

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

February 19, 2019 – 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 FEBRUARY 19, 2019 *CHAIRMAN BECK*
3. APPROVAL OF MINUTES OF THE BUSINESS MEETING
OF JANUARY 22, 2019 (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. Vocational Rehabilitation (Tab 8) *MS. DRAWDY*
8. EXECUTIVE DIRECTOR'S REPORT (Tab 9) *MR. CANNON*
Administration – Financial Report (Tab 10) *Mr. Cannon*
9. OLD BUSINESS *CHAIRMAN BECK*
Medical Services Provider Manual (Tab 11) *MR. CANNON*
10. NEW BUSINESS *CHAIRMAN BECK*
11. ADJOURNMENT *CHAIRMAN BECK*

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THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING
January 22, 2019

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Tuesday, January 22, 2019, 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; Alexa Stuart, Human Resource Manager; Amy Bracy, Judicial Director; Keith Roberts, General Counsel; David Durant, Attorney; Wayne Ducote; Insurance & Medical Services Director, Kim Falls, Business Analyst; Loretta Dykes, Fiscal Technician Ivey Drawdy, Vocational Rehabilitation; Rob Smith, representing Greenbax; Bonnie Anzelmo, Injured Workers' Advocates were also present.

Chairman Beck called the meeting to order at 10:39 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 December 17, 2018

Commissioner Barden moved that the minutes of the Business Meeting of December 17, 2018, 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. **Fourteen (14)** prospective members of **Four (4)** funds was presented to the Commission for approval. The applications were:

Palmetto Timber Fund
Sheppard Logging & Timber, LLC

South Carolina Municipal Insurance Trust

City of Walterboro
Town of Saluda

Palmetto Hospital Trust

Baptist Easley Hospital
Palmetto Health
Palmetto Health USC Medical Group

South Carolina Home Builders SIF

ABH Properties, LLC
Denton Builders, LLC
Handyman Connection
Owners Choice Construction
Ralley's Electric Inc.
The Propst Co. Inc.
Upstate Home Professionals, Inc.
Well Built Homes, 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 James 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

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

- In December we had 53 full-time employees and 1 part-time employee.
- We had one new hire, no separations, no retirements and one person on leave. Ms. Stuart performed 3 transactions related to benefits which is the same as last month.
- Met with the Executive Director about various employee related issues.
- Social Committee organized a secret Santa that was well received.
- The Annual Christmas luncheon and ornament exchange was on held on December 17th.
- Ms. Stuart did not attend any external meetings.
- 9 "All Agency" emails were sent,
- 16 time related transactions, which is 3 more than last month. A lot of the transactions had to deal with the system change from My SC Employee to SCEIS Central.
- Ms. Stuart completed 3 payroll transactions, which is 1 less than last month. Payroll and time reports were run weekly and in some cases daily.
- Began updating SCEIS information on all employees in the system as now required by State HR.
- Ms. Stuart is in the process of verifying that all employees' contact information is correct in the system.
- Processed/approved 13 travel expense reports which is 4 less than last month.

- Notified CBRE of 5 building issues which is equal to last month.
- Handled 3 parking transactions with Republic Parking which is equal to last month, but way less than this time last year.
- Corporate Concepts was on site to breakdown 2 cubicles that were not secure.

Information Technology Department

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

- EDI-Claims 3.1 tables submitted to the IAIABC, which will go live with the new 3.1 in October. We have already received good reviews back. We did experience 2 days of downtime as a result of an error with a "Cancelled in Favor of" process.
- Progress- Trying to limit the work to emergency situations only so that focus can remain on the new system.
- IT completed several reports that needed to be completed including templates, sequencing tables and minor reports.
- System Support- The Xerox scanner was the scanner of choice. The new roll out to all Administrative Assistants will be receiving desk top scanners soon.
- Legacy Modernization- Completed 10 Sprints. Have been working on getting the information from EDI into the new system. We now have a test environment and have pushed out an ALPHA version to our internal stakeholder team. Also, getting ready to start the docketing process and that will involve the Commissioners' Administrative Assistants.
- Several stakeholder meetings, both internal and external. We are receiving great feedback. Our stakeholders are very engaged. Ms. Sprang noted that someone came from Florida to participate.
- Internal support has been exceptional. Everyone is working hard to assist and participate in addition to their daily responsibilities.
- IT has upcoming training engagements. The IAIABC requested that we participate in a task force with Oregon, Virginia and Washington.
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Insurance and Medical Services Department

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

- In December, the Compliance Division compelled 43 employers to come into compliance with the Act, and collected over \$119,000 in non-compliance penalties.
- Additionally, 20 carriers resolved their issues, resulting in \$12,900.00 in fine resolutions.
- Coverage collected over \$14,650, in fines. 1,902 new claims were established.
- The Self- Insurance Division collected over \$550,228 in self-insurance tax.

Claims Department

Ms. Spann presented the Claims Department's report. Ms. Spann reported the following for the month of December

- Claims processed over 13,381 items during the month of December.
- Claims closed 1,943 files, reviewed 2,462.
- Carrier Reviews, reviewed 289 open files, this resulted in 17 cases being closed and assessing 0 fines, and requested information on 0

- Fine Revenue collected during the month of December was a little over \$30, 250,
- Claims Department assessed 299 fines 270 were assessed from the Form 18.
- Received 2,048 Form 18s via SROI/EDI. 35 % Increase from last fiscal year.
- Received 1,577 Form 18s via email.
- Received 565 via USPS, which is 13% less than last year.
- Form 61, we received 682, approved 577.
- Received and approved 0 third-party claims.

Judicial Department

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

Judicial Department

- 648 requests for Hearings
- 108 Motions
- 133 Clincher Conference requests sent to Jurisdictional Commissioners

Commissioners

- 65 Single Commissioner Hearings conducted
- 24 Pre-hearing conferences held
- 13 Full Commission Hearings conducted
- 463 Orders served at single Commissioner level; 57 of those were Decision and Orders that resulted from hearings that went on record; 142 of those were Motion Orders ruled upon by Commissioners

Informal Conference

- 277 Informal conferences conducted

Mediation

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

Appeals to SC Court of Appeals

- In December the Judicial Department received 5 Notices of Intent to Appeal, to the Court of Appeals.

VOCATIONAL REHABILITATION

Ms. Drawdy presented the Vocation Rehabilitation report. Ms. Drawdy pointed out the following highlights from the report:

- Ms. Drawdy focused on the Richland cases and will start to work on Lexington next
- 37 letters mailed
- 2 Responses from letters
 - 3 appointments scheduled
- Attended:
 - 6 Clincher Conferences
 - Provided VR information to attorneys and Claimants

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:

- Director Cannon wanted to point out that he omitted from his report that we are currently monitoring legislation. SC WCC has 10 pieces of legislation related to Workers' Compensation issues.
- There is one piece of legislation, Senate Bill S358 that was introduced at the request of Ray Farmer, Director of the Department of Insurance. It addresses self-insurers from having access to the guarantee fund, as well requires self-insurers to make LPT on any kind of transfers of their liability, requiring them by statute to have an study done to present to you before you approve the transfer.

Mr. Cannon attended that hearing and it was passed by the Subcommittee and it is going before the full Banking and Insurance Committee in the Senate. Chairman Beck provided some background from 2010 that explains why this has been brought forward.

ADMINISTRATION – FINANCIAL REPORT

Mr. Cannon reported the benchmark for period ending December 31, 2018 is 32%. The General Fund expenditure to date is 45%. The Earmarked Fund expenditure to date is 55%. The higher amount is due to ICAP, IT project has come through the budget, they have approved that and we will be taking that money out of the Self-Insurance Tax; it is a onetime expense. The budgeted operating revenues received is 72%, they are coming in above what we had projected. Budgeted Self-Insurance Tax funds received is 106%.

OLD BUSINESS

No old business

NEW BUSINESS

Revisions to the 2019 Commission Business Calendar

Request was made to approve the following changes to the Commission Calendar form 2019:

1. Reschedule the Full Commission Business Meeting and Appellate Hearings from April 22-23, 2019 to April 29-30, 2019.
2. Reschedule the annual Ethic training from Monday November 18, 2019, following the Full Commission Business Meeting rather than Tuesday, November 19.

There was discussion on the Ethics Training following the Thanksgiving luncheon for staff.

Commissioner McCaskill made a motion for approval, and Commissioner Barden seconded the motion, and the motion was approved.

Legal Extern

We have a new Legal Extern, Renee Jacobs will be working with Keith Roberts and David Durant. Ms. Jacobs was not in attendance at the meeting and Director Cannon stated that Mr. Roberts would show her around and make introductions. This is a free program, and Ms. Jacobs receives school credit for her work at the agency.

License Portfolio Transfer Policy

Bryan Berthelette discussed the proposed update to the policies and procedures for Self-Insured Loss Portfolio Transfers. The new policy provides 11 steps to evaluate all LPT requests. Each LPT request will be evaluated on a case by case basis.

Chairman Beck gave further explanation of how this strengthens our partnership with Department of Insurance and how these types of matters are handled.

Commissioner Wilkerson made a motion for approval, and Commissioner Taylor seconded the motion, and the motion was approved.

Request for Release of Surety by Self-Insured

Bryan Berthelette presented the background, facts and a recommendation to transfer the Surety agreement from Greenbax Enterprises to Safety National Insurance Company.

Commissioner Barden made the motion to approve the License Portfolio Transfer. Commissioner Wilkerson seconded the motion, and the motion was approved.

Medical Services Provider Manual

Mr. Ducote presented documentation to update the Medical Services Provider Manual (fee Schedule). The letter from Optim, Inc. contains the evaluation to consider and changes the Conversion Factor. Next, the second document contains proposed text changes to the Fee Schedule policy manual.

The documents will be distributed to stakeholders and posted on the Commission's website. We would request public comments to be presented at the Business Meeting on February 19, 2019 with the Commission action on the updated Fee Schedule at the March 18, 2019 Business Meeting.

Chairman Beck clarified that these documents are being accepted by the Commissioners for informational purposes only. The schedule would be as follows: take public comment in February, with the intention of voting on in March of 2019, to be implemented in April of 2019.

Commissioner James made the motion to approve. Commissioner Barden seconded the motion, and the motion was approved and accepted as information.

ADJOURNMENT

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

The January 22, 2019, meeting of the South Carolina Workers' Compensation Commission adjourned at 11:12 a.m.

Reported February 13, 2019
Amy Proveaux
Office of the Executive Director

<p style="text-align: center;">SCWCC Human Resources Monthly Report January 2019</p>
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STAFFING

In January, the Commission had 53 FTEs and 1 part-time employee. We added one legal extern.

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

Recruitment:

- No current openings.

BENEFITS

- I performed 16 transactions related to benefits which is more than last month but I am counting transactions versus separate issues. We had 11 issues but it took 16 transactions to get the matters addressed.

EMPLOYEE RELATIONS

- I met with the Executive Director about various employee related issues.
- The Social Committee organized an opportunity for employees who were interested in serving food during lunch to the people at Transitions. They came back from the event with very positive comments and would like to see the Agency participate a couple times a year.

MEETINGS

- I attended the Quarterly HR Advisory Meeting. It was a good meeting in that it reminded me of the various laws regarding ADA, FMLA and Workers' Compensation. I sent an email on those topics to management as a reminder. Additionally, we heard from a local attorney about potential legislations that may affect employment laws.
- I attended a NeoGov training class.

ADMINISTRATIVE

- Nineteen (19) "All Agency" emails on various topics such as SCEIS, training, equipment, job opportunities, benefits, fun events, and other miscellaneous items were sent. This is 10 more than last month.
- I performed 11 SCEIS time related transactions which is 4 less than last month.
- I made 40 payroll related transactions. This was significantly higher than last month because I was adding and/or verifying that 6 screens in each employees' SCEIS record were completed as required by DSHR.
- Payroll and time reports were run weekly.
- I met briefly with the extern to provide access, have her sign confidentiality agreements, and show her the lay of the land.
- I completed the verification of all employees' emergency contact information.
- I had 145 administrative transactions, i.e. responding to emails, doing salary analyses, W-2, SCEIS invoice forwards, etc. These included sending verifications to all employees individually.

FISCAL RESPONSIBILITIES

- I processed/approved 11 travel expense reports which is 2 less than last month.

FACILITIES

- I notified CBRE of 3 building issues which is 2 less than last month.
- I had 21 parking transactions with Republic Parking which is more than last month but I am counting transactions versus separate issues. We had 12 issues but it took 21 transactions to get the issues addressed.

State of South Carolina

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Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Sandee Sprang, IT Director
Date: February 13, 2019
Subject: IT Department January 2019 Full Commission Report

This report summarizes the activities and accomplishments of departmental projects and initiatives for the IT department during January 2019.

I. Systems Operations, Maintenance and Support

EDI

The IT department continues support for 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. The IAIABC EDI Review team returned our first draft of edits and we are working through questions and process sequencing. DTO deleted EBIX's file transfer account and therefore none of their EDI transactions were received. Duane spent two weeks trying to correct the sequencing errors caused as a result.

Progress

The IT team handled 3 support requests for our current system. We corrected several duplicate files created as a result of a SSN reporting issue. Also, we collected data on Palmetto Health's merger for Self-Insurance.

Reporting and Standardization

The IT team worked with the Compliance department to refine compliance data. Liz collected data for the Firefighter Injury Study Taskforce. We continue to evaluate existing reports to assist with the reporting requirements and specifications for the new Claims system.

Systems Support

Jason continues to roll out the Office 2016 and Windows 10 operating system updates throughout the agency; Microsoft is ending their support of Windows 7 in January so we'll be well ahead of the deadline. Also, we experienced a problem with Commissioner McCaskill's files on his iPad. We weren't able to recover the blank/corrupt files so we are working to develop a process to minimize the risk of this recurring.

OnBase

DTO announced plans to deploy version 18 in mid-March. The IT team has already begun developing a test plan and this upgrade will demand more time and resources for testing than planned. We hope

to have workflow and timer changes completed by the end of February. Kim handled 6 issues/requests related to our imaging system. These included indexing, deletion, hearing notice and rights requests. She also completed the quality assurance review of 37 rolls of microfilm loaded into this system.

II. Projects, Enhancements and Development

Legacy Modernization

The development team has completed 12 Sprints with development now focusing on payment processes, electronic service and docketing. Our internal stakeholder team has begun informal testing. The legal and carrier stakeholder meetings continue to produce great feedback on developed functionality. The project is progressing well and the involvement of all staff is appreciated as it is critical to the success of the final product.

III. Trainings and Meetings

Sandee presented an overview of the system at the Injured Workers' Advocates' Paralegal and Legal Assistant seminar in Myrtle Beach on February 2nd.

The IT staff attended several IAIABC conference calls regarding the design of EDI 3.1 and with the Legacy Modernization Taskforce.

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 14-Feb-19

Subj: Insurance and Medical Services Department
January 2019 Full Commission Report

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

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

- | | |
|---------------------|--|
| Compliance Division | <ol style="list-style-type: none">1. Reviewing revenue metrics / projections.2. Working with staff to review workflow processes and additional training opportunities.3. Continuing to explore outreach opportunities with stakeholders. |
| 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: 83 new registrants; 0 notifications sent. |
| Medical Services | <ol style="list-style-type: none">1. Working with Medical Bill Reviewers on certification renewals.2. Working with Optum on MSPM update for 2019. |

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.

Employer Rule to Show Cause Hearings and Compliance Activity

The Compliance Division docketed **10** new RTSC cases and **25** total RTSC cases in the month of December. And, compelled **45** South Carolina employers to come into compliance with the Act. Year to date, **35** new RTSC cases and **175** total RTSC cases have been docketed.

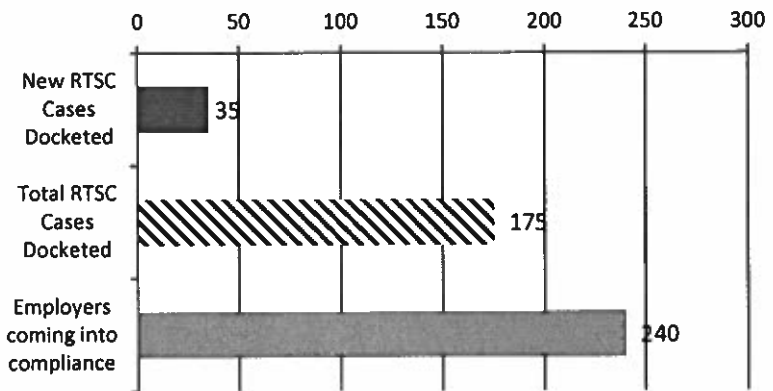
Employers Obtaining Coverage

Year to date, the Compliance Division has compelled **240** South Carolina employers to come into compliance with the Act. In so doing, approximately **2,224** previously uninsured workers are now properly covered.

Penalties Waived

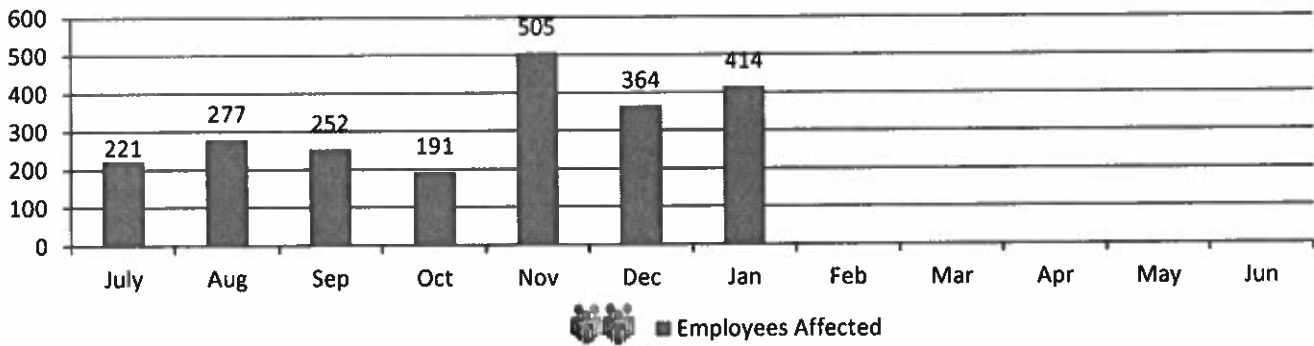
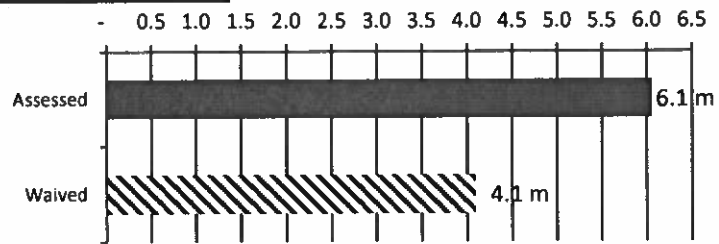
Although the Division has assessed \$6.1 m in fines this fiscal year, 68% of fines (\$4.1 m) have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.

RTSC and Compliance Activity



Fines and Penalties

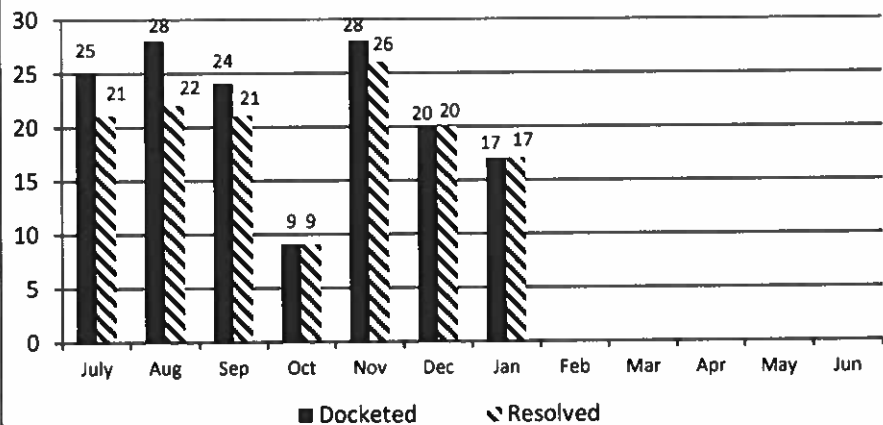
Millions



Carrier Rule to Show Cause Hearings

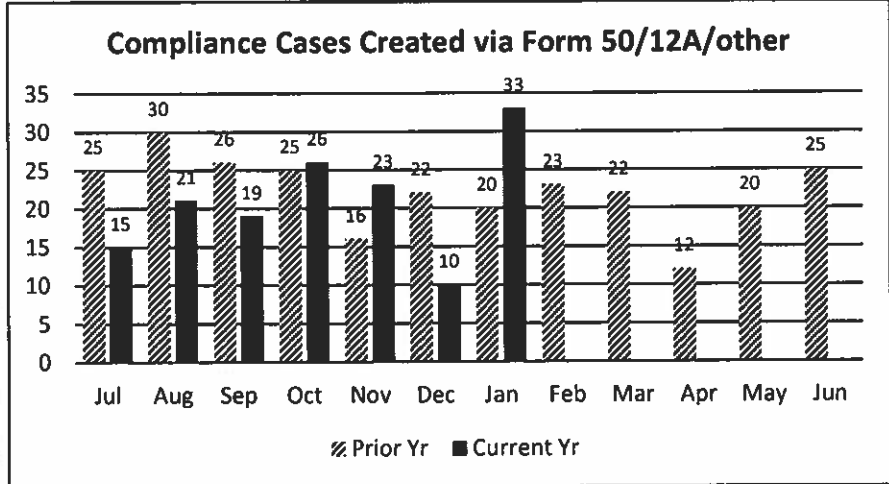
The Compliance Division manages the Rule to Show Cause process involving the recovery of outstanding carrier fines and penalties. In the month of January 2019, 17 carrier RTSC cases were docketed; 17 cases for a total of \$5,989 were resolved.

Year to date, a total of 151 carrier RTSC cases have been docketed, 136 cases for a total of \$56,468 have been resolved.



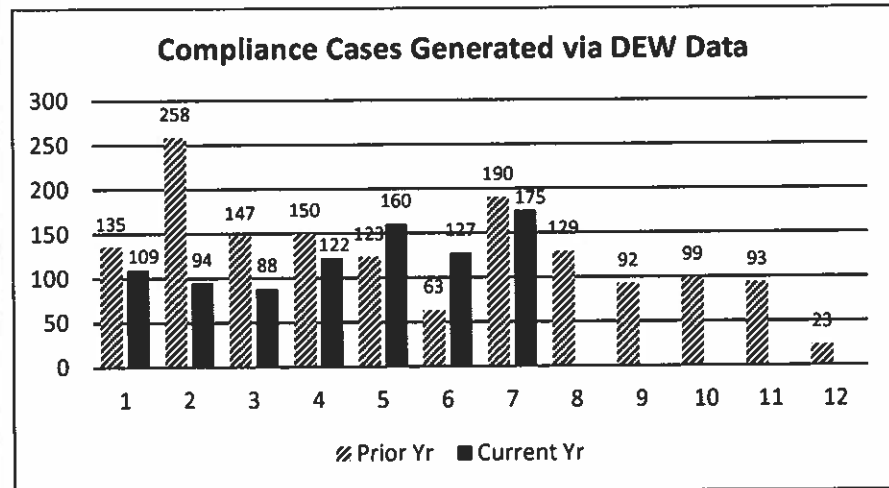
In January 2019, 33 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (266): 55%
 Jan 2019 to Jan 2018: 165%
 Current Yr End trend: 95% of 2018-2019
 YTD 2018-2019 v. YTD 2017-2018: 90%

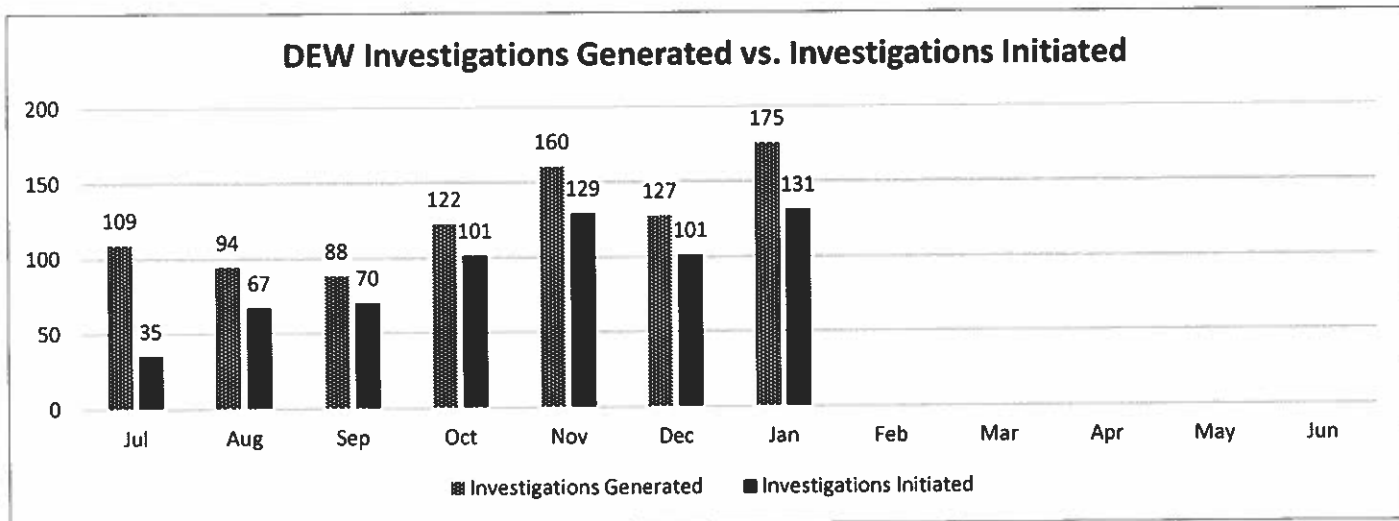


In January 2019, 175 compliance files were generated from the DEW data process.

YTD vs. Prior Year total (1,502): 58%
 Jan 2019 to Jan 2018: 92%
 Current Yr End trend: 100% of 2018-2019
 YTD 2018-2019 v. YTD 2017-2018: 82%



The DEW Data Pool is determined by the total number of potential, non-compliant employers who report wages to DEW with at least 4 employees and who's FEIN does not match with any coverage records in the Commission's coverage database. The investigations generated is the number of compliance investigations generated from the pool. The investigations initiated is the number of compliance investigations initiated from those that were generated.



IMS COMPLIANCE DIVISION

Carryover Caseload:

The Compliance Division closed January 2019 with 494 cases active, compared to an active caseload of 428 at the close of January 2018.

Cases Resolved:

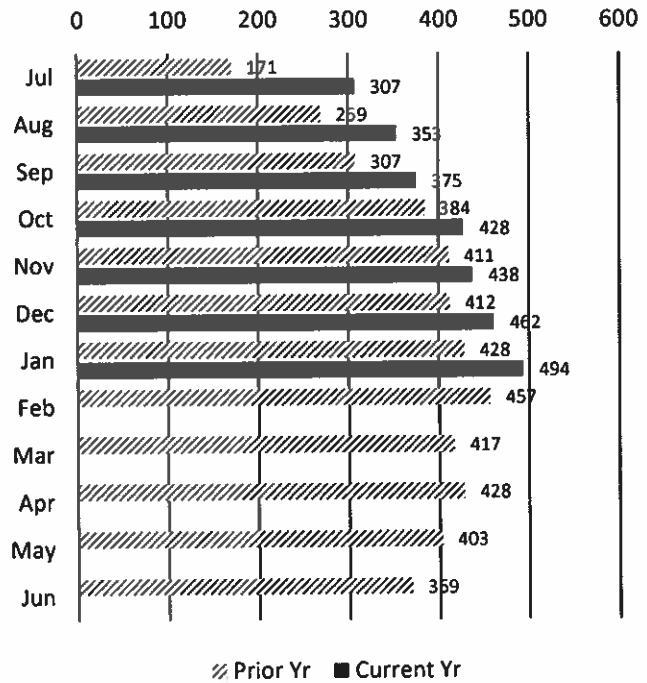
For the month of January 2019, Compliance Division staff closed-out 187 cases.

Compliance Fines:

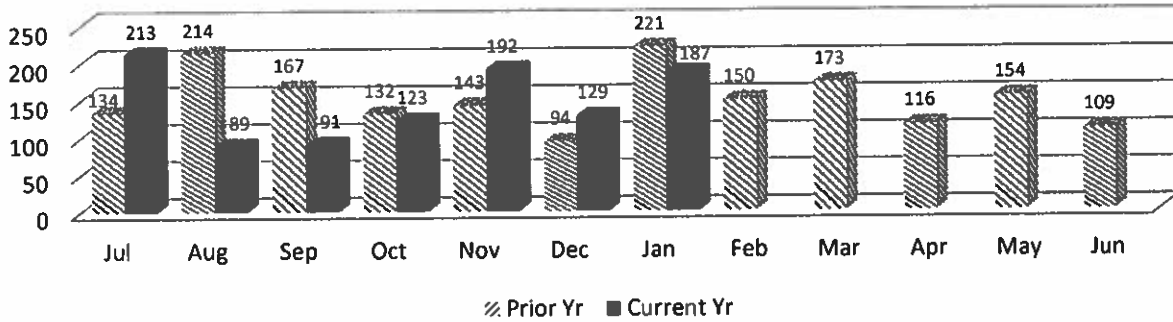
In January 2019, the Compliance Division collected \$130,962 in fines and penalties. Year to Date, the Compliance Division has collected \$650,970 in fines and penalties.

Year to Date vs Prior Year Total (\$1,507,751): 43%
 January 2018 vs. January 2019: 96%
 Current Year End trend is 74% of 2017-2018
 YTD 2018-19 (July - Jan) vs YTD 2017-2018: 80%

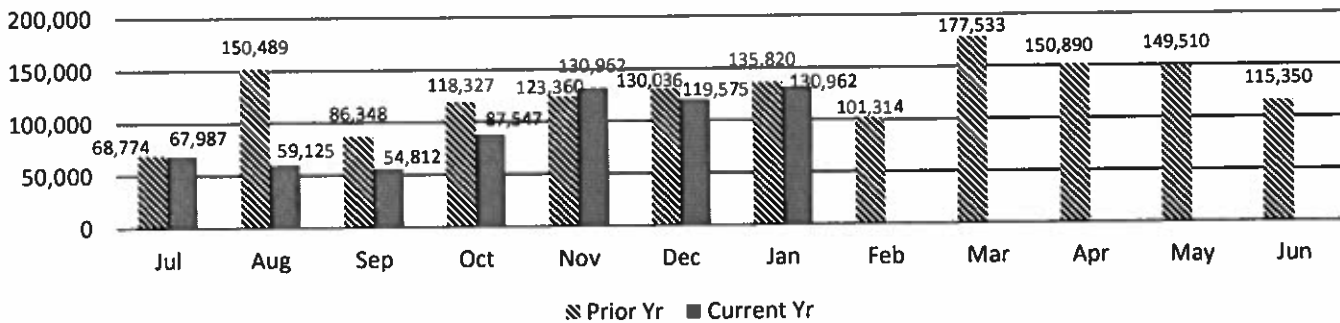
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year

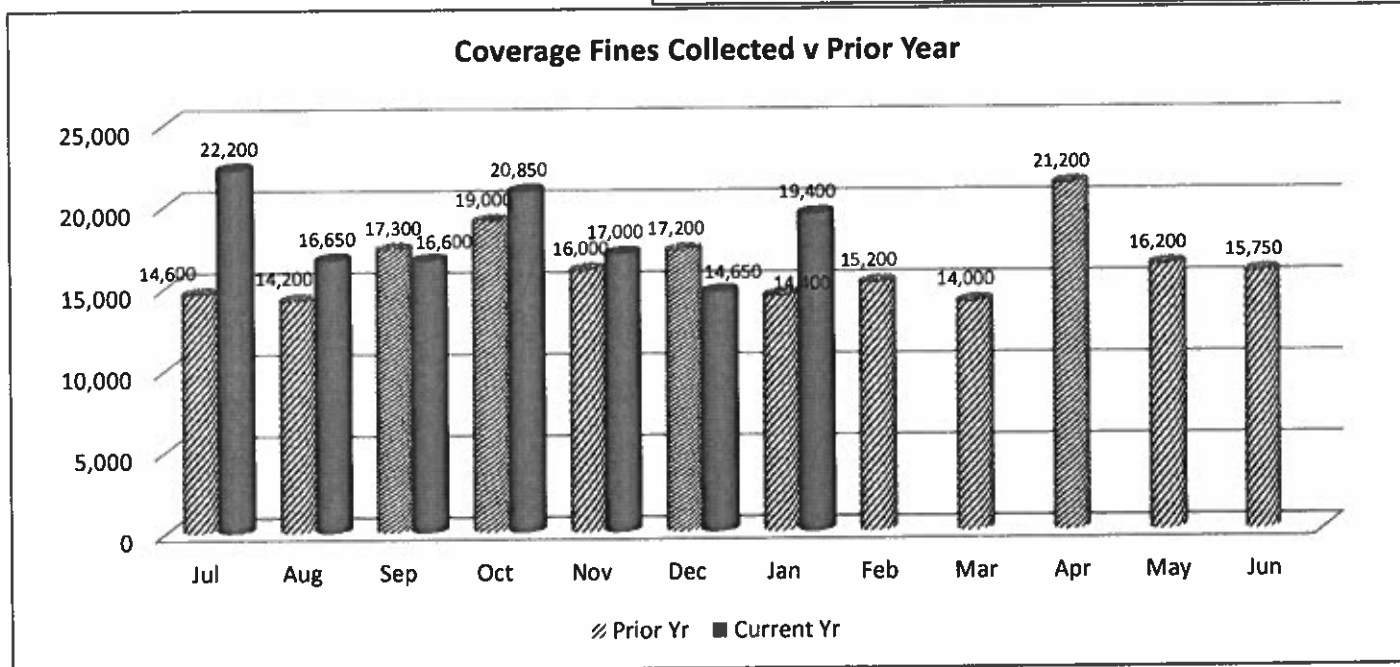
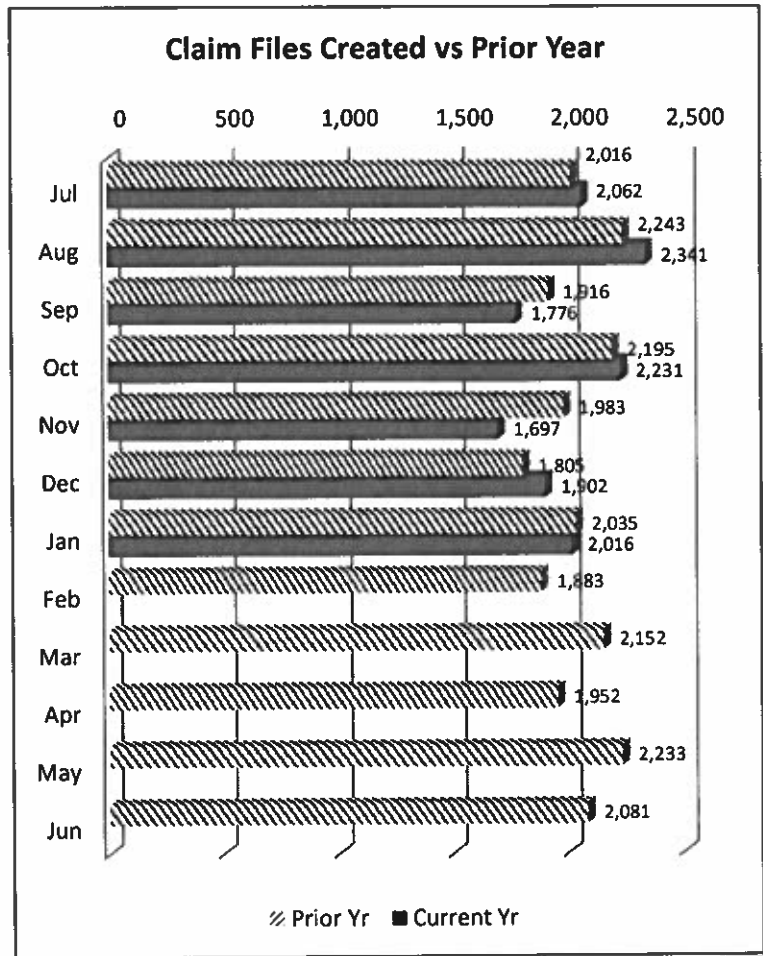


WCC Claim Files:

In January 2019, the Coverage Division received a total of 2,016 WCC Claim files. Of these, 1,696 were created through proper carrier filing of a 12A, and 320 were generated as a result of a Form 50 claim filing. Year to Date 14,025 Claim files have been created which is 57% of claim file volume prior year (24,494).

Coverage Fines:

The Coverage Division collected \$19,400 in fine revenue in January 2019, as compared to \$14,400 in Coverage fines/penalties accrued during January 2018. Year on Year, Coverage fines are at 65% of collections for prior year.



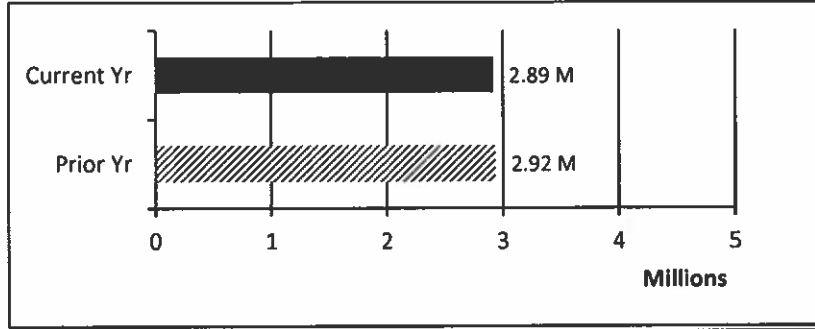
IMS SELF INSURANCE DIVISION

January 2019

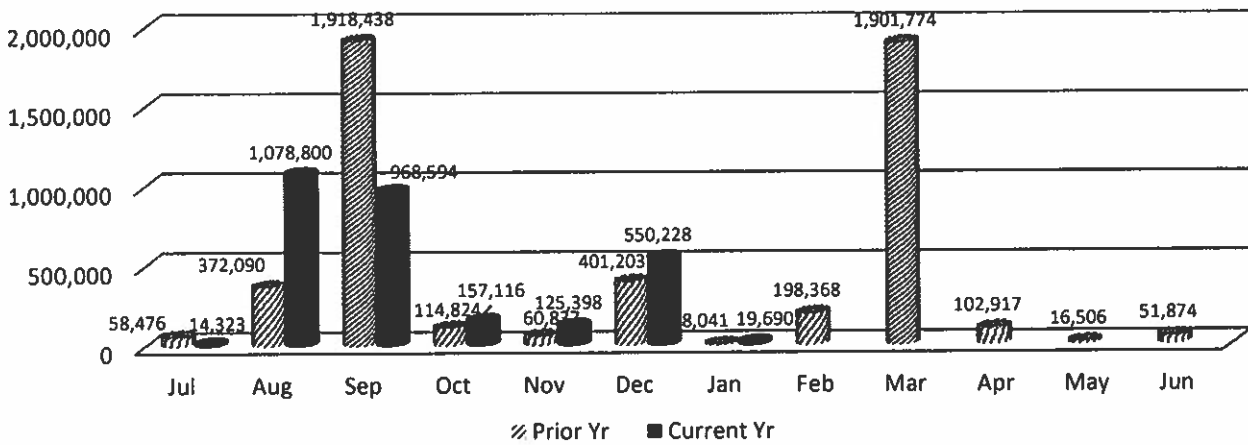
During the month of January 2019, the Self Insurance Division:

- * collected \$19,690 in self-insurance tax.
- * added 14 new self-insurers.
- * conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 99% of prior year and 27 Self Insurance audits have been completed.



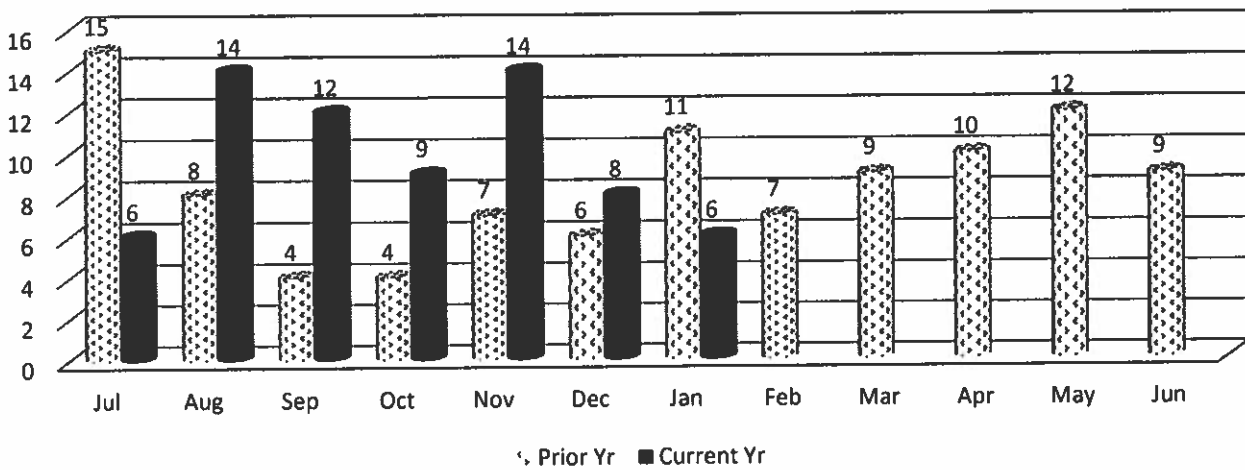
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In January 2019, the Medical Services Division began the month with 8 bills pending review, received an additional 7 bills for review, conducted 9 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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TEL: (803) 737-5700
www.wcc.sc.gov

Workers' Compensation Commission MEMORANDUM

To: Gary Cannon, Executive Director
From: Sonji Spann, Claims Director
Date: February 8, 2019
Re: Claims Department –February 2019 Full Commission Report

Attached is Claims Department activity for the period ending January 31, 2019. The format of the Claims Department report highlights the key workflow benchmarks and compare to same month last fiscal year.

During January Claims processed 4,421 more items than the previous month. This includes 2,514 closed files and reviewed 4,278 files. The department closed 571 more cases when compared to the previous month. The number of cases reviewed increased by 1,816. The department closed 278 more cases and reviewed 428 more cases than the number of cases during the same period in FY17-18.

In efforts to reduce the number of carriers' open files, we reviewed 1,307 open files of 46 carriers. This resulted in closing 51 cases, assessing 11 fines, and requesting additional information on 6 cases.

In fine revenue, the department collected \$20,950 more revenue this month than the previous month. The Fine revenue collected \$3,600 more when compared to the same period in FY 17/18.

The total number of fines assessed increased by 16 over the previous month. This month there was a decrease of 43 in the number of fines assessed for Forms 18. When compared to the same period in FY 17-18, the department assessed 24 less fines.

In the area of electronic submission of Form 18s the department received 2,178 via SROI/EDI, 702 more than the same period last year; 1,818 via email, 314 less than last year, and 566 via USPS, 164 less than last year.

The department received 837 Form 61s, an increase of 68 more when compared to the same period in FY 17-18 and approved 905, which is 124 more than the number approved during the same period in FY17/18. In January the department received 1 Third Party Settlements and approved 0. During the same period in FY 17/18, the department received 12 Third Party Settlements and approved 2.

CLAIMS DEPARTMENT REPORT												
STATISTICS FOR FISCAL YEAR 2017-2018												
February 14, 2019												
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
I. Claims Services Division												
Forms 15-I	1,164	1,286	1,071	1,250	1,166	1,019	1,259					
Forms 15-III/Forms 17	1,000	994	873	1,015	974	881	989					
Forms 16 for PP/Disf	265	202	276	218	158	300	246					
Forms 18	4,394	4,512	4,083	4,893	4,380	4,288	4,772					
Forms 20	729	759	660	782	720	571	762					
Form 50 Claims Only	284	251	252	289	239	163	298					
Form 61	598	818	678	776	690	682	837					
Letters of Rep	158	178	151	200	164	113	187					
Clinchers	898	917	660	853	942	903	868					
Third Party Settlements	2	3	1	7	3	0	1					
SSA Requests for Info	99	49	49	72	64	56	71					
Cases Closed	2,282	2,414	1,925	2,872	2,090	1,943	2,514					
Cases Reviewed	3,451	2,623	1,873	4,280	3,194	2,462	4,278					
Total	15,424	15,006	12,552	17,507	14,784	13,381	17,082	0	0	0	0	0

CLAIMS DEPARTMENT REPORT												
STATISTICS FOR FISCAL YEAR 2017-2018												
February 14, 2019												
Fines per Form	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Assessed Form 15I	10	9	7	12	10	10	5	13				
Assessed Form 15II	8	4	0	7	7	7	4	11				
Assessed Form 15S	0	0	0	0	0	0	0	0	0	0	0	0
Assessed Form 17	4	7	5	6	2	2	5	12				
Assessed Form 18	201	202	223	258	211	211	270	227				
Assessed Form 19	1	1	0	3	0	0	0	2				
Assessed Denial Letter	4	1	1	2	1	1	2	6				
Assessed Requests	26	18	19	50	23	23	13	44				
Paid Form 15I	\$ 2,200	\$ 1,800	\$ 1,000	\$ 1,200	\$ 2,400	\$ 2,400	\$ 400	\$ 2,400				
Paid Form 15II	\$ 1,000	\$ 200	\$ 600	\$ 400	\$ 800	\$ 800	\$ 800	\$ 1,000				
Paid Form 15S	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Paid Form 17	\$ 1,200	\$ 800	\$ 400	\$ 1,800	\$ 800	\$ 800	\$ 200	\$ 1,400				
Paid Form 18	\$ 34,200	\$ 35,800	\$ 25,000	\$ 39,400	\$ 35,300	\$ 35,300	\$ 25,400	\$ 41,800				
Paid Form 19	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ 100	\$ 50	\$ -				
Paid Denial Letter	\$ 800	\$ 800	\$ 200	\$ 400	\$ 200	\$ 200	\$ -	\$ 800				
Paid Request	\$ 4,600	\$ 3,800	\$ 2,000	\$ 4,600	\$ 5,800	\$ 5,800	\$ 3,400	\$ 3,800				

		CLAIMS DEPARTMENT REPORT											
		STATISTICS FOR FISCAL YEAR 2017-2018											
		January 2, 2019											
		July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
II. Total Fines Assessed by Claims Department													
# Assessed		254	242	225	338	254	299	315					
# Rescinded		36	54	36	77	61	37	68					
# Reduced		1	0	0	1	0	0	0	0	0	0	0	0
# Paid		218	218	146	240	228	152	256					
# Outstanding*		388	322	430	451	401	446	399					
Total Amt. Assessed	\$	50,650	48,250	51,000	67,150	5,080	59,800	62,700					
Total Amt. Rescinded	\$	6,800	10,630	7,200	15,300	12,200	7,400	13,600					
Total Amt. Reduced	\$	20	-	-	100	-	-	-	\$	-	\$	-	\$
Net Assessed									\$	49,100	\$	-	\$
Total Amt. Paid	\$	44,000	43,300	29,200	47,800	45,400	30,250	51,200					
Total Outstanding*	\$	77,180	64,300	85,900	89,500	79,950	89,200	79,500					

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Workers' Compensation Commission

February 13, 2019

To: Gary M. Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

RE: **Monthly Judicial Report for January 2019**

During the month of January, the Judicial Department processed eight hundred ninety-nine (899) requests for hearings, one hundred fifty-two (152) Motions and one hundred twenty-five (125) clincher conference requests that were sent to the Jurisdictional Commissioners.

There were fifty-nine (59) Single Commissioner Hearings conducted during the past month, twenty (20) pre-hearing conferences held and twelve (12) Full Commission hearings held. A total of five hundred sixty-one (561) Orders were served at the single Commissioner level, fifty-seven (57) of those were Decision and Orders that resulted from hearings that went on the record and one hundred fifty-seven (157) were Motion Orders that were a result of Motions ruled upon by Commissioners.

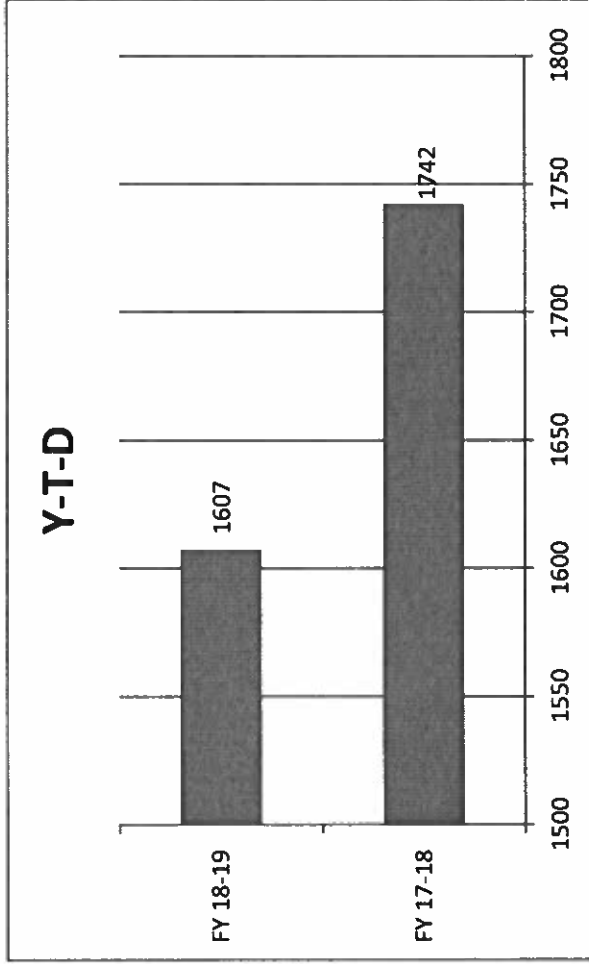
The Informal Conference system conducted two hundred seven (207) hearings during the last month.

There were forty-six (46) regulatory mediations scheduled and forty-five (45) requested mediations. The Judicial Department was notified of forty-seven (47) matters resolved in mediation, with the receipt of Forms 70.

In the month of January, Judicial received three (3) Notices of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

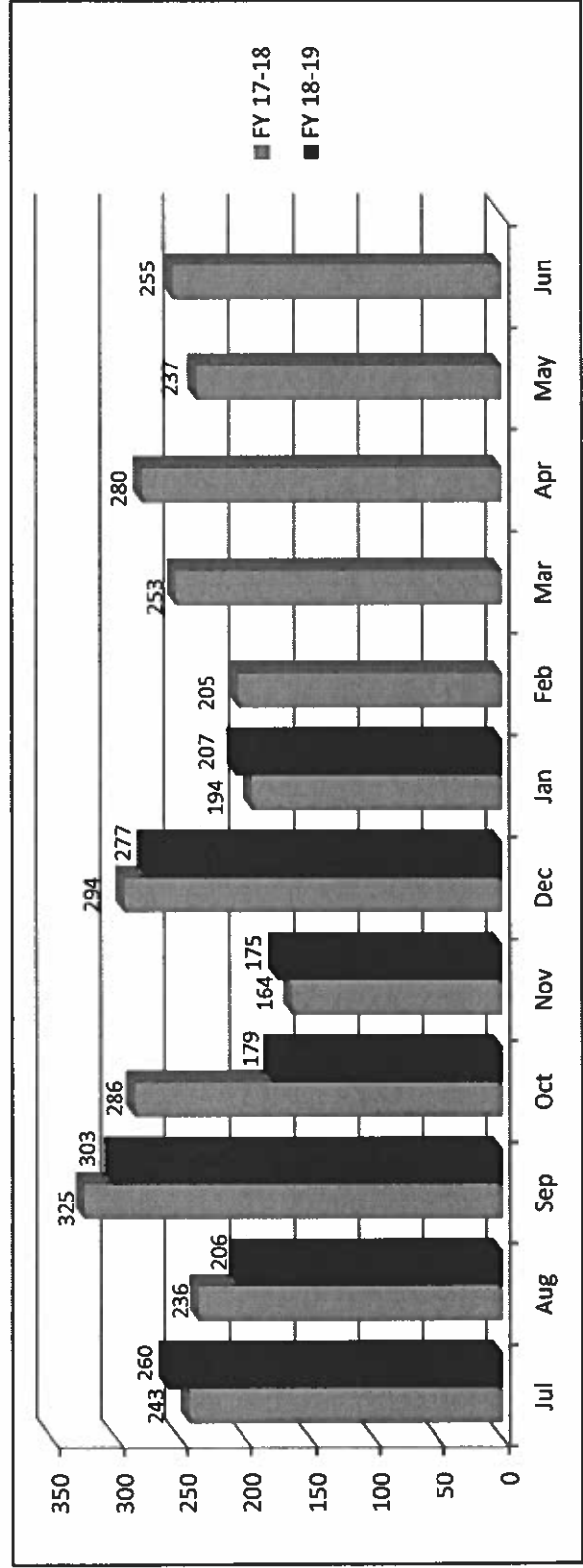
Informal Conf. Conducted

	FY 17-18	FY 18-19
Jul	243	260
Aug	236	206
Sep	325	303
Oct	286	179
Nov	164	175
Dec	294	277
Jan	194	207
Feb	205	
Mar	253	
Apr	280	
May	237	
Jun	255	
Total	2972	1607



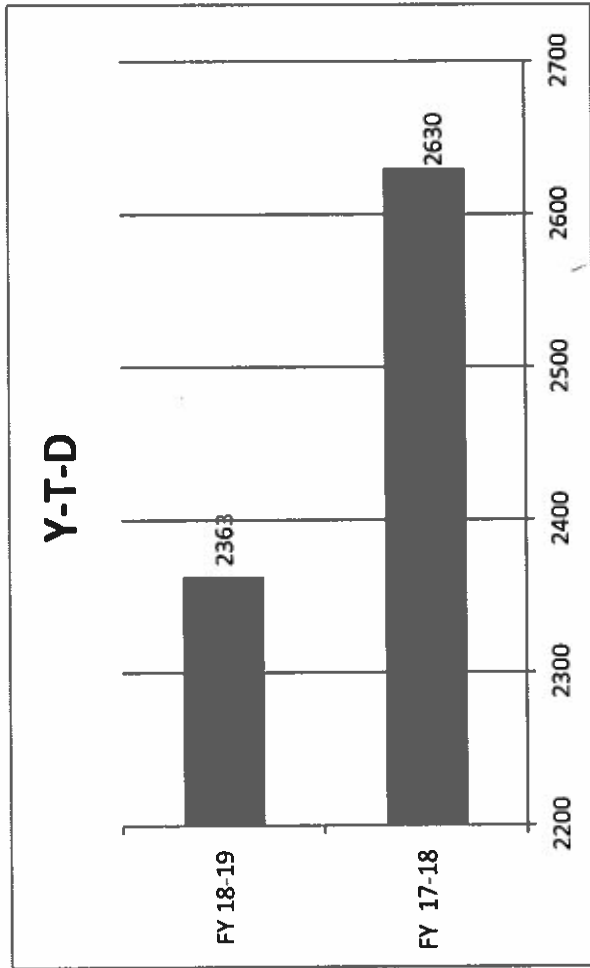
FY 17-18	FY 18-19
1742	1607

Y-T-D



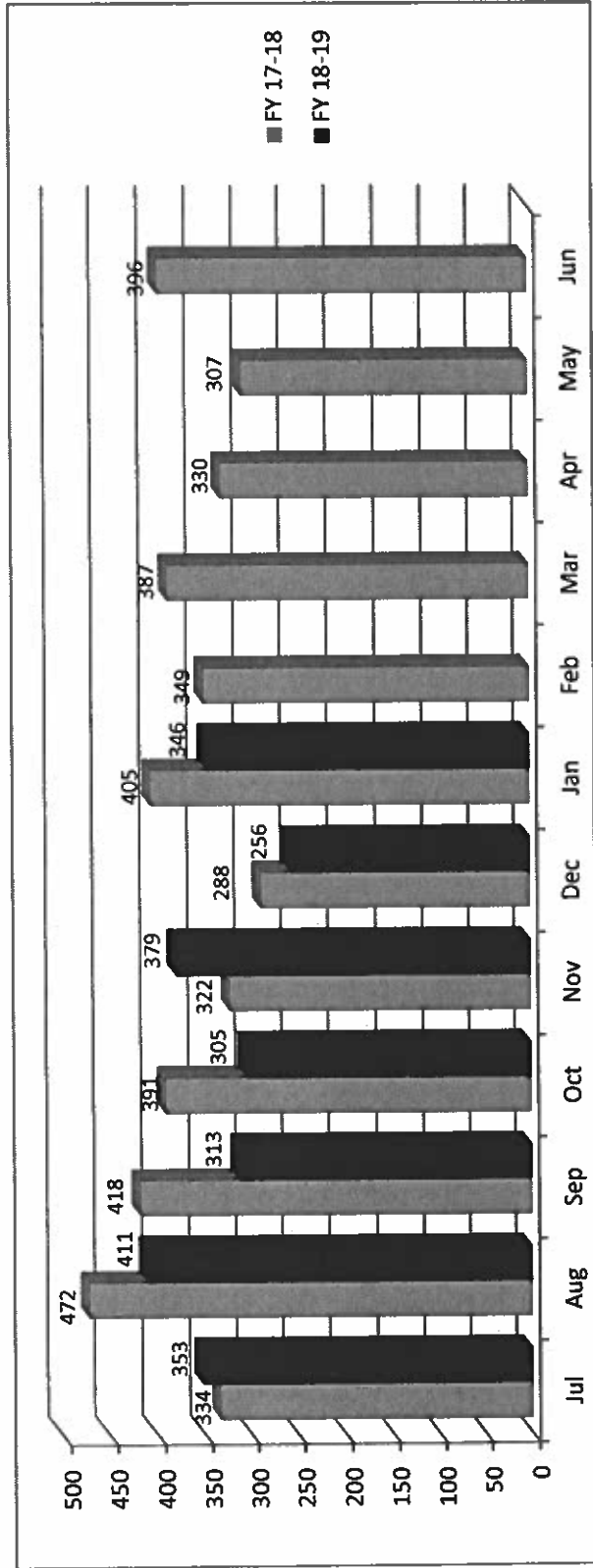
Informal Conf. Requested

	FY 17-18	FY 18-19
Jul	334	353
Aug	472	411
Sep	418	313
Oct	391	305
Nov	322	379
Dec	288	256
Jan	405	346
Feb	349	
Mar	387	
Apr	330	
May	307	
Jun	396	
Total	4399	2363



FY 17-18 **FY 18-19**
2630 **2363**

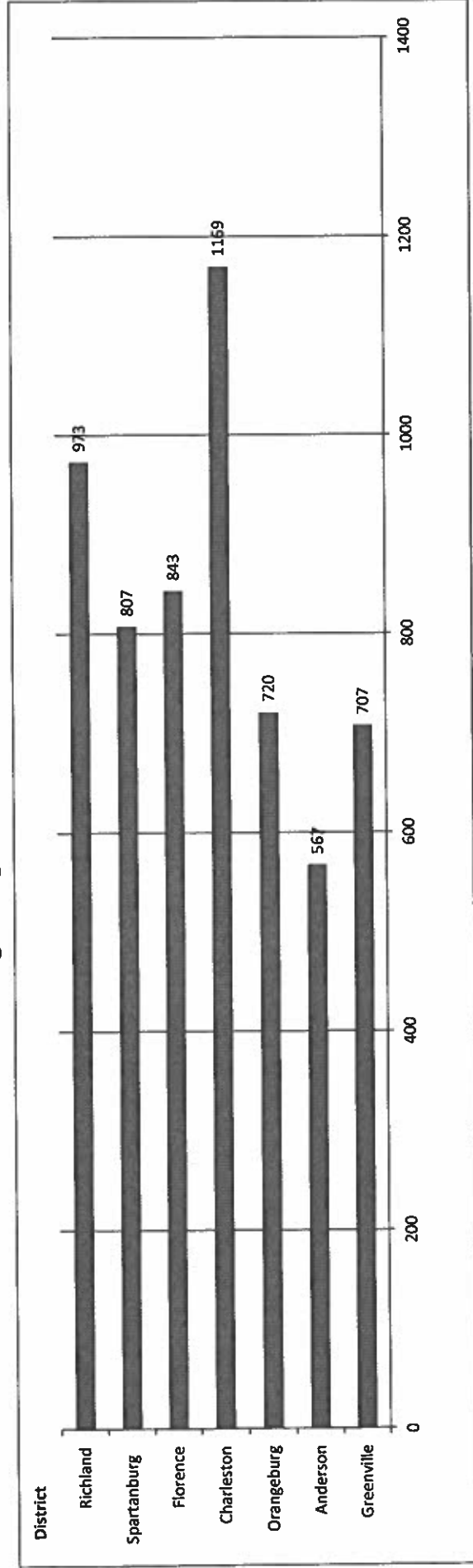
Y-T-D



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		
	18-19	17-18	16-17	18-19	17-18	16-17	18-19	17-18	16-17	18-19	17-18	16-17	18-19	17-18	16-17	18-19	17-18	16-17	18-19	17-18	16-17
	Jul	88	97	98	98	79	82	114	104	108	183	127	158	147	121	131	110	107	92	144	139
Aug	118	113	92	71	97	93	87	120	93	187	172	176	124	134	164	149	107	115	138	159	157
Sep	92	100	144	78	100	92	83	110	121	148	156	183	98	136	140	91	103	142	132	164	141
Oct	112	97	104	98	68	74	115	86	93	204	135	172	119	107	115	130	113	119	160	177	142
Nov	116	116	92	87	83	98	114	92	89	161	159	169	130	131	131	119	120	114	150	148	164
Dec	92	122	90	66	81	86	93	113	72	116	150	135	121	108	100	94	113	85	115	172	129
Jan	89	87	93	69	72	92	114	88	97	170	138	184	104	112	157	114	94	119	134	166	160
Feb		75	96		84	74		88	76		125	142		139	117		119	85		163	136
Mar		120	91		96	108		122	124		179	188		138	150		126	122		188	175
Apr		119	111		87	80		113	94		174	142		128	156		120	103		155	146
May		125	125		88	101		127	121		157	188		126	148		112	122		166	167
Jun		111	134		84	120		126	142		191	183		169	154		129	125		140	169
Totals	707	1282	1270	567	1019	1104	720	1289	1230	1169	1863	2020	843	1549	1663	807	1363	1343	973	1937	1835

Pleadings Assigned by District Year to Date



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Workers' Compensation Commission

Executive Director's Report Gary M. Cannon

February 19, 2019

Meetings/Activities

The Executive Director participated in the following meetings/activities:

- January 16- Attended Senate Subcommittee on S358
- January 16- Meeting - HW&M Chairman
- January 16- Meeting - Judicial Conference Agenda
- January 17- Meeting - CAME Workshop
- January 17- Meeting - Medical Service Provider Manual
- January 18- Meeting - Social Committee
- January 18- Meeting – LPT policy and procedures
- January 18- Meeting - SAWCA conference presentations
- January 24- Budget Hearing - House Ways and Means Subcommittee
- January 28- Meeting – Executive Budget Office Analyst
- January 29- Budget Hearing- Senate Finance Subcommittee
- January 31- Conference Call – Anesthesiologist Association of SC
- February 1- Meeting - Reporting Firefighter Injuries" Workgroup
- February 4- Conference call - NCCI
- February 6- Meeting – State Auditors
- February 7 & 8 – Annual Leave
- February 11- Conference Call – NCCI
- February 12- Conference call - Optum

Constituent /Public Information Services

For the period January 15, 2019 to February 12, 2019, the Executive Director's Office and the General Counsel's office had 1,034 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 January 10, 2019 through February 12, 2019: approved and processed 11 travel expense reimbursement payment related activities, 29 invoices, and 23 deposits. Procurement and purchasing activities included the entries of 12 goods received

SCWCC Stakeholder Electronic Distribution List

For the period January 15, 2019, through February 12, 2019, we added three (3) individuals, removed one (1) individual by their request. Due to the receipt of email delivery failures, a total of four (4) email addresses were deleted. A total of 785 individuals currently receive notifications from the Commission.

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Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

**FROM: Gary Cannon
Executive Director**

DATE: February 19, 2018

RE: FINANCIAL REPORT - Period ending January 31, 2019

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the one month period ending January 31, 2019. The benchmark for this period is 58%.

The expenditures are on pages 1-10 of the "Budget vs. Actual Report FY 2018-19. The total of expenditures and commitments in the General Fund (10010000) is \$1,117,093 or 53% of budget. Details are on pages 1-2. The total of expenditures, including Commitments, in the Earmarked Fund (38440000) is \$4,293,537 or 61% of budget. The total is greater than the benchmark because of the \$1.6 million commitment for the IT Legacy System Modernization which was approved as a one-time expenditure. Funds for this will be taken from the Self-Insurance Tax Revenues Fund Balance. Details are on pages 3-9.

The Earmarked Fund Revenues page located behind the Commitments report. The total operating revenues received in the Earmarked Fund is \$1,743,978 or 91% of budget. We have received \$2,666,726 or 107% of the budgeted Self-Insurance Tax funds.

**SC Workers' Compensation Commission
BALANCE SHEET**

EARMARKED FUND

FY 2018-2019

Period Ending: January 31, 2019

	Budget	YTD	% of budget
Total Revenues	\$ 1,914,752	\$ 1,743,978	91%
Self-Insurance Tax	\$ 2,500,000	\$ 2,666,726	107%
Total Revenues	<u>\$ 4,414,752</u>	<u>\$ 4,410,704</u>	100%
Total Expenditures	<u>\$ 7,007,845</u>	<u>\$ 2,822,570</u>	40%
Total Commitments		<u>\$ 658,739</u>	
Net Income/Expenditures		<u><u>\$ 929,395</u></u>	

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% 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	59,575	58%		42,554
501058	CLASSIFIED POS	47,092				47,092
512001	OTHER OPERATING	73,411				
5050010000	IN ST-MEALS-NON-REP		241			
5050020000	IN ST-LODGING		1,952			
5050041000	HR-IN ST-AUTO MILES		1,453			
5050510000	OUT ST-MEALS-NON-REP		96			
5050520000	OUT ST-LODGING		1,043			
5050531000	HR-OUT ST-AIR TRANS		512			
	Total OTHER OPERATING:	73,411	5,296	7%	0	68,114
	Total Administration:	222,632	64,871	29%	0	157,760

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	77,223	46,075	60%		31,148
	Total Claims:	77,223	46,075	60%	0	31,148

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 10010000 - GENERAL FUND

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501026	CHAIRMAN	125,208	72,617	58%	0	52,591
501033	COMMISSIONER	720,918	420,956	58%	0	299,962
501050	TAXABLE SUBS		-1,336		0	1,336
501058	CLASSIFIED POS	305,528	196,537	64%		108,991
501070	OTH PERS SVC	8,309	8,309	100%		0
512001	OTHER OPERATING	1,590				
5050510000	OUT ST-MEALS-NON-REP		62			
5050531000	HR-OUT ST-AIR TRANS		623			
5050541000	HR-OUT ST-AUTO MILES		48			
5050560000	OUT ST-MISC TR EXPEN		66			
	Total OTHER OPERATING:	1,590	799	50%	0	790
	Total Commissioners:	1,161,553	697,882	60%	0	463,670

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	26,632	17,500	66%		9,132
	Total Insurance & Medical:	26,632	17,500	66%		9,132

Judicial

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

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	599,001	290,764	49%		308,237
	Total Employer Contributions:	599,001	290,764	49%		308,237

Total GENERAL FUND: 2,116,307 1,117,093 53% 0 999,214

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	791,985	87,465	11%		704,520
501070	OTH PERS SVC	41,000				41,000
512001	OTHER OPERATING	2,607,462				
5020010000	OFFICE EQUIP SERVICE		200			
5020030000	PRINT / BIND / ADV		4,713			
5020080000	FREIGHT EXPRESS DELV		961			
5020120000	CELLULAR PHONE SVCS				442	
5021010000	LEGAL SERVICES		476			
5021020000	ATTORNEY FEES		3,312			
5021329000	BUILDING RENOVATION		4,800			
5021410000	EDUC & TRNG-STATE		460			
5021469302	CARPENTRY (SERVICES)		767			
5021479208	LOCKSMITH SERVICES		254			
5021490000	AUDIT ACCT FINANCE		137			
5021530000	CATERED MEALS		2,468		240	
5021540000	NON-IT OTHER PRO SRV				1,334	
5024990000	OTH CNT-NON-IT & REA		3,624			
5030010000	OFFICE SUPPLIES		5,802		2,700	
5030010002	OFF SUP - MIN OFF EQ		2,375			
5030010003	OFF SUP&EQ-NON-IT PL		1,418			
5030010004	SUBSCRIPTIONS		3,053			
5030030000	PRINTED ITEMS		69			
5030067101	PRGM LIC - APP SUPP		18,061			
5030067170	EQUIP&SUPP- PRINT EU		1,909			
5030070000	POSTAGE		16,725		32,373	
5031010001	FURNISHINGS				896	
5031029000	BLDG RENOVATION SUPP		5,022			
5031469309	PLUMBING SUPPLIES		270			
5031639500	OTH SECURTY EXP SUPL		51			
5033090000	EMPLOYEE RECOG AWARD		1,494		551	
5033990000	OTHER SUPPLIES		86			
5040010000	RENT-OFFICE EQUIP		1,897			

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 38440000 - EARMARKED FUND

5040057000	IT- RENTAL-CONT RENT		113		1,023	
5040060000	RENT-NON ST OWN PROP		261,365		171,601	
5040490000	RENT-OTHER		9,635		13,500	
5040520000	INSURANCE-NON STATE		711			
5041010000	DUES & MEMBER FEES		4,036			
5041020000	FEES AND FINES		78		42	
5050010000	IN ST-MEALS-NON-REP		113			
5050020000	IN ST-LODGING		712			
5050040000	IN ST-AUTO MILEAGE		25			
5050041000	HR-IN ST-AUTO MILES		217			
5050070000	IN ST-REGISTR FEES		549			
5050510000	OUT ST-MEALS-NON-REP		103			
5050570000	OUT ST-REGISTR FEES		497			
5051540000	LEASED CAR-ST OWNED		21,016			
5060325000	Other Eq Acq (MA)				10,054	
5190010000	INT EXP-LATE PAYMENT		18		15	
Total OTHER OPERATING:		2,607,462	379,592	15%	234,772	1,993,099
Total Administration:		3,440,447	467,057	14%	234,772	2,738,619

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS		197,151			-197,151
5020010000	OFFICE EQUIP SERVICE		71			
5020077100	SERVICES- APP SUP		0		842	
5020077110	SERVICES- DATA NET		500		2,430	
5020077220	SERVICES- VOICENET		11,875		8,640	
5020077230	IT CONTRACTORS		0		1,176,995	
5020077240	DP SERVICES – STATE		116,486			
5020080000	FREIGHT EXPRESS DELV				28	
5020120000	CELLULAR PHONE SVCS		11,461		10,839	
5021469316	SECURITY ALARM SRVC		3,215		944	
5030010000	OFFICE SUPPLIES		1,160		473	
5030010004	SUBSCRIPTIONS		450			
5030050000	PHOTO & VISUAL SUPP		2,223			

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 38440000 - EARMARKED FUND

5030067130	EQUIP&SUPP- EUC	11,450		
5030067131	PLM- EUC		769	
5030067170	EQUIP&SUPP- PRINT EU	6,467	6,204	
5030067210	EQUIP&SUPP- STORAGE	667		
5030067220	EQUIP&SUPP- VOICENET	233		
5030090000	COMMUNICATION SUPP	475	492	
5031010000	LAUNDRY SUPPLIES	45		
5040057000	IT- RENTAL-CONT RENT	2,368	3,596	
5041010000	DUES & MEMBER FEES	100		
5050010000	IN ST-MEALS-NON-REP	50		
5050020000	IN ST-LODGING	629		
5050041000	HR-IN ST-AUTO MILES	191		
5050070000	IN ST-REGISTR FEES	118		
5050510000	OUT ST-MEALS-NON-REP	204		
5050520000	OUT ST-LODGING	931		
5050531000	HR-OUT ST-AIR TRANS	453		
5050541000	HR-OUT ST-AUTO MILES	116		
5050550000	OUT ST-OTHER TRANS	108		
5050560000	OUT ST-MISC TR EXPEN	90		
5050570000	OUT ST-REGISTR FEES	1,429		
5203990000	LOW VALUE ASSET (MA)	2,506		
	Total OTHER OPERATING:	176,072	1,212,252	-1,388,324
	Total Inform. services:	373,223	1,212,252	-1,585,475

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 38440000 - EARMARKED FUND

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	277,786	151,929	55%		125,857
501070	OTH PERS SVC	3,725	3,064	82%		660
512001	OTHER OPERATING	19,039				
5020080000	FREIGHT EXPRESS DELV				113	
5020120000	CELLULAR PHONE SVCS				76	
5030010000	OFFICE SUPPLIES		199		923	
5030030000	PRINTED ITEMS		27			
5050010000	IN ST-MEALS-NON-REP		12			
5050020000	IN ST-LODGING		472			
5050041000	HR-IN ST-AUTO MILES		177			
	Total OTHER OPERATING:	19,039	886	5%	1,112	17,041
	Total Claims:	300,550	155,879	52%	1,112	143,559

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% 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	31,776	45%	0	38,224
512001	OTHER OPERATING	230,700				
5020080000	FREIGHT EXPRESS DELV		25			
5020120000	CELLULAR PHONE SVCS				1,134	
5021010000	LEGAL SERVICES		58,563			
5021410000	EDUC & TRNG-STATE		150			
5021540000	NON-IT OTHER PRO SRV		295		3,319	
5021540001	PROF SRV-LANG INTER		252		-252	
5030010000	OFFICE SUPPLIES		283		894	
5050010000	IN ST-MEALS-NON-REP		245			
5050020000	IN ST-LODGING		4,010			
5050031000	HR-IN ST-AIR TRANS		528			
5050041000	HR-IN ST-AUTO MILES		13,094		405	
5050050000	IN ST-OTHER TRANS		132			
5050060000	IN ST-MISC TR EXP		195			
5050080000	IN ST-SUBSIST ALLOW		5,031			
5050510000	OUT ST-MEALS-NON-REP		200			
5050570000	OUT ST-REGISTR FEES		945			
5051520000	REPORTABLE MEALS		146			
	Total OTHER OPERATING:	230,700	84,093	36%	5,500	141,107
	Total Commissioners:	300,700	115,869	39%	5,500	179,331

Information Services FY18

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	1,400,000	753,956	54%	19	646,025
	Total Information Services FY18:	1,400,000	753,956	54%	19	646,025

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% 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	244,742	53%		214,721
501070	OTH PERS SVC	22,881	7,843	34%		15,038
512001	OTHER OPERATING	54,500				
5020080000	FREIGHT EXPRESS DELV				113	
5020120000	CELLULAR PHONE SVCS				54	
5021540000	NON-IT OTHER PRO SRV		10,255		12,892	
5024990000	OTH CNT-NON-IT & REA		900			
5030010000	OFFICE SUPPLIES		818		933	
5030010004	SUBSCRIPTIONS		203		462	
5030070000	POSTAGE		8			
5050010000	IN ST-MEALS-NON-REP		50			
5050020000	IN ST-LODGING		472		472	
5050041000	HR-IN ST-AUTO MILES		177		178	
	Total OTHER OPERATING:	54,500	12,883	24%	15,102	26,515
	Total Insurance & Medical:	536,844	265,467	49%	15,102	256,274

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 1/31/2019
58% of year elapsed

Fund 38440000 - EARMARKED FUND

Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	291,778	254,955	87%		36,823
501070	OTH PERS SVC	38,767	22,756	59%		16,011
512001	OTHER OPERATING	12,800				
5020010000	OFFICE EQUIP SERVICE		578		1,053	
5020080000	FREIGHT EXPRESS DELV				113	
5020120000	CELLULAR PHONE SVCS				75	
5021010000	LEGAL SERVICES		2,105			
5030010000	OFFICE SUPPLIES		477		969	
5050010000	IN ST-MEALS-NON-REP		235			
5050020000	IN ST-LODGING		1,079			
5050041000	HR-IN ST-AUTO MILES		171			
5051520000	REPORTABLE MEALS		702			
	Total OTHER OPERATING:	12,800	5,346	42%	2,210	5,244
	Total Judicial:	343,345	283,058	82%	2,210	58,078

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	685,959	408,061	59%	0	277,898
	Total Employer Contributions:	685,959	408,061	59%	0	277,898
	Total EARMARKED FUND:	7,007,845	2,822,570	40%	1,470,967	2,714,308

South Carolina Workers' Compensation Commission
Commitments
FY 2019 As of 7/31/2018

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Vendor	Commitment
5020030000	PRINT / BIND / ADV	PINE PRESS PRINTING	5,011
5020080000	FREIGHT EXPRESS DELV	FEDEX	13
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	442
5021469302	CARPENTRY (SERVICES)	ALBANY ROAD - 1333 MAIN LLC	820
5021479208	LOCKSMITH SERVICES	ALBANY ROAD - 1333 MAIN LLC	272
5021540000	NON-IT OTHER PRO SRV	1-800-GOT-JUNK?	1,334
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
5030070000	POSTAGE	NEOFUNDS BY NEOPOST	1,620
5030070000	POSTAGE	US POSTAL SERVICE	47,520
5031469309	PLUMBING SUPPLIES	ALBANY ROAD - 1333 MAIN LLC	289
5033090000	EMPLOYEE RECOG AWARD	LITTLE PIGS BARBECUE	1,165
5040010000	RENT-OFFICE EQUIP	NEOPOST USA INC	2,049
5040057000	IT- RENTAL-CONT RENT	XEROX CORPORATION	1,023
5040060000	RENT-NON ST OWN PROP	ALBANY ROAD - 1333 MAIN LLC	451,261
5040490000	RENT-OTHER	PARKSIMPLE LLC	5,724
5041020000	FEES AND FINES	NEOFUNDS BY NEOPOST	42
5060325000	Other Eq Acq (MA)	NEOPOST USA INC	10,054
5190010000	INT EXP-LATE PAYMENT	NEOFUNDS BY NEOPOST	5
Total Administration:			529,170

Inform. services

Commitment Item	Commitment Item Description	Vendor	Commitment
5020077100	SERVICES- APP SUP	BIS DIGITAL, INC.	842
5020077100	SERVICES- APP SUP	TAPFIN PROCESS SOLUTIONS	29,966
5020077110	SERVICES- DATA NET	MCWATERS INC	3,240
5020077220	SERVICES- VOICENET	NWN CORPORATION	21,600
5020080000	FREIGHT EXPRESS DELV	FEDEX	28
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	22,172
5021469316	SECURITY ALARM SRVC	SONITROL SECURITY SYSTEMS	3,630
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	534

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.

South Carolina Workers' Compensation Commission
Commitments
FY 2019 As of 7/31/2018

Fund 38440000 - EARMARKED FUND

5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	539
5030067170	EQUIP&SUPP- PRINT EU	FORMS & SUPPLY INC	10,022
5030067170	EQUIP&SUPP- PRINT EU	XEROX	113
5030090000	COMMUNICATION SUPP	VERIZON WIRELESS	492
5040057000	IT- RENTAL-CONT RENT	XEROX	4,118
5040057000	IT- RENTAL-CONT RENT	XEROX CORPORATION	1,847
Total Inform. services:			99,143

Claims

Commitment Item	Commitment Item Description	Vendor	Commitment
5020080000	FREIGHT EXPRESS DELV	FEDEX	113
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	76
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	453
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Claims:			1,167

Commissioners

Commitment Item	Commitment Item Description	Vendor	Commitment
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	1,134
5021540000	NON-IT OTHER PRO SRV	NICHOLAS ANTONIO GUNTER	869
5021540000	NON-IT OTHER PRO SRV	RICHLAND COUNTY SHERIFFS DEPT	950
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	484
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Commissioners:			3,963

Information Services FY18

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

Insurance & Medical

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.

**South Carolina Workers' Compensation Commission
Commitments
FY 2019 As of 7/31/2018**

Fund 38440000 - EARMARKED FUND

Commitment Item	Commitment Item Description	Vendor	Commitment
5020080000	FREIGHT EXPRESS DELV	FEDEX	113
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	54
5021540000	NON-IT OTHER PRO SRV	A WOMANS TOUCH LLC	1,469
5021540000	NON-IT OTHER PRO SRV	BNG PROCESS SERVICE	2,106
5021540000	NON-IT OTHER PRO SRV	J & J INVESTIGATIONS LLC	1,458
5021540000	NON-IT OTHER PRO SRV	MILLIGAN & ASSOCIATES	154
5021540000	NON-IT OTHER PRO SRV	NTHRIVE INC	10,380
5021540000	NON-IT OTHER PRO SRV	TPT INVESTIGATIONS LLC	1,360
5021540000	NON-IT OTHER PRO SRV	UPSTATE LEGAL SUPPORT SERVICES L	2,862
5021540000	NON-IT OTHER PRO SRV	WHITESELL INVESTIGATIVE SERVICES	2,057
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	481
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Insurance & Medical:			23,018

Judicial

Commitment Item	Commitment Item Description	Vendor	Commitment
5020010000	OFFICE EQUIP SERVICE	AMERICAN TIME DATA INC	1,053
5020080000	FREIGHT EXPRESS DELV	FEDEX	113
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	75
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	492
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Judicial:			2,258
Total EARMARKED FUND:			658,739

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.

State of South Carolina

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



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

Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

FROM: Gary Cannon
Executive Director

DATE: February 19, 2018

RE: Medical Services Provider Manual

Attached you will find comments from Concentra, Midlands Orthopedics, the SC Anesthesiologists Association and NCCI with respect to the proposed Medical Services Provider Manual.

From: [Mike Ross](#)
To: [Garyon Gary](#)
Cc: [Elizabeth Paine](#)
Subject: FY18 US Department of Labor Office of Workers' Compensation Anesthesia Fee Schedule
Date: Wednesday, February 13, 2019 11:50:09 AM
Attachments: [Effective_October_15_2018_Anesthesia_Procedure_Codes_with_base_units_zip_code_conversion_factor_anesthesia_modifiers_tab2.pdf](#)

Hi Gary,

Below are links to the United States Department of Labor Office of Workers' Compensation.

Main Page

<https://www.dol.gov/owcp/regs/feeschedule/fee/feeOct1518/view.htm>

Anesthesia Fee Schedule

https://www.dol.gov/owcp/regs/feeschedule/fee/feeOct1518/Effective_October_15_2018_Anesthesia_Procedure_Codes_with_base_units_zip_code_conversion_factor_anesthesia_modifiers_tab2.pdf

The anesthesia fee schedule is reported by zip code and Effective October 15 2018 for South Carolina the anesthesia fee scheduled is \$53.20, see attached file.

I hope the commissioners will have an opportunity to review the data and consider the significant amount of evidence documenting \$30 per unit is far below market rates.

Thanks

Mike

Analysis and Comments on the South Carolina Workers Compensation Anesthesia Fee Schedule

February 11, 2019

Prepared by:

Dr. Margareta Pate

Executive Director, SC Society of Anesthesiologists

and

Michael Bowe, MBA, CMA

President ResourceOne Medical Billing LLC

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Exhibit B GAO Report Medicare and Private Payment Differences for Anesthesia Services *	6
Exhibit C ASA Survey Results for Commercial Fees Paid for Anesthesia Services - 2018 *	7
Exhibit D 2019 Blue Cross State Health Plan Fee Schedule Anesthesia	8
Exhibit E 2019 South Carolina Medicare fee schedule	9
Exhibit F NCCI report on Anesthesia calculation and Top 50 Anesthesia Codes	10

Complete Government Accounting Office "Medicare and Private Payment Differences for Anesthesia Services" and "ASA Survey Results for Commercial Fees Paid for Anesthesia Services – 2018" available upon request *

SOUTH CAROLINA SOCIETY OF ANESTHESIOLOGISTS
P.O. BOX 20189 * CHARLESTON, S.C. 29413
www.scsadr.com
843-697-3114

February 11, 2019

South Carolina Workers' Compensation Commission
Attention: Gary Cannon
1333 Main Street, Suite 500
Columbia, SC 29202

RE: Proposed Changes to the Medical Services Provider

Manual Dear Commissioners:

The following comments are submitted on behalf of the physician members of the South Carolina Society of Anesthesiologists (SCSA). Our comments are directed to (1) the continued exclusion of any regular review of the conversion factor (AMAP) for anesthesia services and (2) the lack of any upward adjustment to the AMAP since 2010.

This year, the Commission's consultants, pursuant to Section 42-15-90(C)(1), have proposed several changes to the Maximum Allowable Payments (MAP) in the MSPM. What is not included in the consultants' recommendations is any review or proposed changes to the Anesthesia MAP.

Anesthesia reimbursement is different from all other physician services, in that a unit is defined on an entirely different system consisting of a base and time unit calculation. The current MAP for anesthesia services is \$30/unit. We have requested changes to the Commission's methodology and rates since 1998. In 2010, we received an update of our rate. Since 2010, the Commission has not updated nor implemented a regular review of the AMAP, unlike the regular review and updates to the MAP for all other physicians.

To give you an idea of how much the Commission's \$30/unit is well below the marketplace see below:

SC State Health Plan	\$58.00/unit
Average Managed Care	\$76.32 / unit (Mean)

We use the State Health Plan as a reasonable proxy because it is a publicly financed program and is highly regulated by the State of South Carolina through the budget process of the General Assembly. (Reference table of CPT codes and allowed amount Exhibit A.)

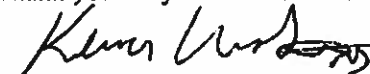
The 1998 changes to the Commission's methodology exacerbated an undisputed error by the Medicare program, which undervalued anesthesia services (Exhibit B GAO Report). The Commission seemed to recognize this lack of parity when they adjusted our rate up in 2010. Since then, we have received neither regular reviews nor any adjustments to the AMAP.


The Commission's statute Section 42-15-90(C)(1) reads that the Commission '*...may adopt criteria to establish a new fee schedule or adjust an existing fee schedule ...based in whole or in part on the requirements of a federally funded program....*' Commission staff has referred to this portion of the statute as a requirement to use Medicare as the benchmark. The Commission may certainly use the Medicare formula (RBRVS), as do almost all payers, but the language of the statute does not in fact require using the Medicare unit values. The Commission in fact does not use the Medicare unit value. Just as it did in 2010, the Commission has the ability to increase the AMAP unit value.

Please find several attachments that address the parity issue with the AMAP versus MAP; comparison of other payers in the market; issues with the methodology used by the Commission's consultants; and research conducted by our national organization, the American Society of Anesthesiologists (Exhibit C) and the Government Accounting Office (Exhibit B).

We are asking the Commission to (1) increase the AMAP from the current \$30/unit to \$58/unit, which would be comparable to the State Health Plan and (2) implement an annual review and analysis of the AMAP, in the same schedule and process as the MAP.

Thank you for your consideration.


Kevin Walker, M.D.
President, SCSA


Margarita M. Pate, PhD
Executive Director, SCSA

Comments:

South Carolina Workers Compensation's \$30 per anesthesia unit undervalues anesthesia based on:

GAO report documenting Medicare pays one third of commercial rates for anesthesia. South Carolina's Medicare 2019 anesthesia fee schedule is \$21.36 (3 X 21.36 = \$64.08) Exhibit B&E

ASA pier reviewed survey documenting the Mean market rate per anesthesia unit is over \$76. Exhibit C

The Blue Cross State Health Plan published fee schedule's anesthesia unit is \$58. Exhibit D

The Blue Cross State Health Plan individual code analysis indicating the South Carolina Workers Compensation rate for anesthesia is 51% of the State Health Plan Rate and was the only code paying less than the State Health Plan of the codes reviewed. Exhibit A

All of South Carolina Workers compensation fee schedule might not exceed the Blue Cross State Health Plan fee schedule by the anesthesia unit value represents 100% of the anesthesia services.

After several discussions about the report provided by National Council on Compensation Insurance (NCCI), we were unable to identify the source data or the methods of calculation. Several significant inconsistencies exist in this report and were unexplained as of 2-11-19.

If the MAP is \$30 per unit why did the Median Paid per Unit vary from the low \$20 to over \$227 for the top 50 anesthesia procedures reported by NCCI? Exhibit F

EXHIBIT A

SC Workers Compensation Allowed Amount VS. State Health Plan Allowed Amount

CPT	State	W-C	W-C/State
-----	-------	-----	-----------

Anesthesia	58.00	30.00	52%
------------	-------	-------	-----

99211	19.78	26.00	131%
199281	22.32	29.00	130%
99231	38.60	53.50	139%
99224	28.44	54.00	190%
99282	40.74	56.50	139%
99201	40.69	57.50	141%
99212	41.88	57.50	137%
99241	50.55	63.50	126%
99251	52.80	66.50	126%
99283	81.84	84.50	103%
99238	69.99	95.00	136%
99213	69.40	97.00	140%
99217	69.99	98.00	140%
99232	71.09	98.00	138%
99225	50.31	98.50	196%
99202	71.79	99.00	138%
99252	80.87	102.00	126%
99218	65.61	109.12	166%
99242	95.49	120.00	126%
99221	95.14	137.00	144%
99233	100.61	141.00	140%
99226	75.46	142.50	189%
99203	102.91	143.50	139%
99214	105.30	143.50	136%
99239	101.70	145.00	143%
99253	123.56	156.50	127%
99284	127.55	160.50	126%
99243	131.42	164.50	125%
99292	132.87	166.00	125%
99234	133.41	181.00	136%
99219	109.35	182.25	167%

99222	129.05	185.50	144%	
99215	142.02	193.50	136%	
99220	153.10	215.50	141%	
99204	160.34	220.00	137%	
99254	178.60	227.50	127%	
99235	170.07	229.00	135%	
99285	199.84	236.50	118%	
99244	196.57	247.00	126%	
99255	217.91	274.00	126%	
99223	190.28	274.50	144%	
99205	202.01	276.50	137%	
99236	217.61	295.00	136%	
99245	241.50	301.00	125%	
99291	296.57	361.50	122%	
27403	829.10	859.00	104%	arthrotomy with meniscus repair, knee
29827	\$ 1,190.50	1,429.50	120%	rotator cuff repair
49505	\$ 673.91	703.00	104%	hernia

EXHIBIT B

July 2007



Highlights

Highlights of GAO-07-463, a report to the Subcommittee on Health, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

In 2005 Medicare paid over \$1.4 billion for anesthesia services. These services are generally provided by anesthesia practitioners, such as anesthesiologists and certified registered nurse anesthetists (CRNAs). A government-sponsored study found that Medicare payments for anesthesia services are lower than private payments. Congress is concerned that this difference may create regional discrepancies in the supply of anesthesia practitioners, and asked GAO to explore this issue.

GAO examined (1) the extent to which Medicare payments for anesthesia services were lower than private payments across Medicare payment localities in 2004, (2) whether the supply of anesthesia practitioners across Medicare payment localities in 2004 was related to the differences between Medicare and private payments for anesthesia services or the concentration of Medicare beneficiaries, and (3) compensation levels for anesthesia practitioners in 2005 and trends in graduate training. GAO used claims data from two anesthesia service billing companies that bill private insurance payers and Medicare to calculate payments by payer for seven anesthesia services in 41 Medicare payment localities. GAO also used data from the Centers for Medicare & Medicaid Services (CMS) and other sources to determine practitioner supply and Medicare beneficiary concentration in 87 Medicare payment localities.

www.gao.gov/cgi-bin/gettr?GAO-07-463

To view the full product, including the scope and methodology, click on the link above. For more information, contact Kathleen King at (202) 512-7114 or kkngk@gao.gov.

MEDICARE PHYSICIAN PAYMENTS

Medicare and Private Payment Differences for Anesthesia Services

What GAO Found

GAO found that in 2004 average Medicare payments for a set of seven anesthesia services provided by anesthesiologists alone were 67 percent lower than average private insurance payments in 41 Medicare payment localities—geographic areas established by CMS to account for geographic variations in the relative costs of providing physician services.

In 2004, there was no correlation between the overall supply of anesthesia practitioners—that is, the total number of both anesthesiologists and CRNAs per 100,000 people—and either the difference between Medicare and private insurance payments for anesthesia services or the concentration of Medicare beneficiaries in the Medicare payment localities included in GAO's analyses. However, when GAO examined the supply of anesthesiologists and CRNAs separately, GAO found correlations between practitioner supply and payment differences and practitioner supply and beneficiary concentration. Specifically, GAO found that in 2004, the supply of CRNAs tended to decrease as the difference between Medicare and private insurance payments for anesthesia services increased in 41 Medicare payment localities. GAO also found that in 2004 the supply of anesthesiologists tended to decrease as the concentration of Medicare beneficiaries increased across 87 Medicare payment localities, while the supply of CRNAs tended to increase as the concentration of Medicare beneficiaries increased across these Medicare payment localities.

For 2005, compensation for anesthesia practitioners was reported to compare favorably with other practitioners, according to information from medical group practices from across the country that responded to a survey of Medical Group Management Association (MGMA) member organizations. The 2005 median annual compensation for general anesthesiologists—approximately \$364,240—was over 10 percent higher than the median annual compensation for specialists and over twice the compensation for generalists. For 2005, MGMA-reported median annual compensation for CRNAs—approximately \$131,400—was over 40 percent higher than the MGMA-reported median annual compensation for either nurse midwives or nurse practitioners and over 35 percent higher than the MGMA-reported median annual compensation for physician assistants. The number of anesthesiology residency positions offered through the National Resident Matching Program and the number of nurse anesthesia graduates have increased in recent years.

CMS stated that the study provided a good summary of information collected from a variety of sources on anesthesia payments and the supply of anesthesia practitioners.

EXHIBIT C

ASA Survey Results for Commercial Fees Paid for Anesthesia Services – 2018

Stanley W. Stead, M.D., M.B.A., FASA
 ASA Vice President for Professional Affairs
 Sharon K. Merrick, M.S., CCS-P

ASA is pleased to present the annual commercial conversion factor survey for 2018. Each summer we anonymously survey anesthesiology practices across the country. We ask them to report up to five of their largest managed care (commercial) contracts conversion factors (CF) and the percentage each contract represents their commercial population, along with some demographic information. Our objectives for the survey are to report to our members the average contractual amounts for the top five contracts and to present a view of regional trends in commercial contracting.

Summary

Based on the 2018 ASA commercial conversion factor survey results, the national average commercial conversion factor was \$76.32, ranging between \$73.26 and \$81.32 for the five contracts. The national median was \$71.81, ranging between \$68.00 and \$76.34 for the five contracts (Figure 1, Table 1). In the 2017 survey, the mean conversion factor ranged between \$70.87 and \$83.38 and the median ranged between \$67.00 and \$76.30. In contrast, the current national Medicare conversion factor for anesthesia services is \$22,1887, or about 29.1 percent of the 2018 overall mean commercial conversion factor.

Figure 1: 2018 National Managed Care Contracts (\$/unit)

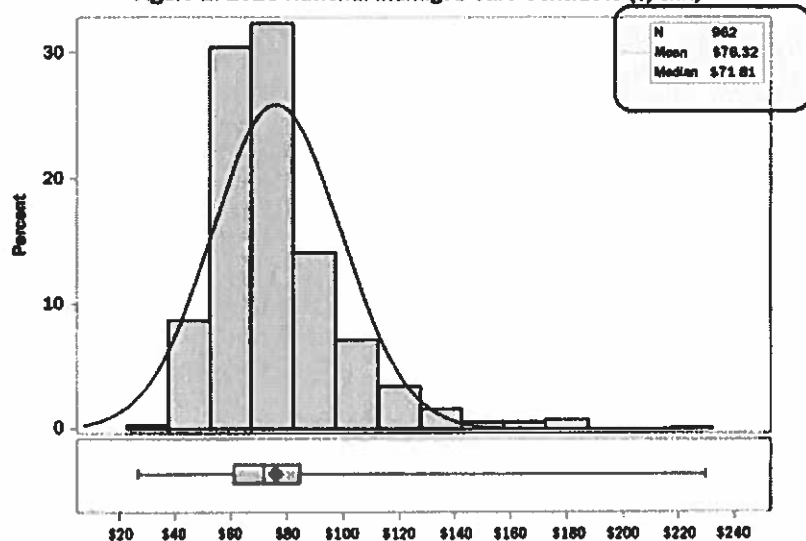


Figure 1 shows the frequency in percent and distribution of contract values. The estimated normal distribution is the solid blue line. We have added a box-and-whiskers plot of the same data immediately below the histogram. The left and right whiskers delineate the minimum and maximum values. The box represents the interquartile range, the left edge of the box is the 25th percentile, the vertical line in the box is the median, and the right edge of the box is the 75th percentile. The solid diamond in the box is the mean.



Stanley W. Stead, M.D., M.B.A., FASA is ASA Vice President for Professional Affairs and CEO of the Stead Health Group, Inc



Sharon K. Merrick, M.S., CCS-P is ASA Director of Payment and Practice Management.

EXHIBIT D

2019 State Health Plan Fee Schedule Anesthesia

Effective Beginning January 2019

Anesthesia Conversion Factor	Allowance
Anesthesiologist	\$ 58.00
Independent CRNA	\$ 37.28
Medically Directed CRNA	\$ 27.96

Epidural Allowable

01967 - AA	\$ 592.22
01968 - AA	\$ 250.15

Concurrency reductions will apply to QK, QX and QY modifiers.

Anesthesiologist Modifiers

AA - Anesthesia services performed personally by anesthesiologist (includes reimbursement of any employed CRNA)

QK - Medical direction of two, three or four concurrent anesthesia procedures involving non-employed CRNAs

QY - Medical direction of one non-employed CRNA by an anesthesiologist

AD - Medical supervision by a physician; more than four concurrent anesthesia procedures

Time Units will be based upon 15 minute units rounded to the nearest tenth.

Minutes should be reported in the Days/Units field of the claim form.

CRNA Modifiers

QX - CRNA service: with medical direction by a physician.

QZ - CRNA service: without medical direction by a physician.

P3 - 1 Relative Value Unit

P4 - 2 Relative Value Units

P5 - 3 Relative Value Units

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EXHIBIT E

Medicare

Date

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CPT codes and modifiers begin with a numeric character and HCPCS codes and modifiers begin with an alpha character.

All Current Procedural Terminology (CPT) codes and descriptors are copyrighted 2018 by the American Medical Association.

South Carolina Part B Fee Schedules - 2019

- These amounts apply when services is performed in a facility setting.'

C - The payment for the technical component is capped at the OPPI amount.'

Limiting Charge applies to unassigned claims by non-participating providers.'

Notes	Proc. Code	Mod	Par Fee	Non-Par Fee	Limiting Charge	Effective Date
	ANSCF		\$21.36	\$20.29	\$23.33	20190101
	01996		\$64.08	\$60.88	\$70.01	20190101
	0054T		\$141.32	\$134.25	\$154.39	20190101
	0055T		\$141.32	\$134.25	\$154.39	20190101
	0075T		\$1,175.06	\$1,116.31	\$1,283.76	20190101
	0075T	26	\$884.90	\$840.66	\$966.76	20190101
	0100T		\$1,748.73	\$1,661.29	\$1,910.48	20190101
	0191T		\$308.17	\$292.76	\$336.67	20190101
	0202T		\$2,212.44	\$2,101.82	\$2,417.09	20190101
#	0202T		\$1,345.45	\$1,278.18	\$1,469.91	20190101
	0213T		\$191.92	\$182.32	\$209.67	20190101
#	0213T		\$108.81	\$103.37	\$118.88	20190101
	0214T		\$95.22	\$90.46	\$104.03	20190101
#	0214T		\$61.63	\$58.55	\$67.33	20190101
	0215T		\$96.22	\$91.41	\$105.12	20190101
#	0215T		\$62.64	\$59.51	\$68.44	20190101
	0216T		\$171.46	\$162.89	\$187.32	20190101
#	0216T		\$92.01	\$87.41	\$100.52	20190101
	0217T		\$86.13	\$81.82	\$94.09	20190101
#	0217T		\$52.57	\$49.94	\$57.43	20190101
	0218T		\$87.47	\$83.10	\$95.57	20190101
#	0218T		\$53.21	\$50.55	\$58.13	20190101

EXHIBIT F

From: Raji Chadravean
 To: Cannon, Gary; Susan, Schulte
 Cc: Raji Chadravean
 Subject: RE: Conference call today at 2
 Date: Monday, February 01, 2019 9:58:45 PM
 Attachments: [image001.png](#)
[image003.png](#)

Good evening Gary,

Here is an example with no reported modifiers, and thus the payment is for an anesthesiologist

Invoice No	DT_OF_SRV	PROC_CD_DER	PAID_PROC_CD_MDFY	PAID_AMT	CRMG_AMT	UNIT_CMT_DER	CRMG_2018_BASL_UNIT	TIME_UNITS_ROUNDEDUP	TOTAL_UNITS	MAR - Total Units * 30
1	3/7/2017	01400		164.00	1120.00	60	4	4	0	240

No adjustment to the MAR was paid amount.

Per SC rules:

Calculating the AMAP (MAR) for each service requires two value components: a Basic MAP amount and a time value amount. Time units are calculated by dividing the reported anesthesia time by fifteen and are rounded up to the next highest unit.

For this visit, I call the Basic MAP + Time Value Amount the Total Units.

The conversion factor for SC is 30.

Calculated liability:

Paid to MAR = 216/240 = 90%

The next example illustrates transactions with reported modifiers reflecting a supervising anesthesiologist and a CRNA.

Invoice No	DT_OF_SRV	PROC_CD_DER	PAID_PROC_CD_MDFY	PAID_AMT	CRMG_AMT	UNIT_CMT_DER	CRMG_2018_BASL_UNIT	TIME_UNITS_ROUNDEDUP	TOTAL_UNITS	MAR - Total Units * 30	Adjusted MAR
1	3/7/2017	01400	01	128.00	690.00	60	1	5	0	240	120
2	3/7/2017	01400	02	128.00	468.00	60	1	5	0	240	120
Total				256.00	1158.00	120	2	10	0	480.00	240

Per SC rules:

Calculating the AMAP (MAR) for each service requires two value components: a Basic MAP amount and a time value amount. Time units are calculated by dividing the reported anesthesia time by fifteen and are rounded up to the next highest unit.

For this visit, I call the Basic MAP + Time Value Amount the Total Units.

The conversion factor for SC was 30.

When a physician supervises a CRNA and each bill separately, each is entitled to the lesser of billed charges or 50 percent of the total amount.

01 - Physician provides medical direction of concurrent anesthesia by or under the supervision of qualified individuals.

02 - Anesthesia services performed by CRNA with medical direction by a physician.

Calculated liability:

Paid to MAR = 316/240 = 90%

Thank you,

Raji

Raji Chadravean
 Director, Medical Regulation and Informatics, Actuarial and Economic Services
 National Council on Compensation Insurance
 The Source You Trust
 501 Pineside Corporate Circle, Boca Raton, FL 33487-1362
 561-397-3486 (W) 818-687-4709 (M) 561-450-1521 (F)
raji_chadravean@ncci.com | NCCI.com

From: Cannon, Gary <gcannon@wcc-nc.gov>
 Sent: Friday, February 01, 2019 3:51 PM
 To: Susan Schulte <Susan_Schulte@ncci.com>; Raji Chadravean <Raji_Chadravean@NCCI.com>
 Subject: FW: Conference call today at 2

Susan and Raji

Below is an email from the Mike Bown on behalf of the anesthesiologists with accompanying documents. Please review so that we can discuss Monday at 10:30 AM.

Thank you for all you do for us.

Gary M. Cannon
 Executive Director

From: Mike Bown <mike.bown@wcc-nc.gov>
 Sent: Friday, February 01, 2019 3:43 PM
 To: Cannon, Gary <gcannon@wcc-nc.gov>; raji_chadravean@ncci.com
 Cc: Ducote, Wayne <wducote@ncci.com>
 Subject: RE: Conference call today at 2

Hi Gary,

Thanks for the information. I have several questions and requests.

- 1 Please ask NCCI to provide specific details on how they calculated the reports. It lists "Paid Percentage of South Carolina 2018 MAR" and that is open to lots of interpretations. It could be saying 91% of claims filed were paid and 9% were received but not paid.
- 2 How do they gather the data? We send claims directly to the insurance company not one central location. Is this just SC W/C claims?
- 3 When requesting "anesthesia codes" I would specify ASA/CPT codes 00100 to 01999.
- 4 I would ask them to list the code, billed amount, allowed amount, and paid amount FOR BOTH MD AND CRNA. This will show how far under billed charges W/C is.

Action Item something is wrong with the way they are responding to the question.

You can see from the ASA survey the Median Managed Care contracted amount is over \$70.
 The GAO confirms Medicare (\$21) is 1/3 of managed care rates in 2004 (\$21 * 3 = \$63 per unit)



Source: NCCI Medical Data Call for South Carolina Service Years 2013 - 2017
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Top 50 Anesthesia Codes Sorted by Service Year 2017 Paid Percentage in South Carolina

Service Year	2013		2014		2015		2016		2017	
	Paid Percentage of Anesthesia Payments	Median Paid per Unit	Paid Percentage of Anesthesia Payments	Median Paid per Unit	Paid Percentage of Anesthesia Payments	Median Paid per Unit	Paid Percentage of Anesthesia Payments	Median Paid per Unit	Paid Percentage of Anesthesia Payments	Median Paid per Unit
01630	15.2%	\$ 30.22	14.2%	\$ 29.12	15.5%	\$ 29.31	15.0%	\$ 27.66	15.5%	\$ 28.72
01400	9.2%	\$ 33.13	8.1%	\$ 32.22	8.5%	\$ 32.20	8.6%	\$ 33.20	9.1%	\$ 32.01
00670	9.7%	\$ 35.04	9.5%	\$ 36.67	9.7%	\$ 34.96	10.0%	\$ 35.69	8.1%	\$ 33.41
01830	6.3%	\$ 25.17	5.7%	\$ 25.00	6.3%	\$ 25.46	6.3%	\$ 24.55	6.8%	\$ 25.44
01810	7.3%	\$ 35.63	6.7%	\$ 30.00	7.0%	\$ 30.00	7.0%	\$ 29.40	6.7%	\$ 29.40
01480	4.8%	\$ 23.68	4.8%	\$ 23.52	5.3%	\$ 23.02	5.0%	\$ 22.50	5.1%	\$ 22.50
01952	1.7%	\$ 113.88	6.6%	\$ 89.33	3.1%	\$ 86.55	5.8%	\$ 90.28	4.6%	\$ 92.65
00630	7.3%	\$ 30.49	5.2%	\$ 30.25	5.8%	\$ 31.83	4.8%	\$ 30.57	4.0%	\$ 29.88
00400	3.4%	\$ 33.75	4.7%	\$ 30.00	4.7%	\$ 29.72	3.3%	\$ 29.17	3.7%	\$ 30.00
AN701	3.1%	\$ 47.06	2.9%	\$ 47.56	2.6%	\$ 47.25	2.4%	\$ 45.07	2.7%	\$ 45.20
00300	1.0%	\$ 32.14	1.1%	\$ 30.00	1.9%	\$ 35.67	2.7%	\$ 36.16	2.7%	\$ 34.32
01951	2.3%	\$ 74.44	1.9%	\$ 75.18	1.9%	\$ 49.11	1.4%	\$ 42.86	1.8%	\$ 59.21
AN702	1.8%	\$ 28.85	1.6%	\$ 27.75	1.5%	\$ 30.85	1.5%	\$ 31.00	1.8%	\$ 30.48
01402	1.5%	\$ 27.13	1.6%	\$ 26.94	1.4%	\$ 29.09	1.7%	\$ 27.26	1.8%	\$ 27.32
01710	1.7%	\$ 27.45	1.8%	\$ 24.96	1.4%	\$ 25.63	1.2%	\$ 24.51	1.7%	\$ 24.00
01740	1.0%	\$ 26.04	1.2%	\$ 34.44	0.8%	\$ 23.69	1.4%	\$ 22.87	1.2%	\$ 26.46
01392	0.8%	\$ 21.72	0.9%	\$ 23.20	1.0%	\$ 22.34	1.4%	\$ 24.75	1.2%	\$ 22.62
00840	0.9%	\$ 30.29	0.5%	\$ 29.25	1.0%	\$ 31.47	0.9%	\$ 30.00	1.1%	\$ 29.70
01610	1.0%	\$ 34.48	0.7%	\$ 26.59	0.9%	\$ 30.00	0.8%	\$ 30.00	1.1%	\$ 28.13
01638	1.0%	\$ 31.68	0.6%	\$ 32.10	1.1%	\$ 30.35	0.9%	\$ 31.90	1.0%	\$ 29.86
00600	2.3%	\$ 30.14	1.6%	\$ 28.95	1.3%	\$ 31.91	1.8%	\$ 30.00	1.0%	\$ 31.68
00830	1.2%	\$ 29.35	1.2%	\$ 27.00	1.3%	\$ 26.46	0.9%	\$ 26.07	1.0%	\$ 26.25
01936	0.9%	\$ 71.18	1.0%	\$ 35.36	0.7%	\$ 33.75	0.8%	\$ 31.42	0.9%	\$ 36.64
01470	1.3%	\$ 27.25	1.1%	\$ 25.71	1.1%	\$ 25.70	0.8%	\$ 26.05	0.9%	\$ 26.16
01464	0.7%	\$ 26.10	0.5%	\$ 23.49	0.8%	\$ 24.19	0.7%	\$ 23.42	0.8%	\$ 26.94
01230	0.5%	\$ 33.33	0.9%	\$ 26.69	0.7%	\$ 25.07	1.2%	\$ 32.14	0.8%	\$ 25.20
00620	0.9%	\$ 41.86	0.4%	\$ 35.42	0.5%	\$ 36.60	0.4%	\$ 31.03	0.6%	\$ 33.75
01718	0.2%	\$ 42.00	0.3%	\$ 42.86	0.2%	\$ 26.97	0.3%	\$ 34.09	0.5%	\$ 26.95
01820	0.5%	\$ 31.41	0.3%	\$ 24.00	0.6%	\$ 27.63	0.3%	\$ 29.72	0.5%	\$ 30.00
01840	0.4%	\$ 32.90	0.4%	\$ 23.21	0.1%	\$ 32.93	0.2%	\$ 31.00	0.5%	\$ 141.53
01992	0.2%	\$ 106.00	1.2%	\$ 89.25	0.8%	\$ 76.29	0.4%	\$ 71.80	0.5%	\$ 103.85
01160	0.0%	\$ 41.84	0.1%	\$ 108.00	0.0%	\$ 9.73	0.0%	\$ 17.15	0.4%	\$ 51.37
01214	0.2%	\$ 30.25	0.4%	\$ 30.07	0.4%	\$ 29.42	0.6%	\$ 26.92	0.4%	\$ 30.85
00752	0.2%	\$ 31.07	0.2%	\$ 27.00	0.3%	\$ 32.73	0.2%	\$ 51.08	0.4%	\$ 32.44
01712	0.2%	\$ 37.50	0.3%	\$ 30.22	0.6%	\$ 39.10	0.4%	\$ 34.65	0.4%	\$ 34.04
01474	0.1%	\$ 39.26	0.0%	\$ 21.46	0.0%	\$ 56.30	0.1%	\$ 29.28	0.3%	\$ 96.50
00790	0.2%	\$ 29.82	0.5%	\$ 32.14	0.3%	\$ 25.40	0.4%	\$ 25.50	0.3%	\$ 33.01
00190	0.1%	\$ 38.94	0.4%	\$ 23.08	0.5%	\$ 25.74	0.4%	\$ 27.08	0.3%	\$ 27.94
01320	0.3%	\$ 26.33	0.2%	\$ 23.59	0.2%	\$ 29.61	0.4%	\$ 26.46	0.3%	\$ 22.79
01215	0.1%	\$ 56.62			0.1%	\$ 445.90			0.3%	\$ 227.75
01620	0.3%	\$ 54.15	0.3%	\$ 50.00	0.2%	\$ 51.92	0.3%	\$ 63.45	0.3%	\$ 52.50
01472	0.2%	\$ 29.42	0.2%	\$ 27.50	0.5%	\$ 27.81	0.2%	\$ 28.42	0.3%	\$ 23.71
01380	0.2%	\$ 34.62	0.3%	\$ 33.31	0.4%	\$ 51.69	0.1%	\$ 26.58	0.3%	\$ 28.56
00160	0.4%	\$ 39.71	0.5%	\$ 40.15	0.5%	\$ 38.25	0.4%	\$ 37.97	0.2%	\$ 33.75
01173	0.0%	\$ 32.31	0.3%	\$ 42.74	0.3%	\$ 27.53	0.2%	\$ 32.34	0.2%	\$ 34.48
00140	0.2%	\$ 37.09	0.3%	\$ 29.46	0.4%	\$ 26.40	0.5%	\$ 61.11	0.2%	\$ 25.00
01120	0.0%	\$ 22.67	0.2%	\$ 30.38	0.1%	\$ 23.36	0.3%	\$ 43.27	0.2%	\$ 28.90
01202	0.2%	\$ 24.53	0.3%	\$ 23.04	0.2%	\$ 23.10	0.1%	\$ 21.88	0.2%	\$ 21.23
01922	0.3%	\$ 55.57	0.4%	\$ 36.00	0.6%	\$ 50.74	0.3%	\$ 63.08	0.2%	\$ 43.13
01953	0.1%	\$ 32.24	0.4%	\$ 70.00	0.2%	\$ 77.00	0.3%	\$ 38.99	0.2%	\$ 38.50

South Carolina Workers' Compensation Commission
Attn: Amy Proveaux
1333 Main Street, 5th Floor
PO Box 1715
Columbus, SC 29202-1715

January 29, 2019

Ms. Proveaux:

Please let this letter serve as Concentra's written comments on the proposed 2019 Medical Services Provider Manual (MSPM). We are in support of all the proposed changes and have no further input on those changes. Our key comment relates to the conversion factor update.

The South Carolina medical fee schedule conversion factor has been unchanged since 2010. During this time, certain Medicare RVUs have changed, however, no inflationary adjustment has been applied to the South Carolina conversion factor.

The impact of 9 years of no inflationary increases has moved the SC fee schedule, as benchmarked by WCRI¹, as one at the median levels of all fee schedules in July 2011 to one that is now below the median of states with fee schedules.

As it relates to the potential adjustment to the current conversion factor of \$50, it should be noted that from 2010 to 2019, the Medicare Economic Index (MEI), grew approximately 8.2%.

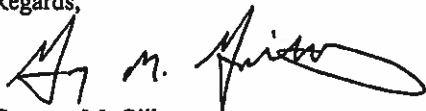
The MEI² is a measure of practice cost inflation that was developed in by CMS 1975 to estimate annual changes in physicians' operating costs and earnings levels. Of note, many states use the MEI (Texas, Georgia, Maryland and California) to annually adjust their RBRVS workers' conversation fee schedule as does Medicare. The Medicare RBRVS system was developed to use the MEI each year in its update and to use an RBRVS based system without this annual update distorts the original design of that system.

Because of the MEI changes referenced above, we believe a fair and defensible increase to the South Carolina conversion factor would be 6%, or \$53 as proposed in Chart 2.

It should be noted that if the conversion is left unchanged as it was when last reviewed in 2-017, it would result in an overall decrease to our reimbursement by approximately .50%. I'm sure this is not the intention of your fee schedule update process. Given our costs of doing business goes up each year, this model will be hard to sustain for most providers providing care to injured workers in South Carolina

Thank you for the opportunity to comment on the proposed rules and welcome any further questions you may have on our proposal.

Regards,



Gregory M. Gilbert
SVP Reimbursement and Government Relations

CC: Mike Kosuth

¹ WCRI's *Designing Workers' Compensation Medical Fee Schedules, 2016*

² Refence CMS Web Site for Market Basket Indices at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/MedicareProgramRatesStats/MarketBasketData.html>

February 10, 2019

Gary Cannon
Executive Director
SC Workers' Compensation Commission
Via email: aproveaux@wcc.sc.gov

MIDLANDS
orthopaedics
& **NEUROSURGERY**

Dear Mr. Cannon:

I appreciate the Commission's commitment to providing annual updates to the Medical Services Provider Manual. Keeping the CPT and HCPCS codes in synch with the AMA manuals and the rest of the medical community is extremely helpful. I also appreciate the Commission's willingness to receive input from stakeholders throughout the year and this particular opportunity to provide comments on the Proposed Changes to the Medical Services Provider Manual that will be effective April 1, 2019.

Conversion Factor

I respectfully request that the Commission select a conversion factor that results in an increase for all provider types.

Workers' compensation remains the most administratively burdensome type of care healthcare providers deliver. In 2018, our practice filed 143,601 claims for services rendered: 10% (14,430) of those claims were for workers' compensation patients and 90% (129,171) were for all other patients. To meet the administrative requirements of workers' compensation, we employ 5 full-time staff members compared to 10 full-staff members to handle the authorization and claims administration for the other 90% of our business. We have maintained a dedicated workers' compensation team within our practice for many years in an effort to serve the comp community as efficiently as possible, but the cost of doing so is drifting ever closer to the benefit. As medical practices continue to be acquired by hospitals and hospitals begin to consolidate, dedicated workers' compensation departments within those organizations are likely in danger of being phased out unless a clear ROI exists to maintain them. We also feel that pressure.

I recognize that Medical Services Provider rate calculations are currently guided by statutory requirements that are not easy to change. That being said, I encourage the Commission to consider alternatives to the current methodology in the future. In addition to significant variations in the workers' compensation population as compared to the Medicare population overall, even Medicare's payment methodologies are changing.

Providers currently have their Medicare rates adjusted up or down based on their performance in CMS' Quality Payment Program. Additionally, CMS has several value-based models underway in which providers are incentivized to work together to achieve high quality outcomes at an overall lower cost. Midlands is currently participating in the Bundled Payments for Care Improvement (BPCI) Initiative for total joint and spine surgery. While this program is not directly applicable to workers' compensation, I bring it up to highlight that even Medicare is quickly evolving from its traditional payment models and private insurers are following suit – some much more quickly than Medicare. As provider focus shifts to maximizing value-based opportunities and building the infrastructure needed to succeed in that realm, resources currently devoted to workers' compensation may be reallocated to meet needs with a higher rate of return.

Section 7. Physical Medicine

Medicare has indeed announced its intent to reduce payment for services rendered by a physical therapy assistant (PTA) or an occupational therapy assistant (OTA) effective January 1, 2020. At a minimum, I request that the Commission delay implementation of this provision to coincide with CMS' implementation date because implementing it now will require yet another administrative task that applies only to workers' compensation claims.

Two other factors should be considered in this decision. First, workers' compensation patients need and benefit from therapy services more urgently than Medicare patients simply due to the nature of injuries versus more chronic conditions. The use of PTAs and OTAs who are directly supervised by physical and occupational therapists allows us to enhance access without sacrificing quality or outcomes.

Second, the vast majority of employers and/or their TPAs or insurance carriers utilize third party therapy networks that require steep discounts from the Provider Manual rates. While providers are not required to participate in these networks, we lose the opportunity to provide therapy services if we do not. Therefore, practically speaking, therapy reimbursement is already steeply discounted from the current Provider Manual rates making it unaffordable to fully staff a therapy clinic without utilizing licensed therapy assistants. Additional discounts are simply not sustainable.

Section 8. Special Reports and Services

The proposed change for this Section eliminates the per page copying cost for records delivered in an electronic format. As with most aspects of care, workers' compensation is not comparable to any other payer type in terms of the demand for records. These requests occur much more frequently than in other types of care, requiring us to have a staff member for this purpose.

Records release remains a labor-intensive activity. While less time is spent standing at a copy machine, more time is spent searching the electronic chart for the appropriate records and compiling them for extraction. As a result of federal mandates for providers to improve continuity of care, our electronic health record systems receive large amounts of unsolicited information from a patient's other providers. Culling through that information to isolate and compile the requested documentation into a secure electronic format offsets any reduction in time previously spent making copies. I realize that the copying costs were intended to pay for toner, paper and copiers more than the labor, but we now incur the costs of licensing fees for our EHRs as well as scanners and computers; and the \$15.00 allowed as a clerical and handling fee is not adequate.

I acknowledge that neither the proposed therapy or special reports proposals are monumental in and of themselves; and yet, from the perspective of a private orthopaedic and neurosurgery practice that has strived to be an engaged and constructive participant in the workers' compensation community, it feels like death by a thousand cuts. Broadly speaking, healthcare delivery and the healthcare marketplace are transforming at a dizzying pace. Providers must be wholly focused on redefining themselves to survive (and hopefully thrive) in an ever-evolving landscape. To the extent that workers' compensation fails to keep pace with the healthcare marketplace, becomes a distraction and/or is requiring resources that could be better utilized in other departments to further our broader goals, we will continually evaluate the extent of our participation as providers in the system.

I am hopeful all workers' compensation stakeholders will be able to work together in the near future to modernize care delivery to injured workers, and I am always ready to collaborate toward that end.

Respectfully,

Ann Margaret McCraw

AnnMargaret McCraw
Chief Executive Officer
Midlands Orthopaedics & Neurosurgery, P.A.
1910 Blanding Street
Columbia, SC 29201
annm@midorthoneuro.com



RESPONSES TO QUESTIONS REGARDING THE MEDICAL DATA REPORT FOR THE STATE OF SOUTH CAROLINA

NCCI provides an annual Medical Data Report for the state of South Carolina. The South Carolina Workers' Compensation Commission has submitted a request for additional information regarding the 2018 Medical Data Report for the state of South Carolina. The requests and responses are below.

Request 1 – Please provide a 5-year comparison of the anesthesia payments for the top 50 anesthesia codes.

Response 1 – Please see the attached excel file for a comparison of Service Years 2013-2017 of the top 50 anesthesia codes for Service Year 2017 ranked by payments.

Request 2 – Please provide a 3-year history of anesthesia payments as a percentage of the South Carolina maximum allowable reimbursement (MAR).

Response 2 – The chart below provides the payments for anesthesia services for Service Years 2015-2017 as a percentage of the 2018 South Carolina MAR.

Service Year	Paid Percentage of South Carolina 2018 MAR ¹
2015	88%
2016	87%
2017	91%

Source: NCCI Medical Data Call, Service Years 2015-2017.

¹ Reimbursement amounts have been adjusted for South Carolina specific procedure code modifiers.

From: [Mike Bowe](#)
To: [Cannon, Gary](#)
Cc: [Margarita Pate](#)
Subject: State vs WC
Date: Thursday, February 14, 2019 12:35:39 PM
Attachments: [WC vs State.pdf](#)

Hi Gary,

I looked at the top 5 anesthesia codes on NCCI's report and cross-walked them to the common surgical CPT codes. I then looked up the State vs WC rates and came up with the corresponding table. A few of the codes are below the State but on average they are 107% of the B/C State allowed amount. I did this to get more data for Exhibit A. 107% of the B/C State anesthesia allowed amount would be \$62.06. Once again 100% of the W/C anesthesia allowed amount is based on the \$30 per unit rate.

Thanks

Mike

**SC Workers Compensation Allowed Amount
VS. State Health Plan Allowed Amount
CPT codes for top 5 Anesthesia codes**

ASA Code	CPT	State	W-C	W-C/State	
	Anesthesia	58.00	30.00	52%	
01830	11012	463.00	577.50	125%	Debridement including removal of foreign material at the site of an open fracture and/or an open dislocation (eg, excisional debridement); skin, subcutaneous
00670	22585	564.12	448.50	80%	Arthrodesis, anterior interbody technique, including minimal discectomy to prepare interspace (other than for decompression); each additional interspace
01630	24518	1,104.40	1,157.50	105%	Treatment of humeral shaft fracture, with insertion of intramedullary implant, with or without cerclage and/or locking screws
01810	25020	713.23	764.00	107%	Decompression fasciotomy, forearm and/or wrist, flexor OR extensor compartment; without debridement of nonviable muscle and/or nerve
01810	25248	601.63	556.00	92%	Exploration with removal of deep foreign body, forearm or wrist
01830	25526	1,305.30	1,278.50	98%	Open treatment of radial shaft fracture, includes internal fixation, when performed, and open treatment of distal radioulnar joint dislocation
01830	25609	1,125.66	1,406.50	125%	Open treatment of distal radial intra-articular fracture or epiphyseal separation, with internal fixation of 3 or more fragments
01810	26542	660.98	687.50	103%	Reconstruction, collateral ligament, metacarpophalangeal joint, single, with local tissue (eg, adductor advancement)
01830	26765	494.27	668.00	135%	Open treatment of distal phalangeal fracture, finger or thumb, includes internal fixation, when performed, each
01400	27310	923.71	982.50	106%	Arthrotomy, knee, with exploration, drainage, or removal of foreign body (eg, infection)
01400	27403	829.10	859.00	104%	Arthrotomy with meniscus repair, knee
01400	27409	1,229.83	1,284.50	104%	Repair, primary, torn ligament and/or capsule, knee; collateral and cruciate
01630	29807	1,124.59	1,396.00	124%	Arthroscopy, shoulder, surgical; repair of SLAP lesion
01630	29827	1,190.50	1,429.50	120%	Arthroscopy, shoulder, surgical, with rotator cuff repair
00670	63045	1,501.94	1,734.50	115%	Laminectomy, facetectomy and foraminotomy (unilateral or bilateral with decompression of spinal cord, cauda equina and/or nerve root[s], [eg, spinal or lateral
00670	63047	1,829.32	1,486.00	81%	Laminectomy, facetectomy and foraminotomy (unilateral or bilateral with decompression of spinal cord, cauda equina and/or nerve root[s], [eg, spinal or lateral
01810	64721	512.59	573.00	112%	Neuroplasty and/or transposition; median nerve at carpal tunnel
Total		\$ 16,374.17	\$ 17,489.00	107%	