

# A G E N D A

## SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5<sup>th</sup> Floor  
Columbia, South Carolina 29201  
**June 5, 2023 10:30 a.m.**

### Meeting to be held in Hearing Room A

The Commission's Business Meeting will be broadcast live on the Internet via Zoom. Interested parties may access the broadcast at the following link:

Join Zoom Meeting

<https://us02web.zoom.us/j/8249297108?pwd=akcwMkMxSnYzQWFxdEs4V2x6UWtyUT09>

Meeting ID: 824 929 7108

Passcode: 073988

*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 CHAIRMAN BECK  
OF JUNE 5, 2023
3. APPROVAL OF MINUTES OF THE REGULAR BUSINESS MEETING CHAIRMAN BECK  
OF MAY 8, 2023 (Tab 1)
4. GENERAL ANNOUNCEMENTS MR. CANNON
5. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) MS. BROWN
6. DEPARTMENT DIRECTORS' REPORTS MS. WARD  
Human Resources (Tab 3) MR. PLUSS  
Information Services (Tab 4) MR. DUCOTE  
Insurance and Medical Services (Tab 5) MS. SPANN  
Claims (Tab 6) MS. BRACY  
Judicial (Tab 7)
7. DEPARTMENT OF VOCATIONAL REHABILITATION MR. CANNON  
Monthly Report (Tab 8)
8. EXECUTIVE DIRECTOR'S REPORT (Tab 9) MR. CANNON
9. FINANCIAL REPORT (Tab 10) MR. CANNON
10. OLD BUSINESS CHAIRMAN BECK
11. NEW BUSINESS CHAIRMAN BECK  
Recommendation from the Ad Hoc Advisory Committee
12. EXECUTIVE SESSION CHAIRMAN BECK  
General Counsel has requested an Executive Session to discuss pending litigation.
13. ADJOURNMENT CHAIRMAN BECK

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**TAB 1**

THE  
SOUTH CAROLINA WORKERS'  
COMPENSATION COMMISSION  
BUSINESS MEETING  
May 8, 2023

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, May 8, 2023, 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  
GENE MCCASKILL, VICE CHAIR  
AVERY WILKERSON, COMMISSIONER  
AISHA TAYLOR, COMMISSIONER  
R. MICHEAL CAMPBELL, II, COMMISSIONER  
MELODY JAMES, COMMISSIONER  
CYNTHIA DOOLEY, COMMISSIONER

Present also were Gary Cannon, Executive Director; Keith Roberts, General Counsel, Christy Brown, Self-Insurance Director; Sonji Spann, Claims Director; Amy Bracy, Judicial Director; Kristen Mcree, Staff Attorney; Bridget Ward, Human Resource Director; Kris Pluss, Director of Information Technology; Douglas Mann, IT Consultant and Whitney Klauck; Injured Workers' Advocates.

Chairman Beck called the meeting to order at 10:45 a.m.

**AGENDA**

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

**APPROVAL OF MINUTES – BUSINESS MEETING OF APRIL 17, 2023**

Commissioner McCaskill moved that the minutes of the Business Meeting of April 17, 2023, be approved. Commissioner Dooley 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 Christy Brown, Self-Insurance Director. **Eleven (11)** prospective members of **Three (3)** funds were presented to the Commission for approval. The applications were:

**Palmetto Timber Fund**

Laws Trucking, Inc  
Madison Wood Products, Inc  
T. Norris Logging LLC  
T & T Timber LLC

**SCADA**

Sag SC LLC dba George Coleman Ford

**South Carolina Home Builders SIF**

Carolina Custom Construction Services, Inc  
Elite Asphalt Services LLC  
Flooring Experts LLC dba Charleston Flooring Experts  
JD Septic Tank Pumping & Grading  
Martinelli Building and Contracting LLC  
Myatt Air Conditioning 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. Commissioner Campbell seconded the motion to approve the applications to self-insure, and the motion was approved.

**DEPARTMENT DIRECTORS' REPORTS**

Each Department report was submitted in written form and included in the Commission's agenda booklets.

**HUMAN RESOURCES**

Ms. Ward presented the Human Resources report. There were no comments or questions from the Commission. Commissioner McCaskill inquired about the hiring Law Clerk. Mr. Roberts gave an update that the interviews will start after May 8, 2023.

**INFORMATION TECHNOLOGY DEPARTMENT**

Mr. Pluss presented the IT report. There were no comments or questions from the Commission.

**INSURANCE AND MEDICAL SERVICES DEPARTMENT**

Mr. Ducote presented his report in written form. There were no comments or questions from the Commission.

## **CLAIMS DEPARTMENT**

Ms. Spann presented her report in written form. There were no comments or questions from the Commission. Ms. Spann introduced Kendra Cusack as her new Insurance Analyst.

## **JUDICIAL DEPARTMENT**

Ms. Bracy presented her report in written form. There were no questions from the Commission.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Cannon submitted his report in written form. There were no comments or questions from the Commission.

## **ADMINISTRATION – FINANCIAL REPORT**

Mr. Cannon submitted his report in written form. There were no questions from the Commission.

## **OLD BUSINESS**

There was no old business.

## **NEW BUSINESS**

There was no new business.

## **EXECUTIVE SESSION**

Commissioner Taylor made a motion to Executive Session to discuss a pending ligation; Commissioner Campbell seconded the motion, and the motion was approved. The Commission went into Executive Session at 11:06 a.m.

Commissioner Taylor made the Motion to leave Executive Session at 11:32 a.m.; notating that no action was taken. Commissioner Campbell seconded the motion, and the motion was approved.

## **ADJOURNMENT**

Commissioner Wilkerson made the motion to adjourn. Commissioner Dooley seconded the motion, and the motion was approved.

The May 8, 2023, meeting of the South Carolina Workers' Compensation Commission adjourned at 11:33 am.

Reported May 22, 2023  
Arnisha Keitt  
Executive Assistant

**TAB 2**

**TAB 3**



# State of South Carolina

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## *Workers' Compensation Commission*

**TO:** Gary Cannon

**FROM:** Bridget Ward

**DATE:** June 1, 2023

**SUBJECT: Monthly Human Resources Report for June 2023 Business Meeting**

This report summarizes Human Resources' activities from May 1, 2023, through May 31, 2023. At the end of May, the Commission had 50 full-time employees and one part-time employee.

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

HR processed five SCEIS personnel transactions and ten SCEIS time/leave transactions in May. All detailed reports were run as scheduled, and any issues that arose were corrected with the collaborative effort of the SCEIS teams and the Comptroller General's Office. HR sent eight "All Employee emails during May and processed eight travel trip reports. In addition, HR received 1218 and reviewed 1201 and sent emails.

HR attended or Hosted:

- The 2023 WCC CAMES Workshop and assisted with registration.
- An E-Verify Webinar to review existing rules and regulations for our hiring process.
- An in-person State of South Carolina Palmetto Summit - Workshop for P-card users hosted by BOA.
- An AFLAC vendor onsite visit.

There were three building issues and one parking issue in May. All building and parking issues were resolved, and there was one update to the parking assignments. There was one COVID case in May, and HR will continue to obtain testing kits from DHEC to provide convenient free testing for all employees.

Employee appreciation week was observed May 8 – 12. An afternoon Tea was held on May 8, and the Commission recognized the Employee of the Year (Shawnee DeBruhl) and all employees who reached a milestone of State Service of 10, 20 & 40 years. In addition, the Commissioners hosted a Team-Building event that included lunch on May 9. For the remainder of the week, HR and the Social Committee gave small tokens of appreciation to all employees to convey gratitude for everything they do throughout the year.

Position(s) filled in May:

- IMS – Program Co I – AH35 – May 22
- Legal – Law Clerk – Temp Hourly – June 5

With the internal promotion in IMS, a Program Coordinator I position became available in April. HR posted the vacancy on the SC Careers website, applicants were interviewed, and a candidate was found. The new investigator started on May 22. The posting for the law clerk for the Legal Department closed, the interview process concluded in May, and a candidate was found. The new law clerk will start on June 5.

**TAB 4**

# State of South Carolina

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www.wcc.sc.gov

## Workers' Compensation Commission

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To: Gary Cannon, SCWCC Executive Director  
From: Kris Pluss, IT Director  
Date: June 1, 2023  
Subject: IT Department May 2023 Full Commission Report

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This report summarizes the activities and accomplishments for projects and initiatives in the IT Department during May 2023.

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

#### EDI

WCC IT and Verisk have mutually agreed to pause the weekly MS Teams Meetings to allow Verisk the opportunity to focus on the four deployments they have scheduled between May and November, 2023 and WCC IT to focus on the Legacy Modernization Project. WCC IT and Verisk will continue to exchange Historical Claims Data in the test formats until weekly meetings resume in August, 2023.

#### Progress

WCC IT attended five Virtual Meetings with Progress Application Staff and Project Managers in May. Internal Testing for eCase Display enhancements with various WCC Subject Matter Experts continued in May as well. Document view, download and print functionality was integrated into eCase Display. A security application scan was completed on the new Progress enhancements by the Department of Administration's, Division of Information Security. Three items were identified and remediated.

#### Systems Support

WCC IT continues to work with WCC users to support agency laptops, iPhones, and iPads.

#### Security

Three separate WCC employees contacted the WCC IT Team during May to request assistance with a Phishing Email in a shared email box.

#### Reporting

80 Service Desk tickets were received by WCC IT during May 2023.  
75 Tickets were assigned a priority of Low / Medium.  
4 Tickets were assigned a priority of High.  
1 Ticket was assigned a priority of Urgent on May 17, 2023. Statewide Network Outage

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

### Legacy Modernization

WCC IT will begin testing the new Progress eCase Enhancements with external stakeholders in June. WCC IT has also started a weekly Virtual Meeting with SC.Gov and the Department of Administration's, Digital of Governmental Services Division to coordinate the deployment of the electronic form uploads and electronic payment processing services. Testing will continue in June and the new systems will begin deploying in July, 2023.

**TAB 5**

State of South Carolina



Workers' Compensation Commission

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

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

**Date:** 2-Jun-23

**Subj:** Insurance and Medical Services Department  
May 2023 Full Commission Report

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

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

- |                     |  |
|---------------------|--|
| Compliance Division | <ol style="list-style-type: none"><li>1. Reviewing revenue metrics / projections.</li><li>2. Working with staff to review workflow processes and additional training opportunities.</li><li>3. Continuing to explore outreach opportunities with stakeholders.</li></ol> |
| Coverage Division   | <ol style="list-style-type: none"><li>1. Working with staff to review workflow processes and explore opportunities to enhance service provision.</li><li>2. Lapse in Coverage: 33 new registrants; 0 notifications sent.</li></ol>                                       |
| Medical Services    | <ol style="list-style-type: none"><li>1. One medical bill reviewer certification was completed in May.</li></ol>   |

While this summary is in no way all-inclusive, it may serve to assist you and our Commissioners in understanding the key initiatives underway in the IMS Department and provide measures by which the Department's effectiveness can be gauged. IMS welcomes any guidance that you and/or our Commissioners can provide concerning our performance and direction.

**Employer Rule to Show Cause Hearings and Compliance Activity**

The Compliance Division docketed 0 new RTSC cases and 0 total RTSC cases in the month of May. And, compelled 32 South Carolina employers to come into compliance with the Act. Year to date, 6 new RTSC cases and 20 total RTSC cases have been docketed.

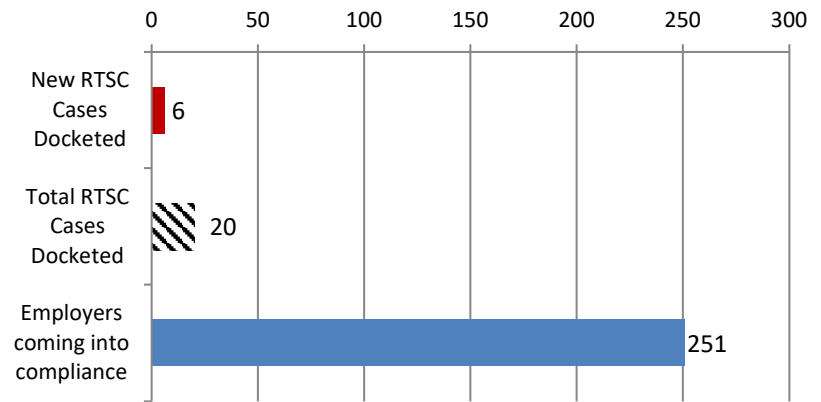
**Employers Obtaining Coverage**

Year to date, the Compliance Division has compelled 251 South Carolina employers to come into compliance with the Act. In so doing, approximately 2,189 previously uninsured workers are now properly covered.

**Penalties Waived**

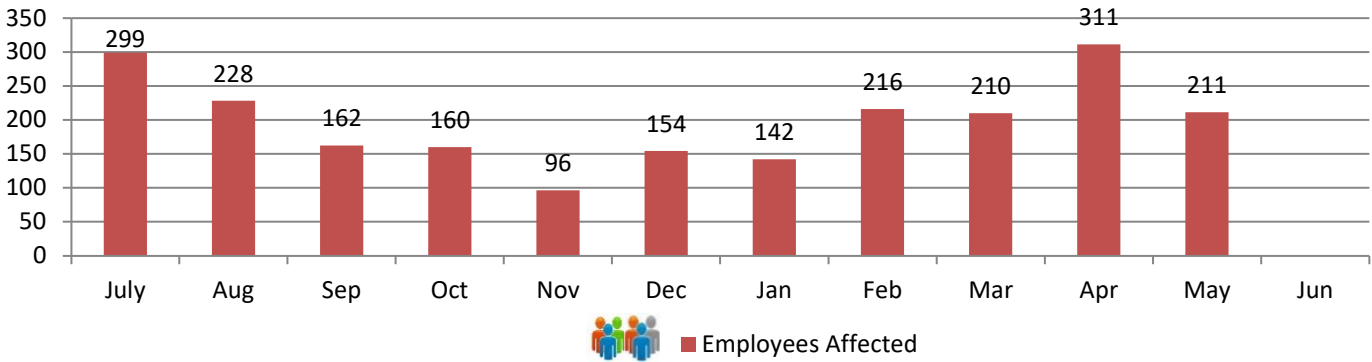
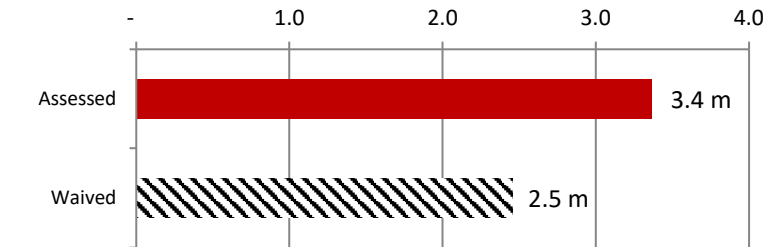
Although the Division has assessed \$3.4 m in fines this fiscal year, \$2.5 m have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.

**RTSC and Compliance Activity**



**Fines and Penalties**

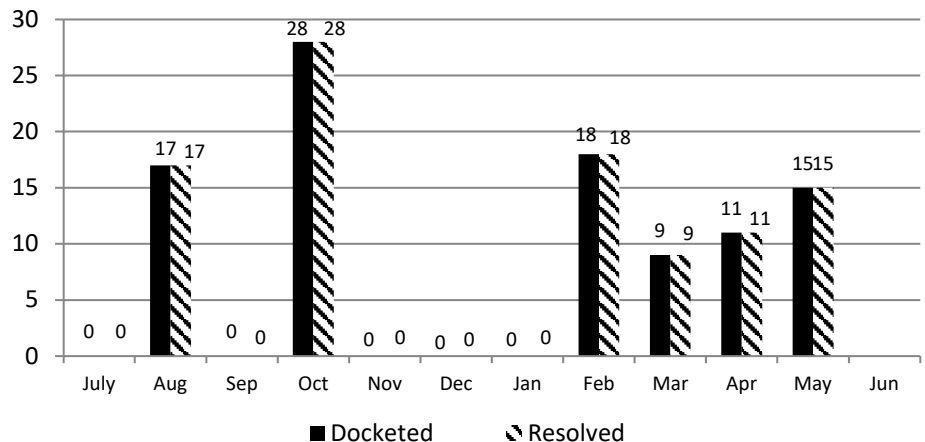
Millions



**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 May 2023, 15 carrier RTSC cases were docketed; 15 cases were resolved for a total of \$5,200.

Year to date, a total of 98 carrier RTSC cases have been docketed, 98 cases for a total of \$138,278 have been resolved.

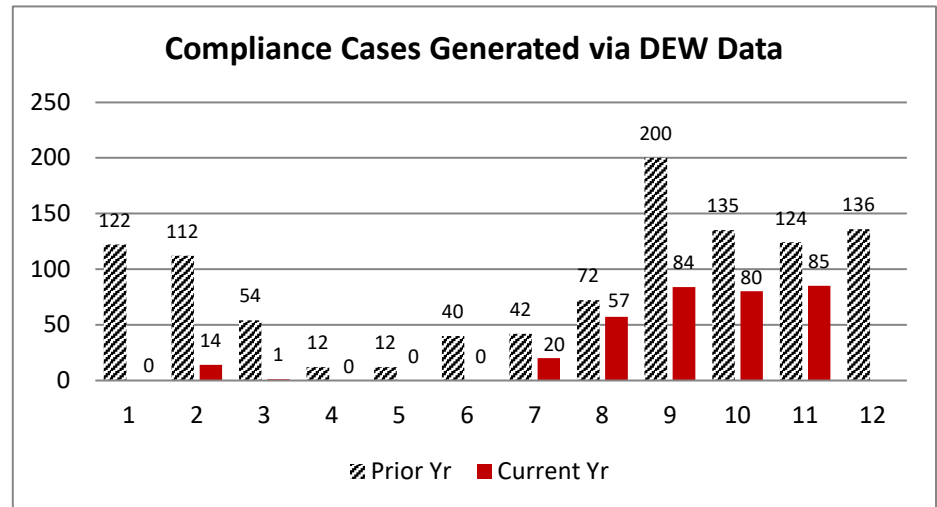
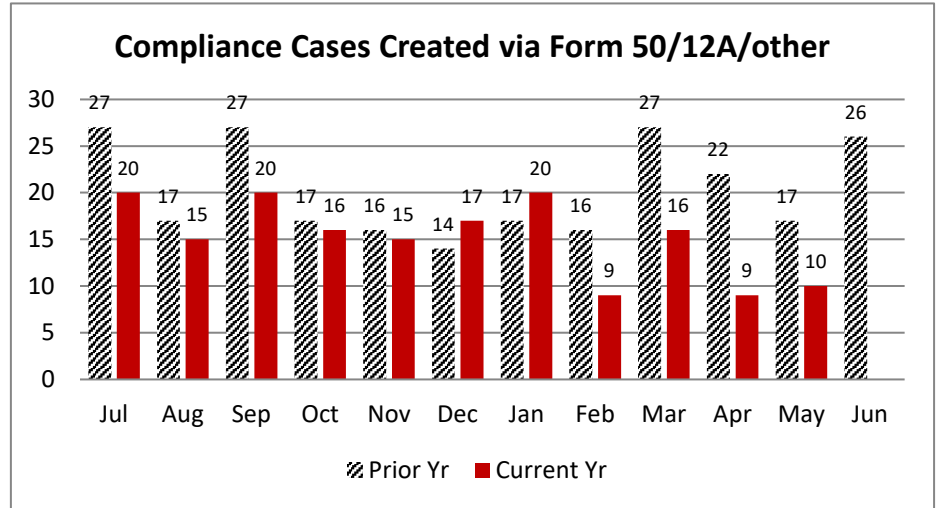


In May 2023, 10 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

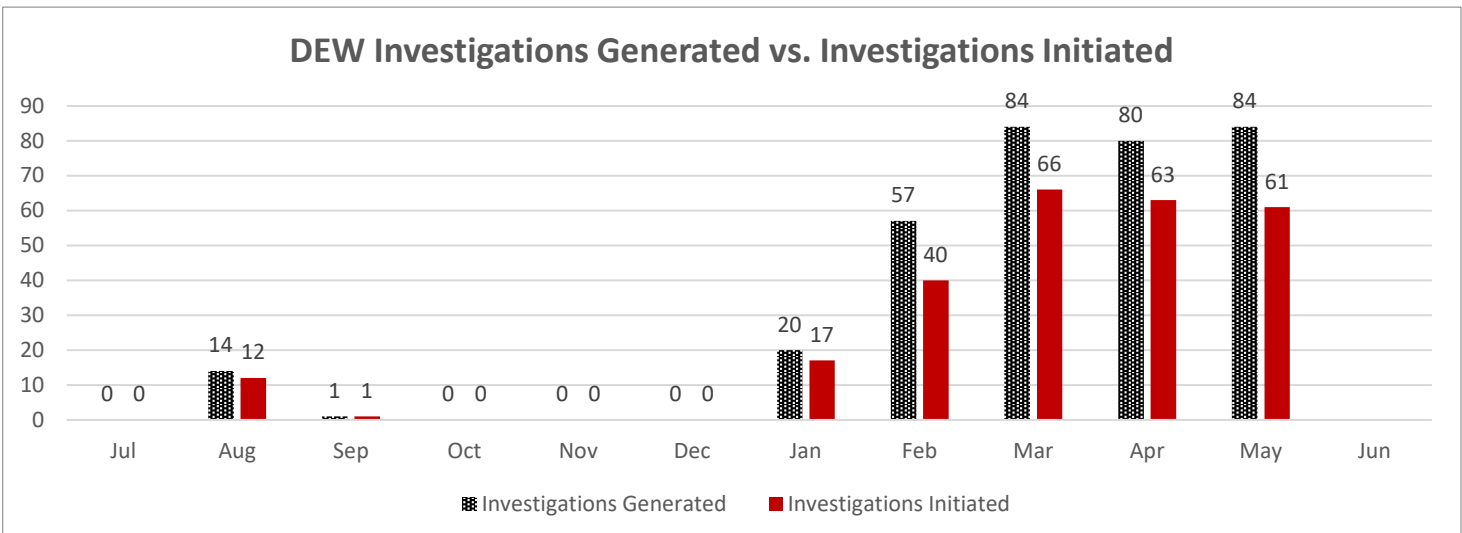
YTD vs. Prior Year total (243): 69%  
 May 2022 to May 2023: 59%  
 Current Yr End trend: 75% of 2021-2022  
 YTD 2022-2023 v. YTD 2021-2022: 77%

In May 2023, 85 compliance files were generated from the DEW data process.

YTD vs. Prior Year total (1,061): 32%  
 May 2022 to May 2023: 69%  
 Current Yr End trend: 35% of 2021-2022  
 YTD 2022-2023 v. YTD 2021-2022: 37%



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.





**Carryover Caseload:**

The Compliance Division closed May 2023 with 136 cases active, compared to an active caseload of 416 at the close of May 2022.

**Cases Resolved:**

For the month of May 2023, Compliance Division staff closed-out 102 cases.

**Compliance Fines:**

In May 2023, the Compliance Division collected \$74,943 in fines and penalties. Year to Date, the Compliance Division has collected \$415,670 in fines and penalties.

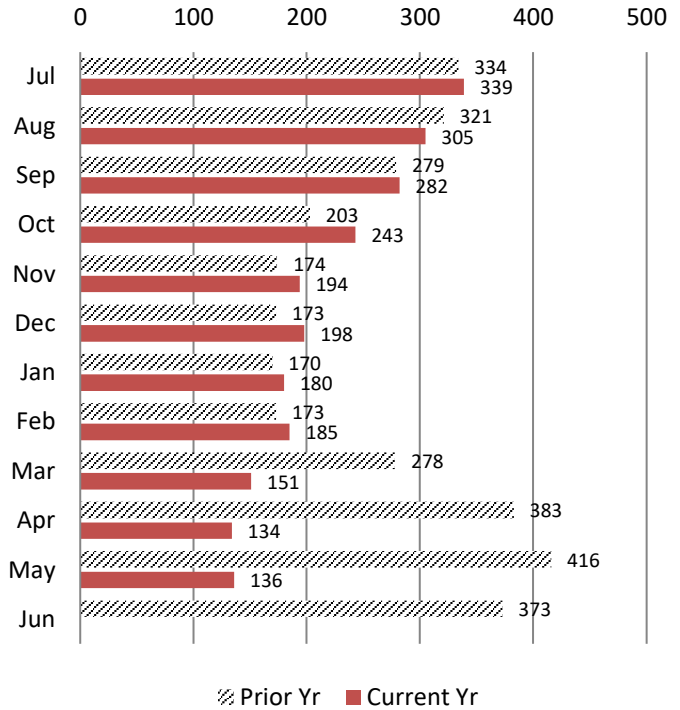
Year to Date vs Prior Year Total (\$686,193): 61%

May 2022 vs. May 2023: 162%

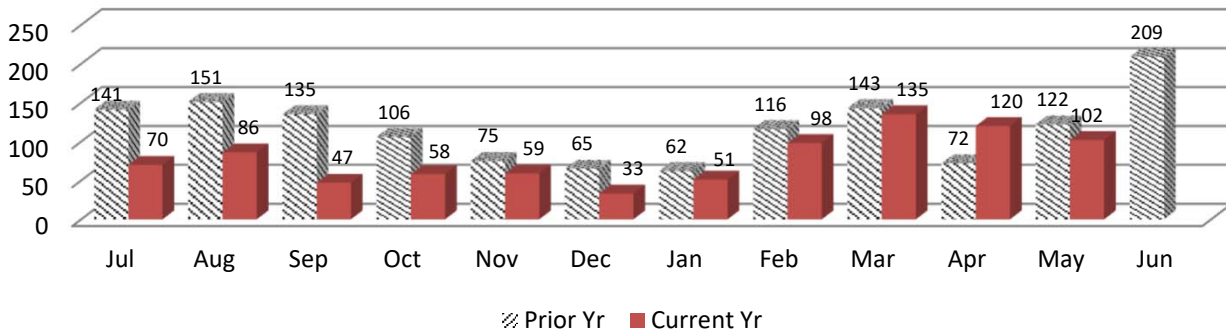
Current Year End trend is 66% of 2021-2022

YTD 2021-22 (May - June) vs YTD 2022-2023: 67%

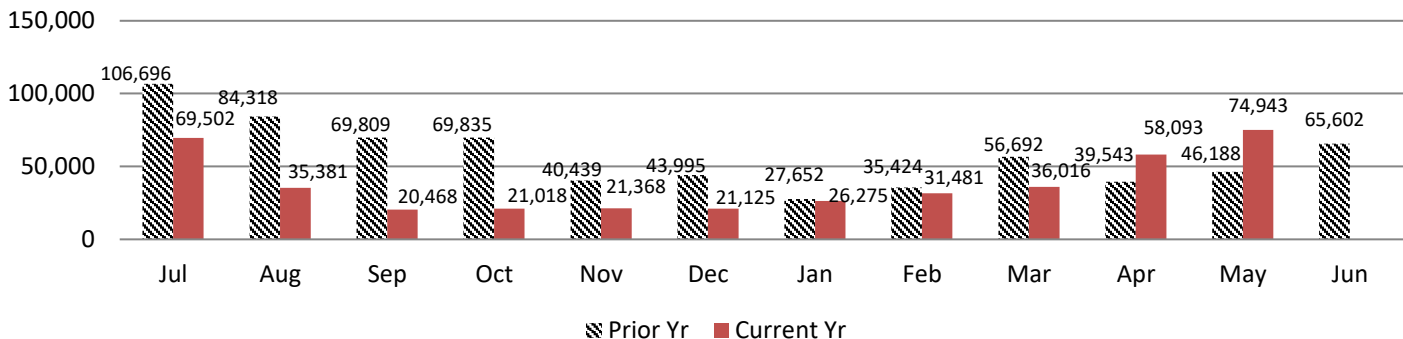
**Caseload Pending v. Prior Year**



**Cases Resolved v. Prior Year**



**Compliance Fines Collected v. Prior Year**

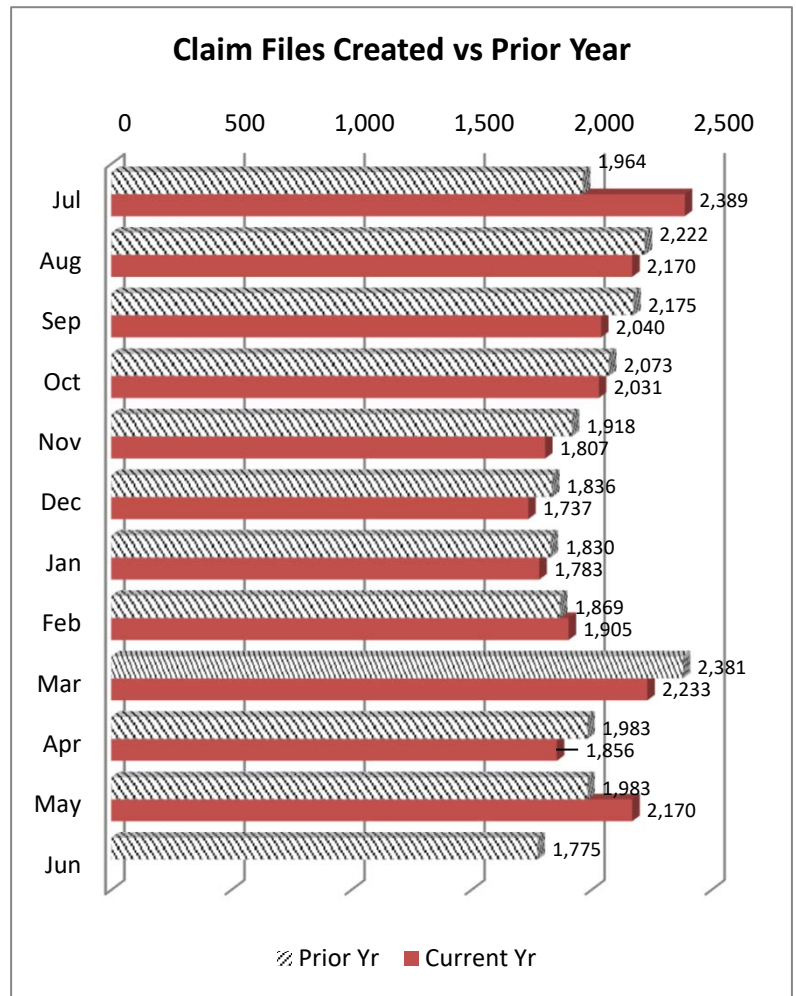


**WCC Claim Files:**

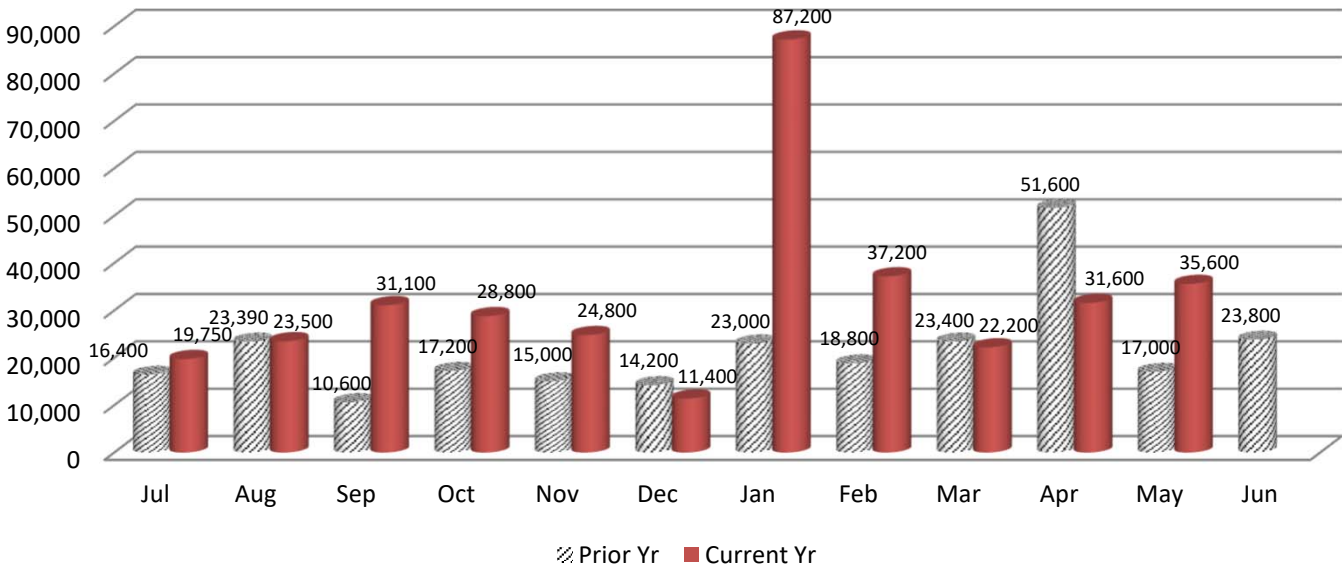
In May 2023, the Coverage Division received a total of 2,170 WCC Claim files. Of these, 1,836 were created through proper carrier filing of a 12A, and 334 were generated as a result of a Form 50 claim filing. Year to Date 22,121 Claim files have been created which is 92% of claim file volume prior year (24,009).

**Coverage Fines:**

The Coverage Division collected \$35,600 in fine revenue in May 2023, as compared to \$17,000 in Coverage fines/penalties accrued during May 2022. Year on Year, Coverage fines are at 139% of collections for prior year.



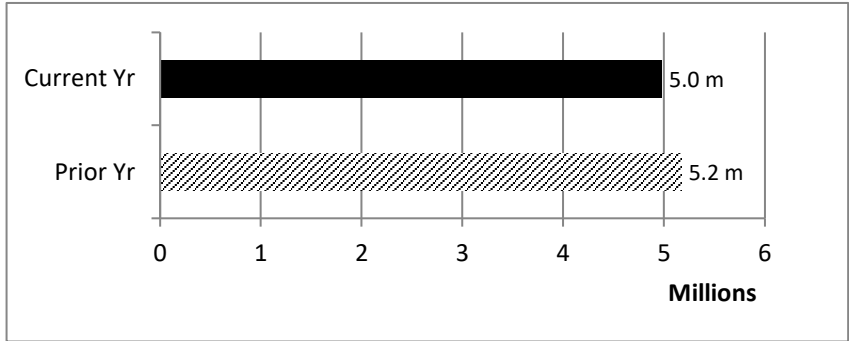
### Coverage Fines Collected v Prior Year



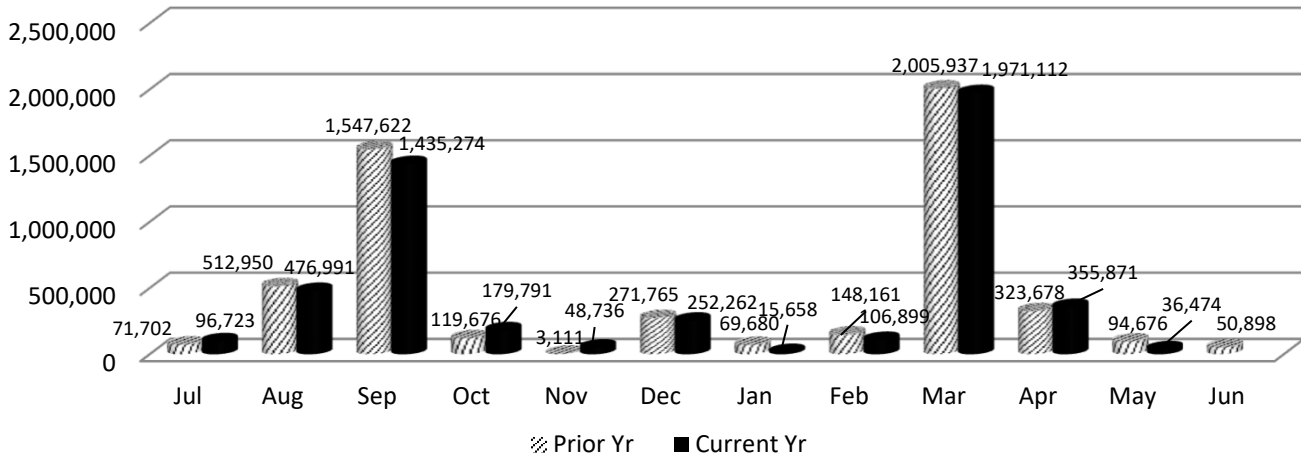
During the month of May 2023, the Self Insurance Division:

- \* collected \$36,474 in self-insurance tax.
- \* added 11 new self-insurers.
- \* conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 96% of prior year and 44 Self Insurance audits have been completed.



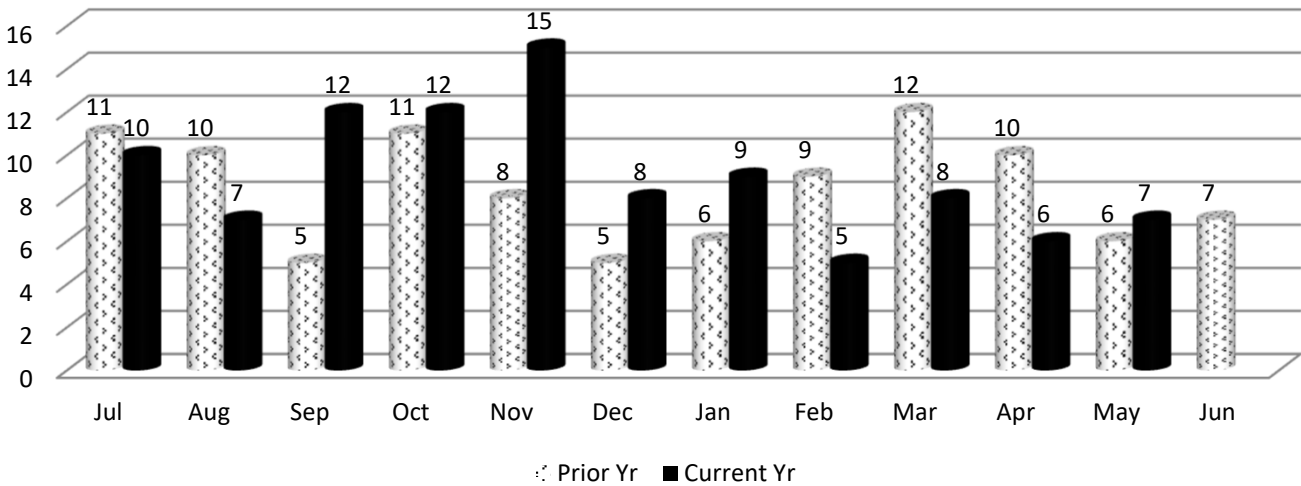
**Self Insurance Tax Collections v. Prior Year**



**IMS MEDICAL SERVICES DIVISION**

In May 2023, the Medical Services Division began the month with 6 bills pending review, received an additional 8 bills for review, conducted 7 bill reviews and ended the month with 7 bills pending.

**Medical Bills Pending Review v. Prior Year**



**TAB 6**

# *State of South Carolina*

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## *Workers' Compensation Commission* **MEMORANDUM**

**To: Gary Cannon, Executive Director**

**From: Sonji Spann, Claims Director**

**Date: June 5, 2023**

**Re: Claims Department June 2023 Full Commission Report**

Attached is the Statistical Report for the Claims Department for the period July 1, 2022 - May 31, 2023, for the Business Meeting on June 5, 2023. Please note the format using row numbers and column letters for ease of use when referencing data.

Claims activities are in Column (a) with the totals for the first-month period for FY22-23 in column (o). Column (q) reflects the percentage change when comparing the totals for same period in the current fiscal at the totals for the same period in last fiscal year. The total Claims Activities, for this period have increase 2% when compared to the same period from last fiscal year.

The number of Total Fines assessed are down 3% compared to the same period last fiscal year and the Total Fines paid 7% higher when compared to the same period last year

I will be happy to answer any questions you or the Commissioners have.

**Claims Department Statistical Report**

**FY2022-2023**

**July 1, 2022 - June 30, 2023**

Claims Activities	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	FY22-23 Total	FY21-22 Total	% Diff from prev year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(o)	(p)	(q)
Forms 15-I	1,041	1,220	1,075	1,160	1,000	982	1,065	1,131	1,190	1,036	1,075	11,975	11,623	3%
Forms 15-II/Forms	826	989	891	1,017	867	887	917	930	1,112	861	931	10,228	9,660	6%
Forms 16 for PP/Di	207	222	180	250	163	186	208	180	240	208	193	2,237	2,383	-6%
Forms 18	5,023	5,227	4,868	4,287	5,543	4,698	5,029	4,897	5,389	4,720	5,147	54,828	48,460	13%
Forms 20	541	629	587	562	562	518	540	634	600	546	542	6,261	7,750	-19%
Form 50 Claims On	311	269	284	295	255	194	241	272	289	228	331	2,969	3,269	-9%
Form 61	602	781	617	715	647	545	807	719	765	627	782	7,607	7,318	4%
Letters of Rep	195	152	197	189	198	689	175	201	256	164	206	2,622	2,282	15%
Clinchers	701	907	659	931	800	686	910	841	878	787	907	9,007	8,962	1%
Third Party Settlem	27	30	18	36	19	15	21	11	18	15	18	228	210	9%
SSA Requests for In	23	43	25	26	20	37	40	40	50	39	35	378	435	-13%
Cases Closed	2,056	2,389	1,821	2,122	1,983	1,961	2,034	2,006	2,379	2,057	2,085	22,893	23,861	-4%
Cases Reviewed	3,290	3,089	2,103	2,969	2,695	2,647	2,775	2,603	2,961	2,561	2,532	30,225	31,620	-4%
<b>Total</b>	<b>14,843</b>	<b>15,947</b>	<b>13,325</b>	<b>14,559</b>	<b>14,752</b>	<b>14,045</b>	<b>14,762</b>	<b>14,465</b>	<b>16,127</b>	<b>13,849</b>	<b>14,784</b>	<b>161,458</b>	<b>157,833</b>	<b>2%</b>
												-	-	
Total Fines Assesse	505	222	221	282	396	276	310	249	288	223	263	3,235	3,318	-3%
Form 18 Fines	331	220	220	276	354	261	264	235	224	194	243	2,822	3,267	-14%
Total Amt Paid	\$63,200	\$59,450	\$56,800	\$45,750	\$47,000	\$33,800	\$63,450	\$45,800	\$49,600	\$44,800	\$43,000	552,650	517,850	7%

**TAB 7**

State of South Carolina

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**Workers' Compensation Commission**

June 1, 2023

To: Gary Cannon  
Executive Director

From: Amy A. Bracy  
Judicial Director

**RE: Monthly Judicial Report for May 2023**

During the month of May, the Judicial Department processed seven hundred eighty-four (784) requests for hearings (claimant and defense pleadings). Comparing the numbers from the same period last year, claimant pleadings are up 5% and defense pleadings experienced a 7% decrease. The department received one hundred twenty-two (122) Motions, a 3% decrease compared to the same period last year and one hundred sixty-seven (167) clincher conference requests, a 6% increase compared to the same time last year.

There were fifty-seven (57) Single Commissioner Hearings conducted during the past month, nine (9) pre-hearing conferences held, and six (6) Full Commission hearings held. A total of four hundred forty-nine (449) Orders (Single Commissioner Orders, Consent Orders and Administrative Orders) were served at the single Commissioner level, fifty-nine (59) of those were Decision and Orders that resulted from hearings that went on the record and one hundred ten (110) were Motion Orders that were a result of Motions ruled upon by Commissioners.

There were three hundred sixteen (316) Informal Conferences requested during May and one hundred seventy-three (173) were conducted.

There were thirty-eight (38) regulatory mediations scheduled and sixty (60) requested mediations. Totals are up 11% and 10% in the respective categories for the same period last year. The Judicial Department was notified of sixty-two (62) matters resolved in mediation, with the receipt of Forms 70. This category's total is up 5% compared to this period last year. This does not include mediations that take place outside of what is reported to the Commission.

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

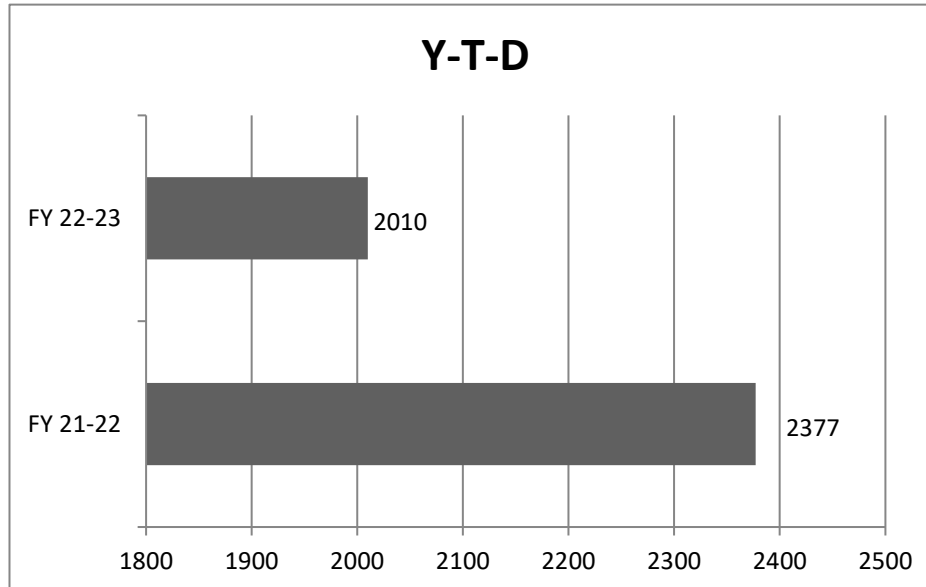


**Judicial Department Statistical Report  
Statistics For Fiscal Year 2022-2023**

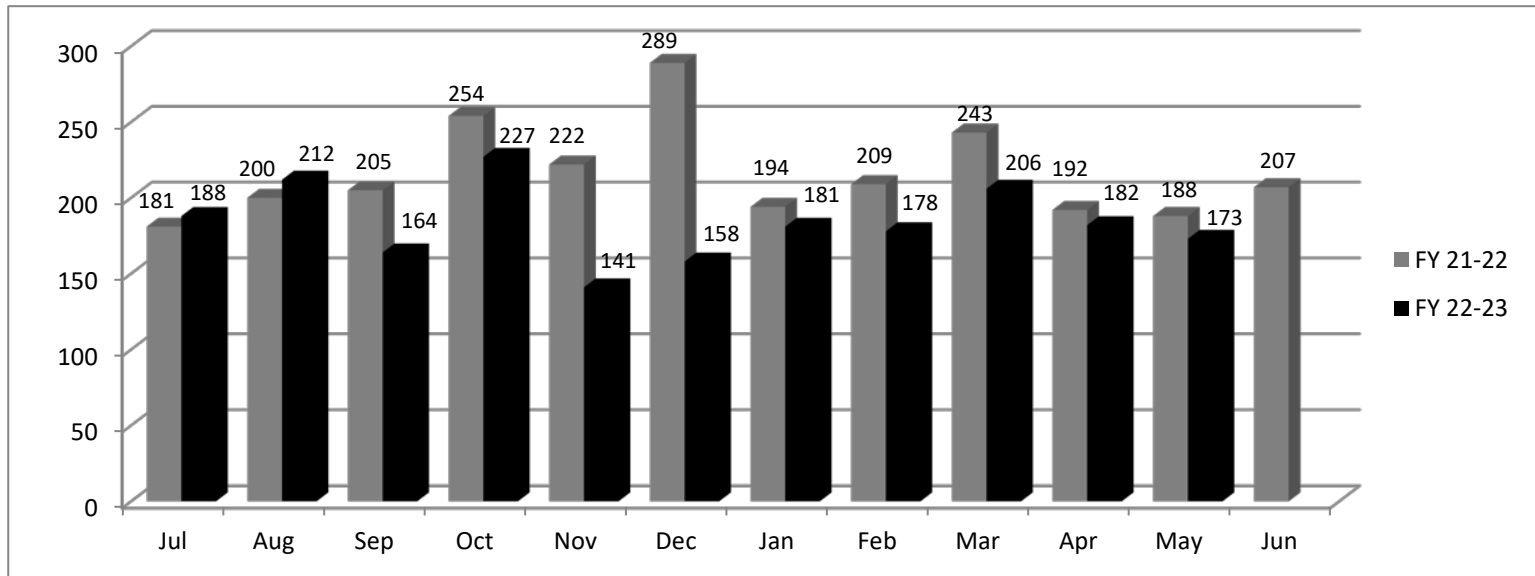
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	Totals YTD 2022-2023	Totals YTD 2021-2022	% Diff from prev year
Claimant Pleadings	612	586	510	590	546	475	507	504	651	539	521	6,041	5732	5%
Defense Response to Pleadings	474	495	439	397	536	373	439	335	539	436	459	4,922	4703	5%
Defense Pleadings	223	301	200	263	253	224	266	241	310	222	263	2,766	2986	-7%
Motions	104	130	112	111	98	96	115	105	118	96	122	1,207	1243	-3%
Form 30	11	7	9	5	8	6	7	12	11	15	3	94	144	-35%
FC Hearings Held	4	8	10	9	7	6	5	4	4	6	6	69	90	-23%
FC Orders Served	8	6	11	9	10	6	20	9	10	8	5	102	113	-10%
Single Comm. Hearings Held	31	52	57	67	40	46	48	55	52	45	57	550	610	-10%
Single Comm. Orders Served	160	182	183	216	167	191	217	200	237	202	185	2,140	2016	6%
Single Comm. Pre-Hearing Conf Held	20	31	6	19	11	11	8	20	29	23	9	187	159	18%
Consent Orders	261	230	318	281	287	266	353	352	355	242	258	3,203	2698	19%
Administrative Orders	2	23	15	8	13	9	18	12	12	4	6	122	118	3%
Clincher Conference Requested	122	149	144	125	130	140	143	124	200	140	167	1,584	1495	6%
Informal Conference Requested	222	267	242	234	212	211	285	198	277	201	316	2,665	2850	-6%
Informal Conference Conducted	188	212	164	227	141	158	181	178	206	182	173	2,010	2377	-15%
Regulatory Mediations	27	39	29	34	37	30	30	18	33	25	38	340	306	11%
Requested Mediations	47	67	55	53	46	41	72	64	69	50	60	624	567	10%
Ordered Mediations	1	0	0	0	0	2	1	0	0	1	0	5	2	100%
Mediation Resolved	39	60	33	49	61	57	55	22	75	50	62	563	535	5%
Mediation Impasse	8	12	8	11	16	19	15	14	17	10	14	144	162	-11%
Mediation Held; Issues Pending	0	0	2	0	0	0	1	0	1	0	0	4	10	0%
Claim Settled Prior to Mediation	6	9	10	12	7	11	13	6	15	10	6	105	105	0%
Mediation Not Complete in 60 days	2	6	3	2	1	1	1	0	1	2	0	19	26	-27%

**Informal Conf. Conducted**

	FY 21-22	FY 22-23
Jul	181	188
Aug	200	212
Sep	205	164
Oct	254	227
Nov	222	141
Dec	289	158
Jan	194	181
Feb	209	178
Mar	243	206
Apr	192	182
May	188	173
Jun	207	
<b>Total</b>	<b>2584</b>	<b>2010</b>

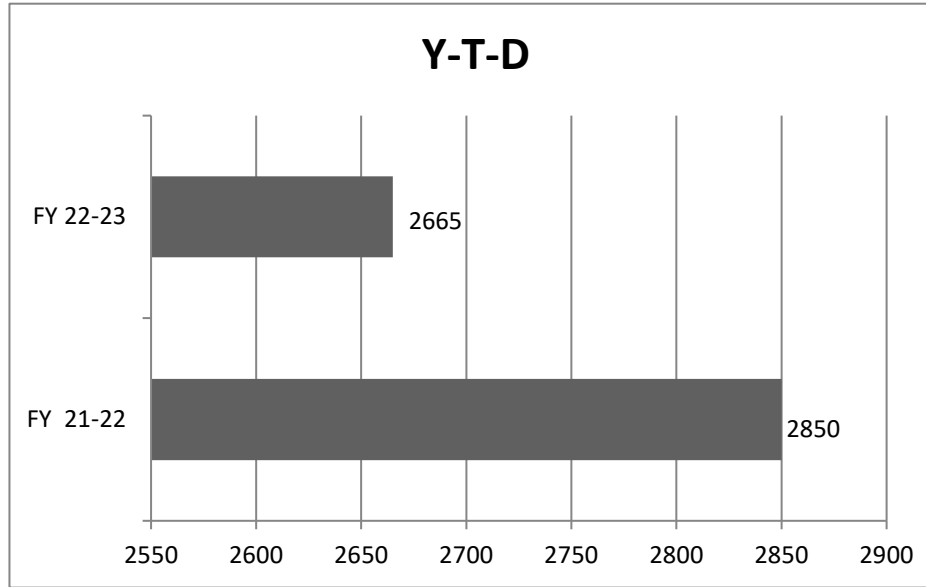


	FY 21-22	FY 22-23
<b>Y-T-D</b>	<b>2377</b>	<b>2010</b>

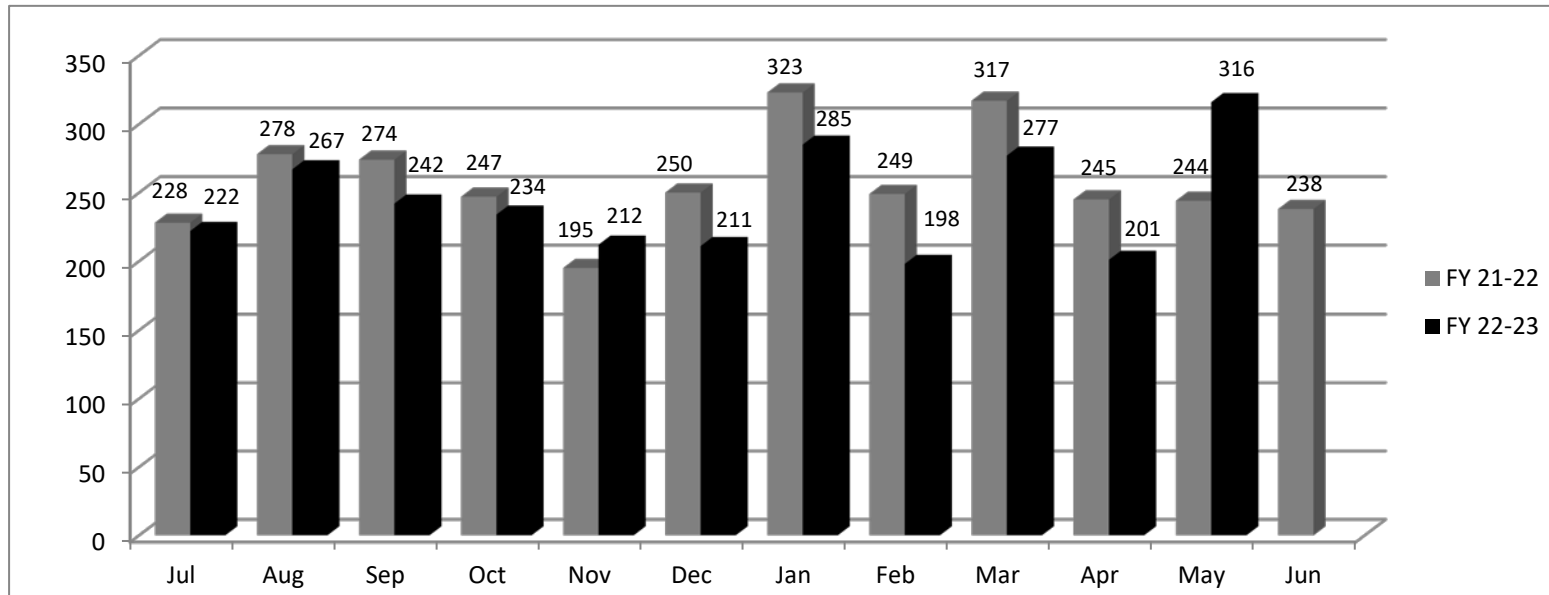


**Informal Conf. Requested**

	FY 21-22	FY 22-23
Jul	228	222
Aug	278	267
Sep	274	242
Oct	247	234
Nov	195	212
Dec	250	211
Jan	323	285
Feb	249	198
Mar	317	277
Apr	245	201
May	244	316
Jun	238	
<b>Total</b>	<b>3088</b>	<b>2665</b>



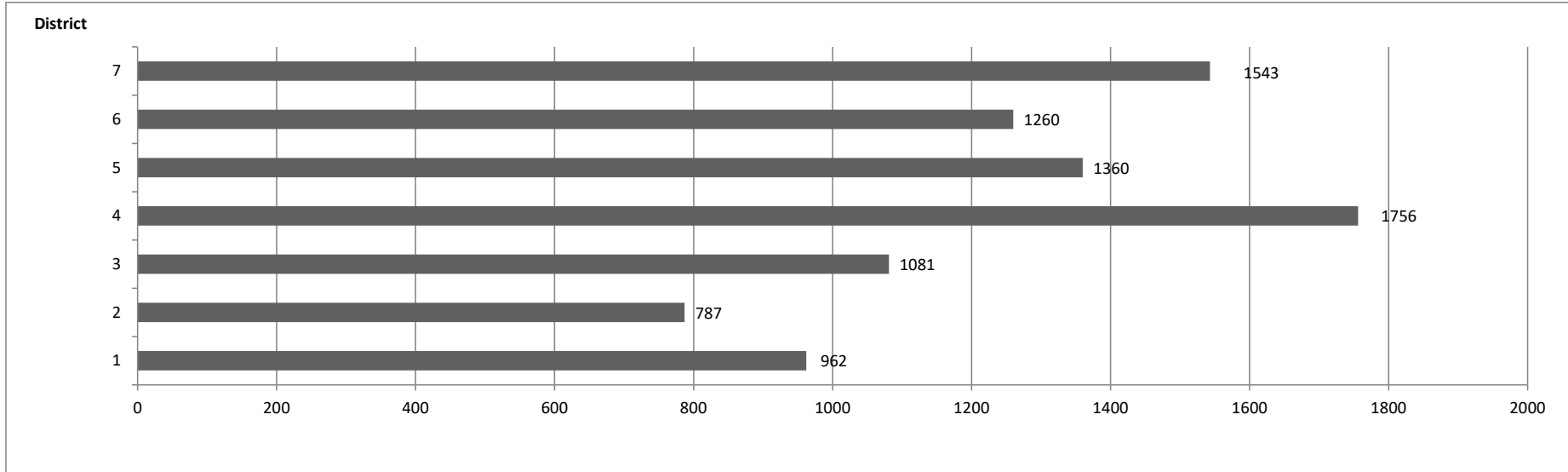
	FY 21-22	FY 22-23
<b>Y-T-D</b>	<b>2850</b>	<b>2665</b>



### 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		
	22-23	21-22	20-21	22-23	21-22	20-21	22-23	21-22	20-21	22-23	21-22	20-21	22-23	21-22	20-21	22-23	21-22	20-21	22-23	21-22	20-21
Jul	105	112	120	81	87	81	112	72	85	150	166	151	111	109	126	135	122	112	142	156	154
Aug	105	93	88	70	67	73	86	101	105	172	174	142	118	112	125	124	101	95	155	134	133
Sep	93	109	87	68	77	70	98	96	107	144	158	162	121	143	128	104	112	113	135	143	169
Oct	78	89	93	59	73	81	97	103	125	140	152	175	114	110	115	96	95	104	126	130	159
Nov	90	96	92	77	66	88	106	95	100	180	144	176	135	112	96	137	84	104	164	116	134
Dec	91	104	90	74	80	68	108	100	115	166	156	168	136	123	132	113	108	96	117	131	141
Jan	74	85	79	74	54	56	90	84	96	172	167	172	126	129	110	97	91	88	130	118	124
Feb	78	93	84	69	75	88	90	87	86	144	170	133	102	105	101	88	108	93	122	145	118
Mar	96	108	125	69	87	93	124	84	118	174	186	201	133	149	132	139	130	106	158	166	164
Apr	82	106	94	82	75	63	78	82	100	158	181	138	138	120	112	113	127	106	146	164	134
May	70	82	90	64	69	69	92	81	85	156	149	134	126	130	110	114	103	98	148	136	126
Jun		122	95		74	74		100	98		161	164		152	117		111	103		147	134
<b>Totals</b>	<b>962</b>	<b>1199</b>	<b>1137</b>	<b>787</b>	<b>884</b>	<b>904</b>	<b>1081</b>	<b>1085</b>	<b>1220</b>	<b>1756</b>	<b>1964</b>	<b>1916</b>	<b>1360</b>	<b>1494</b>	<b>1404</b>	<b>1260</b>	<b>1292</b>	<b>1218</b>	<b>1543</b>	<b>1686</b>	<b>1690</b>

### Pleadings Assigned by District Year to Date



**TAB 8**

# State of South Carolina

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



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

## Workers' Compensation Commission

### MEMORANDUM

**TO: COMMISSIONERS**

**FROM: Gary Cannon, Executive Director**

**DATE: June 5, 2023**

**RE: Vocation Rehabilitation Department Report – Period ending April 30, 2023**

Attached is the SCVRD report for the FY2023 period ending April 30, 2023. Below is a summary of the activities.

Referral Summary	
Outcome Type	Total Referrals
Application Completed	16
Declined to Apply for Services	1098
Existing Case	1
No Outcome - Active Referral	450
Unable to Contact Referral	563
<b>Total</b>	<b>2128</b>



Referral Date

7/1/2022 4/30/2023

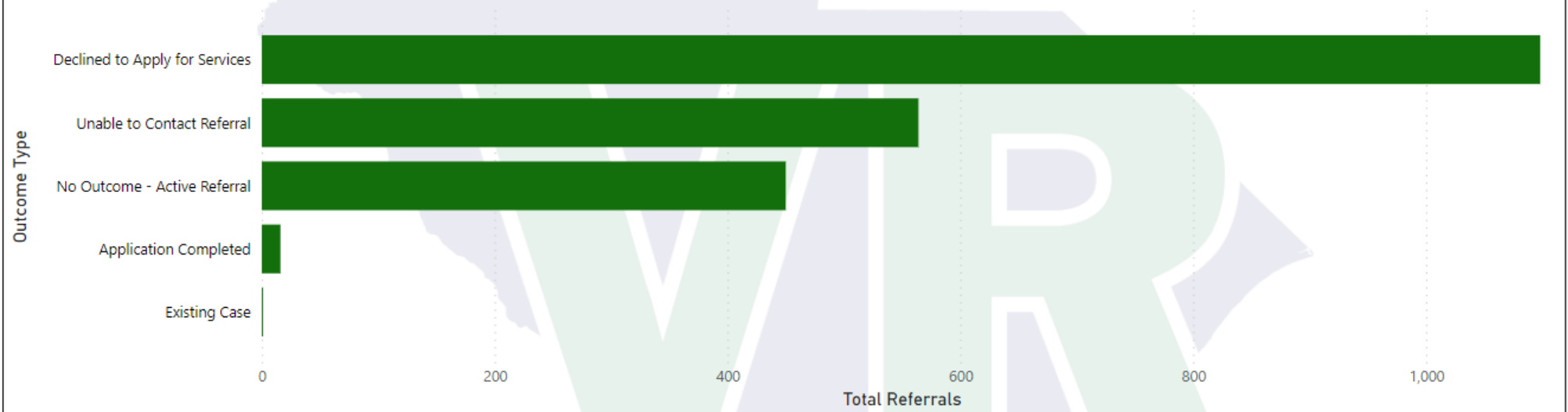
Area Office

All

Referring Organization

SC Workers Compensation

### Total Referrals by Outcome Type



### Referral Summary

Outcome Type	Total Referrals
Application Completed	16
Declined to Apply for Services	1098
Existing Case	1
No Outcome - Active Referral	450
Unable to Contact Referral	563
<b>Total</b>	<b>2128</b>

# TAB 9



# *State of South Carolina*



## *Workers' Compensation Commission*

### **Executive Director's Report**

**June 5, 2023**

#### **Claims Administration Workshop**

The agency sponsored a Claims Administration Made Easy (CAME) on May 4 at the Columbia Convention Center. Keith Roberts, Esq. prepared the course content and presented with Sonji Spann, Amy Bracy, Gary Cannon and Chairman Beck. Sixty-eight individuals attended, including the newer members of the agency's staff.

#### **Regulation 67-610 & S. 250**

The Final amended Regulation R67-610 was published in the State Register on May 26, 2023 and became effective on that date.

No further action was taken on S. 250.

#### **Meetings/Activities – April**

The Executive Director attended the Senate Judiciary Subcommittee hearing on the proposed changes to Regulation 67-610 presented as Doc. 5131, S. 250 (Commissioners qualifications) and S. 79 (Appointment of Chairman); attended the Senate Judiciary Committee meeting to consider S. 250 and Doc. 5131; met with Roland Franklin to discuss the House Legislative Oversight Presentation; interviewed two law students for clerkships; presented at the GAP Growers Webinar; the Department of Administration Budget Advisory Group meeting; 2 staff meetings to discuss a Self-insurance issue and a IT Legacy System Modernization project; and two days of hearings before the Chief Procurement Officer, participated in the All Employee Training Session at Saluda Shoals Park.

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

For the month of May, the Executive Director's and the General Counsel's offices had 144 contacts with stakeholders.

#### **Financial Transactions Activity**

During the month of May, the Director's office processed and approved (12) 24 travel expense reports, 174 invoices and 38 deposits for DOA to process in the SCIES system.

#### **SCWCC Stakeholder Electronic Distribution List**

For the month of May, the Office had one (1) addition to the email distribution list.

#### **Advisory Notices**

During the month of May, the office posted one (1) notice on the Commission's website and emailed it to the distribution list.

**TAB 10**

# State of South Carolina

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



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

## Workers' Compensation Commission

### MEMORANDUM

**TO: COMMISSIONERS**

**FROM: Gary Cannon, Executive Director**

**DATE: June 5, 2023**

**RE: FINANCIAL REPORT – FY Period ending May 31, 2023**

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the fiscal year period ending May 31, 2023. The benchmark for this period is 92%.

#### Expenditures – General Fund

The expenditures for the General Fund are on pages 1-2 of the attached report "Budget vs. Actual Report FY2023. The year-to-day expenditures in the General Fund (10010000) for this period is \$2,476,671 or 86% of the budget. Page 3 and 4 reflects the balances of funds appropriated by the General Assembly for the IT System Modernization Project.

#### Expenditures – Earmarked Fund

The Earmarked Fund (38440000) financials begin on page 5 with the total expenditures found on page 13. The total expenditures for this period are \$3,812,674 which is 68% of budget. We have created a separate project budget for the IT Legacy Project Litigation on page 9. Next month's report will have the updated numbers.

#### Revenues – Earmarked

The Commission posted \$2,499,650 in Earmarked Fund operating revenues for this period, which is 79% of the amount budgeted for the year. Accounts with shortfalls in the revenues collected will be covered transfers from the Self-Insurance Taxes collected and retained by the Commission.

#### Self-Insurance Tax Funds

The amount budgeted from the Self-Insurance Tax for the Commission is \$2,500,000. The current YTD Revenue, \$4,939,698. We are authorized to retain 50% of the collections.

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 10010000 - GENERAL FUND - Operating Items**

**Administration**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501015	DIRECTOR	146,418	134,215	92%		12,203
501058	CLASSIFIED POS	13,000	11,375	88%		1,625
501070	OTH PERS SVC	8,500	7,320	86%		1,180
512001	OTHER OPERATING	178,035				
5050010000	IN ST-MEALS-NON-REP		230			
5050020000	IN ST-LODGING		1,421			
5050041000	HR-IN ST-AUTO MILES		729			
5050060000	IN ST-MISC TR EXP		196			
Total OTHER OPERATING:		178,035	2,576	1%	0	175,459
<b>Total Administration:</b>		<b>345,953</b>	<b>155,486</b>	<b>45%</b>	<b>0</b>	<b>190,467</b>

**Claims**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	85,056	77,968	92%		7,088
501070	OTH PERS SVC	1,500	1,500	100%		0
<b>Total Claims:</b>		<b>86,556</b>	<b>79,468</b>	<b>92%</b>	<b>0</b>	<b>7,088</b>

**Commissioners**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501026	CHAIRMAN	177,426	162,639	92%		14,787
501033	COMMISSIONER	1,033,541	977,875	95%	0	55,666
501050	TAXABLE SUBS	69,950	63,454	91%		6,496
501058	CLASSIFIED POS	373,421	334,867	90%		38,554
501070	OTH PERS SVC	23,000	20,707	90%		2,293
<b>Total Commissioners:</b>		<b>1,677,338</b>	<b>1,559,541</b>	<b>93%</b>	<b>0</b>	<b>117,797</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 10010000 - GENERAL FUND - Operating Items**

**Insurance & Medical**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	32,306	14,022	43%		18,284
<b>Total Insurance &amp; Medical:</b>		<b>32,306</b>	<b>14,022</b>	<b>43%</b>		<b>18,284</b>

**Judicial**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	31,158				
5030070000	POSTAGE		4,000			
Total OTHER OPERATING:		31,158	4,000	13%	0	27,158
<b>Total Judicial:</b>		<b>31,158</b>	<b>4,000</b>	<b>13%</b>	<b>0</b>	<b>27,158</b>

**Employer Contributions**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	703,431	664,153	94%		39,278
<b>Total Employer Contributions:</b>		<b>703,431</b>	<b>664,153</b>	<b>94%</b>		<b>39,278</b>

<b>Total GENERAL FUND - Operating Items:</b>		<b>2,876,742</b>	<b>2,476,671</b>	<b>86%</b>	<b>0</b>	<b>400,071</b>
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**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 10010000 - GENERAL FUND - Special Items**

**IT System Project**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	1,695,084				1,695,084
<b>Total IT System Project:</b>		<b>1,695,084</b>				<b>1,695,084</b>

<b>Total GENERAL FUND - Special Items:</b>		<b>1,695,084</b>				<b>1,695,084</b>
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**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 10050023 - GF-NONRECUR APROP-23 - Special Items**

**IT System Project**

<b>Commitment Item</b>	<b>Commitment Item Description</b>	<b>Current Budget</b>	<b>YTD Expenditures</b>	<b>% Used</b>	<b>Commitments</b>	<b>Remaining Balance</b>
561000	Special Item	5,000,000				5,000,000
<b>Total IT System Project:</b>		<b>5,000,000</b>				<b>5,000,000</b>

<b>Total GF-NONRECUR APROP-23 - Special</b>		<b>5,000,000</b>				<b>5,000,000</b>
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**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 31C30000 - COVID-19 RESP RESERV**

**Administration**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	35,726				
	Total OTHER OPERATING:	35,726				35,726
<b>Total Administration:</b>		<b>35,726</b>				<b>35,726</b>

**Inform. services**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
5020050000	PHOTO & VISUAL SVCS		12,695			
5030050000	PHOTO & VISUAL SUPP		23,031			
	Total OTHER OPERATING:		35,726		0	-35,726
<b>Total Inform. services:</b>			<b>35,726</b>		<b>0</b>	<b>-35,726</b>

<b>Total COVID-19 RESP RESERV:</b>		<b>35,726</b>	<b>35,726</b>	<b>100%</b>	<b>0</b>	<b>0</b>
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**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 38410000 - SALE OF PUBLIC**

**Commissioners**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
<b>Total Commissioners:</b>					<b>0</b>	<b>0</b>
<b>Total SALE OF PUBLIC:</b>					<b>0</b>	<b>0</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% 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	195,941	25%		596,044
501070	OTH PERS SVC	41,000	9,000	22%		32,000
512001	OTHER OPERATING	2,226,222				
5020030000	PRINT / BIND / ADV		3,141			
5020077100	SERVICES- APP SUP		73,575		39,825	
5020077160	SERVICES- MGT ADMN		48			
5020077220	SERVICES- VOICENET		2,027		22,616	
5020077240	DP SERVICES – STATE		216,199			
5020080000	FREIGHT EXPRESS DELV		138			
5020120000	CELLULAR PHONE SVCS		24			
5021010000	LEGAL SERVICES		63			
5021010003	LEGAL SRV-TRANSCRIPT		548			
5021010004	LEGAL SRV-WITNESS FE		22,344			
5021020000	ATTORNEY FEES		21,132			
5021330003	CONTR-STATE		39,000			
5021450000	MOTOR VEHICLE SVCS		39			
5021470000	LAUNDRY SERVICES		28			
5021479202	CARPET MAINTENANCE		2,000			
5021490000	AUDIT ACCT FINANCE		118			
5021530000	CATERED MEALS		6,372			
5021540000	NON-IT OTHER PRO SRV		355			
5021540001	PROF SRV-LANG INTER		112		122	
5021570000	CONTRACTUAL SERVICES		14			
5024990000	OTH CNT-NON-IT & REA		3,000			
5030010000	OFFICE SUPPLIES		16,056			
5030010004	SUBSCRIPTIONS		16,745		1,822	
5030030000	PRINTED ITEMS		3,732			
5030067101	PRGM LIC - APP SUPP		99,126		39,036	
5030067110	EQUIP&SUPP- DATA NET		3,681			
5030067141	PLM- ITSD		9,590			
5030067170	EQUIP&SUPP- PRINT EU		7,764			
5030067201	PLM- SERVERS		19,447			

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 38440000 - EARMARKED FUND**

5030070000	POSTAGE		215			
5031010001	FURNISHINGS		2,259			
5031479203	JANITORIAL SUPPLIES		703			
5031510006	MV TAGS TITLES REGS		33			
5032410000	MED/SCIENT/LAB SUPP		125			
5032820000	INSTRUCTIONAL MAT		582			
5033030000	PROMOTIONAL SUPPLIES		24			
5033090000	EMPLOYEE RECOG AWARD		1,103			
5033140002	CREDENTIAL SUPPLIES		60			
5033990000	OTHER SUPPLIES		225			
5040060000	ST RENT-NON ST BLDG				6,087	
5040070000	RENT-ST OWN RL PROP		120			
5040490000	LSE-LOW VAL OTHER		276			
5040490002	RENT-OTH-ROOM&VID		1,107			
5040490003	RENT PO BOX		1,646			
5040490009	RENT PARKING		24,990			
5041010000	DUES & MEMBER FEES		6,034			
5041020000	FEES AND FINES		176			
5041020001	FF - BACKGRD CK		104			
5041840000	LEASE BLDG PRINCIPAL		407,327			-
5041850000	LEASE BLDG INTEREST		9,875			55
5050010000	IN ST-MEALS-NON-REP		693			
5050020000	IN ST-LODGING		3,400			
5050031000	HR-IN ST-AIR TRANS		957			
5050041000	HR-IN ST-AUTO MILES		2,188			
5050050000	IN ST-OTHER TRANS		345			
5050060000	IN ST-MISC TR EXP		418			
5050510000	OUT ST-MEALS-NON-REP		220			
5050570000	TRNG-OUT-ST REG FEE		4,755			
5051520000	REPORTABLE MEALS		37			
5051540000	LEASED CAR-ST OWNED		36,402			
5140010000	INDM CLAIMS & AWARDS		106,910			
<b>Total OTHER OPERATING:</b>		<b>2,226,222</b>	<b>1,179,727</b>	<b>53%</b>	<b>109,563</b>	<b>936,931</b>
<b>Total Administration:</b>		<b>3,059,207</b>	<b>1,384,669</b>	<b>45%</b>	<b>109,563</b>	<b>1,564,975</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 38440000 - EARMARKED FUND**

**Inform. services**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS		321,819			-321,819
501070	OTH PERS SVC		7,500			-7,500
5020050000	PHOTO & VISUAL SVCS		-33,256		1,200	
5020077100	SERVICES- APP SUP		825		72,117	
5020077200	SERVICES- SERVERS		643			
5020077220	SERVICES- VOICENET		9,652		16,946	
5021469316	SECURITY ALARM SRVC		2,713			
5030050000	PHOTO & VISUAL SUPP		0		1,939	
5030067130	EQUIP&SUPP- EUC		16,345			
5030067170	EQUIP&SUPP- PRINT EU				3,660	
5040057000	CONTINGNT RENT - IT		2,880			
5050020000	IN ST-LODGING		504			
5050041000	HR-IN ST-AUTO MILES		414			
5050510000	OUT ST-MEALS-NON-REP		195			
5050520000	OUT ST-LODGING		1,125			
5050541000	HR-OUT ST-AUTO MILES		660			
5050560000	OUT ST-MISC TR EXPEN		144			
5060325000	Other Eq Acq (MA)		33,256			
Total OTHER OPERATING:			36,100		95,861	-131,961
<b>Total Inform. services:</b>			<b>365,419</b>		<b>95,861</b>	<b>-461,280</b>

**Litigation - it proj**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
512001	OTHER OPERATING	35,000				
Total OTHER OPERATING:		35,000				35,000
<b>Total Litigation - it proj:</b>		<b>35,000</b>				<b>35,000</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 38440000 - EARMARKED FUND**

**Claims**

<b>Commitment Item</b>	<b>Commitment Item Description</b>	<b>Current Budget</b>	<b>YTD Expenditures</b>	<b>% Used</b>	<b>Commitments</b>	<b>Remaining Balance</b>
501058	CLASSIFIED POS	280,850	182,931	65%		97,919
501070	OTH PERS SVC	15,000	14,935	100%		65
512001	OTHER OPERATING	19,700				
5050020000	IN ST-LODGING		504			
5050041000	HR-IN ST-AUTO MILES		196			
<b>Total OTHER OPERATING:</b>		<b>19,700</b>	<b>701</b>	<b>4%</b>	<b>0</b>	<b>18,999</b>
<b>Total Claims:</b>		<b>315,550</b>	<b>198,567</b>	<b>63%</b>	<b>0</b>	<b>116,983</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% 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				70,000
512001	OTHER OPERATING	230,700				
5020120000	CELLULAR PHONE SVCS		23,921			
5021010003	LEGAL SRV-TRANSCRIPT		3,654			
5021010005	LEGAL SRV-REPORTER		127,758			
5021410000	EDUC & TRNG-STATE		75			
5030067130	EQUIP&SUPP- EUC		4,774			
5041020000	FEES AND FINES		75			
5050010000	IN ST-MEALS-NON-REP		1,615			
5050020000	IN ST-LODGING		8,013		-	
5050031000	HR-IN ST-AIR TRANS		1,130			
5050041000	HR-IN ST-AUTO MILES		25,534			
5050050000	IN ST-OTHER TRANS		140			
5050060000	IN ST-MISC TR EXP		663			
5050080000	IN ST-SUBSIST ALLOW		5,497			
5050510000	OUT ST-MEALS-NON-REP		400			
5050520000	OUT ST-LODGING		1,607			
5050531000	HR-OUT ST-AIR TRANS		1,524			
5050541000	HR-OUT ST-AUTO MILES		53			
5050560000	OUT ST-MISC TR EXPEN		480			
Total OTHER OPERATING:		230,700	206,913	90%	0	23,787
<b>Total Commissioners:</b>		<b>300,700</b>	<b>206,913</b>	<b>69%</b>	<b>0</b>	<b>93,787</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% 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	382,787	83%		76,676
501070	OTH PERS SVC	22,881	14,935	65%		7,946
512001	OTHER OPERATING	54,500				
5020080000	FREIGHT EXPRESS DELV		177			
5021540000	NON-IT OTHER PRO SRV		2,365			
5024990000	OTH CNT-NON-IT & REA		870			
5030010000	OFFICE SUPPLIES		1,179			
5030010004	SUBSCRIPTIONS		16,500			
5050010000	IN ST-MEALS-NON-REP		706			
5050020000	IN ST-LODGING		3,723		504	
5050031000	HR-IN ST-AIR TRANS		1,533			
5050041000	HR-IN ST-AUTO MILES		757		198	
5050050000	IN ST-OTHER TRANS		618			
5050060000	IN ST-MISC TR EXP		400			
5050510000	OUT ST-MEALS-NON-REP		130			
5050520000	OUT ST-LODGING		1,743			
5050531000	HR-OUT ST-AIR TRANS		930			
5050541000	HR-OUT ST-AUTO MILES		100			
5050550000	OUT ST-OTHER TRANS		808			
5050560000	OUT ST-MISC TR EXPEN		280			
5050570000	TRNG-OUT-ST REG FEE		45			
5140010000	INDM CLAIMS & AWARDS		5,651			
<b>Total OTHER OPERATING:</b>		<b>54,500</b>	<b>38,514</b>	<b>71%</b>	<b>702</b>	<b>15,284</b>
<b>Total Insurance &amp; Medical:</b>		<b>536,844</b>	<b>436,236</b>	<b>81%</b>	<b>702</b>	<b>99,906</b>

**South Carolina Workers' Compensation Commission**  
**Budget vs. Actual Report**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

**Fund 38440000 - EARMARKED FUND**

**Judicial**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	500,000	446,237	89%		53,763
501070	OTH PERS SVC	75,000	49,922	67%		25,078
512001	OTHER OPERATING	30,000				
5020010000	OFFICE EQUIP SERVICE		1,719			
5021020000	ATTORNEY FEES		-36			
5030070000	POSTAGE		24,000			
5040490008	RENT POSTAGE EQUIP		575			
5050010000	IN ST-MEALS-NON-REP		81			
5050020000	IN ST-LODGING		504			
5050041000	HR-IN ST-AUTO MILES		393			
5050570000	TRNG-OUT-ST REG FEE		56			
Total OTHER OPERATING:		30,000	27,293	91%	0	2,707
<b>Total Judicial:</b>		<b>605,000</b>	<b>523,451</b>	<b>87%</b>	<b>0</b>	<b>81,549</b>

**Employer Contributions**

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	719,818	697,420	97%	0	22,398
<b>Total Employer Contributions:</b>		<b>719,818</b>	<b>697,420</b>	<b>97%</b>	<b>0</b>	<b>22,398</b>

<b>Total EARMARKED FUND:</b>		<b>5,572,119</b>	<b>3,812,674</b>	<b>68%</b>	<b>206,126</b>	<b>1,553,318</b>
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**South Carolina Workers' Compensation Commission  
Commitments  
FY 2023 As of 5/31/2023**

**Fund 38440000 - EARMARKED FUND**

**Administration**

Commitment Item	Commitment Item Description	Vendor	Commitment
5020077100	SERVICES- APP SUP	PROGRESS SOFTWARE CORP	39,825
5020077220	SERVICES- VOICENET	NWN CORPORATION	22,616
5021540001	PROF SRV-LANG INTER	GLOBAL INTERPRETING NETWORK INC	122
5030010004	SUBSCRIPTIONS	WEST PUBLISHING CORPORATION	1,822
5030067101	PRGM LIC - APP SUPP	INSURANCE SERVICES OFFICE INC	35,640
5030067101	PRGM LIC - APP SUPP	WEST PUBLISHING CORPORATION	3,396
5040060000	ST RENT-NON ST BLDG	GALIUM 1333 MAIN LLC	6,087
5041850000	LEASE BLDG INTEREST	GALIUM 1333 MAIN LLC	55
<b>Total Administration:</b>			<b>109,563</b>

**Inform. services**

Commitment Item	Commitment Item Description	Vendor	Commitment
5020050000	PHOTO & VISUAL SVCS	SUMMIT SOLUTIONZ INC	1,200
5020077100	SERVICES- APP SUP	INSURANCE SERVICES OFFICE INC	62,640
5020077100	SERVICES- APP SUP	PROGRESS SOFTWARE CORP	9,477
5020077220	SERVICES- VOICENET	NWN CORPORATION	16,946
5030050000	PHOTO & VISUAL SUPP	SUMMIT SOLUTIONZ INC	1,939
5030067170	EQUIP&SUPP- PRINT EU	US INK AND TONER INC	3,660
<b>Total Inform. services:</b>			<b>95,861</b>

<b>Total EARMARKED FUND:</b>			<b>205,424</b>
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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**  
**Earmarked Fund Revenues**  
**FY 2023 As of 5/31/2023**  
**92% of year elapsed**

Account	Acct No.	Budget	YTD Actual Revenue	% of Budget
WORKERS' COMPENSATION HEARING FEE	4110090000	1,091,322	1,000,450	92%
WORKERS COMP SELF INSURANCE APPLIC/	4160040000	26,555	2,127	8%
WORKERS COMPENSATION FILING VIOLATIC	4223030000	1,985,476	1,396,155	70%
PARKING FEE	4350040000	5,900	4,970	84%
WORKERS COMPENSATION AWARD REVIEW	4350140000	32,251	12,400	38%
TRAINING CONFERENCE REGISTRATION FEI	4380020000		1,200	
PHOTOCOPYING FEE	4380050000	25,300	59,515	235%
SALE OF SERVICES	4480020000		1,801	
SALE OF LISTINGS & LABELS	4480060000	4,187	715	17%
REFUND PRIOR YR EXPENDITURE	4520010000			
RETURNED CHECKS	4530010000			
ADJUSTMENT TO AGENCY DEPOSITS	4530020000			
MISCELLANEOUS REVENUE	4530030000		31,174	
REFUND PRIOR YR REVENUE	4890450000		(10,857)	
<b>Total Revenues</b>		<b>3,170,991</b>	<b>2,499,650</b>	<b>79%</b>

<b>Self Insurance Tax</b>		<b>2,500,000</b>	<b>4,939,698</b>	<b>198%</b>
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<b>Total</b>		<b>5,670,991</b>	<b>7,439,347</b>	<b>131%</b>
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**TAB 11**

# *State of South Carolina*

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P.O. Box 1715  
Columbia, S.C. 29202-1715



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## *Workers' Compensation Commission*

### *MEMORANDUM*

**TO: Gary Cannon, Executive Director**

**FROM: Kristen McRee, Staff Attorney**

**DATE: June 2, 2023**

**RE: Discussion, Findings, and Recommendations of the Ad Hoc TTD Committee**

The Commission was made aware that some Claimants were not receiving their TTD checks in a timely manner. To investigate the matter, the Chairman commissioned an AD Hoc Committee to determine whether receiving a paper check, the current default method of payment under statute and regulation, continues to be the most efficient method for paying and receiving indemnity benefits.

The Committee was comprised of representatives from insurance carriers, TPAs, and attorney stakeholders. The following stakeholders participated in the Committee: Erin Farthing, Esq., Chair; Tina Brown; Shani Wright; Julianne Haskin; April McNeal; Terry Carswell; Barbara Cullum; Tom Purucker; Andrea Roche, Esq.; Allison Sullivan, Esq.; Rusty Goudelock, Esq.; and L. Brenn Watson, Esq. The following Commission Employees were also in attendance: Gary Cannon, Executive Director; Kristen McRee, Staff Attorney; Sonji Spann, Director of Claims; and Arnisha Keitt, Executive Assistant.

The Committee held three meetings which occurred on February 9, 2023, March 16, 2023, and April 13, 2023. During the meetings, the members met and discussed the scope of the issue, industry standards for payors, the feasibility and advisability of changing the default method of TTD payment, and the impact of making such a change. The Committee also reviewed the statutory and regulatory requirements relating to indemnity payments to provide the context for their recommendations.

The Committee determined that current inconsistencies with the U.S. Postal Service is causing substantial delays in the receipt of indemnity checks for some claimants. When a claimant reports a missing check, the procedure for a stop-payment and reissue varies among the carriers. This creates inconsistency and delay for some claimants and may be impacting them financially.

To determine the scope of the issue, the group initially discussed which carriers were using paper checks and which carriers were offering electronic payment options. Some carriers reported that paper checks were issued more often, and some carriers reported that most of their claimants utilized direct deposit. Because it was unclear how many carriers currently offered a method of electronic payment, the group decided to survey 384 carriers to determine how many offered electronic payment options and the associated costs. The survey responses were consistent with the group discussion: Most carriers are either offering electronic payment options or working towards offering electronic payment options.

According to the survey, of the carriers that did not offer electronic options, most either did not have the technological resources to provide the service or they outsourced payment to a third-party administrator. Of the carriers offering electronic payment options, a wide range (between 5% and 75%) of claimants selected that option. For some carriers, between 25% and 100% of claimants have received their payments via paper check in the past year. The costs to implement electronic payment options varied among the responses received.

The Committee also surveyed other states to determine if they are requiring electronic payment for indemnity checks. According to the results of the survey, most states didn't require a specific method of payment. If a specific method was required, a check was most often the required method. Only Maryland required carriers to pay temporary indemnity payments electronically.

The group also discussed penalties for failure to reissue payments in a timely manner and the feasibility of offering electronic payments given the potential costs.

Overall, the Committee agreed that the recommendations offered to the Commission should: Advise stakeholders of the issue and the solutions being proposed, require carriers to offer electronic payment unless the carrier can make a showing of hardship to the Commission, require carriers to promptly re-issue missing payments following the implementation of a stop-payment on the draft, and require claimants to be responsible for any costs associated with cashing checks that are subject to a stop-payment order.

To effectuate these goals, the Committee has proposed two solutions. The members suggested that the Commission consider an interim administrative solution to educate stakeholders on the issue and encourage carriers to issue electronic payments while an amendment to S.C. Code Ann. Regs. 67-1602(C) is being drafted and considered by the legislature.

**Recommendations for the SCWCC Ad Hoc Committee on  
Workers' Compensation Temporary Indemnity Payments  
May 31, 2023**

**Recommendations**

- 1. Proposed Recommendation:** This Committee recommends amending S.C. Code Ann. Regs. 67-1602(C) to require carriers to offer electronic methods of payment within the next 24 months unless the carrier can demonstrate hardship to the satisfaction of the Commission. The proposed amendments to the regulation would also include language requiring carriers to promptly re-issue missing checks following the implementation of a stop payment on missing checks and require claimants to be responsible, as a credit against future payments, for any costs associated with checks cashed for duplicate time periods.

**Discussion:** In 2017, the Senate considered amendments to S.C. Code Regs. 67-1602. Given the technology available at that time neither the Commission nor the Senate wanted to require electronic payment be the default payment method for workers' compensation indemnity payments. The concern at the time was that claimants should not be forced to open a bank account to cash their indemnity checks. That same year, the General Assembly passed Act No. 24 (S.C. Code Ann. § 42-9-50) that permitted payment by either electronic payment or check. Since 2017, technological advancements have facilitated the implementation and use of electronic payments. In addition, since 2017, the United States mail has become increasingly unreliable. Delays in the receipt of temporary indemnity paper checks are creating financial hardship for claimants that depend on timely payment of benefits to meet their financial obligations while they are out of work or working part-time. This Committee has researched the payment methods utilized in other states and found that most states do not require carriers to make indemnity payments electronically. According to a carrier questionnaire prepared by this Committee, about 50% of the carriers surveyed currently offer electronic payment options. Of those that do not offer electronic payments, technological system restrictions are the most common rationale for not offering the service. The proposed amendment to the regulation should require that direct deposit be offered, not that it become the default method, and allow carriers sufficient time to adjust their business processes.

If a check is the desired method of payment, carriers should be required to promptly re-issue checks. Currently, some carriers wait approximately 14 days before re-issuing a missing check. Some carriers require an additional 48 hours before the check is mailed causing claimants to wait weeks to receive payments. Unfortunately, rapidly reissuing the check could cause a claimant to receive two checks for the same benefit period

and proceed to cash both. The Workers' Compensation Act (S.C. Code Ann. § 42-9-210) currently addresses this issue by allowing the overpayment to be deducted from future amounts paid as compensation. It does not directly address a claimant's responsibility for the costs incurred in erroneously negotiating a check.

2. **Proposed Recommendation:** This Committee recommends, while an amendment to the regulation is being drafted and considered by the Commission and the Legislature, that the Commission consider administrative solutions to address the issue. The solution should educate carrier stakeholders about their current obligations under the Act, advise stakeholders of the actions being considered by the Commission, and encourage carrier stakeholders to issue electronic payments during the interim period.

**Discussion:** Amending a regulation can be a lengthy process. Unfortunately, this issue is currently plaguing several claimants. A more expedient solution would be helpful in addressing immediate concerns and alerting the stakeholders of the upcoming changes. The Committee proposes utilizing the methods that, in the opinion of the Commission, would be most effective in accomplishing that goal.