

## A G E N D A

### SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

**January 22, 2018 – 10:30 a.m.**

Commission Hearing Room A

*This meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act.*

- |   |   |
|---|---|
| 1. CALL TO ORDER  | <i>CHAIRMAN BECK</i>  |
| 2. APPROVAL OF AGENDA OF BUSINESS MEETING<br>OF JANUARY 22, 2018  | <i>CHAIRMAN BECK</i>  |
| 3. APPROVAL OF MINUTES OF THE BUSINESS MEETING<br>OF DECEMBER 11, 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<br>Human Resources (Tab 3)<br>Information Services (Tab 4)<br>Insurance and Medical Services (Tab 5)<br>Claims (Tab 6)<br>Judicial (Tab 7) | <i>MS. STUART</i><br><i>MS. SPRANG</i><br><i>MR. DUCOTE</i><br><i>MS. SPANN</i><br><i>MS. BRACY</i> |
| 7. EXECUTIVE DIRECTOR'S REPORT (Tab 8)<br>Administration – Financial Report (Tab 9)   | <i>MR. CANNON</i><br><i>Mr. Cannon</i>  |
| 8. OLD BUSINESS<br>Telemedicine Advisory Committee (Tab 10)   | <i>CHAIRMAN BECK</i><br><i>Mr. Cannon</i>   |
| 9. NEW BUSINESS   | <i>CHAIRMAN BECK</i>  |
| 10. ADJOURNMENT   | <i>CHAIRMAN BECK</i>  |

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<b>2</b>	<b>Self-Insurance</b>
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THE  
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION  
BUSINESS MEETING  
**December 11, 2017**

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, December 11, 2017, at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present:

T. SCOTT BECK, CHAIRMAN  
SUSAN S. BARDEN, VICE CHAIR  
R. MICHAEL CAMPBELL, II, COMMISSIONER  
MELODY L. JAMES, COMMISSIONER  
GENE MCCASKILL, COMMISSIONER  
AISHA TAYLOR, COMMISSIONER  
AVERY B. WILKERSON, JR., COMMISSIONER

Present also were: Gary Cannon, Executive Director; Bryan Berthelette, Self Insurance Director; Amy Bracy, Judicial Director; David DuRant, Attorney; Wayne Ducote, Insurance & Medical Services Director; Loretta Dykes, Financial Technician; Kim Falls, Business Analyst; Keith Roberts, Attorney; Elizabeth Schinke, Business Analyst; Sonji Spann, Claims Director; Sandee Sprang, IT Director; and Alexa Stuart, HR Manager. Bonnie Anzelmo, Injured Workers' Advocates, was also present.

Chairman Beck called the meeting to order at 10:35 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 NOVEMBER 13, 2017**

Commissioner Barden moved that the minutes of the Business Meeting of November 13, 2017 be approved. Commissioner Taylor seconded the motion, and the motion was approved.

**GENERAL ANNOUNCEMENTS**

Gary Cannon announced the Agency's holiday luncheon is today at Noon.

Mr. Cannon announced that Ms. Ballentine tendered her resignation from the Commission and today is her last Commission business meeting. He said he just wanted to say a public appreciation for all she's done for the years she's been at the Commission. He said, "We will miss her and wish her well in her endeavors."

**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:

### **Palmetto Timber Fund**

Keith Porter Logging  
Southern Forest Products, LLC

### **South Carolina Automobile Dealers Association**

Dick Dyer & Associates, Inc.  
Hoover Automotive, LLC  
Hoover Mitsubishi Charleston  
Hoover Motors, Inc.  
Stiver Brothers Automotive, Inc.

### **South Carolina Home Builders SIF**

Cochcroft, Mark dba Mac Con, Inc.  
Commercial Building Services, Inc.  
Complete Septic Tank, LLC  
KIWI Construction, LLC  
Menard's Fence, LLC  
Palmetto Concrete Finishing, Inc.  
Palmetto Property Preservation, LLC  
Peevey Inc. dba Roto Rooter  
Precision Custom Homebuilders, LLC  
Spartan Siding, LLC  
Tri-County Home Store, LLC  
Wade Carlisle Construction, LLC  
Zook Construction, LLC

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

- In November, the Commission had 53 FTEs, one part-time contract employee and one part-time temporary employee.
- Liz Schinke was selected to fill the Systems Programmer/Developer IV position.
- Elaine McKnight was selected to fill the Administrative Assistant position. Ms. McKnight will begin her work with the Commission on January 2, 2018.
- Recruitment has begun to fill the Business Analyst III position and the Executive Assistant I position.

Ms. Stuart said she continues to work with CBRE concerning issues with parking and key cards.

## **Information Technology Department**

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

- The IT Department worked with EDI trading partners to research and resolve EDI transaction data and image processing errors for out of country accidents.
- Work continues with Midwest Employers Casualty Company on a TPA consolidation to verify all EDI transactions process correctly.
- IT collected data for the new Industry Code table from the Department of Labor and continues to work with the IAIABC EDI Claims Workgroup reviewing and recommending standards changes.
- The Hearing Notice template was modified to increase the number of parties from 15 to 17.
- IT is testing the configuration of the new scanning workstations which require Windows 10.
- Meeting with various security vendors for the agency's physical security enhancements.
- Working with CBRE to install a supplemental air conditioner in the computer room.

## **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:

- In November, the Compliance Division compelled 21 employers to come into compliance with the Act. Year to date, the Compliance Division has compelled 87 employers to come into compliance with the Act. Approximately 809 previously uninsured workers are now properly covered.
- Twenty-nine Carrier Rule to Show Cause cases were docketed. Twenty-eight cases were resolved and \$12,389 was recovered.
- The Compliance Division collected \$123,360 in fines and penalties. Year to date, the Compliance Division has collected \$547,298 in fines.
- The Coverage Division received 1,983 claim files and collected \$16,000 in fine revenue.
- The Self Insurance Division collected \$60,837 in self-insurance tax. Year to day, Self Insurance tax revenue is trending at 111% of prior year.

## **Claims Department**

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

- Claims processed 15,255 items during the month of November.
- Claims closed 2,314 files, a decrease of 168 from last month.
- Claims reviewed 3,277 files, a decrease of 1,490 from last month.
- Fine Revenue collected during the month of November was \$64,800, an increase of \$9,100 in comparison to October 2017. When compared to the same period in FY 16/17, the department collected \$31,200 in fine revenue, an increase of \$33,600 or 108%.
- Claims Department assessed 325 fines, a decrease of 222 compared to October 2017. Of the fines assessed, 222 were for the Form 18.
- Received 1,428 Form 18s via SROI/EDI.
- Received 2,083 Form 18s via email.

- Received 667 Form 18s via USPS.
- Received 791 Form 61s; approved 663 Form 61s.
- Received 43 Third Party Settlements and approved 45.

### **Judicial Department**

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

#### Judicial Department

- 814 requests for Hearings
- 108 Motions
- 137 Clincher Conference requests sent to Jurisdictional Commissioners

#### Commissioners

- 56 Single Commissioner Hearings conducted
- 25 pre-hearing conferences held and 15 Full Commission Hearings conducted
- 462 Orders served at single Commissioner level; 61 of those were Decision and Orders that resulted from hearings that went on record; 108 of those were Motion Orders ruled upon by Commissioners

#### Informal Conference

- 164 informal conferences conducted

#### Mediation

- 47 regulatory mediations scheduled
- 41 requested mediations
- 37 matters resolved in mediation with the receipt of Forms 70

Ms. Bracy announced the new postage machine was installed in November.

### **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:

- Mr. Cannon reminded the Commissioners the tour of the S.C. Vocational Rehabilitation Department's training facility is schedule for Tuesday, December 12<sup>th</sup>, at 10:00 a.m.
- Mr. Cannon said he and IT are researching various security systems to improve building security. He anticipates moving forward with completing a purchase order for a security system next week.
- Mr. Cannon announced the Guarantee Insurance Company has become insolvent. The Commission issued an Administrative Order instructing the Commission to stay all matters before the Commission in which the Guarantee Insurance Company is a party until February 28, 2018. Notice was posted on the Commission's website on December 5, 2017.

### **ADMINISTRATION – FINANCIAL REPORT**

Mr. Cannon reported the benchmark for period ending November 30, 2017 is 42%. The General Fund expenditure to date is 38%. The Earmarked Fund expenditure to date is 28%. The budgeted operating revenues received is 46% and the budgeted Self-Insurance Tax funds received is 53%. The Earmarked Fund Balance has a net income/expenditures of \$990,342.

### **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

### **2018 Maximum Weekly Compensation Rate**

Mr. Cannon reported the Department of Employment Workforce has released a new average weekly wage in South Carolina for the period of July 1, 2016 through June 30, 2017 of \$838.21. According to §42-1-50; §42-9-10; and §42-9-20, the maximum weekly compensation rate for injuries arising on and after January 1, 2018 shall be \$838.21.

### **Motion to Adopt the 2018 Average Weekly Wage**

Commissioner Barden moved to adopt the 2018 maximum weekly compensation rate of \$838.21, which was duly seconded. The vote was taken, and the motion was adopted. Accordingly, accidents that occur on or after January 1, 2018, the maximum weekly compensation rate will be \$838.21. The request for approval was submitted in the form of an Order. Each Commissioner signed the order.

## **ADJOURNMENT**

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

The December 11, 2017 meeting of the South Carolina Workers' Compensation Commission adjourned at 10.53 a.m.

Reported December 14, 2017  
Kim Ballentine  
Office of the Executive Director

<b>SCWCC Human Resources Monthly Report December 2017</b>
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### **STAFFING**

In December, 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:** Two
- **Leaves:** None
- **Recruitment:**

*Information Systems /Business Analyst III* – We interviewed three candidates. An offer was made in January and we are awaiting a decision.

*Executive Assistant* – We selected two final candidates and an offer was extended in January. The new employee will start on February 2, 2018.

### **BENEFITS**

- Performed 5 transactions related to benefits

### **EMPLOYEE RELATIONS**

- The annual Christmas luncheon and celebration was held on December 11, 2018. Additionally, the office collected 762 items for Transitions. The donation was greatly appreciated.
- Worked with a manager on an employee performance issue.

### **MEETINGS**

- I did not attend any meeting in the month of December.

### **ADMINISTRATIVE**

- Sent 18 “All Agency” emails out on various topics such as SCEIS, parking, benefits, and miscellaneous events.
- Performed 8 SCEIS time related transactions and 13 payroll related transactions.

### **FISCAL RESPONSIBILITIES**

- Processed/approved 9 travel expense reports.

### **FACILITIES**

- Notified CBRE of 7 new issues.
- Responded to 1 parking related issues.
- Removed junk that had been stored throughout the office space.



# State of South Carolina

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## Workers' Compensation Commission

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To: Gary Cannon  
SCWCC Executive Director  
From: Sandee Sprang, IT Director  
Date: January 17, 2018  
Subject: IT Department December 2017 Full Commission Report

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

### **I. Systems Operations, Maintenance and Support**

#### EDI

The IT department completed EDI training and documentation to balance the transition from Barbara James to Elaine McKnight. Liz and Kim will be training Elaine in the next month. Also, we setup and began testing with Maine Employers Mutual Insurance; the trading partner, Intercare, was moved into production. We continue supporting EDI trading partners to research and resolve EDI transaction data and image processing errors. We also continue our work with the IAIABC EDI Claims Workgroup, reviewing and recommending standards changes.

#### Reporting and Standardization

The Hearing Notice process has been revised several times. The IT team is working with DEW and IMS to better define the business and application processes for supporting compliance data.

#### Systems Support

We completed the design work to complete the creation of a new subnet for wireless traffic. We collaborated with DTO to resolve issues resulting from system failures and downtime.

#### OnBase

Liz and Kim continue to test OnBase version 17. Our disconnected scanning workstations are all running the new version 17 and it has resolved several end user issues. Duane researched and corrected multiple Invoice, Payment and Deposit issues; he also modified several templates for Progress letters.

#### Desktop Support

Jason is testing of the Unified Communications and Simultaneous Ring functionality in our VoIP system.

### Security System

Jason continues to work with the security vendor to complete the configuration and design of the enhancements.

## **II. Projects, Enhancements and Development**

### eCase

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

### Hardware Upgrades

The status of the hardware upgrade projects currently in process:

- All disconnected scanning workstations have been replaced.
- The new Xerox copiers have been ordered and we will replace all units over the next few weeks.
- 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 established the test environment for all virtual servers and is presently testing the environment and establishing benchmarks.

### Microfilm Conversion

The 4<sup>th</sup> group of cartridges is still in the conversion process, 3 groups remain and the estimated completion date of the project is June 2018.

### Legacy Modernization

The Statement of Work was completed and much discussion, finally posted on the Small Application Development forum. The initial Question and Answer conference call was held and a vendor will be selected this week. After the review of the project plan with Marsha Adams' team, it was decided this project will fall under the guidelines of the new Statewide Governance Oversight procedures.

### Staffing

We recruited and interviewed for the Application Development position.

### Trainings and Meetings

Sandee attended the 2018-19 budget presentation to the House Ways and Means subcommittee. She also attended several meetings at the Department of Administration, including a review of our Legacy Modernization project plan.

Kim Falls cross-trained with Kim Ballentine to help with the staff transition for Executive Director Cannon.

# State of South Carolina



## Workers' Compensation Commission

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

**From:** Wayne Ducote, Jr.  
IMS Director

**Date:** 18-Jan-18

**Subj:** Insurance and Medical Services Department  
December 2017 Full Commission Report

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Please find attached information provided to summarize the status and workflow of initiatives currently underway within the Insurance and Medical Services (IMS) Department.

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

- |                     |   |
|---------------------|---|
| Compliance Division | <ol style="list-style-type: none"><li>1. Reviewing revenue metrics / projections.</li><li>2. Working with staff to review workflow processes and additional training opportunities.</li></ol>   |
| Coverage Division   | <ol style="list-style-type: none"><li>1. Working with staff to review workflow processes and explore opportunities to enhance service provision.</li><li>2. Barbara James' replacement, Elaine McKnight, was hired.</li><li>3. Lapse in Coverage: 31 new registrants; 0 notifications sent.</li></ol> |
| Medical Services    | <ol style="list-style-type: none"><li>1. Working with Medical Bill Reviewers on certification renewals.</li><li>2. 1 additional medical bill reviewer certification granted.</li></ol>  |

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.

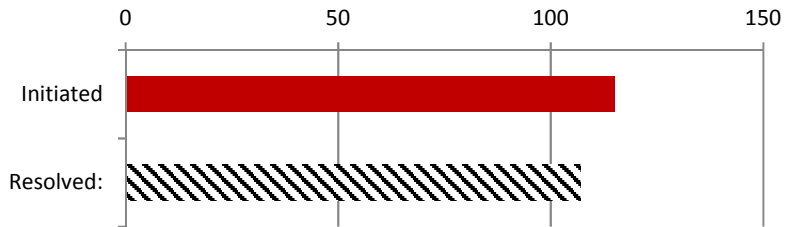
**Employers Obtaining Coverage**

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 **107** employers in South Carolina to come into compliance with the Act. In so doing, approximately **995** previously uninsured workers are now properly covered.

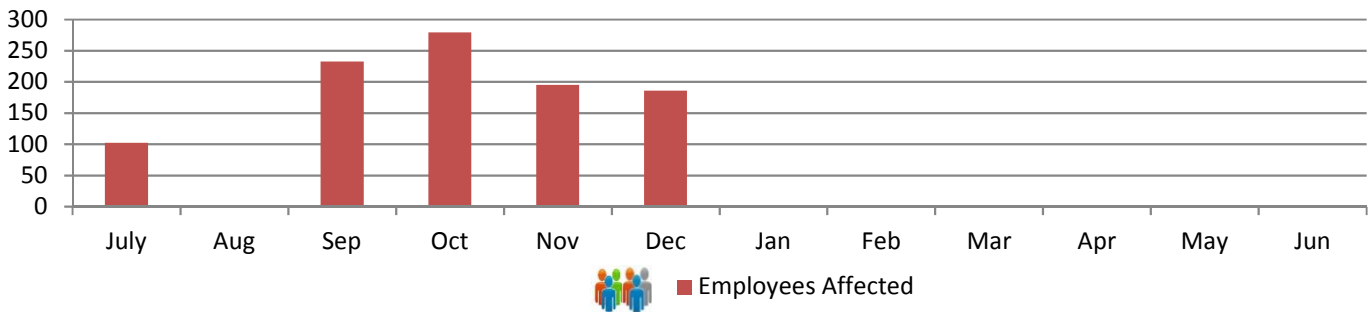
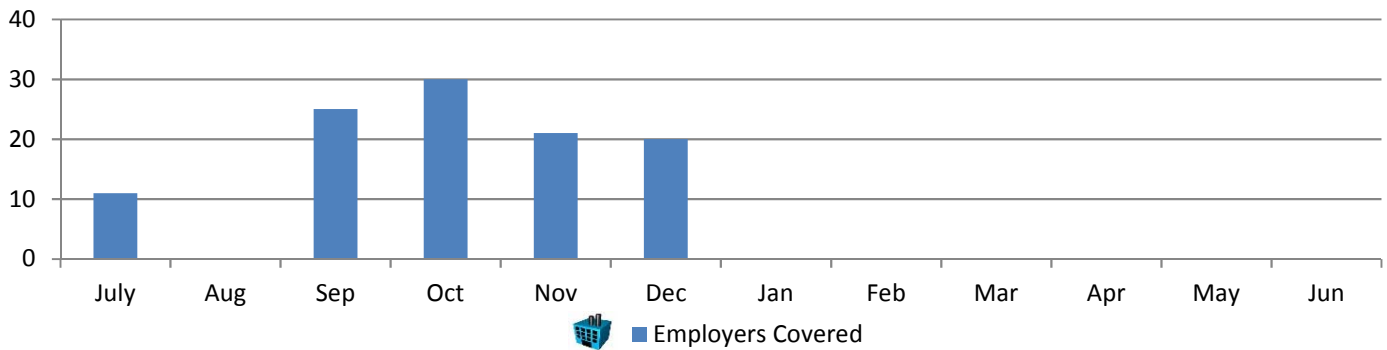
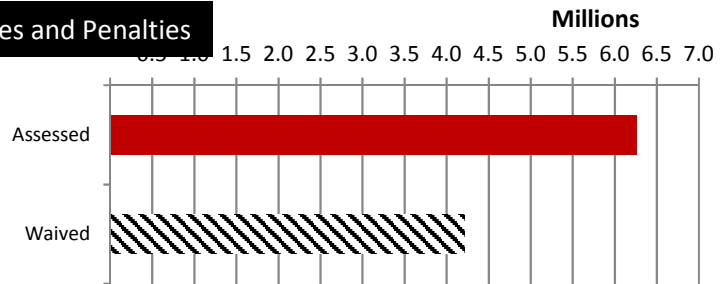
**Penalties Waived**

Although the Division has assessed \$6.2 m in fines, 67% of those fines (\$4.2 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**

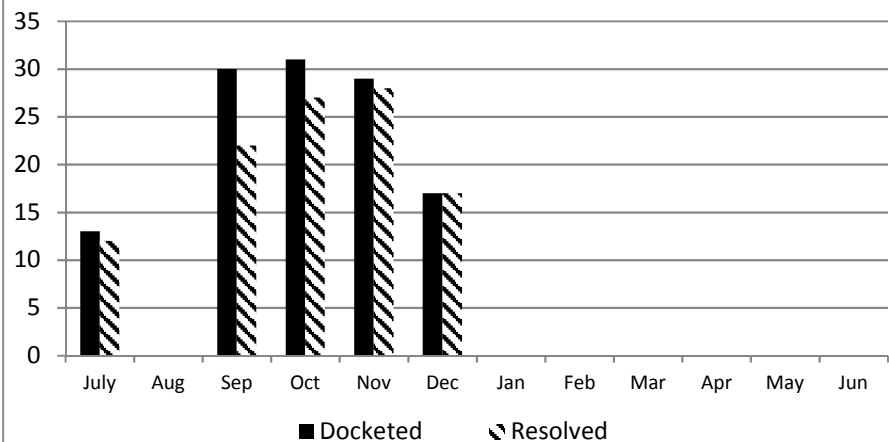


**Fines and Penalties**



**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 December 2017, 17 carrier RTSC cases were docketed; 17 cases were resolved and \$6,189 was recovered. Year to date, 120 carrier RTSC cases have been docketed, 106 cases have resolved and \$52,016 has been recovered.



**Carryover Caseload:**

The Compliance Division closed December 2017 with 412 cases active, compared to an active caseload of 158 at the close of December 2016.

**Cases Resolved:**

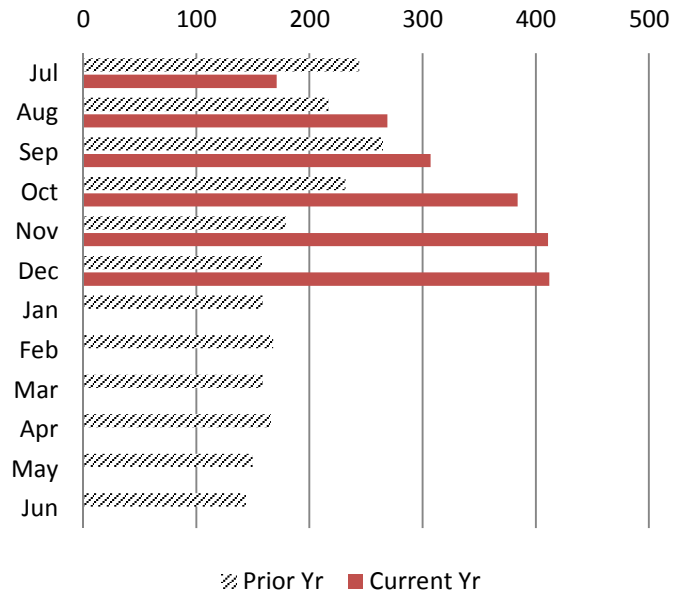
For the month of December 2017, Compliance Division staff closed-out 94 cases.

**Compliance Fines:**

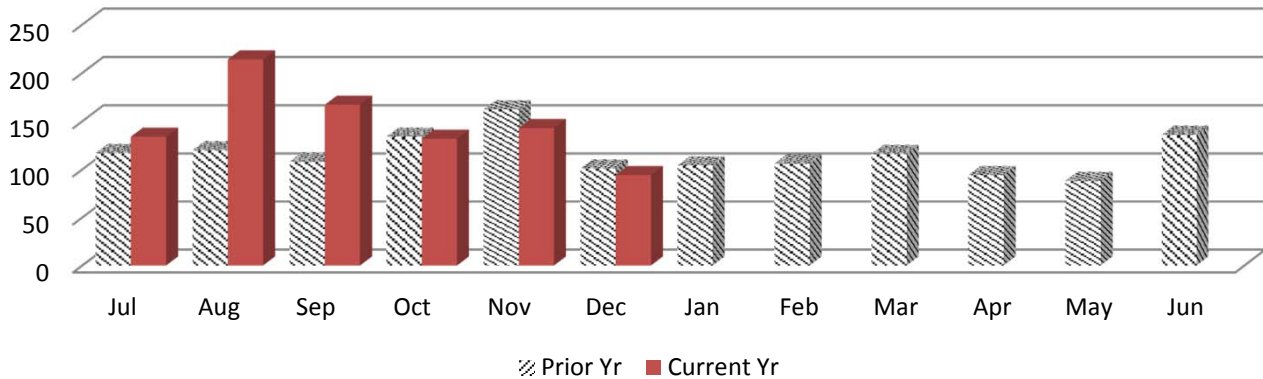
In December 2017, the Compliance Division collected \$130,036 in fines and penalties. Year to Date, the Compliance Division has collected \$677,334 in fines.

Year to Date vs Prior Year Total (\$382,199): 177%  
 December 2017 vs. December 2016: 1,250%  
 Current Year End trend is 354% of 2016-2017  
 YTD 2017-18 (July - December) vs YTD 2016-2017: 315%

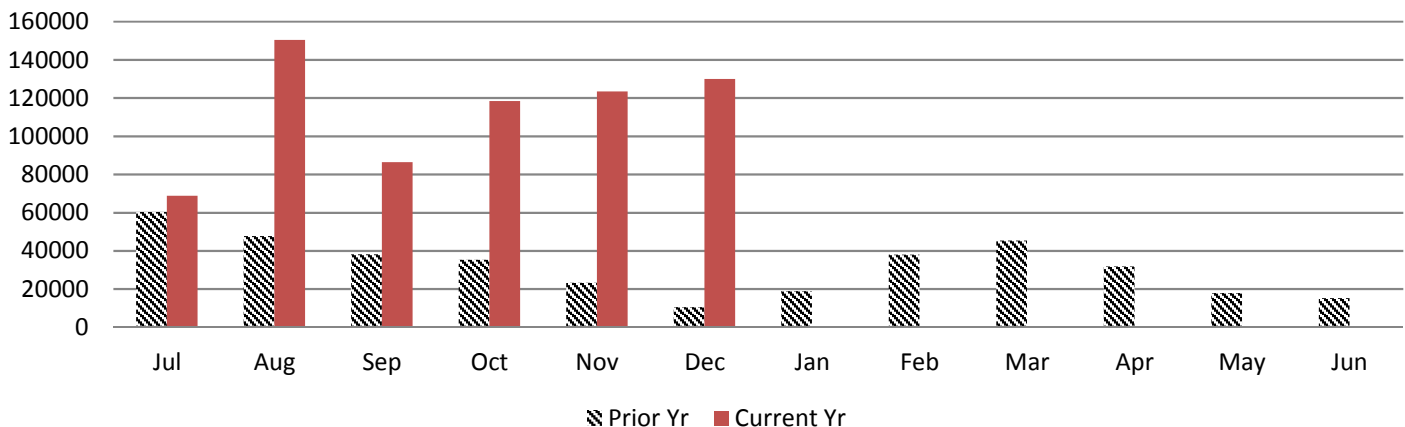
**Caseload Pending v. Prior Year**



**Cases Resolved v. Prior Year**

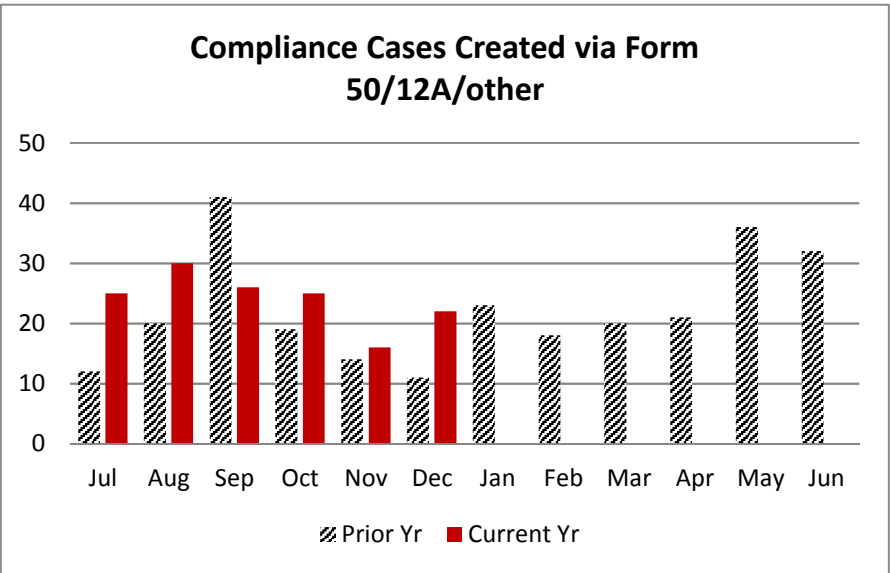


**Compliance Fines Collected v. Prior Year**



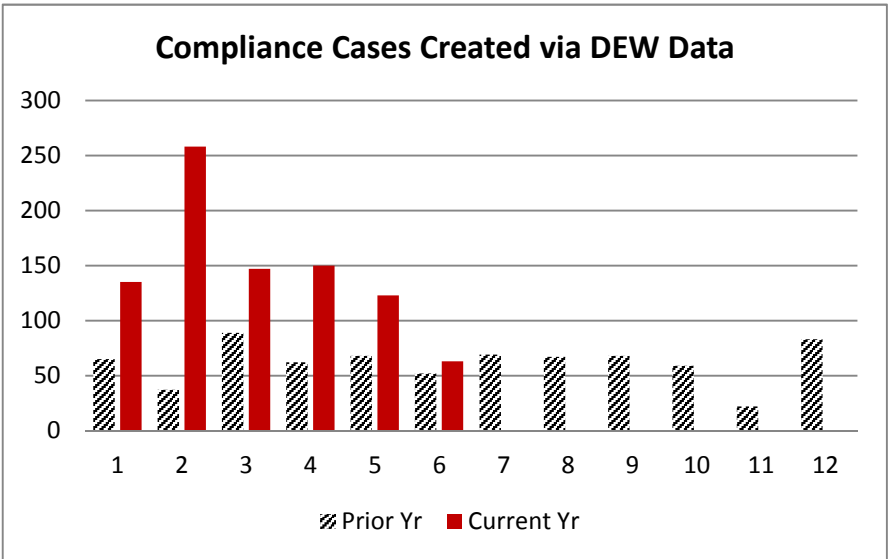
In December 2017, 22 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (267): 54%  
 Dec 2017 to Dec 2016: 200%  
 Current Yr End trend: 108% of 2016-2017  
 YTD 2017-2018 v. YTD 2016-2017: 123%



In December 2017, 63 compliance files were created from the DEW data process.

YTD vs. Prior Year total (741): 118%  
 Dec 2017 to Dec 2016: 121%  
 Current Yr End trend: 236% of 2016-2017  
 YTD 2017-2018 v. YTD 2016-2017: 235%

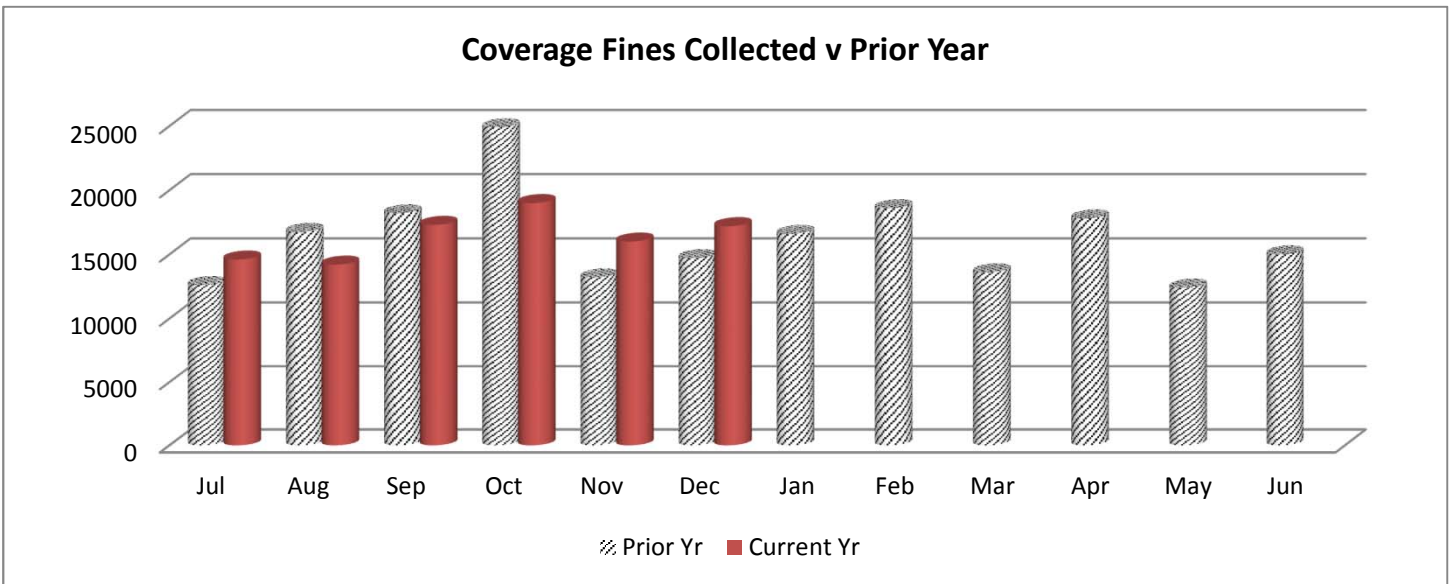
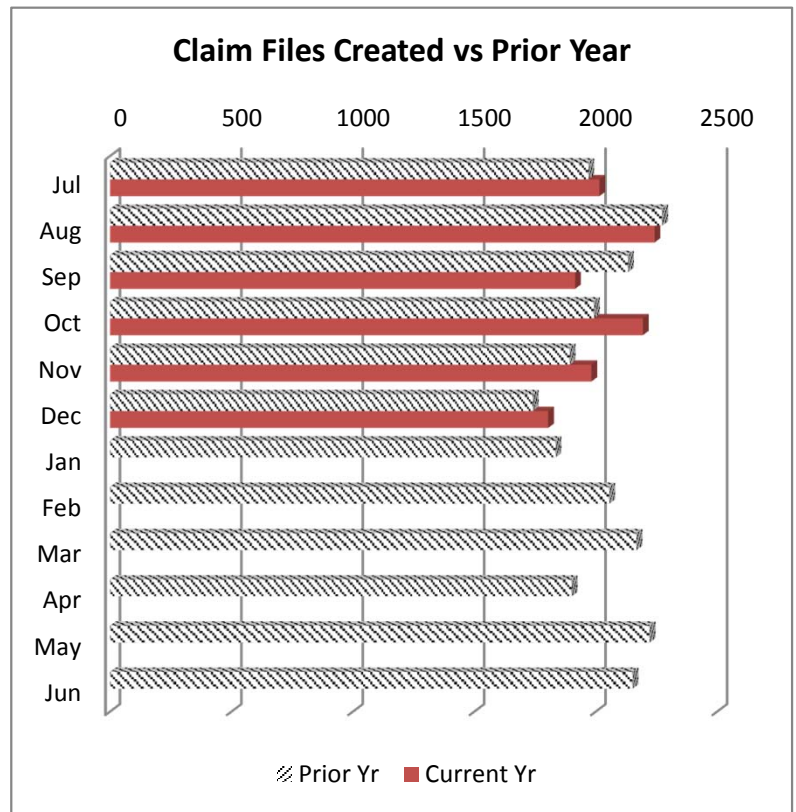


**WCC Claim Files:**

In December 2017, the Coverage Division received a total of 1,805 WCC Claim files. Of these, 1,520 were created through proper carrier filing of a 12A, and 285 were generated as a result of a Form 50 claim filing. Year to Date 12,158 Claim files have been created which is 50% of claim file volume prior year (24,350).

**Coverage Fines:**

The Coverage Division collected \$17,200 in fine revenue in December 2017, as compared to \$14,700 in Coverage fines/penalties accrued during December 2016. Year on Year, Coverage fines are at 51% of collections for prior year.



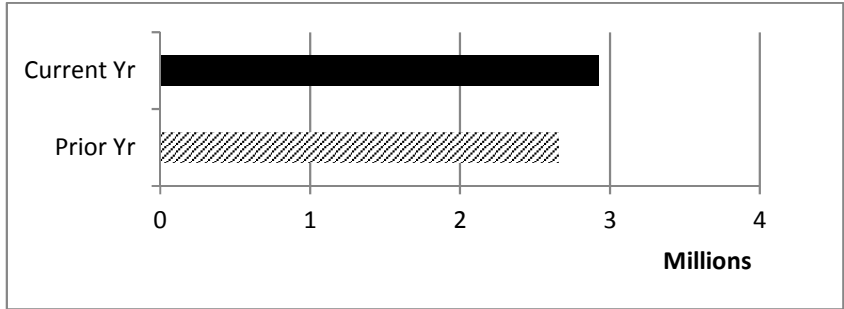
**IMS SELF INSURANCE DIVISION**

Dec 2017

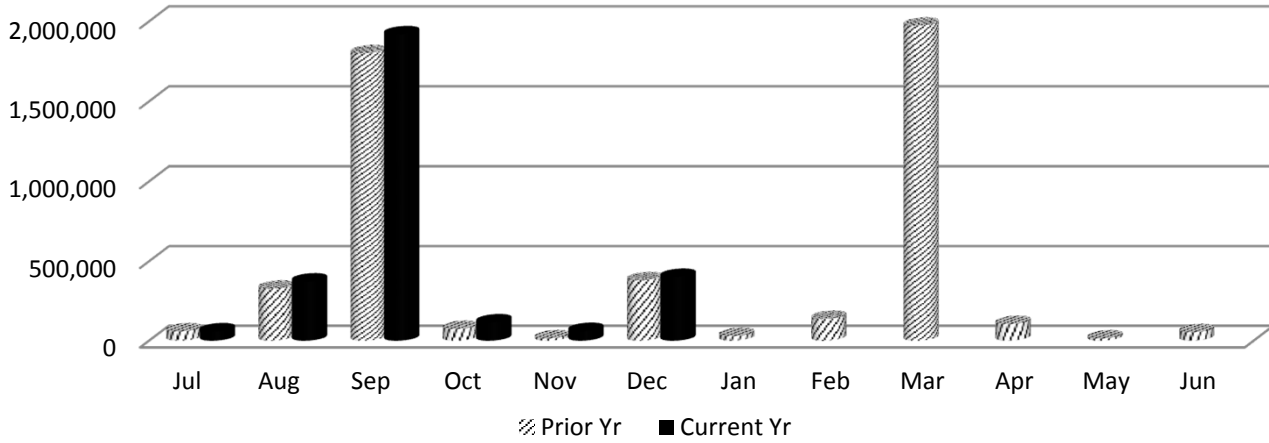
During the month of December 2017, the Self Insurance Division:

- \* collected \$401,203 in self-insurance tax.
- \* added 20 new self-insurers.
- \* conducted 3 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 110% of prior year and 20 Self Insurance audits have been completed.



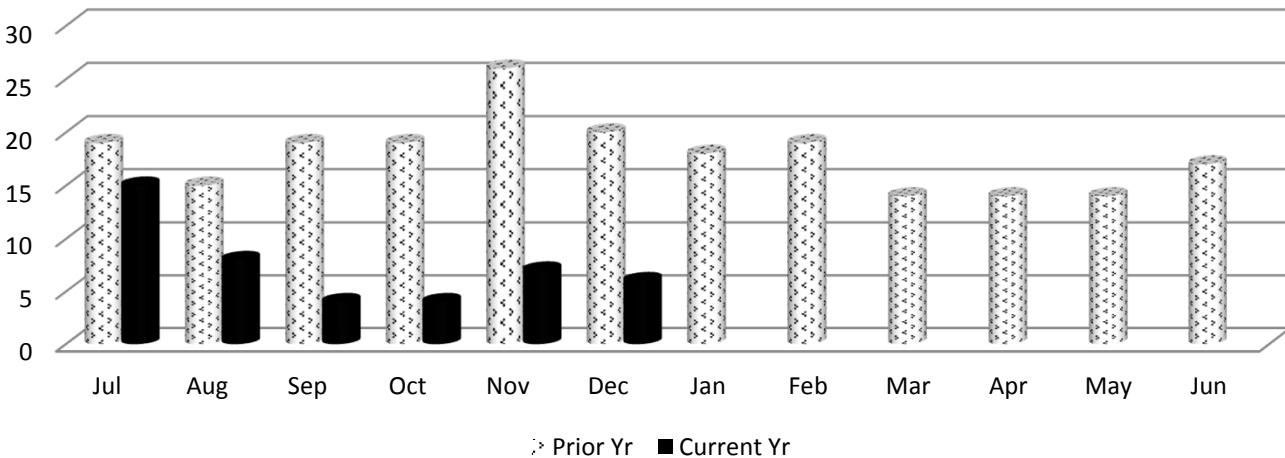
**Self Insurance Tax Collections v. Prior Year**



**IMS MEDICAL SERVICES DIVISION**

In December 2017, the Medical Services Division began the month with 7 bills pending review, received an additional 10 bills for review, conducted 11 bill reviews and ended the month with 6 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: January 5, 2018

Re: Claims Department – January 2018 Full Commission Report

Attached is Claims Department activity for the period ending December 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 December, Claims processed 13,893 items. This reflects a 9% decrease in the number of items compared to the previous month. This includes 2,143 closed files and reviewed 2,838 files. When compared to the previous month, the number of Claims closed decreased 171 and the number cases reviewed decreased by 1,134. When compared to the same period in FY 16/17, the department closed 123 less cases and reviewed 982 less cases.

In our efforts to reduce the number of carriers' open files, we reviewed 413 open files of 10 carriers. This resulted in 18 files being closed, no fines assessed and 1 mailed request for additional information.

The Claims Department collected \$54,650 in fine revenue, a decrease of \$10,150 compared to the previous month. When compared to the same period in FY 16/17, the department collected \$43,000 in fine revenue, an increase of \$11,650 or 21% increase.

The Claims Department assessed 307 fines, a decrease of 18 compared to the previous month. Two-hundred forty two of the number of fines assessed were for the Form 18, an increase of 22 compared to the previous month. When compared to the same period in FY 16/17, the department assessed 234 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 December, the department received 1,330 Form 18s via SROI/EDI, 1916 via email, and 639 via USPS. When compared to the same period in FY 16/17, the number of Form 18s submitted via SROI/EDI increased 155, or 12%; the number of Form 18s submitted via email increased 123, or 6%, and the number of Form 18s mailed via USPS decreased 966, or 60%.

The Claims Department received 750 Form 61s and approved 720. When compared to the same period in FY 16/17, the department received 751 Form 61s, a decrease of 1, and approved 761,

an increase of 41. The department received 25 Third Party Settlements and approved 34. Compared to the same period in FY 16/17, the department received 24 Third Party Settlements and approved 30.

**CLAIMS DEPARTMENT REPORT**  
**STATISTICS FOR FISCAL YEAR 2017-2018**  
**January 17, 2018**

<b>I. Claims Services Division</b>							
	<b>July</b>	<b>August</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
Forms 15-I	1,177	1,330	1,071	1,246	1,251	1,075	7,150
Forms 15-II/Forms 17	892	1,098	932	1,052	974	835	5,783
Forms 16 for PP/Disf	217	242	314	269	161	278	1,481
Forms 18	4,479	4,768	4,486	4,850	4,432	4,094	27,109
Forms 20	747	828	707	759	673	599	4,313
Form 50 Claims Only	319	293	233	368	259	234	1,706
Form 61	739	798	653	796	791	750	4,527
Letters of Rep	139	145	129	221	189	182	1,005
Clinchers	685	959	821	838	807	795	4,905
Third Party Settlements	32	32	33	39	43	25	204
SSA Requests for Info	56	85	74	54	84	45	398
Cases Closed	2,126	2,457	2,292	2,482	2,314	2,143	13,814
Cases Reviewed	2,517	2,821	3,317	4,767	3,277	2,838	19,537
<b>Total</b>	<b>14,125</b>	<b>15,856</b>	<b>15,062</b>	<b>17,741</b>	<b>15,255</b>	<b>13,893</b>	<b>91,932</b>

**CLAIMS DEPARTMENT REPORT  
STATISTICS FOR FISCAL YEAR 2017-2018**

Fines per Form	January 17, 2018						
	July	August	Sept	Oct	Nov	Dec	Total
Assessed Form 15I	3	2	6	19	15	12	57
Assessed Form 15II	4	2	2	12	14	6	40
Assessed Form 15S	0	0	0	0	0	0	0
Assessed Form 17	0	2	10	18	13	8	51
Assessed Form 18	230	212	211	429	220	242	1544
Assessed Form 19	0	0	5	2	2	0	9
Assessed Denial Letter	2	0	2	2	4	2	12
Assessed Requests	0	4	23	65	57	37	186
Paid Form 15I	\$ 1,200	\$ 800	\$ 600	\$ 1,000	\$ 2,200	\$ 2,400	\$ 8,200
Paid Form 15II	\$ 600	\$ 1,000	\$ 200	\$ 400	\$ 1,800	\$ 800	\$ 4,800
Paid Form 15S	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Paid Form 17	\$ 400	\$ 400	\$ 400	\$ 1,400	\$ 1,800	\$ 2,600	\$ 7,000
Paid Form 18	\$ 26,800	\$ 34,600	\$ 28,800	\$ 48,600	\$ 51,200	\$ 42,200	\$ 232,200
Paid Form 19	\$ -	\$ -	\$ 50	\$ 100	\$ -	\$ 50	\$ -
Paid Denial Letter	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 2,400
Paid Request	\$ 600	\$ 600	\$ 400	\$ 3,800	\$ 7,400	\$ 6,200	\$ 19,000
<b>II. Total Fines Assesed by Claims Department</b>							
	July	August	Sept	Oct	Nov	Dec	Total
# Assessed	239	222	259	547	325	307	1,899
# Rescinded	13	19	22	46	99	50	249
# Reduced	0	0	0	0	0	0	0
# Paid	176	189	155	280	324	274	1,398
# Outstanding*	176	314	375	582	477	446	2,370
Total Amt. Assessed	\$ 47,800	\$ 44,400	\$ 51,050	\$ 109,100	\$ 64,700	\$ 61,400	\$ 378,450
Total Amt. Rescinded	\$ 2,600	\$ 3,800	\$ 4,250	\$ 9,050	\$ 19,650	\$ 9,850	\$ 49,200
Total Amt. Reduced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Assessed			\$ 46,800	\$ 100,050	\$ 45,050	\$ 51,550	\$ 243,450
Total Amt. Paid	\$ 35,400	\$ 37,800	\$ 30,850	\$ 55,700	\$ 64,800	\$ 54,650	\$ 279,200
Total Outstanding*	\$ 35,200	\$ 62,800	\$ 74,700	\$ 116,100	\$ 94,950	\$ 89,050	

**Form 18 Fine Data**

	<b>\$ Assessed</b>	<b># Assessed</b>	<b>\$ Collected</b>	<b># Collected</b>			
<b>Jul 17</b>	\$ 46,000	230	\$ 31,400	157			
<b>Aug 17</b>	\$ 42,400	212	\$ 34,600	173			
<b>Sep 17</b>	\$ 42,200	211	\$ 28,800	144			
<b>Oct 17</b>	\$ 85,800	429	\$ 48,600	243			
<b>Nov 17</b>	\$ 44,000	220	\$ 51,200	256			
<b>Dec 17</b>	\$ 48,400	242	\$ 42,200	211			
<b>Jan 18</b>							
<b>Feb 18</b>							
<b>Mar 18</b>							
<b>Apr 18</b>							
<b>May 18</b>							
<b>Jun 18</b>							

State of South Carolina

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Workers' Compensation Commission

January 16, 2018

To: Gary M. Cannon  
Executive Director

From: Amy A. Bracy  
Judicial Director

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

During the month of December, Judicial processed seven hundred nine (709) requests for hearings, one hundred thirty-seven (137) Motions and one hundred thirty (130) clincher conference requests that were sent to the Jurisdictional Commissioners.

There were ninety-four (94) Single Commissioner Hearings conducted during the past month, thirty-six (36) pre-hearing conferences held and nine (9) Full Commission hearings held. A total of four hundred forty-six (446) Orders were served at the single Commissioner level, sixty-five (65) of those were Decision and Orders that resulted from hearings that went on the record and one hundred nineteen (119) were Motion Orders that were a result of Motions ruled upon by Commissioners.

The Informal Conference system conducted two hundred ninety-four (294) hearings during the last month.

There were forty-eight (48) regulatory mediations scheduled and thirty-seven (37) requested mediations. The Judicial Department was notified of fifty-eight (58) matters resolved in mediation, with the receipt of Forms 70.

In January we made a change to our Third Party Settlement process. Many of these settlements are being submitted to the Commission with a separate Order page that we must serve. Beginning in February, you will notice the number of Third Party Settlements approved on the Claims report reducing however, the number of Motion Orders will increase to capture this data.

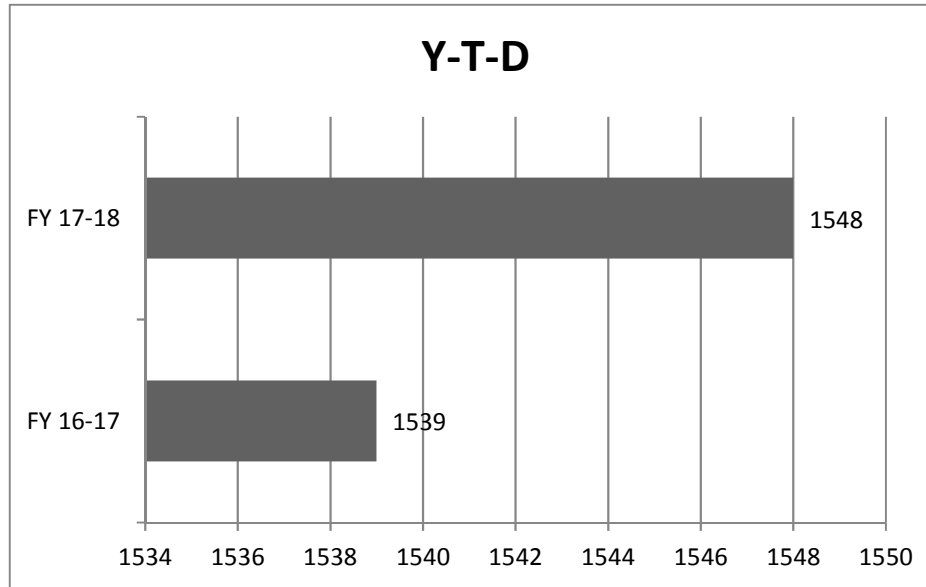


	YTD Diff + (-)	FY17-18 Mth Avg	FY16-17 Mth Avg
Claimant Pleadings	(71)	563	574
Defense Response to Pleadings	(51)	477	485
Defense Pleadings	42	292	285
Motions	55	121	112
Form 30	15	19	17
FC Hearings Held	8	13	12
FC Orders Served	(5)	15	16
Single Comm. Hearings Held	-21	73	77
Single Comm. Orders Served	96	199	183
Single Comm. Pre-Hearing Conf Held	6	27	26
Consent Orders	(84)	255	269
Administrative Orders	(47)	18	26
Clincher Conference Requested	93	142	126
Informal Conference Requested	-118	371	391
Informal Conference Conducted	9	258	257
Regulatory Mediations	(71)	54	66
Requested Mediations	101	41	24
Ordered Mediations	(2)	1	1
Mediation Resolved	(2)	50	51
Mediation Impasse	26	21	17
Mediation Held; Issues Pending	-3	0	1
Claim Settled Prior to Mediation	(26)	13	17
Mediation Not Complete in 60 days	(5)	6	6

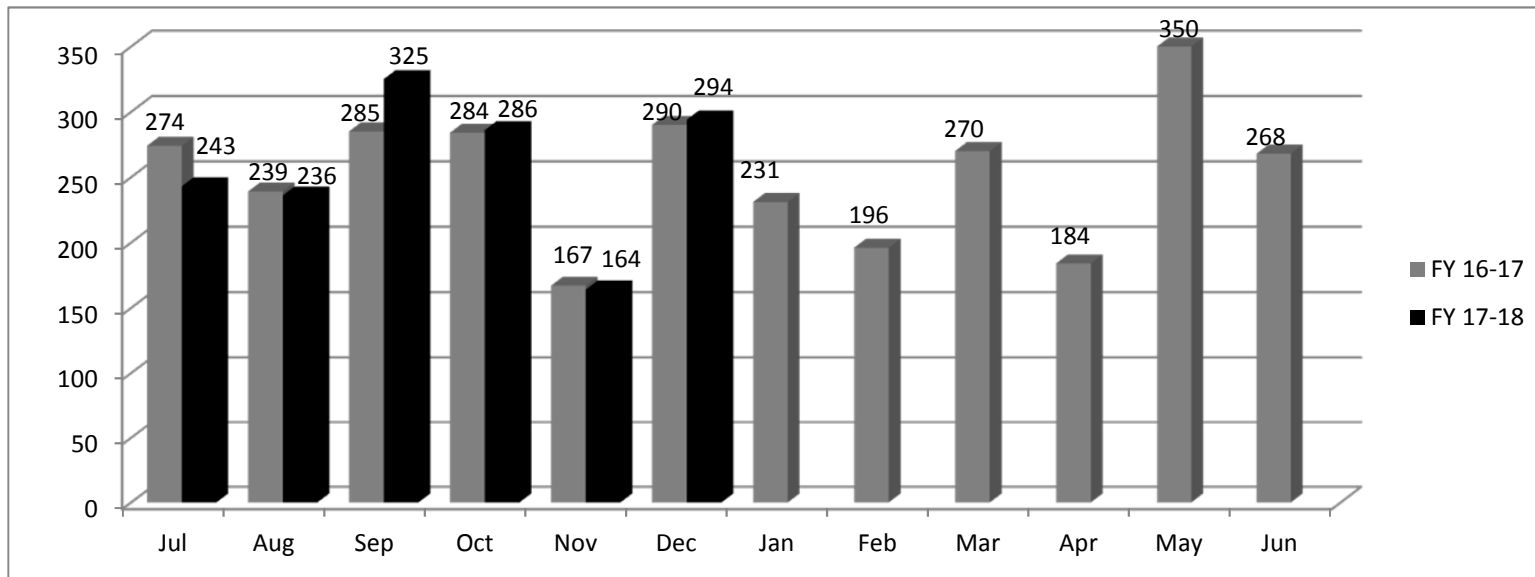


**Informal Conf. Conducted**

	FY 16-17	FY 17-18
Jul	274	243
Aug	239	236
Sep	285	325
Oct	284	286
Nov	167	164
Dec	290	294
Jan	231	
Feb	196	
Mar	270	
Apr	184	
May	350	
Jun	268	
<b>Total</b>	<b>3038</b>	<b>1548</b>

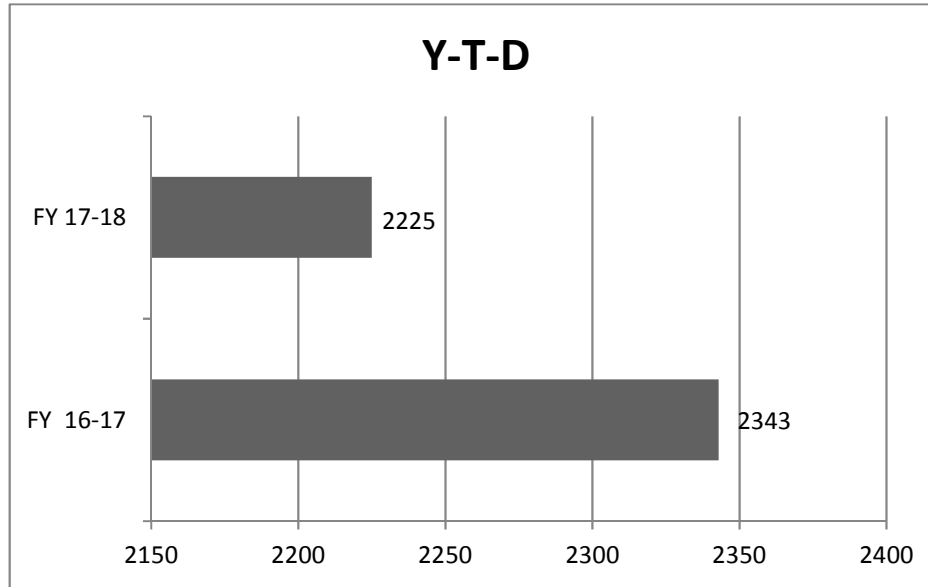


	FY 16-17	FY 17-18
<b>Y-T-D</b>	<b>1539</b>	<b>1548</b>

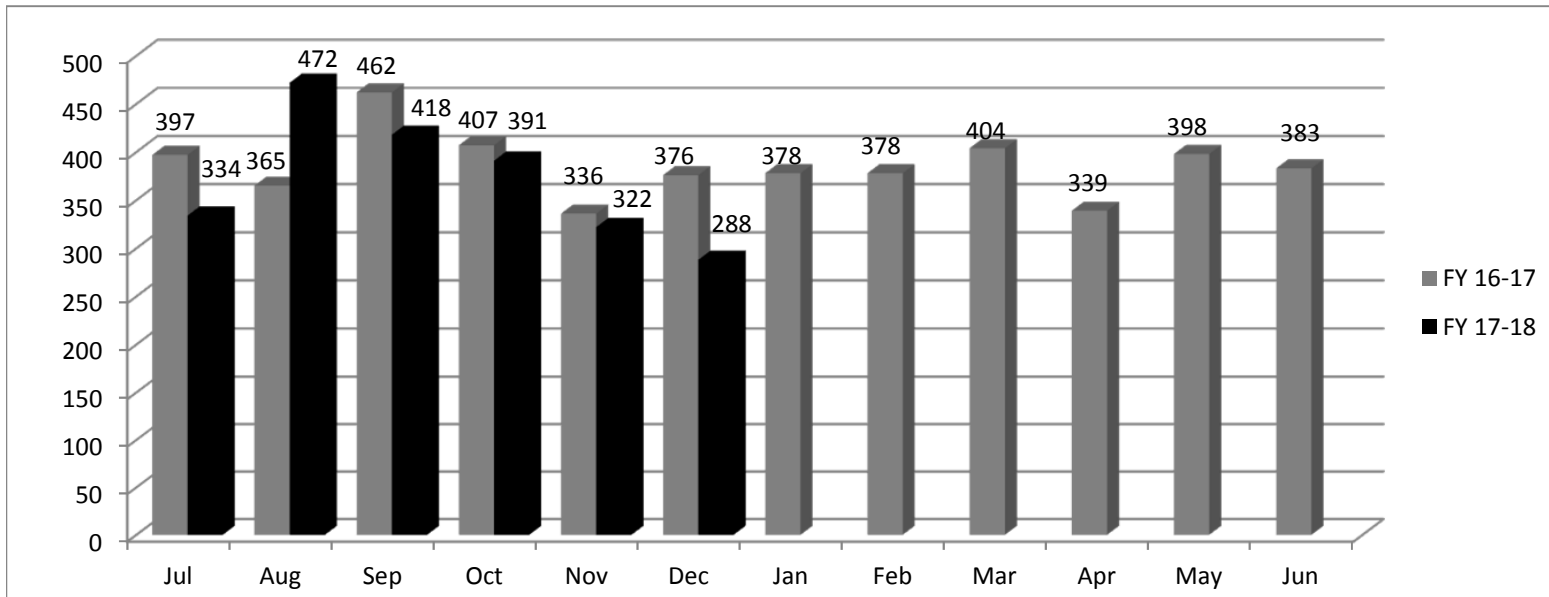


**Informal Conf. Requested**

	FY 16-17	FY 17-18
Jul	397	334
Aug	365	472
Sep	462	418
Oct	407	391
Nov	336	322
Dec	376	288
Jan	378	
Feb	378	
Mar	404	
Apr	339	
May	398	
Jun	383	
<b>Total</b>	<b>4623</b>	<b>2225</b>



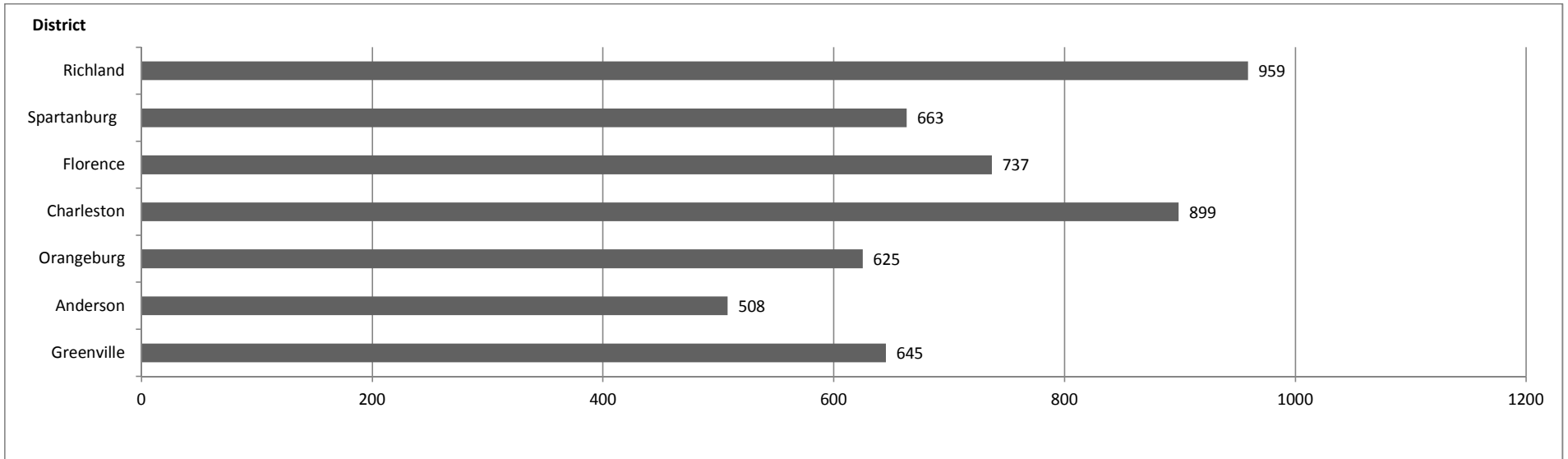
	FY 16-17	FY 17-18
<b>Y-T-D</b>	<b>2343</b>	<b>2225</b>



### Pleadings Assigned - Three Year Comparison by Month

	District 1			District 2			District 3			District 4			District 5			District 6			District 7		
	Greenville			Anderson			Orangeburg			Charleston			Florence			Spartanburg			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	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	116	92	72	83	98	62	92	89	88	159	169	145	131	131	133	120	114	81	148	164	129
Dec	122	90	101	81	86	105	113	72	103	150	135	160	108	100	148	113	85	99	172	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
<b>Totals</b>	<b>645</b>	1270	1211	<b>508</b>	1104	1088	<b>625</b>	1230	1319	<b>899</b>	2020	1960	<b>737</b>	1663	1677	<b>663</b>	1343	1311	<b>959</b>	1835	1819

### Pleadings Assigned by District Year to Date



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## *Workers' Compensation Commission*

### **Executive Director's Report Gary M. Cannon**

**January 17, 2018**

#### **SC Vocational Rehabilitation Tour**

Commissioners and Commission staff toured SC Vocational Rehabilitation Department's training facility December 12, 2017.

#### **Meetings/Activities**

The Executive Director participated in the following meetings/activities:

- December 29 and January 3 – Interviewed 5 candidates for the Executive Assistant position.
- January 3 – Meeting with Director of the SC Automobile Dealers Association.
- January 4 – Conference call with Sandee Sprang and Rick Makla concerning the Legacy Modernization Project.
- January 8 – Met with Department of Administration Staff about the Legacy Modernization Project.
- January 8 – Conducted second interviews with 2 candidates for Executive Assistant position.
- January 9 – Met with contractor to provide information about the proposed construction of two additional offices to replace the cubicles.
- January 10 – Met with representatives of the SC Anesthesiologists Association to discuss the fee schedule.
- January 11 – Presented FY18-19 Budget Request to the House Ways and Means Subcommittee.
- January 17 – Staff meeting to review Judicial Conference Agenda.
- January 20 – Presentation to IWA Paralegals Seminar and conducted tour of offices.

#### **Constituent /Public Information Services**

For the period December 7, 2017 through January 17, 2018 the Executive Director's Office and the General Counsel's office had 307 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 December 7, 2017 through January 17, 2018: approved and processed 10 travel expense reimbursement payment related activities, 41 invoices, and 35 deposits. Procurement and purchasing activities included the entries of 2 goods received.

**SCWCC Stakeholder Electronic Distribution List**

For the period December 7, 2017 through January 17, 2018 no changes were made to the distribution list due to the vacant Executive Assistant's position.

**SC Vocational Rehabilitation Department (SCVRD)**

SCVRD reported 4 referrals in December in Lexington, Richland, and Spartanburg counties. The total referrals year-to-date is 42. A copy of the report is attached.

COUNTY	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Cnty Total
Abbeville		1											1
Aiken				1	1								2
Allendale													0
Anderson	1												1
Bamberg													0
Barnwell		1											1
Beaufort													0
Berkeley	1				2								3
Calhoun													0
Charleston			1										1
Cherokee													0
Chester		1											1
Chesterfield													0
Clarendon													0
Colleton													0
Darlington													0
Dillon													0
Dorchester					1								1
Edgefield													0
Fairfield													0
Florence		2											2
Georgetown													0
Greenville	1			1	3								5
Greenwood													0
Hampton													0
Horry		1		1									2
Jasper													0
Kershaw				1									1
Lancaster													0
Laurens													0
Lee													0
Lexington	1			1	2	2							6
Marion													0
Marlboro				1									1
McCormick													0
Newberry													0
Oconee		1			1								2
Orangeburg	1												1
Pickens													0
Richland	1	1				1							3
Saluda													0
Spartanburg			4	1	1	1							7
Sumter		1											1
Union													0
Williamsburg													0
York													0
SFY 2018 Totals	6	9	5	7	11	4	0	0	0	0	0	0	42

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## *Workers' Compensation Commission*

### *MEMORANDUM*

**TO: COMMISSIONERS**

**FROM: Gary Cannon  
Executive Director**

**DATE: January 18, 2018**

**RE: FINANCIAL REPORT - Period ending December 31, 2017**

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the one month period ending November 30, 2017. The benchmark for this period is 50%.

The expenditures are on pages 1-9 of the "Budget vs. Actual Report FY 2018 as of 12/31/2017.

The General Fund expenditure line items (10010000) are on pages 1-2. Total expenditure is \$988,897 or 44% of budget.

The Earmarked Fund expenditure line items (38440000) are on pages 3-9. The total expenditure for the Earmarked Fund expenditures \$1,713,478 or 34% of budget.

The report named Commitments (page 1 of 1) is located behind the Budget vs. Actual and reflects the purchase orders committed for the postage machine and postage (Neopost USA Inc) Microfilm Data Transfer project (Palmetto Microfilm Systems Inc.) and Equipment and Supplies (HP Inc.) for the IT Department.

The page titled "Earmarked Fund Revenues" may be found behind the Commitments report. It reflects we have received 53% of budgeted operating revenues and 71% of budgeted Self-Insurance Tax funds.

The Balance Sheet may be found behind the Revenues report. It reflects a Net Income of \$1,321,375 when comparing year-to-date Operating Revenues and Self-Insurance Tax receipts to the year-to-date Expenditures for the stated period.

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	51,064	50%		51,065
501058	CLASSIFIED POS	47,092	31,000	66%		16,092
5050020000	IN ST-LODGING				394	
	Total OTHER OPERATING:				394	-394
<b>Total Administration:</b>		<b>149,221</b>	<b>82,064</b>	<b>55%</b>	<b>394</b>	<b>66,762</b>

**Inform. services**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	220,104				
5230010000	PETTY CASH FD-EST/CH		13			
	Total OTHER OPERATING:	220,104	13	0%	0	220,091
<b>Total Inform. services:</b>		<b>220,104</b>	<b>13</b>	<b>0%</b>	<b>0</b>	<b>220,091</b>

**Claims**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	77,223	39,493	51%		37,730
501070	OTH PERS SVC		2,000			-2,000
<b>Total Claims:</b>		<b>77,223</b>	<b>41,493</b>	<b>54%</b>		<b>35,730</b>

**Commissioners**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501026	CHAIRMAN	125,208	60,076	48%		65,132
501033	COMMISSIONER	720,918	362,986	50%		357,932
501050	TAXABLE SUBS		15,549		0	-15,549
501058	CLASSIFIED POS	313,837	161,302	51%		152,535
501070	OTH PERS SVC		14,048			-14,048
<b>Total Commissioners:</b>		<b>1,159,963</b>	<b>613,962</b>	<b>53%</b>	<b>0</b>	<b>546,001</b>



**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	12,875	48%		13,757
<b>Total Insurance &amp; Medical:</b>		<b>26,632</b>	<b>12,875</b>	<b>48%</b>		<b>13,757</b>

**Judicial**

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

**Employer Contributions**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	569,861	238,490	42%		331,371
<b>Total Employer Contributions:</b>		<b>569,861</b>	<b>238,490</b>	<b>42%</b>		<b>331,371</b>
<b>Total GENERAL FUND:</b>		<b>2,232,271</b>	<b>988,897</b>	<b>44%</b>	<b>394</b>	<b>1,242,979</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	141,851	20%		562,284
501070	OTH PERS SVC	41,000	3,000	7%		38,000
512001	OTHER OPERATING	1,263,866				
5020010000	OFFICE EQUIP SERVICE		525			
5020030000	PRINT / BIND / ADV		4,416			
5020080000	FREIGHT EXPRESS DELV		283			
5020090000	TELEPHONE & TELEGRPH		-193			
5020120000	CELLULAR PHONE SVCS		1,903			
5021020000	ATTORNEY FEES		-10,757			
5021410000	EDUC & TRNG-STATE		279			
5021469311	HVAC MAINTENANCE		417			
5021490000	AUDIT ACCT FINANCE		126			
5021530000	CATERED MEALS		2,236			
5021540000	NON-IT OTHER PRO SRV		1,234			
5024990000	NON IT OTH CONTRACT		1,053			
5030010000	OFFICE SUPPLIES		7,383		1,037	
5030010004	SUBSCRIPTIONS		2,385			
5030010005	CONTROLLABLE OFF SUP		440			
5030020000	COPY EQUIP SUPP		2,836			
5030067101	PRGM LIC - APP SUPP		12,577			
5030067170	EQUIP&SUPP- PRINT EU		3,801			
5030070000	POSTAGE		1,365			
5032410000	MED/SCIENT/LAB SUPP		1,385			
5033090000	EMPLOYEE RECOG AWARD		841			
5033990000	OTHER SUPPLIES		15			
5040010000	RENT-OFFICE EQUIP		1,953			
5040020000	RENT-COPYING EQUIP		119			
5040027000	IT-RENT COPYNG EQUIP		512			
5040050000	NON IT-RENT-CONT REN		-175			
5040057000	IT- RENTAL-CONT RENT		663			
5040060000	RENT-NON ST OWN PROP		207,889			
5040490000	RENT-OTHER		8,012			

**South Carolina Workers' Compensation Commission  
Budget vs. Actual Report  
FY 2018 As of 12/31/2017  
50% of year elapsed**

**Fund 38440000 - EARMARKED FUND**

5041010000	DUES & MEMBER FEES		3,855			
5050010000	IN ST-MEALS-NON-REP		356			
5050020000	IN ST-LODGING		3,295			
5050031000	HR-IN ST-AIR TRANS		424			
5050040000	IN ST-AUTO MILEAGE		44			
5050041000	HR-IN ST-AUTO MILES		1,398			
5050070000	IN ST-REGISTR FEES		329			
5051520000	REPORTABLE MEALS		39			
5051540000	LEASED CAR-ST OWNED		17,101			
5060325000	Other Eq Acq (MA)				9,310	
<b>Total OTHER OPERATING:</b>		<b>1,263,866</b>	<b>280,363</b>	<b>22%</b>	<b>10,346</b>	<b>973,157</b>
<b>Total Administration:</b>		<b>2,009,001</b>	<b>425,214</b>	<b>21%</b>	<b>10,346</b>	<b>1,573,440</b>

**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			
<b>Total OTHER OPERATING:</b>		<b>6,335</b>	<b>439</b>	<b>7%</b>	<b>0</b>	<b>5,896</b>
<b>Total Executive director:</b>		<b>6,335</b>	<b>8,490</b>	<b>134%</b>	<b>0</b>	<b>-2,155</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	77,478	88%		10,372
501070	OTH PERS SVC		5,500			-5,500
512001	OTHER OPERATING	755,512				
5020040000	MICROFILM PROCESSING		14,256		48,639	
5020077170	SERVICES- PRINT EU		158			
5020077240	DP SERVICES – STATE		97,832			
5020090000	TELEPHONE & TELEGRPH		8,102			
5020120000	CELLULAR PHONE SVCS		2,123			
5030010000	OFFICE SUPPLIES		209			
5030020000	COPY EQUIP SUPP		1,223			
5030030000	PRINTING		367			
5030067130	EQUIP&SUPP- EUC		3,661			
5030090000	COMMUNICATION SUPP		206			
5040010000	RENT-OFFICE EQUIP		1,903			
5040020000	RENT-COPYING EQUIP		44			
5040027000	IT-RENT COPYNG EQUIP		203			
5040050000	NON IT-RENT-CONT REN		175			
5040057000	IT- RENTAL-CONT RENT		755			
5041010000	DUES & MEMBER FEES		159			
5050010000	IN ST-MEALS-NON-REP		38			
5050041000	HR-IN ST-AUTO MILES		170			
	<b>Total OTHER OPERATING:</b>	<b>755,512</b>	<b>131,584</b>	<b>17%</b>	<b>48,639</b>	<b>575,289</b>
	<b>Total Inform. services:</b>	<b>843,362</b>	<b>214,562</b>	<b>25%</b>	<b>48,639</b>	<b>580,162</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	123,941	44%		156,909
501070	OTH PERS SVC		5,500			-5,500
512001	OTHER OPERATING	19,700				
5020020000	COPYING EQUIP SVC		-463			
5020090000	TELEPHONE & TELEGRPH		-191			
5020120000	CELLULAR PHONE SVCS		325			
5030010000	OFFICE SUPPLIES		261			
5030070000	POSTAGE		2,458			
5040020000	RENT-COPYING EQUIP		72			
5040027000	IT-RENT COPYNG EQUIP		333			
5050010000	IN ST-MEALS-NON-REP		31			
5050020000	IN ST-LODGING		470			
5050041000	HR-IN ST-AUTO MILES		172			
	<b>Total OTHER OPERATING:</b>	<b>19,700</b>	<b>3,468</b>	<b>18%</b>	<b>0</b>	<b>16,232</b>
	<b>Total Claims:</b>	<b>300,550</b>	<b>132,909</b>	<b>44%</b>	<b>0</b>	<b>167,641</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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		29			
5020090000	TELEPHONE & TELEGRPH		-257			
5020120000	CELLULAR PHONE SVCS		5,190			
5021010000	LEGAL SERVICES		58,723			
5021410000	EDUC & TRNG-STATE		150			
5021540000	NON-IT OTHER PRO SRV		150			
5030010000	OFFICE SUPPLIES		411			
5030020000	COPY EQUIP SUPP		81			
5030067130	EQUIP&SUPP- EUC		242			
5030070000	POSTAGE		1,591			
5040020000	RENT-COPYING EQUIP		71			
5040027000	IT-RENT COPYING EQUIP		328			
5050010000	IN ST-MEALS-NON-REP		332			
5050020000	IN ST-LODGING		2,267			
5050041000	HR-IN ST-AUTO MILES		12,985		189	
5050080000	IN ST-SUBSIST ALLOW		6,450			
5050570000	OUT ST-REGISTR FEES		-107			
5051520000	REPORTABLE MEALS		190			
	<b>Total OTHER OPERATING:</b>	<b>230,700</b>	<b>89,606</b>	<b>39%</b>	<b>189</b>	<b>140,905</b>
	<b>Total Commissioners:</b>	<b>300,700</b>	<b>104,162</b>	<b>35%</b>	<b>189</b>	<b>196,349</b>

**Information Services FY18**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	60,944	10,373	17%	19	50,552
	<b>Total Information Services FY18:</b>	<b>60,944</b>	<b>10,373</b>	<b>17%</b>	<b>19</b>	<b>50,552</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	231,108	50%		228,355
501070	OTH PERS SVC	22,881	9,000	39%		13,881
512001	OTHER OPERATING	54,500				
5020090000	TELEPHONE & TELEGRPH		-201			
5020120000	CELLULAR PHONE SVCS		228			
5021500000	MGMT CONSULTANTS		65			
5021540000	NON-IT OTHER PRO SRV		12,370			
5024990000	NON IT OTH CONTRACT		790			
5030010000	OFFICE SUPPLIES		944			
5030010004	SUBSCRIPTIONS		198			
5030070000	POSTAGE		1,535			
5033990000	OTHER SUPPLIES		15			
5040020000	RENT-COPYING EQUIP		75			
5040027000	IT-RENT COPYNG EQUIP		348			
5050010000	IN ST-MEALS-NON-REP		155			
5050020000	IN ST-LODGING		3,287			
5050041000	HR-IN ST-AUTO MILES		897			
5050070000	IN ST-REGISTR FEES		700			
	<b>Total OTHER OPERATING:</b>	<b>54,500</b>	<b>21,408</b>	<b>39%</b>	<b>0</b>	<b>33,092</b>
	<b>Total Insurance &amp; Medical:</b>	<b>536,844</b>	<b>261,516</b>	<b>49%</b>	<b>0</b>	<b>275,328</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2018 As of 12/31/2017**  
**50% 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	199,363	66%		102,931
501070	OTH PERS SVC		24,431			-24,431
512001	OTHER OPERATING	12,800				
5020010000	OFFICE EQUIP SERVICE		975			
5020090000	TELEPHONE & TELEGRPH		-120			
5020120000	CELLULAR PHONE SVCS		320			
5021010000	LEGAL SERVICES		1,460			
5030010000	OFFICE SUPPLIES		180			
5030070000	POSTAGE		2,085			
5040020000	RENT-COPYING EQUIP		76			
5040027000	IT-RENT COPYNG EQUIP		349			
5050010000	IN ST-MEALS-NON-REP		394			
5050020000	IN ST-LODGING		697			
5050040000	IN ST-AUTO MILEAGE		74			
5050080000	IN ST-SUBSIST ALLOW		104			
	<b>Total OTHER OPERATING:</b>	<b>12,800</b>	<b>6,593</b>	<b>52%</b>	<b>0</b>	<b>6,207</b>
	<b>Total Judicial:</b>	<b>315,094</b>	<b>230,387</b>	<b>73%</b>	<b>0</b>	<b>84,707</b>

**Employer Contributions**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	695,959	325,865	47%	0	370,094
	<b>Total Employer Contributions:</b>	<b>695,959</b>	<b>325,865</b>	<b>47%</b>	<b>0</b>	<b>370,094</b>
	<b>Total EARMARKED FUND:</b>	<b>5,068,789</b>	<b>1,713,478</b>	<b>34%</b>	<b>59,194</b>	<b>3,296,117</b>



**South Carolina Workers' Compensation Commission  
Commitments  
FY 2018 As of 12/31/2017**

**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
<b>Total Administration:</b>			<b>10,346</b>

**Inform. services**

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

**Information Services FY18**

Commitment Item	Commitment Item Description	Vendor	Commitment
5030067130	EQUIP&SUPP- EUC	HP INC	19
<b>Total Information Services FY18:</b>			<b>19</b>

**Total EARMARKED FUND: 59,005**

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: December 31, 2017  
 Earmarked Fund  
 Revenues

			Benchmark 50%	
Account	Acct No.	Budget	YTD Actual Received	% of Budget
Workers Comp Hearing Fee	4110090000	\$ 565,000	\$ 272,925	48%
Self Insurance App Fee	4160040000	\$ 26,577		0%
Violations and Penalties	4223030000	\$ 1,750,000	\$ 982,030	56%
Parking Fee	4350040000	\$ 6,060	\$ 2,695	44%
Workers Comp Award Review Fee	4350140000	\$ 36,575	\$ 16,775	46%
Training Conference Registration Fee	4380020000	\$ 3,500	\$ 6,687	191%
Sales of Photocopies	4380050000	\$ 67,500	\$ 38,402	57%
Sale of Services	4480020000			0%
Sale of Publication & Brochure	4480040000			0%
Sale of Listings Labels	4480060000	\$ 16,500	\$ 1,525	9%
Unclaimed Property	4511020000			0%
Returned Checks	4530010000		\$ (25)	0%
Adj To Agency Deposit	4530020000		\$ (25)	0%
Misc Revenue	4530030000		\$ 519	0%
Dep By Private Entities	4530070000			0%
				0%
<b>Total Revenues</b>		\$ 2,471,712	\$ 1,321,508	53%
<b>Self Insurance Tax</b>		\$ 2,400,467	\$ 1,713,344	71%
<b>Total</b>		\$ 4,872,179	\$ 3,034,853	62%

SC Workers' Compensation Commission  
BALANCE SHEET

EARMARKED FUND

FY 2017-2018

Period Ending: December 31, 2017

	Budget	YTD	% of budget
Total Revenues	\$ 2,471,712	\$ 1,321,508	53%
Self-Insurance Tax	\$ 2,400,467	\$ 1,713,344	71%
Total Revenues	<u>\$ 4,872,179</u>	<u>\$ 3,034,853</u>	62%
Total Expenditures	<u>\$ 5,068,789</u>	<u>\$ 1,713,478</u>	34%
Net Income/Expenditures		<u><u>\$ 1,321,375</u></u>	

**TO: Commissioners**

**FROM: Gary Cannon  
Executive Director**

**DATE: January 17, 2018**

**RE: Telemedicine Advisory Committee**

During the annual review and update of the Medical Services Provider Manual in 2017, a stakeholder informed staff that the healthcare industry is implementing the use of telemedicine practices in the provision of medical care. The stakeholder requested the Commission consider implementing regulatory policies and procedures for telemedicine in the Medical Services Provider Manual.

Staff conducted a very limited review of the use of telemedicine in the health care industry and determined it was being implemented on a limited basis by carriers and network providers. In August, staff presented the Commission's recommended changes to the Medical Services Provider Manual. The recommendations included the creation of an ad hoc committee to study the use of telemedicine in workers' compensation. The Commission approved the formation of an ad hoc advisory committee on August 21, 2017.

In preparing to identify stakeholders to serve on the advisory committee, staff conducted further research on telemedicine use in South Carolina. In August of 2015, the SC Board of Medical Examiners ("Board") issued an advisory opinion on telemedicine for the purpose of providing guidance to licensed professional(s) regulated by the Board. The opinion included a definition of telemedicine and a list of considerations for its licensees as guidance in providing medical services via telemedicine. The items for consideration included: training of staff, evaluations and examinations, licensee-patient relationship, prescription, medical records, and licensure. On June 3, 2016, the SC Telemedicine Act (Act 210) was signed into law. It amended Title 40, Chapter 47 of the SC Code of Laws 1976, to: define telemedicine, authorize the practice, and establish requirements related to the practice.

On the national level, as of May 3, 2017, the American Telemedicine Association reported that 28 states have proposed legislation, and 8 states have enacted legislation affecting telemedicine access or coverage. South Carolina was not listed as having enacted this type of legislation.

South Carolina utilizes both the Centers for Medicare and Medicaid Services (CMS) Resource Based Relative Values System (RBRVS) and the American Medical Association (AMA) Current Procedural Terminology/ Healthcare Common Procedure Coding System (CPT/HCPCS) codes for the determining of the maximum allowable payment for medical services provided for workers' compensation injuries. For the calendar year (CY) 2017, CMS approved payments for 45 CPT/HCPCS codes for telehealth services, in Medicare Part B, furnished by a physician or practitioner to an eligible beneficiary (Medicaid). For CY 2018, CMS considered adding 5 additional CPT/HCPCS codes for telehealth services, proposed changes to eliminate certain

reporting requirements, and sought feedback on ways to further expand access to telehealth services.

As information technology and communication systems are rapidly changing and improving, telehealth services are also undergoing massive changes to provide access to services, types of services provided, and charges for services. CMS is seeking commentary from service providers on ways to further expand access to clients in the federally funded program. The impact of telehealth services in workers' compensation cases has not been fully realized at this juncture. Medical data specific to workers' compensation cases is not complete and readily available. CMS continues to analyze the impact of telehealth services in Medicare and Medicaid. Because the Commission's fee schedule is based on Medicare's RBRVS system, I believe the formation of an ad hoc advisory committee to study telehealth services is premature at this time.

I recommend that the Commission postpone the appointment of an advisory committee until after the CMS determines the impact of implementation of telehealth services in federal programs and proposes changes for CY2019 in the fourth quarter of 2018. This will allow the Commission to receive input from stakeholders on the proposed changes through the normal course of stakeholder commentary and incorporate their proposed changes in the annual update of the Medical Services Provider Manual in 2019. If the level of complexity and competing interests related to telehealth services in workers' compensation cases exist the Commission may appoint a special advisory committee to deal with specific issues at that time.