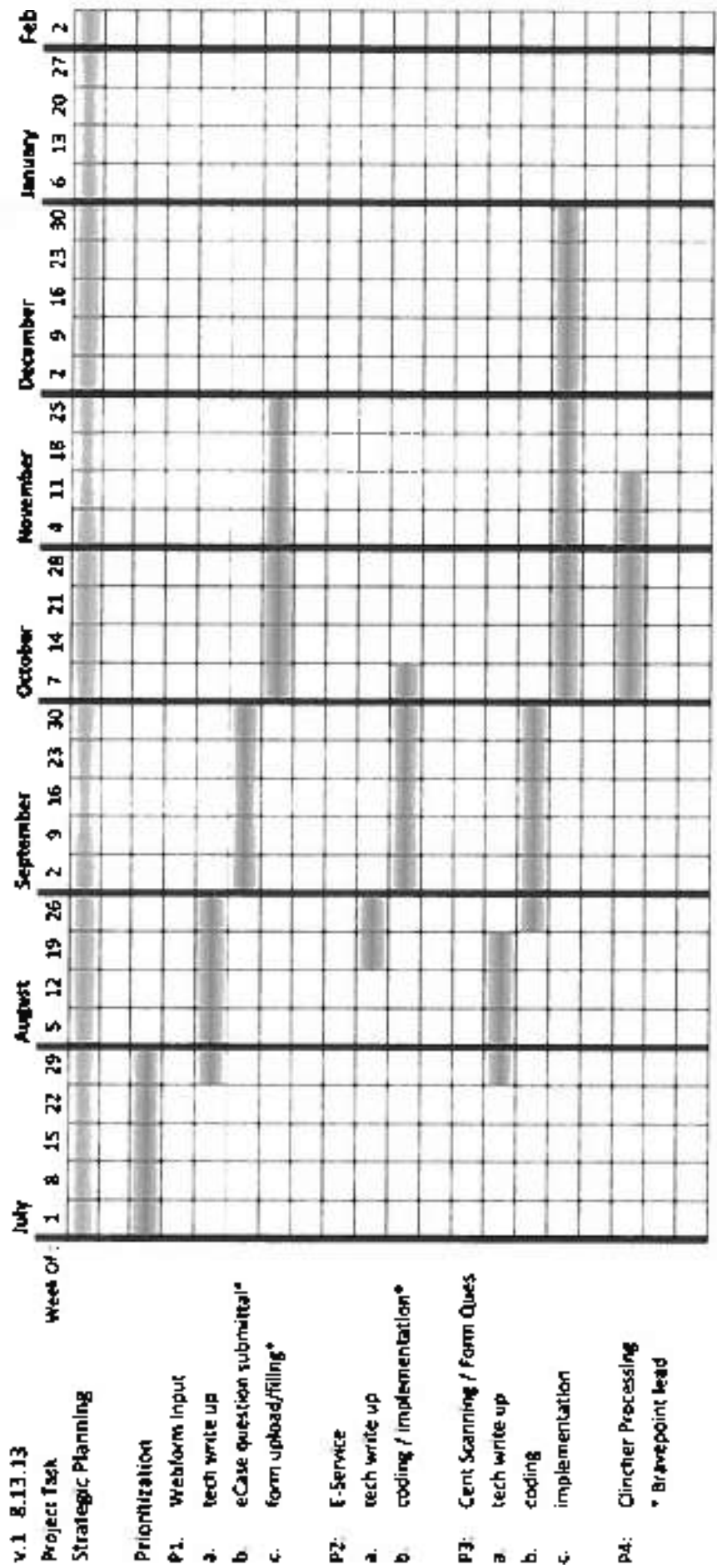
Form Type	Count	Question / Comment
12A	20	"We wish to appeal the 12A fine"
Form 15	15	"We wish to appeal the fine for improper/incorrect filing of a Form 15"
Form 15 file	6	"Attached, please find a Form 15 for filing"
Form 16	1	"Attached for processing"
Form 17	3	"Attached for processing"
F18 - file	8	"Form 18 attached for filing"
F18 - fine	33	"We wish to appeal the Form 18 fine"
F19 - close?	116	"We have submitted the Form 19; why doesn't this case show up as 'closed' on eCase?"
Form 20	6	"Has a Form 20 been issued for this case?"
Clincher	18	"We have submitted a Clincher agreement for approval. What is the status?"
Soc Sec	0	"Attached for processing"
Let of Rep	0	"Attached, please find a letter of representation."
WCC#?	4	"Has a WCC number been assigned for this case/injury?"
Inf Can	9	"We have requested an Inf Conf. Has a date been assigned?"
Other	11	
Is Case Closed?	19	"What further information does the Commission require in order to close this file?"
Dup Files?		"It appears that there are two WCC files established for the same injury/case. Are these duplicates? Which WCC number should we use?"
50s	5	"Please find attached a Form 50 concerning this case."
Req for Info?		"We have received a request for information from the Commission concerning this case. What information is needed?"

Claims Questions Received - August 2013



- 12A
- Form 15
- Form 15 file
- Form 16
- Form 17
- F18 - file
- F18 - fine
- F19 - close?
- Form 20
- Clincher
- Soc Sec
- Let of Rep
- WCCR?
- Inf Con
- Other
- Is Case Closed?
- Dup Files?
- 50s
- Req for Info?

Claims Department Transition - IT Priority Projects





Workers' Compensation Commission

MEMORANDUM

September 16, 2013

To: Gary Cannon
Executive Director

From: Virginia Crocker
Judicial Director

RE: MONTHLY REPORT

On September 4, all the pending Ullico cases were forwarded to the Jurisdictional Commissioner in that the stay has been lifted. The Parties in those cases which fall under mandatory mediation were notified and the department documented their mediation schedules.

The Commission's mediation workshops will begin in Charleston this month on September 26 in Charleston. We are encouraged by our reservations for the event which will be held at the North Charleston Convention Center.

Also, there will be an additional round of aggregate mediations in the Exide cases during the last week of the month.

The management of regulatory mediation has been progressing well and we continue to work with our constituents to facilitate a smooth transition with compliance with the regulation.

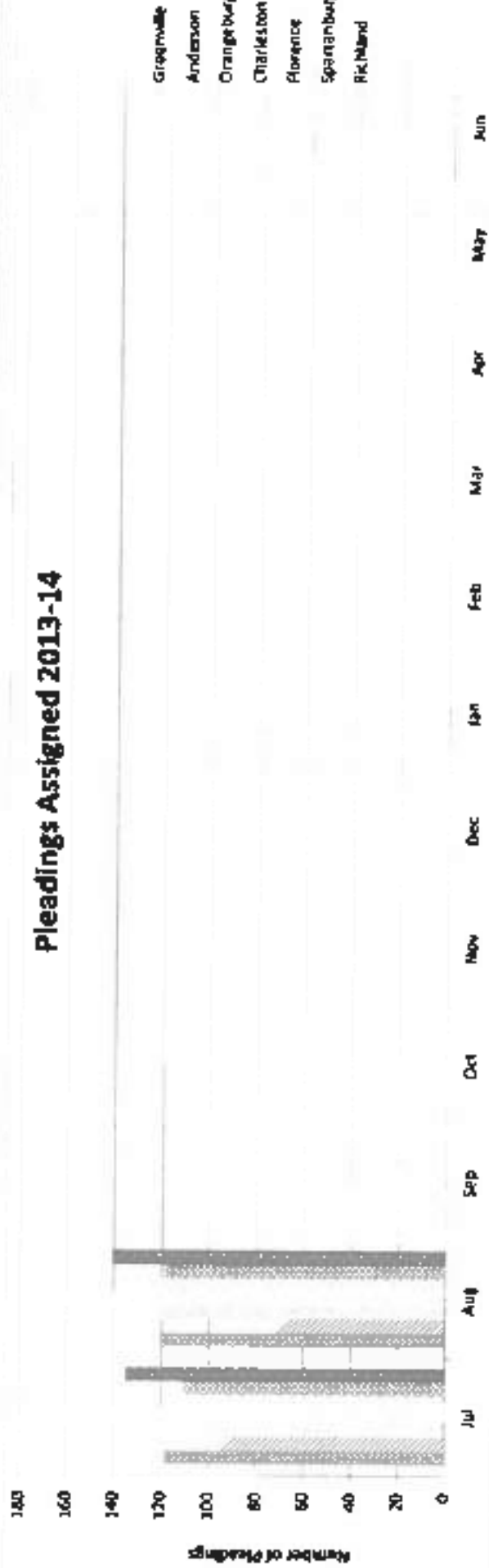
In reviewing the lag report for the past fiscal year, we are pleased to inform the Commission that the number of days to process a hearing request is twenty-four (24). The number of days to process an appeal is eighty-one (81).

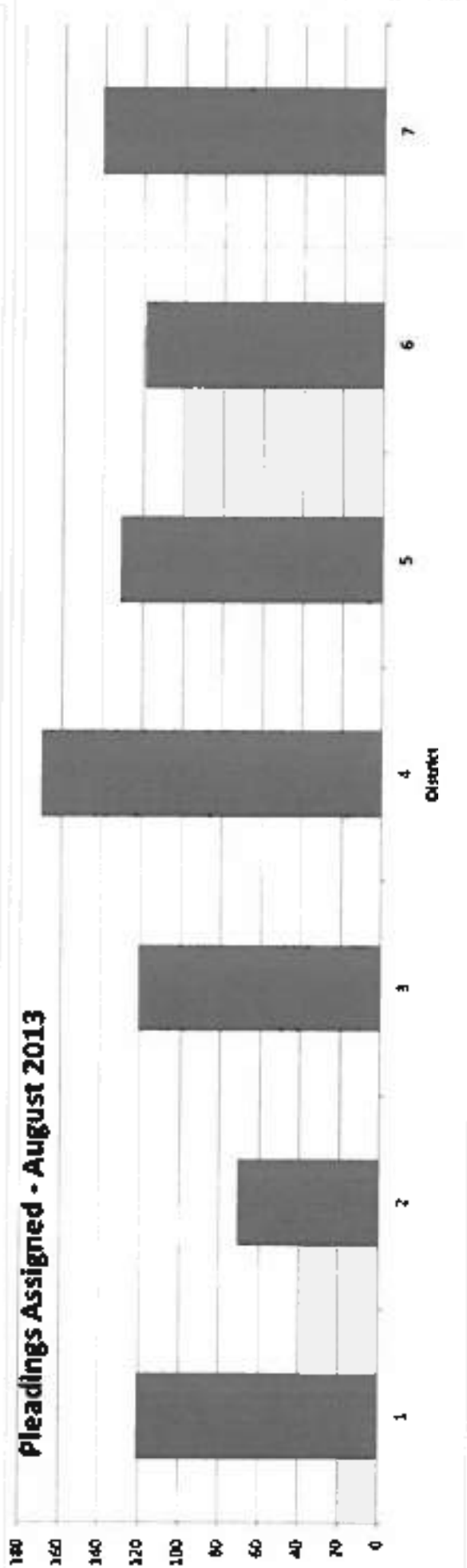
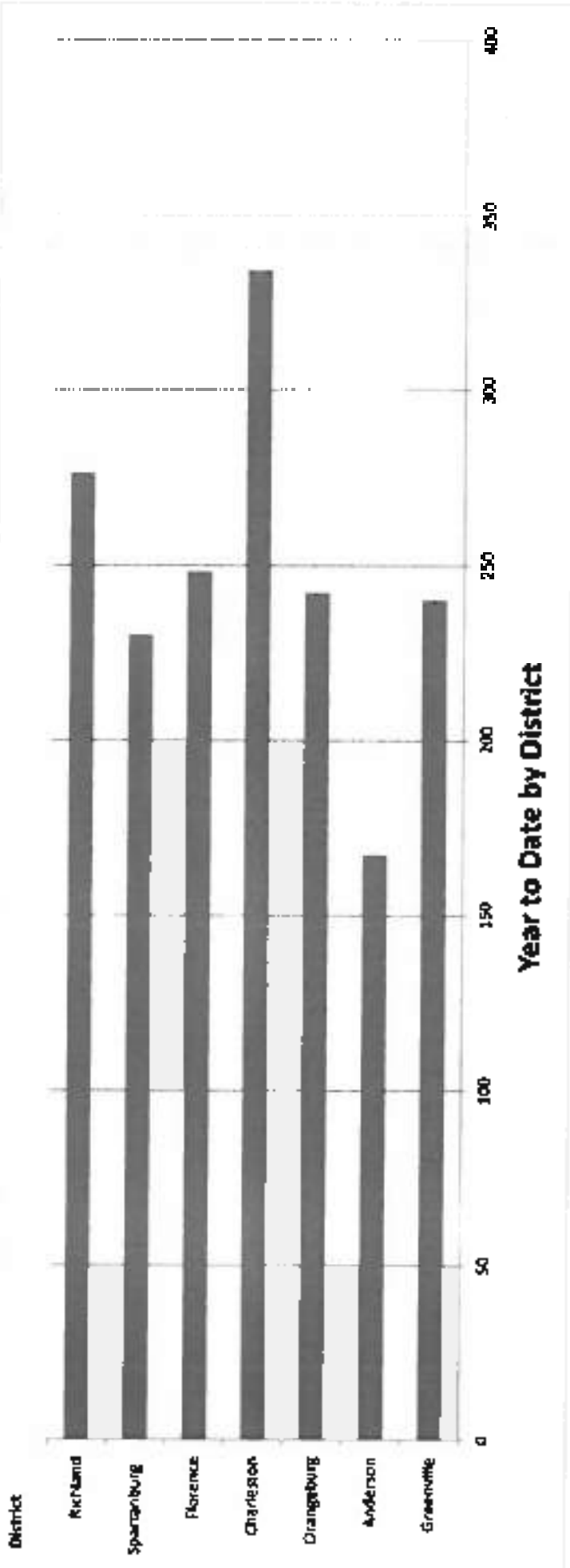
Seventy-eight (78) days is the average number of days from the request to the actual hearing and one hundred and twenty (120) days is the average number of days from the request for review and the actual appeal hearing.

Pleadings Assigned

	District 1 Greenville		District 2 Anderson		District 3 Orangeburg		District 4 Charleston		District 5 Florence		District 6 Spartanburg		District 7 Richland	
	13-14	11-12	13-14	11-12	13-14	11-12	13-14	11-12	13-14	11-12	13-14	11-12	13-14	11-12
Jul	119	94	85	85	121	124	103	164	117	140	111	99	135	173
Aug	121	133	140	104	121	126	122	170	131	153	119	149	141	215
Sep		95	121	95		100	128			101		107		144
Oct		118	118	97		97	134			138		115		146
Nov		111	159	94		99	133			139		106		138
Dec		74	164	80		142	104			118		116		108
Jan		111	112	106		118	102			128		121		141
Feb		106	163	98		115	112			114		89		153
Mar		104	118	90		107	126			143		121		160
Apr		122	121	73		107	101			108		153		162
May		67	105	67		78	131			86		102		107
Jun		98	112	80		121	119			121		116		144
Totals	240	1233	8548	1186	342	1384	1435	334	1891	248	1483	1625	276	1771

Pleadings Assigned 2013-14



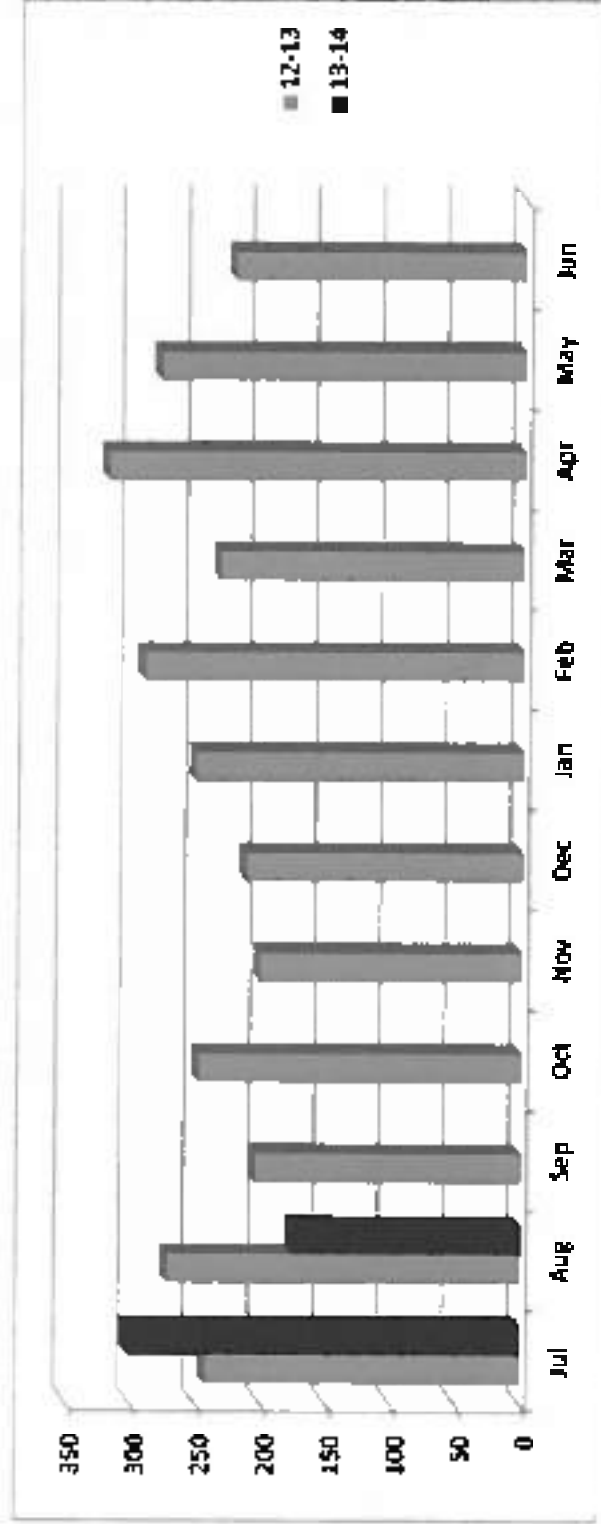
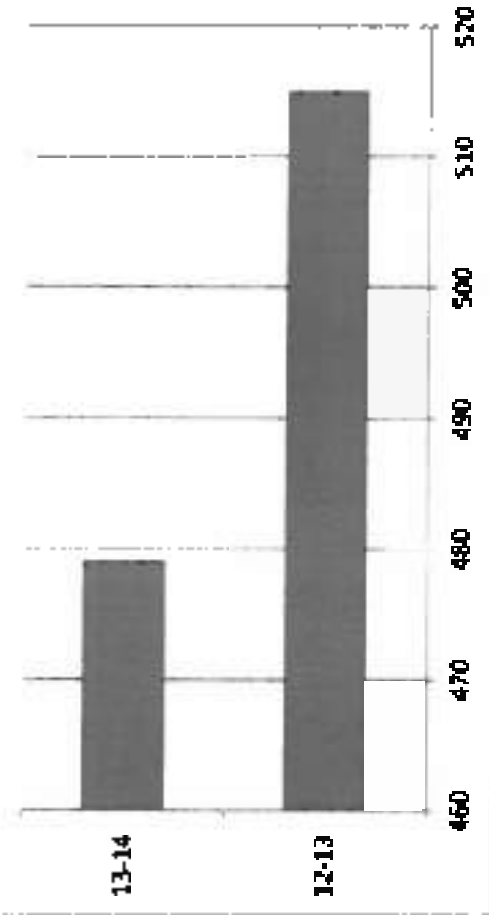


Informal Conf. Conducted

	12-13	13-14	
Jul	243	303	124.7%
Aug	272	176	64.7%
Sep	205		0.0%
Oct	249		0.0%
Nov	202		0.0%
Dec	213		0.0%
Jan	252		0.0%
Feb	292		0.0%
Mar	234		0.0%
Apr	320		0.0%
May	280		0.0%
Jun	223		0.0%
Total	2585	479	

Y-T-D **12-13** **13-14** **93.0%**

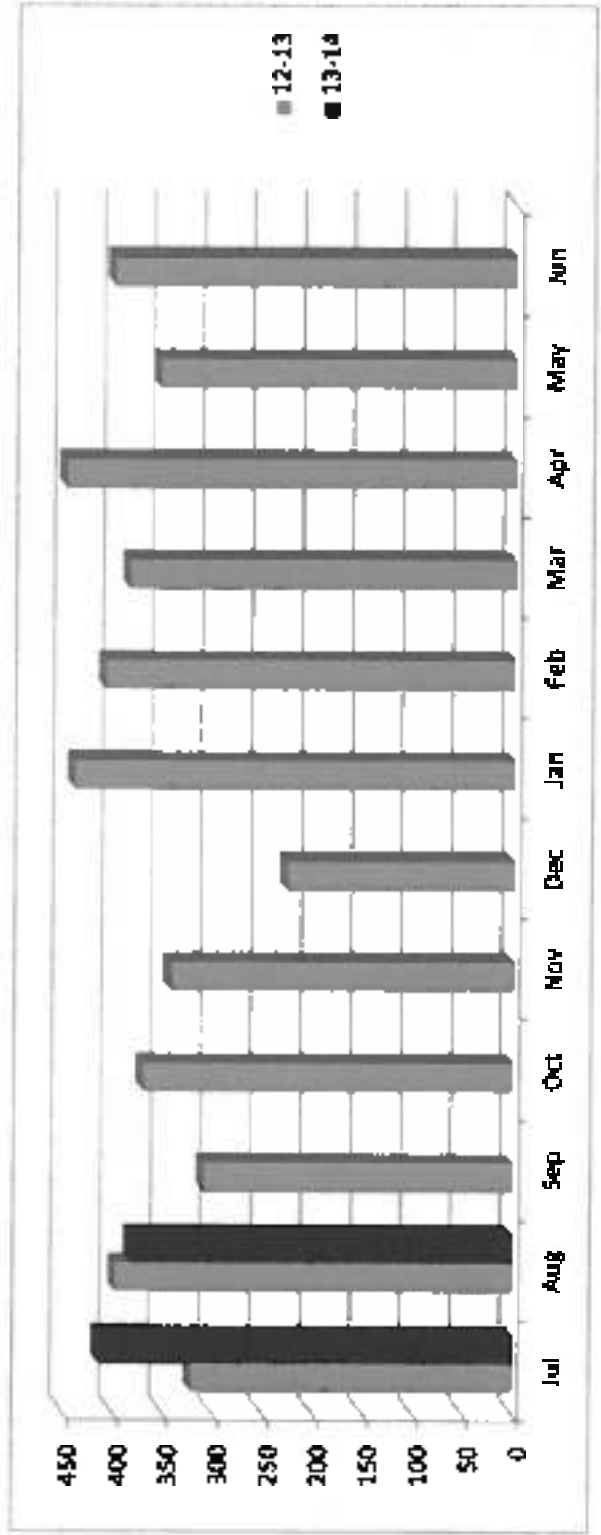
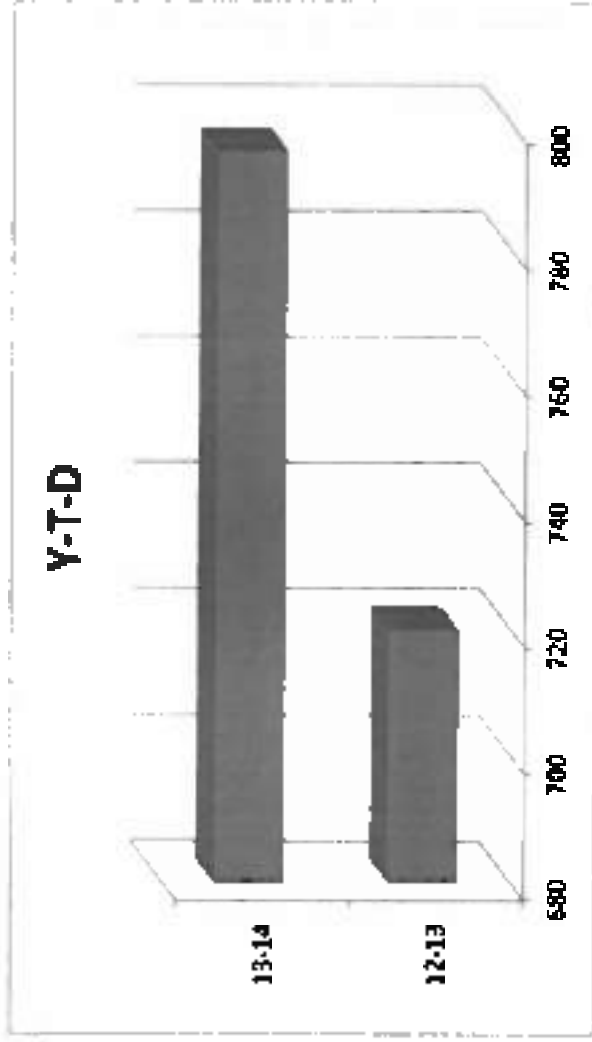
IC's to Date v. Prior



Informal Conf. Requested

	12-13	13-14
Jul	322	414
Aug	398	382
Sep	310	
Oct	371	
Nov	343	
Dec	227	
Jan	441	
Feb	410	
Mar	386	
Apr	450	
May	356	
Jun	403	
Total	4417	796

Y-T-D
 12-13 720
 13-14 796
 1.10556



State of South Carolina

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Columbia, S.C. 29202-1715



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Workers' Compensation Commission

Executive Director's Report
Gary M. Cannon
September 12, 2013

Annual Report FY2012-13

Attached is the information for the FY2012-13 Annual Report. The final report will be published on a one piece tri-fold document.

I am proud of the hard work and efforts made by the staff which resulted in these accomplishments and milestones this past year. Financially the Commission completed the year having utilized \$425,585 of cash reserves. This is \$82,481 less than originally projected. The cash reserve balance at the end of the fiscal year was \$1.26 million.

It was a banner year legislatively. The General Assembly approved legislation to provide us with a stable funding source by allowing the Commission to retain fifty percent or no less than \$2.2 million of the self-insurance tax collections. Also, the General Assembly approved the new regulations implementing mediation.

Service to stakeholders remains to be the primary focus of the Commission. Continuous improvement of organizational culture, active communication with stakeholders and responding to their requests and concerns through use of stakeholder ad hoc advisory committees, and partnering with business and governmental entities has enhanced the efficiency and effectiveness of the business processes and operations of the Commission.

Total cost of medical and indemnity reported for cases closed during the fiscal year remained relatively stable at \$870.1 million compared to last fiscal year cost of \$867.5 million, less than three-tenths of one percent (.3%) increase.

The trend of the total of indemnity payments continues to shift from the awards by the Commission to the amount by agreement of the parties. The total indemnity payments increased \$2.1 million, less than .3% compared to last fiscal year. The amount of indemnity payments from agreements increased \$5.6 million or 1%.

Mediation Regulation Workshops

Registration has begun for the upcoming Mediation Regulation Workshops scheduled on September 26 at the Convention Center in North Charleston, October 3 at SC Department of

Archives & History in Columbia, and on October 10 at Greenville Technical College in Greenville.

Proposed Amendments to R67-1605 Lump Sum Payment

The proposed amendments to R67-1605 Lump Sum Payment were submitted for publication in the September 27 issue of the *State Register*. The deadline to receive comments is 5:00 p.m., October 28, 2013. A Public Hearing is scheduled for October 29, 2013 at 10:00 a.m. in Hearing Room A.

Employee Meetings/Staff Training

Employees participated in an informal luncheon on August 22. The Executive Director held strategic planning sessions with department heads on August 14, 23, and 30.

Other Meetings

The Executive Director participated in the following meetings/activities:

- August 18-21 – National Association of Workers' Compensation Judiciary College 2013 in Orlando, Florida
- August 19 – Southern Association of Workers Compensation Administrators (SAWCA) Roundtable Discussion at NAWCJ
- August 20 – SCMA Occupational Medicine Roundtable Discussion at NAWCJ
- August 29 – Meet with members of the SC Chapter of the American Physical Therapy Association to discuss billing disputes.
- September 5 – Meeting with Will Davis at DOI regarding premium audit disputes
- September 13 – Presentation to SC Bar Workers' Compensation Seminar

Informal Conference Mediators Training

The Informal Conference mediators observed 14 clincher conferences conducted by Commissioner Beck and Commissioner Wilkerson. The mediators will observe other Commissioner's clincher conferences as their dockets allow.

Constituent /Public Information Services

For the period August 12, 2013 through September 6, 2013 the Executive Director's Office and the General Counsel's office had 648 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 August 12, 2013 through September 6, 2013, we added nine individuals to the Commission's stakeholder distribution list. A total of 422 individuals currently receive notifications from the Commission.

SC Vocational Rehabilitation Department

Attached is a report on SCVRD/WCC referrals provided by Chuck Hamden, SCVRD Counselor, for August 2013. There were no cases opened in July with the beginning of the new fiscal year.

Pursuant to the Memorandum of Agreement, we have received payment of \$7,500 from SCVRD for their share of the cost for the development of the electronic data portal access.

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 August 31, 2013.

THE YEAR IN REVIEW

The South Carolina Workers' Compensation Commission is proud to report its activities and accomplishments for Fiscal Year ending June 30, 2013. Through the efforts of its 54 dedicated employees, the Commission continues to focus on accomplishing its mission to *provide an equitable and timely system of benefits to injured workers and employers in the most responsive, accurate, and reliable manner possible*. The Commission continues to improve the efficiency of operations, focus on transparency, fairness, consistency and engaging all stakeholders in the development and implementation of fee schedules, regulation changes, and changes in policies and procedures.

Financial Condition

The Commission's FY 2013 operating budget was \$5 million, \$1.8 million in General Funds and \$3.2 million in Other Funds.

The Commission continued to implement cost reduction measures, however, it was necessary to utilize \$452,585 from cash reserves for the general operating budget.

The Commission's cash reserve fund balance at the end of FY 2013 was \$1,258,528.

Key Accomplishments

- Approved a recommendation from the Commuted Value Discount Advisory Committee and the Notice of Drafting to amend the language in Regulation 67-1605 Lump Sum Payment.
- Amended the Commission's Ambulatory Surgery Centers (ASC) Fee Schedule to support the cost for certain surgically implanted devices as a part of the maximum allowable payment.
- Obtained approval by the General Assembly of new regulations to require mediation of certain cases prior to a hearing with a Commissioner (R 67-1801).
- Partnered with private sector organizations and businesses to develop a system to notify a general contractor via email if a sub-contractor fails to maintain workers' compensation insurance.
- Initiated upgrades to EDI Release 3 to allow the Commission to obtain additional claim data to improve the claims adjudication process and maintain industry standards in data reporting.
- Partnered with the S.C. Vocational Rehabilitation Department, implemented an electronic database portal for claimant contact and referral for vocational rehabilitation services.

Communication/External Relations

- Conducted two training sessions, **Claims Administration Workshop**, for 171 stakeholders on November 7, 2012 and May 3, 2013. Attendees included attorneys, insurance companies, TPAs, employers and others who deal with workers' compensation claims.
- Posted 12 agendas and supporting documents for the Commission Business Meetings on the Commission's website two days prior to the meetings.
- Increased the Commission's electronic general notice distribution contact list from 261 to 404.
- Posted 124 general notices to the Commission's website
- Emailed 64 general notices, policy advisories and updates to stakeholders and other interested parties.
- Commissioner Aisha Taylor was appointed to the Commission by Governor Nikki Haley to fill an unexpired Commission seat. Commissioner Taylor's term commenced on January 31, 2013 and expires June 30, 2014.
- The Senate confirmed the reappointment of Andrea C. Roche to the Commission. Commissioner Roche was appointed to the Commission in 2006. Her term expires on June 30, 2018.
- The Commission employed James Keith Roberts as the Commission's staff attorney effective February 11, 2013.

Compliance

- The Compliance Division collected \$587,492 in fines which represents 164% of FY 12 year-end collection.

Coverage

- Increased Compliance investigations by 4% (921 to 958).

Claims

- Number of cases filed with the Commission increased 425, or .69%, (61,788 to 62,213) from FY 12-13.
- Processed 13,771 settlements (Clinchers, Form 16s, and third party settlements), and 24,589 initial notices of payments (Form 15 Sections I and II).

Hearings

- Assigned 4,417 cases for Informal Conferences. (FY12 assigned 4,706)
- Conducted 2,981 Informal Conferences. (FY12 conducted 3,262)
- Docketed 10,162 cases for single commissioner hearing. (FY12 docketed 11,121)
- Cases docketed for single commissioner hearings decreased 959 or 9%; hearings conducted by a commissioner decreased 2346 or 20%.
- The number of settlements decreased by 245 or 2.4%.
- Single commissioner cases appealed to the Full Commission decreased by 53 or 9.5%.
- The number of cases reviewed by the Full Commission decreased by 2 and the number of Full Commission cases appealed to higher court decreased by 41 or 24%.

Appeals

- Processed 507 appeals to the Full Commission. (FY12 processed 560)
- Conducted 262 appellate hearings. (FY12 conducted 264)
- Full Commission decisions appealed to higher Court-127. (FY12 - 168 appealed)

System Overview**Premiums**

- Premiums paid into the workers' compensation system totaled \$927.7 million in FY 12-13
 - Market Share
 - Commercial (CY 12) - \$641.8 million (69%)
 - Self Insurance - \$216.7 million (23%)
 - State Accident Fund - \$69.2 million (7%)

Insurance Tax

- Collected and remitted to the State General Fund \$4.8 million Self-Insurance Taxes (4% increase from FY 12)
- Workers' Compensation premium tax paid to the State General Fund - \$16,053,386

Total Cost Reported for Cases Closed (Medical and Indemnity)

- Total cost of medical and compensation - \$870.1 million. (FY 12 - \$867.5 million)
- Medical expenses totaled \$328.6 million. (FY 12 - \$327.6 million)
- Compensation totaled \$541.5 million. (FY 12 - \$539.4 million)

Average Cost Per Claim

- Total = \$13,826 per claim. (FY 12 - \$13,750)
- Medical = \$5,221 per claim. (FY 12 - \$5,196)
- Compensation = \$8,605 per claim. (FY 12 - \$8,557)

Compensation by Category

- Total = \$541.5 million. (FY 12 - \$539.4 million)
- Agreement = \$517.1 million. (FY 12 - \$511.5 million)
 - Percent of Total = 95.5 % (FY 12 - 94.8%)
- Award = \$24.4 million. (FY12 - \$27.5 million)
 - Percent of total = 4.5% (FY 12 - 5.1%)

Number of Employers Purchasing Insurance	27,475
Number of Employers Qualifying as Self-Insurers	2,072
Investigations Active Beginning of Fiscal Year	461
Investigations Initiated	902
Investigations Set for Show Cause Hearings/	97
Compliance Agreements Received *	224
Total Investigations Closed	963
Investigations Active at Close of Fiscal Year	352
Number of Accidents Cases Filed with the Commission	62,213
A. New Cases	60,262
B. Reopened cases	2,050
Number of Cases Closed during Fiscal Year	62,933
A. Individually Reported Accidents	25,049
B. Minor Medical Only Accidents Reported	37,884
Total Compensation & Medical Cost Paid on Closed Cases	\$870,081,767
Medical Costs	\$328,566,630
Compensation	\$541,515,137
Temporary Compensation Agreements	15,352
Agreements for Permanent Disability	3,331
Applications for Stop Payment **	1,648
Cases Docketed for Hearings	10,162
Cases Assigned for Informal Conferences	4,417
Hearings Conducted by Single Commissioners	1,392
Informal Conferences Conducted	2,981
Decisions, Opinions & Orders, Single Commissioners	1,435
Cases Appealed to Full Commission for Review	507
Reviews Conducted by Full Commission or Panel	262
Decisions and Opinions by Full Commission or Panel	333
Commission Decisions Appealed to Higher Court	127
Common Law Settlements	10,137
Attorney Fee Approvals	8,502
Self-Insurance Tax Collected	\$4,812,942

General Appropriation

	Amended Budget	Actual
REVENUES		
General Appropriation	\$ 1,843,376	\$ 1,843,376
EXPENDITURES		
Commissioners	\$ 1,122,980	\$ 1,122,980
Administration	\$ 150,870	\$ 150,870
Claims	\$ 79,361	\$ 79,361
Insurance & Medical Services	\$ 33,109	\$ 33,109
Judicial	\$ 28,693	\$ 28,693
Fringe Benefits	\$ 428,363	\$ 428,363
Total	\$ 1,843,376	\$ 1,843,376
Operating Surplus (Deficit)		\$ 0

Earmarked Funds

	Amended Budget	Actual
REVENUES		
Training Conference	\$ 1,000	\$ 8,450
Publications & Brochures	\$ 8,000	\$ 4,465
Award Review Fees	\$ 75,000	\$ 61,970
Sale of Photocopies	\$ 95,000	\$ 87,499
Filing Violation Fees	\$ 1,891,000	\$ 1,576,011
Sale of Listings and Labels	\$ 30,000	\$ 25,487
Hearing Fees	\$ 600,000	\$ 533,415
Insurance Reserve Refund	\$	\$ 3,493
Total	\$ 2,700,000	\$ 2,900,790

Transfer Fund Balance

	535,066	
Total Revenues	\$ 3,235,066	\$ 2,900,790
EXPENDITURES		
Commissioners	\$ 513,921	\$ 472,448
Administration	\$ 701,382	\$ 699,733
Claims	\$ 481,436	\$ 479,752
Insurance & Medical Services	\$ 586,319	\$ 581,374
Judicial	\$ 452,324	\$ 419,393
Other Employee Contributions	\$ 499,894	\$ 499,894
Total Expenditures	\$ 3,235,066	\$ 3,152,994
Total	\$ 3,235,066	\$ 3,152,994
Operating Surplus (Deficit)		\$ 82,481

Gen App & Earmarked Funds	Revenues	Expenditures
Total	\$ 2,078,442	\$ 4,995,960



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: Chuck Hamden, SCVRD Counselor
DATE: August 30, 2013
RE: SCVRD/WCC Referrals

As the SCVRD counselor assigned to the Workers Compensation Commission, I held office hours at WCC for four (4) days in the month of August 2013.

During the August office hours, SCVRD has continued to review the Workman's Compensation Commission files for Richland and Lexington counties for 2012. With the continued implementation of the WCC Query program, twenty-seven (27) referral letters have been sent in August out to potential clients.

As of August 30th, 2013, six (6) potential WCC referrals have responded to inquiry letters:

- Four (4) referrals have been made for the Richland County SCVRD office and have opened cases
- One (1) attorney referral has been made for the Georgetown County SCVRD office
- One (1) claimant responded and was not interested in VR services at this time
- Three letters was returned with no forwarding address.

In regards to the SCWCC-SCVRD Portal, the site is in production mode and Area Supervisors are being loaded into the portal for use. Finalized date for presentation to the SCVRD Core Leadership team is scheduled for September 9th, 2013

SC Vocational Rehabilitation Dept
Workers' Comp Referrals SFY 2013

Primary Disability	#
Mobility Impairments	0
Manipulation/dexterity Impairments (hand/fingers)	0
Other Orthopedic Impairments (e.g. limited range of motion)	3
General physical debilitation (fatigue, weakness, chronic pain)	1
Hearing or visual Impairments	0
Other physical Impairments (not listed above)	1
Total	0

WILLSON JONES CARTER & BAXLEY, P.A.

ATTORNEYS AT LAW

GREENVILLE CHARLESTON COLUMBIA CHARLOTTE RALEIGH ATLANTA

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421 Woods Park Boulevard, Suite 100
Mt. Pleasant, SC 29464
www.wjcbtw.net

August 6, 2013

VIA U.S. MAIL AND E-MAIL

The Honorable T. Scott Beck
South Carolina Workers' Compensation Commission
P.O. Box 1715
Columbia, SC 29202-1715

Re: Commission's Business Meeting on August 18, 2013

Dear Commissioner Beck:

It is my understanding that the Commission is holding a business meeting on August 18, 2013. Please allow this letter to serve as a request to have a specific procedural issue discussed at this meeting. The following will lay out the precise issue.

Frequently, my firm receives letters and/or subpoenas from claimants' attorneys requesting the production of medical records we have obtained from medical providers through the service of Form 27s. Our practice has been to file a Motion to Quash those subpoenas and until recently those motions were uniformly granted. As a result, we are seeking guidance as to how to proceed on this issue in the future.

Our position has been there is no obligation, whether that be statutory, regulatory, or case law, requiring my clients to produce records obtained from medical providers via subpoena. We have argued it is over burdensome to have our staff copy and provide opposing counsel with medical records opposing counsel could obtain from the medical provider directly. It is particularly burdensome because once a paralegal receives medical records in response to a subpoena, the paralegal removes duplicates, separates providers, discards bills, and places the remaining records in chronological order. As a result, by the time we see a subpoena or letter requesting those records, we do not have a complete copy of those records and they are arguably organized as work product. Further, it is not the policy of our firm to scan all medical records received in response to subpoenas into a digital format. Doing so for every attorney and every response to subpoena from medical providers received would likely require the hiring of additional staff and acquiring additional photocopiers. Overall, it would certainly require our offices to change their practices just in case they receive a subpoena or letter requesting production of medical records obtained through Form 27s.

I acknowledge claimants' attorneys have a concern that they are not receiving the same records I am receiving in response to subpoena. Although I have not seen that in practice, I imagine it has happened. However, I believe a middle ground could be achieved to assuage my concerns and opposing counsels concerns, if in response to being copied on a Form 27 to a medical provider, claimants' attorneys would send a letter to that medical provider requesting they provide an identical copy to claimant's attorney. This would place the burden of production of these records on the medical provider, who is the true custodian of those records. Further, it should guarantee that opposing counsel receives an identical copy of those records.

As indicated above, every ruling that we have received on a Motion to Quash that we have filed in the past has indicated that we are not required to provide those records. Therefore, we have maintained that policy at our office. However, last week, we received a different ruling from a Commissioner, which obviously makes us call into question our office policy. As this is a procedural issue, as opposed to an issue on the merits, it would obviously be in the best interest of the Commission and all parties involved for there to be uniformity with regard to this issue. That is the reason that we are specifically requesting that this issue be discussed and addressed at the business meeting, so that we can simply have a uniform, consistent rule and so that our firm can act accordingly in the future without the need to further litigate or argue these issues on a case by case basis.

Should the Commission uniformly determine defendants must copy and forward medical records received pursuant to a Form 27 to opposing counsel, there is the additional issue of cost. Medical providers charge my firm a \$15.00 handling fee and \$.65 a page to obtain these records. It is unclear what defense firms should charge opposing counsel for printing, copying, or scanning these records. Obviously, if the Commission recommends the middle ground with claimants' attorneys sending letters to medical providers requesting complete copies of the records provided in response to defendants' Form 27s, then the issue of costs is moot.

I have copied David Pearlman with this letter because I know this has been an issue that has concerned him as well. I wanted to provide him with the opportunity to share his viewpoint. Should you request our attendance at the business meeting, I suspect we would be happy to make that appearance. I greatly appreciate your attention and time to this matter.

With kindest regards,

WILSON JONES CARTER & BAXLEY, P.A.



Johnnie W. Baxley, III

JWB/tbw

cc: David T. Pearlman, Esquire (via U.S. mail and e-mail)
Ms. Virginia L. Crocker (via U.S. mail and e-mail)

DAVID T. PEARLMAN
J. KEVIN HOLMES
THOMAS M. WHITE
DALE E. VAN SLAMBOOK
MALCOLM M. CROSLAND, JR.
STEVEN E. GOLDBERG



MICHAEL J. JORDAN
BENJAMIN W. ANERY
CHARLES S. GOLDBERG,
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HUGO M. SPITZ (RETIRED)
IRVING STEINBERG (1908-1980)

51 Broad Street | P.O. Box 9 | Charleston | SC | 29402-0009 | 843.720.2800 | 843.722.1190 fax | steinberglawfirm.com

September 10, 2013

VIA US Mail and Email

The Honorable T. Scott Beck, Chairman and Commissioners of the South Carolina
Workers' Compensation Commission
South Carolina Workers' Compensation Commission
P.O. Box 1715
Columbia, SC 29202-1715

RE: Johnnie W. Baxley's, III, Esquire, letter dated August 6, 2013
Requirement to Produce Documents Received by Subpoena

Dear Chairman Beck and Commissioners:

Thank you for the opportunity to respond to Johnnie Baxley's letter of August 6, 2013. Johnnie is a good friend and respected colleague and I appreciate his including me to receive a copy of his letter.

I would offer the following comments in response to Johnnie's letter.

- I. **There is a legal requirement to provide copies of records received pursuant to a subpoena.**

The Commission has statutory authority to issue subpoenas for production of records under §§ 42-3-140 and 42-3-150. Reg. 67-214 governs the issuance of subpoenas and requires the use of a Form 27.

Form 27 provides for subpoenas for hearing testimony, deposition testimony, production of records, and to permit inspection of premises. In each instance the time and place for the testimony, production, or inspection must be specified. The Form 27 must be served on the opposing party or counsel giving them the opportunity to be present, examine the witness, receive copies of documents, or participate in the inspection of premises. Rule 67-214 and Form 27 do not provide for production of records without requiring an appearance by the Custodian of Records and, as currently

written, requires appearance at a time and place set forth in the subpoena so that all parties or counsel can be present to receive copies of the same records.

I think everyone would agree requiring the Custodian of Records to appear to produce records would be burdensome and costly for all parties, counsel, and the Custodian of the Records. This problem has been recognized and fairly dealt with under the Rules of Civil Procedure. Rule 45(2)(A) of the South Carolina Rules of Civil Procedure provides for the production of records without requiring the appearance of the Custodian of Records but, in order to maintain fairness, the Rule specifically requires that, "A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable cost of reproduction."

While Johnnie may argue the Rules of Civil Procedure do not apply in Workers' Compensation proceedings, I would point out that the Administrative Procedures Act specifically states the South Carolina Rules of Evidence do not apply. There is no such exclusion for the South Carolina Rules of Civil Procedure. In many instances, the practice before the Commission adheres to the South Carolina Rules of Civil Procedure. In fact, §42-3-180 states depositions "shall be taken in accordance and subject to the same provisions, conditions, and restrictions as applied to taking of like depositions in civil actions at law in the Court of Common Pleas..."

Furthermore, it should be noted that and §42-15-95(B)(3) provides upon written questions submitted by an insurance carrier, employer, or their respective attorneys "the employee must also be provided with a copy of the response by a health care provider."

With all due respect, I respectfully submit Johnnie wants the benefit of Rule 45(2)(A) so as not to require a Custodian of Records to appear at a specified time and place as required by a Form No. 27 subpoena, but does not want to comply with the requirements of the Rule intended to maintain fairness by providing copies of documents received upon written request. Failure to provide copies of records to the opposing party as the Rule requires denies due process to the Claimant in contravention of Form 27 subpoena and violates and ignores the manifest intent of Rule 45(2)(A) and §42-15-95(B)(3).

II. Complying with Rule 45(2)(A) is already the established practice.

While I cannot comment on the internal workings of Johnnie's firm, I would point out to the Commission that every other Workers' Compensation defense firm including, but not limited to, McAngus Goudelock and Courie, LLC.; Gallivan White and Boyd,

P.A.; Turner Padgett Law; Young Clement Rivers, LLP; Trask and Howell, LLC; Adams and Reese, LLP (Formerly Ellis Lawhome and Sims, PA); and Collins and Lacy, PC, routinely follow the requirements of Rule 45(2)(A) and produce copies of subpoenaed records upon written request. None have complained that doing so is unduly burdensome.

Johnnie suggests the responsibility of complying with the Rule 45(2)(A) should be shifted to the Custodian of Records or opposing counsel. Requests for records, especially medical records, are routinely routed to third party independent contractors who identify the records and submit a bill for payment before the records are copied and delivered. It would be virtually impossible to ensure all parties receive the same records unless the records are requested, paid for, copied, and delivered at the same time. The Commission has no authority over a medical provider or their third party contractors and, therefore, has no way of enforcing compliance by them.

Johnnie also complains that after his office receives medical records in response to a subpoena, his "paralegal removes duplicates, separates providers, discards bills, and places the remaining records in chronological order." Rule 45(2)(A) addresses this problem and requires that a party requesting copies of the records must make a written request. In compliance with the Rule, it is the practice of my firm, and other Claimant's firms I am familiar with, to request copies of subpoenaed records immediately upon service of the subpoena.

I suggest the easy solution to Johnny's concern would be for the Commission to require any request for copies be made within fourteen (14) days of the service of the subpoena. This will allow Johnnie's firm ample opportunity to make copies of records received pursuant to a subpoena before changing, separating, or making the documents part of his file.

iii. The producing attorney is entitled to a reasonable cost, but not to an exorbitant profit

I agree with Johnnie that no law firm should be forced to incur costs producing records but, by the same token, claimants should not be saddled with having to pay unreasonable costs. Rule 45(2)(A) also deals with this problem by providing the party requesting copies shall pay the reasonable cost of reproduction.

Many medical records are now produced electronically and can be forwarded electronically at virtually no cost. Even hard copies made at a law office no longer cost 25 cents or 50 cents per page. I understand there may be some disagreement as to what constitutes a reasonable cost. I would respectfully suggest the Commission set a

September 10, 2013

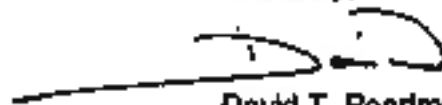
Page 4

\$15.00 handling fee, even for production of electronic records, and 15 cents per page for hard copies to adequately cover any cost incurred by the producing law firm.

Thank you again for the opportunity to make my comments. I do not claim to speak for the Claimant's bar and offer these as my personal comments. Please accept this letter in the good faith it is intended for the purpose of responding to the concerns raised by Johnnie's letter. If you desire anything further or wish to discuss this matter at the Commission's business meeting, please let me know.

With kindest regards, I am

Sincerely,

A handwritten signature in black ink, appearing to read "David T. Pearlman". The signature is stylized with a long horizontal stroke and a loop at the end.

David T. Pearlman

DTP/blg

Enclosure Rule 45

cc: Johnnie W. Baxley, III, Esquire (w/encl)

be evidenced by an attested summary with or without a final certification.

(b) **Lack of Record.** A written statement that after diligent search no record or entry of a specified tenor is found to exist in the records designated by the statement, authenticated as provided in subdivision (1) of this rule in the case of a domestic record, or complying with the requirements of subdivision (a)(2) of this rule for a summary in the case of a foreign record, is admissible as evidence that the records contain no such record or entry.

(c) **Other Proof.** This rule does not prevent the proof of official records or of entry or lack of entry therein by any other method authorized by law.

(d) **Foreign Law.** A party who intends to raise an issue concerning the law of a foreign jurisdiction shall give notice in his pleadings or by other reasonable written notice or applicable motion. The court, in determining foreign law, may consider any relevant material or source, including testimony, whether or not submitted by a party or admissible under the law of evidence. The court's determination shall be treated as a ruling on a question of law.

(Amended effective May 1, 1986.)

Notes

This Rule 45 is substantially the Federal Rule. It conforms to present practice and Code §§ 19-5-10, 19-5-80, 19-5-40 and 19-5-220. Rule 44(d) is new. It conforms to present practice but is a more precise statement.

Notes to 1986 Amendments

This amendment to Rule 44(d) permits the issue of foreign law to be raised by any written notice rather than only in the pleadings or a motion. It is similar to Federal Rule 44.1 and supplements the Uniform Judicial Notice of Foreign Law Act, S.C. Code § 19-9-110 et seq.

RULE 45. SUBPOENA

(a) Form; Issuance.

(1) Every subpoena shall:

(A) state the name of the court from which it is issued; and

(B) state the title of the action, the name of the court in which it is pending, and its civil action number; and

(C) command each person to whom it is directed to attend and give testimony or produce and permit inspection and copying of designated books, documents or tangible things in the possession, custody or control of that person, or to permit inspection of premises, at a time and place therein specified; and

(D) set forth the text of subdivisions (c) and (d) of this rule.

A command to produce evidence or to permit inspection may be joined with a command to appear at trial or hearing or at deposition, or may be issued separately.

(2) A subpoena commanding attendance at a trial or hearing shall issue from the court for the county in which the hearing or trial is to be held. A subpoena for attendance at a deposition shall issue from the court for the county designated by the notice of deposition as the county in which the deposition is to be taken. If separate from a subpoena commanding the attendance of a person, a subpoena for production or inspection shall issue from the court for the county in which production or inspection is to be made. Provided, however, that a subpoena to a person who is not a party or an officer, director or managing agent of a party, commanding attendance at a deposition or production or inspection shall issue from the court for the county in which the non-party resides or is employed or regularly transacts business in person.

(3) The clerk shall issue a subpoena, signed but otherwise in blank, to a party requesting it, who shall complete it before service. An attorney as officer of the court may also issue and sign a subpoena on behalf of a court in which the attorney is authorized to practice.

(b) Service.

(1) A subpoena may be served by any person who is not a party and is not less than 18 years of age. Service of a subpoena upon a person named therein shall be made in the same manner prescribed for service of a summons and complaint in Rule 4(d) or (5), and, if the person's attendance is commanded, by tendering to that person the fees for one day's attendance of \$25.00 and the mileage allowed by law for official travel of State officers and employees. When the subpoena is issued on behalf of the State of South Carolina or an officer or agency thereof, fees and mileage need not be tendered. Unless otherwise ordered by the court, prior notice in writing of any commanded production of documents and things or inspection of premises before trial shall be served on each party in the manner prescribed by Rule 6(b) at least 10 days before the time specified for compliance.

(2) Subject to the provisions of clause (B) of subparagraph (c)(3)(A) of this rule, a subpoena may be served at any place within the State. Provided, however, that a subpoena to a person who is not a party or an officer, director or managing agent of a party, commanding attendance at a deposition or production or inspection shall issue from the court for the county in which the non-party resides or is employed or regularly transacts business in person and be served in that county.

(3) Proof of service when necessary shall be made by filing with the clerk of the court by which the subpoena is issued a statement of the date and manner of service and of the names of the persons served, certified by the person who made the service.

(c) Protection of Persons Subject to Subpoenas.

(1) A party or an attorney responsible for the issuance and service of a subpoena shall take reason-

able steps to avoid imposing undue burden or expense on a person subject to that subpoena. The court on behalf of which the subpoena was issued shall enforce this duty and impose upon the party or attorney in breach of this duty an appropriate sanction, which may include, but is not limited to, lost earnings and a reasonable attorney's fee.

(2)(A) A person commanded to produce and permit inspection and copying of designated books, papers, documents or tangible things, or inspection of premises need not appear in person at the place of production or inspection unless commanded to appear for deposition, hearing or trial. A party or an attorney responsible for the issuance and service of a subpoena for production of books, papers and documents without a deposition shall provide to another party copies of documents so produced upon written request. The party requesting copies shall pay the reasonable costs of reproduction.

(B) Subject to paragraph (d)(2) of this rule, a person commanded to produce and permit inspection and copying may, within 14 days after service of the subpoena or before the time specified for compliance if such time is less than 14 days after service, serve upon the party or attorney designated in the subpoena written objection to inspection or copying of any or all of the designated materials or of the premises. If objection is made, the party serving the subpoena shall not be entitled to inspect and copy the materials or inspect the premises except pursuant to an order of the court by which the subpoena was issued. If objection has been made, the party serving the subpoena may, upon notice to the person commanded to produce, move at any time in the court that issued the subpoena for an order to compel the production. Such an order to compel production shall protect any person who is not a party or an officer of a party from significant expense resulting from the inspection and copying commanded.

(3)(A) On timely motion, the court by which a subpoena was issued, or regarding a subpoena commanding appearance at a deposition, or production or inspection directed to a non-party, the court in the county where the non-party resides, is employed or regularly transacts business in person, shall quash or modify the subpoena if it:

(i) fails to allow reasonable time for compliance; or

(ii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to travel more than 50 miles from the county where that person resides, is employed or regularly transacts business in person, except that, subject to the provisions of clause (c)(3)(B)(ii) of this rule, such a person may in order to attend trial be commanded to travel from any such place within the state in which the trial is held; or

(iii) requires disclosure of privileged or otherwise protected matter and no exception or waiver applies; or

(iv) subjects a person to undue burden.

(B) If a subpoena:

(i) requires disclosure of a trade secret or other confidential research, development, or commercial information; or

(ii) requires disclosure of an unretained expert's opinion or information not describing specific events or occurrences in dispute and resulting from the expert's study made not at the request of any party; or

(iii) requires a person who is not a party nor an officer, director or managing agent of a party, nor a general partner of a partnership that is a party, to incur substantial expense to travel from the county where that person resides, is employed or regularly transacts business in person, the court may, to protect a person subject to or affected by the subpoena, quash or modify the subpoena or, if the party in whose behalf the subpoena is issued shows a substantial need for the testimony or material that cannot be otherwise met without undue hardship and assures that the person to whom the subpoena is addressed will be reasonably compensated, the court may order appearance or production only upon specified conditions.

(d) Duties in Responding to Subpoena.

(1) A person responding to a subpoena to produce documents shall produce them as they are kept in the usual course of business or shall organize and label them to correspond with the categories in the demand.

(2) When information subject to a subpoena is withheld on a claim that it is privileged or subject to protection as trial preparation materials, the claim shall be made expressly and shall be supported by a description of the nature of the documents, communications, or things not produced that is sufficient to enable the demanding party to contest the claim.

(e) Contempt. Failure by any person without adequate excuse to obey a subpoena served upon that person may be deemed a contempt of the court from which the subpoena issued. An adequate cause for failure to obey exists when a subpoena purports to require a non-party to attend a deposition, permit an inspection, or produce at a place not within the limits provided by clause (ii) of subparagraph (c)(3)(A); or if served without an adequate time to respond as provided in Rule 45(b)(1); or if service is made upon an individual under Rule 4(d)(1) and the individual did not receive or acknowledge the subpoena.

[Amended effective July 1, 1989; July 1, 1993; July 1, 1995; September 1, 2002.]

Notes

This Rule 45 is substantially the same as the Federal Rule, modified to the limits of State court jurisdiction. Rule 45(b) is modified to conform to new Circuit Court Rule 108. The Federal Rule has been little changed for 40 years and is familiar to South Carolina practitioners. It offers several simplifications of present State practice: (1) The Clerk of Court issues the subpoenas "duces tecum" under Rule 45(b), as well as the subpoenas to compel attendance of witnesses. A "standard form" is provided for all clerks, which may be used to counsel in advance for use as needed. (2) Service runs statewide and is not confined to one county. (3) One form replaces the old "subpoena writ" with "tickets" attached for each witness. Rule 45(g) is added to provide reasonable per diem and mileage for witnesses. The "Uniform Act to Secure Attendance of Witnesses from Without the State in Criminal Proceedings," Code F 10-7-60, et seq., is not affected.

Notes to 1995 Amendments

Rule 45 is amended to conform to Federal Rule 45, as amended in December 1991. The major purposes of that amendment, which are adopted here, are to simplify the procedure for issuing a subpoena and to clarify and enlarge the protection of non-parties who are compelled to assist the court in the proceedings, as well as to facilitate access to materials without the necessity of a deposition. The federal rule made other changes in the methods of issuing subpoenas in districts other than the one in which the action is pending which are not relevant to state practice.

Much of the practice remains the same including who may serve the subpoena, the right to object to production in writing, and to require the issuing party to obtain a court order before inspecting the documents. The major changes are: (1) the attorney signs and issues the subpoena on behalf of the court; (2) documents, materials or an inspection can be obtained from a non-party without obtaining a deposition; and (3) the non-party's rights are expanded and clarified. In this context, paragraph (a)(2) provides that a subpoena for trial is issued by the court where the action is pending and under paragraph (b)(2) may be served throughout the state. The subpoenaed person may move under (c)(3)(A) to quash or modify the subpoena in the issuing court, which is the court where the action is pending, and may obtain relief if the subpoena requires travel of more than 60 miles from where the non-party resides, is employed or regularly transacts business.

The rights of a non-party subpoenaed for a deposition are enlarged and clarified. Under paragraph (a)(5) the subpoena for a non-party deposition, production or inspection is issued by the court in the county where the person resides, is employed or regularly transacts business, and served there. Under paragraph (c)(3)(A) the non-party can object to the subpoena in his home county, if different from the place where the action is pending. Finally, paragraph (e) makes clear that a subpoena to a non-party for a deposition, inspection or production, requiring travel beyond 60 miles of the county where the individual resides, is employed or regularly transacts business, provides an adequate excuse for failure to respond, and avoids a sanction for contempt.

The following material discusses each provision of the new rule. Paragraph (a)(1) defines the form of the subpoena. It no longer requires that the subpoena bear the seal of the court. Subparagraph (d) now requires that the subpoena contain language of paragraphs (c) Protection of Persons Subject to Subpoena, and (d) Duties in Responding to

Subpoena, to alert the person subpoenaed about the rights and obligations under Rule 45.

Paragraphs (a)(1) and (c)(2)(A) permit a subpoena for the production of documents or inspection without requiring a deposition. This adopts a common practice which was not authorized by the prior rule which required the deposition of a non-party to obtain production or inspection from a non-party. The last sentence of paragraph (b)(1) requires ten (10) days written notice to other parties if production is requested without a deposition.

Paragraph (a)(2) states that the subpoena for trial or hearing is issued by the court for the county where the action is pending. A subpoena for a deposition is issued by the county where the deposition is to take place. A subpoena for the deposition of a non-party is issued where the non-party resides, is employed or regularly transacts business in person. Specifying the court that issues the subpoena is important because motions to quash or enforce a non-party subpoena are brought in the issuing court which might be different from the court where the action is pending.

Paragraph (a)(3) provides that the clerk is to issue the subpoena in blank if the subpoena is requested by an unrepresented party, but the attorney is also authorized to sign the subpoena on behalf of any court in which he is licensed to practice. There is no requirement that the subpoena bear the seal of the court. The attorney signs and issues it as an officer of the court.

Paragraph (b)(1) defines who can serve a subpoena, and specifies that it is by delivery to the person subpoenaed along with tendering the witness fee and mileage. This clarifies the procedure for service.

Paragraph (b)(2) provides that subpoenas may be served throughout the state subject to two exceptions. First, (c)(3)(A)(ii) requires the appropriate court to quash or modify a subpoena on several grounds. Second, a non-party subpoena can only be issued and served in the county where the non-party resides, is employed or regularly transacts business in person. Paragraph (b)(3) describes how proof of service of the subpoena is to be made.

Paragraph (c)(1) states the duty of the attorney to avoid undue burden on the subpoenaed person and authorizes the issuing court to enforce this duty by imposing sanctions including, but not limited to, lost earnings and reasonable attorney's fees.

Paragraph (c)(2)(A) permits a subpoena for the production of documents without the necessity of also scheduling a deposition. Ten (10) days written notice to other parties is required under the last sentence of (b)(1) if there is no deposition. Rule 30 requires similar notice of all depositions.

Paragraph (c)(2)(B) is taken from former Rule 40(d) which authorized a person subpoenaed to object in writing to the production, and required the person seeking the information to obtain a court order before inspecting the documents. This order is obtained from the court that issued the subpoena, and, in the case of a non-party, would be the court in the county where the non-party resides, is employed or regularly transacts business in person, if different from the court where the action is pending.

Paragraph (c)(3)(A) states that the court shall quash or modify the subpoena if there is no reasonable time to comply, requires excessive travel, costs for privileged material or creates an undue burden. Paragraph (c)(3)(B) authorizes the court to quash or modify the subpoena if it requires

disclosure of trade secrets. Sub-paragraph (ii) protects the intellectual property of unretained experts, while providing a means for obtaining it if necessary, and the expert is properly compensated. Paragraph (c)(3)(B)(iii) adds additional protection for witnesses subpoenaed for trial. The court may modify or quash the subpoena if it requires travel over 50 miles to attend the trial, unless the other party can demonstrate a substantial need for the information that could not be obtained otherwise without substantial hardship, and that the person subpoenaed will be reasonably compensated.

Paragraph (d)(1) requires those served with the subpoena to produce the documents in the order in which they are kept in the ordinary course of business or label them to correspond to the categories in the demand. This is the same requirement imposed on parties responding to a document request under Rule 34. Paragraph (d)(2) imposes a new obligation to support an objection to production on grounds of privilege by providing a description of the documents or things not produced sufficiently to allow the claim to be contested.

Paragraph (a) provides authority for the court to impose sanctions through the contempt power for failure to comply with a subpoena. The paragraph does have a new sentence that states that it is an adequate excuse for failure to comply with the subpoena that it required a non-party to appear at a deposition, permit inspection or produce materials outside of the geographical limits set by the rule.

Notes to 1983 Amendments

Rule 45(c)(3)(A)(ii) and 45(c)(3)(B)(iii) are amended to make clear that a non-party general partner of a partnership that is a party, is treated the same as an officer, director or managing agent of a party for purposes of trial subpoenas. Rule 45(c)(3) provides a non-party, subpoenaed to appear at trial more than fifty miles from the place of service, the opportunity to move to quash the subpoena unless a special showing of need is made and reasonable compensation is provided to the witness. These special provisions are not available to partners or officers, directors and managing agents of parties. The amendment extends the exclusion to a general partner of a partnership that is a party. The amendment does not affect limited partners.

Notes to 2002 Amendments

The first 2002 amendment amends Rule 45(b)(1) to permit service of subpoenas by the same method as used to serve a summons and complaint. First, in addition to in hand service of the subpoena, service on an individual could be made by leaving the subpoena at the person's home or usual place of abode with a person of suitable age and discretion then residing there as provided in Rule 4(d)(1). Second, a subpoena could be served on an individual, a corporation, or a partnership by registered or certified mail, return receipt requested and delivery restricted to the addressee under Rule 4(d)(2). In addition, the person or the person's attorney may accept service under Rule 4(j).

The second 2002 amendment amends Rule 45(e), to make clear the circumstances when service is effective and may be enforced through the contempt power.

RULE 46. EXCEPTIONS UNNECESSARY

Factual exceptions to rulings or orders of the court are unnecessary; but for all purposes for which an exception has heretofore been necessary it is sufficient that a party, at the time the ruling or order of the court

is made or sought, makes known to the court the action which he desires the court to take or his objection to the action of the court and his grounds therefor; and, if a party has no opportunity to object to a ruling or order at the time it is made, the absence of an objection does not thereafter prejudice him.

Notes

This Rule 46 is the same as the Federal Rule and presents no change in State practice. It does not apply, of course, to formal "exceptions" from the reports of masters as provided by Rule 53 or "exceptions on appeal" under Supreme Court Rules. (Editor's Note: Effective September 1, 1980, the Supreme Court Rules were repealed by the South Carolina Appellate Court Rules.)

RULE 47. JURORS

(a) Examination of Jurors. The court may permit the parties or their attorneys to conduct the examination of prospective jurors or may itself conduct the examination. In the latter event, the court shall permit the parties or their attorneys to supplement the examination by such further inquiry as it deems proper or shall itself submit to the prospective jurors such additional questions submitted by the parties or their attorneys as it deems proper.

(b) Alternate Jurors. The court may direct that not more than six jurors in addition to the regular petit jury panel be called and impaneled to sit as alternate jurors. Alternate jurors in the order in which they are called shall replace jurors who, prior to the time the jury retires to consider its verdict, become or are found unable or disqualified to perform their duties. Alternate jurors shall be drawn in the same manner, shall have the same qualifications, shall be subject to the same examination and challenges, shall take the same oath, and shall have the same functions, powers, facilities, and privileges as the regular jurors. An alternate juror who does not replace a regular juror shall be discharged after the jury retires to consider its verdict. Each side is entitled to 1 peremptory challenge in addition to those otherwise allowed by law if 1 or 2 alternate jurors are to be impaneled, 2 peremptory challenges if 3 or 4 alternate jurors are to be impaneled, and 3 peremptory challenges if 5 or 6 alternate jurors are to be impaneled. The additional peremptory challenges may be used only against an alternate juror and the other peremptory challenges allowed by law shall not be used against an alternate juror.

(c) Separation of Jury. If it appears that the jury deliberations may extend into the night, the court may order that the jury be taken to suitable sleeping quarters for the night; and on the following morning they shall resume their deliberations. The jury shall be kept together and separate from the public, and as far as practicable during all times shall be under the surveillance of the bailiffs. Any juror or jurors may be separated for the night from any other juror or jurors.

DAVID T. PEARLMAN
J. KEVIN HOLMES
THOMAS M. WHITE
DALE E. VAN SLAMBROOK
MALCOLM N. CROSLAND, JR.
STEVEN E. GOLDBERG



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HUGO M. SPITZ (RETIRED)
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61 Broad Street | P.O. Box 9 | Charleston | SC | 29403-0009 | 843.720.2800 | 843.722.1100 fax | steinberglawfirm.com

September 11, 2013

VIA US Mail and Email

The Honorable T. Scott Beck, Chairman and Commissioners of the South Carolina
Workers' Compensation Commission
South Carolina Workers' Compensation Commission
P.O. Box 1715
Columbia, SC 29202-1715

RE: Johnnie W. Baxley's, III, Esquire, letter dated August 6, 2013
Requirement to Produce Documents Received by Subpoena

Dear Chairman Beck and Commissioners:

I sent to the Commission a letter and attachment yesterday containing my responses to Johnnie Baxley's letter of August 6, 2013. In my letter, I stated that it is common practice among Defense attorneys and firms to send copies of records received by subpoena upon written request.

I received in today's mail a perfect example. Attached is a letter from Michael E. Chase, Esquire sent to Roy A. Howell, III, Esquire requesting that Roy send to Mike copies "of any and all records received by you pursuant to your subpoenas..." As indicated by Mike Chase's letter, this is even common practice between Defense firms.

Please accept this letter and attachment as an addendum to my response. With kindest regards, I am

Sincerely,

David T. Pearlman

DTP/big

Enclosure

cc: Johnnie W. Baxley, III, Esquire (w/encl)

TURNER PADGET

TURNER PADGET GRAHAM & LANEY PA.

CHARLESTON
COLUMBIA
FLORENCE
GREENVILLE
MYRTLE BEACH

September 10, 2013

Michael E. Chase
Email: MChase@TurnerPadget.com
Writer's Direct Dial: (803) 227-4241

Roy A. Howell, III, Esquire
Trask & Howell, L.L.C.
PO Box 2167
Mt. Pleasant, SC 29465

RE:	Claimant:	[REDACTED]
	Employer:	Mariner Health Care, Inc.
	Carrier:	ACE/ESTS
	Claim No.:	CS40C9246281
	WCC File No.:	[REDACTED]
	Our File No.:	03065.00663
	D/A:	1/8/2013

Dear Roy:

Please accept this correspondence as our request for copies of any and all records received by you pursuant to your subpoenas on Trident Medical Center, Dr. Solo Kim, Dr. James Benner, Dorchester County Health Department, Lowcountry Infectious Diseases, Palmetto Primary Care Physicians, and Palmetto Pulmonary & Critical Care. We will be happy to pay for costs incurred if you will enclose a statement with the records. If the cost for this request will exceed \$50.00, please contact Cheryl Hillard of my office before proceeding with this request.

With kind regards, I am

Very truly yours,

TURNER, PADGET, GRAHAM & LANEY, P.A.

Michael E. Chase

Michael E. Chase, Esq.

MBC/edh

cc: Mr. Harris Lazarus *via email*
David Pearlman, Esquire
E. Ros Huff, Jr., Esquire
Jason W. Lockhart, Esquire
Ryan LeBlanc, Esquire
Ullico Casualty Co.

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State of South Carolina

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Columbia, S.C. 29202-1715



TEL. (803) 737-5700
www.wcc.sc.gov

Workers' Compensation Commission

TO: Commissioners

FROM: Gary M. Cannon

DATE: September 13, 2013

RE: Ethics Training

The Commissioners and their administrative assistants are required to attend a workshop of at least three continuing education hours concerning ethics and the Administrative Procedures Act (§42-3-250 (B)).

The Commission Business Meeting is scheduled for November 18 beginning at 10:30 a.m. I recommend the workshop be conducted on that date from 2:00-5:00 p.m.. Cathy Hazelwood, General Counsel and Deputy Director for the State Ethics Commission, and Joe Turner, Assistant Disciplinary Counsel, SC Court Administration, have agreed to conduct the training.

If you approve this schedule, Appellate Panel hearings will be scheduled for Tuesday, November 19 and, if necessary, Wednesday November 20.

State of South Carolina

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



TEL: (803) 737-5700
www.wcc.sc.gov

Workers' Compensation Commission

MEMORANDUM

TO: Commissioners

FROM: Cathy Floyd
Human Resources

DATE: September 9, 2013

SUBJECT: Revised Employee Performance Management System (EPMS) Policy

In an effort to ensure the information contained in the Commission's position descriptions accurately reflects the work being performed by the employees, the decision was made to combine the position description form and the employee performance management system form. This will allow the supervisor to more accurately assess the employee's performance during the review period on the essential job duties. During the process of creating the combined form, the State Human Resources Department also issued an updated model EPMS policy. As a result, the Employee Performance Management System (EPMS) Policy, Section 2.15 of the Administrative Policy and Procedures Manual is being revised to reflect the newly combined position description (PD) and EPMS form and the model policy updates. Below is a summary of substantive changes.

- The planning stage now begins with ensuring the position description is current, and the PD/EPMS form serves as the planning stage document.
- Section VIII – Summary of Appraisal Results in the PD/EPMS form requires justification for all reviews as opposed to previously only those receiving an exceptional performance review required justification.

Attached are the proposed EPMS Policy and PD/EPMS form. It is requested that the Commission adopt the proposed changes to EPMS Policy to be effective immediately.

Attachments:

EPMS Policy, Section 2.15, Administrative Policy and Procedures Manual
PD/EPMS Form

STATE OF SOUTH CAROLINA
WORKERS' COMPENSATION COMMISSION

Administrative Policies and Procedures

Subject: Employee Performance Management System (EPMS) Policy		Revision Number: 2-03.0
Policy Number: 2.15	Date: August 9, 2011	Page 1 of 10

THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION. THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

Purpose

The Employee Performance Management System (EPMS) refers to the total process of communicating with an employee about their work. The process begins when the employee's supervisor (rater) and employee develop a performance plan in which they identify what is to be accomplished, what performance is expected, and specifically how it will be evaluated. This rater/employee communication continues informally with a day-to-day working relationship and formally at least twice: once at the midpoint of the appraisal and again at the end of the review period.

The EPMS appraisal will be used to ensure honest two-way communication between employees and their raters, to support employee development and to create trust by communicating with each other what is strong and what needs improvement in each job area, to make leaders' expectations clear by telling employees the criteria for success, to provide training for employee and raters in feedback structure and techniques and to create incentive in both employee and rater by getting involved and sharing feedback about the work and the South Carolina Workers' Compensation Commission (SCWCC) business plan.

General Information

All performance appraisals shall be made in writing by the employee's supervisor (rater) who has direct experience or knowledge of the work being performed. The appraisal shall be reviewed by the next higher-level supervisor (reviewer), unless the rater is the Agency head, prior to the appraisal being discussed with the employee. The reviewer may attach additional

STATE OF SOUTH CAROLINA
WORKERS' COMPENSATION COMMISSION

Administrative Policies and Procedures

Subject: Employee Performance Management System (EPMS) Policy		Revision Number: 2-03.0
Policy Number: 2.15	Date: August 9, 2011	Page 2 of 10

comments to the appraisal, and in the attachment may take exception to the rater's appraisal. In addition, the reviewer has the authority to change the appraisal completed by the rater. If the reviewer elects to change the rating, the change and associated justification should be noted on the appraisal document. Whenever an employee's job responsibilities change significantly, the appraisal document should be revised to reflect that change. The final appraisal must bear the signature of the rater, the reviewer and the employee, if possible. If any party refuses to sign the appraisal, a notation shall be made on the performance appraisal of this. If possible, a witness should sign to acknowledge that the party refused to sign the appraisal.

All performance appraisals shall become a permanent part of the employee's official personnel file. Upon request, the Agency shall furnish the employee with a copy of the performance appraisal with copies of all pertinent attachments including the form completed at the time of the planning stage and the final appraisal form.

The provisions of this policy address the appraisal process of both probationary and covered employees. Although not mentioned specifically in this policy, employees exempt from coverage under the State Employee Grievance Procedure Act, shall also be given annual performance appraisals.

Definitions

- A. **Performance Review Date** – The employee's review date as established in accordance with State Human Resources Regulations.
- B. **Universal Review Date** – The date prior to which all classified employees' performance reviews are due. October 1 will be the universal review date for the Agency (Exceptions: probationary employees and trial employees).
- C. **Short Year Review** – Any performance appraisal that evaluates an employee's performance for a period of time less than twelve months (Exceptions: trial period reviews and warning notice reviews.)

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- D. Short Year Planning Stage – Any EPMS performance appraisal planning stage document covering a period of time less than twelve months (Exceptions: trial period planning stages.)

Universal Review Date

All Agency employees shall be reviewed prior to October 1, the Agency universal review date. The Agency will maintain the performance review data for each employee presently established in accordance with the State Human Resources Regulations, in the event that some compensation or personnel action is dependant on the individual's performance review date rather than the universal review date.

Training

Training is encouraged for all employees within the Agency in regards to EPMS. New employees should be briefed on the performance evaluation system during their orientation session.

Levels of Performance

There shall be three levels of performance to rate each job function and objective and to rate overall performance:

1. Exceptional - Work that is above the criteria of the job function throughout the rating period.
2. Successful - Work that meets the criteria of the job function.
3. Unsuccessful - Work that fails to meet the criteria of the job function.

Performance characteristics shall not be rated by the three levels of performance, but shall be given a rating of pass or fail.

1. Pass - Meets requirements.

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2. Fail - Falls to meet requirements.

Planning Stage

Each employee shall have a ~~planning stage conducted at the beginning of each rating period~~ position description that is reviewed at the beginning of the review period and serves as a planning stage. The employee's job functions ~~which include job duties and success criteria~~ duties, objectives, and performance characteristics for the next rating period will be discussed at this time. These items, as included in the planning stage, are described below. The rater and employee should participate in drafting the planning stage document. The reviewing officer and the rater should discuss the requirements for the coming year prior to the planning stage. A rater may incorporate a team activity into the planning stage document. The team performance being evaluated could constitute a job function, an objective, or one criteria for a particular job function or objective. A rater may also link the employee's training plan to the planning stage document.

A. JOB FUNCTIONS/DUTIES

The rater and the employee shall determine the job functions ~~which include job duties and success criteria~~ by reviewing the employee's position description. If the position description is not up to date, or if there is no position description, one should be prepared and submitted for approval duties. In those instances where the rater and employee cannot agree upon the job functions duties, the rater's decision shall be final. The statement outlining the job function duty should include descriptive information about the performance expectations (success criteria) of the rater. The descriptive statement should specify the expectations of the rater for the employees to be successful. Each job function duty shall be rated in the evaluation stage based on the three levels of performance. It shall be mandatory for all raters to be evaluated on the timely completion of each employee's performance appraisal.

B. OBJECTIVES

Objectives shall be optional for all employees. An objective should be included when the employee is assigned a special, non-recurring project or assignment that is not included on the employee's position description. The statement outlining the objective(s) should also include descriptive information about the performance expectations (success

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criteria) of the rater. The descriptive statement should specify the expectations of the rater for the employee to be successful. Each objective shall be rated in the evaluation stage based on the three levels of performance.

C. PERFORMANCE CHARACTERISTICS

The Office of Human Resources will provide agencies with a list of suggested performance characteristics and their definitions. Each performance characteristic shall be defined in the planning stage and rated as "pass" or "fail" in the evaluation stage. The performance characteristics section shall be used as a communication tool to emphasize those performance characteristics that are important to success in performing the job functions, duties and objectives included in the planning document. The performance characteristics section shall not be weighted in the determination of the overall performance rating.

It shall be mandatory for all managers and supervisors to be rated on the performance characteristic of "promoting equal opportunity." (Promoting equal opportunity includes such areas as hiring, promotion, or placement; level of personal and organizational commitment to equal opportunity; progress toward achieving a fully integrated and representative work force; and contribution toward minority programs and other social/economic/equal opportunity goals.)

Ongoing Performance Management

A rater should continue to provide performance feedback to employees throughout the review period. An unofficial mid-year review is encouraged to facilitate this communication between raters and employees. In addition, various options are available to the rater in conducting performance management. A rater may gather feedback to prepare the appraisal document and/or conduct unofficial appraisals more frequently than required in this policy.

Probationary Period

Each new employee in probationary status shall be rated prior to the completion of a twelve month probationary period. The performance review date marks the beginning of a new review period. If that employee does not receive a performance appraisal prior to the performance

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review date, the employee will receive a "successful" rating by default and obtain covered status as a State employee and permanent status in the class. The probationary period may not be extended. If an employee is not performing satisfactorily during the probationary period, the employee shall be terminated before becoming a covered employee. Until an employee has completed the probationary period and has a "successful" or higher overall rating on the employee's evaluation, the employee has no grievance rights under the State Employee Grievance Procedure Act; therefore, the SCWCC is not required to follow the "Substandard Performance Process" to terminate a probationary employee. The "successful" rating is the equivalent to the "meets" performance rating referenced in the State Employee Grievance Procedures Act. A short year review and short year planning stage may be required to evaluate performance from the end of the probationary period to the universal review date.

Trial Periods

Each covered employee who has been demoted, promoted, or reclassified shall be appraised prior to the completion of a six-month trial period in the position. The performance review date marks the beginning of a new review period. If an employee does not receive a performance appraisal prior to the performance review date, the employee will receive a "successful" rating by default and obtain permanent status in the new classification, the employee retains permanent status in a class throughout the employee's continuous service. The six-month trial period may be extended up to 90 calendar days upon written notice to the employee prior to the end of the six-month trial period. The employee's performance review date shall be advanced for the time period such extension is in effect. A short year review and short year planning stage may be needed to evaluate performance from the end of the trial period to the universal review date.

The "Substandard Performance Process" is not required to demote or reclassify downward an employee in trial status to the same class from which promoted, if the demotion or reclassification occurs within the trial period. The "Substandard Performance Process" is also not required to demote or reclassify downward an employee in trial status to a class in an equal or higher pay band from which promoted, if the demotion or reclassification occurs within the trial period. The Employee in trial status may not grieve such demotion. The employee in trial status may not be terminated or demoted to a class in a lower pay band than that from which promoted for performance reasons without following the "Substandard Performance Process."

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Annual Performance Reviews

All employees shall be given an annual appraisal no more than 90 calendar days prior to the performance review date. An employee on approved leave with or without pay for more than 30 consecutive workdays may have the performance review date advanced up to 90 days after those first 30 workdays. A covered employee who within 30 calendar days of his performance review date receives a "Warning Notice of Substandard Performance," shall have the performance review date advanced up to 90 days. The performance review date marks the beginning of a new review period. If an employee does not receive an appraisal prior to the performance review date, the employee shall receive a "successful" rating by default. A covered employee may not be issued an overall "unsuccessful" appraisal at any time during the annual review period without following the "Substandard Performance Process." Should the review date advance, the employee may require a short year planning stage and a short year review period in order to move the employee back to the universal review date.

Substandard Performance Process for Covered Employees

A covered employee is entitled to adequate notice of substandard performance and the opportunity to improve the substandard performance before receiving an "unsuccessful" rating and being removed from the position. To ensure this occurs, the following procedures shall be followed:

- A. A rater shall issue a "Warning Notice of Substandard Performance" prior to issuing an "unsuccessful" rating to a covered employee. If during the performance period an employee is considered "unsuccessful", in any essential job function ~~duty or objective~~ which significantly impacts performance, the rater shall provide the employee with a written "Warning Notice of Substandard Performance." The warning notice shall provide for an improvement period of no less than 30 days and no more than 120 days. The warning notice may be issued at any time during the review period. Ordinarily, the warning period may not extend beyond the employee's review date. However, if the warning notice is issued less than 30 days from the employee's review date, the performance review date shall be advanced up to 90 days. Should the performance review date be advanced and the employee receives a "successful" or above rating on all essential job ~~functions/duties/objectives~~, which significantly impact performance, noted in the

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warning notice, the employee may require a short year planning stage and a short year review in order to move the employee back to the universal review date.

- B. The rater and employee should participate in drafting a work improvement plan. The work improvement plan should include a list of ways to improve the deficiencies and other appropriate performance related recommendations. In those instances where the rater and employee cannot agree upon the content of the work improvement plan, the rater's decision shall be final.
- C. During the warning period, the employee and the rater shall have regularly scheduled meetings during which they shall discuss the employee's progress. Documentation is required to verify that these counseling sessions were held. Copies of this documentation shall be placed in the employee's official personnel file and given to the employee upon request.
- D. If the employee's performance is rated "successful" or above, on all essential job ~~functions~~ duties or objectives, which significantly impact performance, noted in the warning notice by the end of the warning period, employment shall continue. If the employee is rated "unsuccessful" on any essential job ~~function~~ duty or objective which significantly impacts performance as noted in the warning notice by the end of the warning period, the employee shall be removed from the position immediately (i.e. terminated, reassigned, or demoted).
- E. Once a time frame for improving substandard performance has been given, the employee must receive a written appraisal prior to the end of the warning period or the employee will receive a "successful" rating by default.
- F. If an employee has been issued two warning notices within 365 day period and performance drops to a substandard level on any essential job ~~function~~ duty/objective, which significantly impacts performance for a third time within a 365 day period, the employee shall be removed from the position upon the third recurrence of such substandard performance by issuing the "unsuccessful" appraisal. A warning notice is not required on the third occurrence.

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Warning Notice of Substandard Performance

The requirements of a "Warning Notice of Substandard Performance" are:

- A. The notice shall be in writing, addressed to the employee, labeled as a "Warning Notice of Substandard Performance," and signed by the employee (witnessed, if employee will not sign).
- B. The notice shall list the ~~job function(s) and/or objective(s)~~ areas included on the employee's ~~planning document~~ position description that are considered "unsuccessful," with an explanation of the deficiencies for each ~~job function and/or objective~~ duty.
- C. The notice shall include the time period for improvement and the consequences if no improvement is noted (i.e. terminated, demotion, or reassignment).
- D. The notice shall include a plan for meetings to discuss employee progress during the warning period.

A copy of the notice shall be given to the employee and placed in the employee's official personnel file.

Method for Determining the Overall Rating

The method used for determining the overall rating is based on a weighted system provided by the Office of Human Resources using a point value and range. During the planning stage the rater and employee should determine a weight for each individual job function and objective, when used. Performance characteristics will not be given a numerical score, but will be given a rating of "pass" or "fail."

At the end of the performance review period, the rater assigns a rating level to the individual ~~job functions~~ duties and objectives, when used. Computations are performed with the final numerical score determined.

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<u>Performance Level</u>	<u>Point Value</u>	<u>Range</u>
Exceptional Performance Rating (EPR)	3	2.5 and above
Successful Performance Rating (SPR)	2	1.5 to 2.4
Unsuccessful Performance Rating (UPR)	1	1.4 and below

** Justification required for a rating of either "exceptional" or "unsuccessful." Section VIII - Summary of Appraisal Results of the performance appraisal should include a full justification for the overall rating being issued by the rater.*

EXAMPLE:	<u>Weight Factor</u>	<u>Rating</u>	<u>Numerical Score</u>
4 Duties	30%	EPR (3)	$30 \times 3 = 90$
	25%	SPR (2)	$25 \times 2 = 50$
	25%	EPR (3)	$25 \times 3 = 75$
	20%	SPR (2)	$20 \times 2 = 40$
	100%		255

FORMULA - Divide 255 by 100 = 2.55 = EPR or Exceptional Performance Requirements. The result should be rounded to the tenths position (example - 2.55 rounds to 2.6).

South Carolina Workers' Compensation Commission

Position Description (PD) and Employee Performance Management System (EPMS) Form

Employee Name: _____
Department: _____
City/County: _____
Employee State Title: _____

Supervisor's Name: _____
Supervisor's State Title: _____
Supervisor's Class Code: _____

Requested Action

Update

Reclassification

Requested Class Code: _____

Requested State Title: _____

Planning Stage

Performance Review

Type: Universal/Annual Probationary

Trial Special

Dates: From _____ to _____

Personnel Number: _____

Section: _____ Central Office:

Class Code: _____ Band: _____

(shaded area for HR use only)

Source of Funding:

% State _____ % Federal _____ % Other _____

FLSA Designation: _____ Agency Code: ROBO

Position Number: _____

Class Code: _____

Authorization Date: _____

Full/Part Time Indicator: FTE

Hours Per Week: 37.50 Base Hours: 1950

Delegated New Position Prototype

State Title Change Update

Approved State Title: _____

Date Approved: _____

Approval Signature: _____

Section I – Requirements and Supervisory Responsibilities

What are the minimum requirements for the position? (Minimum requirements must at least meet the State Classification minimum requirements but may include additional requirements)

Describe the knowledge, skills and abilities needed by an employee upon entry to this job. Include any special licenses, registrations or certifications needed.

Describe the guidance and supervision an employee receives in this job, including employee's independence in decision making and problem solving.

Additional requirements (overtime requirements, physical requirement, overnight travel, weekend or night work):

Position's Supervisory Responsibilities:

List the class titles and number of the highest level subordinate positions reporting directly to this position.

Title	Number
1.	
2.	
3.	

Performance Level Criteria

**Equivalent Numerical
Performance Level**

Exceptional Performance Requirements – Work that is above the success criteria of the job throughout the rating period.	3
Successful Performance Requirements – Work that meets the success criteria of the job function.	2
Unsuccessful Performance Requirements – Work that fails to meet the success criteria of the job function.	1

Section II – Job Purpose

The job purpose is a clear concise statement of the reason the job exists, the overall objective and level of supervision.

Section III – Job Duties

	E or M	% of Time	Rating	Score
1. Job Duty:	-	_____	_____	_____
Comments:				
2. Job Duty:	-	_____	_____	_____
Comments:				
3. Job Duty:	-	_____	_____	_____
Comments:				

4. Job Duty: _____
Comments:

5. Job Duty: _____
Comments:

6. Job Duty: _____
Comments:

7. Job Duty: _____
Comments:

8. Job Duty: _____
Comments:

Section IV – Objective/Special Projects (Optional)

	% of Time	Rating	Score
Objective:	_____	_____	_____
Comments:			

Section V – General Performance Characteristics

This section shall be rated as pass or fail.

Pass = P or Fail = F

1. CHARACTERISTIC: Relationship with Others _____

DEFINITION: The extent by which the employee is effective in both verbal and written communications, establishes positive relationships with co-workers and/or the public and willingly works with supervisors, associates, and those for whom work is performed.

COMMENTS:

2. CHARACTERISTIC: Quantity of Work _____

DEFINITION: Measurement of the volume of work accomplished.

COMMENTS:

3. CHARACTERISTIC: Quality of Work _____

DEFINITION: The extent by which the employee neatly, thoroughly and accurately completes job assignments.

COMMENTS:

4. CHARACTERISTIC: Dependability _____

DEFINITION: The extent by which the employee is self-sufficient in assuming his/her duties, effectively and efficiently plans, organizes, and uses work time; can be relied upon to meet work schedules and commitments; is punctual and establishes satisfactory attendance habits.

COMMENTS:

5. CHARACTERISTIC: Work Habits and Attitudes _____

DEFINITION: The extent by which the employee exercises initiative, adjusts to job changes, displays a favorable disposition about his/her work and has grasped the elements of the work assignments and mastered the required skills.

COMMENTS:

6. **CHARACTERISTIC:** Judgment _____
DEFINITION: The extent by which the employee's decisions and actions are appropriate and are based upon sound reasoning.

COMMENTS:

7. **CHARACTERISTIC:** _____
DEFINITION:

COMMENTS:

8. **CHARACTERISTIC:** _____
DEFINITION:

COMMENTS:

Section VI – Management Performance Characteristics
This section is to be completed for supervisory positions.
This section shall be rated as pass or fail.
Pass = P or Fail = F

1. **CHARACTERISTIC:** Promoting Equal Opportunity _____
DEFINITION: Includes meeting affirmative action goals in such areas as recommendations for hiring, promotions, placement, or staff development; placement level of personnel and organizational commitment to equal opportunity; progress toward achieving a fully integrated and representative work force; and contribution toward minority programs and other social economic equal opportunity goals.

COMMENTS:

2. **CHARACTERISTIC:** Meeting Organizational Goals _____
DEFINITION: Extent by which the employee meets the organizational goals through planning for the future; arranging employees, tasks, and resources in an orderly and efficient manner; organizational plans; motivates and develops employees.

COMMENTS:

3. **CHARACTERISTIC:** Employee Performance Management

DEFINITION: Extent by which the employee appropriately utilizes the Employee Performance Management System (EPMS) and adheres to time frames.

COMMENTS:

Section VII – Planning Stage Acknowledgement
(Sign this Section as your Planning Stage)

Rater/Supervisor Signature _____ Date _____

Reviewing Official Signature _____ Date _____

* Employee Signature _____ Date _____

* *My PD and EPMS Planning Stage has been reviewed with me.*

Section VIII – Summary of Appraisal Results

Summary of employee's strengths and accomplishments for the performance period:

Opportunities for growth or improvement for the next rating period:

Employee Comments:

Section VIII – Overall Appraisal Results

(Sign this Section as your Official Review)

Total Numerical Score: _____

Exceptional
(3.0 – 2.5)

Successful
(2.4 – 1.5)

Unsuccessful
(1.4 and below)

Rater/Supervisor Signature _____

Date _____

Reviewing Official Signature _____

Date _____

* Employee Signature _____

Date _____

* My signature indicates that I was given the opportunity to discuss the official performance review with my supervisor - not that I necessarily agree.

State of South Carolina

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



TEL (803) 737-5700
WWW.WCC.SC.GOV

Workers' Compensation Commission

TO: Commissioners
FROM: Gary M. Cannon
DATE: September 12, 2013
RE: Budget Request FY2014-15

Attached is the proposed budget for FY2014-15. The total budget is \$5,231,077, which is the same funding level approved by the General Assembly for current fiscal year (FY13-14).

The deadline for submission to the State Budget Office is October 1, 2013. The document is formatted as follows. Line items are shown in the first column on the page followed by columns for Budget for FY12-13 and Actual Expenditures for FY12-13, Budget for FY13-14 and Budget Request for FY14-15.

Page 1 is the Summary of the General Fund appropriations and the Earmarked Fund revenues and expenditures. For FY2014-15 we are requesting the same amount approved for the General Fund Appropriations and Earmarked Funds for FY2013-14 (\$1,859,011- General Fund and \$3,372,066 – Earmarked Fund).

Revenue

The Earmarked Fund Projected Revenues were calculated using last year's actual receipts and a trend for each of the revenue accounts. Act 95, signed by the Governor on June 13, 2013 authorizes the Commission to retain fifty percent of the self-insurance taxes collected. We project the Commission will receive \$2,400,000 as shown in line item **Self Insurance Tax (Special Revenue)**. Total Revenue from Earmarked Funds is \$4,768,000. The (\$1,395,934) shown in line item **Received or (Retained) – Fund Balance** is a (negative) amount because it will be retained in the Fund Balance. The **Total Earmarked Revenues + Fund Balance** for the operating expenses for FY2014-15 is \$3,372,066.

Expenditures

The line items under the section **Account Description** are salaries, benefits and other operating expenses. Page 2 of the document, **Consolidated**, is consolidation of General Fund and Earmarked Fund line item expenditures by department. Page 3, **General Appropriations**, reflect line item expenditures by department in the General Fund. Pages 4-9, **Earmarked Funds**, are line item expenditures by department in the Earmarked Fund.

On behalf of the staff, thank you for your support, governance and leadership which creates the synergistic partnership for the Commission to accomplish its mission of serving our stakeholders.

1

South Carolina Workers' Compensation Commission
Budget Request
2014 -2015 Budget Request
Summary

STATE APPROPRIATIONS

Account Description	Actual Expenditures		Budget Requested	
	Budget FY12-13	FY12-13	Budget FY13-14	FY14-15
Personal Services	\$ 1,415,013	\$ 1,415,013	\$ 1,378,405	\$ 1,378,405
Other Operating Expenses				
Employer Contribution	428,363	428,363	480,606	480,606
Total	\$ 1,843,376	\$ 1,843,376	\$ 1,859,011	\$ 1,859,011

OTHER APPROPRIATIONS

EARMARKED

	Budgeted Revenues	Revenues Received	Budgeted Revenues	Projected Revenues
Training Conference Registration Fee	\$ 1,000	\$ 8,450	\$ 5,000	\$ 5,000
Sale of Publication and Brochures	8,000	4,465	8,000	4,000
Workers' Comp Award Review Fee	75,000	61,970	73,000	61,000
Sale of Photocopies	95,000	87,499	88,000	88,000
Workers' Compensation Filing Violation Fee	1,891,000	1,576,011	1,660,000	1,660,000
Sale of Listings and Labels	30,000	25,487	25,000	20,000
Workers' Comp Hearing Fee	600,000	533,415	562,000	530,000
Insurance Reserve Refund	-	3,493	-	-
Self Insurance Tax (Special Revenue)	-	-	-	2,400,000
Total	\$ 2,700,000	\$ 2,300,790	\$ 2,421,000	\$ 4,768,000
Received or (Retained) - Fund Balance	535,066		951,066	(1,395,934)
Total Earmarked Revenues + Fund Balance	\$ 3,235,066		\$ 3,372,066	\$ 3,372,066

Account Description	Budgeted Expenditures	Actual Expenditures	Budgeted Expenditures	Projected Expenditures
Personal Services	1,475,072	1,475,072	1,454,375	\$ 1,544,527
Taxable Subsistence	48,771	48,771	72,350	50,000
Other Operating Expenses	1,211,339	1,128,857	1,379,941	1,224,669
Employer Contribution	499,884	499,884	465,400	552,870
Total Earmarked	3,235,066	3,152,584	3,372,066	\$ 3,372,066

TOTAL OTHER APPROPRIATIONS 3,235,066 3,152,584 3,372,066 \$ 3,372,066

TOTAL BUDGET (GF & Earmarked) \$ 5,078,442 \$ 5,231,077 \$ 5,231,077

**South Carolina Workers' Compensation Commission
2014 -2015 Budget Request**

Consolidated

	Budget FY12-13	Actual Expenditures FY12-13	Budget FY13-14	Requested Budget FY14-15
Commissioners				
Salaries	\$ 1,171,751	\$ 1,171,751	\$ 1,175,588	\$ 1,153,234
Other Operating Expenditures				
Total Contractual Services	219,128	205,233	201,275	205,600
Total Supplies & Materials	23,099	12,221	12,120	12,120
Total Fixed Charges	158,028	150,609	153,899	153,899
Total Travel	54,495	55,614	57,600	57,600
Total Other Operating Exp	455,150	423,677	424,894	429,219
Total Commissioners	\$ 1,626,901	\$ 1,595,429	\$ 1,600,478	\$ 1,582,453
Administration				
Salaries	\$ 560,462	\$ 560,462	\$ 471,969	\$ 640,790
Other Operating Expenditures				
Total Contractual Services	121,437	129,593	294,063	153,272
Total Supplies & Materials	23,053	19,250	33,134	33,134
Total Fixed Charges	132,810	127,948	133,426	131,740
Total Travel	14,490	13,350	20,000	21,500
Total Equipment	-	-	-	-
Total Other Operating Exp	291,790	290,140	480,623	339,646
Total Administration	\$ 852,252	\$ 850,602	\$ 952,592	\$ 980,436
Claims				
Salaries	\$ 410,813	\$ 410,813	\$ 394,463	\$ 425,856
Other Operating Expenditures				
Total Contractual Services	56,802	54,513	40,570	40,570
Total Supplies & Materials	17,121	16,821	24,600	24,600
Total Fixed Charges	75,159	75,719	82,234	82,234
Total Travel	900	1,246	2,100	100
Total Other Operating Exp	149,982	148,299	149,504	147,504
Total Claims	\$ 560,797	\$ 559,132	\$ 543,967	\$ 576,360
Insurance and Medical Services				
Salaries	\$ 455,090	\$ 455,091	\$ 472,118	\$ 421,999
Other Operating Expenditures				
Total Contractual Services	76,304	87,429	98,898	98,898
Total Supplies & Materials	24,290	17,164	20,800	20,800
Total Fixed Charges	62,194	54,571	63,090	63,090
Total Travel	1,350	231	1,350	1,350
Total Other Operating Exp	164,138	159,395	184,138	184,138
Total Insurance and Medical Services	\$ 619,228	\$ 614,486	\$ 656,257	\$ 606,047
Judicial				
Salaries	\$ 340,738	\$ 340,738	\$ 390,998	\$ 328,143
Other Operating Expenditures				
Total Contractual Services	33,770	28,622	35,522	35,522
Total Supplies & Materials	30,539	9,965	29,270	29,270
Total Fixed Charges	70,545	66,733	70,545	70,545
Total Travel	5,445	2,028	5,445	5,445
Total Other Operating Exp	140,279	107,348	140,782	140,782
Total Judicial	\$ 481,017	\$ 448,086	\$ 531,777	\$ 468,925
Totals By Departments				
Department Totals				
Commissioners	\$ 1,626,901	\$ 1,595,429	\$ 1,600,478	\$ 1,582,453
Administration	852,252	850,602	952,592	980,436
Claims	560,797	559,133	543,967	576,360
Insurance & Medical	619,228	614,483	656,257	606,047
Judicial	481,017	448,086	531,777	468,925
Total Departmental Expend	\$ 4,158,195	\$ 4,067,734	\$ 4,285,071	\$ 4,214,221
Employer Contributions	928,247	928,247	946,006	1,033,476
Total General & Earmarked Funds	\$ 5,078,442	\$ 4,995,981	\$ 5,231,077	\$ 5,247,697

**South Carolina Workers' Compensation Commission
2014 -2015 Budget Request**

General Appropriation

	Budget FY 12-13	Actual Expenditures FY12-13	Budget FY13-14	Request FY14-15
Commissioners				
Salaries				
Chairman	\$ 114,090	\$ 114,090	\$ 118,890	\$ 118,890
Commissioner	689,340	689,340	684,540	684,540
Terminal Leave	19,747	19,747	-	-
Classified Employees	299,803	299,803	299,804	299,804
Total Commissioners	1,122,980	1,122,980	1,103,234	1,103,234
Administration				
Salaries				
Director	\$ 96,976	\$ 96,976	\$ 96,976	\$ 96,976
Classified Positions	53,894	53,894	46,169	46,169
Total Administration	150,870	150,870	143,145	143,145
Claims				
Salaries				
Classified Positions	\$ 79,361	\$ 79,361	77,223	77,223
Total Claims	79,361	79,361	77,223	77,223
Insurance and Medical Services				
Salaries				
Classified Positions	\$ 33,109	\$ 33,109	\$ 26,110	\$ 26,110
Total Ins and Medical Svcs	33,109	33,109	26,110	26,110
Judicial				
Salaries				
Classified Positions	\$ 28,693	\$ 28,693	\$ 28,693	\$ 28,693
Total Judicial	28,693	28,693	28,693	28,693
General Funds				
Department Totals				
Commissioners	\$ 1,122,980	\$ 1,122,980	\$ 1,103,234	\$ 1,103,234
Administration	150,870	150,870	143,145	143,145
Claims	79,361	79,361	77,223	77,223
Insurance & Medical	33,109	33,109	26,110	26,110
Judicial	28,693	28,693	28,693	28,693
Total Departmental Expend	\$ 1,415,013	\$ 1,415,013	\$ 1,378,405	\$ 1,378,405
Employer Contributions	428,363	428,363	480,606	480,606
Total General Fund Appropriations	\$ 1,843,376	\$ 1,843,376	\$ 1,859,011	\$ 1,859,011

**South Carolina Workers' Compensation Commission
2014 -2015 Budget Request**

Earmarked Funds

Commissioners	Actual		Budget FY13-14	Request FY14-15
	Budget FY12-13	Expenditures FY12-13		
Salaries				
Taxable Subsistence	\$ 48,771	\$ 48,771	\$ 72,350	\$ 50,000
Total Salaries	48,771	48,771	72,350	50,000
Other Operating Expenditures				
Contractual Services				
Office Equipment Service	1,700	.	.	.
Copying Equipment Service	1,200	1,335	1,300	1,300
Print/Bind/Advertisement	1,510	.	.	.
Print Pub Annual Reports	1,028	.	.	.
Data Processing Services	34,000	34,037	34,000	34,000
Freight Express Delivery	1,490	73	100	100
Telephons	6,100	3,412	3,500	3,500
Cellular Phone Service	9,100	11,554	11,500	11,500
Legal Services/Attorney Fees	160,000	154,642	150,675	155,000
Other Professional Services	7,000	180	200	200
Total Contractual Services	219,138	205,233	281,275	205,600
Supplies & Materials				
Office Supplies	7,500	2,937	2,900	2,900
Copying Equipment	4,200	2,364	2,300	2,300
Printing	1,200	1,819	1,800	1,800
Data Processing Supplies	1,649	95	50	50
Postage	8,500	4,787	4,800	4,800
Communication Supplies	50	.	.	.
Maint./Janitorial Supplies	200	352	150	150
Motor Vehicle Supp/Gasoline	100	49	50	50
Other Supplies	100	67	70	70
Total Supplies & Materials	23,499	12,221	12,120	12,120
Fixed Charges				
Rental-Cont Rent Payment	2,500	1,017	1,000	1,000
Rent-Non State Owned Property	149,000	140,818	143,000	143,000
Rent-Other	250	.	.	.
Insurance-State	4,500	8,354	8,300	8,300
Insurance-Non State	1,169	.	1,169	1,169
Dues & Memberships	109	420	430	430
Equipment Maintenance	500	.	.	.
Total Fixed Charges	158,018	150,609	152,899	153,899
Travel (Includes Leased Car)				
In State - Meals (Non-Reportable)	350	188	200	200
In State - Auto Mileage	20,000	17,812	18,000	18,000
In State - Subsistence Allowance	13,772	8,979	9,000	9,000
Out State - Meals	100	75	100	100
Out State - Auto Mileage	2,000	288	300	300
Leased Car	28,273	28,273	30,000	30,000
Total Travel	64,495	55,614	57,600	57,600
Total Other Operating Expenditures	485,150	423,677	424,894	429,219
Total Commissioners	\$ 513,921	\$ 472,448	\$ 497,244	\$ 479,219

Administration	Actual		Budget FY13-14	Request FY14-15
	Budget FY12-13	Expenditures FY12-13		
Salaries				
Classified Positions	\$ 400,841	\$ 400,841	318,210	\$ 462,641
Temporary Employees	8,753	8,751	12,614	35,004
Terminal Leave	-	-	-	-
Total Salaries	409,592	409,592	328,824	497,645
Other Operating Expenditures				
Contractual Services				
Office Equipment Service	5,800	6,435	8,100	8,100
Copying Equipment Service	350	245	3,000	3,000
Print/Bind/Advertisement	500	2,143	10,000	3,000
Print - Pub Annual Reports	22	-	6,000	100
Data Processing Services	77,935	90,479	213,993	102,602
Freight Express Delivery	800	646	1,800	1,800
Telephone	4,603	4,028	7,060	7,060
Cellular Phone Service	3,000	2,476	5,000	5,000
Education & Training Services	1,000	-	5,000	5,000
Attorney Fees	25,000	21,123	25,000	10,000
General Repair	230	407	1,500	1,500
Audit Acct Finance	100	104	110	110
Catered Meals	300	803	4,000	2,500
Other Professional Services	100	166	1,500	1,500
Other Contractual Services	1,500	538	2,000	2,000
Total Contractual Services	121,437	129,593	294,063	155,272
Supplies & Materials				
Office Supplies	5,000	7,007	9,500	9,500
Subscriptions	175	-	-	-
Copying Equipment Supplies	3,434	2,019	4,434	4,434
Printing	1,964	2,187	3,500	3,500
Data Processing Supplies	500	1,283	2,300	2,300
Postage	10,000	4,976	8,000	8,000
Maint./Janitorial Supplies	200	121	1,000	1,000
Fees & Fines	280	50	1,800	1,800
Gasoline/ Motor Vehicle Supply	100	-	100	100
Employee Recog Award	1,000	1,032	1,500	1,500
Other Supplies	400	477	1,000	1,000
Total Supplies & Materials	23,853	18,280	33,134	33,134
Fixed Charges				
Rental-Cont Rent Payment	6,000	6,708	6,000	6,000
Rent-Non State Owned Property	95,000	91,118	95,000	95,000
Rent-Other	11,000	12,597	11,000	11,000
Insurance-State	7,490	5,933	7,490	7,490
Insurance-Non State	134	705	750	750
Dues and Memberships	5,000	4,770	5,000	5,000
Sales Tax Paid	8,186	6,117	8,186	6,500
Total Fixed Charges	132,810	127,948	133,426	141,740
Travel (Includes Leased Car)				
In State - Meals Mon/ Reportable	100	7	1,000	1,000
Reportable Meals	100	-	1,000	1,000
In State - Lodging	-	-	1,000	1,000
In State - Auto Mileage	-	-	1,000	1,000
Out State - Lodging	-	-	400	1,200
Out State - Meals	-	-	100	300
Out of State - Mileage	90	-	-	-
In State - Registration Fees	200	177	1,000	1,000
Leased Car	14,000	12,966	14,500	15,000
Total Travel	14,490	13,350	20,800	21,500
Total Other Operating Expenditures	291,790	290,148	480,623	330,646
Total Administration	\$ 701,382	\$ 699,740	809,447	828,291

Claims	Actual		Budget FY13-14	Request FY14-15
	Budget FY12-13	Expenditures FY12-13		
Salaries				
Classified Positions	\$ 320,090	\$ 320,090	301,790	\$ 331,158
Temporary Positions	11,364	11,364	35,450	20,475
Terrestrial Leave	-	-	-	-
Total Salaries	331,454	331,454	317,240	351,633
Other Operating Expenditures				
Contractual Services				
Office Equipment Services	100	-	-	-
Copying Equipment Service	400	732	1,800	1,800
Print / Bind / Adv	50	-	-	-
Print Pub Annual Reports	2	-	-	-
Data Processing Services	29,000	28,197	33,050	33,050
Freight Express Delivery	100	21	-	-
Telephone	3,600	3,527	4,000	4,000
Cellular Phone Service	1,500	782	1,720	1,720
Temporary Services	22,000	21,259	-	-
Other Professional Services	50	-	-	-
Total Contractual Services	56,802	54,513	40,570	48,570
Supplies & Materials				
Office Supplies	1,871	1,813	2,000	2,000
Copying Equipment	1,900	1,871	3,000	3,000
Printing	900	1,425	3,500	3,500
Data Processing Supplies	100	36	3,500	3,500
Postage	12,000	13,442	14,000	14,000
Maint./Janitorial Supplies	200	234	500	500
Other Supplies	150	-	100	100
Total Supplies & Materials	17,321	16,833	24,600	24,600
Fixed Charges				
Rental-Cont Rent Paymen	2,500	2,429	2,500	2,500
Rent-Non State Owned Property	70,500	70,409	75,000	75,000
Rent-Other	25	-	-	-
Insurance-State	1,200	2,481	2,600	2,800
Insurance-Non State	34	-	134	134
Equipment- Copying	400	-	800	800
Equipment Maintenance	500	-	1,000	1,000
Total Fixed Charges	75,159	75,719	82,234	82,234
Travel (Includes Leased Car)				
In State - Meals (Non-Reportable)	100	63	300	50
In State - Lodging	200	172	600	-
In State - Auto Mileage	100	32	600	-
In State Registration	100	-	200	-
Reportable Meals	400	979	400	50
Total Travel	900	1,246	2,100	100
Total Other Operating Expenditures	149,982	148,299	149,504	147,504
Total Claims	\$ 481,436	\$ 479,752	\$ 466,744	\$ 499,137

Insurance and Medical Services	Actual		Budget FY13-14	Request FY14-15
	Budget FY13-14	Expenditures FY13-14		
Salaries				
Classified Positions	399,488	399,488	430,540	395,799
Temporary Employees	18,978	18,978	15,469	.
Terminal Leave	3,515	3,515	-	-
Total Salaries	421,981	421,981	446,009	395,799
Other Operating Expenditures				
Contractual Services				
Office Equipment Service	200	.	100	100
Copying Equipment Service	100	.	100	100
Print/Band/Advertisement	500	.	-	-
Print Pub Annual Report	24	.	-	-
Data Processing Services	47,000	49,639	55,000	55,000
Freight Express Delivery	200	71	-	-
Telephone	2,626	2,308	2,300	2,300
Cell Phone	3,000	689	1,000	1,000
Catered Meals	2,000	1,861	1,600	1,600
Other Professional Services	13,000	12,551	38,298	38,298
Other Contractual Services	7,454	558	500	500
Total Contractual Services	76,394	87,428	98,898	98,898
Supplies & Materials				
Office Supplies	6,765	8,474	9,000	9,000
Copying Equipment	3,500	2,069	2,500	2,500
Printing	1,500	2,085	2,500	2,500
Data Processing Supplies	500	40	500	500
Postage	10,800	4,364	5,000	5,000
Maintenance/Janitorial Supplies	75	133	150	150
Building Materials	1,000	.	1,000	1,000
Fees & Fines	50	.	50	50
Other Supplies	100	.	100	100
Total Supplies & Materials	28,290	17,164	28,800	28,800
Fixed Charges				
Reent-Cont Rent Payment	2,104	2,085	2,500	2,500
Rem-Non State Owned Property	52,000	49,701	52,000	52,000
Rem-Other	2,000	.	2,000	2,000
Insurance State	2,000	2,493	2,500	2,500
Insurance Non State	148	.	148	148
Equipment Maintenance	942	.	942	942
Sales Tax Paid	3,000	292	3,000	3,000
Total Fixed Charges	62,194	54,571	63,090	63,090
Travel (Includes Leased Car)				
In State - Meals (Non-Reportable)	400	26	400	400
In State Registration	100	.	100	100
Reportable Meals	150	.	150	150
In State - Lodging	700	205	700	700
Total Travel	1,350	231	1,350	1,350
Total Other Operating Expenditures	164,128	159,394	184,138	184,138
Total Insurance and Medical Services	\$ 586,119	\$ 581,374	\$ 630,147	\$ 579,937

Judicial	Actual			
	Budget FY12-13	Expenditures FY12-13	Budget FY13-14	Request FY14-15
Salaries				
Classified Positions	\$ 310,642	\$ 310,642	360,302	\$ 299,450
Temporary Employees	1403	1403	2,000	.
Total Salaries	312,045	312,045	362,302	299,450
Other Operating Expenditures				
Contractual Services				
Office Equipment Services	80	-	80	80
Copy Equipment Services	850	-	850	850
Print/Band/Advertisements	800	-	800	800
Print Pub Annual Reports	20	-	-	.
Freight Express Delivery	200	21	-	.
Data Processing Services	28,000	25,393	29,972	29,972
Telephone	2,500	2,131	2,500	2,500
Cellular Phone Service	1,120	1,077	1,120	1,120
Other Professional Services	200	-	200	200
Total Contractual Services	33,770	28,622	35,522	33,522
Supplies & Materials				
Office Supplies	5,500	2,086	4,000	4,000
Copying Equipment Supplies	2,500	1,675	2,500	2,500
Printing	2,000	3,312	2,000	2,000
Data Processing Supplies	2,500	367	2,500	2,500
Postage	17,749	4,418	18,000	6,800
Maintenance/Territorial Supplies	150	108	150	150
Promotional Supplies	20	-	20	20
Other Supplies	100	-	100	100
Total Supplies & Materials	30,519	9,965	29,270	18,070
Fixed Charges				
Rental-Comm Rent Payment	3,000	940	3,000	1,000
Rent-Non State Owned Property	65,300	62,126	65,300	65,300
Rent-Other	125	-	125	125
Insurance-State	2,000	3,668	2,000	2,000
Insurance-Non State	120	-	120	120
Total Fixed Charges	70,545	66,733	70,545	69,545
Travel (Includes Leased Car)				
In State - Meals / Non-Reportable	450	212	450	200
Reportable Meals	770	295	770	300
In State - Lodging	2,200	1,045	2,200	1,000
In State - Auto Mileage	1,800	476	1,800	500
In State - Misc Travel Expense	25	-	25	25
In State Registration	100	-	100	.
Out State - Auto Mileage	100	-	100	.
Total Travel	5,445	2,028	5,445	2,025
Total Other Operating Expenditures	140,279	107,348	148,782	124,162
Total Judicial	\$ 452,324	\$ 419,393	503,084	\$ 423,612
Earmarked Funds				
Department Totals				
Commissioners	\$ 513,921	\$ 472,448	497,244	\$ 479,219
Administration	701,382	693,733	809,447	837,293
Claims	481,436	479,752	466,744	499,137
Insurance & Medical	586,119	581,374	630,147	579,937
Judicial	452,324	419,393	503,084	423,612
Total Departmental Expend	\$ 2,735,182	\$ 2,652,708	2,906,666	\$ 2,819,196
Employer Contributions	499,884	499,884	465,400	552,870
Total Earmarked Funds	\$ 3,235,066	\$ 3,152,592	3,372,066	\$ 3,372,066