

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

November 13, 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.

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|---|---|
| 1. CALL TO ORDER | <i>CHAIRMAN BECK</i> |
| 2. APPROVAL OF AGENDA OF BUSINESS MEETING
OF NOVEMBER 13, 2017 | <i>CHAIRMAN BECK</i> |
| 3. APPROVAL OF MINUTES OF THE BUSINESS MEETING
OF OCTOBER 16, 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
MS. SPRANG
MR. DUCOTE
MS. SPANN
MS. BRACY</i> |
| 7. EXECUTIVE DIRECTOR'S REPORT (Tab 8)
Administration – Financial Report (Tab 9) | <i>MR. CANNON
Mr. Cannon</i> |
| 8. OLD BUSINESS | <i>CHAIRMAN BECK</i> |
| 9. NEW BUSINESS | <i>CHAIRMAN BECK</i> |
| 10. ADJOURNMENT | <i>CHAIRMAN BECK</i> |

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING
October 16, 2017

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, October 16, 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; Amy Bracy, Judicial Director; David DuRant, Attorney; Loretta Dykes, Financial Technician; Wayne Ducote, Insurance & Medical Services Director; Kim Falls, Business Analyst; Keith Roberts, Attorney; Sonji Spann, Claims Director; and Sandee Sprang, IT Director. Bonnie Anzelmo, Injured Workers' Advocates, was also present.

Chairman Beck called the meeting to order at 10:33 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 SEPTEMBER 18, 2017

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

GENERAL ANNOUNCEMENTS

There were no general announcements.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by Bryan Berthelette, Self Insurance Director. Twenty-five (25) prospective members of two (2) funds were presented to the Commission for approval. The applications were:

South Carolina Automobile Dealers Association

Benson Hyundai

Benson Kia

Benson Nissan

Longstreet Chevrolet Buick GMC Truck, Inc.

Volvo Cars Hilton Head

SC Home Builders SIF

Arnold Masonry
B's Buildings & Metal Works, LLC
Charleston Drywall & Paint, LLC
Chavis Homebuilders & Remodeling, LLC
Color Creations, LLC
Coastal Landscape & Construction, LLC
Dean's Painting Company, Inc.
Dennis Home Improvement, LLC
Dream Decorative Concrete and Tile, LLC
Everlasting Stone Work, LLC
Fehr Builders, LLC
Garry's Painting, LLC
Brenes Tile & Flooring
M&S Tile Services, LLC
Martin Builders, Inc.
Michael Ballesteros dba Mike's Painting
Piedmont Metal Works, LLC
Prep-Rite Painting, LLC
Tony's Tile & Remodeling, LLC
Y&R Construction

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

DEPARTMENT DIRECTORS' REPORTS

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

Human Resources

Alexa Stuart presented the Human Resources report. Ms. Stuart pointed out the following highlights from the report:

- The Commission had 53 FTEs, one part-time contract employee and one part-time temporary employee.
- Twenty individuals submitted applications for the Systems Programmer/Developer IV position. The applications are being reviewed.
- Annual Open Enrollment began October 1, 2017 and will run through October 31, 2017.
- Attended the statewide annual SHRM meeting.
- Sent 16 "all agency" emails on various topics.
- Made time corrections in SCEIS for four employees.
- Worked with the Agency's HR consultant on two HR related matters.
- Obtained quotes for junk removal. The removal of junk items will take place during October.

- Provided HR information for the FY2016-17 Annual Report and Accountability Report.
- Approved eight travel requests.

There was discussion concerning parking spaces for visitors and court reporters. Ms. Stuart reported she continues to work with CBRE to resolve parking issues. CBRE has ordered a new intercom system in an effort to provide better assistance to our visitors requiring a parking space. The expected implementation of the new system is within one to two months. Ms. Stuart is also looking into obtaining one or two keycards to have available for monthly use by the court reporters.

Commissioner McCaskill commended Ms. Stuart for her thorough work and said she is doing an outstanding job. The other Commissioners concurred.

Information Technology Department

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

- Business Analysts worked with DTO to resolve blank images on OnBase.
- The Governor's reports were completed during September for period March 16th through September 15th.
- Department of Employment and Workforce (DEW) data analysis continues.
- Completed remote access configuration on AAs' laptops.
- The eCase web portal upgrade is in the testing phase. IT will recruit users to assist in this process.
- A new color printer was installed.
- The four copiers will be replaced in the very near future. One of the copiers will be replaced with a color copier.
- IT is working on the configuration of the new scan workstations.
- IT is waiting on NWN to complete a system upgrade so the "voicemail to email" functionality can be implemented.
- IT has begun weekly working sessions to define the legacy modernization project plan related to designing the new claims management system.

Insurance and Medical Services Department

Wayne Ducote presented the Insurance and Medical Services Department's report. Mr. Ducote pointed out the following highlights from the report:

- Year to date, the Compliance Division has compelled 36 employers to come into compliance with the Act. Approximately 233 previously uninsured workers are now properly covered.
- Thirty (30) Carrier Rule to Show Cause cases were docketed. Twenty-two (22) cases were resolved and \$16,879 was recovered.
- The Compliance Division collected \$86,348 in fines and penalties. Year to date, the Compliance Division has collected \$305,611 in fines.
- The Coverage Division received 1,916 claim files and collected \$17,300 in fine revenue.
- The Self Insurance Division collected \$1,918,438 in self-insurance tax.

Claims Department

Sonji Spann presented the Claims Department's report. She reported the following for the month of September:

- Claims closed 2,292 files, a decrease of 265 from last month.

- Claims reviewed 3,317 files, an increase of 496 from last month. Fifty of 514 carriers were selected to review the number of Open Cases. Of the 1,589 files reviewed, 55 files were closed, 15 fines were assessed and 14 requests for additional data were made.
- In follow up to requests made to carriers in July and August, Claims Examiners reviewed 270 files, which resulted in 33 fines assessed.
- Fine Revenue collected during the month of September was \$30,850, a decrease of \$6,950 in comparison to August 2017.
- 259 fines were assessed, of which 211 were for the Form 18.
- Received 1,220 Form 18s via SROI/EDI.
- Received 2,026 Form 18s via email.
- Received 845 Form 18s via USPS.
- Received 653 Form 61s; approve 658 Form 61s.
- Received and approved 33 Third Party Settlements.
- Staff from Key Risk visited the Commission on September 13, 2017 for a tour and an overview from each department.

Ms. Spann reported September was the first month in 2017 that the department was fully staffed. The Claims Examiners completed all paper forms received from the mailroom daily and kept up with all emailed forms for the month.

Judicial Department

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

Judicial Department

- 826 requests for Hearings
- 121 Motions
- 132 Clincher Conference requests sent to Jurisdictional Commissioners

Commissioners

- 73 Single Commissioner Hearings conducted
- 16 pre-hearing conferences held and 18 Full Commission Hearings conducted
- 487 Orders served at single Commissioner level; 44 of those were Decision and Orders that resulted from hearings that went on record; 132 of those were Motion Orders ruled upon by Commissioners

Informal Conference

- 325 informal conferences conducted

Mediation

- 44 regulatory mediations scheduled
- 38 requested mediations
- 46 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:

- The South Carolina Workers' Compensation Education Association's Annual Educational Conference was held October 8-11 in Myrtle Beach. The Commission exhibited a booth during the event and department heads were available to answer questions and provide information to the attendees.
- A time will be scheduled in December for the Commissioners to tour the SCVRD's training facility.

- A cookout is being planned for the staff. Details will be forthcoming.

ADMINISTRATION – FINANCIAL REPORT

Mr. Cannon reported the benchmark for period ending September 30, 2017 is 25%. The General Fund expenditure to date is 28%. Mr. Cannon noted this is slightly over due to the posting of three payrolls in the month of September. The Earmarked Fund expenditure to date is 18%.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

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

The October 16, 2017 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:04 a.m.

Reported November 13, 2017
Kim Ballentine
Office of the Executive Director

SCWCC Human Resources Monthly Report October 2017
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STAFFING

In October, the Commission had 53 FTEs and one part-time contract employee and one part-time temporary employee. We recruited for 2 vacant positions.

- **New Hires:** None
- **Separations:** None
- **Retirements:** None
- **Leaves:** None
- **Recruitment:**

Systems Programmer/Developer IV – We have interviewed 5 candidates for this position and an offer is forthcoming. Twenty applications were received.

Administrative Assistant – We have reviewed 131 applications for this position and 4 interviews are scheduled in November. A decision should be made by November month-end.

BENEFITS

- Distributed individualized letters to all employees regarding open enrollment, answered questions regarding employee benefit options, and made changes electronically and via the US Postal services. Open enrollment was completed on October 31st.
- Performed 64 transactions related to benefits.
- Sent out an announcement about health screening opportunities available for state employees.
- Scheduled and coordinated on-site flu shot administration. We had 17 employees and 1 dependent participate.

MEETINGS

- Attended a labor seminar presented by attorneys from Haynsworth Sinkler Boyd, PA.
- Attended the quarterly HR Advisory Meeting.

ADMINISTRATIVE

- Sent 9 “All Agency” emails on various topics such as SCEIS, parking, benefits, and miscellaneous events.

- Performed 20 SCEIS time related transactions and 4 payroll related transactions.
- Worked with DSHR HR consultant on 1 HR related questions. We have a new HR Consultant, Susan Hance, assigned to our agency.
- Prepared the annual EEOC Report and submitted results as required. Established a more efficient manner in which to collect statistical information over the year so that next year's completion of this report will be less time consuming and more efficient.
- Had miscellaneous "junk" removed. Removal of the old postage machine and any additionally identified junk should be removed in November.

FISCAL RESPONSIBILITIES

- Processed/approved 16 travel expense reports.
- Responded to 6 procurement audit requests.

FACILITIES

- Notified CBRE of 8 new issues and they were all addressed.
- Responded to 6 parking related issues.
- The new intercom system for the parking areas should installed be by year-end.



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Sandee Sprang, IT Director
Date: November 17, 2017
Subject: IT Department October 2017 Full Commission Report

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

I. Systems Operations, Maintenance and Support

EDI

The IT department worked with EDI trading partners to research and resolve EDI transaction data and image processing errors. We are also working closing with Midwest Employers Casualty Company on a TPA consolidation to verify all EDI transactions process correctly. We currently have 1 trading partner in test mode. We continue to work with the IAIABC EDI Claims Workgroup, reviewing and recommending standards changes.

Reporting and Standardization

The Hearing Notice process was modified to more accurately reflect all parties. DEW data analysis continues and the IT team is working with DEW and IMS to better define the business and application processes.

Systems Support

We requested security changes from DTO to include: designated IP addresses for wireless traffic to minimize IP address conflicts and firewall changes to allow smoother testing over the Fax over IP. These are currently in process. We collaborated with DTO to resolve issues resulting from system failures and downtime.

OnBase

Liz and Kim resolved multiple COLD (EDI data collection processes) and DIP (upload data collection processes) related to OnBase. Duane researched and corrected multiple Invoice, Payment and Deposit issues; he also modified several templates for Progress letters.

Desktop Support

Jason completed the testing of the Unified Communications and Simultaneous Ring functionality in our VoIP system. The vendor replaced our support team and service has drastically improved. We continue to work on improving our internal business processes with on-boarding new employees.

II. Projects, Enhancements and Development

eCase

The eCase web portal upgrade is on hold awaiting security and access configuration changes at DTO.

Hardware Upgrades

We only have a few hardware upgrade projects currently in process:

- 1) We are working on the configuration of the new scan workstations.
- 2) We are working to determine which vendor will provide our new copiers.
- 3) We are working with OnBase and DTO to gather a list of compatible desktop scanners as we look to place a scanner on each AA's desk.

System Virtualization

Duane and Sandee reopened the request with DTO to complete the server virtualization project. We expect to have a test environment configured before the end of the year.

Microfilm Conversion

The 4th group of cartridges is still in the conversion process, 3 groups remain and the estimated completion date of the project is January 2018.

Legacy Modernization

The IT team has begun weekly working sessions to define the project plan related to designing our new claims management system. We held a conference call with New York's WC Board to discuss their legacy modernization project. Sandee is meeting with other state agencies to get vendor and product reviews for this project.

Staffing

Sandee conducted 4 interviews for the Application Developer position; a candidate has been selected and this vacancy will be filled this month.

III. Trainings and Meetings

Sandee attended the Payment Card Industry training on security requirements. She also attend the South Carolina Information Technology Directors' Association annual fall meeting.

Sandee continues to work with DIS to develop a staffed security team for our agency.

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 7-Nov-17

Subj: Insurance and Medical Services Department
October 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. |
| 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: 49 new registrants; 0 notifications sent. |
| Medical Services | <ol style="list-style-type: none">1. Working with Medical Bill Reviewers on certification renewals. |

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.

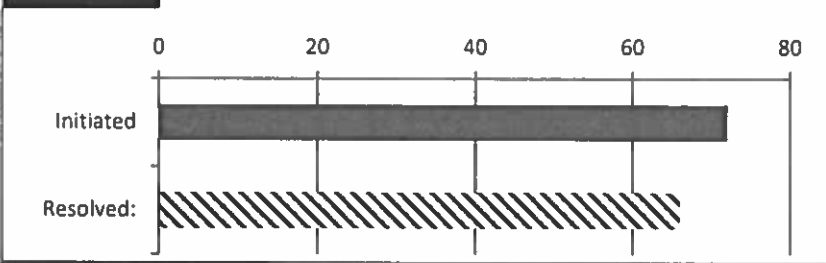
Employers Obtaining Coverage

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 66 employers in South Carolina to come into compliance with the Act. In so doing, approximately 614 previously uninsured workers are now properly covered.

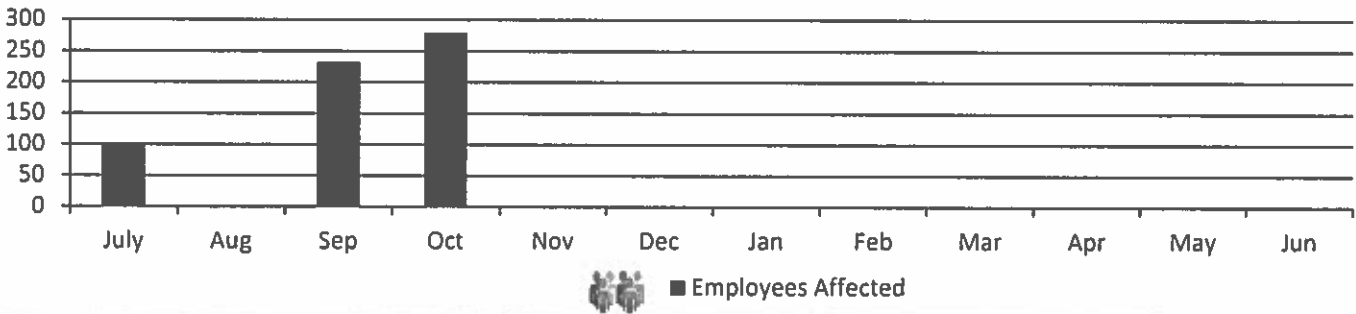
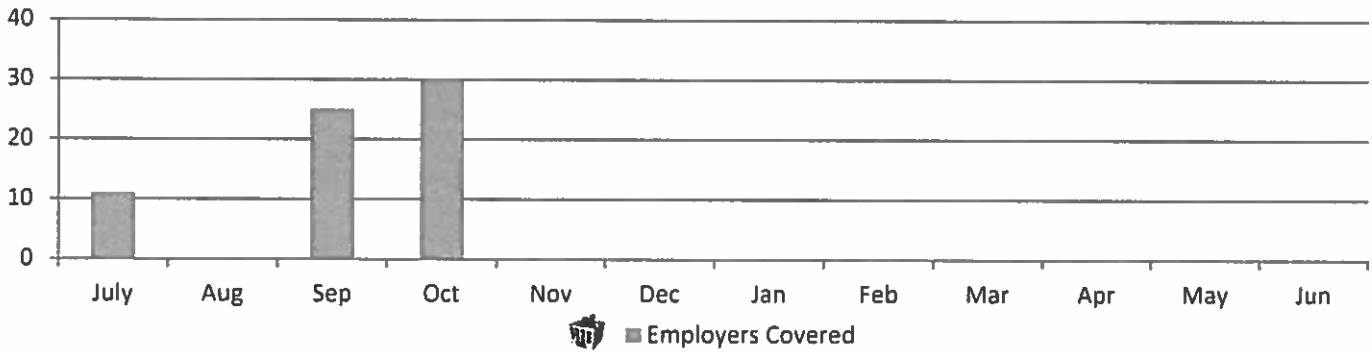
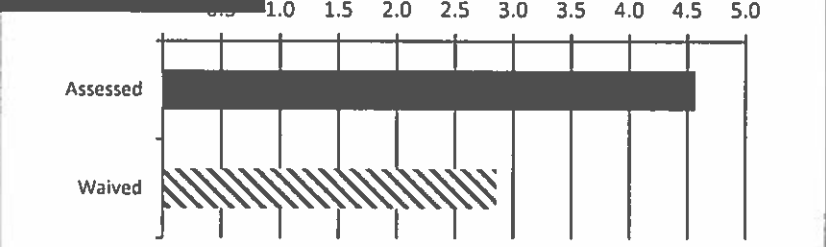
Penalties Waived

Although the Division has assessed \$4.5 m in fines, 63% of those fines (\$2.8 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

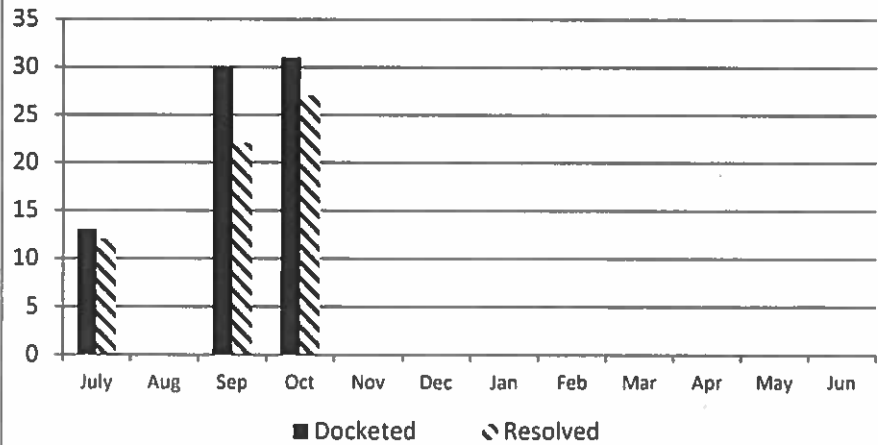


Fines and Penalties



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 October 2017, 31 carrier RTSC cases were docketed; 27 cases were resolved and \$12,779 was recovered. Year to date, 74 carrier RTSC cases have been docketed, 61 cases have resolved and \$33,458 has been recovered.



Carryover Caseload:

The Compliance Division closed October 2017 with 384 cases active, compared to an active caseload of 232 at the close of October 2016.

Cases Resolved:

For the month of October 2017, Compliance Division staff closed-out 132 cases.

Compliance Fines:

In October 2017, the Compliance Division collected \$118,327 in fines and penalties. Year to Date, the Compliance Division has collected \$423,938 in fines.

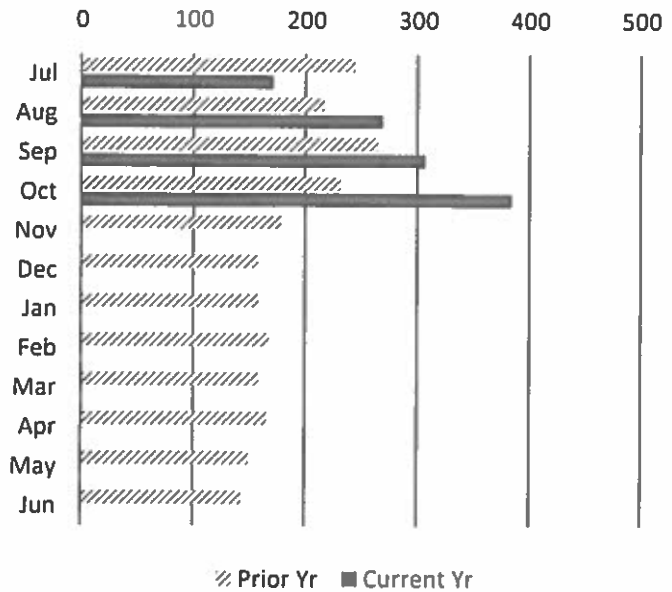
Year to Date vs Prior Year Total (\$382,199): 111%

October 2017 vs. October 2016: 335%

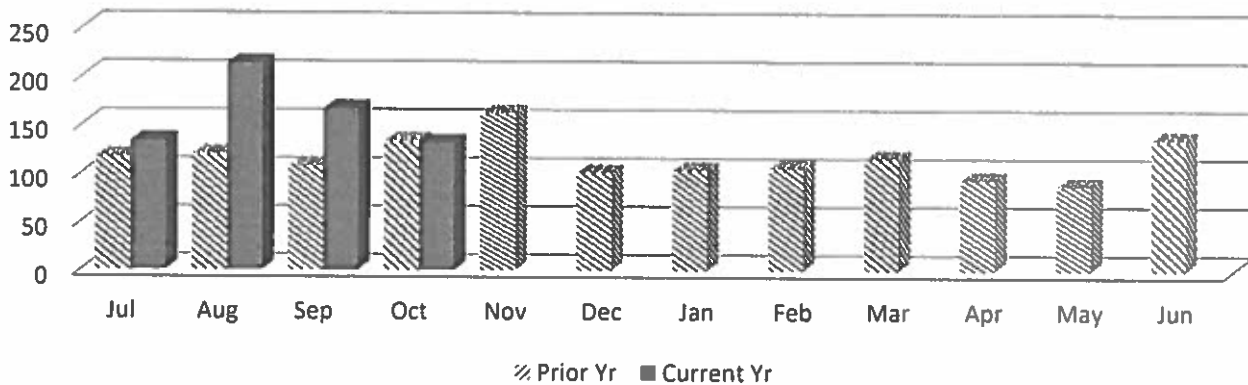
Current Year End trend is 333% of 2016-2017

YTD 2017-18 (July - October) vs YTD 2016-2017: 234%

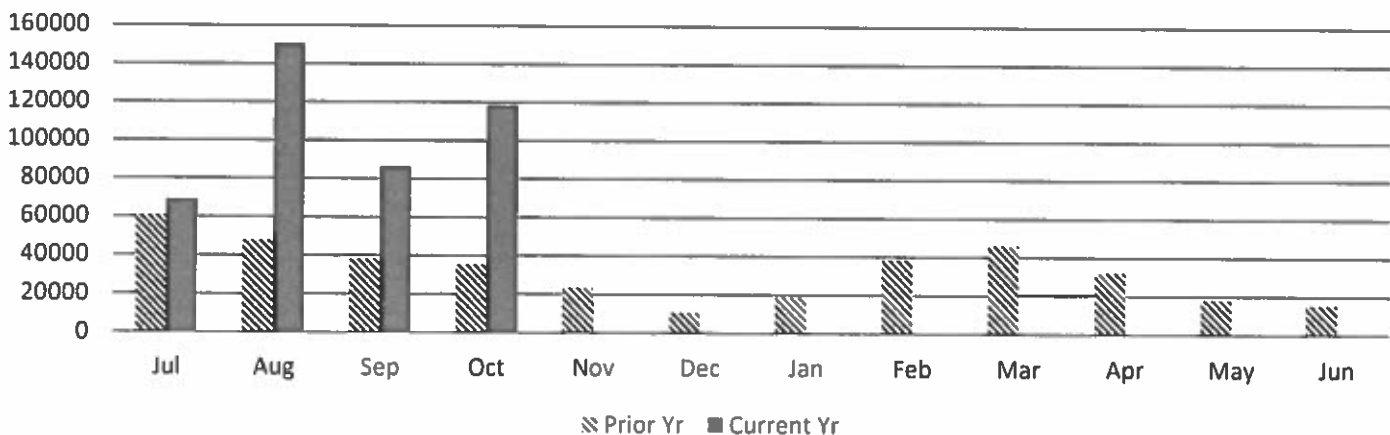
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year

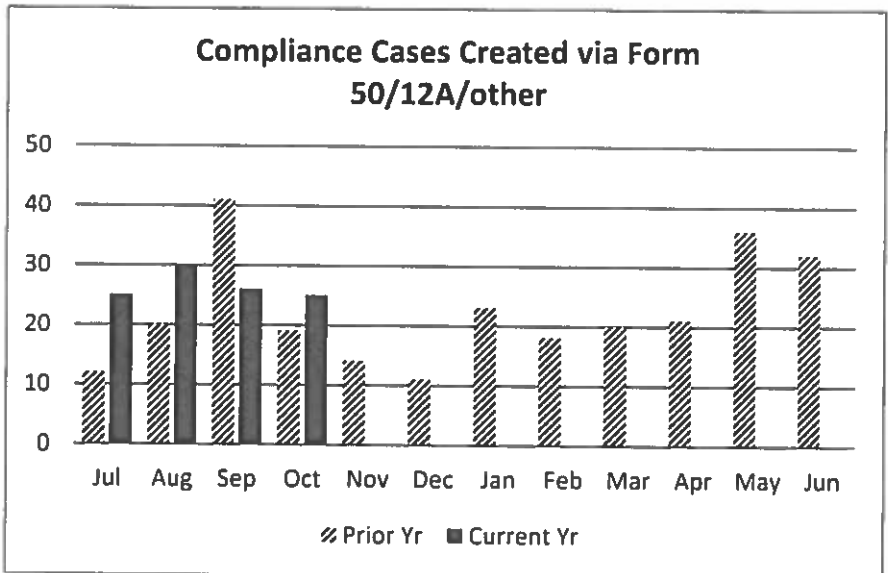


Compliance Fines Collected v. Prior Year



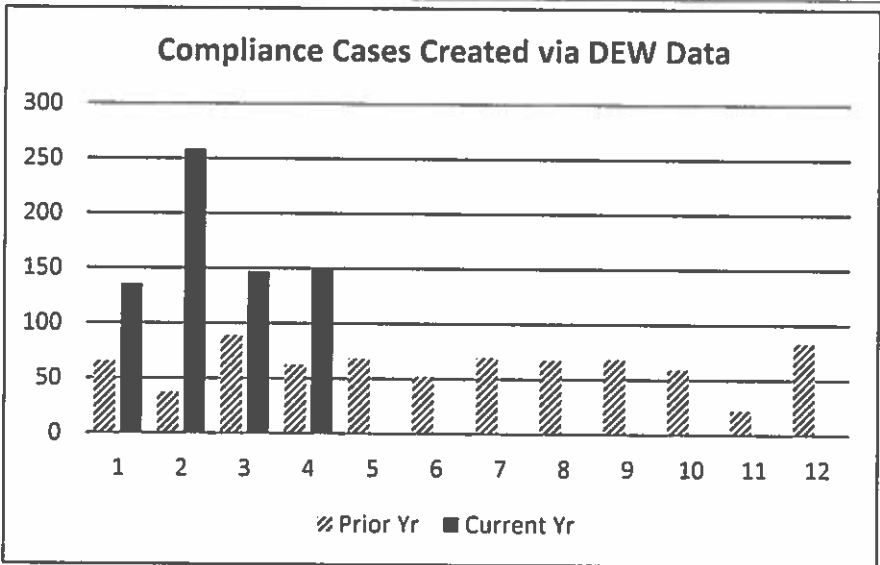
In October 2017, 25 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (267): 40%
 Oct 2017 to Oct 2016: 132%
 Current Yr End trend: 119% of 2016-2017
 YTD 2017-2018 v. YTD 2016-2017: 115%



In October 2017, 150 compliance files were created from the DEW data process.

YTD vs. Prior Year total (741): 93%
 Oct 2017 to Oct 2016: 242%
 Current Yr End trend: 279% of 2016-2017
 YTD 2017-2018 v. YTD 2016-2017: 273%

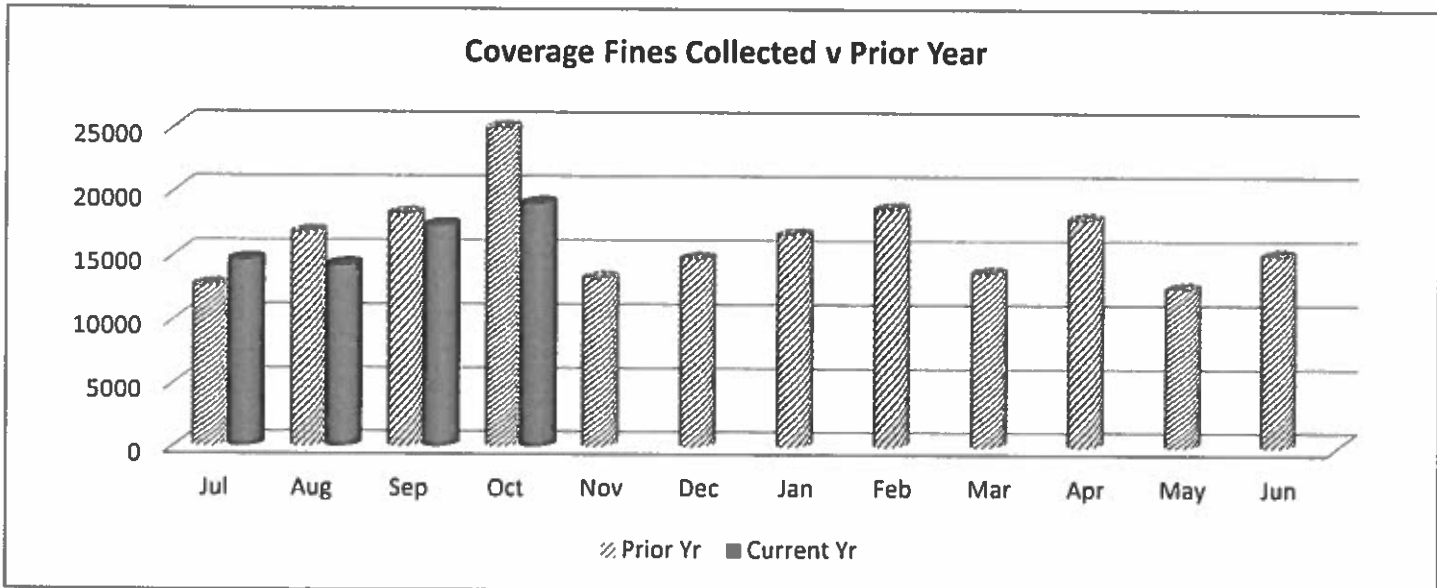
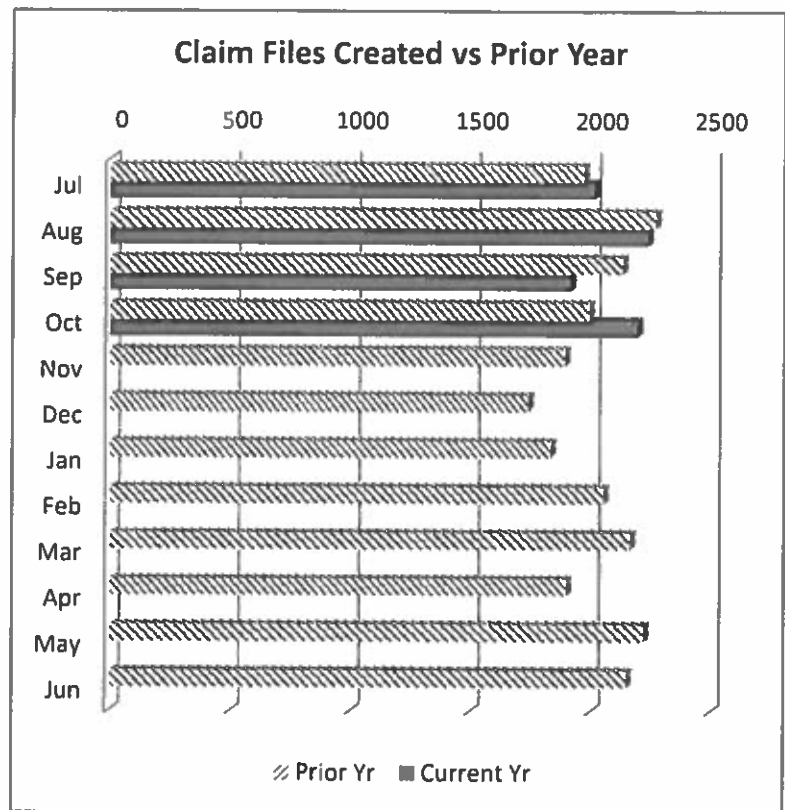


WCC Claim Files:

In October 2017, the Coverage Division received a total of 2,195 WCC Claim files. Of these, 1,856 were created through proper carrier filing of a 12A, and 339 were generated as a result of a Form 50 claim filing. Year to Date 8,370 Claim files have been created which is 34% of claim file volume prior year (24,350).

Coverage Fines:

The Coverage Division collected \$19,000 in fine revenue in October 2017, as compared to \$24,900 in Coverage fines/penalties accrued during October 2016. Year on Year, Coverage fines are at 33% of collections for prior year.



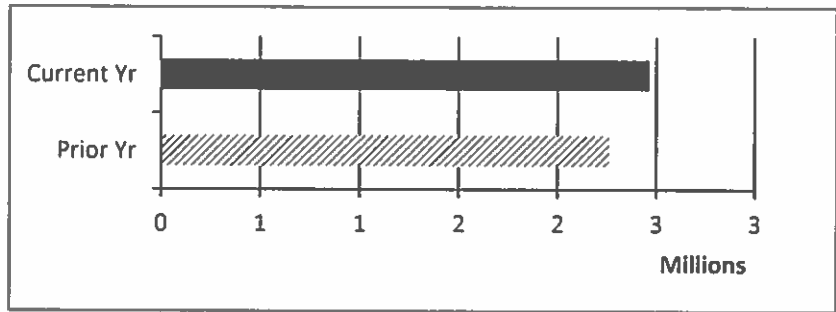
IMS SELF INSURANCE DIVISION

Oct 2017

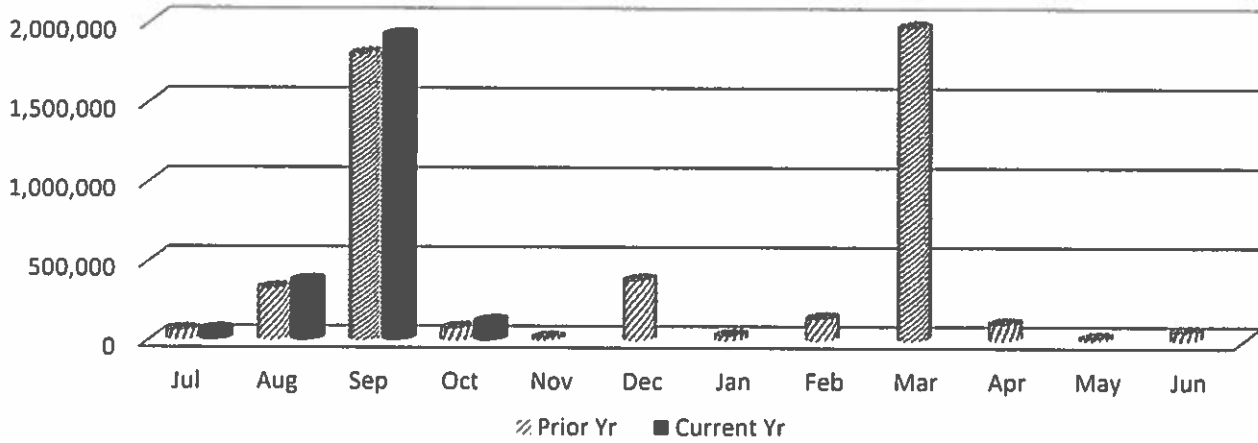
During the month of October 2017, the Self Insurance Division:

- * collected \$114,824 in self-insurance tax.
- * added 25 new self-insurers.
- * conducted 3 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 109% of prior year and 14 Self Insurance audits have been completed.



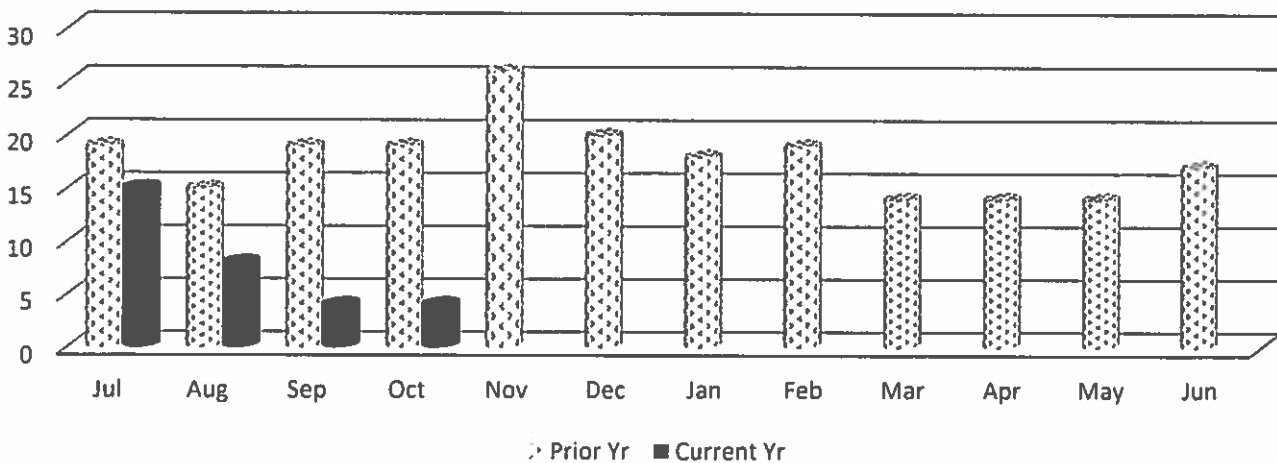
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In October 2017, the Medical Services Division began the month with 4 bills pending review, received an additional 11 bills for review, conducted 11 bill reviews and ended the month with 4 bills pending.

Medical Bills Pending Review v. Prior Year



State of South Carolina

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Workers' Compensation Commission

MEMORANDUM

To: Gary Cannon, Executive Director
From: Sonji Spann, Claims Director
Date: November 8, 2017
Re: Claims Department – November 2017 Full Commission Report

Attached is Claims Department activity for the period ending October 31, 2017. The format of the Claims Department report highlights the key workflow benchmarks and compare to same month last fiscal year.

During the month of October, Claims processed 17,741 items. This reflects an 18% increase in the number of items compared to the previous month. This includes 2,482 closed files and reviewed 4,767 files. When compared to the previous month, the number of Claims closed increased 190 and the number cases reviewed increased by 1,450. When compared to the same period in FY 16/17, the department closed 516 more cases and reviewed 2,010 more cases.

In our efforts to reduce the number of carriers' open files, we reviewed 2,479 open files of 61 carriers. This resulted in 158 cases being closed, assessing fines on 25 cases, and mailed requests for additional information on 10 cases.

The Claims Department collected \$55,700 in fine revenue, an increase of \$24,850 compared to the previous month. When compared to the same period in FY 16/17, the department collected \$46,500 in fine revenue, an increase of \$9,200 or 20%.

The Claims Department assessed 547 fines, an increase of 288 compared to the previous month. Four-hundred twenty-nine of the number of fines assessed were for the Form 18, an increase of 218 compared to the previous month. The increase in the number of Form 18 fines assessed is due to an error in the Carrier Tab not updating in the fine program. IT corrected the problem and the system captured the missing data. When compared to the same period in FY 16/17, the department assessed 254 fines of which 227 were for the Form 18.

The Claims Department encourages the stakeholders to submit the forms electronically and/or by email. During the month of October, the department received 1,405 Form 18s via SROI/EDI, 2,220 via email, and 807 via USPS. When compared to the same period in FY 16/17, the number of Form 18s submitted via SROI/EDI increased 243, or 20%; the number of Form 18s submitted via email increased 281, or 14.5%, and the number of Form 18s mailed via USPS decreased 488, or 38%.

The Claims Department received 796 Form 61s and approved 691. When compared to the same period in FY 16/17, the department received 782 Form 61s, an increase of 14, and approved 736, a decrease of 45. The department received 39 Third Party Settlements and approved 22. Compared to the same period in FY 16/17, the department received 32 Third Party Settlements and approved 35.

State of South Carolina

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Workers' Compensation Commission

November 6, 2017

To: Gary M. Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

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

During the month of October, Judicial processed nine hundred fifty-one (951) requests for hearings, one hundred forty (140) Motions and one hundred forty-one (141) clincher conference requests that were sent to the Jurisdictional Commissioners.

There were ninety (90) Single Commissioner Hearings conducted during the past month, forty-five (45) pre-hearing conferences held and ten (10) Full Commission hearings held. A total of five hundred (500) Orders were served at the single Commissioner level, sixty-four (64) of those were Decision and Orders that resulted from hearings that went on the record and one hundred thirty-four (134) were Motion Orders that were a result of Motions ruled upon by Commissioners.

The Informal Conference system conducted two hundred eighty-six (286) hearings during the last month.

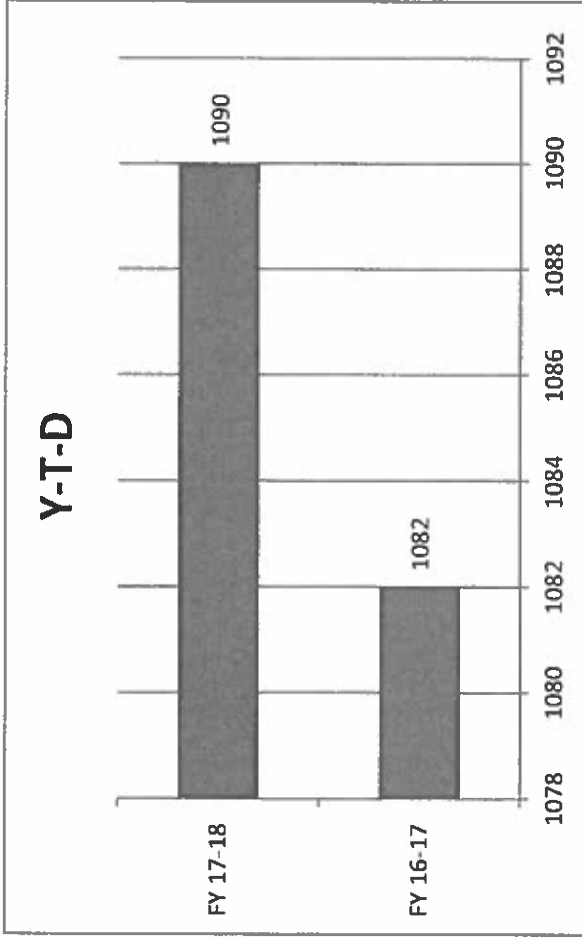
There were seventy-three (73) regulatory mediations scheduled and thirty-nine (39) requested mediations. The Judicial Department was notified of fifty-seven (57) matters resolved in mediation, with the receipt of Forms 70.

In March we were notified by Pitney Bowes that effective January 1 the postage machine will no longer be serviced by the vendor. We solicited proposals from vendors on State Contract and have selected a vendor to supply a new postage machine. We anticipate the new machine will be installed during the month of November.

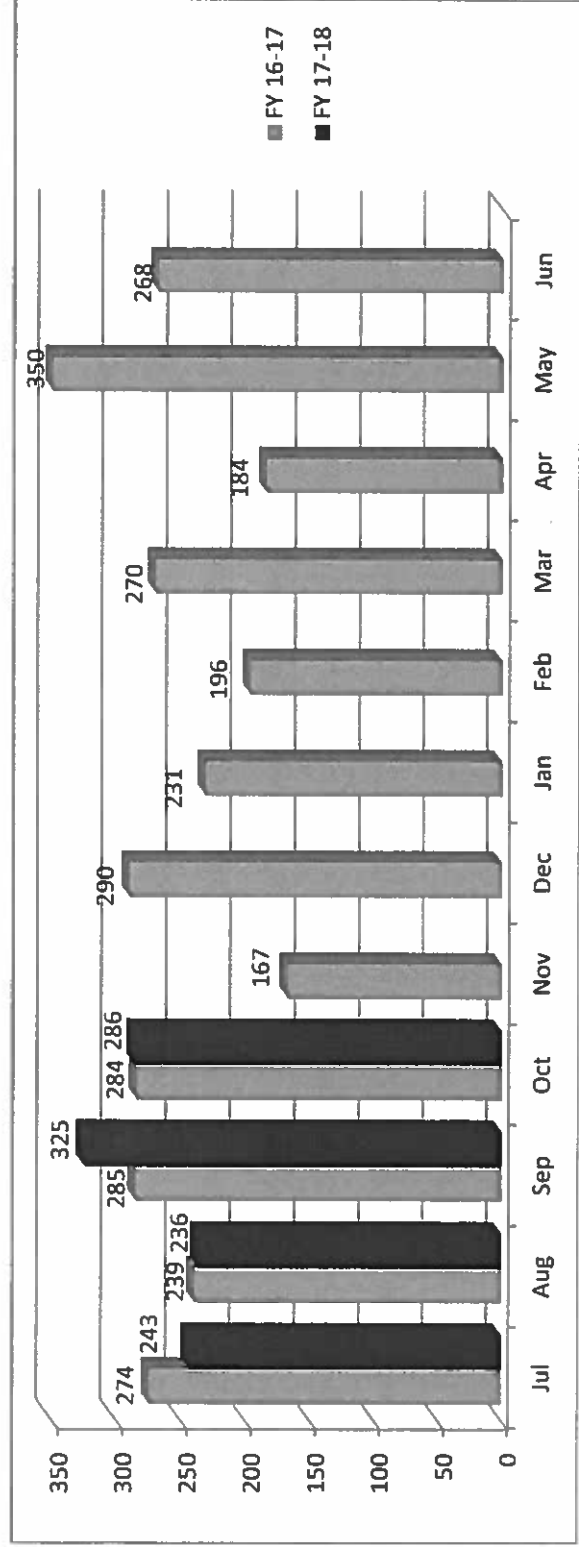
As a part of our continuity plan, we have initiated training of Valerie Deller as a backup for Greg Line to conduct Informal Conferences.

Informal Conf. Conducted

	FY 16-17	FY 17-18
Jul	274	243
Aug	239	236
Sep	285	325
Oct	284	286
Nov	167	
Dec	290	
Jan	231	
Feb	196	
Mar	270	
Apr	184	
May	350	
Jun	268	
Total	3038	1090

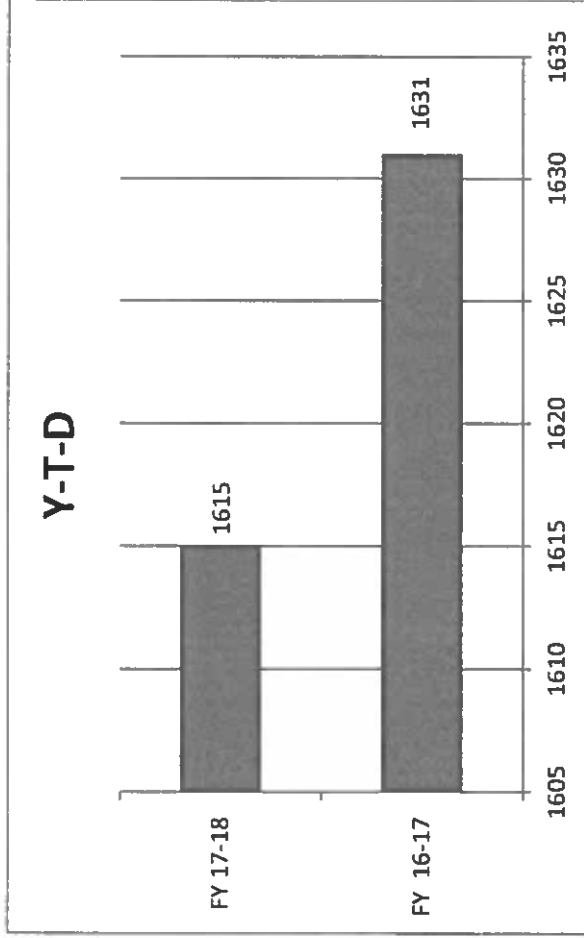


	FY 16-17	FY 17-18
Y-T-D	1082	1090

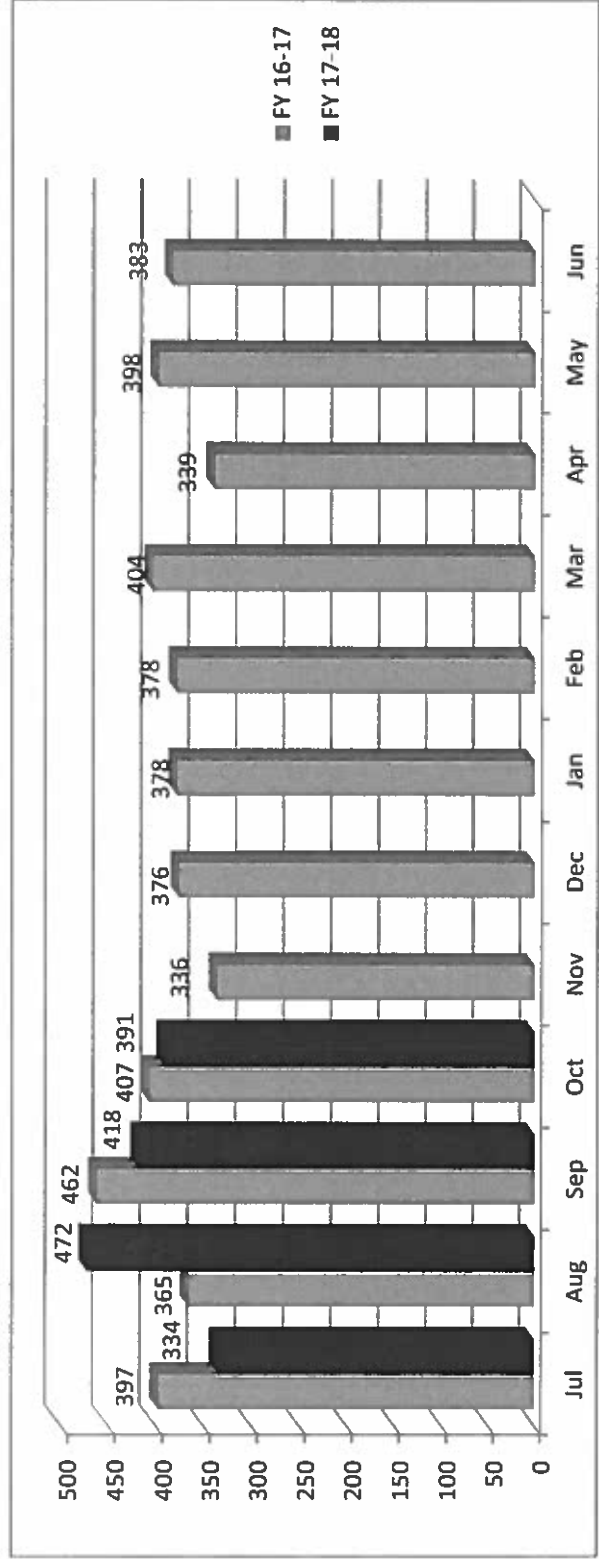


Informal Conf. Requested

	FY 16-17	FY 17-18
Jul	397	334
Aug	365	472
Sep	462	418
Oct	407	391
Nov	336	
Dec	376	
Jan	378	
Feb	378	
Mar	404	
Apr	339	
May	398	
Jun	383	
Total	4623	1615



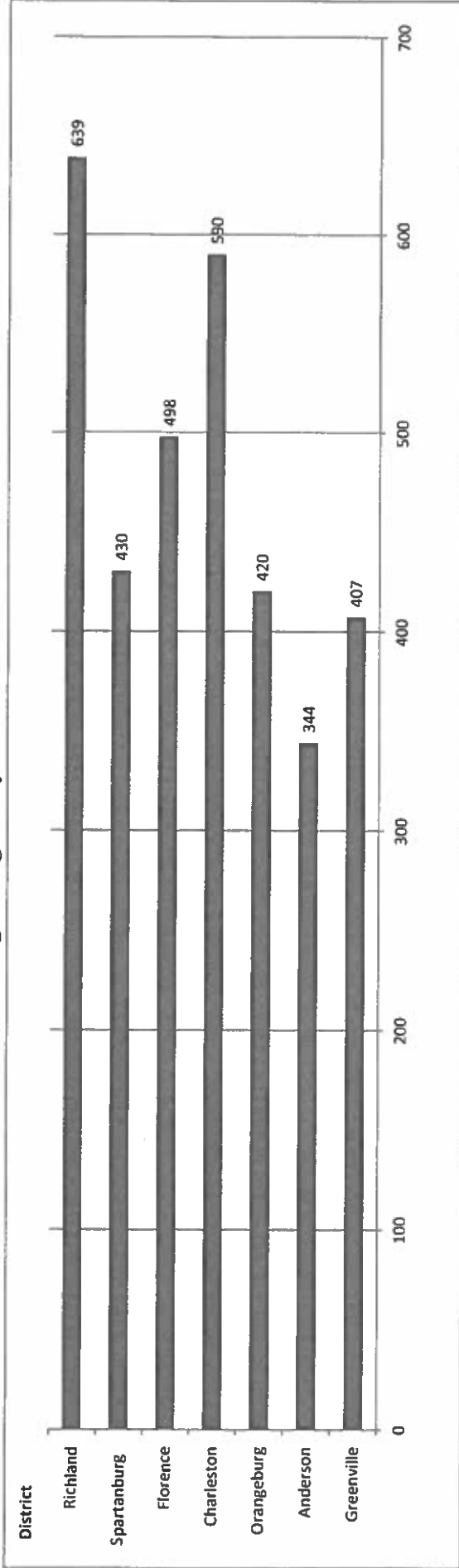
	FY 16-17	FY 17-18
Total	1631	1615



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		
	17-18	16-17	15-16	17-18	16-17	15-16	17-18	16-17	15-16	17-18	16-17	15-16	17-18	16-17	15-16	17-18	16-17	15-16	17-18	16-17	15-16
	Jul	97	98	107	79	82	90	104	108	118	127	158	181	121	131	144	107	92	130	139	149
Aug	113	92	110	97	97	76	120	93	109	172	176	171	134	164	122	107	115	122	159	157	138
Sep	100	144	102	100	92	88	110	121	132	156	183	198	136	140	154	103	142	110	164	141	167
Oct	97	104	106	68	74	101	86	93	119	135	172	172	107	115	171	113	119	96	177	142	170
Nov		92	72		98	62		89	88		169	145		131	133		114	81		164	129
Dec		90	101		86	105		72	103		135	160		100	148		85	99		129	162
Jan		93	75		92	84		97	113		184	113		157	110		119	97		160	158
Feb		96	90		74	88		76	84		142	125		117	129		85	144		136	117
Mar		91	122		108	124		124	134		188	214		150	140		122	117		175	174
Apr		111	100		80	92		94	93		142	154		156	129		103	90		146	138
May		125	106		101	103		121	116		188	186		148	146		122	111		167	150
Jun		134	120		120	75		142	110		183	141		154	151		125	114		169	150
Totals	407	1270	1211	344	1104	1088	420	1230	1319	590	2020	1960	498	1663	1677	430	1343	1311	639	1835	1819

Pleadings Assigned by District Year to Date



State of South Carolina

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Workers' Compensation Commission

Executive Director's Report Gary M. Cannon

November 7, 2017

Minority Business Enterprise (MBE) Utilization Plan for FY2017-18

Section 11-35-5240 of the S.C. Code of Laws requires each agency develop and submit to the Office of Small & Minority Business Contracting and Certification (OSMBCC) an annual Minority Business Enterprise (MBE) Utilization Plan. The Agency's FY2017-18 MBE Utilization Plan was submitted to OSMBCC on October 13, 2017.

Recycling Annual Report

The S.C. Solid Waste Policy and Management Act of 1991 (Act) requires state agencies to establish recycling programs and submit to DHEC by September 15 of each year an overview of the recycling and buying recycled activities. The Commission utilizes the recycling collection services of the S.C. Department of Corrections. For FY 2017, the Commission recycled 10.01 tons of mixed paper.

Procurement Audit

On October 6-12, 2017, the Division of Procurement Services, S.C. State Fiscal Accountability Authority, conducted an internal operating procurement procedures and policies audit for the period July 1, 2014 through June 30, 2017. An informal exit conference meeting with the auditor was held on October 12. Preliminary results indicate no major exceptions were found in our procurement process. However, the auditor recommended additional staff training in the procurement process.

Annual Ethics & APA Training

The required annual ethics and APA training is scheduled for Monday, November 13, 2017, from 1:00 p.m. to 4:00 p.m. The training will take place in the first floor conference room. Michael Burchstead, Attorney with Collins & Lacy, P.C., and Joe Turner, Senior Assistant Disciplinary Counsel, SC Supreme Court, will conduct the training.

SC Vocational Rehabilitation Tour

The tour of the SC Vocational Rehabilitation Department's training facility is scheduled for Tuesday, December 12, 2017 at 10 a.m.

FY 2018-19 Budget Plan

Chairman Beck, Ms. Sprang and I met with the staff of the Governor's Office and Executive Budget Office on October 18, 2017 to discuss our FY2018-19 Budget Request.

Meetings/Activities

The Executive Director participated in the following meetings/activities:

- October 26 – Participated in a telephone conference call with the Project Team of New York State Workers' Compensation Board to discuss their IT legacy system modernization project.
- October 30, November 6 – meetings with employees in Coverage and Compliance Divisions.
- October 31 –Met with April Jones, local consultant with WestLaw, concerning training on new investigation/research module.
- October 31 –Participated with staff in a telephone conference with representatives from Midwest Employers casualty Company (MECC) regarding a proposed TPA consolidation program.
- November 2 – Gave a presentation at the S.C. Employers' Advocacy Association's Annual membership meeting.
- November 3 – Attended the statewide agency leadership meeting hosted by the S.C. Department of Administration.

Constituent /Public Information Services

For the period October 12, 2017 through November 6, 2017 the Executive Director's Office and the General Counsel's office had 469 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. Even though the Commission has a Memorandum of Understanding with the Department of Administration for assistance with procurement services and accounting and budgetary support, the following activities occurred in the Executive Director's office for the period October 12, 2017 through November 6, 2017: approved and processed 21 travel expense reimbursement payment related activities, 36 invoices, and 22 deposits. Procurement and purchasing activities included the creation of two (2) purchase orders, and processed five (5) goods received.

SCWCC Stakeholder Electronic Distribution List

For the period October 12, 2017 through November 6, 2017, we added four (4) individuals to the distribution list. Due to the receipt of email delivery failures, a total of five (5) email addresses were deleted. A total of 718 individuals currently received notifications from the Commission.

SC Vocational Rehabilitation Department (SCVRD)

SCVRD reported seven (7) referrals for the month of October 2017, and 27 referrals year to date.

State of South Carolina

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Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

**FROM: Gary Cannon
Executive Director**

DATE: November 8, 2017

RE: FINANCIAL REPORT: Period ending October 31, 2017

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the one month period ending October 31, 2017. The benchmark for this period is 33%.

The expenditures are on pages 1-9 of the "Budget vs. Actual Report FY 2018 as of 10/31/2017. The General Fund expenditures (10010000) are on pages 1-2. Total expenditures is 31% of budget. The Earmarked Fund expenditures (38440000) are on pages 3-9. The Earmarked Fund expenditures are 23% of budget.

The report named Commitments is located behind the Budget vs. Actual and reflects the purchase orders committed for the Microfilm Data Transfer project, new Postage Machine and meter rental and equipment maintenance (NEOPOST USA INC), and HP Laptops and hardware support.

The page titled "Earmarked Fund Revenues is located behind the Commitments. It reflects we have received 34% of budgeted operating revenues and 52% of budgeted Self-Insurance Tax funds.

The last page is the Earmarked Fund Balance Sheet reflecting a Net Income/Expenditures of \$903,635.

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 10010000 - GENERAL FUND

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501015	DIRECTOR	102,129	34,043	33%		68,086
501058	CLASSIFIED POS	47,092	20,667	44%		26,425
5050020000	IN ST-LODGING				394	
	Total OTHER OPERATING:				394	-394
Total Administration:		149,221	54,710	37%	394	94,117

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	75,000				
5230010000	PETTY CASH FD-EST/CH		13			
	Total OTHER OPERATING:	75,000	13	0%	0	74,987
Total Inform. services:		75,000	13	0%	0	74,987

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	77,223	26,329	34%		50,894
Total Claims:		77,223	26,329	34%		50,894

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501026	CHAIRMAN	125,208	40,051	32%		85,157
501033	COMMISSIONER	720,918	241,991	34%		478,927
501050	TAXABLE SUBS		2,318		0	-2,318
501058	CLASSIFIED POS	313,837	105,885	34%		207,952
501070	OTH PERS SVC		848			-848
Total Commissioners:		1,159,963	391,093	34%	0	768,870

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 10010000 - GENERAL FUND

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	26,632	7,875	30%		18,757
Total Insurance & Medical:		26,632	7,875	30%		18,757

Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	29,267				29,267
Total Judicial:		29,267				29,267

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	569,861	166,413	29%		403,448
Total Employer Contributions:		569,861	166,413	29%		403,448
Total GENERAL FUND:		2,087,167	646,431	31%	394	1,440,341

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	704,135	117,313	17%		586,822
501070	OTH PERS SVC	41,000				41,000
512001	OTHER OPERATING	1,263,866				
5020010000	OFFICE EQUIP SERVICE		525			
5020030000	PRINT / BIND / ADV		4,416			
5020080000	FREIGHT EXPRESS DELV		220			
5020090000	TELEPHONE & TELEGRPH		-193			
5020120000	CELLULAR PHONE SVCS		1,274			
5021020000	ATTORNEY FEES		-10,757			
5021410000	EDUC & TRNG-STATE		259			
5021469311	HVAC MAINTENANCE		417			
5021530000	CATERED MEALS		2,236			
5021540000	NON-IT OTHER PRO SRV		1,234			
5024990000	NON IT OTH CONTRACT		1,053			
5030010000	OFFICE SUPPLIES		4,838		1,037	
5030010004	SUBSCRIPTIONS		1,559			
5030067101	PRGM LIC - APP SUPP		7,605			
5030067170	EQUIP&SUPP- PRINT EU		3,801			
5030070000	POSTAGE		5,467			
5032410000	MED/SCIENT/LAB SUPP		1,385			
5033990000	OTHER SUPPLIES		15			
5040010000	RENT-OFFICE EQUIP		689			
5040020000	RENT-COPYING EQUIP		119			
5040027000	IT-RENT COPYING EQUIP		361			
5040050000	NON IT-RENT-CONT REN		-175			
5040057000	IT- RENTAL-CONT RENT		480			
5040060000	RENT-NON ST OWN PROP		173,241			
5040490000	RENT-OTHER		2,737			
5041010000	DUES & MEMBER FEES		3,855			
5050010000	IN ST-MEALS-NON-REP		325			
5050020000	IN ST-LODGING		2,614			
5050031000	HR-IN ST-AIR TRANS		424			

**South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed**

Fund 38440000 - EARMARKED FUND

5050041000	HR-IN ST-AUTO MILES		1,221			
5050070000	IN ST-REGISTR FEES		329			
5051520000	REPORTABLE MEALS		39			
5051540000	LEASED CAR-ST OWNED		13,682			
5060325000	Other Eq Acq (MA)				9,310	
Total OTHER OPERATING:		1,263,866	225,293	18%	10,346	1,028,226
Total Administration:		2,009,001	342,606	17%	10,346	1,656,048

Executive director

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501070	OTH PERS SVC		8,051			-8,051
512001	OTHER OPERATING	6,335				
5050010000	IN ST-MEALS-NON-REP		116			
5050020000	IN ST-LODGING		273			
5051520000	REPORTABLE MEALS		50			
Total OTHER OPERATING:		6,335	439	7%	0	5,896
Total Executive director:		6,335	8,490	134%	0	-2,155

South Carolina Workers' Compensation Commission
 Budget vs. Actual Report
 FY 2018 As of 10/31/2017
 33% of year elapsed

Fund 38440000 - EARMARKED FUND

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	87,850	33,205	38%		54,645
512001	OTHER OPERATING	755,512				
5020040000	MICROFILM PROCESSING		14,256		48,639	
5020077240	DP SERVICES – STATE		63,757			
5020090000	TELEPHONE & TELEGRPH		3,229			
5020120000	CELLULAR PHONE SVCS		1,417			
5030010000	OFFICE SUPPLIES		25			
5030020000	COPY EQUIP SUPP		1,223			
5030030000	PRINTING		367			
5030067130	EQUIP&SUPP- EUC		3,472			
5030090000	COMMUNICATION SUPP		45			
5040010000	RENT-OFFICE EQUIP		1,654			
5040020000	RENT-COPYING EQUIP		44			
5040027000	IT-RENT COPYNG EQUIP		135			
5040050000	NON IT-RENT-CONT REN		175			
5040057000	IT- RENTAL-CONT RENT		420			
5041010000	DUES & MEMBER FEES		159			
5050010000	IN ST-MEALS-NON-REP		38			
5050041000	HR-IN ST-AUTO MILES		170			
	Total OTHER OPERATING:	755,512	90,587	12%	48,639	616,286
	Total Inform. services:	843,362	123,792	15%	48,639	670,932

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 38440000 - EARMARKED FUND

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	280,850	79,266	28%		201,584
512001	OTHER OPERATING	19,700				
5020090000	TELEPHONE & TELEGRPH		-191			
5020120000	CELLULAR PHONE SVCS		216			
5030010000	OFFICE SUPPLIES		71			
5030070000	POSTAGE		2,369			
5040020000	RENT-COPYING EQUIP		72			
5040027000	IT-RENT COPYNG EQUIP		221			
5050010000	IN ST-MEALS-NON-REP		31			
5050020000	IN ST-LODGING		470			
5050041000	HR-IN ST-AUTO MILES		172			
	Total OTHER OPERATING	19,700	3,432	17%	0	16,268
	Total Claims:	300,550	82,698	28%	0	217,852

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 38440000 - EARMARKED FUND

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501050	TAXABLE SUBS	70,000	14,556	21%	0	55,444
512001	OTHER OPERATING	230,700				
5020077100	SERVICES- APP SUP		780			
5020080000	FREIGHT EXPRESS DELV		12			
5020090000	TELEPHONE & TELEGRPH		-257			
5020120000	CELLULAR PHONE SVCS		3,229			
5021010000	LEGAL SERVICES		38,003			
5021410000	EDUC & TRNG-STATE		150			
5021540000	NON-IT OTHER PRO SRV		150			
5030010000	OFFICE SUPPLIES		145			
5030070000	POSTAGE		1,413			
5040020000	RENT-COPYING EQUIP		71			
5040027000	IT-RENT COPYNG EQUIP		218			
5050010000	IN ST-MEALS-NON-REP		284		24	
5050020000	IN ST-LODGING		1,586			
5050041000	HR-IN ST-AUTO MILES		7,993		1,059	
5050080000	IN ST-SUBSIST ALLOW		3,999		1,161	
5050570000	OUT ST-REGISTR FEES		-107			
5051520000	REPORTABLE MEALS		190			
	Total OTHER OPERATING:	230,700	57,858	25%	2,244	170,598
	Total Commissioners:	300,700	72,414	24%	2,244	226,042

Information Services FY18

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	60,944	5,094	8%	5,311	50,539
	Total Information Services FY18:	60,944	5,094	8%	5,311	50,539

South Carolina Workers' Compensation Commission
 Budget vs. Actual Report
 FY 2018 As of 10/31/2017
 33% of year elapsed

Fund 38440000 - EARMARKED FUND

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	459,463	155,438	34%		304,025
501070	OTH PERS SVC	22,881	345	2%		22,536
512001	OTHER OPERATING	54,500				
5020090000	TELEPHONE & TELEGRPH		-201			
5020120000	CELLULAR PHONE SVCS		152			
5021540000	NON-IT OTHER PRO SRV		9,075			
5024990000	NON IT OTH CONTRACT		280			
5030010000	OFFICE SUPPLIES		144			
5030010004	SUBSCRIPTIONS		198			
5030070000	POSTAGE		1,478			
5033990000	OTHER SUPPLIES		15			
5040020000	RENT-COPYING EQUIP		75			
5040027000	IT-RENT COPYNG EQUIP		231			
5050010000	IN ST-MEALS-NON-REP		81			
5050020000	IN ST-LODGING		1,925			
5050041000	HR-IN ST-AUTO MILES		503			
5050070000	IN ST-REGISTR FEES		700			
	Total OTHER OPERATING:	54,500	14,658	27%	0	39,842
	Total Insurance & Medical:	536,844	170,441	32%	0	366,403

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 10/31/2017
33% of year elapsed

Fund 38440000 - EARMARKED FUND

Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	302,294	126,694	42%		175,600
501070	OTH PERS SVC		4,806			-4,806
512001	OTHER OPERATING	12,800				
5020090000	TELEPHONE & TELEGRPH		-120			
5020120000	CELLULAR PHONE SVCS		214			
5021010000	LEGAL SERVICES		1,460			
5030010000	OFFICE SUPPLIES		19			
5030070000	POSTAGE		2,306			
5040020000	RENT-COPYING EQUIP		76			
5040027000	IT-RENT COPYNG EQUIP		231			
5050010000	IN ST-MEALS-NON-REP		208		38	
5050020000	IN ST-LODGING				470	
5050040000	IN ST-AUTO MILEAGE		74			
	Total OTHER OPERATING:	12,800	4,467	35%	508	7,825
	Total Judicial:	315,094	135,967	43%	508	178,618

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	695,959	233,801	34%	0	462,158
	Total Employer Contributions:	695,959	233,801	34%	0	462,158
	Total EARMARKED FUND:	5,068,789	1,175,302	23%	67,049	3,826,438

**South Carolina Workers' Compensation Commission
Commitments
FY 2018 As of 10/31/2017**

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Vendor	Commitment
5030010000	OFFICE SUPPLIES	NEOPOST USA INC	1,037
5060325000	Other Eq Acq (MA)	NEOPOST USA INC	9,310
Total Administration:			10,346

Inform. services

Commitment Item	Commitment Item Description	Vendor	Commitment
5020040000	MICROFILM PROCESSING	PALMETTO MICROFILM SYSTEMS INC	48,639
Total Inform. services:			48,639

Information Services FY18

Commitment Item	Commitment Item Description	Vendor	Commitment
5030067130	EQUIP&SUPP- EUC	HP INC	343
5203990000	LOW VALUE ASSET (MA)	HP INC	4,968
Total Information Services FY18:			5,311

Total EARMARKED FUND: 64,297

Any items with vendor "Not assigned" are pending financial adjustments. Any commitment on the Budget vs. Actual Report that is missing from this list is a travel commitment.

SC Workers' Compensation Commission
 Financial Report
 FY 2017-2018 Period Ending: October 31, 2017
 Earmarked Fund
 Revenues

Benchmark 0.33%

Account	Acct No.	Budget	YTD Actual Received	% of Budget
Workers Comp Hearing Fee	4110090000	\$ 565,000	\$ 187,675	33%
Self Insurance App Fee	4160040000	\$ 26,577		0%
Violations and Penalties	4223030000	\$ 1,750,000	\$ 602,037	34%
Parking Fee	4350040000	\$ 6,060	\$ 1,785	29%
Workers Comp Award Review Fee	4350140000	\$ 36,575	\$ 11,975	33%
Training Conference Registration Fee	4380020000	\$ 3,500	\$ 6,687	0%
Sales of Photocopies	4380050000	\$ 67,500	\$ 28,919	43%
Sale of Services	4480020000			0%
Sale of Publication & Brochure	4480040000			0%
Sale of Listings Labels	4480060000	\$ 16,500	\$ 1,275	8%
Unclaimed Property	4511020000			0%
Returned Checks	4530010000			0%
Adj To Agency Deposit	4530020000		\$ (25)	0%
Misc Revenue	4530030000		\$ 420	0%
Dep By Private Entities	4530070000			0%
Total Revenues		\$ 2,471,712	\$ 840,747	34%
Self Insurance Tax		\$ 2,400,467	\$ 1,238,190	52%
Total		\$ 4,872,179	\$ 2,078,937	43%

**SC Workers' Compensation Commission
BALANCE SHEET**

**EARMARKED FUND
FY 2017-2018
Period Ending: October 31, 2017**

	Budget	YTD	% of budget
Operating Revenues	\$ 2,471,712	\$ 840,747	34%
Self Insurance Tax	\$ 2,400,467	\$ 1,238,190	52%
Total Income	<u>\$ 4,872,179</u>	<u>\$ 2,078,937</u>	43%
Total Expenditures	<u>\$ 5,068,789</u>	<u>\$ 1,175,302</u>	23%
Net Income/Expenditures		<u><u>\$ 903,635</u></u>	