

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

September 18, 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 *CHAIRMAN BECK*
2. APPROVAL OF AGENDA OF BUSINESS MEETING
OF SEPTEMBER 18, 2017 *CHAIRMAN BECK*
3. APPROVAL OF MINUTES OF THE BUSINESS MEETING
OF AUGUST 21, 2017 (Tab 1) *CHAIRMAN BECK*
4. GENERAL ANNOUNCEMENTS *MR. CANNON*
5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) *MR. BERTHELETTE*
6. DEPARTMENT DIRECTORS' REPORTS *MS. STUART*
Human Resources (Tab 3) *MS. SPRANG*
Information Services (Tab 4) *MR. DUCOTE*
Insurance and Medical Services (Tab 5) *MS. SPANN*
Claims (Tab 6) *MS. BRACY*
Judicial (Tab 7)
7. EXECUTIVE DIRECTOR'S REPORT (Tab 8) *MR. CANNON*
Administration – Financial Report (Tab 9) *Mr. Cannon*
8. OLD BUSINESS *CHAIRMAN BECK*
9. NEW BUSINESS *CHAIRMAN BECK*
A. SC Vocational Rehabilitation Department MOA (Tab 10) *Mr. Cannon*
10. ADJOURNMENT *CHAIRMAN BECK*

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING
August 21, 2017

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, August 21, 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; Bridgette Amick, Medical Policy Analyst; Amy Bracy, Judicial Director; David DuRant, Attorney; Wayne Ducote, Insurance & Medical Services Director; Loretta Dykes, Fiscal Technician; Elizabeth Schinke, Business Analyst; Keith Roberts, Attorney; Sonji Spann, Claims Director; and Sandee Sprang, IT Director. Also present were Bonnie Anzelmo, Injured Workers' Advocates and Ted Riley, Riley Pope & Laney, LLC.

Chairman Beck called the meeting to order at 10:36 a.m. Commissioner James was not present at this time.

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 JULY 17, 2017

Commissioner Barden moved that the minutes of the Business Meeting of July 17, 2017 be approved. Commissioner Taylor seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

There were no general announcements.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by Bryan Berthelette, Self Insurance Director. Twenty (20) prospective members of three (3) funds were presented to the Commission for approval. The applications were:

SC Automobile Dealers Association SIF
Burns Ford of York, Inc.

SC Home Builders SIF

Ambriz Masonry, LLC
A&S Builders, LLC
Blackwell Floor Coverings
Carolina Gold Construction LLC
Clean-Site Specialist LLC
Closing Contractors, LLC
Coastline Designs, LLC
D&P Masonry
Dogwood Construction, LLC
JA Marroquin Construction, LLC
Jeremy Michael Holliday
Lowcountry Hardscaping
Mike's Landscaping, Inc.
Mitch Johnson Construction Co., Inc.
Residential Rehab, LLC
Roberts Contracting
Southern Brothers Painting, LLC
Tadan Construction, LLC

SC Municipal Insurance Trust

Town of Gifford

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.

Commissioner James joined the meeting.

Human Resources

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

- The Commission has 56 FTEs and one part-time contract employee.
- Barbara Skarbek was selected for the Administrative Coordinator II position in Commissioner Barden's office. Ms. Skarbek began her employment with the Commission on August 8, 2017.
- There were no separations and no retirements in July.
- Met with members of the Insurance & Medical Services Department individually to discuss communications, processes and procedures.
- On-boarded two new employees.
- Sent six all-agency emails on various topics.

- Corrected six employee time entry issues in SCEIS.
- Purchased A1 Defibrillator.
- Completed year-end reports for SCEIS.
- Approved 14 travel expense requests.

Information Technology Department

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

- IT continues to work with the IAIABC EDI Claims Workgroup, reviewing and recommending standards changes.
- Completed and submitted the data privacy report in accordance with the requirements of Proviso 117.133 and Proviso 117.114.
- IT is working with the Department of Employment and Workforce and Insurance and Medical Services to better define the business and application process for compliance investigations.
- Resolved multiple EDI data and upload data collection processes related to OnBase.
- Completed installation of laptops and printers.
- Scan station upgrades, desktop scanner purchase, color printer purchase and copier replacement are pending approval to expend earmarked funds from FY17.
- Completed the FY2018-19 IT budget requests and justifications.
- IT is assisting S.C. Workers' Compensation Education Association (SCWCEA) with the production of a video for the presentation of SCWCEA's Inspiration Award.
- IT is holding 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 for the month of July:

- Year to date, the Compliance Division has compelled 11 employers to come into compliance with the Act. Approximately 102 previously uninsured workers are now properly covered.
- The Compliance Division collected \$68,774 in fines and penalties.
- Thirteen Carrier Rule to Show Cause cases were docketed and twelve cases resolved; \$3,800 was recovered.
- The Coverage Division received 2,016 claim files and collected \$14,600 in fine revenue. Coverage Fines collected are at 8% of collections for prior fiscal year.
- The Self Insurance Division collected \$58,476 in self-insurance tax.

Claims Department

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

- Closed 2,126 individual case files
- Received \$30,000 in fine revenue
- Claims examiners reviewed 2,517 individual case files
- 239 fines assessed
- 230 Form 18 fines assessed
- 11,999 forms processed

- 1,347 Form 18s processed through SROI
- 1,975 Form 18s received via Email
- 904 forms received via USPS
- 739 Form 61s received
- 700 Form 61s approved
- 32 Third Party Settlements received
- 36 Third Party Settlements approved

Ms. Spann said in follow-up to Chairman Beck's request at last month's business meeting, included in the report are statistics on key performances comparing FY2015-2016 and FY2016-17. There was discussion concerning the approximately \$100,000 decrease in fine revenue collected. Mr. Cannon said a report will be provided at the next business meeting.

Judicial Department

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

Judicial Department

- 852 requests for Hearings
- 114 Motions
- 161 Clincher Conference requests sent to Jurisdictional Commissioners

Commissioners

- 57 Single Commissioner Hearings conducted
- 13 pre-hearing conferences held and 16 Full Commission Hearings conducted
- 449 Orders served at single Commissioner level; 72 of those were Decision and Orders that resulted from hearings that went on record; 99 of those were Motion Orders ruled upon by Commissioners

Informal Conference

- 243 informal conferences conducted

Mediation

- 49 regulatory mediations scheduled
- 50 requested mediations
- 47 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. Mr. Cannon provided each Commissioner a copy of the August 16, 2017 Claims Administration Workshop's resource book. He commended Keith Roberts and Kim Ballentine for a great job with the workshop. He reported a total of 175 registrants, which included 23 staff members.

ADMINISTRATION – FINANCIAL REPORT

Mr. Cannon reported the benchmark for period ending July 31, 2017 is 8%. Actual revenues received are 9% of budget and expenditures are 5% of budget. He reported total expenditures for FY17 were \$1.99 million, or 93% of budget and total revenues received in the Earmarked Fund were \$1.68 million, or 40% of budget. FY17 expenditures totaled \$3.58 million, or 78% of budget.

OLD BUSINESS

A. 2017 Medical Services Provider Manual (MSPM) Fee Schedule

Mr. Cannon said the Commission received the first draft of the proposed 2017 MSPM at the July 17, 2017 Business Meeting. On July 20, 2017 the Commission published a summary of the proposed changes and requested stakeholder comment by August 11, 2017. The Commission received comments from 18 stakeholders: Concentra; S.C. Medical Association; Healthsystems; FisherBroyles; S.C. Society of Anesthesiologists; Physicians Research Institute; CompPharma; Piedmont Comprehensive Pain Management Group, LLC; PharD; The Pain Society of the Carolinas; Optum; Carolinas Center for Advanced Management of Pain; Automated HealthCare Solutions; Carolina Hand Center; Corvel; The American Insurance Association; Richard Davis, Esquire, Christian & Davis, LLC; and the S.C. Orthopaedic Association. The majority of the comments were opposed to the requirement that all medications or drugs dispensed as part of a pain management program have preauthorization by the employer/carrier for each script dispensing medication.

Mr. Cannon presented a recommendation to adopt revisions to the MSPM to reflect 2017 Resource Based Relative Values (RBRVS) issued by the Center for Medicare/Medicaid (CMS) and the American Medical Association's Current Procedural Terminology (CPT) Codes. The Conversion Factor will remain at \$50. The Commission will follow CMS guidelines and Ambulance Fee Schedule for air and ground ambulance transportation services. Reimbursement is based upon the lesser of the submitted charge or current Medicare rate. He reported the anesthesiology rates were not reviewed during this update. He recommended the Commission create an ad hoc advisory committee to review the current state and federal regulations regarding the use of telemedicine in workers' compensation and recommend if any changes are needed to the MSPM. Further, he recommended the Commission approve an evaluation and update to the fee schedule to include the 2018 Relative Values and CPT Codes to be completed April 1, 2018, and that the anesthesiology rates be reviewed during the update.

Motion to Approve 2017 Medical Services Provider Manual Fee Schedule

Following discussion, Chairman Beck entertained a motion to approve the recommended changes to the text provided by the staff with the exception of the preauthorization for pain management, and the Conversion Factor to remain at \$50, eliminating the preauthorization for pain management, adding the ACT 91 Prescription Drug Monitoring Program (PDMP) language, which is a recommendation of the Governor's Opioid Task Force, and include CMS approved modifiers for anesthesiology effective September 1, 2017; and an evaluation and update no later than May 31, 2018 with the 2018 relative values and CPT Codes, and then in May annually thereafter; and to accept the recommendation of staff for creating an ad hoc advisory committee to study telemedicine. Commissioner Taylor made the motion to approve the recommendations, which was duly seconded by Commissioner Wilkerson. The motion was unanimously approved.

NEW BUSINESS

A. Approval of 2018 Commission Calendar

Mr. Cannon presented the proposed 2018 Commission Calendar.

Motion to Approve Proposed 2018 Commission Calendar

Commissioner McCaskill made a motion to approve the proposed 2018 Commission Calendar as presented. Commissioner Barden seconded the motion. The 2018 Commission Calendar was approved.

ADJOURNMENT

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

The August 21, 2017 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:15 a.m.

Reported September 18, 2017
Kim Ballentine
Office of the Executive Director

**SCWCC Human Resources Monthly Report
August 2017**

STAFFING

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

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

Systems Programmer/Developer IV – We began working on the position description and posted the position on NEOGov on September 5, 2017. This job posting will be active for one month. So far, we have received only 8 applications.

EMPLOYEE RELATIONS

- Met with individuals to discuss opportunities to make improvements in communications and processes.

BENEFITS

- Researched and provided benefit information to 2 active employees.
- Followed up on issues related to an employee's Workers' Comp leave. Employee returned to work September 5, 2017.
- Coordinated having representatives from Washington National Insurance Company onsite to offer employees additional benefits.

MEETINGS

- Attended the United Way Campaign Kickoff for State Agencies.
- Attended the Claims Administration Workshop.
- Held All Employee Meeting – Topic was Active Shooters Training
- Made preparations for the Driver Training session which will be held on September 19, 2017.

ADMINISTRATIVE

- On-boarded 1 new employee and completed the necessary new hire paperwork and SCEIS entry.
- Sent 23 "All Agency" emails on various topics such as SCEIS, parking, PEBA, and a new employee announcement.
- Made time corrections to SCEIS system for 8 employees.
- Made 12 personnel administrative changes to SCEIS system.
- Worked with HR Consultants on 3 HR related questions.
- Obtained quotes for training staff on CPR, First Aid, and use of the A1 Defibrillator.
- Requested three quotes for junk removal from private companies as the Prison has been unable to remove the junk for the past several months. I have only received one quote back so far.
- Completed Reporting of Information as Required by the General Appropriations Act and S.C. Code of Laws.
- Provided DSHR information regarding FTE Management as it relates to Proviso 117.4.
- Obtained additional signage for new staff.
- Completed Workers' Compensation Coverage Information and submitted to carrier.
- Discussed payroll issues with 2 new employees who came from other agencies.
- Worked with 2 division managers to update position descriptions and to request replacement personnel.
- Provided information to assist in budget preparations.

FISCAL RESPONSIBILITIES

- Processed/approved 12 travel expense reports.

FACILITIES

- Notified CBRE of 6 new issues and they were all addressed.
- Responded to 6 parking complaints. The complaints seem to have diminished.
- Working with CBRE to get our visitors parking issues corrected.
- Obtained portable a/c on a loaner basis. Evaluating effectiveness before making a purchase.



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Sandee Sprang, IT Director
Date: September 13, 2017
Subject: IT Department August 2017 Full Commission Report

This report summarizes the activities and accomplishments of departmental projects and initiatives for the IT department during August 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 currently have no trading partners in test mode. We continue to work with the IAIABC EDI Claims Workgroup, reviewing and recommending standards changes.

Reporting and Standardization

The DEW data analysis continues and the IT team is working with DEW and IMS to better define the business and application processes. Our Business Analysts completed several report modifications for the Claims and Judicial departments.

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. 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

With the completion of the replacement of all user workstations and printers, Jason completed the inventory and clean process for the leased equipment's return. He is working with DTO on a new imaging solution and we completed the Windows 10 compatibility testing with Progress. He also continues to work with NWN to resolve intermittent phone routing issues. We are working to push the voicemail to email functionality out. He completed remote access configuration for all AA's so

they could access Progress from their laptops. 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 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) We implemented the Fax over IP configuration for Claims, Judicial and Coverage. We will implement the fax to email functionality for AA's once we completely test the current configuration.
- 2) We are awaiting approval to expend earmarked funds from last year so we can complete scan station upgrades, desktop scanner purchase, color printer purchase and copier replacement.

Microfilm Conversion

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

SCWCEA

We are assisting Donna Croom with the production of a video for the presentation of SCWCEA's Inspiration Award.

Legacy Modernization

The IT team has begun weekly working sessions to define the project plan related to designing our new claims management system.

Budget

Sandee completed the FY2018-2019 IT budget requests and justification.

III. Trainings and Meetings

Sandee and Duane attended the Progress Software Corporation webinars presenting new release features of OpenEdge.

Kim attended Informal Conferences in Laurens County for Greg Line.

The IT staff attended several demonstrations with vendors to discuss, review and define the requirements of our HelpDesk application system.

IT staff participated in the CAME workshop.

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 13-Sep-17

Subj: Insurance and Medical Services Department
August 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: 23 new registrants; 0 notifications sent. |
| Medical Services | <ol style="list-style-type: none">1. 2017 MSPM update was completed and became effective September 1, 2017. |

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.

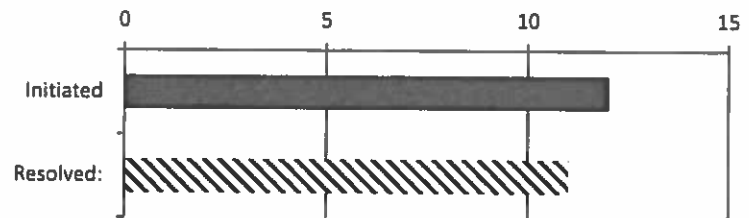
Employers Obtaining Coverage

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 11 employers in South Carolina to come into compliance with the Act. In so doing, approximately 102 previously uninsured workers are now properly covered.

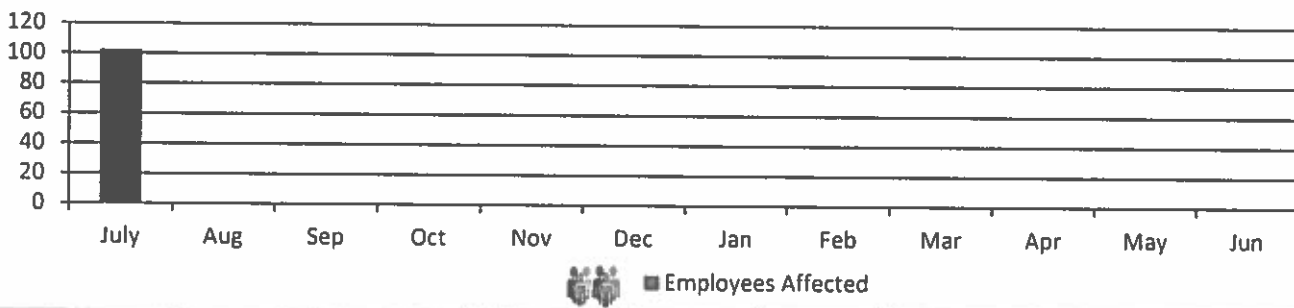
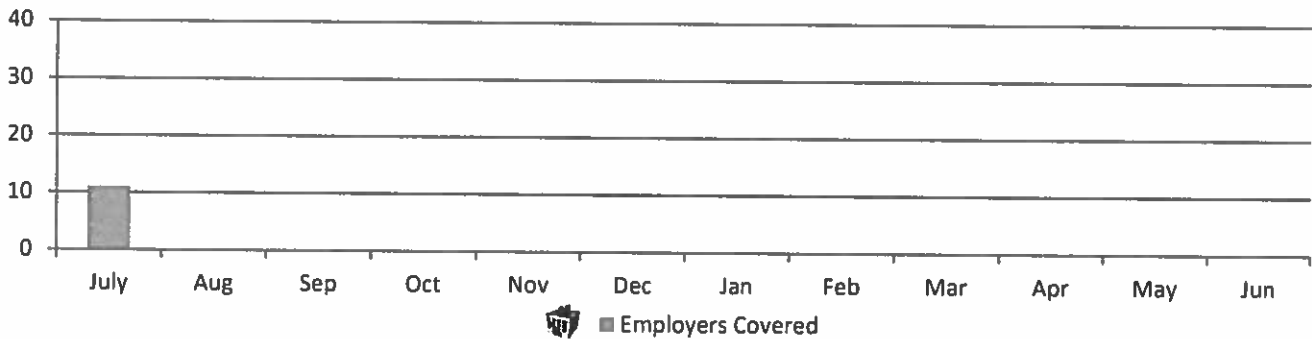
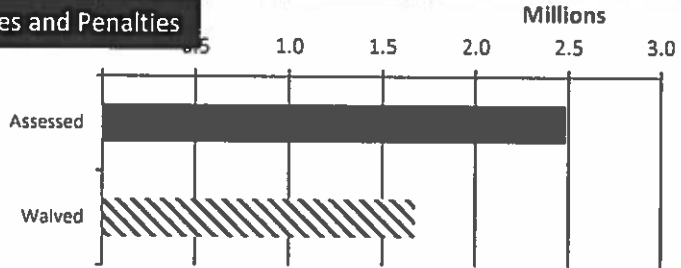
Penalties Waived

Although the Division has assessed \$2.5 m in fines, 67% of those fines (\$1.7 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

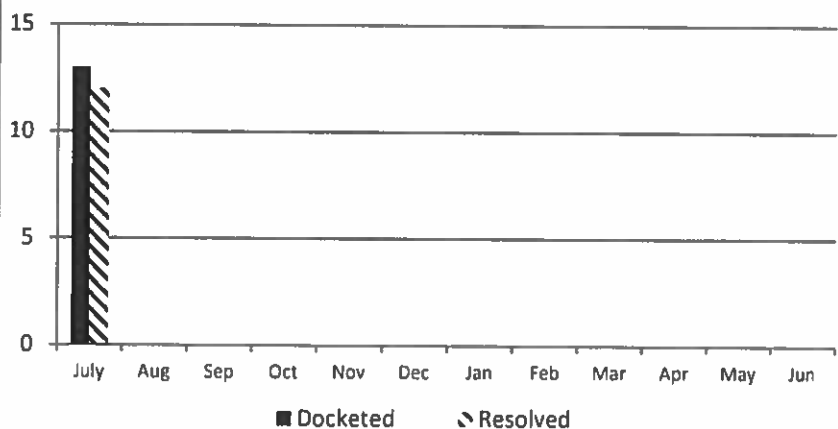


Fines and Penalties



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 August 2017, 0 carrier RTSC cases were docketed; 0 cases were resolved and \$0 was recovered. ****Note: No RTSC hearings were held in the month of August.** Year to date, 13 carrier RTSC cases have been docketed, 12 cases have resolved and \$3,800 has been recovered.



Carryover Caseload:

The Compliance Division closed August 2017 with 269 cases active, compared to an active caseload of 217 at the close of August 2016.

Cases Resolved:

For the month of August 2017, Compliance Division staff closed-out 214 cases.

Compliance Fines:

In August 2017, the Compliance Division collected \$150,489 in fines and penalties. Year to Date, the Compliance Division has collected \$219,263 in fines.

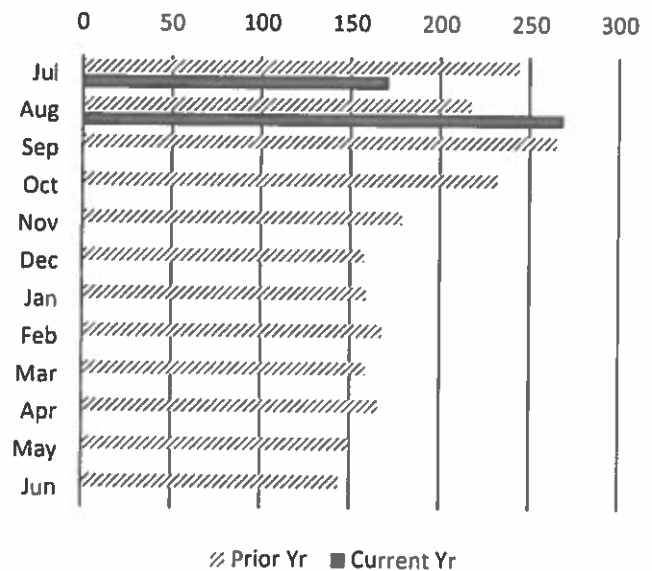
Year to Date vs Prior Year Total (\$382,199): 57%

August 2017 vs. August 2016: 315%

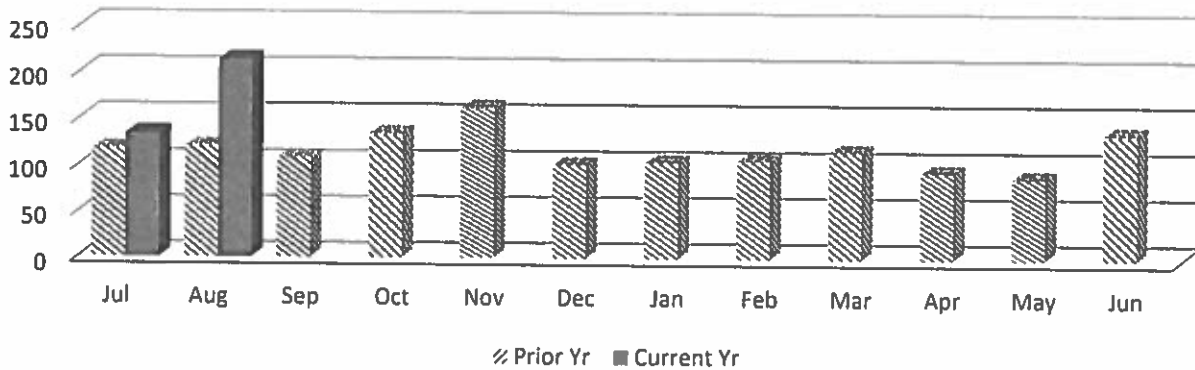
Current Year End trend is 344% of 2016-2017

YTD 2017-18 (July - August) vs YTD 2016-2017: 203%

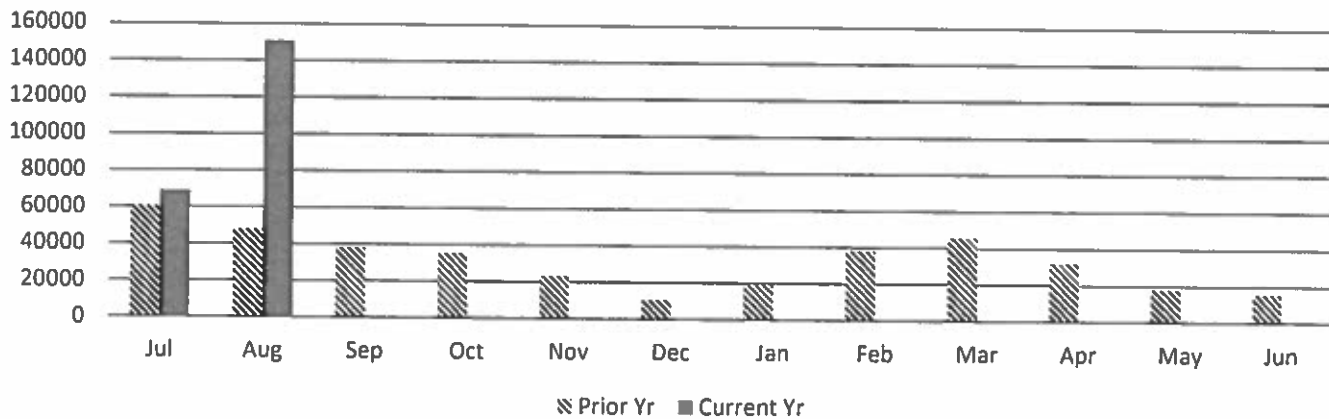
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year

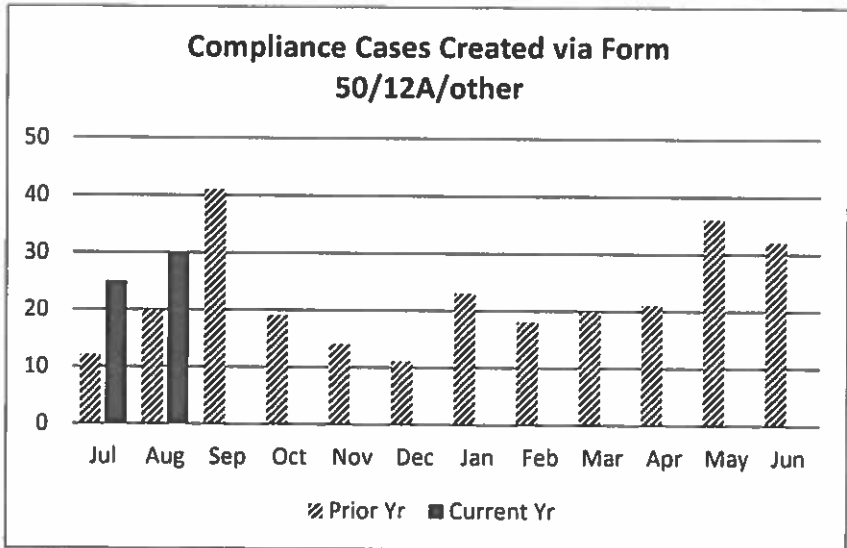


Compliance Fines Collected v. Prior Year



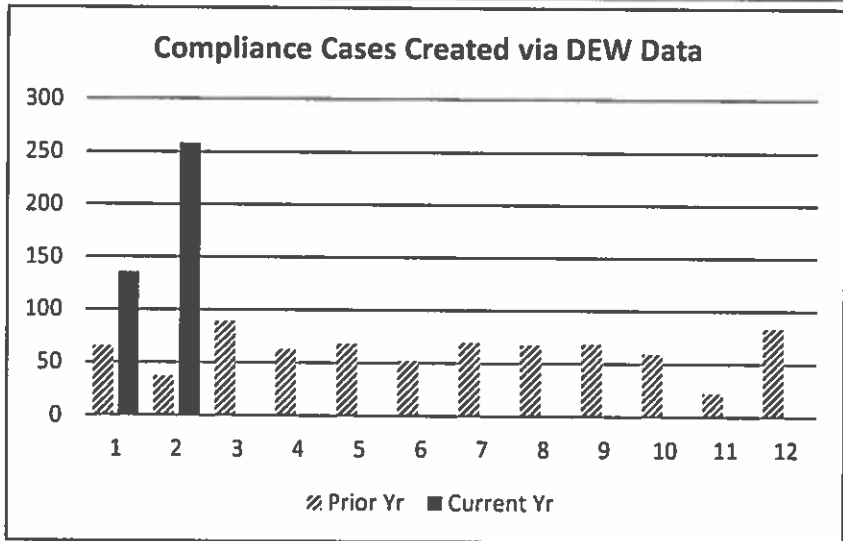
In August 2017, 30 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (267): 21%
 August 2017 to August 2016: 150%
 Current Yr End trend: 124% of 2016-2017
 YTD 2017-2018 v. YTD 2016-2017: 172%



In August 2017, 258 compliance files were created from the DEW data process.

YTD vs. Prior Year total (741): 53%
 August 2017 to August 2016: 697%
 Current Yr End trend: 318% of 2016-2017
 YTD 2017-2018 v. YTD 2016-2017: 385%

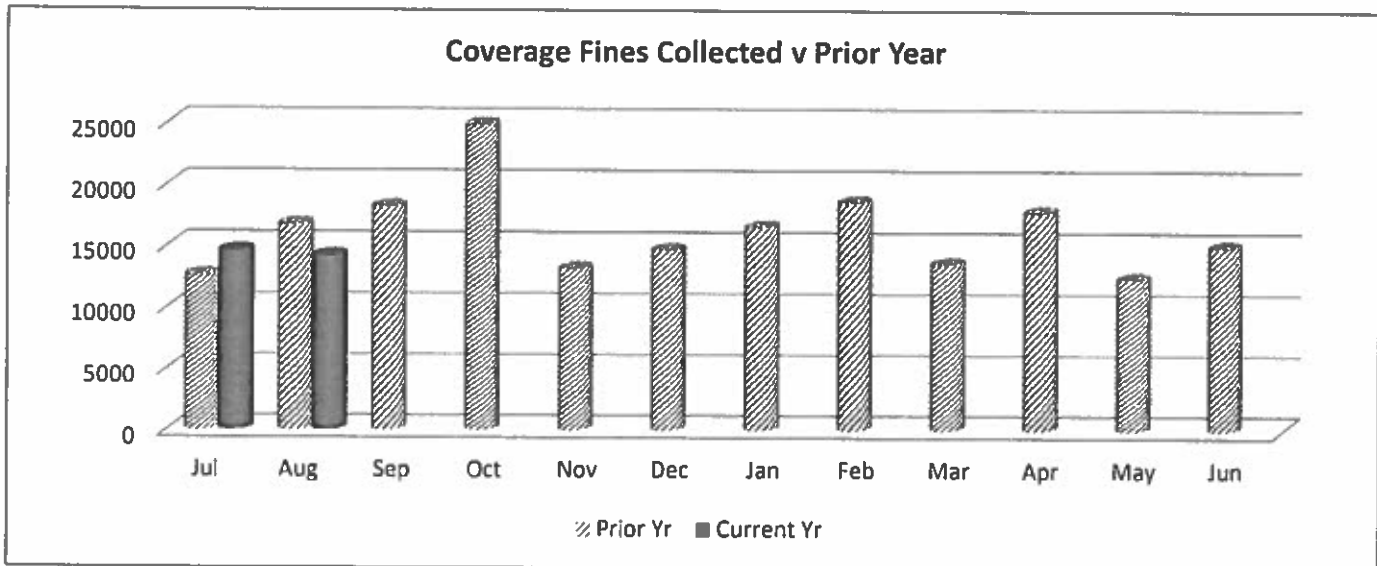
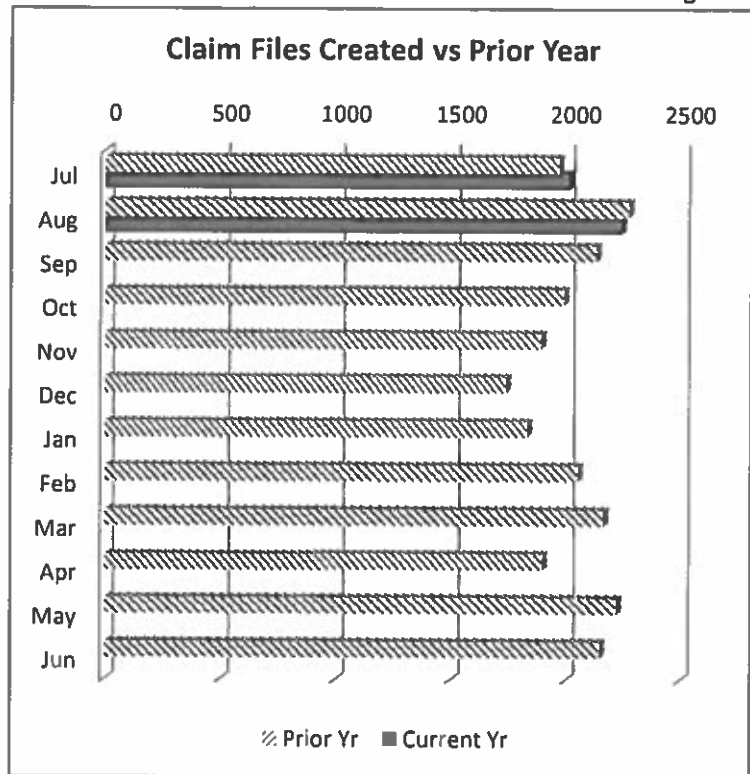


WCC Claim Files:

In August 2017, the Coverage Division received a total of 2,243 WCC Claim files. Of these, 1,951 were created through proper carrier filing of a 12A, and 292 were generated as a result of a Form 50 claim filing. Year to Date 4,259 Claim files have been created which is 17% of claim file volume prior year (24,350).

Coverage Fines:

The Coverage Division collected \$14,200 in fine revenue in August 2017, as compared to \$16,750 in Coverage fines/penalties accrued during August 2016. Year on Year, Coverage fines are at 15% of collections for prior year.



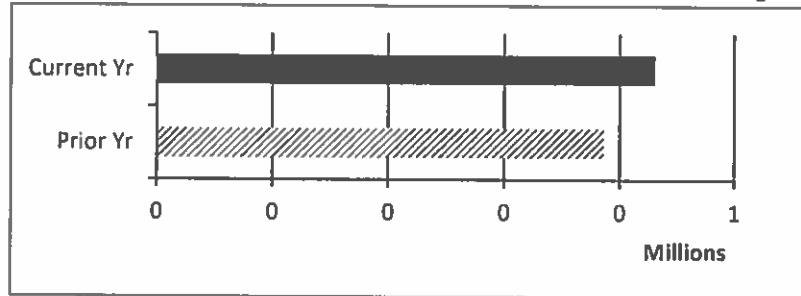
IMS SELF INSURANCE DIVISION

Aug 2017

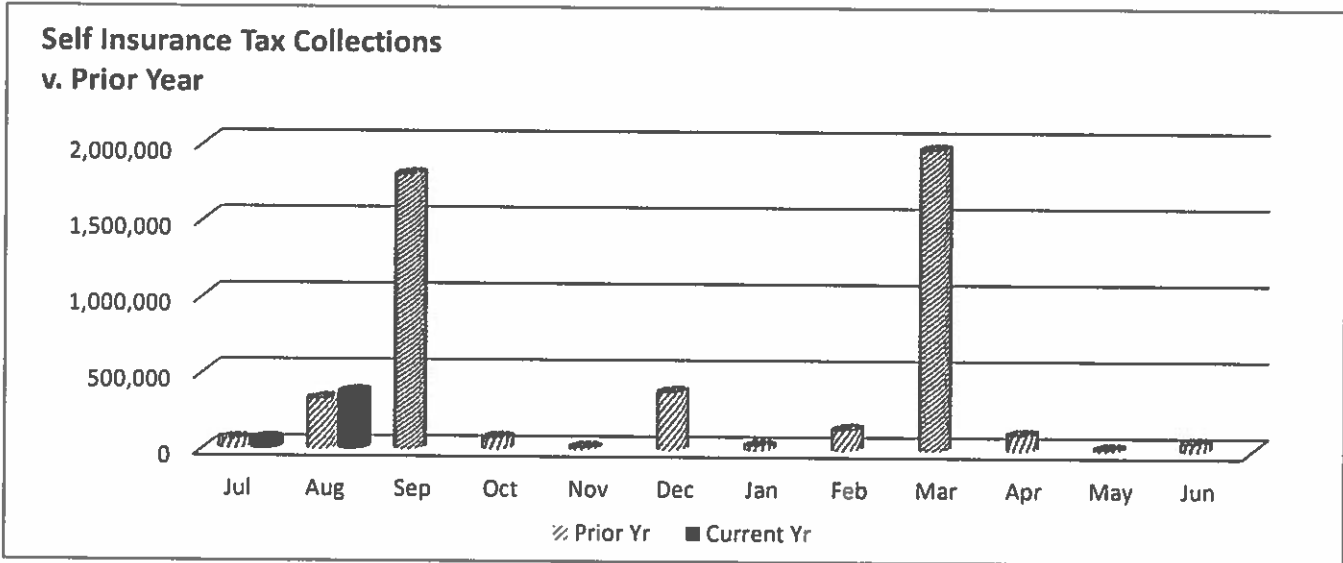
During the month of August 2017, the Self Insurance Division:

- * collected \$372,090 in self-insurance tax.
- * added 20 new self-insurers.
- * conducted 3 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 111% of prior year and 7 Self Insurance audits have been completed.



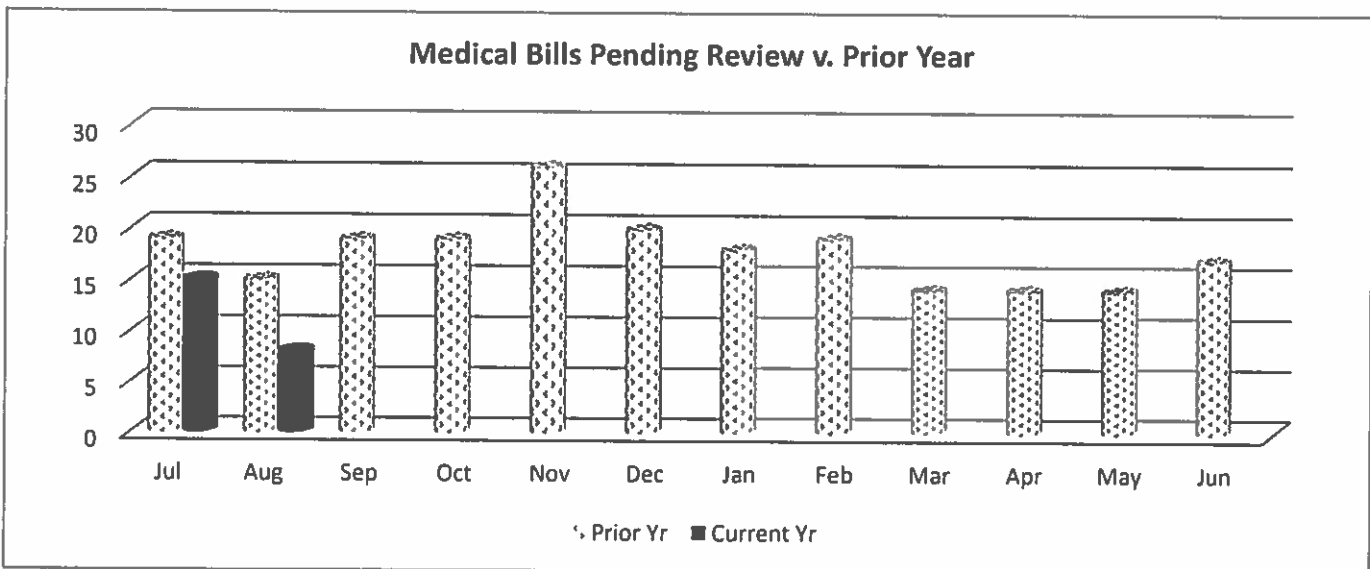
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In August 2017, the Medical Services Division began the month with 15 bills pending review, received an additional 3 bills for review, conducted 10 bill reviews and ended the month with 8 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: September 13, 2017
Re: Claims Department –September 2017 Full Commission Report
Period Ending August 31, 2017

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

The format of the Claims Department report has been changed to highlight the key performance areas in the department.

During the month of August, Claims closed 2,457 and reviewed 2,821 files, an increase over the previous month. This is due to the Claims Department functioning with three examiners for the month. August data compared to FY 16/17 same month: Cases closed 2,684 and Cases Reviewed 3027.

The Fine Revenue collected during August is \$37,800; an increase of \$7,800 from last month. The total fines assessed are 222 and the form 18 fines assessed are 212. August data compared to FY 16/17 same month: Fine Revenue \$38,600, Total Fines -270, Form 18 Fines -243.

The department collects data on Form 18's submitted by SROI/EDI, email and US Postal Service. (USPS). We continue to make a concerted effort to encourage the stakeholders to submit the forms electronically and/or by email. During the month of August we received 1,442 by SROI/EDI, 2,090 by email and 883 by USPS. August data compared to FY 16/17 same month shows an increase by SROI/EDI- 1147 and email -2051 and a decrease by USPS -1531.

The department received and processed 883 Form 61's, of which 72 were approved. The department received and processed 32 Third Party Settlements of which 22 were approved. When compared to same period last year there is no relative change.

Please note the Total Outstanding amounts in the last line on page 1 of the report has been adjusted beginning with July 2017. The department conducted a historical analysis of data and determined the information reported was incorrect. The amounts shown for July \$35,200 and August \$62,800 are correct.

State of South Carolina

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Workers' Compensation Commission

September 13, 2017

To: Gary M. Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

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

During the month of August, Judicial processed nine hundred seventy-three (973) requests for hearings, one hundred eight (108) Motions and one hundred forty-nine (149) clincher conference requests that were sent to the Jurisdictional Commissioners.

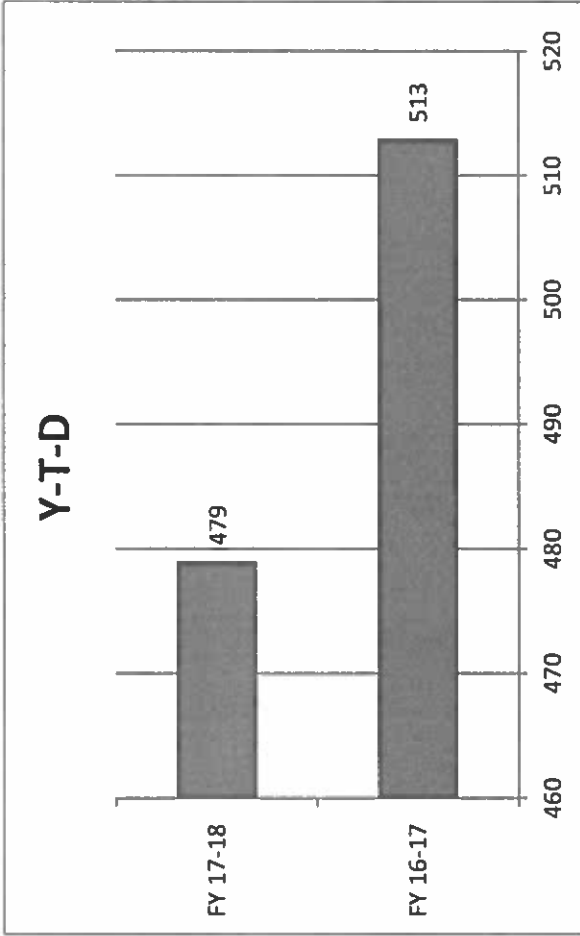
There were sixty-nine (69) Single Commissioner Hearings conducted during the past month, twenty-eight (28) pre-hearing conferences held and eleven (11) Full Commission hearings held. A total of four hundred ninety (490) Orders were served at the single Commissioner level, seventy-two (72) of those were Decision and Orders that resulted from hearings that went on the record and one hundred eight (108) were Motion Orders that were a result of Motions ruled upon by Commissioners.

The Informal Conference system conducted two hundred thirty-six (236) hearings during the last month.

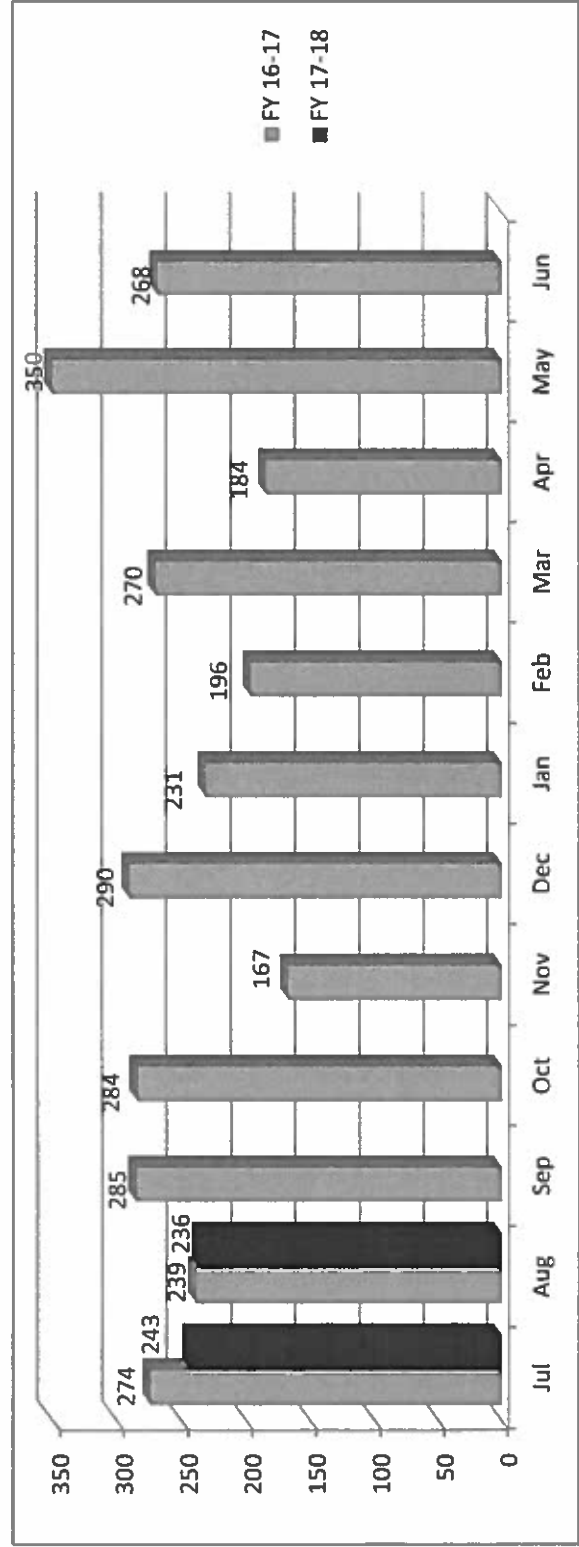
There were sixty-two (62) regulatory mediations scheduled and forty (40) requested mediations. The Judicial Department was notified of fifty-six (56) matters resolved in mediation, with the receipt of Forms 70.

Informal Conf. Conducted

	FY 16-17	FY 17-18
Jul	274	243
Aug	239	236
Sep	285	
Oct	284	
Nov	167	
Dec	290	
Jan	231	
Feb	196	
Mar	270	
Apr	184	
May	350	
Jun	268	
Total	3038	479

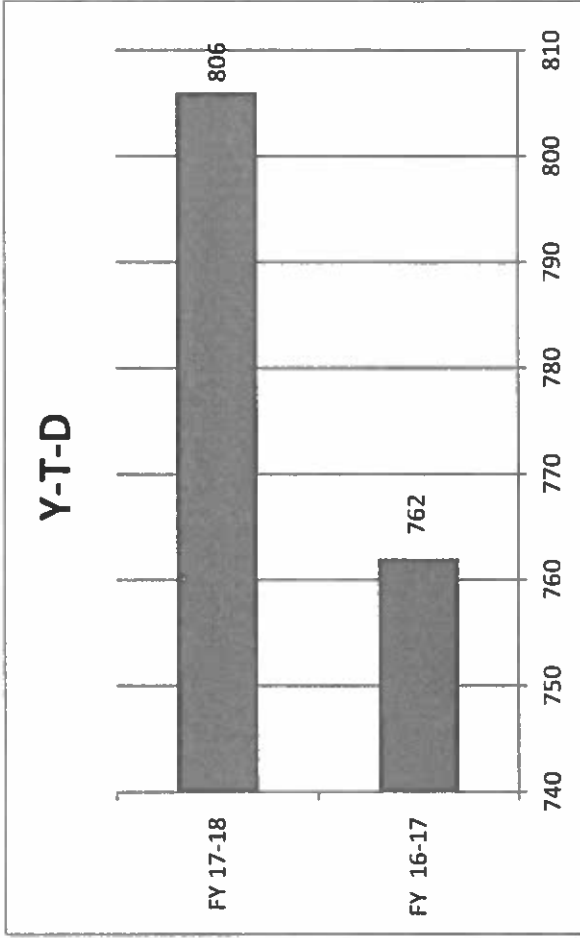


	FY 16-17	FY 17-18
Y-T-D	513	479



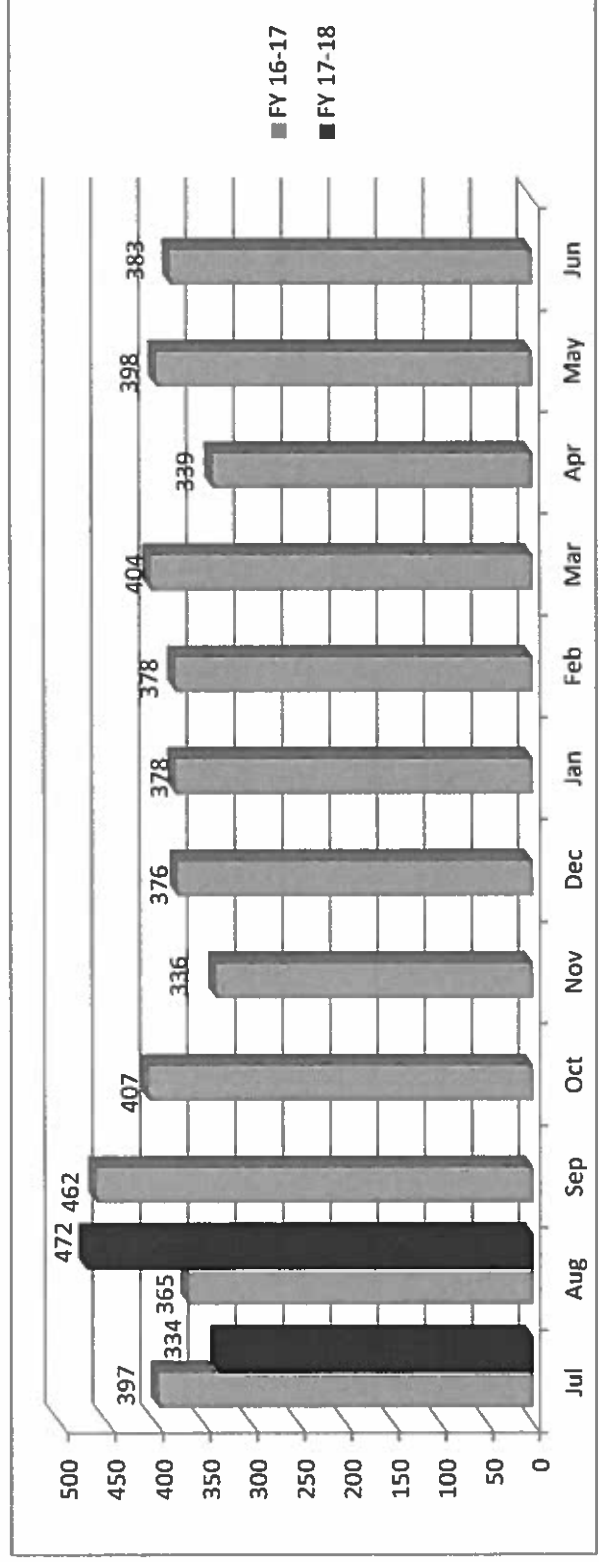
Informal Conf. Requested

	FY 16-17	FY 17-18
Jul	397	334
Aug	365	472
Sep	462	
Oct	407	
Nov	336	
Dec	376	
Jan	378	
Feb	378	
Mar	404	
Apr	339	
May	398	
Jun	383	
Total	4623	806



Y-T-D

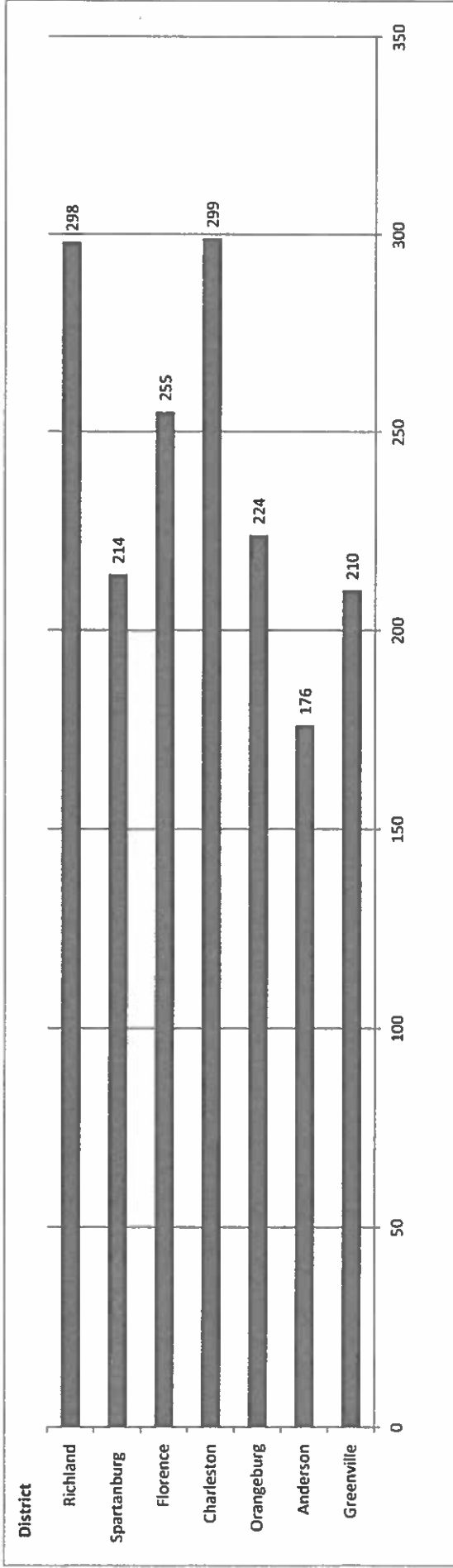
FY 16-17	FY 17-18
762	806



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	166
Aug	113	92	110	97	97	76	120	93	109	172	176	171	134	164	122	107	115	122	159	157	138
Sep		144	102		92	88		121	132		183	198		140	154		142	110		141	167
Oct		104	106		74	101		93	119		172	172		115	171		119	96		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	210	1270	1211	176	1104	1088	224	1230	1319	299	2020	1960	255	1663	1677	214	1343	1311	298	1835	1819

Pleadings Assigned by District Year to Date



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Workers' Compensation Commission

Executive Director's Report Gary M. Cannon

September 15, 2017

Annual Report FY2016-17

Attached is the information for the FY2016-17 Annual Report. Pursuant to Section 42-3-240 a copy will be filed with the Governor and General Assembly.

FY2016-17 Accountability Report

The 2016-17 Accountability Report was submitted to the Department of Administration on September 15. A copy is posted on the Commission's website.

FY 2018-19 Budget Plan

The FY 2018-2019 Budget Request was submitted to the Executive Budget Office, S.C. Department of Administration, on September 15, 2017. The FY2018-19 Budget Hearing with the Governor's Office and Executive Budget Office is scheduled on Wednesday, October 18, 2017 at 3:30 p.m.

Meetings/Activities

The Executive Director participated in the following meetings/activities:

- August 18 – Presentation to SC Bar Workers' Compensation Practice Essentials Seminar
- August 23 – Meeting with Jeff Young, AG's Office
- August 23 – Meeting with Senator Shane Martin to discuss a constituent's workers' compensation matter
- September 7 – Along with Keith Roberts, met with April Jones, local consultant with WestLaw, to view a presentation on WestLaw investigative services.

Employee Meetings

Participated in the agency-wide active shooter training on August 23rd led by Wayne Freeman, SLED. Multiple meetings were held with some department heads to discuss the reporting of monthly statistics and leadership.

Constituent /Public Information Services

For the period August 15, 2017 through September 13, 2017 the Executive Director's Office and the General Counsel's office had 545 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 August 19, 2017 through September 13, 2017: approved and processed 48 travel expense reimbursement payment related activities, 42 invoices, and 25 deposits. Procurement and purchasing activities included the creation of one shopping cart, and processing two goods received.

SCWCC Stakeholder Electronic Distribution List

For the period August 19, 2017 through September 13, 2017, we added nine individuals to the distribution list. A total of 719 individuals currently receive notifications from the Commission.

SC Vocational Rehabilitation Department (SCVRD)

SCVRD reported nine (9) referrals for the month of August 2017, and 15 referrals year to date.

**SC Workers' Compensation Commission
Annual Report
FY 2016-17**

The following is a report of the activities and accomplishments for the South Carolina Workers' Compensation Commission for Fiscal Year ending June 30, 2017. Through the efforts of its dedicated employees, the Commission continues to focus on its mission to provide an equitable and timely system of benefits to injured workers and employers in the most responsive, accurate, and reliable manner possible. Service to stakeholders and continuous improvement of operational efficiency and effectiveness of system operations remains a primary focus of the Commission's work. This is accomplished by constant and consistent informal communication with stakeholders, responding to their requests and concerns and implementing changes as needed, as well as formal communication with stakeholders through the use of stakeholder advisory committees and partnerships with business and other governmental entities.

Statutory and Regulatory

Submitted changes to Chapter 67 of the Code of Regulations to the General Assembly for approval. Document No. 4735, *State Register*, November 25, 2016. The proposed regulations will be considered by the General Assembly in 2018.

Issued an Administrative Order adopting policies and procedures regarding the payment of compensation by check or electronic payment systems pursuant to amendments to § 42-9-450 of the SC Code of Laws in Act 24, May 15, 2017.

The General Assembly approved Act 68, May 10, 2017, which amended Act 95 of 2013 to extend the sunset provision for five years through 2022.

Executive Director's Office

The Executive Director's Office serves as the primary source of information about Commission activities for the general public. This is accomplished by responding to stakeholders' telephone calls and emails, regularly updating the Commission's website and communicating general notices and policy advisories with stakeholders through an email distribution list. While the Executive Director's office does not provide legal advice to injured workers nor discuss the specifics details of an individual's case, one core function is to provide information about process and procedures. During FY17, the office logged 7,736 contacts with various 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. The office emailed fifty-two (52) general notices, policy advisories and updates to stakeholders and other interested parties and posted thirteen (13) agendas and supporting documents for the Commission Business Meetings. Eighty-one (81) email addresses were added to the Commission's electronic general notice distribution list, increasing the total to 701.

The Executive Director's office is responsible for the referral of all injured workers in need of vocational counseling or vocational evaluation, personal adjustment, training and placement to the SC Vocational Rehabilitation Department. In 2015 the Commission partnered with the SC Vocational Rehabilitation Department to allow

statewide electronic access to the injured workers' database. During FY17, SCVRD contacted 107 claimants for vocational rehabilitation services as a result of the partnership allowing access to the Commission's electronic database.

Human Resources

The primary focus for Human Resources during FY17 was the hiring of a new Human Resource Manager. A new HR Manager was hired in October. Through the end of FY17, the HR Manager attended four PEBA training sessions, five SCEIS training sessions, three NEOGov training sessions and one SDHR training event. Along with learning the State's human resource systems, the HR Manager's primary focus was to identify talent, recruit talent and onboard new employees. The Commission had 53 approved FTEs. During this period, five long-term employees retired which required a significant transfer of knowledge prior to the effective retirement dates. Additionally, we had seven employees separate from the Agency. We consolidated processes and redistributed the workload to eliminate the need to replace three positions. More than 1,100 applications for employment were reviewed and considered to fill 16 vacancies. Nine new employees were hired, onboarded, and began working. The Agency utilized the services of three unpaid interns.

Information Technology Department

The IT Department's staff of four supports the internal stakeholders by providing the appropriate technology to allow staff to work efficiently. They support the agency's external stakeholders by providing assistance with EDI transmissions, electronic submission of files, and end user support of the eCase portal. During FY17, the IT Department upgraded all outdated workstations and laptops which reduced maintenance costs and knowledgebase for multiple system support, redesigned and standardized print functionality agency-wide which significantly reduced overhead maintenance costs, stream-lined toner and maintenance requirements and dramatically improved the reliability of print services; and installed a new Voice over IP (VOIP) telephone system to provide additional communication functionality for staff, initiated a microfilm conversion project converting film data to electronic image files, and completed an agency-wide business process evaluation for the upcoming legacy modernization project to redesign the agency's 27 year old claims management system. For external stakeholders the department upgraded the eCase web portal, installed a new wireless network to enhance security and increase performance and provide stakeholders and constituents with Internet access while at our facility, partnered with the Department of Corrections and Probation, Pardon and Parole to give the Commissioners the ability to conduct hearings with injured workers under the supervision of the SC Department of Correction at PPP sites, and added six (6) new trading partners to our system furthering the use of electronic submission of Subsequent Reports of Injury (SROI) via EDI.

IMS Compliance & Coverage Division

The Compliance and Coverage Division of the Insurance and Medical Services Department continued its efforts to ensure employers obtained workers' compensation

insurance for employees. Through a partnership with Department of Employment and Workforce, the division obtains wage and employment data for 62,000 employers in the State to verify insurance coverage. Using a random selection of employers, the employer FEIN is matched with the list of workers' compensation policies issued in the state. Three hundred fifty-one employers were found to be not in compliance with coverage requirements. As a result, 215 employers came into compliance and obtained insurance coverage for approximately 2,000 previously uninsured workers. A total of \$382,199 in fines were collected from these violations. Through the use of information technology systems, implemented improvements to the process for identifying outstanding carrier fine debt and scheduling and serving proper notice for Compliance Show Case Hearings. The Division is responsible for collecting unpaid fines from insurance carriers for failure to submit required reports in a timely manner. Two hundred sixty-four (264) cases were set for Rule to Show Cause Hearings, resulting in \$130,000 fines collected.

IMS Medical Services Division

The Medical Services Division of the Insurance and Medical Services Department is responsible for overseeing the implementation of the medical fee schedules, responding to inquiries from medical service providers and payers and resolving disputes through the Medical Fee Dispute Process. The Commissioners approved an update to the Medical Services Provider Manual (physician's fee schedule) effective September 1, 2016 which provides a Maximum Allowable Payment (MAP) for medical services provided to injured workers. The update included the approval of a \$50 Conversion Factor and the use Center for Medicare and Medicaid Services 2016 Relative Values. The Division processed an average of 17 disputes per month during FY17.

IMS Self-Insurance Division

The Commission is required to approve all applications for employers to be self-insured for workers' compensation insurance. The Self-Insurance Division of the IMS Department is responsible for reviewing all applications and to ensure the necessary financial requirements are attained to be approved to self-insure. The Division recommended and the Commission approved 213 applications for self-insurance during FY17. The Division is also responsible for monitoring the financial stability of each self-insured and collecting the 2.5% tax on the calculated premiums of self-insurers. The Division collected \$5.0 million Self-Insurance Tax and remitted \$2.5 million to the State General Fund.

Claims Department

The Claims Department is responsible for receiving and processing all initial reports of injury filed by the injured worker and reviewing files to ensure periodic reports of claim activity are filed by the carriers. During FY17 64,802 accident cases were filed with the Commission. This included 61,766 new accidents, of which 24,137 were new cases created, 37,629 Minor Medical cases reported and 3,036 cases were reopened. During the year, the department processed 14,676 settlements (Clinchers, Form 16s,

and third party settlements), 25,134 initial notices of payments (Form 15), and 54,207 Carrier's Periodic Report (Form 18). Of total Form 18s received, 14,073 were filed electronically through SROI; 25,070 were filed as an attachment to an email, and 16,911 were received through the US Postal Service. The department implemented a new procedure to verify and respond to requests for claims history data.

Judicial Department

The Judicial Department is responsible for scheduling, monitoring, and reviewing all informal conferences and contested workers' compensation cases. The department's work is divided between three adjudication processes, Informal Conferences, Hearings, and Appeals. During FY17, the department processed over 17,000 pleadings, 3,500 motions, 1,400 appeals, and 1,100 mediation documents.

Scheduling single Commissioner hearings and Informal Conferences is one of the core functions of the Judicial Department. This involves coordinating with state agencies, local governments, and educational institutions for the use of over 100 different locations in their facility. During FY17, the department added six new sites to the list and solidified the alliance with S.C. Vocational Rehabilitation for the Commission to use several of their facilities across the state.

Informal Conferences

An informal conference is an opportunity for the claimant and a representative of the employer's insurance carrier to meet with a Claims Mediator or a Commissioner to discuss the settlement of the claim. The Commission assigned 4,621 cases for Informal Conferences of which 3,001 were conducted. The Commissioners conduct Informal Conferences when an agreement is not reached during the meeting with the Claims Mediator or the medical costs exceed \$50,000. During FY17, the Commissioners conducted 293 of these conferences. The Commission modified the Form 14B for the purpose of clarifying information regarding future medical care and treatment and changed the process for approval of settlements recommended at the informal conference process to ensure compliance with the regulations.

Single Commissioner Hearings and Other Case Related Activity

For single commissioner hearings the Commission docketed 10,458 cases, which was about the same number of cases as the previous year. Of the cases docketed, 854 hearings were conducted, a decrease of 27.8%. Further, the Commissioners approved 11,396 settlements, a 25.3% increase. Besides hearing disputed cases, the Commissioners perform many other activities related to the cases. During FY17, Commissioners approved 8,754 attorney fee petitions, conducted 280 prehearing conferences, issued 5,298 administrative orders, conducted 1,632 clincher conferences, reviewed 1,419 motions and approved 1,044 relief of counsel motions.

Case Processing Time

Time is of the utmost importance when trying to resolve a disputed case. The more time required costs the employer more in temporary compensation to the injured employee or delays medical services or payment to an injured worker. The Commission

monitors the number of days for a hearing request to be processed and hearing to be docketed. The request is processed in an average of 30 days and a hearing is processed in an average of 90 days. After a hearing is held, a Commissioner issues order instructions within 90 days.

Full Commission Appellate Activity

There were 274 single commissioner cases appealed to the Full Commission. One hundred thirty-one (131) were heard by a Full Commission Appellate Panel. Forty-four (44) of the cases heard by the Full Commission were appealed to a higher court.

Mediations

In 2013, the Commission approved regulations to implement a requirement for mandatory mediations in certain cases. During the past year, 783 regulatory mediations were conducted, 412 voluntary mediations were requested and 27 mediations were ordered by a Commissioner. The Commission received 645 Form 70's submitted by the mediator after mediation during FY17.

SC Department of Vocational Rehabilitation

S.C. Vocational Rehabilitation Department utilized the Commission's web portal to access the Commission's electronic database and contacted 107 claimants for vocational rehabilitation services.

Workers' Compensation Insurance Premiums

During 2017, \$1.1 billion of workers' compensation insurance premiums were paid for commercial, self-insurance and State Accident Fund coverage. The commercial market has a 70% share, the Self-Insurance market has a 23% market share and the State Accident Fund has approximately 7% of the market share. The Department of Insurance reported \$19.5 million of workers' compensation insurance tax premium paid to the State General Fund for FY 2017.

System Medical Costs

The Commission is responsible for controlling the medical costs to the system while ensuring medical care is available to the injured employee. The cost control measures are through the adoption of a Maximum Allowable Payment (MAP) for each medical service provided in the Medical Services Provider Manual (MSPM), the In-Patient Hospital Fee Schedule and the Out-Patient Ambulatory Surgery Fee Schedule. The schedules are based on the relative values established annually by the Centers for Medicare and Medicaid Services. The total medical cost for cases reported closed during FY17 was \$349 million, a 4.5% increase over FY16. The average medical cost per claim was \$5,452.

System Indemnity or Compensation Costs

An employee may be eligible to receive compensation for personal injury or death arising out of and in the course of his or her employment. During FY17, the amount of compensation paid reported for cases closed during FY17 totaled \$552 million, a

decrease of 1 percent when compared to last year. The average compensation cost per claim was \$8,261.

Financial Report

The Commission completed FY2017 with total expenditures of \$5.5 million. The General Fund Appropriations totaled \$1.9 million and Earmarked Fund totaled \$3.5 million. The Earmarked Fund annual operating revenues from fines, fees and assessments totaled \$1.6 million, 40% less than budget. This required the use of \$1.9 million of fund balance \$783,000 less than anticipated. The Commission collected \$5.1 million of Self-Insurance Tax revenues generated by Act 95 in 2013 and remitted \$2.5 million to the General Fund.

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Workers' Compensation Commission

MEMORANUM

TO: COMMISSIONERS

FROM: Gary Cannon
Executive Director

DATE: September 14, 2017

RE: FINANCIAL REPORT: Period ending August 31, 2017

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the one month period ending August 31, 2017. The Department of Administration prepares the report therefore the format of the report is slightly different from previous reports.

The General Fund 10010000 is on page 1-2 and the Earmarked Fund 38440000 is on pages 3-7. Please note the name is Fund 38440000 - PENALTIES FINES. It will be corrected in next month's report.

The report named Commitments is located behind the Budget vs. Actual and reflects the purchase orders committed for the Microfilm Data Transfer project.

The last past contains the report of the Operating Revenues.

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% 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	17,021	17%		85,108
501058	CLASSIFIED POS	47,092	10,333	22%		36,759
5050020000	IN ST-LODGING				394	
Total OTHER OPERATING:					394	-394
Total Administration:		149,221	27,355	18%	394	121,472

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	75,000				
Total OTHER OPERATING:						75,000
Total Inform. services:		75,000	0	0		75,000

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	77,223	13,164	17%		64,059
Total Claims:		77,223	13,164	17%		64,059

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501026	CHAIRMAN	125,208	20,025	16%		105,183
501033	COMMISSIONER	720,918	120,995	17%		599,923
501050	TAXABLE SUBS		9,798			-9,798
501058	CLASSIFIED POS	313,837	51,073	16%		262,764
501070	OTH PERS SVC		848			-848
Total Commissioners:		1,159,963	202,740	17%	0	957,223

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% 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	2,875	11%		23,757
Total Insurance & Medical:		26,632	2,875	11%		23,757

Management - Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	29,267				29,267
Total Management - 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	82,132	14%		487,729
Total Employer Contributions:		569,861	82,132	14%		487,729
Total GENERAL FUND:		2,087,167	328,267	16%	394	1,758,506

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% of year elapsed

Fund 38440000 - PENALTIES FINES

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	704,135	79,127	11%		625,008
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		91			
5020120000	CELLULAR PHONE SVCS		645			
5021020000	ATTORNEY FEES		-11,160			
5021410000	EDUC & TRNG-STATE		5			
5021530000	CATERED MEALS		2,236			
5024990000	NON IT OTH CONTRACT		902			
5030010000	OFFICE SUPPLIES		1,877			
5030010004	SUBSCRIPTIONS		760			
5030067101	PRGM LIC - APP SUPP		3,762			
5030070000	POSTAGE		5,000			
5033990000	OTHER SUPPLIES		15			
5040020000	RENT-COPYING EQUIP		119			
5040027000	IT-RENT COPYNG EQUIP		119			
5040050000	NON IT-RENT-CONT RENT		75			
5040057000	IT- RENTAL-CONT RENT		47			
5040060000	RENT-NON ST OWN PROP		34,648			
5040490000	RENT-OTHER		2,471			
5050010000	IN ST-MEALS-NON-REP		130			
5050020000	IN ST-LODGING		1,349			
5050041000	HR-IN ST-AUTO MILES		767			
5050070000	IN ST-REGISTR FEES		329			
5051520000	REPORTABLE MEALS		39			
5051540000	LEASED CAR-ST OWNED		4,244			
	Total OTHER OPERATING:	1,263,866	53,411	4%	0	1,210,455
	Total Administration:	2,009,001	132,538	7%	0	1,876,463

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% of year elapsed

Fund 38440000 - PENALTIES FINES

Executive director

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501070	OTH PERS SVC		6,884			-6,884
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	7,323	116%	0	-988

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	87,850				87,850
512001	OTHER OPERATING	755,512				
5020040000	MICROFILM PROCESSING				64,035	
5020077240	DP SERVICES - STATE		48,057			
5020120000	CELLULAR PHONE SVCS		711			
5030067130	EQUIP&SUPP- EUC		2,242		428	
5030090000	COMMUNICATION SUPP		45			
5040010000	RENT-OFFICE EQUIP		765			
5040020000	RENT-COPYING EQUIP		44			
5040027000	IT-RENT COPYNG EQUIP		44			
5040050000	NON IT-RENT-CONT REN		175			
5040057000	IT- RENTAL-CONT RENT		148			
5041010000	DUES & MEMBER FEES		100			
	Total OTHER OPERATING:	755,512	52,330	7%	64,463	638,719
	Total Inform. services:	843,362	52,330	6%	64,463	726,569

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% of year elapsed

Fund 38440000 - PENALTIES FINES

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	280,850	38,203	14%		242,647
512001	OTHER OPERATING	19,700				
5020120000	CELLULAR PHONE SVCS		108			
5040020000	RENT-COPYING EQUIP		72			
5040027000	IT-RENT COPYNG EQUIP		72			
	Total OTHER OPERATING:	19,700	253	1%	0	19,448
Total Claims:		300,550	38,456	13%	0	262,094

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501050	TAXABLE SUBS	70,000				70,000
512001	OTHER OPERATING	230,700				
5020080000	FREIGHT EXPRESS DELV		5			
5020120000	CELLULAR PHONE SVCS		1,614			
5021010000	LEGAL SERVICES		17,096			
5021410000	EDUC & TRNG-STATE		75			
5040020000	RENT-COPYING EQUIP		71			
5040027000	IT-RENT COPYNG EQUIP		71			
5050010000	IN ST-MEALS-NON-REP		112			
5050020000	IN ST-LODGING		1,586			
5050041000	HR-IN ST-AUTO MILES		3,513		997	
5050080000	IN ST-SUBSIST ALLOW		903		774	
5050570000	OUT ST-REGISTR FEES		-107			
5051520000	REPORTABLE MEALS		133			
	Total OTHER OPERATING:	230,700	25,072	11%	1,771	203,856
Total Commissioners:		300,700	25,072	8%	1,771	273,856

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% of year elapsed

Fund 38440000 - PENALTIES FINES

Information Services FY18

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	60,944	0	0	0	60,944
Total Information Services FY18:		60,944	0	0	0	60,944

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	459,463	78,763	17%		380,700
501070	OTH PERS SVC	22,881				22,881
512001	OTHER OPERATING	54,500				
5020120000	CELLULAR PHONE SVCS		76			
5021540000	NON-IT OTHER PRO SRV		4,320			
5024990000	NON IT OTH CONTRACT		40			
5030010000	OFFICE SUPPLIES		21			
5030010004	SUBSCRIPTIONS		198			
5033990000	OTHER SUPPLIES		15			
5040020000	RENT-COPYING EQUIP		75			
5040027000	IT-RENT COPYNG EQUIP		75			
5050010000	IN ST-MEALS-NON-REP		43			
5050020000	IN ST-LODGING		961			
5050041000	HR-IN ST-AUTO MILES		135			
Total OTHER OPERATING:		54,500	5,960	11%	0	48,540
Total Insurance & Medical:		536,844	84,723	16%	0	452,121

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2018 As of 8/31/2017
17% of year elapsed

Fund 38440000 - PENALTIES FINES

Management - Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	302,294	57,754	19%		244,540
512001	OTHER OPERATING	12,800				
5020120000	CELLULAR PHONE SVCS		107			
5021010000	LEGAL SERVICES		173			
5040020000	RENT-COPYING EQUIP		76			
5040027000	IT-RENT COPYNG EQUIP		76			
5050041000	HR-IN ST-AUTO MILES				74	
	Total OTHER OPERATING:	12,800	430	3%	74	12,296
	Total Management - Judicial:	315,094	58,185	18%	74	256,836

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	695,959	126,952	18%	0	569,008
	Total Employer Contributions:	695,959	126,952	18%	0	569,008
	Total PENALTIES FINES:	5,068,789	525,578	10%	66,308	4,476,902

South Carolina Workers' Compensation Commission

Commitments

FY 2018 As of 8/31/2017

Fund 38440000 - PENALTIES FINES

Inform. services

Commitment Item	Commitment Item Description	Vendor	Commitment
5020040000	MICROFILM PROCESSING	PALMETTO MICROFILM SYSTEMS INC	64,035
5030067130	EQUIP&SUPP- EUC	HP INC	428
Total Inform. services:			64,463
Total PENALTIES FINES:			64,463

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: August 31, 2017
 Earmarked Fund
 Revenues

Account	Acct No.	Budget	Benchmark	#REF!
			YTD Actual Received	% of Budget
Workers Comp Hearing Fee	4110090000	\$ 565,000	\$ 92,475	16%
Self Insurance App Fee	4160040000	\$ 26,577		0%
Violations and Penalties	4223030000	\$ 1,750,000	\$ 281,786	16%
Parking Fee	4350040000	\$ 6,060	\$ 885	15%
Workers Comp Award Review Fee	4350140000	\$ 36,575	\$ 6,875	19%
Training Conference Registration Fee	4380020000	\$ 3,500	\$ 3,087	0%
Sales of Photocopies	4380050000	\$ 67,500	\$ 15,413	23%
Sale of Services	4480020000		\$ 3,600	0%
Sale of Publication & Brochure	4480040000			0%
Sale of Listings Labels	4480060000	\$ 16,500	\$ 200	1%
Unclaimed Property	4511020000		\$ -	0%
Returned Checks	4530010000		\$ -	0%
Adj To Agency Deposit	4530020000		\$ -	0%
Misc Revenue	4530030000		\$ 201	0%
Dep By Private Entities	4530070000		\$ -	0%
Total Revenues		\$ 2,471,712	\$ 404,522	16%
Appropriated Fund Balance		\$ 3,246,153		0%
Total		\$ 5,717,865	\$ 404,522	7%

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

Parties to the Memorandum of Agreement

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

Legislative Mandate

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

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

Purpose

It is the intent of this MOA to promote mutual cooperation and communication between SCWCC and SCVRD in order to facilitate the referral of industrially injured persons for vocational rehabilitation services and serve those referrals eligible for services.

Role of Each Agency

SCWCC

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

SCVRD

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

Respective Duties

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

