

## A G E N D A

### SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5<sup>th</sup> Floor  
Columbia, South Carolina 29201

**December 15, 2014 – 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. CALL TO ORDER *CHAIRMAN BECK*
2. APPROVAL OF AGENDA OF BUSINESS MEETING  
OF DECEMBER 15, 2014 *CHAIRMAN BECK*
3. APPROVAL OF MINUTES OF THE BUSINESS MEETING  
OF NOVEMBER 17, 2014 (Tab 1) *CHAIRMAN BECK*
4. GENERAL ANNOUNCEMENTS *MR. CANNON*
5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) *MR. SMITH*
6. DEPARTMENT DIRECTORS' REPORTS *MS. COPELAND*
  - Administration – Financial Report (Tab 3) *MS. OSBORNE*
  - Human Resources (Tab 4) *MS. HARTMAN*
  - Information Services (Tab 5) *MR. DUFFIELD*
  - Insurance & Medical Services (Tab 6) *MS. SPANN*
  - Claims (Tab 7) *MS. BRACY*
  - Judicial (Tab 8)
7. EXECUTIVE DIRECTOR'S REPORT (Tab 9) *MR. CANNON*
8. OLD BUSINESS *CHAIRMAN BECK*
9. NEW BUSINESS *CHAIRMAN BECK*
  - A. 2015 Average Weekly Wage (Tab 10) *Mr. Cannon*
  - B. SCWCC 2013-2014 Annual Report (Tab 11) *Mr. Cannon*
10. ADJOURNMENT *CHAIRMAN BECK*

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<b>1</b>	<b>Approval of Minutes of the Business Meeting of November 17, 2014</b>
<b>2</b>	<b>Self-Insurance</b>
<b>3</b>	<b>Administration</b>
<b>4</b>	<b>Human Resources</b>
<b>5</b>	<b>Information Services</b>
<b>6</b>	<b>Insurance &amp; Medical Services</b>
<b>7</b>	<b>Claims</b>
<b>8</b>	<b>Judicial</b>
<b>9</b>	<b>Executive Director's Report</b>
<b>10</b>	<b>2015 Average Weekly Wage</b>
<b>11</b>	<b>2013-2014 Annual Report</b>

THE  
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION  
BUSINESS MEETING

**Monday, November 17, 2014**

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, November 17, 2014 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, CHAIRMAN  
SUSAN S. BARDEN, VICE CHAIR  
R. MICHAEL CAMPBELL, II, COMMISSIONER  
MELODY L. JAMES, COMMISSIONER  
GENE MCCASKILL, COMMISSIONER  
AISHA TAYLOR, COMMISSIONER  
AVERY B. WILKERSON, JR., COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Betsy Hartman, IT Director; Grant Duffield, Insurance and Medical Services Director; Sonji Spann, Claims Director; Amy Bracy, Judicial Director; Sherry Copeland, Administration Director; Alicia Osborne, Human Resources Manager; Wayne Ducote, Coverage & Compliance Director; W.C. Smith, Self-Insurance Director; Amanda Underhill, Business Analyst; and Keith Roberts, Attorney. Also present were Amy Quinn, NCCI, and Bob Mendte, President, InsurCard.

Chairman Beck called the meeting to order at 10:35 a.m.

**AGENDA**

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

**APPROVAL OF MINUTES – BUSINESS MEETING OF OCTOBER 27, 2014**

Commissioner Campbell moved that the minutes of the Business Meeting of October 27, 2014 be approved. Commissioner James seconded the motion, and the motion was approved.

**GENERAL ANNOUNCEMENTS**

Gary Cannon, Executive Director, reminded Commissioners there will be no appellate hearings scheduled in January 2015. He announced that a work session to review information security policies will be held the afternoon of January 12, 2015.

**APPLICATIONS FOR APPROVAL TO SELF-INSURE**

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Twenty-four (24) prospective members of three (3) funds were presented to the Commission for approval. The applications were:

**SC Automobile Dealers SIF**

Abidi Automotive, LLC dba Berkeley Ford

### **SC Home Builders SIF**

Adan Sanchez Painting, LLC  
AG Drywall Construction, LLC  
Ales & B Drywall, LLC  
All American Fence Services, Inc.  
Bill's Tree Service, LLC  
Chanticleer Solutions, LLC  
Coastal Living Construction, LLC  
Cornish Builders, LLC  
Covington Construction Co., Inc.  
JW Thomas Homebuilders, LLC  
JMA Designs, Inc.  
MCF Construction, Inc.  
Pee Dee Trim Group, LLC  
Quality Concrete & Maintenance, LLC  
Rivertown Pool Service Plus  
Robert Briggs dba Southern Woodworks  
Ron Welch Contractors, LLC  
Stanley Hart dba Stanley Hart Construction  
Vernon Skipper dba Edisto Fence Co.  
Wendell Mishoe Construction, Inc.  
Wildflower Nursery, Inc.

### **SC Municipal Self Insurance Trust Fund**

Town of Hickory Grove  
Town of North

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 McCaskill 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**

Sherry Copeland presented the Summary of Revenues and Expenditures for the period ending October 31, 2014. Ms. Copeland reported the benchmark for October is 33.33%; Commission's revenues are at 26.55%; and expenses are at 36.9%. She said salaries for October exceed the budgeted benchmark due to three payrolls being posted in the month.

In follow-up to the discussion at the October 2014 Business Meeting regarding the summary of revenues, Ms. Copeland referred to a Revenue Report she prepared for the Commissioners and distributed to the Commissioner's seats prior to the start of the business meeting. There was discussion on what budget adjustments have been considered to offset the reduction in revenues. Included in the discussion were comments concerning the benchmark being over budget because of three payrolls posted in October. Chairman Beck noted from the summary report that not all departments' salaries were over the benchmark.

#### **Human Resources Department**

Alicia Osborne presented the Human Resources report for the period of October 17, 2014 through October 31, 2014. Ms. Osborne pointed out the following highlights from her report:

- Two employee relations were addressed during the activity period.

- Began the recruitment process to fill the Administrative Assistant position in Insurance and Medical Services Division. Five candidates were scheduled to interview.
- An all employee meeting was hold on October 20, 2014 concerning Annual Open Enrollment for 2015 employee insurance updates

### **Information Technology Department**

Betsy Hartman presented the Information Services Department's report. Ms. Hartman pointed out the following highlights from her report:

- Ms. Hartman and Amanda Underhill attended the S.C. Workers' Compensation Education Association's annual conference and gave a presentation on technology changes the Agency has implemented to enhance communication with stakeholders.
- Willson, Jones, Carter and Baxley law firm has requested onsite training on the use of eCase.

### **Insurance & Medical Services Department**

Grant Duffield presented the Insurance & Medical Services Department's report. He reported fiscal year to date the Compliance Division has compelled 86 employers in South Carolina to come into compliance with the Act. The Compliance Division's fiscal year-to-date revenue trend is 52% of prior year, and coverage fines collections are at 28% for the same period. Mr. Duffield reported that in October 2014 the lapse in coverage program registered 31 new policies to be tracked and issued two lapse in coverage notifications. He noted the legend on the "Lapse in Coverage Program Data (12 mo)" chart is identified as follows: Series 1 is Notification; and Series 2 is New Registrations.

### **Claims Department**

Sonji Spann presented the Claims Department's report. For the month of October, the Claims Department closed 2,309 individual case files, a decrease of 200 over prior month. The fine revenue received in October was \$55,100, an increase of \$3,450 over prior month. Claims Examiners reviewed 770 individual case files, a decrease 116 over prior month.

Ms. Spann reported the Claims Department reviewed files from years 2010 and 2011. Open files have been integrated into the general file.

### **Judicial Department**

Amy Bracy presented the Judicial Department's report. She reported the following for October:

- 73 regulatory mediations scheduled
- 17 requested mediations
- 77 matters resolved in mediation with the receipt of Forms 70
- Addressed 258 informal conference cases
- 108 Single Commissioner Hearings conducted
- 15 cases appealed to Full Commission

Ms. Bracy said the new policy to require the Judicial Department retain all Form 21s for ten days after receipt is working well. Chairman Beck gave instructions to publish notice about the new policy on the Commissions' website.

### **EXECUTIVE DIRECTOR'S REPORT**

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

#### **Personnel Changes**

Five candidates were interviewed on November3, 2014 for the position of Administrative Assistant in the Insurance and Medical Services Department. Breanne Jolly was selected for the position.

Marlene Johnson-Moore began her law clerkship with the Commission on November 3, 2014.

Narcotics Use Advisory Committee

Mr. Cannon announced the Narcotics Use Advisory Committee will meet on November 20, 2014 at 1:30 p.m. The meeting will take place at the S.C. Pharmacy Association in Columbia.

**OLD BUSINESS**

**A. DTO Information Technology Contract**

Mr. Cannon presented a recommendation to carry over the matter in order to present requested changes in the contract to Division of Technology Operations (DTO) and receive a response.

**Motion to Carry Over DTO Contract and Service**

Commissioner Barden moved to carry over the matter, which was duly seconded by Commissioner McCaskill. The vote was taken, and the motion was unanimously approved.

**B. Compensation Payments Debit Card Program**

Mr. Cannon introduced Bob Mendte, President, InsurCard. Mr. Mendte gave an overview of their prepaid debit card program designed for the payment of insurance claims. The session included opportunity for questions and answers.

**Motion on Creating an Advisory Committee to Study the Use of Pre-Paid Debit Cards**

Commissioner McCaskill made a motion to form an advisory committee to study the issue of allowing carriers and employers to make indemnity payments by pre-paid debit card. Commissioner Taylor seconded the motion, and the motion was unanimously approved.

**NEW BUSINESS**

There was no new business. Commissioner McCaskill announced Mark James, a former law clerk at the Commission, successfully passed the South Carolina Bar Examination.

**EXECUTIVE SESSION**

Commissioner Barden moved to adjourn into Executive Session to receive a legal briefing on a contractual matter. Commissioner James seconded the motion. The Commission adjourned into Executive Session at 11:32 a.m.

[EXECUTIVE SESSION]

At 11:45 a.m. Commissioner Taylor made a motion to arise from Executive Session. Commissioner McCaskill seconded the motion, and the motion carried unanimously. Upon arising from Executive Session, Chairman Beck stated there was discussion with no action taken.

**ADJOURNMENT**

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

The November 17, 2014 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:45 a.m.

Reported December 15, 2014  
Kim Ballentine, Office of the Executive Director

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**INTEROFFICE MEMORANDUM**

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**TO:** GARY CANNON, EXECUTIVE DIRECTOR  
**FROM:** SHERRY COPELAND, DIRECTOR OF ADMINISTRATION  
**SUBJECT:** FINANCIAL REPORT PERIOD ENDING NOVEMBER 30, 2014  
**DATE:** 12/10/09

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The Summary of Revenues and Expenditures for the period ending November 30, 2014, is attached.

- November is the 5<sup>th</sup> Fiscal Month of Fiscal Year 2015.
- The benchmark for November is 41.67 The Commission's revenues are at 34.01% and expenses are at 43%
- The expenditures for Administration are high because the contract to Team IA was completed and paid, and increased data processing cost. The increased data processing costs include a pass through charge from Microsoft which includes an annual licensing fee and an annual fee for OnBase Imaging.
- There were 89 payments made to vendors, travelers, and other State Agencies
- The following is a summary of each department expenditure benchmarks:

**General Fund:** Total expenditures are at 41.3%.

**Earmark Fund:**

*Commissioners –*

- Total expenditures are at 42% of budget.

*Administration –*

- Overall the expenditures are 52% of budget.

*Claims –*

- Expenditures are at 35% of budget.

*Insurance & Medical –*

- Total expenditures are at 46% of budget

*Judicial –*

- Total expenditures are at 30% of budget.

**Activity Report from the Procurement Office:**

	MTD	YTD
SCEIS Shopping Carts- Purchase Orders	3	65
Vendors Contacted for Price Quotes	15	89
Visa Procurement Card Orders Placed	17	68
SC Dept of Corrections Orders Placed	0	3
State leased vehicles traded	0	4
State Leased Vehicles taken for Service	0	4
GAAP packages completed	0	8

**Mail Room Activity:**

	MTD	YTD
Files Copied for Outside Parties	185	1164

**South Carolina Workers' Compensation Commission**  
**Summary of Revenues and Expenditures**  
**2014-15 Budget**  
**November 30, 2014**

<b>STATE APPROPRIATIONS</b>	<b>Budget</b>	<b>FY To Date</b>	<b>Benchmark</b>	<b>41.67%</b>
<hr/>				
<b>Account Description</b>	<b>Appropriation</b>	<b>Expenditure</b>	<b>Balance</b>	<b>% Expended</b>
Personal Services	\$ 1,412,465	\$ 600,749	\$ 811,716	42.5%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	496,796	187,048	309,748	37.7%
<b>Total</b>	<b>\$ 1,909,261</b>	<b>\$ 787,796</b>	<b>\$ 1,121,465</b>	<b>41.3%</b>
<b>Carry Forward Money 6100.00</b>	<b>\$ 15,141</b>		<b>\$ 15,141</b>	

**OTHER APPROPRIATIONS**

<b>EARMARKED</b>	<b>Budgeted Revenues</b>	<b>Received Thru 11/30/2014</b>	<b>% Received</b>
Training Conference Registration Fee	\$ 5,000	\$ -	0.00%
Sale of Publication and Brochures	8,000	1,950	24.38%
Workers' Comp Award Review Fee	73,000	17,850	24.45%
Sale of Photocopies	88,000	31,624	35.94%
Workers' Compensation Filing Violation Fee	1,660,000	531,498	32.02%
Sale of Listings and Labels	25,000	8,440	33.76%
Workers' Comp Hearing Fee	562,000	232,091	41.30%
<b>Earmarked Funds - Original Authorization</b>	<b>\$ 2,421,000</b>	<b>\$ 823,454</b>	<b>34.01%</b>
<b>Increase Authorization</b>	<b>951,066</b>		
<b>Total Earmarked Revenues + Fund Balance</b>	<b>\$ 3,372,066</b>		

<b>SELF INSURANCE</b>	<b>Collected Revenue</b>	<b>Transferred to State Fund</b>	<b>Balance to WCC Fund Balance</b>
Self Insurance	\$ 2,112,286	\$ -	\$ 2,112,286

<b>Account Description</b>	<b>Appropriation</b>	<b>Expenditure</b>	<b>Balance</b>	<b>% Expended</b>
Personal Services	\$ 1,544,527	\$ 681,342	\$ 863,185	44.1%
Taxable Subsistence	50,000	27,479	22,521	55.0%
Other Operating Expenses	1,224,669	537,768	686,901	43.9%
Employer Contribution	552,870	237,137	315,734	42.9%
<b>Total Earmarked</b>	<b>\$ 3,372,066</b>	<b>\$ 1,483,726</b>	<b>\$ 1,888,340</b>	<b>44.0%</b>

<b>TOTAL OTHER APPROPRIATIONS</b>	<b>\$ 3,372,066</b>	<b>\$ 1,483,726</b>	<b>\$ 1,888,340</b>	<b>44.0%</b>
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**South Carolina Workers' Compensation Commission**  
**2013 - 2014 Budget**  
November 30, 2014

**Consolidated**

	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
<b>Commissioners</b>								
Salaries	\$ 1,153,234	\$ 30,102	\$ 1,183,336	\$ 48,753	\$ 521,512	44%	\$ -	\$ 661,824
Other Operating Expenditures								
Total Contractual Services	200,094	-	200,094	12,679	53,318	27%	-	146,776
Total Supplies & Materials	12,120	-	12,120	2,226	4,668	39%	-	7,452
Total Fixed Charges	159,405	(143,000)	16,405	34	9,836	60%	-	6,929
Total Travel	57,600	-	57,600	5,188	22,885	40%	-	37,122
<b>Total Other Operating Exp</b>	<b>429,219</b>	<b>(143,000)</b>	<b>286,219</b>	<b>20,127</b>	<b>90,706</b>	<b>32%</b>	<b>-</b>	<b>198,279</b>
<b>Total Commissioners</b>	<b>\$ 1,582,453</b>	<b>\$ (112,898)</b>	<b>\$ 1,469,555</b>	<b>\$ 68,879</b>	<b>\$ 612,219</b>	<b>42%</b>	<b>\$ -</b>	<b>\$ 860,103</b>
<b>Administration</b>								
Salaries	\$ 640,790	\$ 2,862	\$ 643,652	\$ 31,147	\$ 274,820	43%	\$ -	\$ 371,002
Other Operating Expenditures								
Total Contractual Services	154,772	-	154,772	48,791	142,764	92%	-	12,008
Total Supplies & Materials	33,134	-	33,134	2,207	9,608	29%	-	23,702
Total Fixed Charges	131,740	335,300	467,040	44,015	250,385	54%	-	225,395
Total Travel	20,000	-	20,000	1,482	9,302	47%	-	11,078
Total Equipment	-	-	-	-	-	0%	-	-
<b>Total Other Operating Exp</b>	<b>339,646</b>	<b>335,300</b>	<b>674,946</b>	<b>96,495</b>	<b>412,059</b>	<b>61%</b>	<b>-</b>	<b>272,183</b>
<b>Total Administration</b>	<b>\$ 980,436</b>	<b>\$ 338,162</b>	<b>\$ 1,318,598</b>	<b>\$ 127,641</b>	<b>\$ 686,879</b>	<b>52%</b>	<b>\$ -</b>	<b>\$ 643,185</b>
<b>Claims</b>								
Salaries	\$ 428,856	\$ -	\$ 428,856	\$ 17,564	\$ 168,624	39%	\$ -	\$ 260,232
Other Operating Expenditures								
Total Contractual Services	40,570	-	40,570	254	1,268	3%	-	39,302
Total Supplies & Materials	24,600	-	24,600	814	3,630	15%	-	20,970
Total Fixed Charges	82,234	(75,000)	7,234	108	2,547	35%	-	4,687
Total Travel	100	-	100	226	563	563%	-	(463)
<b>Total Other Operating Exp</b>	<b>147,504</b>	<b>(75,000)</b>	<b>72,504</b>	<b>1,401</b>	<b>8,008</b>	<b>11%</b>	<b>-</b>	<b>64,496</b>
<b>Total Claims</b>	<b>\$ 576,360</b>	<b>\$ (75,000)</b>	<b>\$ 501,360</b>	<b>\$ 18,966</b>	<b>\$ 176,631</b>	<b>35%</b>	<b>\$ -</b>	<b>\$ 324,729</b>
<b>Insurance and Medical Services</b>								
Salaries	\$ 421,909	\$ 522	\$ 422,431	\$ 27,639	\$ 234,358	55%	\$ -	\$ 188,073
Other Operating Expenditures								
Total Contractual Services	98,898	-	98,898	554	12,913	13%	-	85,985
Total Supplies & Materials	20,800	-	20,800	1,113	3,157	15%	-	17,643
Total Fixed Charges	63,090	(52,000)	11,090	36	3,020	27%	-	8,070
Total Travel	1,350	-	1,350	413	1,034	77%	-	642
<b>Total Other Operating Exp</b>	<b>184,138</b>	<b>(52,000)</b>	<b>132,138</b>	<b>2,116</b>	<b>20,125</b>	<b>15%</b>	<b>-</b>	<b>112,340</b>
<b>Total Insurance and Medical Services</b>	<b>\$ 606,047</b>	<b>\$ (51,478)</b>	<b>\$ 554,569</b>	<b>\$ 29,755</b>	<b>\$ 254,483</b>	<b>46%</b>	<b>\$ -</b>	<b>\$ 300,412</b>
<b>Judicial</b>								
Salaries	\$ 328,143	\$ 574	\$ 328,717	\$ 12,199	\$ 110,255	34%	\$ -	\$ 218,462
Other Operating Expenditures								
Total Contractual Services	35,522	-	35,522	174	889	3%	-	34,633
Total Supplies & Materials	12,650	-	12,650	760	3,411	27%	-	9,239
Total Fixed Charges	70,545	(65,300)	5,245	39	2,151	41%	-	3,094
Total Travel	5,445	-	5,445	26	419	8%	-	5,026
<b>Total Other Operating Exp</b>	<b>124,162</b>	<b>(65,300)</b>	<b>58,862</b>	<b>999</b>	<b>6,870</b>	<b>12%</b>	<b>-</b>	<b>51,992</b>
<b>Total Judicial</b>	<b>\$ 452,305</b>	<b>\$ (64,726)</b>	<b>\$ 387,579</b>	<b>\$ 13,198</b>	<b>\$ 117,126</b>	<b>30%</b>	<b>\$ -</b>	<b>\$ 270,453</b>
<b>Totals By Departments</b>								
Department Totals								
Commissioners	\$ 1,582,453	\$ (112,898)	\$ 1,469,555	\$ 68,879	\$ 612,219	42%	\$ -	\$ 860,103
Administration	980,436	338,162	1,318,598	127,641	686,879	52%	-	643,185
Claims	576,360	(75,000)	501,360	18,966	176,631	35%	-	324,729
Insurance & Medical	606,047	(51,478)	554,569	29,755	254,483	46%	-	300,412
Judicial	452,305	(64,726)	387,579	13,198	117,126	30%	-	270,453
<b>Total Departmental Expend</b>	<b>\$ 4,197,601</b>	<b>\$ 34,060</b>	<b>\$ 4,231,661</b>	<b>\$ 258,440</b>	<b>\$ 1,847,338</b>	<b>44%</b>	<b>\$ -</b>	<b>\$ 2,398,883</b>
Employer Contributions	1,033,476	16,190	1,049,666	42,712	424,184	40%	-	625,482
<b>Total General &amp; Earmarked Funds</b>	<b>\$ 5,231,077</b>	<b>\$ 50,250</b>	<b>\$ 5,281,327</b>	<b>\$ 301,152</b>	<b>\$ 2,271,522</b>	<b>43%</b>	<b>\$ -</b>	<b>\$ 3,024,365</b>



**South Carolina Workers' Compensation Commission**  
**2014-15 Budget**  
November 30, 2014

**Earmarked Funds**

	Original	Budget	Amended	Expended	Year	%	Encumb	Balance
	Budget	Amendments	Budget	November	to Date			
<b>Commissioners</b>								
<b>Salaries</b>								
Taxable Subsistence	\$ 50,000	\$ -	\$ 50,000	\$ 1,159	\$ 27,479	55%	\$ -	\$ 22,521
<b>Total Salaries</b>	<b>50,000</b>	<b>-</b>	<b>50,000</b>	<b>1,159</b>	<b>27,479</b>	<b>55%</b>	<b>-</b>	<b>22,521</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Copying Equipment Service	1,300	-	1,300	-	-	0%	-	1,300
Data Processing Services	34,000	-	34,000	-	-	0%	-	34,000
Freight Express Delivery	100	-	100	-	-	0%	-	100
Telephone	3,500	-	3,500	342	1,719	49%	-	1,781
Cellular Phone Service	11,500	-	11,500	772	3,753	33%	-	7,747
Legal Services/Attorney Fees	149,494	-	149,494	11,566	47,130	32%	-	102,364
Other Professional Services	200	-	200	-	716	358%	-	(516)
<b>Total Contractual Services</b>	<b>200,094</b>	<b>-</b>	<b>200,094</b>	<b>12,679</b>	<b>53,318</b>	<b>27%</b>	<b>-</b>	<b>146,776</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	2,900	-	2,900	1,876	3,633	125%	-	(733)
Copying Equipment	2,300	-	2,300	-	-	0%	-	2,300
Printing	1,800	-	1,800	-	107	6%	-	1,693
Data Processing Supplies	50	-	50	37	147	294%	-	(97)
Postage	4,800	-	4,800	313	761	16%	-	4,039
Maint./Janitorial Supplies	150	-	150	-	-	0%	-	150
Motor Vehicle Supp/Gasoline	50	-	50	-	20	40%	-	30
Other Supplies	70	-	70	-	-	0%	-	70
<b>Total Supplies &amp; Materials</b>	<b>12,120</b>	<b>-</b>	<b>12,120</b>	<b>2,226</b>	<b>4,668</b>	<b>39%</b>	<b>-</b>	<b>7,452</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	1,000	-	1,000	34	171	17%	-	829
Rent-Non State Owned Property	143,000	143,000	Transferred to	-	-	0%	-	-
Rent-other	-	-	-	-	360	-	-	-
Insurance-Workers Comp	13,806	-	13,806	-	8,642	63%	-	5,164
Insurance-Unemployment	1,169	-	1,169	-	193	17%	-	976
Dues & Memberships	430	-	430	-	470	109%	-	(40)
<b>Total Fixed Charges</b>	<b>159,405</b>	<b>143,000</b>	<b>16,405</b>	<b>34</b>	<b>9,836</b>	<b>60%</b>	<b>-</b>	<b>6,929</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	200	-	200	172	450	225%	-	(250)
In State - Auto Mileage	18,000	-	18,000	1,109	6,749	37%	-	11,251
In State - Subsistence Allowance	9,000	-	9,000	774	1,419	16%	-	7,581
Air line ticket	-	-	-	-	385	-	-	-
In State Lodging	-	-	-	-	795	-	-	-
Out State - Meals	100	-	100	37	88	88%	-	12
Out State - Auto Mileage	300	-	300	-	-	0%	-	300
Out of State Registration Fees	-	-	-	-	1,227	-	-	-
Leased Car	30,000	-	30,000	3,096	11,772	39%	-	18,228
<b>Total Travel</b>	<b>57,600</b>	<b>-</b>	<b>57,600</b>	<b>5,188</b>	<b>22,885</b>	<b>40%</b>	<b>-</b>	<b>37,122</b>
<b>Total Other Operating Expenditures</b>	<b>429,219</b>	<b>143,000</b>	<b>286,219</b>	<b>20,127</b>	<b>90,706</b>	<b>32%</b>	<b>-</b>	<b>198,279</b>
<b>Total Commissioners</b>	<b>\$ 479,219</b>	<b>\$ 143,000</b>	<b>\$ 336,219</b>	<b>\$ 21,286</b>	<b>\$ 118,185</b>	<b>35%</b>	<b>\$ -</b>	<b>\$ 218,034</b>

**South Carolina Workers' Compensation Commission**  
**2014-15 Budget**  
November 30, 2014

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
<b>Administration</b>								
<b>Salaries</b>								
Classified Positions	\$ 462,641	\$ -	\$ 462,641	\$ 20,142	\$ 175,992	38%	\$ -	\$ 286,649
Temporary Employees	35,004	-	35,004	4,549	35,822	102%	-	(818)
Ot and Shift Different	-	-	-	371	2,171	-	-	-
Bonus pay	-	-	-	-	-	-	-	-
Terminal Leave	-	-	-	-	-	0%	-	-
<b>Total Salaries</b>	<b>497,645</b>	<b>-</b>	<b>497,645</b>	<b>25,063</b>	<b>213,984</b>	<b>43%</b>	<b>-</b>	<b>285,831</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Service	7,139	-	7,139	-	-	0%	-	7,139
Copying Equipment Service	3,000	-	3,000	-	-	0%	-	3,000
Print/Bind/Advertisement	3,000	-	3,000	-	-	0%	-	3,000
Print Pub Annual Reports	100	-	100	-	-	0%	-	100
Data Processing Services	103,563	-	103,563	47,991	135,446	131%	-	(31,883)
Freight Express Delivery	1,800	-	1,800	-	-	0%	-	1,800
Telephone	7,060	-	7,060	305	3,422	48%	-	3,638
Cellular Phone Service	5,000	-	5,000	468	2,145	43%	-	2,855
Education & Training Services	5,000	-	5,000	-	-	0%	-	5,000
Attorney Fees	10,000	-	10,000	-	63	1%	-	9,938
General Repair	1,500	-	1,500	-	-	0%	-	1,500
Audit Acct Finance	110	-	110	-	111	101%	-	(1)
Catered Meals	4,000	-	4,000	-	-	0%	-	4,000
Other Professional Services	1,500	-	1,500	-	966	64%	-	534
Other Contractual Services	2,000	-	2,000	27	613	31%	-	1,387
<b>Total Contractual Services</b>	<b>154,772</b>	<b>-</b>	<b>154,772</b>	<b>48,791</b>	<b>142,764</b>	<b>92%</b>	<b>-</b>	<b>12,008</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	9,500	-	9,500	1,483	7,167	75%	-	2,333
Copying Equipment Supplies	4,434	-	4,434	-	-	0%	-	4,434
Printing	3,500	-	3,500	-	168	5%	-	3,332
Data Processing Supplies	2,300	-	2,300	225	225	10%	-	2,075
Postage	8,000	-	8,000	499	1,872	23%	-	6,128
Maint/Janitorial Supplies	1,000	-	1,000	-	-	0%	-	1,000
Fees & Fines	1,800	-	1,800	-	-	0%	-	1,800
Gasoline/ Motor Vehicle Supply	100	-	100	-	-	0%	-	100
Employee Recog Award	1,500	-	1,500	-	120	0%	-	1,500
Other Supplies	1,000	-	1,000	-	57	0%	-	1,000
<b>Total Supplies &amp; Materials</b>	<b>33,134</b>	<b>-</b>	<b>33,134</b>	<b>2,207</b>	<b>9,608</b>	<b>29%</b>	<b>-</b>	<b>23,702</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	6,000	-	6,000	361	1,965	33%	-	4,035
Rent- Non State Owned Property	95,000	335,300	430,300	42,889	226,770	53%	-	203,530
Rent-Other	11,000	-	11,000	641	4,036	37%	-	6,964
Rental -Data processing equip	-	-	-	53	8,740	-	-	-
Insurance-Workers Comp	7,490	-	7,490	-	2,812	38%	-	4,678
Insurance- Unemployment	750	-	750	-	296	39%	-	454
Dues and Memberships	5,000	-	5,000	-	4,021	80%	-	979
Sales Tax Paid	6,500	-	6,500	71	1,744	27%	-	4,756
<b>Total Fixed Charges</b>	<b>131,740</b>	<b>335,300</b>	<b>467,040</b>	<b>44,015</b>	<b>250,385</b>	<b>54%</b>	<b>-</b>	<b>225,395</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals Non/ Reportable	1,000	-	1,000	253	956	96%	-	44
In State Air transportation	-	-	-	-	380	-	-	-
In State-Auto Miles	1,000	-	1,000	269	1,209	121%	-	(209)
In State - Lodging	1,000	-	1,000	-	2,020	202%	-	(1,020)
In State - Registration Fees	2,000	-	2,000	-	1,010	51%	-	990
Leased Car	15,000	-	15,000	960	3,727	25%	-	11,273
<b>Total Travel</b>	<b>20,000</b>	<b>-</b>	<b>20,000</b>	<b>1,482</b>	<b>9,302</b>	<b>47%</b>	<b>-</b>	<b>11,078</b>
<b>Equipment</b>								
Equipment Data Processing PC's	-	-	-	-	-	0%	-	-
<b>Total Equipment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>-</b>
<b>Total Other Operating Expenditures</b>	<b>339,646</b>	<b>335,300</b>	<b>674,946</b>	<b>96,495</b>	<b>412,059</b>	<b>61%</b>	<b>-</b>	<b>272,183</b>
<b>Total Administration</b>	<b>\$ 837,291</b>	<b>\$ 335,300</b>	<b>\$ 1,172,591</b>	<b>\$ 121,557</b>	<b>\$ 626,043</b>	<b>53%</b>	<b>\$ -</b>	<b>\$ 558,014</b>

**South Carolina Workers' Compensation Commission**  
**2014-15 Budget**  
November 30, 2014

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
<b>Claims</b>								
<b>Salaries</b>								
Classified Positions	\$ 331,158	\$ -	\$ 331,158	\$ 13,574	\$ 132,487	40%	\$ -	\$ 198,671
Temporary Positions	20,475	-	20,475	803	4,262	21%	-	16,213
Terminal Leave	-	-	-	-	-	0%	-	-
<b>Total Salaries</b>	<b>351,633</b>	<b>-</b>	<b>351,633</b>	<b>14,377</b>	<b>136,749</b>	<b>39%</b>	<b>-</b>	<b>214,884</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
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	254	1,268	32%	-	2,732
Cellular Phone Service	1,720	-	1,720	-	-	0%	-	1,720
<b>Total Contractual Services</b>	<b>40,570</b>	<b>-</b>	<b>40,570</b>	<b>254</b>	<b>1,268</b>	<b>3%</b>	<b>-</b>	<b>39,302</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	2,000	-	2,000	141	1,094	55%	-	907
Copying Equipment	2,535	-	2,535	-	-	0%	-	2,535
Printing	2,430	-	2,430	-	85	3%	-	2,345
Data Processing Supplies	3,035	-	3,035	-	-	0%	-	3,035
Postage	14,000	-	14,000	673	2,452	18%	-	11,548
Maint/Janitorial Supplies	500	-	500	-	-	0%	-	500
Other Supplies	100	-	100	-	-	0%	-	100
<b>Total Supplies &amp; Materials</b>	<b>24,600</b>	<b>-</b>	<b>24,600</b>	<b>814</b>	<b>3,630</b>	<b>15%</b>	<b>-</b>	<b>20,970</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	2,500	-	2,500	108	742	30%	-	1,758
Rent-Non State Owned Property	75,000	75,000	Transferred to	Administratior	-	100%	-	-
Insurance Workers Comp	2,800	-	2,800	-	1,522	54%	-	1,278
Insurance- Unemployment	134	-	134	-	283	211%	-	(149)
Equipment- Copying	800	-	800	-	-	0%	-	800
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
<b>Total Fixed Charges</b>	<b>82,234</b>	<b>75,000</b>	<b>7,234</b>	<b>108</b>	<b>2,547</b>	<b>35%</b>	<b>-</b>	<b>4,687</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	50	-	50	39	39	78%	-	11
In State - Lodging	-	-	-	-	-	0%	-	-
In State - Auto Mileage	-	-	-	187	187	0%	-	(187)
In-State Registration	-	-	-	-	337	0%	-	(337)
Reportable Meals	50	-	50	-	-	0%	-	50
<b>Total Travel</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>226</b>	<b>563</b>	<b>563%</b>	<b>-</b>	<b>(463)</b>
<b>Total Other Operating Expenditures</b>	<b>147,504</b>	<b>75,000</b>	<b>72,504</b>	<b>1,401</b>	<b>8,008</b>	<b>11%</b>	<b>-</b>	<b>64,496</b>
<b>Total Claims</b>	<b>\$ 499,137</b>	<b>\$ 75,000</b>	<b>\$ 424,137</b>	<b>\$ 15,779</b>	<b>\$ 144,756</b>	<b>34%</b>	<b>\$ -</b>	<b>\$ 279,381</b>

**South Carolina Workers' Compensation Commission**  
**2014-15 Budget**  
November 30, 2014

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
<b>Insurance and Medical Services</b>								
<b>Salaries</b>								
Classified Positions	395,799	-	395,799	21,243	214,798	54%	-	181,001
Temporary Employees	-	-	-	87	3,264	0%	-	(3,264)
Terminal Leave	0	-	0	5,200	5,200	0%	-	(5,200)
<b>Total Salaries</b>	<b>395,799</b>	<b>-</b>	<b>395,799</b>	<b>26,530</b>	<b>223,262</b>	<b>56%</b>	<b>-</b>	<b>172,537</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Service	100	-	100	-	-	0%	-	100
Copying Equipment Service	100	-	100	-	-	0%	-	100
Data Processing Services	55,000	-	55,000	17	34	0%	-	54,966
Telephone	2,300	-	2,300	267	1,308	57%	-	992
Cell Phone	1,000	-	1,000	91	363	36%	-	637
Catered Meals	1,600	-	1,600	-	-	0%	-	1,600
Other Professional Services	38,298	-	38,298	180	10,498	27%	-	27,800
Other Contractual Services	500	-	500	-	711	142%	-	(211)
<b>Total Contractual Services</b>	<b>98,898</b>	<b>-</b>	<b>98,898</b>	<b>554</b>	<b>12,913</b>	<b>13%</b>	<b>-</b>	<b>85,985</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	9,000	-	9,000	709	1,724	19%	-	7,276
Copying Equipment	2,500	-	2,500	-	-	0%	-	2,500
Printing	2,500	-	2,500	-	186	7%	-	2,314
Data Processing Supplies	500	-	500	39	156	31%	-	344
Postage	5,000	-	5,000	364	1,091	22%	-	3,909
Maintenance/Janitorial Supplies	150	-	150	-	-	0%	-	150
Building Materials	1,000	-	1,000	-	-	0%	-	1,000
Fees & Fines	50	-	50	-	-	0%	-	50
Other Supplies	100	-	100	-	-	0%	-	100
<b>Total Supplies &amp; Materials</b>	<b>20,800</b>	<b>-</b>	<b>20,800</b>	<b>1,113</b>	<b>3,157</b>	<b>15%</b>	<b>-</b>	<b>17,643</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	2,500	-	2,500	36	182	7%	-	2,318
Rent-Non State Owned Property	52,000	52,000	-	Transferred to	Administrator	100%	-	-
Rent-Other	2,000	-	2,000	-	240	12%	-	1,760
Insurance-workers comp	2,500	-	2,500	-	1,731	69%	-	769
Insurance-unemployment	148	-	148	-	283	191%	-	(135)
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	3,000	-	3,000	-	584	19%	-	2,416
<b>Total Fixed Charges</b>	<b>63,090</b>	<b>52,000</b>	<b>11,090</b>	<b>36</b>	<b>3,020</b>	<b>27%</b>	<b>-</b>	<b>8,070</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	400	-	400	45	45	11%	-	355
In-State Registration	100	-	100	-	467	467%	-	(367)
Miles	-	-	-	172	326	-	-	-
Reportable Meals	150	-	150	-	-	0%	-	150
In State - Lodging	700	-	700	196	196	28%	-	504
<b>Total Travel</b>	<b>1,350</b>	<b>-</b>	<b>1,350</b>	<b>413</b>	<b>1,034</b>	<b>77%</b>	<b>-</b>	<b>642</b>
<b>Total Other Operating Expenditures</b>	<b>184,138</b>	<b>52,000</b>	<b>132,138</b>	<b>2,116</b>	<b>20,125</b>	<b>15%</b>	<b>-</b>	<b>112,340</b>
<b>Total Insurance and Medical Services</b>	<b>\$ 579,937</b>	<b>\$ 52,000</b>	<b>\$ 527,937</b>	<b>\$ 28,646</b>	<b>\$ 243,386</b>	<b>46%</b>	<b>\$ -</b>	<b>\$ 284,877</b>

**South Carolina Workers' Compensation Commission**  
**2014-15 Budget**  
November 30, 2014

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Expended November	Year to Date	%	Encumb	Balance
<b>Judicial</b>								
<b>Salaries</b>								
Classified Positions	\$ 299,450	\$ -	\$ 299,450	\$ 12,199	\$ 107,347	36%	\$ -	\$ 192,103
Temporary Employees	0	-	0	0	0	0%	-	-
<b>Total Salaries</b>	<b>299,450</b>	<b>-</b>	<b>299,450</b>	<b>12,199</b>	<b>107,347</b>	<b>36%</b>	<b>-</b>	<b>192,103</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Services	80	-	80	-	-	0%	-	80
Copy Equipment Services	850	-	850	-	-	0%	-	850
Print/Bind/Advertisement	800	-	800	-	-	0%	-	800
Data Processing Services	29,972	-	29,972	-	-	0%	-	29,972
Telephone	2,500	-	2,500	174	889	36%	-	1,611
Cellular Phone Service	1,120	-	1,120	-	-	0%	-	1,120
Other Professional Services	200	-	200	-	-	0%	-	200
<b>Total Contractual Services</b>	<b>35,522</b>	<b>-</b>	<b>35,522</b>	<b>174</b>	<b>889</b>	<b>3%</b>	<b>-</b>	<b>34,633</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	2,000	-	2,000	183	1,722	86%	-	278
Copying Equipment Supplies	2,500	-	2,500	-	-	0%	-	2,500
Printing	2,000	-	2,000	-	76	4%	-	1,924
Data Processing Supplies	2,500	-	2,500	36	182	7%	-	2,318
Postage	3,380	-	3,380	541	1,431	42%	-	1,949
Maintenance/Janitorial Supplies	150	-	150	-	-	0%	-	150
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	100	-	100	-	-	0%	-	100
<b>Total Supplies &amp; Materials</b>	<b>12,650</b>	<b>-</b>	<b>12,650</b>	<b>760</b>	<b>3,411</b>	<b>27%</b>	<b>-</b>	<b>9,239</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	3,000	-	3,000	39	156	5%	-	2,844
Rent-Non State Owned Property	65,300	65,300	Transferred to Administration	-	-	100%	-	-
Rent-Other	125	-	125	-	240	192%	-	(115)
Insurance Workers Comp	2,000	-	2,000	-	1,523	76%	-	477
Insurance-unemployment	120	-	120	-	232	193%	-	(112)
<b>Total Fixed Charges</b>	<b>70,545</b>	<b>65,300</b>	<b>5,245</b>	<b>39</b>	<b>2,151</b>	<b>41%</b>	<b>-</b>	<b>3,094</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals / Non-Reportable	450	-	450	26	26	6%	-	424
Reportable Meals	770	-	770	-	-	0%	-	770
In State - Lodging	2,200	-	2,200	-	393	18%	-	1,807
In State - Auto Mileage	1,800	-	1,800	-	-	0%	-	1,800
In State - Misc Travel Expense	25	-	25	-	-	0%	-	25
In-State Registration	100	-	100	-	-	0%	-	100
Out State - Auto Mileage	100	-	100	-	-	0%	-	100
<b>Total Travel</b>	<b>5,445</b>	<b>-</b>	<b>5,445</b>	<b>26</b>	<b>419</b>	<b>8%</b>	<b>-</b>	<b>5,026</b>
<b>Total Other Operating Expenditures</b>	<b>124,162</b>	<b>65,300</b>	<b>58,862</b>	<b>999</b>	<b>6,870</b>	<b>12%</b>	<b>-</b>	<b>51,992</b>
<b>Total Judicial</b>	<b>\$ 423,612</b>	<b>\$ 65,300</b>	<b>\$ 358,312</b>	<b>\$ 13,198</b>	<b>\$ 114,218</b>	<b>32%</b>	<b>\$ -</b>	<b>\$ 244,094</b>
<b>Earmarked Funds</b>								
<b>Department Totals</b>								
Commissioners	\$ 479,219	\$ 143,000	\$ 336,219	\$ 21,286	\$ 118,185	35%	\$ -	\$ 218,034
Administration	837,291	(335,300)	1,172,591	121,557	626,043	53%	-	924,572
Claims	499,137	75,000	424,137	15,779	144,756	34%	-	279,381
Insurance & Medical	579,937	52,000	527,937	28,646	243,386	46%	-	407,618
Judicial	423,612	65,300	358,312	13,198	114,218	32%	-	244,094
<b>Total Departmental Expend</b>	<b>\$ 2,819,196</b>	<b>\$ -</b>	<b>\$ 2,819,196</b>	<b>\$ 200,466</b>	<b>\$ 1,246,589</b>	<b>44%</b>	<b>\$ -</b>	<b>\$ 2,073,698</b>
Employer Contributions	552,870	-	552,870	24,733	237,137	43%	-	315,734
<b>Total Earmarked Funds</b>	<b>\$ 3,372,066</b>	<b>\$ -</b>	<b>\$ 3,372,066</b>	<b>\$ 225,198</b>	<b>\$ 1,483,726</b>	<b>44%</b>	<b>\$ -</b>	<b>\$ 2,389,432</b>
<b>Capital / Computer Project Carryforward</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>

# MEMORANDUM

Date: December 9, 2014

**TO:** Mr. Gary Cannon  
Executive Director

**FROM:** Alicia Osborne  
Human Resources

**SUBJECT:** Human Resources Report Period of November 1, 2014 through November 30, 2014

Below is a summary of the Human Resources activity for the period of November 1 – November 30, 2014.

## Employee Relations (ER)

- Two employee relations issue were addressed during the activity period
  - Provided counseling sessions for the issues that were brought to my attention, conducted initial investigations into the matter, contacted the supervisor or department director and collaborated with the necessary staff and external resources to find resolution for the issues.
  - Continue to monitor both concerns
- One ongoing injury is being monitored
  - Follow up appointments have been submitted.
- EPMS
  - Reviewed incoming EPMS
  - Training on new format
    - Provided clarification as needed
    - Reviewed previous year EPMS with supervisors
  - Began working on reviewing and updating SCEIS Infotypes 24 (Ratings/Reviews) and 19 (reminders)

## Recruitment and Selection

- Office of the Executive Director
  - Rehired Marlene Johnson-Moore as a Law Clerk effective November 3, 2014
- Coverage and Compliance
  - Hired Breanne Jolly November 3, 2014 as the new Administrative Assistant

## Benefits

- FMLA
  - Ran reports to determine if system was up to date
  - Contacted SCEIS about outstanding claims from 2011, 2012, 2014
  - Addressed FMLA concerns with staff
    - Provided clarification and assisted with paperwork as needed
- Monitored pending Open Enrollment in PEBA Electronic Benefits System
  - All cleared
- Notified new staff of available insurance and retirement benefits
  - Enrolled staff in retirement and insurance benefits
- Retirement
  - Ran estimates for two staff
- WageWorks
  - Processed four revised Medical Spending Accounts due to new IRS maximums



## SC Enterprise Information System (SCEIS)

- Organizational Management
  - Delimited old temporary positions
  - Created a new position for Law Clerk

## State Human Resources Department (HRD)

- Training for NeoGov
- Enrolled in Facilitation Training offered by the State Library through HRD
- Enrolled for Supervisory Practices in April

## Fiscal Department (Sherry Copeland)

- Approved approximately 89 SCEIS financial transactions
  - Within the SCEIS system approved deposits, purchase orders, invoices, and travel requests submitted by the Fiscal Manager

## Reports

- Ran SCEIS Deductions Not Taken / Arrears report
  - Report is clear
- Missing Time and Time Collision reports
  - Working with staff to ensure accurate leave balances
  - Ensuring all working time and leave has been entered
  - Ongoing
    - Correcting outstanding leave/working time from 2011 to present
- Parking
  - Reviewed parking to ensure all staff had parking fee deduction
- EEOC Report submitted to SCHAC

## Events

- Social Committe
  - Discussed holiday plans
  - Established new event to attempt to build comradery

## Miscellaneous

- Requested updates to e-mail groups
- Submitted Commissioners' license plate updates to SC DMV
- Began working with IT regarding training for Cyber Security
- Reviewed security policies from an HR standpoint



## Workers' Compensation Commission

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To: Gary Cannon  
SCWCC Executive Director  
From: Betsy Hartman  
IT Director  
Date: December 10, 2014  
Subject: IT Department November 2014 Full Commission Report

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### IT Department Activities for the Month of November 2014

- Production issues
  - EDI RIs3 FROI
    - Processing error research and resolution based on email questions from TPA's and Carriers.
  - Progress
    - Duane finishing the code changes for the Form 31 processing and created test data in Development System.
    - Duane researched and resolved report inconsistencies with Progress reporting based on input from Claims and Coverage staff.
    - Marion Glisson had problems balancing deposits which required Duane's assistance in clearing up the imbalances.
    - Duane and Amanda conducted testing of eFines programs in Development System.
    - All code that is modified and tested is done in development. Once it has been debugged and is ready for production, Duane does a deployment so that the staff will use the new code the following day. This requires after hours work and a push of new code before staff arrives in the mornings.
  - OnBase Production Maintenance and new requests
    - Amanda continues to work with the Onbase user group security by designing and implementing new roles starting with the Appeals, AA's and Judicial Users. This is part of the new documents created for the Upload project and ties into the security policies project.
    - Amanda has been testing and modifying code to enable the Unity Client to work with Application Enabler in Progress. The Unity Client will replace the OnBase Desktop which is being phased out.
  - POC EDI
    - Researching errors in POC transactions for NCCI. Each Month NCCI sends emails with questions about why a particular transaction was rejected to verify that our rejection description is understandable and correct.
  - General

- Duane is researching possibilities for Virtual Server versus Cloud Services in lieu of the current hardware that houses the Progress production and QA servers. This will ensure SCWCC is in compliance with best practices and the DIS policies.
    - Amanda ran a scanned report for the Claims Department
    - Amanda assisted the Claims Department in opening secure encrypted emails from carriers to the forms email boxes.
  - eCase
    - Access troubleshooting for various users was done by Amanda. Due to the upload process being in place, it was noted that users were not correctly linked in eCase therefore not allowing them access to the case and the inability to upload documents.
    - Internal training was conducted by Amanda with the judicial staff on how to approve eCase users to assist Amanda Young in eCase questions to the judicial department.
- Desktop support
  - Multiple intermittent phone failures occurred. Help Desk ticket put into Spirit. Monitoring issues.
  - Multiple Password Resets were performed by Brian and Betsy to assist staff and Commissioners.
  - Printer issues include slow response. DTO updated the print drivers on the server. This update has caused a delay in printing mainly Adobe documents. Brian is working with DTO to resolve the issues.
  - App Enabler F4, F5 had production issues requiring Brian to reset Onbase desktop and app enabler. Researching to see if this issue is due to using virtual print in Outlook causing the default printer to change.
  - Brian worked on McAfee issues where McAfee was not updating properly on several machines. Updated manually and problems resolved.
  - Brian worked on Grant Duffield's laptop to verify all updates were installed. Grant was having difficulty connecting through Junos Pulse due to software updates not being installed correctly.
- ELT projects
  - Upload project
    - eBlast was sent out stating a January 1, 2015 deadline for mandatory uploads for Pre-Hearing Briefs, APA's & Exhibits.
    - Added edits to prevent users from uploading APA's before hearing date
    - To assist end users with the upload, a spinner was added to show that the upload is in process. This has decreased the number of calls and emails that the program is not working.
    - Amanda added a party representation type descriptor to the Attorney's name to clarify if it is defense, claimant or UEF. This was a request from several Commissioner Offices.
    - In the upload process several workflows are kicked off to index the documents automatically into onBase. During this process it was found that the quality of the image was being degraded. Some pages were being blacked out and others were coming in blank. The workflow was corrected to resolve all quality issues on SCWCC side.

- During the first month of upload, many attorney offices were uploading documents in sections. Amanda combined partial APA's into one document. The eBlast went out with the requirement the documents be uploaded as one document and the AA's started rejecting multiple parts explaining the new standard. Since that time, we have not seen an issue with the end users being able to upload as one document.
    - The hearing notices were modified for all Commissioner Offices explaining that Pre-Hearing Briefs are to be uploaded before the hearing and all other documents after the hearing.
    - Amanda create AA Desk Procedure documentation to assist the AA's in understanding what they are looking for and when to reject documents. This helps to standardize all 7 Commissioner Offices procedures and will aid in cases going to appeal and for the future View enhancement to ensure that all documents are stored correctly.
    - Amanda and Betsy meet weekly with AA's and Appeals staff to continue training on upload document processing and to help debug any end user issues.
    - The time date stamp routine was causing issues with the automated processing to store the documents uploaded into onBase. The time stamp was removed from the workflow. Amanda is writing up the issues and sending to KeyMark to correct the problems. It was determined that the time date stamp should be added when View/download is launched.
  - SROI Project
    - The public launch date is **March 31, 2015**.
    - Team meetings will resume weekly in November
    - Completing the Edit Matrix
    - Have test partner lined up
  - IT Security / DIS Policies continue to be a large project for IT. DIS has requested all agencies complete a very detailed survey on the progress the agencies have made toward the January 31, 2015 deadline for Implementation Planning.
  - The Budget and Control Board hired a consultant, Excipio to lead another survey on development of a statewide Disaster Recovery plan based on Proviso 117.32. The survey was completed and submitted before the deadline. The one on one interview with Excipio and DTO staff with SCWCC IT Director and Executive Director will be in December. The report to the Legislators and Governor's office is due March 2015.
- DTO meetings
    - Finalizing Contract FY 14/15. Commission Wilkerson reviewed the contract submitted and had several questions requiring some language changes in the proposed contract. Keith and Gary are working on the changes which will be submitted to the Commissioners and to DTO for approval.
    - Betsy attended workshops on completing surveys for DIS security status, DTO Proviso DR Spreadsheet.

**Professional Development/Training attended in October 2014**

- IT Training Center Business Advisory Council – Vocational Rehabilitation – Betsy Hartman
- Betsy Hartman attended SAWCA in Hilton Head.
- Amanda and Betsy attended the KeyMark Summit at the Columbia Hilton.
- Amanda and Betsy held a training session at Wilson, Jones, Carter and Baxley law firm for eCase and upload

State of South Carolina



Workers' Compensation Commission

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**To:** Mr. Gary Cannon  
SCWCC Executive Director

**From:** Grant Duffield  
IMS Director

**Date:** 9 – Dec – 2014

**Subj:** Insurance and Medical Services Department  
November 2014 Full Commission Report

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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"><li>1. Implementing new compliance verification workflow.</li><li>2. Reviewing revenue metrics.</li><li>3. Clean-up of "cases open" files / metrics</li></ol>   |
| Coverage Division   | <ol style="list-style-type: none"><li>1. Working with staff to review workflow processes and explore opportunities to enhance service provision.</li><li>2. Preparing for staffing transition.</li><li>3. Lapse in Coverage</li></ol>   |
| Medical Services    | <ol style="list-style-type: none"><li>1. Identifying edits needed within the Medical Services Provider Manual.</li><li>2. Working with Optum on draft MSPM revision.</li><li>3. Executed Scope of Work concerning fee schedule analysis.</li><li>4. Continue work with MedAssets to improve Medical Bill reviews.</li></ol>   |
| IMS Administration: | <ol style="list-style-type: none"><li>1. Working with team-members to review / improve team processes and key functions.</li><li>2. Working with Division Mgrs to provide cross coordination of mgmt. functions.</li><li>3. Completed and submitted 2013-14 Accountability Report.</li><li>4. Working with Executive Team concerning strategic planning and future needs forecasting.</li></ol> |

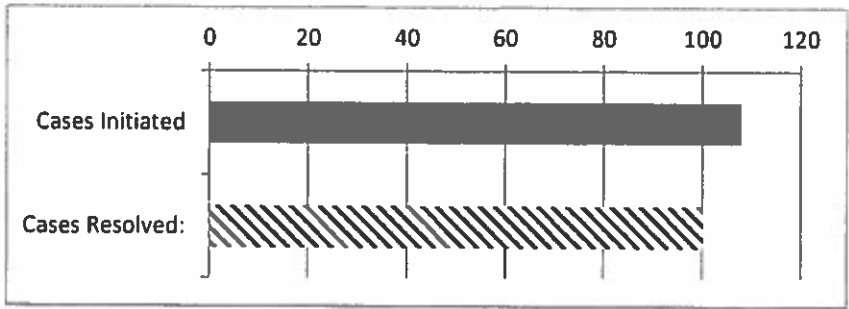
Mr. Cannon, while this summary is in no way all-inclusive, it may serve to assist you and our Commissioners in understanding the key initiatives underway in the IMS Department and provide measures by which the Department's effectiveness can be gauged. IMS welcomes any guidance that you and/or our Commissioners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

**IMS COMPLIANCE DIVISION**

November 2014

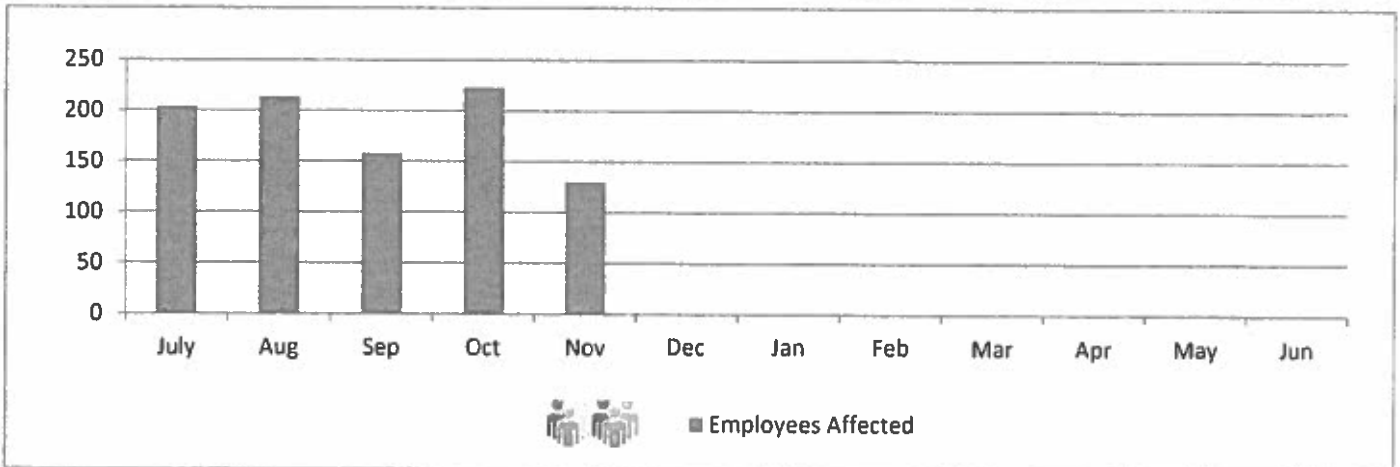
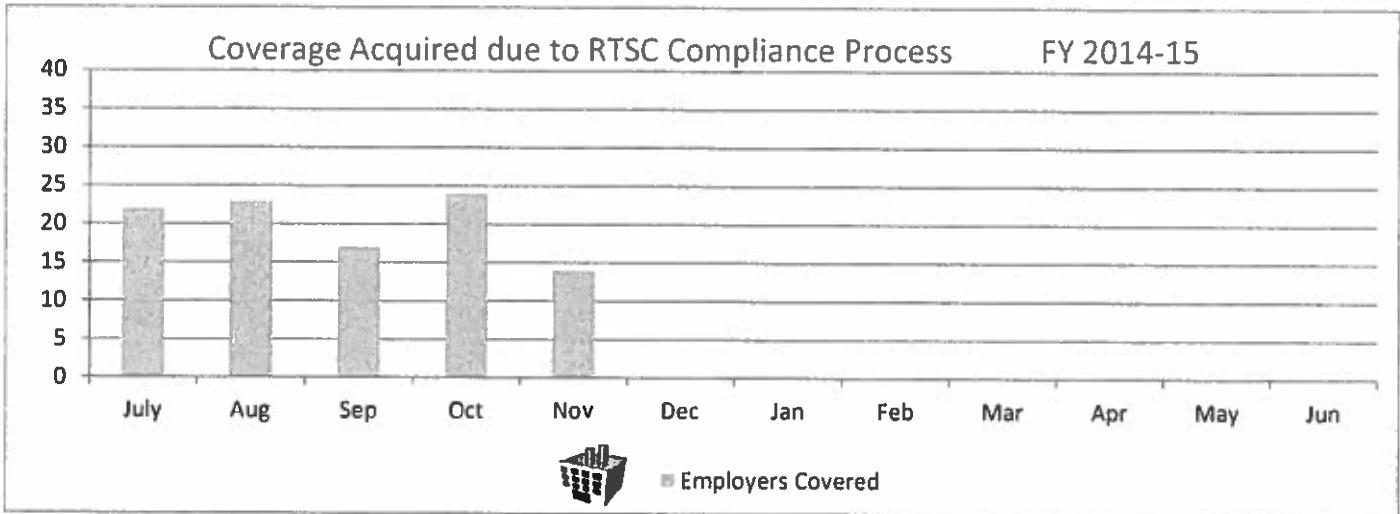
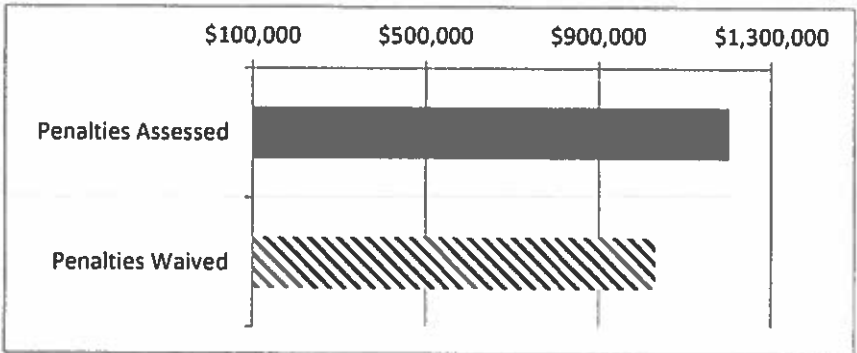
**Employers Obtaining Coverage**

For the Fiscal Year 2014 - 2015, the Compliance Division has worked with great diligence to help uninsured employers become compliant with the South Carolina Workers' Compensation Act. Year to date, the Compliance Division has compelled 100 employers in South Carolina to come into compliance with the Act. In so doing, approximately 930 previously uninsured workers are now properly covered.



**Penalties Waived**

Although the Division has assessed 1.2 million dollars in fines, over 86% of those fines (\$1m) have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.



**Carryover Caseload:**

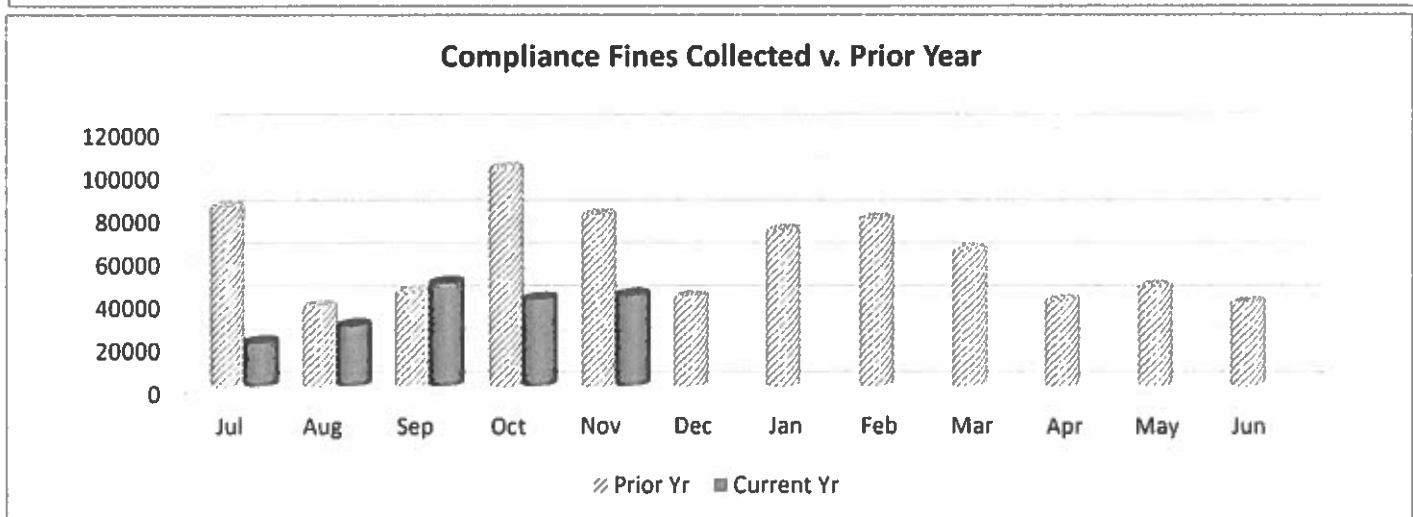
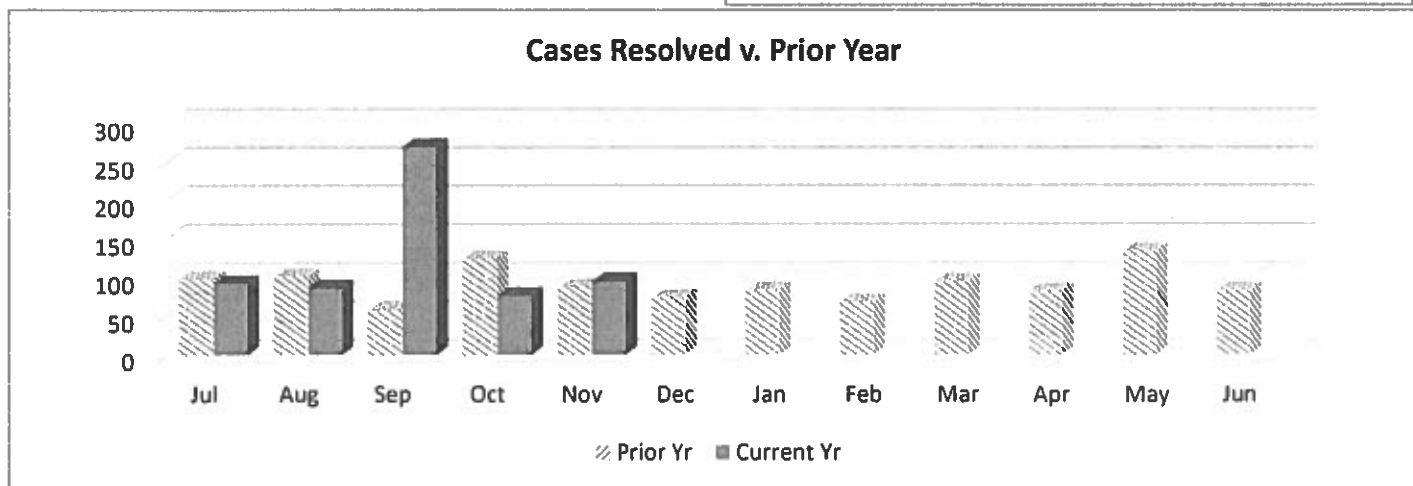
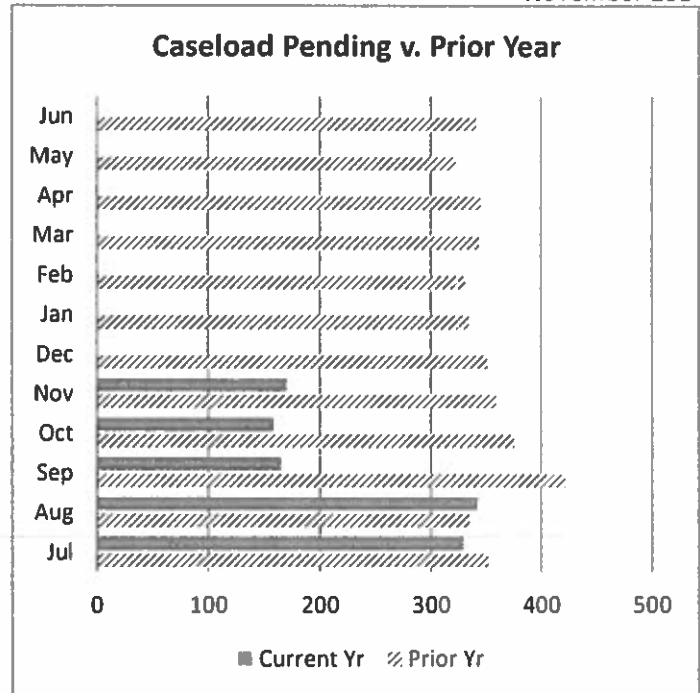
The Compliance Division closed November 2014 with 170 cases active, compared to an active caseload of 359 at the close of November 2013.

**Cases Resolved:**

Due to the decrease in carry-over, greater effort is focused on case resolution. For the month of November 2014, Compliance Division staff closed-out 96 cases.

**Compliance Fines:**

In November 2014, the Compliance Division collected \$42,352 in fines and penalties. Year to Date, the Compliance Division has collected \$179,696 in fines which represents 25% of prior year's year-end collection (\$725,776). The Compliance Division continues to find substantially greater compliance among employers in the State. This finding contributes to a Year-to-Date revenue trend of 52% of prior year.





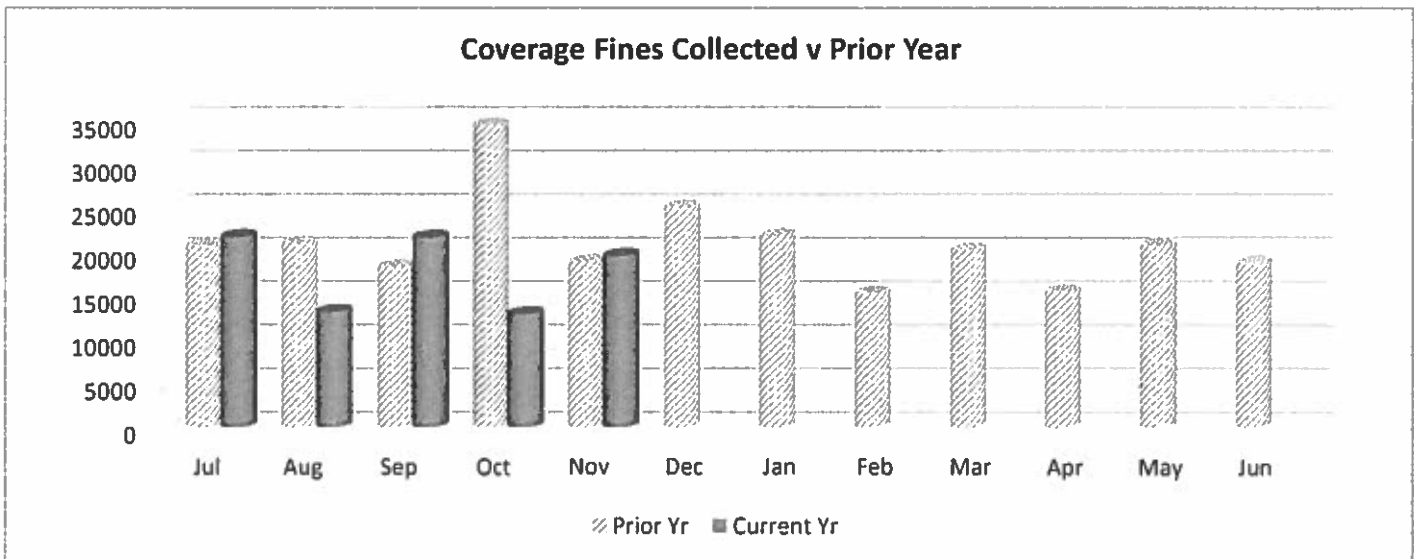
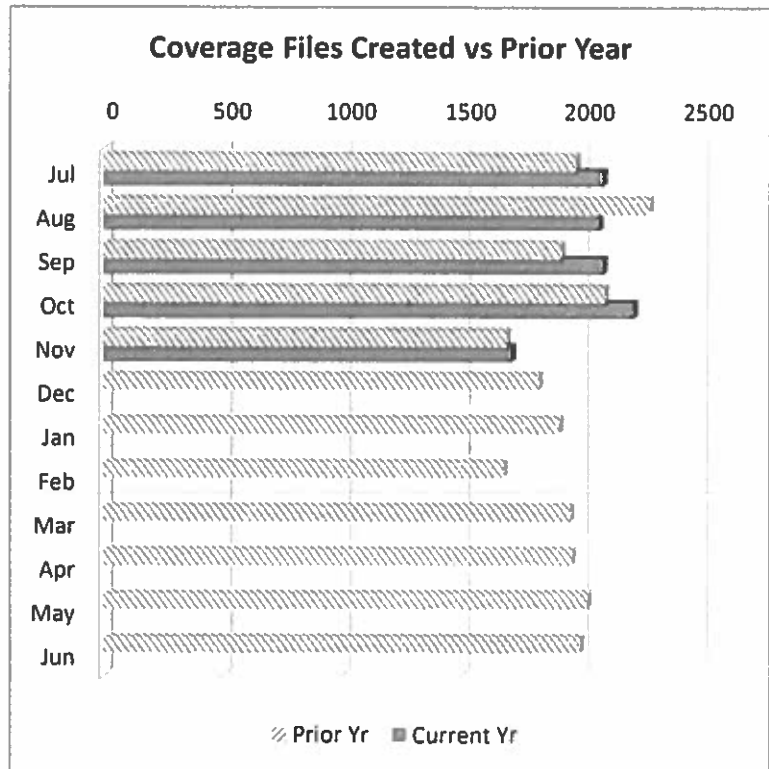
**WCC Claim Files:**

In November 2014, the Coverage Division received a total of 1,711 WCC Claim files. Of these, 1,447 were created electronically, and 264 were submitted in hard copy format. Year to Date, 10,212 Claim files have been created which is 44% of claim file volume prior year (23,369).

**Coverage Fines:**

The Coverage Division collected \$19,700 in fine revenue in November 2014, as compared to \$19,000 in Coverage fines/penalties accrued during November 2013. Year on Year, Coverage fines are at 35% of collections for prior year.

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



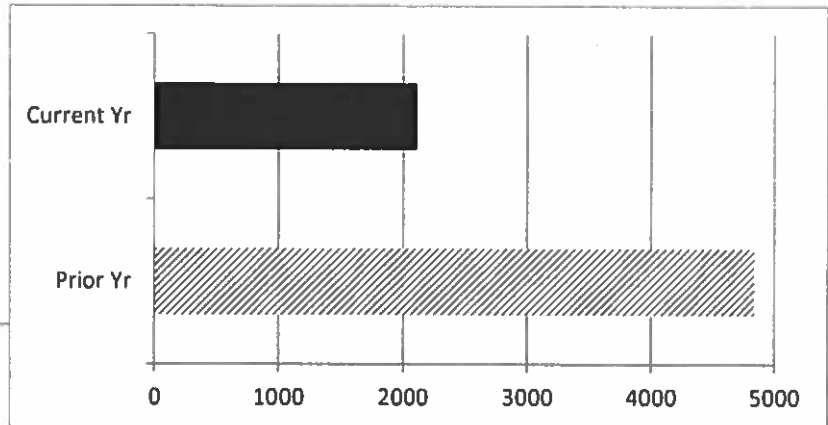
**IMS SELF INSURANCE DIVISION**

November 2014

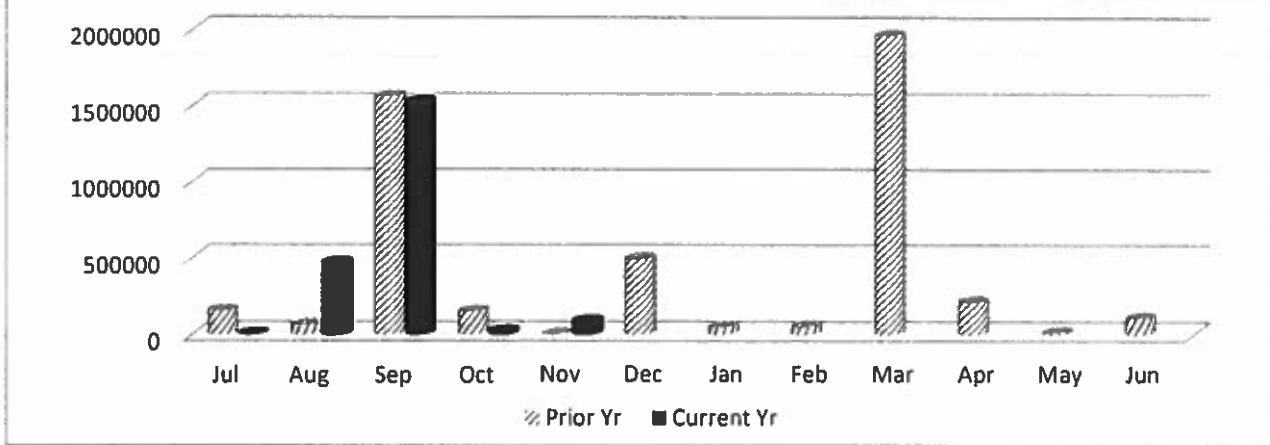
During the month of November 2014, the Self Insurance Division:

- \* collected \$86,166 in self-insurance tax.
- \* added 24 new self-insurers.
- \* conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 109% of prior year and 22 Self Insurance audits have been completed.



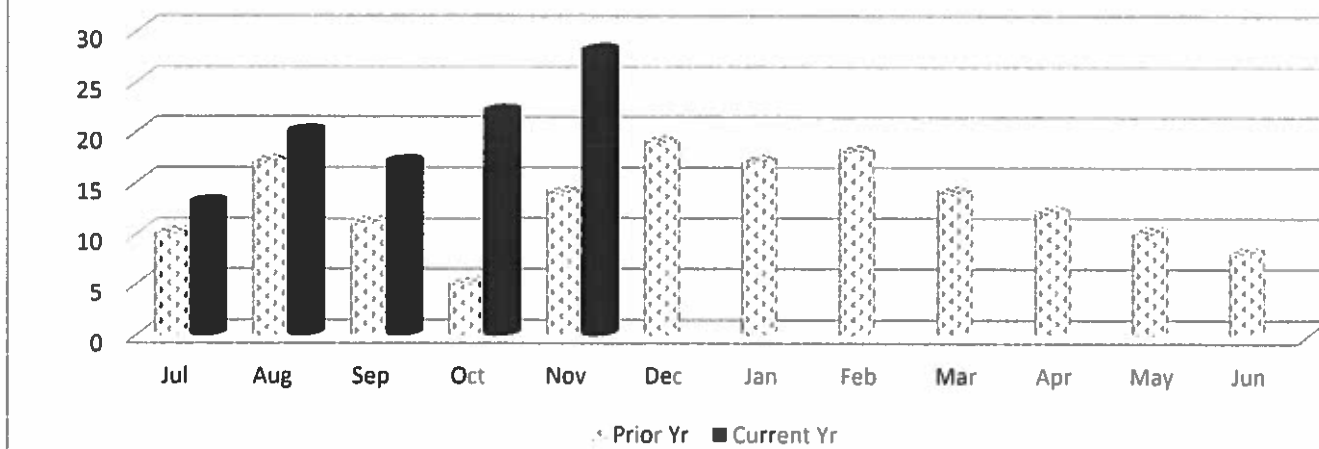
**Self Insurance Tax Collections v. Prior Year**



**IMS MEDICAL SERVICES DIVISION**

In November 2014, the Medical Services Division began the month with 22 bills pending review, received an additional 23 bills for review, conducted 17 bill reviews and ended the month with 28 bills pending.

**Medical Bills Pending Review v. Prior Year**

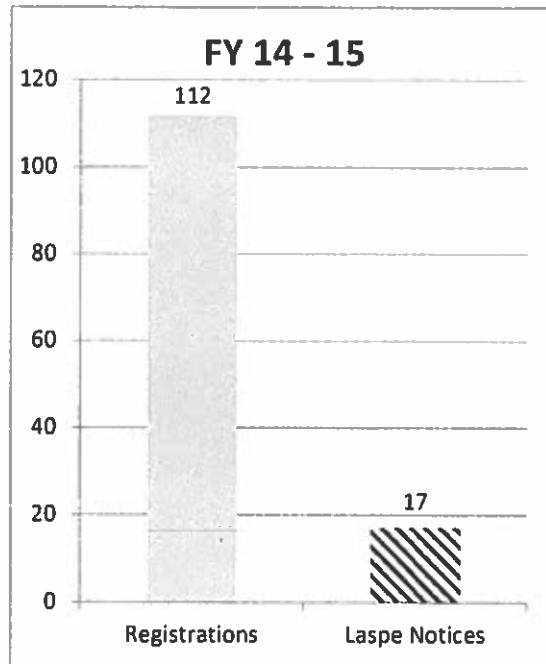


## Lapse In Coverage Notification

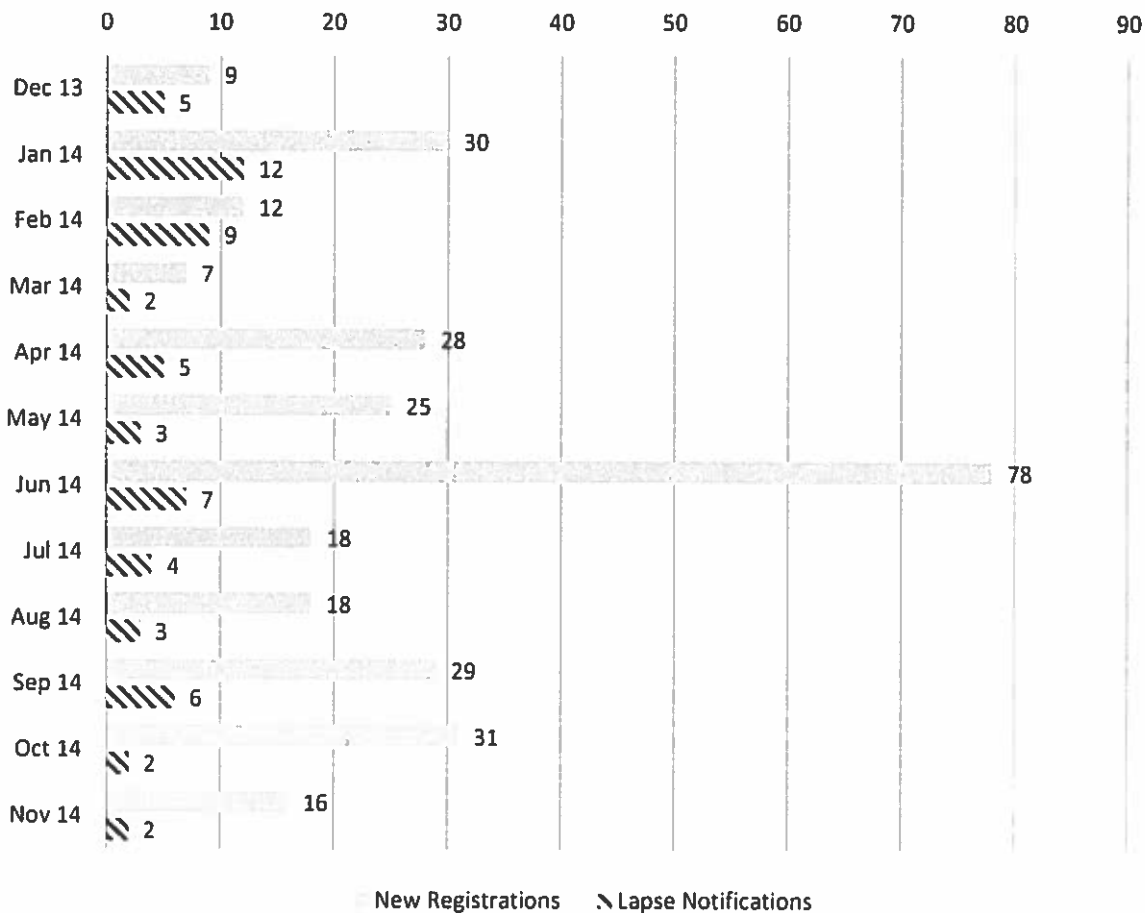
Title 42 holds that entities engaging a subcontractor for services may be held liable occupational injuries or death sustained by employees of the subcontractor if the subcontractor fails to maintain workers' compensation insurance. In collaboration with the SC Homebuilders Association, the SCWCC has developed a web-based application that allows an "up stream" employer to receive notification if a subcontractor's workers' compensation policy lapses. This enables the up stream contractor to take actions to safeguard themselves against unforeseen workers' compensation claim losses.

In November 2014, the LIC program registered 16 new policies to be tracked and issued 2 Lapse in Coverage notifications.

NOVEMBER 2014



## Lapse In Coverage Program Data (12 mo)



State of South Carolina



Workers' Compensation Commission

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**To:** Gary Cannon  
SCWCC Executive Director

**From:** Sonji Spann  
Claims Director

**Date:** December 1, 2014

**Subj:** Claims Department  
November 2014 Full Commission Report

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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 November 2014, the Claims Department has:

1. Closed 1,973 individual case files.
  - Closed 2309 (10/2014) Closed 2348 (11/2013)
2. Collected \$44,750 in fine revenue.
  - Collected 55,100 (10/2014) Collected 57,425 (11/2013)
3. The examiners reviewed 905 individual case files.
  - Reviewed 770 (10/2014) Reviewed 402 (11/2013)
4. Total Fines 381
  - Total Fines 421 (10/2014) Total Fines 272 (11/2013)
5. Form 18 Fines 336
  - Form 18 Fines 421 (10/2014) Form 18 Fines 166 (11/2013)
6. Total Forms Processed 6453.00
  - Total Forms Processed 8059 (10/2014) Forms Processed 7014 (11/2013)
7. Examiners are focusing on educating the stakeholders and strongly encouraging stakeholders to email forms.

	Five Year Claims Fine Collection History											
	FY 2011-2012, 2012-2013, 2013-2014 and 2014-2015											
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
2011-2012	111,875	103,800	83,300	81,300	85,100	110,700	126,700	120,225	116,915	100,200	61,050	90,450
2012-2013	80,825	69,100	57,075	91,925	64,825	65,950	60,550	79,875	67,000	56,650	47,550	48,500
2013-2014	42,350	21,900	35,050	110,350	57,425	50,900	27,000	38,550	73,100	45,350	52,550	31,200
2014-2015	43,300	42,100	51,650	55,100	44,750							





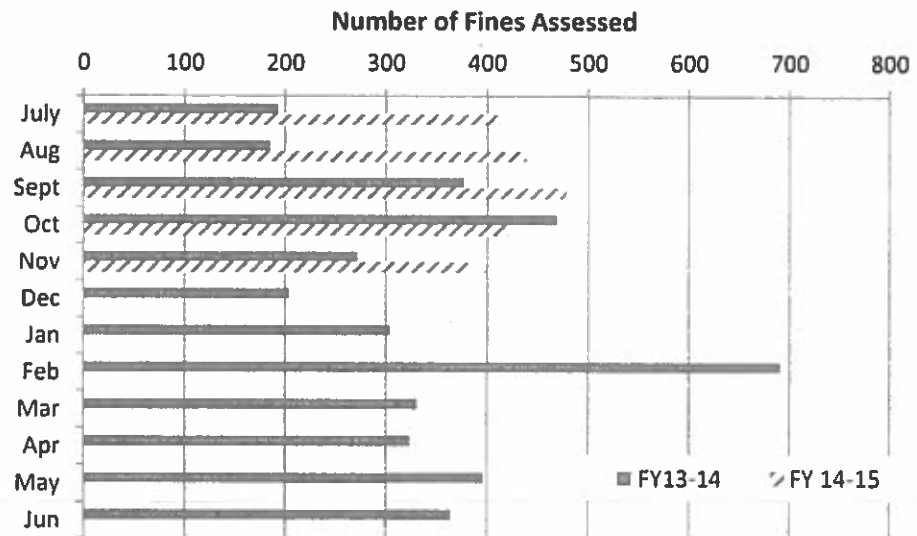




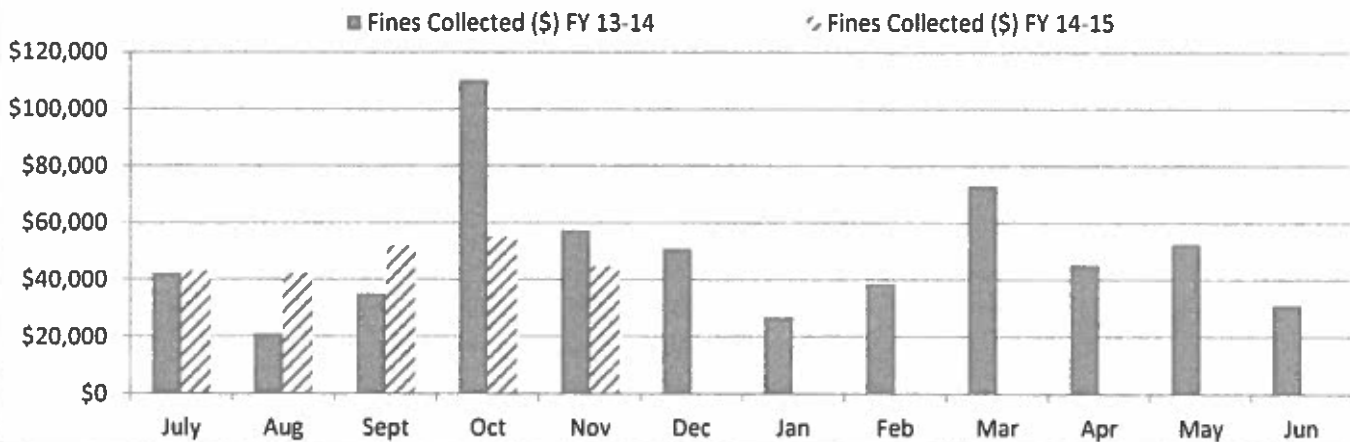
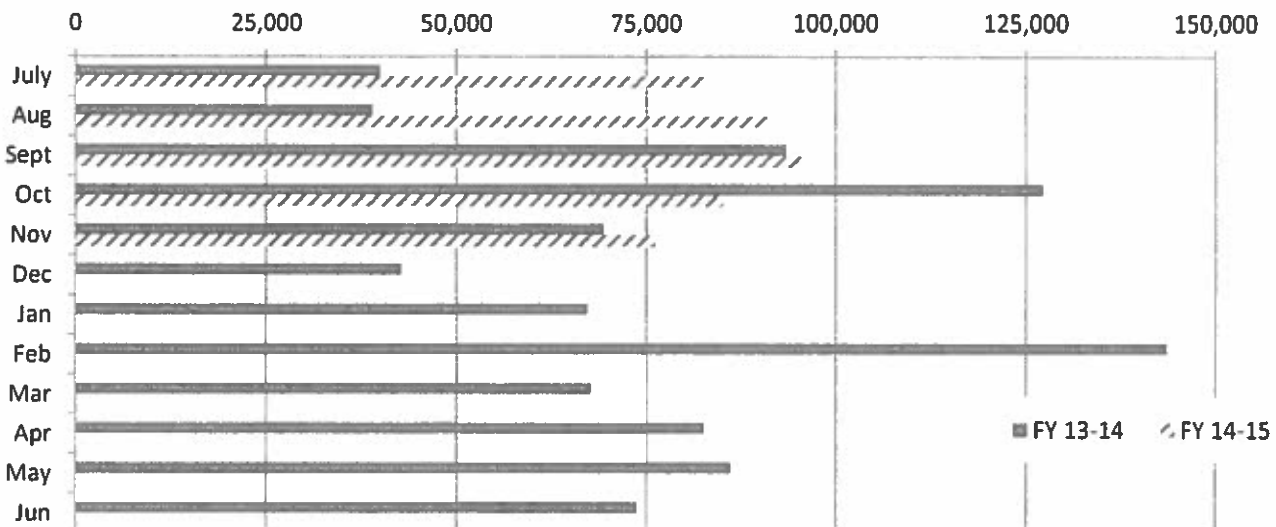
**CLAIMS DEPARTMENT - Fine Activity Report November 2014**

The number of fines assessed by the Claims Department decreased in number to 381 from 421 in November. The number of Claims fines paid decreased from 259 in October to 234 in November.

Total fine dollars assessed in November was \$76,200 a decrease over prior month \$85,200. Fine revenue received in November was \$44,750 a decrease over prior month \$55,100.



**Net Fines Assessed (\$)**



Fines Assessed (#)

	FY 13-14	FY 14-15
July	193	413
Aug	185	438
Sept	377	478
Oct	469	421
Nov	272	381
Dec	204	0
Jan	304	0
Feb	691	0
Mar	331	0
Apr	324	0
May	396	0
Jun	364	0
<b>Total</b>	<b>4,110</b>	<b>2,131</b>
Mo Avg	343	426

Fines Received (#)

	FY 13-14	FY 14-15
July	162	198
Aug	190	205
Sept	174	254
Oct	459	259
Nov	242	234
Dec	203	0
Jan	138	0
Feb	175	0
Mar	336	0
Apr	219	0
May	214	0
Jun	130	0
<b>Total</b>	<b>2,642</b>	<b>1,150</b>
Mo Avg	220	230

Net Fines Assessed (\$)\*

	FY 13-14	FY 14-15
July	40,000	82,650
Aug	39,000	91,250
Sept	93,500	95,700
Oct	127,250	85,200
Nov	69,350	76,200
Dec	42,750	0
Jan	67,200	0
Feb	143,600	0
Mar	67,600	0
Apr	82,700	0
May	86,200	0
Jun	73,750	0
<b>Total</b>	<b>932,900</b>	<b>431,000</b>
Mo Avg	77,742	86,200

Fines Collected (\$)

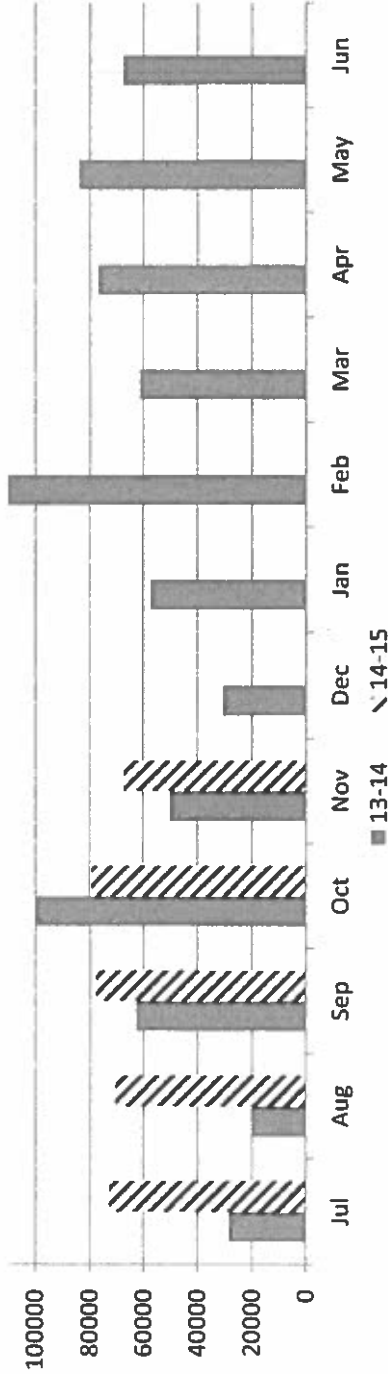
	FY 13-14	FY 14-15
July	\$42,350	43,300
Aug	\$21,200	42,100
Sept	\$35,050	51,650
Oct	\$110,350	55,100
Nov	\$57,425	44,750
Dec	\$50,900	0
Jan	\$27,000	0
Feb	\$38,550	0
Mar	\$73,100	0
Apr	\$45,350	0
May	\$52,550	0
Jun	\$31,200	0
<b>Total</b>	<b>585,025</b>	<b>236,900</b>
Mo Avg	48,752	47,380

\*after reductions and rescinded

### FORM 18 FINE ASSESSMENTS

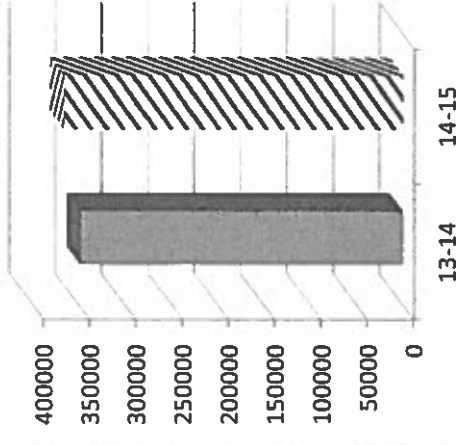
Consistent with overall Commission strategy, the Claims Department works with our Carrier partners to develop approaches that result in increased compliance levels and reduced Fine related costs to businesses in South Carolina.

A key "success measure" of this effort is the Form 18 Fine Assessment report. For the month of November 2014, this has resulted in a decrease in Form 18 Fine Assessments to \$67,200 as compared to October 2014 of \$79,200. The actual number of fines assessed remained at 217 October 2014.



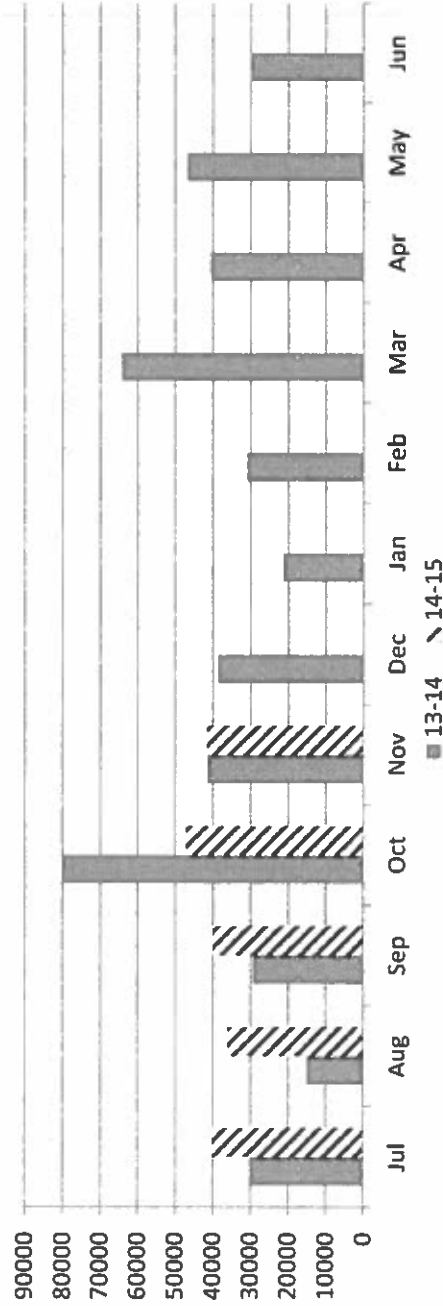
### FORM 18 FINE ASSESSMENTS YTD

Form 18 Fine Assessment is trending at 115% of prior year assessments.



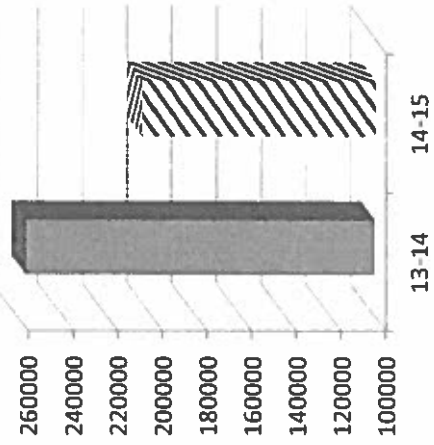
### FORM 18 FINE COLLECTION

In November 2014, the Claims Department received payment on Form 18 Fines resulting in revenue of \$41,500.



### FORM 18 FINE REVENUE YTD

Form 18 Fine Revenue is trending at 93% of prior year collections.



State of South Carolina

1333 Main Street  
P O Box 1715  
Columbia, S C 29202-1715



Tel (803) 737-5700  
Fax (803) 737-5768  
www.wcc.sc.gov

**Workers' Compensation Commission**

December 8, 2014

**To:** Gary M. Cannon  
Executive Director

**From:** Amy A. Bracy  
Judicial Director

**RE: Monthly Judicial Report**

Please be advised of the following:

There were sixty-four (64) regulatory mediations scheduled and eighteen (18) requested mediations. The Judicial Department was notified of fifty-nine (59) matters resolved in mediation with the receipt of Forms 70.

The Informal Conference system has addressed two hundred twenty-two (222) cases during the last month.

There were one hundred (100) Single Commissioner Hearings conducted during the past month.

There were fifteen (15) cases appealed to Full Commission during the past month.

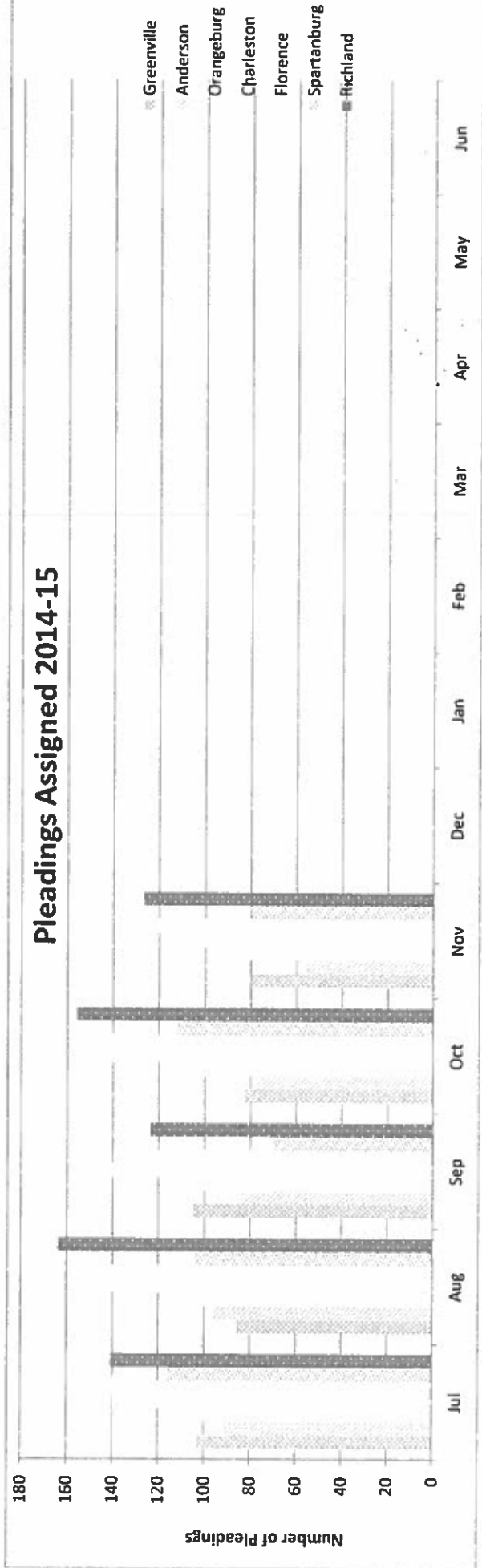


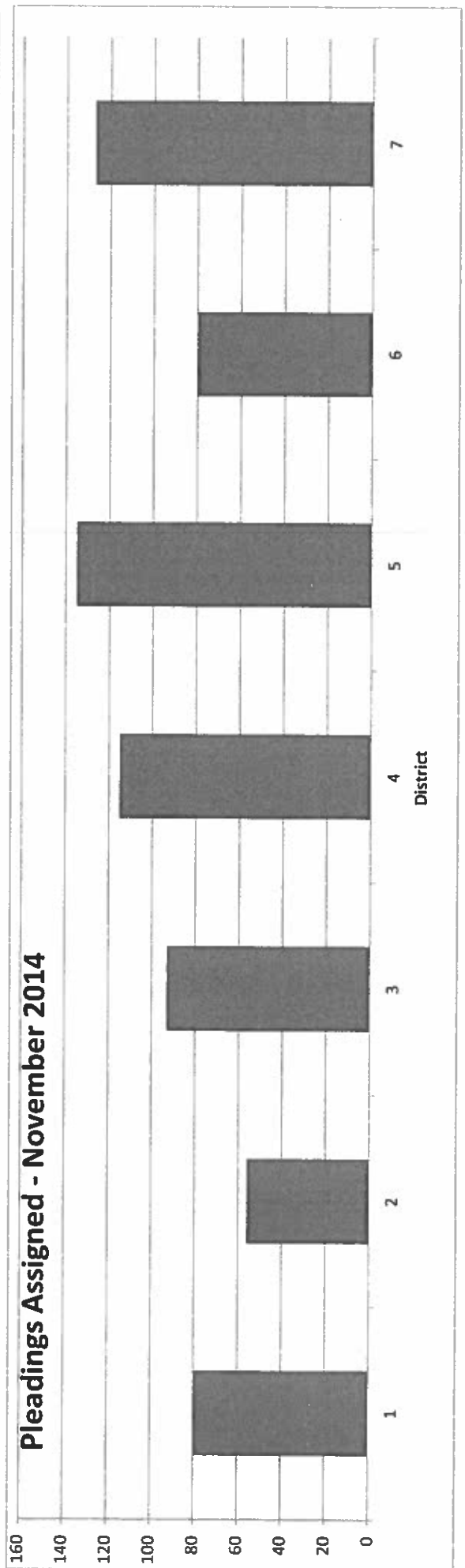
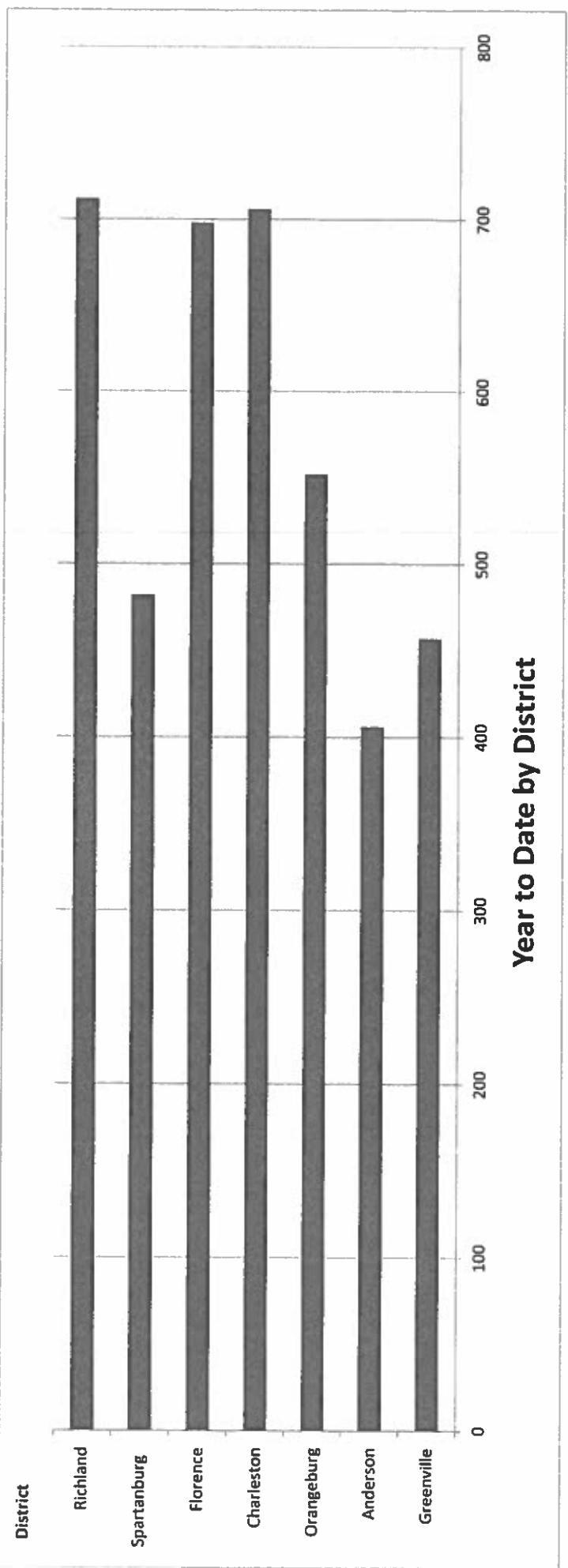


### Pleadings Assigned

	District 1 Greenville		District 2 Anderson		District 3 Orangeburg		District 4 Charleston		District 5 Florence		District 6 Spartanburg		District 7 Richland		
	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14	14-15	13-14	12-13
Jul	103	119	94	96	124	121	140	164	145	140	116	111	141	135	173
Aug	86	121	133	71	126	121	153	170	146	153	104	119	164	141	215
Sep	105	102	95	80	101	97	155	163	126	101	70	90	124	132	144
Oct	83	124	118	84	120	128	143	170	146	138	112	106	156	160	146
Nov	80	115	111	67	125	115	115	163	135	139	80	79	127	112	138
Dec		78	74	93	142	102	123	126		118		95		113	108
Jan		92	111	56	118	100	151	193		128		88		119	141
Feb		93	106	98	98	98	157	165		114		93		106	133
Mar		101	104	76	107	107	121	134		143		91		121	160
Apr		98	122	69	107	100	144	155		108		101		103	162
May		88	67	97	78	124	169	134		80		100		102	107
Jun		81	98	79	121	95	148	163		121		79		110	144
<b>Totals</b>	<b>457</b>	<b>1212</b>	<b>1233</b>	<b>406</b>	<b>1079</b>	<b>552</b>	<b>1843</b>	<b>1891</b>	<b>698</b>	<b>1483</b>	<b>482</b>	<b>1152</b>	<b>712</b>	<b>1572</b>	<b>1771</b>

### Pleadings Assigned 2014-15







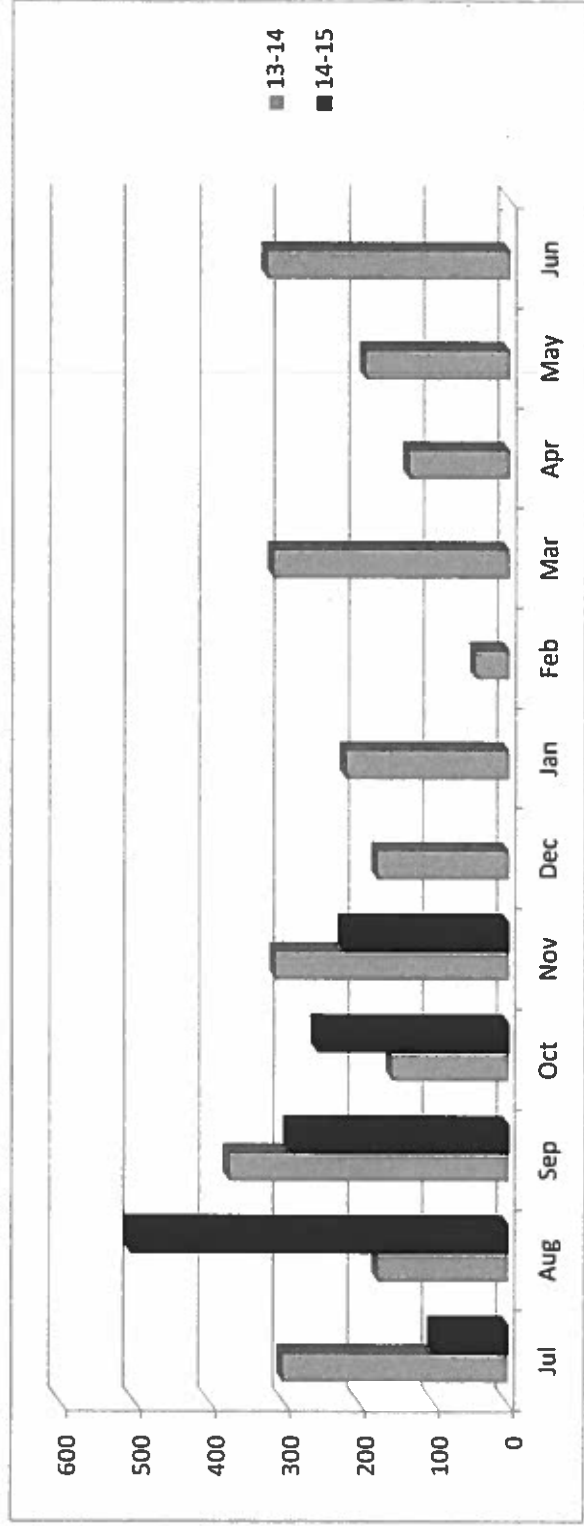
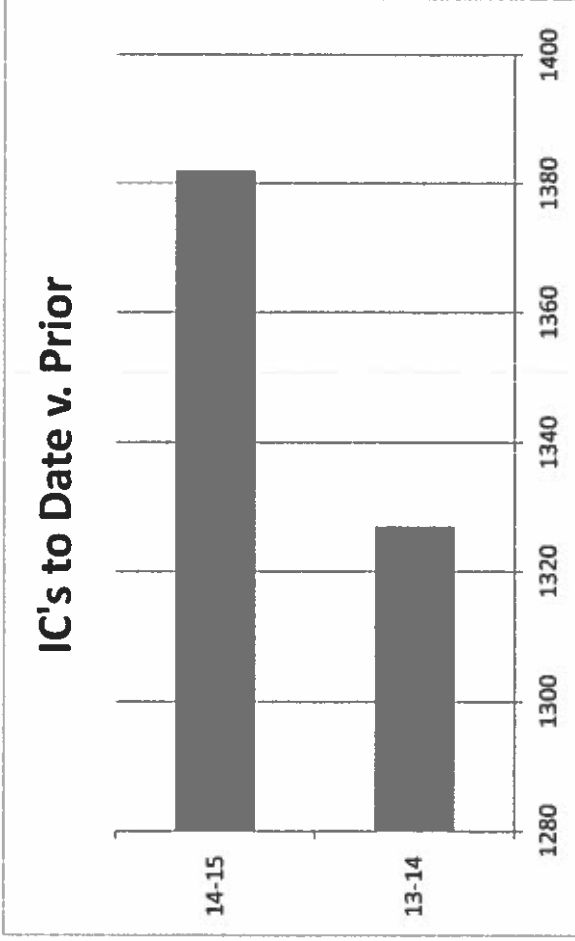
**Informal Conf. Conducted**

	13-14	14-15	
Jul	303	100	33.0%
Aug	176	508	288.6%
Sep	376	294	78.2%
Oct	158	258	163.3%
Nov	314	222	70.7%
Dec	178		0.0%
Jan	220		0.0%
Feb	46		0.0%
Mar	317		0.0%
Apr	136		0.0%
May	195		0.0%
Jun	326		0.0%
<b>Total</b>	<b>2745</b>	<b>1382</b>	

13-14 14-15  
**1327 1382 104.1%**

**Y-T-D**

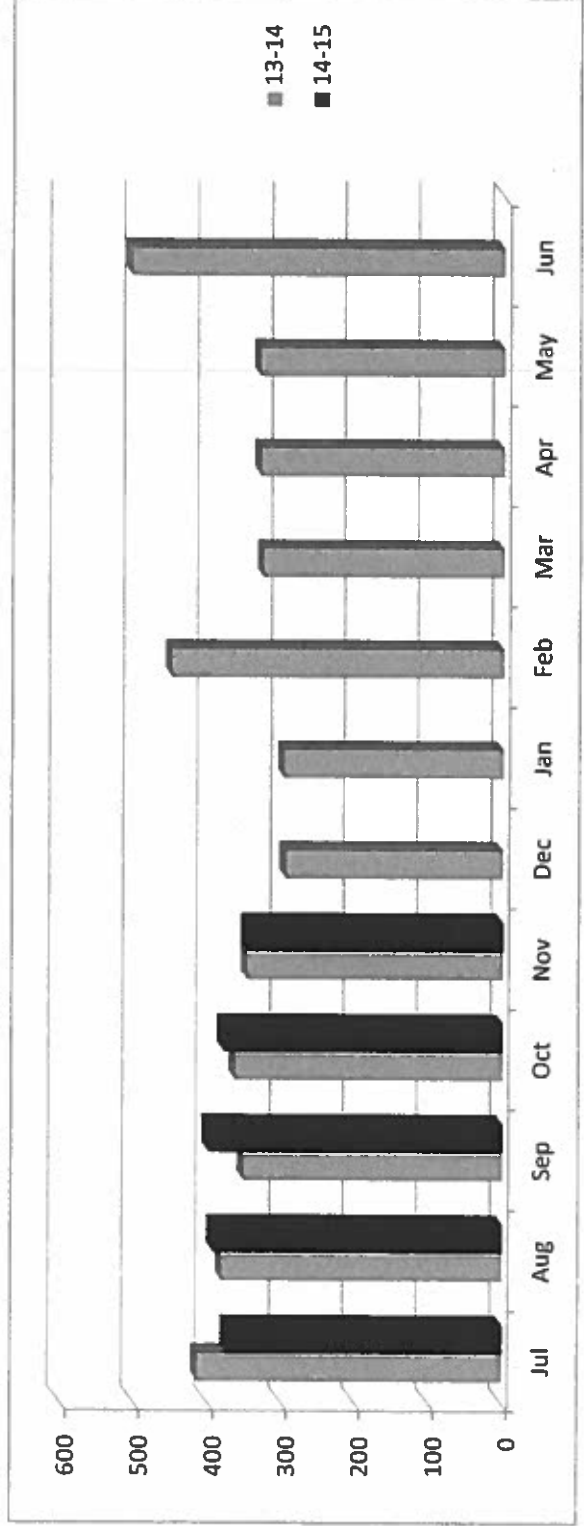
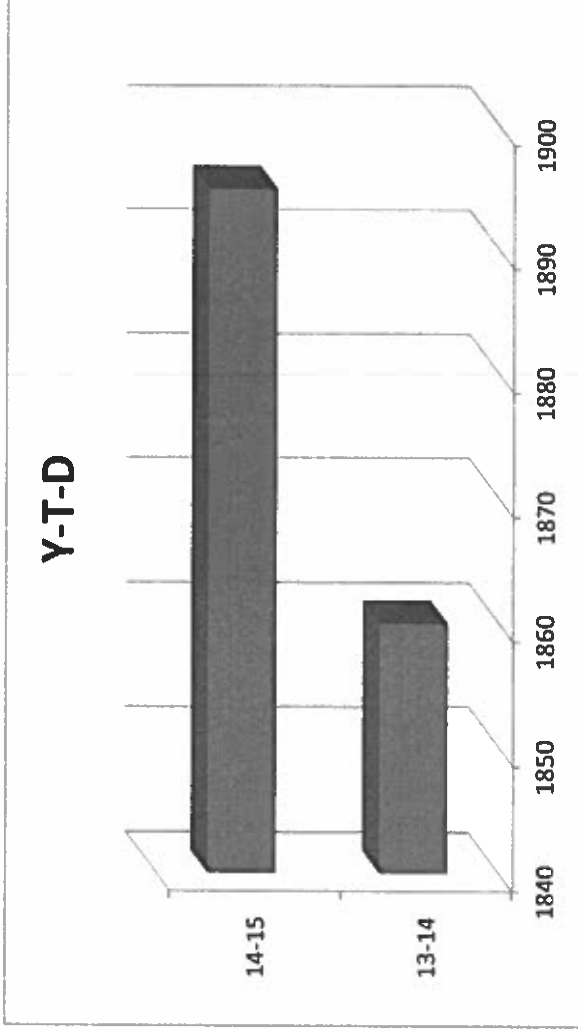
**IC's to Date v. Prior**



**Informal Conf. Requested**

	13-14	14-15
Jul	414	375
Aug	382	393
Sep	352	400
Oct	364	380
Nov	348	347
Dec	296	
Jan	299	
Feb	452	
Mar	328	
Apr	331	
May	332	
Jun	506	
<b>Total</b>	<b>4404</b>	<b>1895</b>

**Y-T-D**  
 13-14 1860  
 14-15 1895  
**1.018817**



# *State of South Carolina*

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



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

## *Workers' Compensation Commission*

### **Executive Director's Report Gary M. Cannon December 11, 2014**

#### **Narcotics Use Advisory Committee**

The Narcotics Use Advisory Committee met on Thursday, November 20, 2014 at 1:30 p.m. at the S.C. Pharmacy Association in Columbia. The Committee was briefed by S. Lee Dutton, DAODAS, findings and recommendations of the Governor's Prescription Drug Abuse Prevention Council which were published December 1. Chairman Ric Davis will appoint a subcommittee to draft a recommendation based on the Committee's discussions.

#### **Personnel**

Calandra Sorrells, Records Analyst, Accounting/Fiscal Manager, submitted her resignation effective December 16, 2014. Recruiting has begun to fill the position. The closing date for accepting applications is midnight on Tuesday, December 16, 2014.

#### **Meetings/Activities**

The Executive Director participated in the following meetings/activities:

- November 18 – Status conference with P. Hunter regarding Westpoint Home, LLC.
- November 25 – Met with PCI representatives and members of Southern Strategy Group to discuss proposed legislation
- November 26 – Conference call with Stephanie Brewer, Project Manager with Ingenix
- December 2-4 – Attended the IAIABC Board of Directors Meeting, Chicago, IL
- December 11 – Conference call with Alan McClain, Regional Director, Workers' Compensation Research Institute

#### **Employee Meetings**

The Executive Director met with the Department Heads on November 25. An All Employee meeting was held on Friday, December 5. The next All Employee meeting is scheduled for Tuesday, January 13, 2015 at 10:00 a.m. The Executive Director has conducted four EPMS/Planning stages with Executive Staff. The planning stages will be complete by December 31.

#### **FY13-14 Accountability Report**

The 2013-14 Accountability Report was submitted November 24 and is posted on the Commission's website.

**Constituent /Public Information Services**

For the period November 10 through December 10, 2014 the Executive Director's Office and the General Counsel's office had 470 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 November 10 through December 10, 2014, we added six individual to the Commission's stakeholder distribution list. A total of 508 individuals currently receive notifications from the Commission.

P.O. Box 995  
1550 Gadsden Street  
Columbia, SC 29202  
dew.sc.gov



Nikki R. Haley  
Governor

Cheryl M. Stanton  
Executive Director

---

December 12, 2014

Mr. Gary Cannon  
Office of Executive Director  
Workers' Compensation Commission  
1333 Main Street  
Columbia, SC 29202-1715

Re: Average Weekly Wage

Dear Mr. Cannon,

This is in reference to your correspondence dated November 24, 2014, in which you requested the average weekly wage.

This letter certifies that the average weekly wage for July 1, 2013 through June 30, 2014 as computed under South Carolina Employment Security Law was \$766.05.

If you should have any questions or need any further information, please contact Brenda Lisbon, Business Intelligence Department Director, at 737-2813.

Sincerely,

A handwritten signature in black ink that reads "Cheryl Stanton".

Cheryl Stanton  
Executive Director

CMS/tcm

ES-8

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )  
\_\_\_\_\_ )

BEFORE THE SOUTH CAROLINA  
WORKERS' COMPENSATION  
COMMISSION

In Re: Average Weekly Wage  
Maximum Compensation Rate  
Effective January 1, 2015

The South Carolina Department of Employment and Workforce has certified the average weekly wage in South Carolina for the period of July 1, 2013 through June 30, 2014, was Seven Hundred Sixty Six Dollars and Five Cents (\$766.05). South Carolina Code Ann. Section 42-9-10, provides, in pertinent part, that "The injured employee may not be paid more each week than the average weekly wage in this State for the preceding fiscal year." Therefore according to South Carolina Code Sections 42-1-50; 42-9-10; and 42-9-20, et seq. (Law. Co-op 1976), the maximum weekly compensation rate for injuries arising on and after January 1, 2015, shall be Seven Hundred Sixty Six Dollars and Five Cents (\$766.05).

AND IT IS SO ORDERED!

\_\_\_\_\_  
T. Scott Beck, Chairman

\_\_\_\_\_  
Susan S. Barden, Vice Chair

\_\_\_\_\_  
R Michael Campbell, II, Commissioner

\_\_\_\_\_  
Melody L. James, Commissioner

\_\_\_\_\_  
Gene McCaskill, Commissioner

\_\_\_\_\_  
Aisha Taylor, Commissioner

\_\_\_\_\_  
Avery B. Wilkerson, Jr., Commissioner

In Chambers  
Columbia, South Carolina

\_\_\_\_\_  
Date

*State of South Carolina*

1333 Main Street, 5<sup>th</sup> Floor  
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*Workers' Compensation Commission*

**TO: Commissioners**  
**FROM: Gary M. Cannon**  
**DATE: December 11, 2014**  
**RE: FY 2013-14 Annual Report**

Attached is the Annual Report for FY 2013-14. It contains highlights of the key activities and accomplishments of the Commission for the 12 month period ending June 30, 2014.

I would like to express my sincere appreciation to the employees of the Commission for their hard work and participation to accomplish so much during the past year.

Using Chairman Beck's illustration, I would like to think we moved the boat further in the right direction, because everyone was rowing together.

## THE YEAR IN REVIEW

The South Carolina Workers' Compensation Commission is proud to report its activities and accomplishments for Fiscal Year ending June 30, 2014. 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 2014 operating budget was \$5.2 million, \$1.8 million in General Funds and \$3.3 million in Other Funds.
- The Commission continued to implement cost reduction measures resulting in the actual operating expenses of \$5 million.
- However it was necessary to utilize \$1,085,516 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.
- As a result of the passage of Act 95 in 2013, the Commission retained \$2.4 million of the Self Insurance Tax collected.

### Key Accomplishments

- Added new features to eCase to better serve eCase users and stakeholders by providing information in a more efficient and effective way.
- Obtained approval by the General Assembly of changes to R67-1605 Lump Sum Payment whereby the Net Present Value (NPV) tables are calculated at the yield-to-maturity rate of the Five Year U.S. Treasury Note report by the Federal Reserve on the first business day following January 1, and shall not exceed 6% or be less than 2%.
- Implemented EDI Release 3 allowing the Commission to obtain additional claim data to improve the claims adjudication process and maintain industry standards in data reporting.
- Amended the Copy Cost Fee Schedule to allow parties to cases to purchase access to the electronic images in a case file through the Commission's eCase portal for an access fee of \$20 for a 24-hour period.
- Improved the process for identifying outstanding carrier fine debt to be address through the Order and Rule to Show Cause process.
- Adopted and began the process for implementing information technology security policies, guidelines and standards developed by the Budget and Control Board.
- Continue to partner with the S.C. Vocational Rehabilitation Department utilizing an electronic database portal for claimant outreach and referral for vocational rehabilitation services. Fifty-two claimants were referred.

### Communication/External Relations

- Conducted two training sessions, **Claims Administration Workshop**, for 139 stakeholders on October 31, 2013 and May 9, 2014. Attendees included attorneys, insurance companies, TPAs, employers and others who deal with workers' compensation claims.
- Conducted three **Mediation Regulation Workshops** throughout the State: Charleston on September 26, 2013; Columbia on October 3, 2013; and Greenville October 10, 2013 for 135 stakeholders. Attendees included adjusters, attorneys, paralegals 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 404 to 478.
- Posted 138 general notices to the Commission's website
- Emailed 74 general notices, policy advisories and updates to stakeholders and other interested parties.
- Conducted two stakeholder focus groups for improving the Informal Conference process and launching a new process for electronically uploading documents for Commissioner hearings and Appellate hearings.
- The Senate confirmed the reappointment of Commissioner T. Scott Beck to the Commission for a term beginning June 30, 2014 through June 30, 2020 and confirmed his appointment as Chairman for a term beginning on June 30, 2014 through June 30, 2016.
- The Senate confirmed the reappointment of Commissioner Avery Wilkerson, Jr. for a term beginning on June 30, 2014 through June 30, 2020.
- The Senate confirmed the reappointment of Commissioner Aisha Taylor for a term beginning on June 30, 2014 through June 30, 2020.
- Appointed an Ad Hoc Advisory Committee of stakeholders to study the issue of the use of prescribed narcotics for patients receiving treatment as a result of workers' compensation injury.

### Compliance & Coverage

- For FY 13-14, the Compliance Division compelled 306 employers in S.C. to come into compliance with the Act. In so doing, approximately 2,846 previously uninsured workers are now properly covered.
- The Compliance Division collected \$725,776 in fines which represents 124% of FY 13 year-end collection.
- Increased Compliance investigations by 13.5% (958 to 1,088).

### Claims

- Number of cases filed with the Commission increased 3,087, or 4.96%, (62,213 to 65,300) from FY 13.
- Processed 13,341 settlements (Clinchers, Form 16s, and third party settlements), and 25,377 initial notices of payments (Form 15 Sections I and II).
- Employed a new Director of Claims.
- Processed 52,735 Form 18 (Carrier's Periodic Report)

### Hearings

- Assigned 4,404 cases for Informal Conferences. (FY13 - 4,417)
- Conducted 2,745 Informal Conferences. (FY13 - 2,981)
- Docketed 9,553 cases for single commissioner hearing. (FY13 - 10,162)
- Cases docketed for single commissioner hearings decreased 609 or 6%; hearings conducted by a commissioner decreased 163 or 11.7%.
- The number of settlements decreased by 68 or .07%.
- Single commissioner cases appealed to the Full Commission decreased by 163 or 32%.
- The number of cases reviewed by the Full Commission decreased by 89 or 34% and the number of Full Commission cases appealed to higher court decreased by 49 or 38.6%.

### Appeals

- Processed 344 appeals to the Full Commission. (FY13 - 507)
- Conducted 173 appellate hearings. (FY13 - 262)
- Full Commission decisions appealed to higher Court-78. (FY13 - 127 )

## **System Overview**

### **Premiums**

- Premiums paid into the workers' compensation system totaled \$962.4 million in FY 13-14  
Market Share
  - Commercial - \$665.1 million (69%)
  - Self Insurance - \$218.6 million (23%)
  - State Accident Fund - \$78.7 million (8%)

### **Insurance Tax**

- Collected and remitted to the State General Fund \$4.8 million Self-Insurance Taxes (FY 13 - .5% increase)
- Workers' Compensation premium tax paid to the State General Fund - \$16,640,786

### **Total Cost Reported for Cases Closed (Medical and Indemnity)**

- Total cost of medical and compensation - \$903.7 million. (FY13 - \$870.1million)
- Medical expenses totaled \$341.9 million. (FY 13 - \$328.6 million)
- Compensation totaled \$561.7 million. (FY 13 - \$541.5 million)

### **Average Cost Per Claim**

- Total = \$13,613 per claim. (FY 13 - \$13,826)
- Medical = \$5,151 per claim. (FY 13 - \$5,221)
- Compensation = \$8,462 per claim. (FY 13 - \$8,605)

### **Compensation by Category**

- Total = \$561.7 million. (FY 13 - \$541.5 million)
- Agreement = \$535.1 million. (FY 13 - \$517.1 million)  
Percent of Total = 95.3 % (FY 13 - 95.5%)
- Award = \$26.6 million. (FY13 - \$24.4 million)  
Percent of total = 4.7% (FY 13 - 4.5%)

Number of Employers Purchasing Insurance	76,775
Number of Employers Qualifying as Self-Insurers	2,099
Investigations Active Beginning of Fiscal Year	352
Investigations Initiated	1,088
Investigations Set for Show Cause Hearings/	42
Compliance Agreements Received *	275
Total Investigations Closed	988
Investigations Active at Close of Fiscal Year	341
Number of Accident Cases Filed with the Commission	65,300
A New Cases	63,346
B Reopened cases	1,954
Number of Cases Closed during Fiscal Year	66,387
A Individually Reported Accidents	26,225
B Minor Medical Only Accidents Reported	40,162
Total Compensation & Medical Cost Paid on Closed Cases	\$903,733,966
Medical Costs	\$341,956,118
Compensation	\$561,777,848
Temporary Compensation Agreements	14,995
Agreements for Permanent Disability	2,859
Applications for Stop Payment **	1,682
Cases Docketed for Hearings	9,553
Cases Assigned for Informal Conferences	4,404
Hearings Conducted by Single Commissioners	1,229
Informal Conferences Conducted	2,745
Decisions, Opinions & Orders, Single Commissioners	1,324
Cases Appealed to Full Commission for Review	344
Reviews Conducted by Full Commission or Panel	173
Decisions and Opinions by Full Commission or Panel	233
Commission Decisions Appealed to Higher Court	78
Common Law Settlements	10,195
Attorney Fee Approvals	8,357

South Carolina Workers' Compensation Commission Summary of Revenues and Expenditures Year Ending June 30, 2014			
STATE APPROPRIATIONS			
	Budget	Actual	Surplus (Deficit)
<b>Revenues</b>	<b>\$ 1,859,011</b>	<b>\$1,843,870</b>	<b>\$ (15,141)</b>
<b>Expenditures</b>			
Personal Services	\$ 1,439,044	\$1,423,903	\$ (15,141)
Other Operating Expenses	-	-	-
Employer Contribution	419,967	419,967	-
<b>Total</b>	<b>\$ 1,859,011</b>	<b>\$1,843,870</b>	<b>\$ (15,141)</b>
<b>EARMARKED FUNDS</b>			
<b>Revenues</b>			
Training Conference Registration Fee	\$ 5,000	\$ 5,780	\$ 780
Sale of Publication and Brochures	8,000	3,900	(4,100)
Workers' Comp Award Review Fee	73,000	39,750	(33,250)
Sale of Photocopies	88,000	62,485	(25,516)
Workers' Compensation Filing Violation Fee	1,660,000	1,613,161	(46,839)
Sale of Listings and Labels	25,000	21,084	(3,917)
Workers' Comp Hearing Fee	562,000	540,391	(21,609)
<b>Total</b>	<b>\$ 2,421,000</b>	<b>\$2,286,550</b>	<b>\$ (134,450)</b>
Appropriated Fund Balance	951,066	1,085,516	134,450
<b>Total</b>	<b>\$ 3,372,066</b>	<b>\$3,372,066</b>	<b>\$ 0</b>
<b>Expenditures</b>			
Personal Services	\$ 1,587,546	\$1,587,546	\$ 0
Other Operating Expenses	1,255,891	1,102,933	152,958
Employer Contribution	528,629	528,629	(0)
<b>Total</b>	<b>\$ 3,372,066</b>	<b>\$3,219,108</b>	<b>\$ 152,958</b>
<b>Total All Funds</b>	<b>\$ 5,231,077</b>	<b>\$5,062,978</b>	<b>\$ (168,099)</b>
<b>SELF INSURANCE</b>			
	<b>Revenue</b>	<b>Transferred to State</b>	<b>Retained</b>
Self Insurance Tax	\$ 4,845,266	\$2,422,633	\$2,422,633