

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

June 19, 2017 – 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 | <i>CHAIRMAN BECK</i> |
| 2. APPROVAL OF AGENDA OF BUSINESS MEETING OF JUNE 19, 2017 | <i>CHAIRMAN BECK</i> |
| 3. APPROVAL OF MINUTES OF THE BUSINESS MEETING OF MAY 15, 2017 (Tab 1) | <i>CHAIRMAN BECK</i> |
| 4. GENERAL ANNOUNCEMENTS | <i>MR. CANNON</i> |
| 5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) | <i>MR. BERTHELETTE</i> |
| 6. DEPARTMENT DIRECTORS' REPORTS
Human Resources (Tab 3)
Information Services (Tab 4)
Insurance and Medical Services (Tab 5)
Claims (Tab 6)
Judicial (Tab 7) | <i>MS. STUART</i>
<i>MS. SPRANG</i>
<i>MR. DUCOTE</i>
<i>MS. SPANN</i>
<i>MS. BRACY</i> |
| 7. EXECUTIVE DIRECTOR'S REPORT (Tab 8)
Administration – Financial Report (Tab 9) | <i>MR. CANNON</i>
<i>Mr. Cannon</i> |
| 8. OLD BUSINESS | <i>CHAIRMAN BECK</i> |
| 9. NEW BUSINESS
A. Administrative Order - Electronic Payment 42-9-450 (Tab 10) | <i>CHAIRMAN BECK</i>
<i>Mr. Cannon</i> |
| 10. ADJOURNMENT | <i>CHAIRMAN BECK</i> |

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9	Summary of Revenues and Expenditures
10	Administrative Order – Electronic Payment 42-9-450

THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING
May 15, 2017

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, May 15, 2017, 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 Cannon, Executive Director; Bryan Berthelette, Compliance Officer; Amy Bracy, Judicial Director; David DuRant, Attorney; Loretta Dykes, Fiscal Technician; Kim Falls, Business Analyst; Audra Paskowich, Insurance and Medical Services Director; Keith Roberts, Attorney; Elizabeth Schinke, Business Analyst; W.C. Smith, Self-Insurance Director; Sonji Spann, Claims Director; and Sandee Sprang, IT Director.

Chairman Beck called the meeting to order at 10:42 a.m.

AGENDA

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

APPROVAL OF MINUTES – BUSINESS MEETING OF APRIL 18, 2017

Commissioner Barden moved that the minutes of the Business Meeting of April 18, 2017 be approved. Commissioner Taylor seconded the motion, and the motion was approved.

APPROVAL OF MINUTES – SPECIAL BUSINESS MEETING OF APRIL 25, 2017

Commissioner Barden moved that the minutes of the Special Business Meeting of April 25, 2017 be approved. Commissioner James seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

Keith Roberts introduced David DuRant. Mr. DuRant began his employment with the Commission on April 24, 2017 filling the new Attorney II position.

Gary Cannon announced the Employee Appreciation Luncheon will be held at Noon today in the First Floor Conference Room.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by Bryan Berthelette, Compliance Officer. Twenty two (22) prospective members of one (1) fund were presented to the Commission for approval. The applications were:

SC Home Builders SIF

1st Palmetto Builders, LLC
Alltech Construction, LL
Anthony Sutton Drywall
A Plus Flooring, LLC
Beverly Construction Group, LLC
BKK Concrete Finishing, LLC
Busbee Custom Designs, LLC
Classic Wiring Co.
Filinski, Inc.
GP Masonry, LLC
N&M Masonry, LLC
Prime Vinyl Exterior, LLC
Priority Painting
SB Concrete Construction, LLC
South Atlantic Homes, LLC
The Garcia's Construction, LLC
The Woodworkers Garage, LLC
Vazquez Plumbing, LLC
Velaquez Masonry, LLC
Wald's Pressure Cleaning
WCI Group, LLC
Zeller Construction, LLC

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 Taylor 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.

Human Resources

On behalf of Alexa Stuart, Mr. Cannon presented the Human Resources report. Mr. Cannon pointed out the following highlights from the report:

- The Commission has 56 FTE positions and one part-time contract employee.
- Recruited for two (2) vacant Program Coordinator I positions. The Commission received 193 applications and interviewed eight candidates. One position will be filled effective May 17, 2017.
- David DuRant was selected for the Attorney II position.

- Retirement documents were completed for one employee.
- On-boarded one new employee and completed new hire paperwork and SCEIS entries.
- Approved travel requests.
- Notified CBRE of seven (7) building issues regarding HVAC problems, leaks, access and parking.
- Coordinated with Surplus for removal of items no longer needed.
- Worked with Prison Industries to request and finalize furniture orders.

Information Technology Department

Sandee Sprang presented the Information Services Department's report. Ms. Sprang pointed out the following highlights from the report:

- The Department of Employment and Workforce Quarterly Wage Report was received on May 5, 2017. IT is converting and loading the data into our system and upon completion will forward to Insurance and Medical Services Department for review.
- The deployment of the laptops helped identify communication issues, primarily firewall configuration issues. IT is working with DTO and DIS to resolve the issues. Boot time has changed from over five minutes to 15 seconds. Users are being converted to the new wireless system as the laptops are deployed. A total of 16 laptops have been deployed and two new printers.
- The new VoIP telephone system was installed on May 8, 2017. The next phase will be to roll out the fax over IP portion.
- The purchase order for the microfilm conversion project was completed last week. The completing of transferring the cartridges will take around 4-6 months to complete.

Chairman Beck said the efforts of the IT staff have not gone unnoticed and expressed appreciation for their hard work.

Insurance and Medical Services Department

On behalf of Wayne Ducote, Audra Paskowich presented the Insurance and Medical Services Department's report. Ms. Paskowich pointed out the following highlights from the report for the month of April:

- The Compliance Division compelled 20 out of 21 and collected employers to come into compliance with the Act. Year to date, the Compliance Division has compelled 182 employers to come into compliance with the Act. Approximately 1,693 previously uninsured workers are now properly covered.
- The Compliance Division collected \$31,695 in fines and penalties.
- Fourteen Carrier Rule to Show Cause cases were docketed; eleven cases were resolved and \$5,779.26 was recovered.
- The Coverage Division received 1,902 claim files and collected \$17,800 in fine revenue.
- The Self Insurance Division collected \$105,287 in self-insurance tax. Year to date, Self Insurance tax revenue is trending at 105% of prior year.

Claims Department

Sonji Spann presented the Claims Department's report. Ms. Spann noted there was only one week in the month of April with all examiners in the office. She reported the following for the month of April:

- Closed 1,890 individual case files
- Received \$30,600 in fine revenue
- Claims examiners reviewed 1,557 individual case files
- 174 fines assessed
- 162 Form 18 fines assessed
- 10,727 forms processed
- 1,110 Form 18s processed through SROI
- 1,932 Form 18s received via Email
- 1,150 Forms received via USPS
- 671 Form 61s received
- 599 Form 61s approved
- 0 Third Party Settlements received
- 0 Third Party Settlements approved

Ms. Spann announced DiAnn Davis, Claims Examiner, will retire effective June 1, 2017.

Commissioner Taylor asked if there are goals set for individual examiners per month or quarterly, or is there a benchmark measuring point. Ms. Spann explained that all the work that comes through the mail and emails daily are divided evenly by the number of examiners who are in that day; no goals have been set.

Judicial Department

Amy Bracy presented the Judicial Department's report. She reported the following for the month of April 2017:

Judicial Department

- 767 requests for Hearings
- 94 Motions
- 128 Clincher Conference requests sent to Jurisdictional Commissioners

Commissioners

- 58 Single Commissioner Hearings conducted
- 16 pre-hearing conferences held and 15 Full Commission Hearings conducted
- 472 Orders served at single Commissioner level; 56 of those were Decision and Orders that resulted from hearings that went on record; 154 of those were Motion Orders ruled upon by Commissioners

Informal Conference

- 184 informal conferences conducted

Mediation

- 58 regulatory mediations scheduled
- 33 requested mediations
- 49 matters resolved in mediation with the receipt of Forms 70

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 the report:

S.C. House Bill H.3406

H.3406 amends Section 42-5-190 of the SC Code relating to the self-insurers tax. The bill was amended by the Senate to extend the five year sunset provision beginning July 1, 2017. The

Senate also amended H.3406 to include language amending Section 12-21-2420, having to do with a season ticket holder payment to a nonprofit athletic booster organization of an accredited college or university being exempt from federal income taxation. The House concurred with the Senate amendments and added a severability clause on May 10, 2017. The Senate concurred with the House amendments. The legislation could be found unconstitutional because it was bobtailed with something not germane with Title 42.

S.C. House Bill H. 3441

H.3441 amends Title 42 by adding Section 42-9-450 to allow payment of compensation by means of check or electronic payment system. The legislation was unanimously approved on May 2, 2017. The Governor signed the bill on May 9, 2017.

S.C. House Bill H.3879

H.3879 amends Section 42-9-290 of the SC Code relating to increase the maximum for burial expenses from \$2,500 to \$7,500. The legislation was ratified on May 4, 2017 and is awaiting the Governor's signature.

S.C. House H.3824

Mr. Cannon reported H.3824 amends the Code of Laws by adding Section 44-53-1656 so as to require health care practitioners to review a patient's controlled substance prescription history, as maintained in the prescription monitoring program, before prescribing a controlled substance. The legislation was ratified and is awaiting the Governor's signature.

FY 2017-18 Budget

The Senate Finance Committee approved the FY 2017-18 budget. The House and Senate Budget Conference Committee are still in deliberations. The General Assembly adjourned sine die on May 11.

S.C. Vocational Rehabilitation Department (SCVRD)

Mr. Cannon announced he will meet with Neal Getsinger, Commissioner at the SCVRD, on May 31, 2017 to discuss the referral program and Memorandum of Understanding between the Commission and SCVRD.

ADMINISTRATION – FINANCIAL REPORT

Mr. Cannon reported the benchmark for period ending April 30, 2017 is 83%. General Fund expenditures is trending 5% below budget at 78%. The earmark fund balance is at 52% of budget. The earmarked total revenues is less than budgeted at 33%. The Commission's total expenditures are at \$2.8 million or at 62% of budget.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

MISCELLANEOUS

Chairman Beck recognized and expressed appreciation to W.C. Smith, Self Insurance Director, for his 33 years of service with the State of South Carolina, of which 30 years was with the Commission as Self Insurance Director. Chairman Beck noted Mr. Smith has attended 360 Commission Business meetings during his tenure at the Commission and said that his voice on self-insurance issues has been one that has been sound, reasonable and respected. Mr. Smith is retiring effective June 1, 2017.

ADJOURNMENT

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

The May 15, 2017 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:05 a.m.

Reported June 19, 2017
Kim Ballentine
Office of the Executive Director

SCWCC Human Resources Monthly Report May 2017
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STAFFING

SCWCC has 56 FTE positions and one part-time contract employee. We recruited for 2 vacant positions.

- **New Hires:** Two (Of which, one was a rehire.)
- **Separations:** None
- **Retirements:** Two
- **Leaves:** None
- **Recruitment:**

Program Coordinator I (2 positions) – We received 193 applications and interviewed eight candidates. Two candidates were offered the job and accepted; however, one decided to remain at his current agency. The other is a re-hire. We then had second interviews with three candidates and selected one. Both started working in May.

Administrative Assistant - We received 344 applications and interviewed 5 and found three candidates to be highly qualified. We offered the position to one candidate and they had received another offer with another State agency and we then offered another candidate the position and she has accepted and will start June 28, 2017.

Insurance Claims Examiner II – We received 39 applications and interviewed 5 candidates.

EMPLOYEE RELATIONS

- Did final SCEIS and PEBA retirement processing for two employees.
- Planned for and held an Employee Appreciation Luncheon.
- Obtained Service Certificates from the Governor’s Office to give to retirees.
- Coordinated judging of the Employee of the Year Award candidates.
- Announced Employee of the Year winner.

BENEFITS

- Completed supplemental reports for an employee wanting to pay benefits while on leave.
- Provided benefit information to one active employees.

MEETINGS

- Attended SCEIS Payroll Administration Training (PY200)

ADMINISTRATIVE

- On-boarded two new employees and completed the necessary new hire paperwork and SCEIS entry.
- Sent 12 "All Agency" emails on various topics such as lost & found, state events, SCEIS, and a new employee announcements.
- Made three time corrections to SCEIS system for employees.
- Had Corporate Concepts rebuild one cubicle and remove two others.
- Made five personnel administrative changes to SCEIS system.
- Worked with HR Consultants on four HR related questions.
- Coordinated with Prison Industries to deliver the last of the furniture.
- Active Shooters Training is scheduled for August 23, 2017 from 9:30 am to 11:30 pm.
- Required Drivers' Training is scheduled for September 19 from 1 pm to 5 pm.
- Purchasing A1 Defibrillator and obtaining the necessary training. Training date is dependent upon delivery date and at this time is still unknown.
- Arranged to have name plates installed by CBRE. Date of service delivery has been requested.
- Completed Turn in Document for surplus and had Surplus Division pick up the surplus items.

FISCAL RESPONSIBILITIES

- Processed/approved 11 travel expense reports.
- Provided salary analysis information as requested.

FACILITIES

- Notified CBRE of 5 new issues regarding the restrooms and cleaning crew. And followed up on older outstanding requests.
- Continuing to get the corrected parking invoice fixed for payment. In discussions with representatives of CBRE.



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Sandee Sprang, IT Director
Date: June 14, 2017
Subject: IT Department May 2017 Full Commission Report

This report summarizes the activities and accomplishments of departmental projects and initiatives for the IT department during May 2017.

I. Systems Operations, Maintenance and Support

EDI

The IT department worked with EDI trading partners to research and resolve EDI transaction data errors. We currently have 2 trading partners in test mode. We continue to work with the IAIABC EDI Claims Workgroup, reviewing and recommending standards changes.

Reporting and Standardization

The Fiscal Year End Preliminary Reports were run and distributed for review. Duane was able to resolve several issues with the processing of the DEW data for IMS.

Systems Support

We had multiple staff reassignments and these changes, combined with the rollout of new hardware and software presented the IT department with many opportunities to standardize system and application configuration procedures. As such, Adobe Pro and Word 2013 both now have a standard Certificate of Service setup with documentation, all users now have network drives mapped via Group Policy, and all print queues have been optimized.

OnBase

Liz and Kim resolved multiple issues and questions related to OnBase. They created a new workflow to allow the automatic generation of an email to all case parties. They are working on refining/simplifying user and document security and standardizing user profiles with signatures. We had several COLD and DIP processes which were negatively impacted by system updates as well as several AppEnabler issues which required support. Duane researched and corrected multiple Invoice, Payment and Deposit issues; he also modified several templates for Progress letters.

Desktop Support

The deployment of the laptops continues to identify authentication issues and we are working with DTO and DIS to resolve these.

II. Projects, Enhancements and Development

eCase

The eCase web portal upgrade is in the testing phase. All internal testing is complete and we are ready to open testing to several external users; Liz and Kim are recruiting users to assist with this process.

Hardware Upgrades

We have several hardware upgrade projects in process:

- 1) The old wireless system was removed and decommissioned.
- 2) We continue work on Fax over IP configuration with our new telephony vendor, NWN. We are also developing the support structure and administrative procedures needed to support the new system (password resets, phone number assignments and changes, hunt group changes, etc...).
- 3) Jason deployed 26 laptops; this process continues to take multiple iterations of configuration changes to resolve issues.
- 4) We deployed 7 new printers. Wireless printing will be available from WCC-owned phones and iPads once the new printers are installed.

Maintenance Schedule and System Updates

DTO has rescheduled the OnBase security upgrade indefinitely.

Microfilm Conversion

The first group of cartridges is being converted, 6 groups remain and the estimated completion date of the project is January 2018.

III. Trainings and Meetings

Sandee continues the IAIABC Foundation's Training Program.

Duane participated in the 3 IAIABC conference calls: the Jurisdictions-Only call, the Claims Conference and the Proof of Coverage call.

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 7-Jun-17

Subj: Insurance and Medical Services Department
May 2017 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:

- | | |
|---------------------|---|
| Compliance Division | <ol style="list-style-type: none">1. Reviewing revenue metrics / projections.2. Working with staff to review workflow processes and additional training opportunities.3. Filled two FTE positions (Breanne Jolly and Emillie Boggs) |
| Coverage Division | <ol style="list-style-type: none">1. Working with staff to review workflow processes and explore opportunities to enhance service provision.2. Lapse in Coverage: 21 new registrants; 26 notifications sent. |
| Medical Services | <ol style="list-style-type: none">1. No additional pharmaceutical payment disputes involving SAF were received in May.2. Reviewing topics and issues regarding updates to the 2017 Medical Service Provider Manual. |

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.

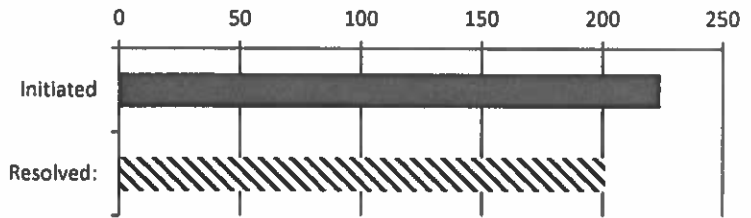
Employers Obtaining Coverage

The Compliance Division works with great diligence to help uninsured employers become compliant with the South Carolina Workers' Compensation Act. Year to date, the Compliance Division has compelled 201 employers in South Carolina to come into compliance with the Act. In so doing, approximately 1,869 previously uninsured workers are now properly covered.

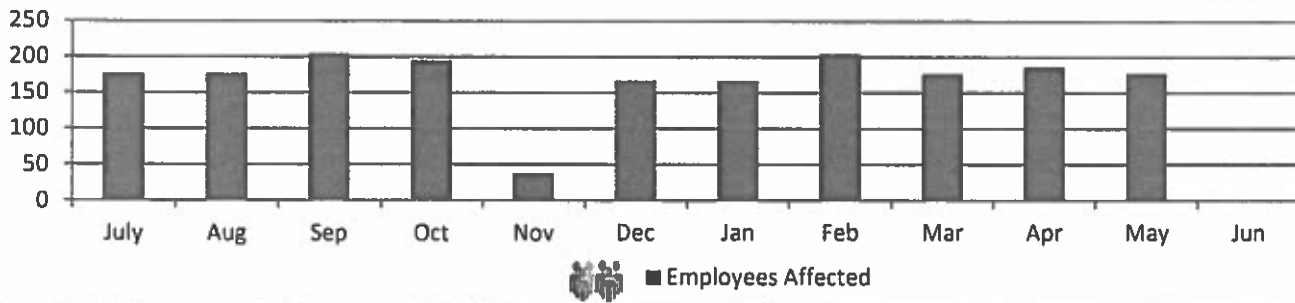
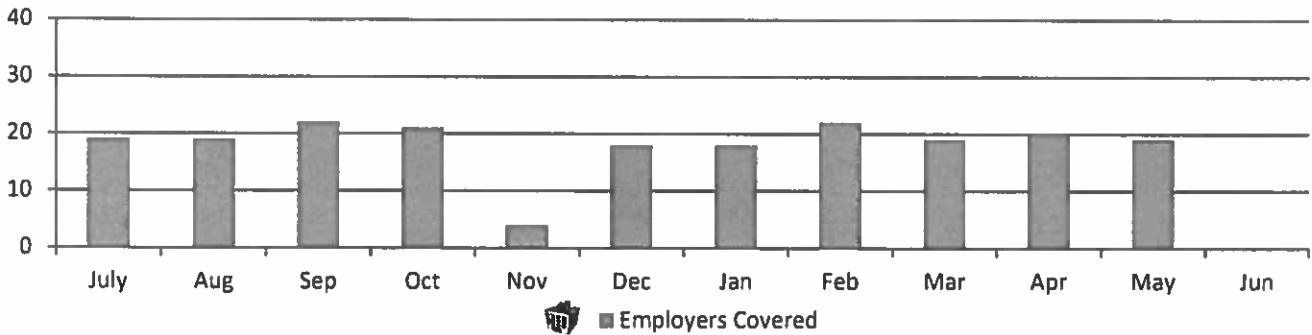
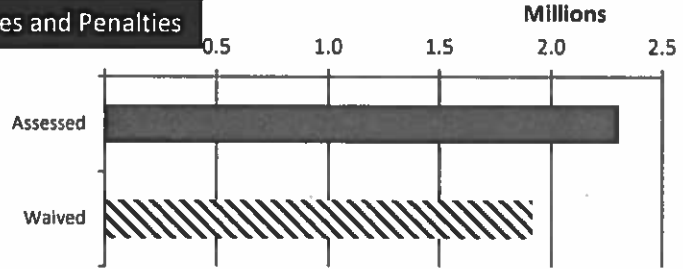
Penalties Waived

Although the Division has assessed \$2.3 m in fines, 83% of those fines (\$1.9 m) have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.

RTSC Cases



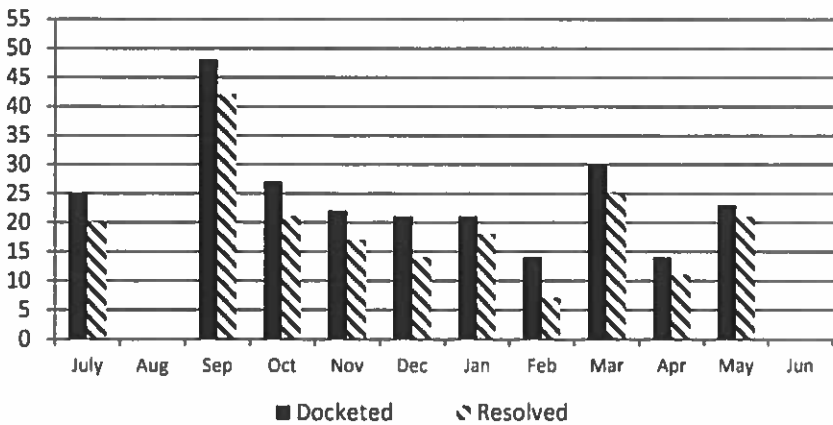
Fines and Penalties



Carrier Rule to Show Cause Hearings

The Compliance Division manages the Rule to Show Cause process involving the recovery of outstanding carrier fines and penalties. In the month of May 2017, 23 carrier RTSC cases were docketed; 21 cases were resolved and \$7,989.63 was recovered.

Year to date, 245 carrier RTSC cases have been docketed, 196 cases have resolved and \$119,915.83 has been recovered.



Carryover Caseload:

The Compliance Division closed May 2017 with 150 cases active, compared to an active caseload of 251 at the close of May 2016.

Cases Resolved:

For the month of May 2017, Compliance Division staff closed-out 88 cases.

Compliance Fines:

In May 2017, the Compliance Division collected \$17,901 in fines and penalties. Year to Date, the Compliance Division has collected \$366,978 in fines.

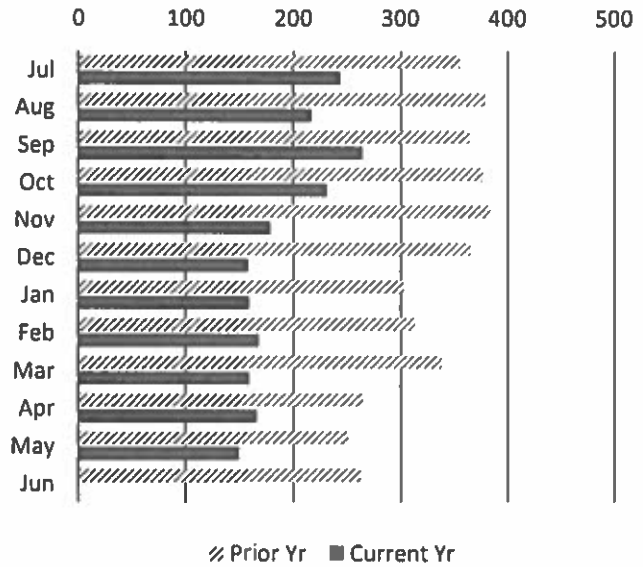
Year to Date vs Prior Year Total (\$902,128): 41%

May 2017 vs. May 2016: 34%

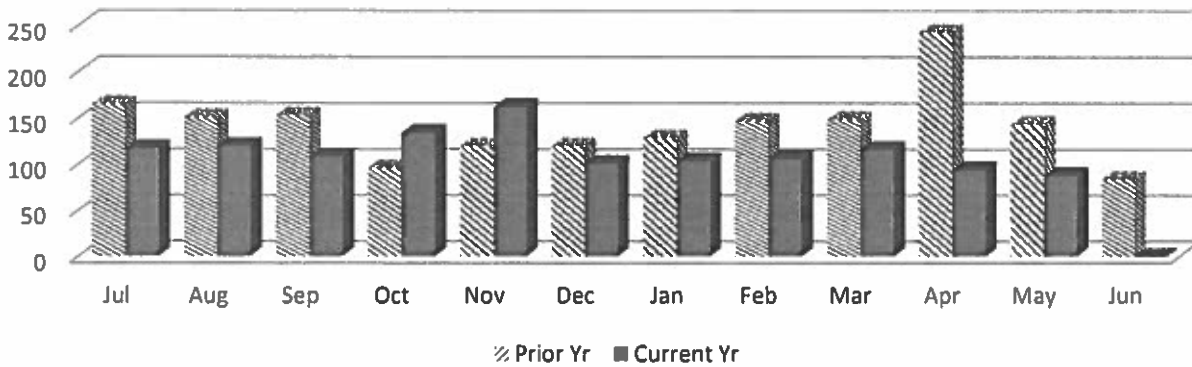
Current Year End trend is 44% of 2015-2016

YTD 2016-17 (July - May) vs YTD 2015-2016: 43%

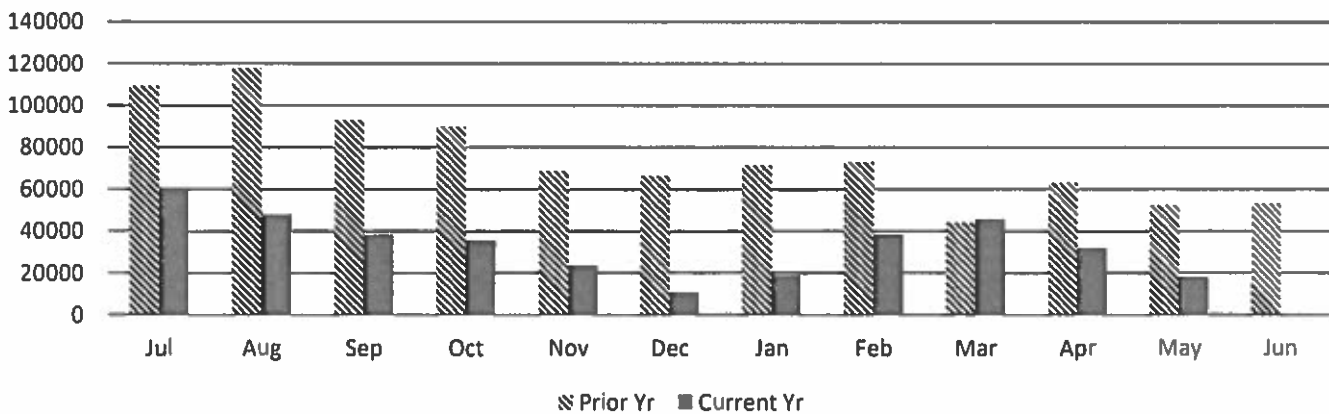
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year

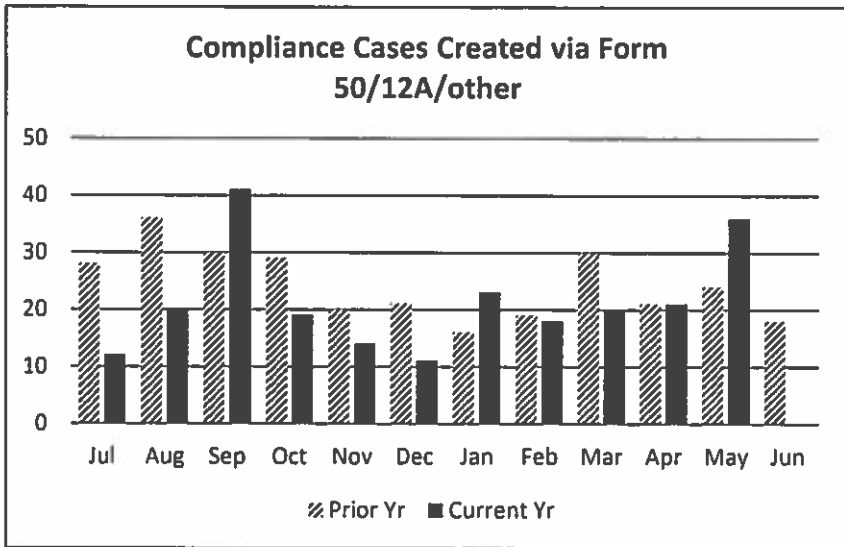


Compliance Fines Collected v. Prior Year



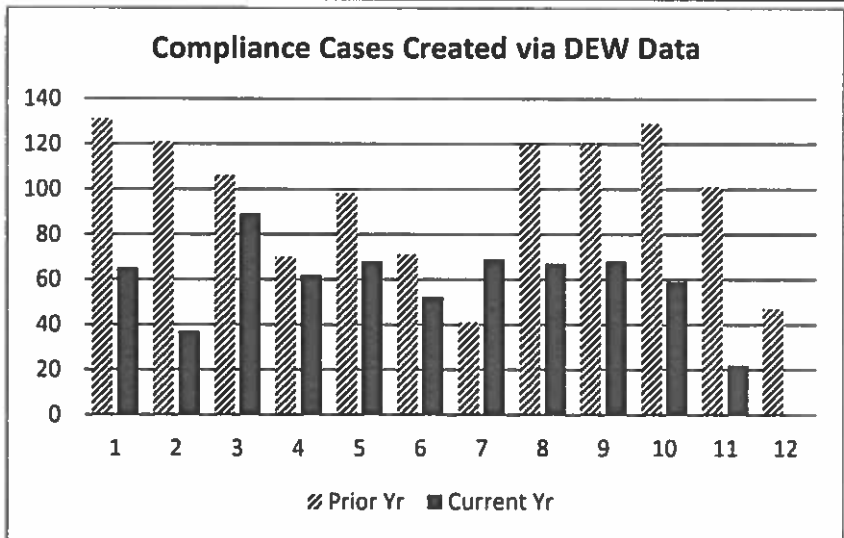
In May 2017, 36 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (292): 80%
 May 2017 to May 2016: 150%
 Current Yr End trend: 88% of 2015-2016
 YTD 2016-2017 v. YTD 2015-2016: 86%



In May 2017, 22 compliance files were created from the DEW data process.

YTD vs. Prior Year total (1,155): 57%
 May 2017 to May 2016: 22%
 Current Yr End trend: 62% of 2015-2016
 YTD 2016-2017 v. YTD 2015-2016: 59%

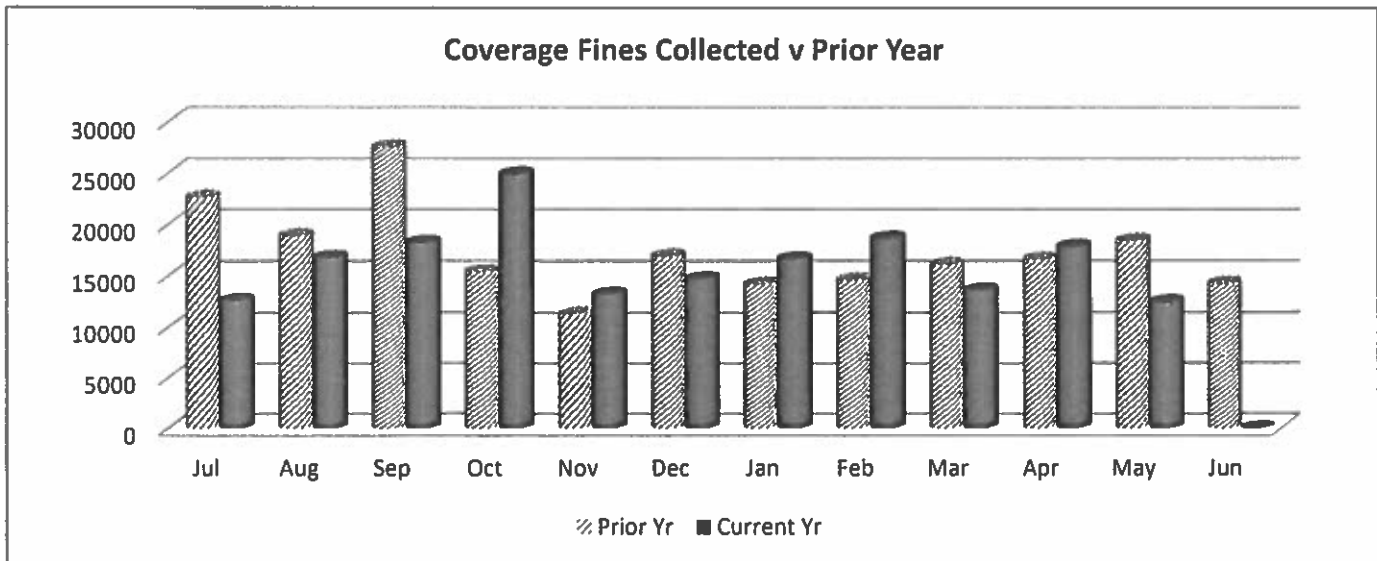
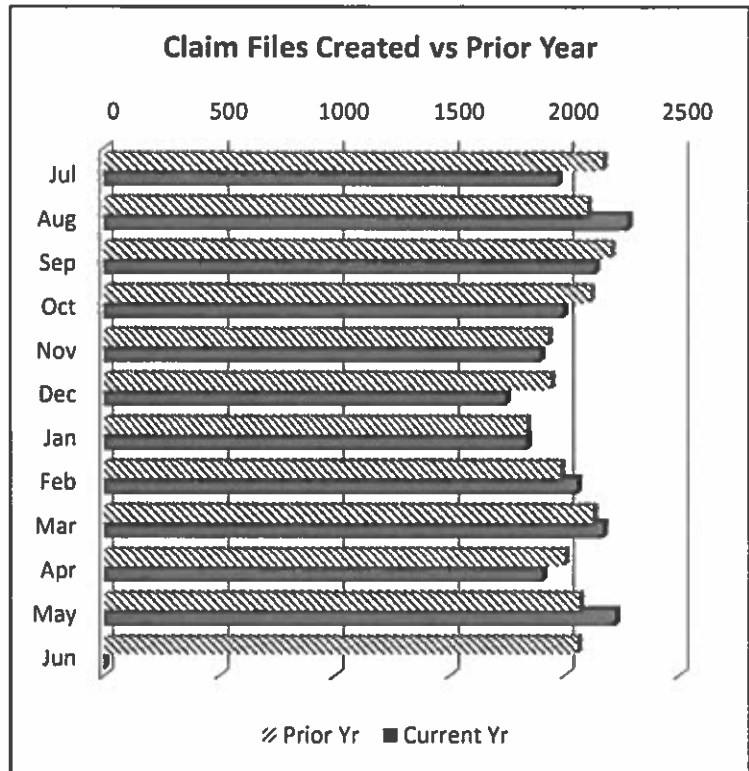


WCC Claim Files:

In May 2017, the Coverage Division received a total of 2,223 WCC Claim files. Of these, 1,943 were created through proper carrier filing of a 12A, and 280 were generated as a result of a Form 50 claim filing. Year to Date, 22,197 Claim files have been created which is 91% of claim file volume prior year (24,516).

Coverage Fines:

The Coverage Division collected \$12,400 in fine revenue in May 2017, as compared to \$18,400 in Coverage fines/penalties accrued during May 2016. Year on Year, Coverage fines are at 87% of collections for prior year.



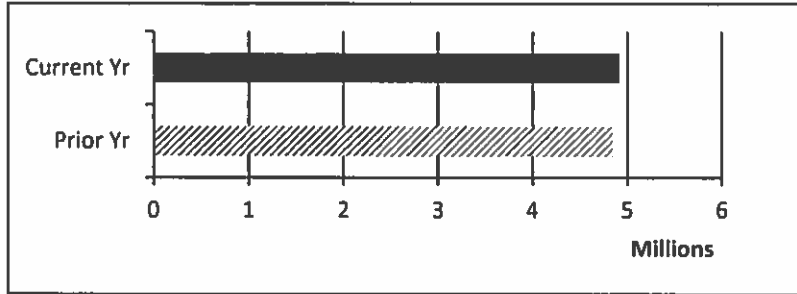
IMS SELF INSURANCE DIVISION

May 2017

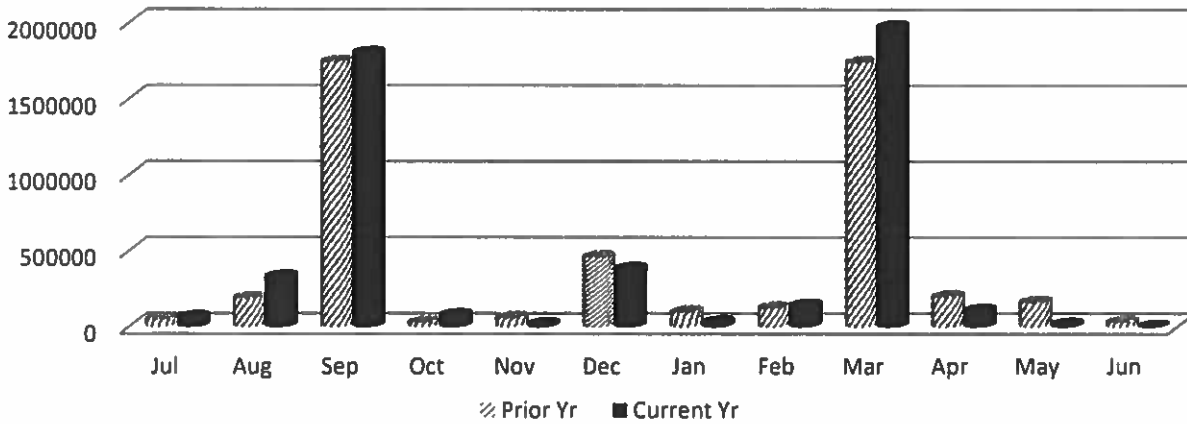
During the month of May 2017, the Self Insurance Division:

- * collected \$14,131 in self-insurance tax.
- * added 22 new self-insurers.
- * conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 102% of prior year and 46 Self Insurance audits have been completed.



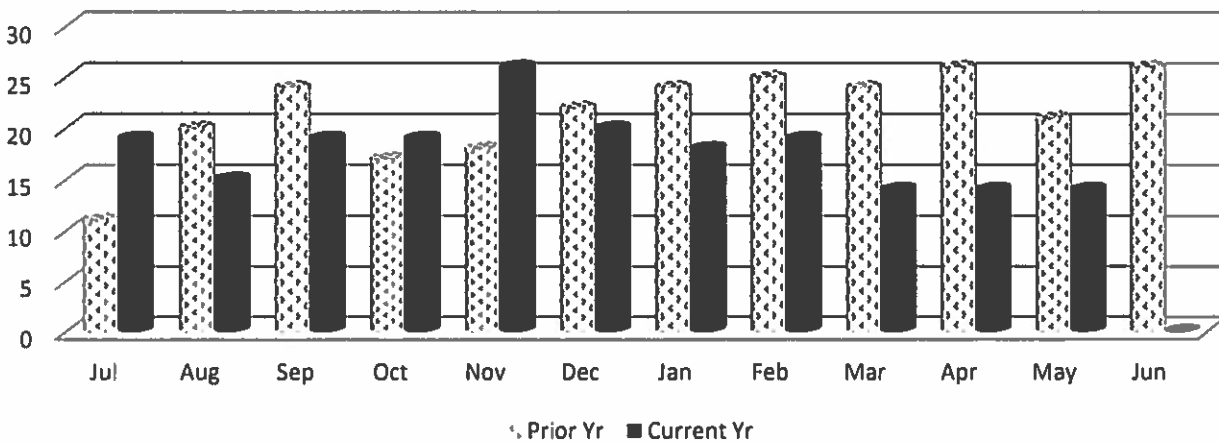
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In May 2017, the Medical Services Division began the month with 14 bills pending review, received an additional 11 bills for review, conducted 11 bill reviews and ended the month with 14 bills pending.

Medical Bills Pending Review v. Prior Year



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: Gary Cannon, Executive Director

From: Sonji Spann, Claims Director

Date: June 13, 2017

Re: Claims Department – June 2017 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:

	May 2017	April 2017	May 2016
Individual Case Files Closed	2,411	1,890	2,249
Fine Revenue Collected	\$33,800	\$30,600	\$53,800
# of individual case files reviewed by examiners	2,747	1,557	2955
Total Fines	325	174	316
Form 18 Fines	276	162	250
Total Forms Processed	12,494	10,727	12,544
SROI	1,369	1,110	1,237
Email 18's	1,897	1,932	1,846
USPS	1,390	1,150	1,571
Form 61's Rec'd	801	671	
Form 61's Approved	732	599	
TPY Settlements Rec'd	34	0	
TPY Settlements Approved	33	0	

- Claims continue to review files for compliance and closure
- Claims continue to educate the stakeholders

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2016-2017													
Prepared: June 6, 2017													
I. Claims Services Division													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Forms 15-I	1,168	1,294	1,161	1,121	1,147	1,111	1,049	1,064	1,369	1,111	1,202		12,797
Forms 15-II/Forms 17	880	958	863	836	935	805	914	857	1,154	868	964		10,034
Forms 16 for PP/Disf	252	220	207	294	144	303	235	186	292	194	307		2,634
Forms 18	4,352	4,729	4,430	4,396	4,539	4,573	4,400	4,446	4,976	4,192	4,656		49,689
Forms 20	822	834	804	696	764	726	744	732	849	609	805		8,385
Form 50 Claims Only	286	315	303	275	272	163	280	180	304	213	312		2,903
Form 61	743	838	772	782	780	751	931	694	832	671	801		8,595
Letters of Rep	195	211	178	213	160	132	126	113	173	152	139		1,792
Clinchers	767	833	850	757	710	835	821	793	804	723	803		8,696
Third Party Settlements	24	30	41	32	30	24	34	24	38	32	34		343
SSA Requests for Info	72	75	75	69	75	49	72	58	86	72	60		763
Cases Closed	2,178	2,684	2,330	1,966	2,229	2,266	2,304	1,952	2,665	1,890	2,411		24,875
Cases Reviewed	2,973	3,027	3,209	2,757	3,860	3,820	4,956	1,293	2,558	1,557	2,747		32,757
Total	14,712	16,048	15,223	14,194	15,645	15,558	16,866	12,392	16,100	12,284	15,241	0	164,263

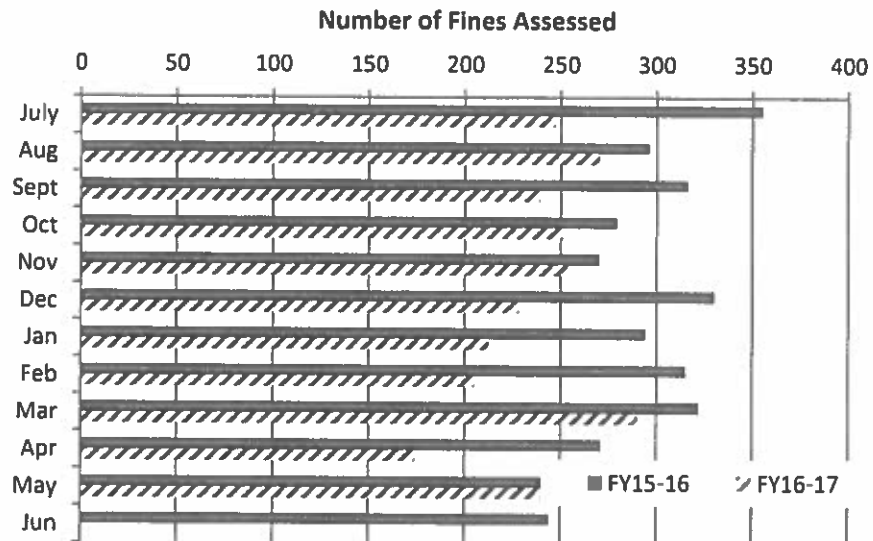
CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2016 - 2017													
Prepared: June 6, 2017													
Fines per Form	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Assessed Form 15I	20	14	20	9	14	4	1	6	12	6	13		119
Assessed Form 15II	12	5	8	1	1	5	0	4	7	3	4		50
Assessed Form 15S	0	0	0	0	0	0	0	0	0	0	0		0
Assessed Form 17	3	2	7	2	3	3	0	0	1	0	9		27
Assessed Form 18	181	243	188	234	227	228	209	191	265	162	276		2404
Assessed Form 19	0	0	0	0	0	0	0	0	0	0	1		1
Assessed Denial Letter	5	2	6	4	2	1	1	4	2	2	7		36
Assessed Requests	25	4	10	1	3	0	1	0	3	1	15		63
Paid Form 15I	\$4,000	\$2,600	\$2,200	\$3,800	\$2,200	2800	\$600	\$200	\$1,800	\$1,600	\$1,600		\$ 23,400
Paid Form 15II	\$600	\$600	\$1,200	\$400	\$400	\$1,200	\$200	\$0	\$1,200	\$600	\$800		\$ 7,200
Paid Form 15S	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$ -
Paid Form 17	\$200	\$400	\$400	\$600	\$400	\$400	\$0	\$400	\$0	\$200	\$200		\$ 3,200
Paid Form 18	\$32,800	\$33,200	\$33,300	\$39,600	\$27,400	\$36,600	\$36,800	\$35,500	\$39,000	\$28,000	\$30,400		\$ 372,600
Paid Form 19	\$50	\$0	\$0	\$0	\$0	\$0	\$0.00	\$0	\$0	\$0	\$0		\$ -
Paid Denial Letter	\$800	\$0	\$200	\$400	\$0	\$200	\$0.00	\$200	\$500	\$200	\$40		\$ 2,540
Paid Request	\$2,000	\$1,800	\$2,000	\$1,700	\$800	1800	\$0.00	\$600	\$200	\$0	\$400		\$ 11,300

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2015 - 2016													
Prepared: June 6, 2017													
II. Total Fines Assessed by Claims Department													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
# Assessed	247	270	239	251	254	228	212	205	290	174	325		2,695
# Rescinded	24	20	27	21	18	22	18	16	26	9	23		224
# Reduced	0	0	1	0	0	0	0	0	0	0	0		1
# Paid	198	186	196	229	156	215	186	180	190	153	169		2,058
# Outstanding*	273	337	353	354	434	425	433	442	516	528	661		4,756
Total Amt. Assessed	\$50,000	\$54,600	\$48,200	\$50,800	\$50,800	\$46,800	\$43,200	\$38,200	\$58,000	\$34,800	\$64,850		540,250
Total Amt. Rescinded	\$4,800	\$4,200	\$5,400	\$4,200	\$3,600	\$4,400	\$3,600	\$3,200	\$5,200	\$1,800	\$4,600		45,000
Total Amt. Reduced	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		100
Net Assessed													
Total Amt. Paid	\$40,450	\$38,600	\$39,300	\$46,500	\$31,200	\$43,000	\$37,600	\$36,900	\$42,700	\$30,600	\$33,800		420,650
Total Outstanding*	\$68,150	\$79,950	83,350	\$83,450	\$99,450	\$98,850	\$100,850	\$98,950	\$109,050	\$111,450	\$137,900		1,071,400

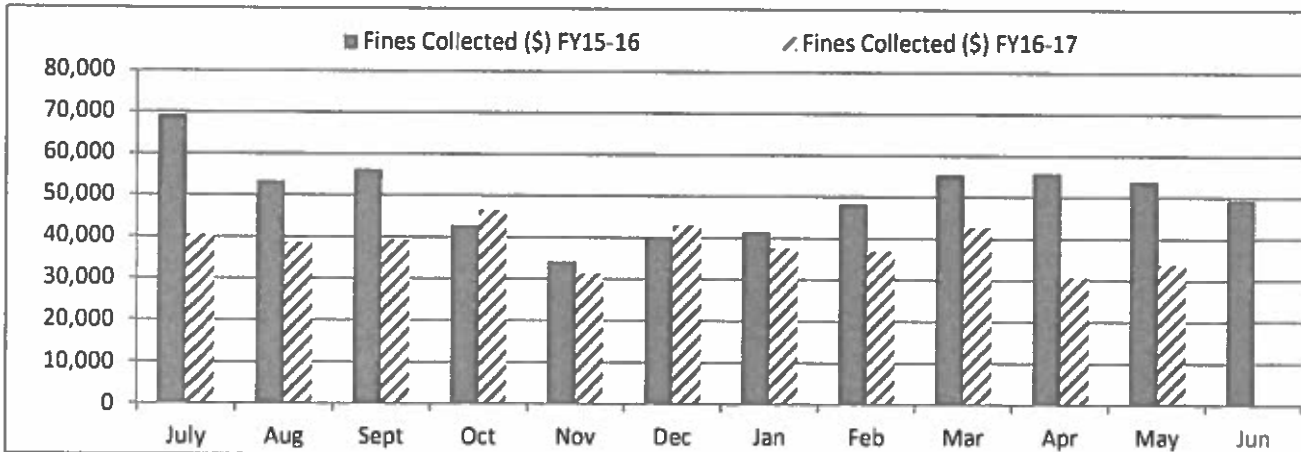
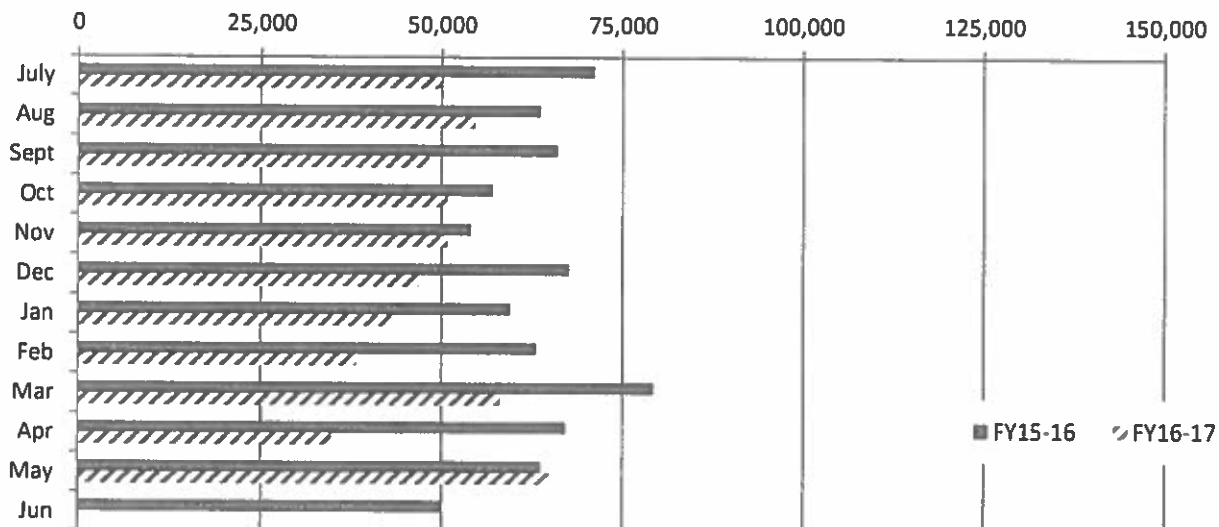
CLAIMS DEPARTMENT - Fine Activity Report May 2017

The number of fines assessed by the Claims Department increased in number to 325 from 174 in May. The number of Claims fines paid increased from 153 in April to 169 in May.

Total fine dollars assessed in May was \$64,850 an increase amount from the prior month of \$34,800. Fine revenue received in May was \$33,800 an increase over prior month \$30,600.



Net Fines Assessed (\$)



Claims Department - Fine Activity Report

Fines Assessed (#)

	FY15-16	FY16-17
July	355	247
Aug	296	270
Sept	316	239
Oct	279	251
Nov	270	254
Dec	330	228
Jan	294	212
Feb	315	205
Mar	322	290
Apr	271	174
May	316	325
Jun	244	0
Total	3,608	2,695
Mo Avg	301	245

Fines Received (#)

	FY15-16	FY16-17
July	341	198
Aug	260	186
Sept	271	196
Oct	203	229
Nov	168	156
Dec	195	215
Jan	205	186
Feb	241	180
Mar	273	190
Apr	245	153
May	247	169
Jun	236	0
Total	2,885	2,058
Mo Avg	240	187

Net Fines Assessed (\$)*

	FY15-16	FY16-17
July	71,050	50,000
Aug	63,600	54,600
Sept	66,000	48,200
Oct	57,000	50,800
Nov	54,000	50,800
Dec	67,600	46,800
Jan	59,400	43,200
Feb	63,000	38,200
Mar	79,200	58,000
Apr	67,050	34,800
May	63,600	64,850
Jun	49,800	0
Total	761,300	540,250
Mo Avg	63,442	49,114

Fines Collected (\$)

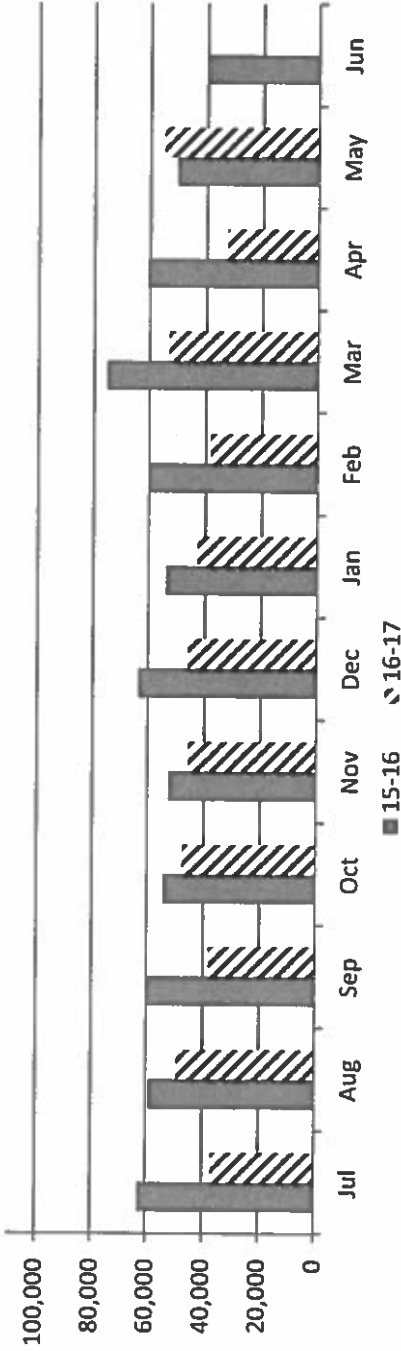
	FY15-16	FY16-17
July	69,250	40,450
Aug	53,350	38,600
Sept	56,200	39,300
Oct	42,800	46,500
Nov	34,200	31,200
Dec	39,800	43,000
Jan	41,400	37,600
Feb	48,250	36,900
Mar	55,400	42,700
Apr	55,700	30,600
May	53,800	33,800
Jun	49,400	0
Total	599,550	420,650
Mo Avg	49,963	38,241

*after reductions and rescinded

FORM 18 FINE ASSESSMENTS

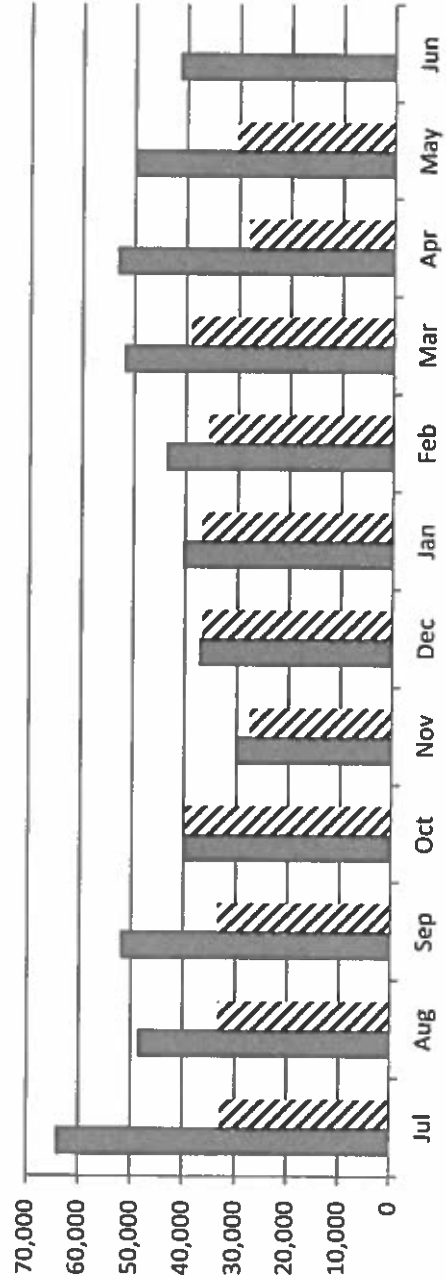
Consistent with overall Commission strategy, the Claims Department works with our Carrier partners to develop approaches that result in increased compliance levels and reduced Fine related costs to businesses in South Carolina.

A key "success measure" of this effort is the Form 18 Fine Assessment report. For the month of May 2017, this has resulted in an increase in Form 18 Fine Assessments to \$55,200 as compared to April 2017 of \$32,400. The actual number of fines assessed increased from 162 to 276 in May 2017.



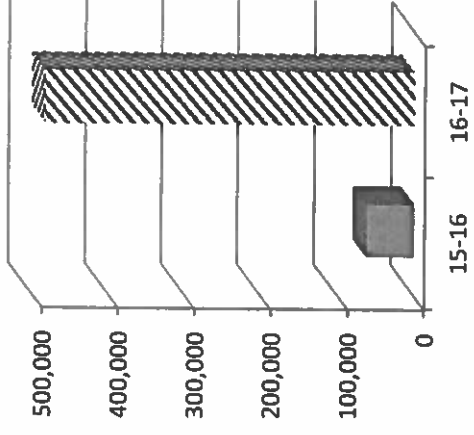
FORM 18 FINE COLLECTION

In May 2017, the Claims Department received payment on Form 18 Fines resulting in revenue of \$30,400.



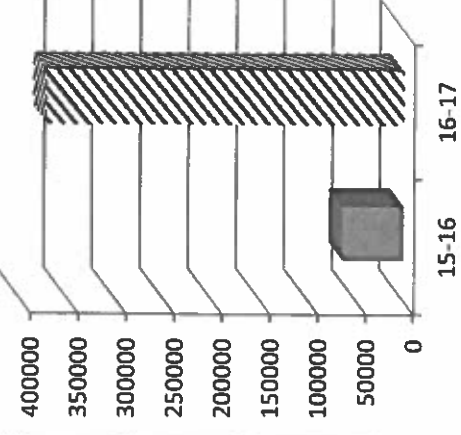
FORM 18 FINE ASSESSMENTS YTD

Form 18 Fine Assessment is trending at 86% of prior year assessments.



FORM 18 FINE REVENUE YTD

Form 18 Fine Revenue is trending at 160% 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

June 14, 2017

To: Gary M. Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

RE: **Monthly Judicial Report for May 2017**

During the month of May, Judicial processed eleven hundred four (1104) requests for hearings, one hundred seventeen (117) Motions and one hundred fifty-two (152) clincher conference requests that were sent to the Jurisdictional Commissioners.

There were ninety-seven (97) Single Commissioner Hearings conducted during the past month, eighteen (18) pre-hearing conferences held and six (6) Full Commission hearings were held. A total of six hundred eighteen (618) Orders were served at the single Commissioner level, fifty-three (53) of those were Decision and Orders that resulted from hearings that went on the record and one hundred forty-five (145) were Motion Orders that were a result of Motions ruled upon by Commissioners.

The Informal Conference system conducted three hundred fifty (350) hearings during the last month.

There were fifty-seven (57) regulatory mediations scheduled and fifty-four (54) requested mediations. The Judicial Department was notified of fifty-four (54) matters resolved in mediation, with the receipt of Forms 70.

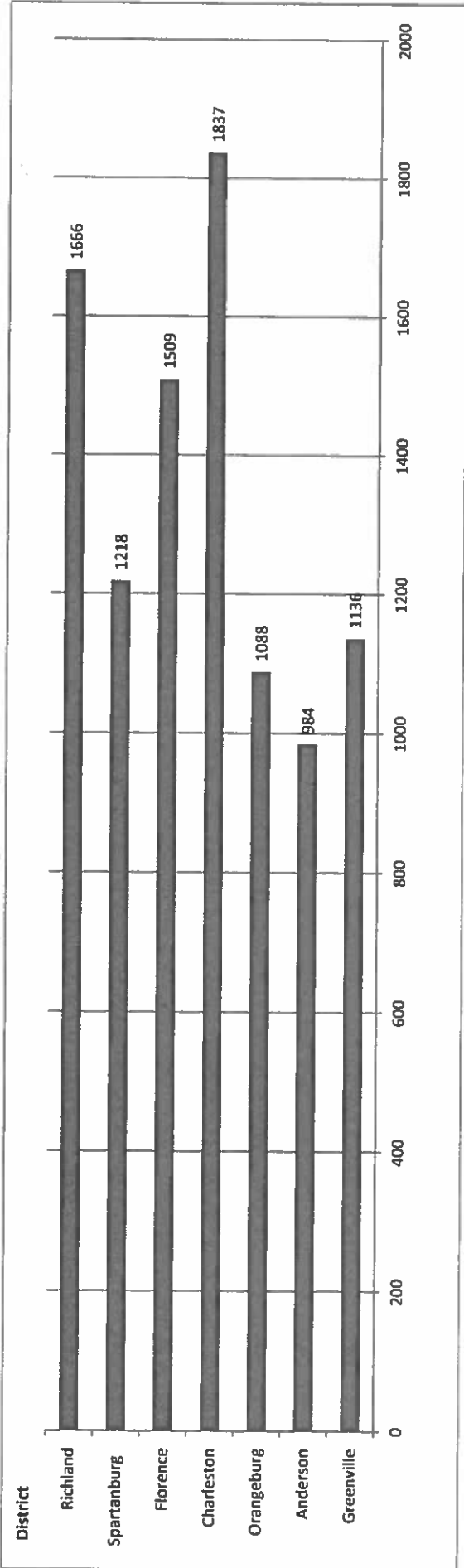
**Judicial Department Statistical Report
Statistics For Fiscal Year 2016-2017**

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Totals YTD 2016-2017	Totals YTD 2015-2016
Claimant Pleadings	586	708	591	584	505	472	628	605	663	492	757		6,591	6,711
Defense Response to Pleadings	501	533	558	471	457	391	548	391	595	477	546		5,468	5,680
Defense Pleadings	268	329	306	285	271	249	370	313	309	275	347		3,322	3,225
Motions	115	120	135	117	104	82	129	125	147	94	117		1,285	1,338
Form 30	18	25	15	15	10	17	22	24	18	26	28		218	248
FC Hearings Held	13	16	15	8	9	10	8	8	13	15	6		121	126
FC Orders Served	17	13	21	15	13	17	11	20	8	10	17		162	143
Single Comm. Hearings Held	58	68	91	86	74	83	48	68	59	58	97		790	1,115
Single Comm. Orders Served	203	196	185	151	178	186	154	202	269	221	224		2,169	1,172
Single Comm. Pre-Hearing Conf Held	23	26	30	28	25	25	29	17	22	16	18		259	n/a
Consent Orders	237	311	288	284	245	250	325	266	358	239	362		3,165	3,010
Administrative Orders	25	29	26	23	26	26	26	16	23	12	32		264	635
Clincher Conference Requested	119	148	124	124	113	129	132	149	166	128	152		1,484	1,180
Informal Conference Requested	397	365	462	407	336	376	378	378	404	339	398		4,240	4,058
Informal Conference Conducted	274	239	285	284	167	290	231	196	270	184	350		2,770	2,535
Regulatory Mediations	66	82	62	61	69	54	77	64	66	58	57		716	812
Requested Mediations	25	29	25	18	24	23	38	28	63	33	54		360	285
Ordered Mediations	0	2	0	3	2	0	0	2	6	1	4		20	18
Mediation Resolved	54	59	44	53	52	41	55	53	68	49	54		582	640
Mediation Impasse	15	29	18	17	16	5	15	15	23	20	23		196	219
Mediation Held; issues Pending	0	2	0	0	1	2	2	0	0	1	0		8	3
Claim Settled Prior to Mediation	9	15	24	17	21	18	16	9	15	18	22		184	176
Mediation Not Complete in 60 days	4	9	9	5	8	3	14	10	3	6	7		78	88

Pleadings Assigned - Three Year Comparison by Month

	District 1 Greenville			District 2 Anderson			District 3 Orangeburg			District 4 Charleston			District 5 Florence			District 6 Spartanburg			District 7 Richland					
	16-17	15-16	14-15	16-17	15-16	14-15	16-17	15-16	14-15	16-17	15-16	14-15	16-17	15-16	14-15	16-17	15-16	14-15	16-17	15-16	14-15			
	Jul	98	107	103	82	90	92	108	118	119	119	120	158	181	140	131	144	145	92	130	116	149	166	141
Aug	92	110	86	97	76	96	93	109	120	105	120	176	171	153	164	122	146	115	122	104	157	138	164	
Sep	144	102	105	92	88	84	121	132	105	115	115	183	198	155	140	154	126	142	110	70	141	167	124	
Oct	104	106	83	74	101	78	93	119	115	93	93	172	172	143	115	171	146	119	96	112	142	170	156	
Nov	92	72	80	98	62	56	89	88	93	88	93	169	145	115	131	133	135	114	81	80	164	129	127	
Dec	90	101	99	86	105	86	72	103	108	108	108	135	160	133	100	148	119	85	99	85	129	162	146	
Jan	93	75	109	92	84	80	97	113	120	113	163	184	113	163	157	110	158	119	97	108	160	158	174	
Feb	96	90	98	74	88	86	76	84	92	84	92	142	125	141	117	129	110	85	144	111	136	117	114	
Mar	91	122	112	108	124	91	124	134	132	134	132	188	214	156	150	140	118	122	117	122	175	174	140	
Apr	111	100	99	80	92	87	94	93	97	97	97	142	154	165	156	129	120	103	90	88	146	138	149	
May	125	106	101	101	103	73	121	116	105	105	105	188	186	158	148	146	140	122	111	101	167	150	158	
Jun		120	89		75	66			110	102		141	143		151	147			114	117		150	139	
Totals	1136	1211	1164	984	1088	975	1088	1319	1308	1837	1960	1765	1509	1677	1610	1218	1311	1214	1666	1819	1732			

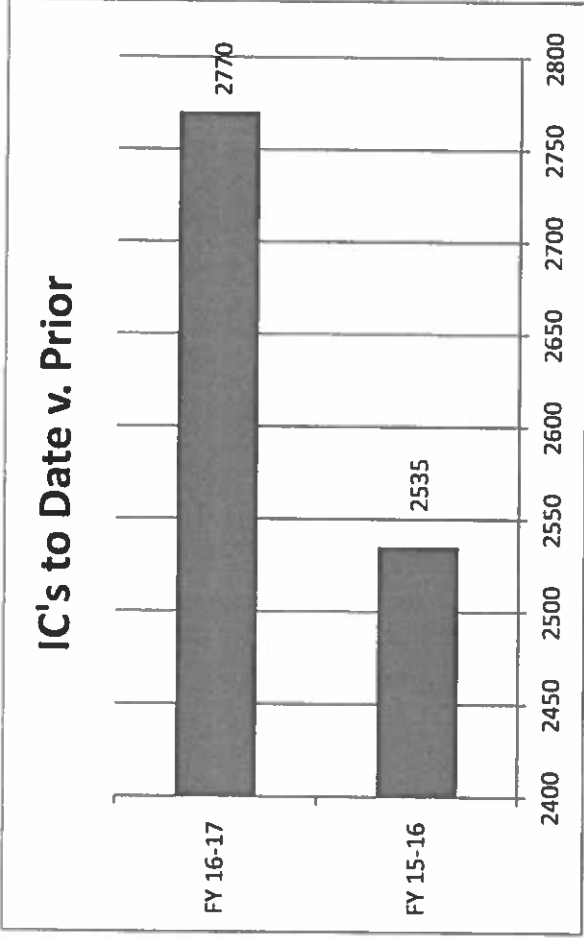
Pleadings Assigned by District Year to Date



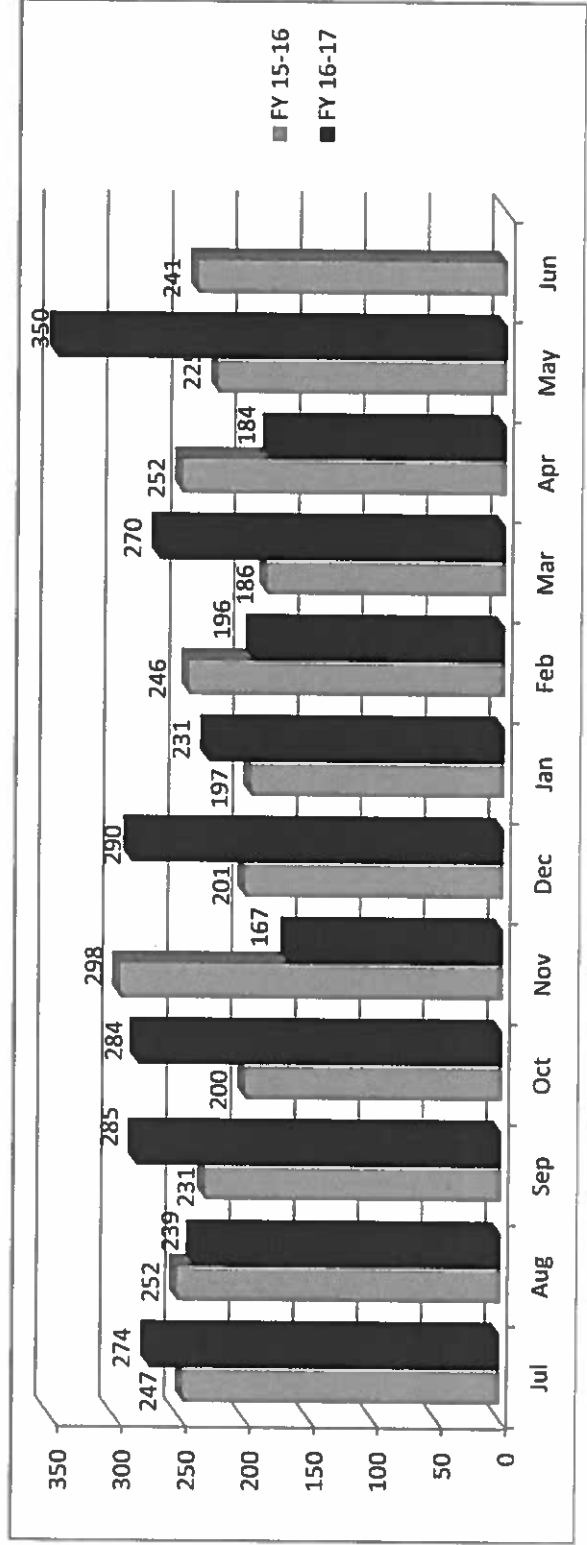
Informal Conf. Conducted

	FY 15-16	FY 16-17
Jul	247	274
Aug	252	239
Sep	231	285
Oct	200	284
Nov	298	167
Dec	201	290
Jan	197	231
Feb	246	196
Mar	186	270
Apr	252	184
May	225	350
Jun	241	
Total	2776	2770

IC's to Date v. Prior

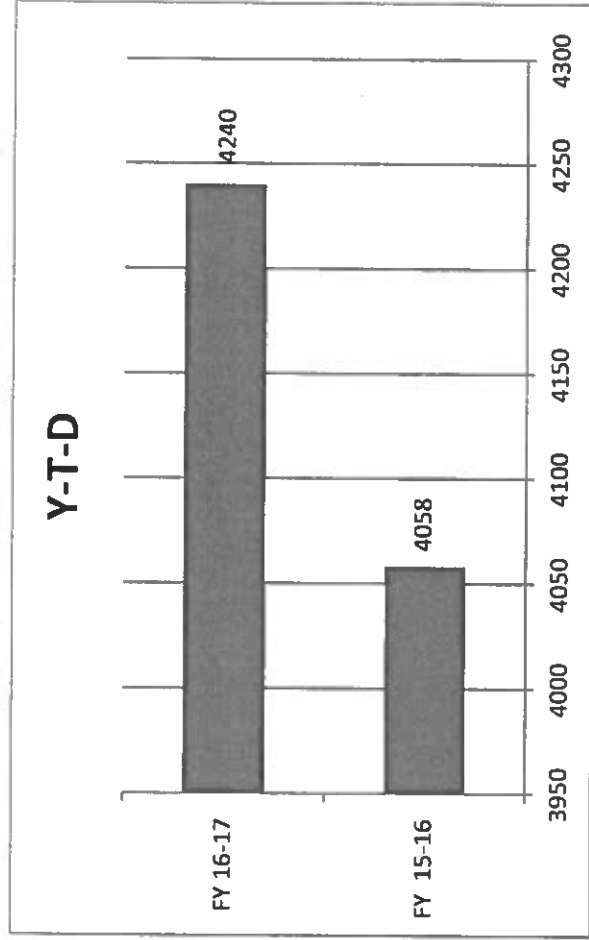


Y-T-D	FY 15-16	FY 16-17
	2535	2770

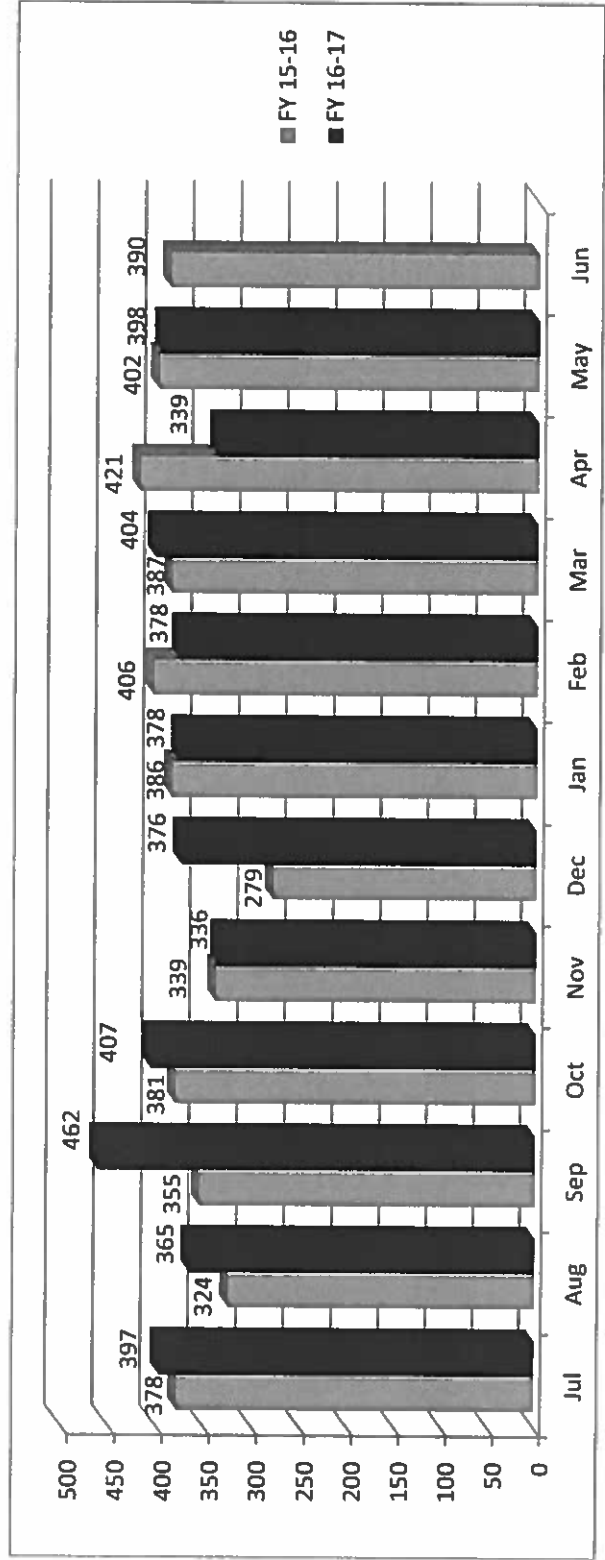


Informal Conf. Requested

	FY 15-16	FY 16-17
Jul	378	397
Aug	324	365
Sep	355	462
Oct	381	407
Nov	339	336
Dec	279	376
Jan	386	378
Feb	406	378
Mar	387	404
Apr	421	339
May	402	398
Jun	390	
Total	4448	4240



Y-T-D	FY 15-16	FY 16-17
	4058	4240



State of South Carolina

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



TEL: (803) 737-5700
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Workers' Compensation Commission

Executive Director's Report Gary M. Cannon

June 16, 2017

S.C. House Bill H.3406

H.3406 amends Section 42-5-190 of the SC Code relating to the self-insurers tax. The legislation was unanimously approved on May 1, 2017. The Governor signed the bill on May 19, 2017.

S.C. House Bill H.3879

H.3879 amends Section 42-9-290 of the SC Code relating to increase the maximum for burial expenses from \$2,500 to \$7,500. The legislation was ratified on May 4, 2017. The Governor signed the bill on May 11, 2017.

S.C. House Bill H.3824

H.3824 amends the Code of Laws by adding Section 44-53-1656 so as to require health care practitioners to review a patient's controlled substance prescription history, as maintained in the prescription monitoring program, before prescribing a controlled substance. The legislation was ratified on May 15, 2017. The Governor signed the bill on May 19, 2017.

FY 2017-18 Budget

The General Assembly approved the Commission's FY17-18 Annual Operating Budget of \$7.1 million. This is a 5.9% increase over FY16-17. The increase are the results of a new position in IT and non-recurring expenses for IT upgrades.

Meetings/Activities

The Executive Director participated in the following meetings/activities:

- May 23, May 30, June 6 & June 13 – Participated in conference calls to discuss updates to the medical fee schedule
- May 26 – Telephone conference – IAIABC Education Subcommittee
- May 30 – Along with Commissioner Campbell met with Chief Hancock
- June 5 – Gave a presentation at the statewide agency leadership meeting
- June 6 – Department Heads and I met with Ryan Coleman, Economic Development Director with the City of Columbia, to discuss how SCWCC can interface and assist with economic development in Columbia and the State

- June 6 – Claims Administration Workshop planning meeting with Department Heads
- June 8 – Met with Captain Curtis with the Bureau of Protective Services regarding security assessment
- June 12 – Conducted interviews for the vacant Administrative Assistant position in the Insurance and Medical Services Department
- June 16 – Attended SCWCEA Medical Seminar Committee Meeting

Employee Meetings

The Employee Appreciation Luncheon was held on Monday, May 15, at which time Geneary Cole was awarded the 2016 Employee of the Year.

Constituent /Public Information Services

For the period May 10, 2017 through June 13, 2017 the Executive Director's Office and the General Counsel's office had 558 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.

Financial Transactions Activity

The Executive Director's office has assumed the direct responsibility for budget, financial and purchasing transactions. These include posting of travel reimbursement requests for the Commissioners, approval of all deposits and invoices for payment, and creating shopping carts and purchase orders in SRM (Supplier Relationship Management) system. For the period May 10, 2017 through June 13, 2017, the Executive Director approved 47 invoices for payment, 20 deposits, and 5 other financial related activities. The Director's Executive Assistant posted 45 travel expense reimbursement payment related activities and created one shopping cart.

SCWCC Stakeholder Electronic Distribution List

For the period May 10, 2017 through June 13, 2017, we added 11 individuals to the distribution list. A total of 701 individuals currently receive notifications from the Commission.

SC Vocational Rehabilitation Department (SCVRD)

On May 18, 2017, Amy Bracy, Sonji Spann, and I met with Stacy Lever, Richland Area Supervisor, SCVRD, at the Richland Area Training Center concerning client referrals.

On May 31, 2017, Amy Bracy, Keith Roberts, Sandee Sprang and I met with Neal Getsinger, Commissioner, SCVRD, to discuss the renewal of Memorandum of Agreement between the Commission and SCVRD.

SCVRD reported eight referrals for the month of May 2017, and 98 referrals year to date. A meeting was held SCVRD Commissioner Neal Getsinger and other SCVRD staff members on May 31 to discuss the referral program and MOU between the Commission and SCVRD.

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: Gary Cannon
Executive Director

DATE: June 15, 2017

RE: FINANCIAL REPORT: Period ending May 31, 2017

Attached is the Financial Report for the eleventh-month period ending May 31, 2017.

General Fund

Page 1 contains the information on the General Fund. To date, we have expended 85% of the budgeted expenditures. The Benchmark is 92%.

Earmarked Fund

The Balance Sheet for the Earmarked Fund shows the actual Revenues collected year-to-date is \$1,525,296 (36% of budget). The actual year-to-date Expenditures is \$3,133,465 (69% of budget) for a Net Income of (\$1,608,169). By applying \$1,608,169 of Fund Balance, we achieve a balanced budget year to date.

The second group of numbers is a projected calculation of actual revenues and expenditures through the end of the fiscal year using a year to date monthly average. Based on these calculations it will be necessary to utilize \$1,754,367 to achieve a Net Income of 0. This is approximately \$925,000 less than we anticipated at the beginning of the fiscal year.

SC Workers' Compensation Commission
Financial Report
Budget vs. Actual Expenditures
FY2016-17
Period Ending: May 31, 2017
General Fund

Fund Center Description	Fund	Commitment Items Description	Current Budget	Benchmark 92%	
				YTD Actual Expense	% of Budget
COMMISSIONERS	GENERAL FUND	CHAIRMAN	\$ 125,209	\$ 110,140	
		COMMISSIONER	\$ 720,924	\$ 665,475	
		TAXABLE SUBS		\$ 2,694	
		CLASSIFIED POS	\$ 324,037	\$ 307,160	
		TERMINAL LEAVE		\$ 25,451	
		BON SUPPLEMENT		\$ 13,800	
		EMPLOYER CONTRIB		\$ 358,891	
Total			\$ 1,170,170	\$ 1,483,611	127%
ADMINISTRATION	GENERAL FUND	DIRECTOR	\$ 102,130	\$ 93,618	
		CLASSIFIED POS	\$ 48,622	\$ 42,630	
		DUAL EMPLOYMENT		\$ 5,770	
		HR-IN ST-AIR TRANS		\$ 424	
		HR-IN ST-AUTO MILES		\$ 127	
		OTHER OPERATING	\$ 75,000	\$ 9,834	
		EMPLOYER CONTRIB		\$ 44,537	
Total			\$ 225,752	\$ 196,941	87%
JUDICIAL	GENERAL FUND	CLASSIFIED POS	\$ 30,218		
Total			\$ 30,218		
CLAIMS SERVICES	GENERAL FUND	CLASSIFIED POS	\$ 79,733	\$ 72,404	
		BON SUPPLEMENT		\$ 1,800	
		EMPLOYER CONTRIB		\$ 21,909	
Total			\$ 79,733	\$ 96,112	121%
MEDICAL SERVICES	GENERAL FUND	CLASSIFIED POSITIONS	\$ 27,498	\$ 25,205	
		BON SUPPLEMENT		\$ 3,000	
		EMPLOYER CONTRIB		\$ 9,738	
Total			\$ 27,498	\$ 37,944	138%
Total		EMPLOYER CONTRIB	\$ 531,739		
Total			\$ 531,739		0%
		MISC OPS (Information Technology)	\$ 72,631		
Total			\$ 72,631		0%
Total			\$ -		
Fund Total			\$ 2,137,741	\$ 1,814,608	85%

**SC Workers' Compensation Commission
BALANCE SHEET**

**EARMARKED FUND
FY2016-17
Period Ending: May 31, 2017**

	Budget	YTD	% of budget
Total Revenues	\$ 4,227,410	\$ 1,525,296	36%
Total Expenditures	\$ 4,569,408	\$ 3,133,465	69%
Net Income		<u>\$ (1,608,169)</u>	
Appropriated Fund Balance	\$ 2,680,098	\$ 1,608,169	
Net Income		<u><u>\$ (0)</u></u>	

Annual Projection Actual to Budget

**SC Workers' Compensation Commission
Financial Report
Budget vs. Actual Expenditures
FY2016-17
Period Ending: May 31, 2017
Earmarked Fund**

Fund	Commitment Items Description	Current Budget	Benchmark 92%	
			YTD Actual Expense	% of Budget
COMMISSIONERS	TAXABLE SUBS	\$ 70,000	\$ 53,729	
	OTHER OPERATING	\$ 230,700		
	DP SVCS-OTHER		\$ 780	
	FREIGHT EXPRESS DELV		\$ 54	
	TELEPHONE & TELEGRPH		\$ 3,776	
	CELLULAR PHONE SVCS		\$ 7,959	
	LEGAL SERVICES		\$ 101,038	
	LEGAL SERVICES		\$ 4,726	
	OFFICE SUPPLIES		\$ 69	
	EDUC & TRNG-STATE		\$ 75	
	POSTAGE		\$ 4,618	
	RENT-COPYING EQUIP		\$ 1,586	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT		\$ -	
	RENT-OTHER		\$ 120	
	INSURANCE-STATE		\$ -	
	DUES & MEMBER FEES		\$ 420	
	IN ST-MEALS-NON-REP		\$ 306	
	IN ST-LODGING		\$ 2,736	
	HR-IN ST-AIR TRANS		\$ 475	
	HR-IN ST-AUTO MILES		\$ 18,302	
	IN ST-MISC TR EXP		\$ 104	
	IN ST-REGISTR FEES		\$ 350	
	IN ST-SUBSIST ALLOW		\$ 7,353	
	OUT ST-REGISTR FEES		\$ 980	
	REPORTABLE MEALS		\$ 94	
	LEASED CAR-ST OWNED		\$ 3,947	
	INS WORKERS COMP		\$ 11,926	
	UNEMP COMP INSURANCE		\$ 171	
	Total	\$ 300,700	\$ 225,694	75%
ADMINISTRATION	CLASSIFIED POS	\$ 585,119	\$ 358,212	
	OTH PERS SVC	\$ 41,000		
	TERMINAL LEAVE		\$ 5,215	
	BON SUPPLEMENT		\$ 11,400	
	OTHER OPERATING	\$ 1,914,920		
	OFFICE EQUIP SERVICE		\$ -	
	PRINT / BIND / ADV		\$ 1,667	
	DP SVCS-OTHER		\$ 25,484	
	FREIGHT EXPRESS DELV		\$ 26,197	
	TELEPHONE & TELEGRPH		\$ 3,074	
	CELLULAR PHONE SVCS		\$ 3,840	

Fund	Commitment Items Description	Current Budget	YTD Actual Expense	% of Budget
	EDUC & TRNG-STATE		\$ 95	
	LEGAL SERVICES		\$ (4,726)	
	ATTORNEY FEES		\$ 12,877	
	MOTOR VEH REP -WRECK		\$ -	
	AUDIT ACCT FINANCE		\$ 121	
	OTHER PROFESS SVCS		\$ 969	
	OTHER CONTRACT SVCS		\$ 1,155	
	OFFICE SUPPLIES		\$ 22,158	
	SUBSCRIPTIONS		\$ 4,625	
	PRINTING		\$ 57	
	DATA PROCESS SUPP		\$ 725	
	EQUIP&SUPP- EUC		\$ 13	
	POSTAGE		\$ 6,610	
	GRD/MAINT/JANTL SUPP		\$ 86	
	EMPLOYEE RECOG AWARD		\$ 1,030	
	OTHER SUPPLIES		\$ 2,341	
	RENT-OFFICE EQUIP		\$ 3,878	
	RENT-COPYING EQUIP		\$ 2,162	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT		\$ 630	
	RENT-NON ST OWN PROP		\$ 364,394	
	RENT-OTHER		\$ 12,510	
	DUES & MEMBER FEES		\$ 1,235	
	FEES AND FINES		\$ -	
	IN ST-MEALS-NON-REP		\$ 394	
	IN ST-LODGING		\$ 2,980	
	HR-IN ST AIR TRANS		\$ 574	
	HR-IN ST-AUTO MILES		\$ 2,013	
	IN ST-MISC TR EXP		\$ 51	
	IN ST-REGISTR FEES		\$ 385	
	LEASED CAR-ST OWNED		\$ 41,187	
	EMPLOYER CONTRIB		\$ 139,430	
	Total	\$ 2,541,039	\$ 1,055,046	
EXECUTIVE DIRECTOR	TEMPORARY POSITIONS		\$ 33,378	
	OT & SHIFT DIFFERENT		\$ 394	
	CELLULAR PHONE SVCS		\$ 193	
	DUES & MEMBER FEES			
	IN ST-MEALS-NON-REP		\$ 971	
	IN ST-LODGING		\$ 1,027	
	OUT ST-REGISTR FEES		\$ 250	
	REPORTABLE MEALS		\$ 269	
	EMPLOYER CONTRIB		\$ 8,288	
	Total		\$ 44,770	
INFORM. SERVICES	DP SVCS-OTHER		\$ 172,596	
	OFFICE EQUIP SERVICE		\$ 670	
	FREIGHT EXPRESS DELV		\$ 131	
	TELEPHONE & TELEGRPH		\$ 703	
	CELLULAR PHONE SVCS		\$ 2,613	

Fund	Commitment Items Description	Current Budget	YTD Actual Expense	% of Budget
	LEGAL SERVICES		\$ -	
	EDUC & TRNG-STATE		\$ 6,849	
	OFFICE SUPPLIES		\$ 1,895	
	DATA PROCESS SUPP		\$ 2,301	
	PLM- SOFTWARE SUPPL		\$ 36,397	
	EQUIP&SUPP- EUC		\$ 20,803	
	OTHER SUPPLIES		\$ 16	
	RENT-COPYING EQUIP		\$ 14,563	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT		\$ 1,124	
	DUES & MEMBER FEES		\$ 3,600	
	Data Pro Eq Acq (MA)		\$ 35,835	
	LOW VALUE ASSET (MA)		\$ 23,177	
Total			\$ 323,272	
	EMPLOYER CONTRIB			
Total		\$ 2,841,739	\$ 1,423,088	50%
CLAIMS SERVICES	CLASSIFIED POS	\$ 272,010		
	CLASSIFIED POSITIONS		\$ 209,888	
	CLASSIFIED POSITIONS		\$ 39,059	
	BON SUPPLEMENT		\$ 4,800	
	OTH PERS SVC			
	TERMINAL LEAVE		\$ 6,640	
	OTHER OPERATING	\$ 19,700		
	OFFICE SUPPLIES		\$ 79	
	COPYING EQUIP SVC		\$ 71	
	TELEPHONE & TELEGRPH		\$ 2,806	
	CELLULAR PHONE SVCS		\$ 479	
	POSTAGE		\$ 7,765	
	RENT -COPYIING EQUIP		\$ 848	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT			
	EMPLOYER CONTRIB		\$ 103,844	
Total		\$ 291,710	\$ 376,279	129%
MEDICAL SERVICES	CLASSIFIED POS	\$ 445,000		
	CLASSIFIED POSITIONS		\$ 307,226	
	CLASSIFIED POSITIONS		\$ 137,814	
	OTH PERS SVC	\$ 22,881		
	TEMPORARY POSITIONS		\$ 11,876	
	BON SUPPLEMENT		\$ 10,800	
	LEGAL SERVICES		\$ -	
	OTHER OPERATING	\$ 54,500		
	PRINT / BIND / ADV		\$ 144	
	CELLULAR PHONE SVCS		\$ 98	
	CELLULAR PHONE SVCS		\$ 266	
	OTHER PROFESS SVCS		\$ 16,878	
	OTHER CONTRACT SVCS		\$ 1,870	
	OFFICE SUPPLIES		\$ 97	
	DATA PROCESS SUPP		\$ 73	

Fund	Commitment Items Description	Current Budget	YTD Actual Expense	% of Budget
	POSTAGE		\$ 4,501	
	RENT-COPYING EQUIP		\$ 634	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT		\$ -	
	IN ST-MEALS-NON-REP		\$ 66	
	IN ST-LODGING		\$ 651	
	HR-IN ST-AUTO MILES		\$ 346	
	LEASED CAR-ST OWNED			
	EMPLOYER CONTRIB		\$ 165,562	
Total			\$ 658,903	
COMPLIANCE	TELEPHONE & TELEGRPH		\$ 2,908	
	CELLULAR PHONE SVCS		\$ 392	
	EDUC & TRNG-STATE		\$ 249	
	OTHER PROFESS SVCS		\$ 5,175	
	RENT-COPYING EQUIP		\$ 234	
	OUT ST-REGISTR FEES		\$ 650	
	INS UNEMPLY COMP		\$ 171	
			\$ 9,778	
Total		\$ 522,381	\$ 668,681	128%
JUDICIAL DOCKETING	CLASSIFIED POS	\$ 292,779		
	CLASSIFIED POSITIONS		\$ 267,766	
	BON SUPPLEMENT		\$ 6,900	
	OTHER OPERATING	\$ 12,800		
	TELEPHONE & TELEGRPH		\$ 1,583	
	OFFICE SUPPLIES		\$ 86	
	CELLULAR PHONE SVCS		\$ 265	
	POSTAGE		\$ 6,102	
	RENT-COPYING EQUIP		\$ 808	
	RENT-DATA PROC EQUIP		\$ -	
	RENTAL-CONT RENT PMT		\$ -	
	HR-IN ST-AUTO MILES		\$ 438	
	EMPLOYER CONTRIB		\$ 103,756	
Total			\$ 387,704	
JUDICIAL ASSESSMENT	CLASSIFIED POSITIONS		\$ 35,182	
	EMPLOYER CONTRIB		\$ 16,837	
			\$ 52,019	
Total		\$ 305,579	\$ 439,723	144%
	EMPLOYER CONTRIB	\$ 607,999		
Fund Total		\$ 4,569,408	\$ 3,133,465	69%

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: The South Carolina Workers' Compensation Commission
FROM: J. Keith Roberts, General Counsel
DATE: June 19th, 2017
RE: Electronic Payment of Temporary Disability Benefits under § 42-9-450

On May 15th, 2017, Act No. 24 was enrolled as law, which creates § 42-9-450. This new statute allows payment of compensation to be made by check or electronic payment system, but requires the payments to be made "in accordance with the policies, procedures, or regulations as provided by the commission". S.C. Code Ann. § 42-9-450.

The Commission has proposed changes to Regulation 67-1602 which will provide the framework for how parties can go about using electronic payment systems. However, the proposed changes to the regulations did not become law this year, and will be before the General Assembly in January 2018.

In the meantime, § 42-9-450 provides the Commission authority to make policies or procedures regarding use of electronic payment systems. It is our recommendation that the Commission adopt verbatim the language from the proposed changes to Reg. 67-1602 as its policies and procedures regarding use of electronic payment systems.

B. The employer's representative shall make a check payable to the claimant and the claimant's attorney, as allowed pursuant to an approved Form 61, Attorney Fee Petition, or by order of the Commission.

C. The employer, employer's representative, or other payer shall make each payment in the form of a check, unless the parties mutually agree to an alternate payment method as provided for in this section. An employer, employer's representative, or other payer may use an electronic payment system, including, but not limited to, an electronic funds transfer, a direct deposit, debit card, or similar payment system, as an alternative method of payment if:

- (1) the claimant can immediately obtain the full amount of the periodic payment;
- (2) the method of payment is easily and readily accessible to the claimant; and
- (3) the use of an electronic payment system is optional and at the election of the parties as documented in the records of the payer; and
- (4) once the parties have agreed to use an alternate payment system in accordance with this section, either party may opt to change the method of payment to another method consistent with this section by providing 30 days' written notice to the other party.

D. When payment is made to a debit card account:

- (1) the payer shall not charge the claimant any fee related to the issuance of the debit card;
- (2) the claimant must be provided a reasonable method to obtain payment in full without incurring any usage fee; and
- (3) any other fees associated with the use of the debit card shall be disclosed to the claimant in writing by the payer.

E. Other than when making payment by check, an employer, employer's representative, or other payer shall not make a payment as described in subsection C. without the full consent of the claimant, obtained without intimidation, coercion, or fear of discharge or reprisal. Default payment shall be by check.

F. Payment made other than as directed in this section shall not acquit, protect, or discharge the employer, employer's representative, or other payer for the payment due.

G. The claimant may request a hearing to assess a penalty and/or interest for late payment by filing with the Commission's Judicial Department a motion to increase compensation payments according to R.67-215.

T. Scott Beck, Chairman
South Carolina Workers' Compensation Commission

Columbia, South Carolina

_____, 2017