

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

January 22, 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 JANUARY 22, 2019 *CHAIRMAN BECK*
3. APPROVAL OF MINUTES OF THE BUSINESS MEETING OF DECEMBER 17, 2018 (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*
10. NEW BUSINESS *CHAIRMAN BECK*
 - Revisions to the Commission 2019 Calendar (Tab 11) *Mr. Cannon*
 - License Portfolio Transfer Policy and Procedure (Tab 12) *Mr. Cannon*
 - Request for Release of Surety by Self-Insured (Tab 13) *Mr. Berthelette*
 - Medical Services Provider Manual (Tab 14) *Mr. Ducote*
11. ADJOURNMENT *CHAIRMAN BECK*

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THE
SOUTH CAROLINA WORKERS'
COMPENSATION COMMISSION
BUSINESS MEETING
December 17, 2018

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, December 17, 2018, 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.

Chairman Beck called the meeting to order at 10:50 a.m.

AGENDA

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

APPROVAL OF MINUTES – BUSINESS MEETING OF NOVEMBER 26, 2018

Commissioner Barden moved that the minutes of the Business Meeting of November 26, 2018, be approved. Commissioner Taylor seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

There were no general announcements. Mr. Cannon reminded the Commissioners that the Christmas luncheon would be on the 1st floor following the meeting.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by Bryan Berthelette, Self-Insurance Director. **Thirteen (13)** prospective members of **Four (4)** funds was presented to the Commission for approval. The applications were:

Palmetto Hospital Trust
Prisma Health

Palmetto Timber Fund
Ginn Forest Products, Inc.

South Carolina Home Builders SIF

Amaro Construction & Repairs LLC
Bear Steele Global Ltd. Co.
JDM Building Group LLC
J. Lamons Builders LLC
Oslin Custom Homes, Inc.
Southern Portrait Construction Solutions, Ltd.
Stephens Company of Florence SC LLC
Triple Crown Building Group LLC
Urban Enterprises LLC
We Totally Wood

South Carolina Municipal Insurance Trust

Town of Jonesville

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

DEPARTMENT DIRECTORS' REPORTS

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

Human Resources

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

- In November we had no new hires, no separations, no retirements, and one person on leave, but they have returned.
- We recruited the Program Coordinator I for IMS. Ms. Jeanette Gray was introduced.
- Ms. Stuart performed 3 transactions related to benefits which was down from the previous month with open enrollment.
- Filed 1 first report of injury and the individual is getting medical evaluation and treatment.
- Met with the Executive Director and managers about various employee related issues.
- Attended annual ethics training.
- Sent 18 all agency emails.
- Ms. Stuart performed 13 SCEIS time related transactions.
- 4 payroll related transactions. This was 1 more than last month.
- Followed up with managers on the outstanding EPMS reviews.
- Payroll and time reports were run weekly and in some cases daily.
- Followed up on badges and name plates. Finally received them all and they are on the wall.
- Made State HR Division aware of 2 issues. Once involved SCEIS and the other NEOgov.
- Processed 13 travel expenses, which was an increase of 3.
- Notified CBRE of 5 building issues and handled 3 parking transactions.

Information Technology Department

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

- EDI-The IT department continues to support for EDI trading partners. There have been a few processing data errors, but IT has been closely monitoring it. The announcement has been made that EDI 3.1 will be online October of next year. This is a significant undertaking to develop the requirement plan.
- There were several issues with Progress that were handled.
- Continue to work with the transmission and processing of the DEW data.
- Mr. Cannon noted that there has been some staff changes at DEW; we are currently waiting on an MOU from DEW to have our attorney's review.
- Ms. Falls handled 7 issues related to the imaging system, and uploaded 46 microfilm images in OnBase.
- Legacy Modernization- We have completed 8 sprints and now focusing on the backend and focusing on the data migration. ICAP has hired a new coder and he is currently working with Mr. Ducote.
- Conducted 2 stakeholder meetings, one with the carriers and one with for the legal group.
- In addition to working on a Memorandum of Understanding with DEW, we are also working on MOU's with the Secretary of State and the SC Supreme Court, due the data we will be integrating with them.

Commissioner James had a few questions about the MOU with the Court Of Appeals. Commissioner Wilkerson also inquired about the system with email addresses. There was discussion.

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 November, the Compliance Division compelled 54 employers to come into compliance with the Act, and collected over \$130,000 in non-compliance penalties.
- Mr. Ducote wanted to note that with the 54 employers who were compelled to comply with the act, there are now 554 employees who are now covered.
- Additionally, 26 carriers resolved their issues, resulting in \$9,800.00 in fine resolutions.
- Coverage collected over \$17,000, in fines. 1, 697 new claims were established.
- The Self- Insurance Division collected over \$125, 390 in self-insurance tax.

Claims Department

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

- Claims processed over 14,000 items during the month of November.
- Claims closed 2,000 files, reviewed 3,000. The decrease is due to staffing.
- Carrier Reviews, reviewed 845 open files, this resulted in 58 cases being closed and assessing 11 fines, and requested information on 4.

- Fine Revenue collected during the month of November was a little over \$45,400, which is down from last month. Collected \$19,000 which is down from last fiscal year.
- Claims Department assessed 254 fines 211 were assessed from the Form 18.
- Received 1,800 Form 18s via SROI/EDI. Increase from last fiscal year.
- Received 1,700 Form 18s via email.
- Form 61, we received 690, approved 637.
- Received and approved 2 third-party claims.

Judicial Department

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

Judicial Department

- 802 requests for Hearings
- 162 Motions
- 150 Clincher Conference requests sent to Jurisdictional Commissioners

Commissioners

- 75 Single Commissioner Hearings conducted
- 33 Pre-hearing conferences held
- 16 Full Commission Hearings conducted
- 551 Orders served at single Commissioner level; 63 of those were Decision and Orders that resulted from hearings that went on record; 154 of those were Motion Orders ruled upon by Commissioners

Informal Conference

- 175 Informal conferences conducted

Mediation

- 49 regulatory mediations scheduled
- 50 requested mediations
- 66 matters resolved in mediation with the receipt of Forms 70

Appeals to SC Court of Appeals

- In November the Judicial Department received 2 Notices of Intent to Appeal, to the Court of Appeals.

VOCATIONAL REHABILITATION

Mr. Cannon presented the Vocation Rehabilitation report, in Ms. Drawdy's absence. Mr. Cannon pointed out the following highlights from the report:

- 40 letters mailed
- 2 Responses from letters
 - 2 appointments scheduled
- Attended:
 - 2 Hearings

- 8 Clincher Conferences
 - Provided VR information to attorneys and Claimants
- 2 Pre hearing conferences

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:

- Constituent's contacts for the month were 298. This is in response to emails and calls from the Ombudsman constituents and stakeholders.
- Financial Transaction Activity- approved and processed 14 travel expenses, reimbursement to employee related travel, and 20 deposits. Procurement and purchasing activities included the entries of 27 goods received.
- No additions have been made to the distribution list and the total number of emails is 798.

ADMINISTRATION – FINANCIAL REPORT

Mr. Cannon reported the benchmark for period ending November 2018 is 32%. The General Fund expenditure to date is 42%, which is right on target. 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 59% and the budgeted Self-Insurance Tax funds received is 79%.

OLD BUSINESS

No old business

NEW BUSINESS

2018 Maximum Weekly Compensation Rate

Mr. Cannon reported the Department of Employment Workforce has released a new average weekly wage in South Carolina for the period of July 1, 2017 through June 30, 2018 of \$845.74. According to §42-1-50; §42-9-10; and §42-9-20, the maximum weekly compensation rate for injuries arising on and after January 1, 2019 shall be \$845.74.

Motion to Adopt the 2018 Average Weekly Wage

Commissioner McCaskill moved to adopt the 2019 maximum weekly compensation rate of \$845.74, which was duly seconded. The vote was taken, and the motion was adopted. Accordingly, accidents that occur on or after January 1, 2019, the maximum weekly compensation rate will be \$845.74. The request for approval was submitted in the form of an Order. Each Commissioner signed the order.

ADJOURNMENT

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

The December 17, 2018, meeting of the South Carolina Workers' Compensation Commission adjourned at 11:07 a.m.

Reported January 8, 2019
Amy Proveaux
Office of the Executive Director

<p style="text-align: center;">SCWCC Human Resources Monthly Report December 2018</p>

STAFFING

In December, the Commission had 53 FTEs and 1 part-time employee.

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

Recruitment:

- No current openings.

BENEFITS

- I performed 3 transactions related to benefits which is the same as last month.

EMPLOYEE RELATIONS

- I met with the Executive Director about various employee related issues.
- The Social Committee organized a Secret Santa opportunity which was well received.
- The Annual Christmas luncheon and ornament exchange was held on December 17th.

MEETINGS

- I did not attend any external meetings in December.

ADMINISTRATIVE

- I sent 9 "All Agency" emails on various topics such as SCEIS, training, equipment, job opportunities, fun events, and other miscellaneous items. This is 9 less than last month.
- I performed 16 SCEIS time related transactions which is 3 more than last month. Many of the time related issues had to do with the system change from My SC Employee to SCEIS Central. I made 3 payroll related transactions. This was 1 less than last month.
- Payroll and time reports were run weekly and in some cases daily.
- I held a new employee orientation and processed new hire paperwork.
- Began updating SCEIS information on all employees in the system as now required by State HR.
- I am in the process of verifying that all employees' emergency contact information is correct.

FISCAL RESPONSIBILITIES

- I processed/approved 13 travel expense reports which is 4 less than last month.

FACILITIES

- I notified CBRE of 5 building issues which is equal to last month.
- I handled 3 parking transactions with Republic Parking which is equal to last month.
- Corporate Concepts was contracted to breakdown and remove 2 cubicles that were not secure.

State of South Carolina

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Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Sandee Sprang, IT Director
Date: January 16, 2019
Subject: IT Department December 2018 Full Commission Report

This report summarizes the activities and accomplishments of departmental projects and initiatives for the IT department during December 2018.

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. We completed the first draft of the Claims 3.1 tables for all FROI and SROI transactions and delivered these to the EDI Review team at the IAIABC. Additionally we experienced a 2 day window of downtime as a result of an error with a "Cancelled in Favor of" process.

Progress

Several programming requests were completed including template and form updates for Jeanette Gray, the new Compliance team member. The 2019 case sequencing tables were updated and an issue was resolved with Appeal Standby Notices. IT also provided support to assist with invoice issues.

Reporting and Standardization

The IT team worked with the Compliance department to refine compliance data. Several "Open Carrier Cases" reports were modified based on requests from stakeholders. 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. Also, Shawnee DeBruhl and Kellie Lindler served as our test bed for two different scanners. The Xerox scanner will be our standard device and

OnBase

Kim handled 10 issues/requests related to our imaging system. These included indexing, deletion and locked batch requests. She also completed the quality assurance review of 26 rolls of microfilm now loaded into this system.

II. Projects, Enhancements and Development

Legacy Modernization

The development team has completed 10 Sprints with development now focusing on backend processes, specifically those related to EDI. We are also very engaged in developing the data migration strategy and the building of test data for the test environment. The test environment has been established and our internal stakeholder team have been asked to begin informal testing. The team held a carrier stakeholder meeting to review the system and had attendance from adjusters as far away as Florida. Also, with David DuRant's help we were able to establish the new Memorandum's of Understanding with DEW. 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 will be presenting an overview of the system at the Injured Workers' Advocates' Paralegal and Legal Assistant seminar in Myrtle Beach on February 2nd.

The IAIABC requested our service on a Legacy Modernization task force with Oregon, Virginia, and Washington. We had 19 states attend our 1st conference call.

State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Wayne Ducote, Jr.
IMS Director

Date: 18-Jan-19

Subj: Insurance and Medical Services Department
December 2018 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: 57 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 3 new RTSC cases and 12 total RTSC cases in the month of December. And, compelled 43 South Carolina employers to come into compliance with the Act. Year to date, 25 new RTSC cases and 150 total RTSC cases have been docketed.

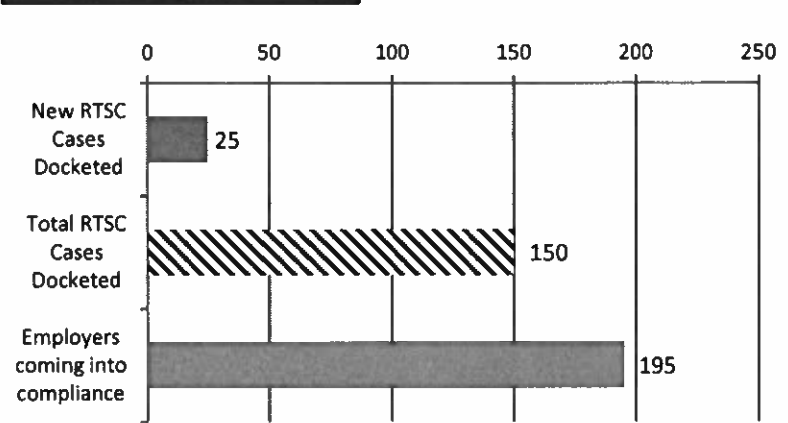
Employers Obtaining Coverage

Year to date, the Compliance Division has compelled 195 South Carolina employers to come into compliance with the Act. In so doing, approximately 1,810 previously uninsured workers are now properly covered.

Penalties Waived

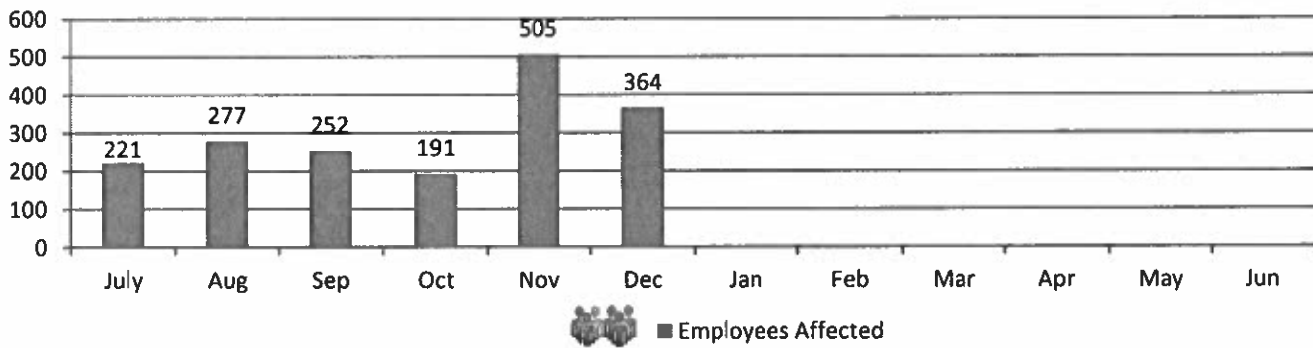
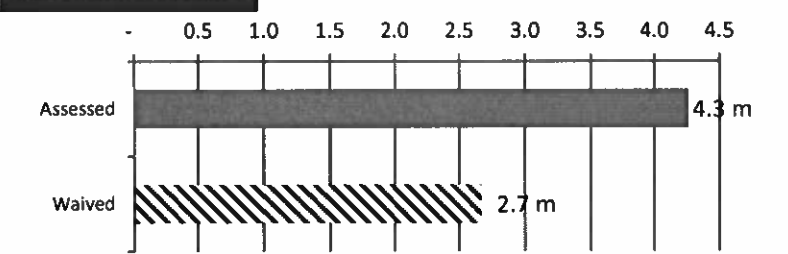
Although the Division has assessed \$4.3 m in fines this fiscal year, 63% of fines (\$2.7 m) have been waived or rescinded as employers have either obtained insurance coverage or were found not to be subject to the Act.

RTSC and Compliance Activity



Fines and Penalties

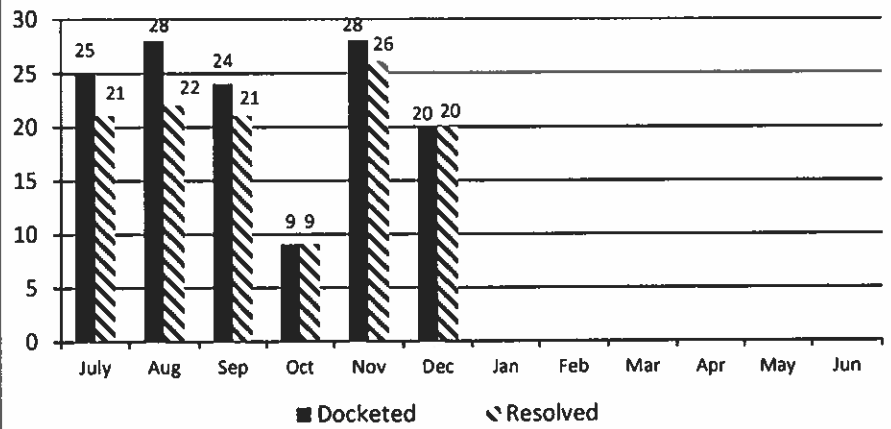
Millions



Carrier Rule to Show Cause Hearings

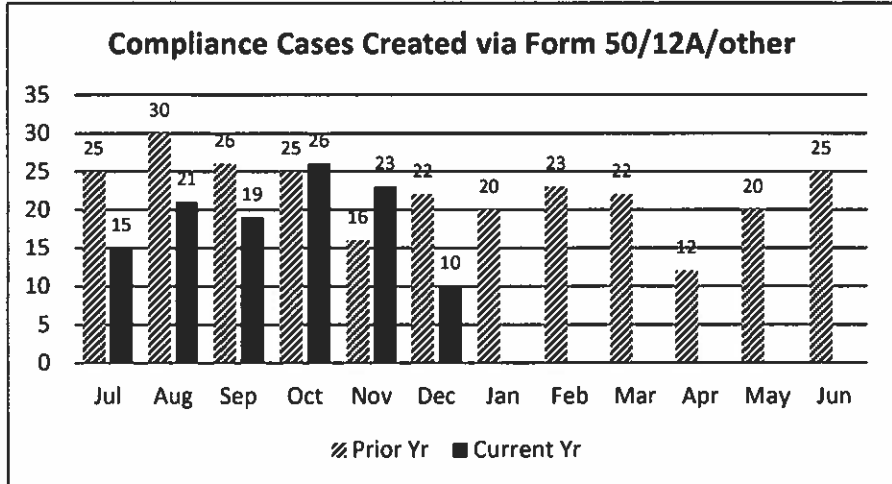
The Compliance Division manages the Rule to Show Cause process involving the recovery of outstanding carrier fines and penalties. In the month of December 2018, 20 carrier RTSC cases were docketed; 20 cases for a total of \$12,989 were resolved.

Year to date, a total of 134 carrier RTSC cases have been docketed, 119 cases for a total of 51,079 have been resolved.



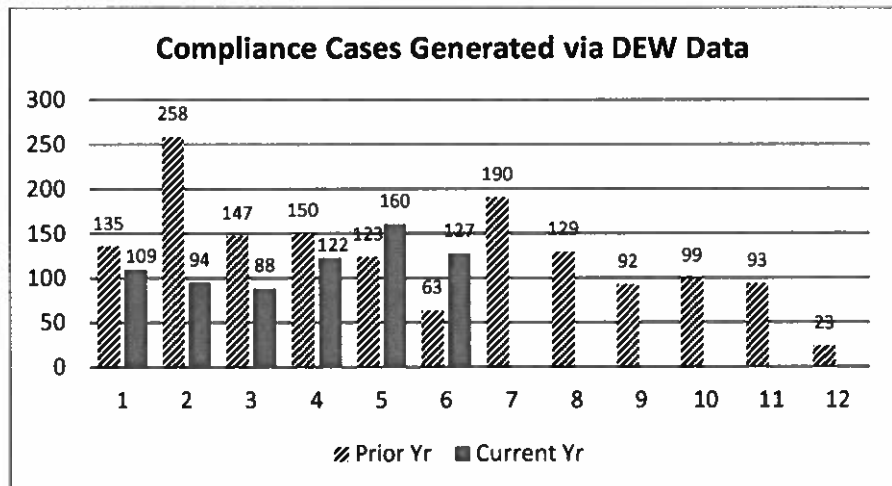
In December 2018, 10 compliance files were created from the combined filings of Form 50's, 12A's, and stakeholder reporting involving uninsured employers.

YTD vs. Prior Year total (266): 43%
 Dec 2018 to Dec 2017: 45%
 Current Yr End trend: 86% of 2017-2018
 YTD 2017-2018 v. YTD 2016-2017: 79%

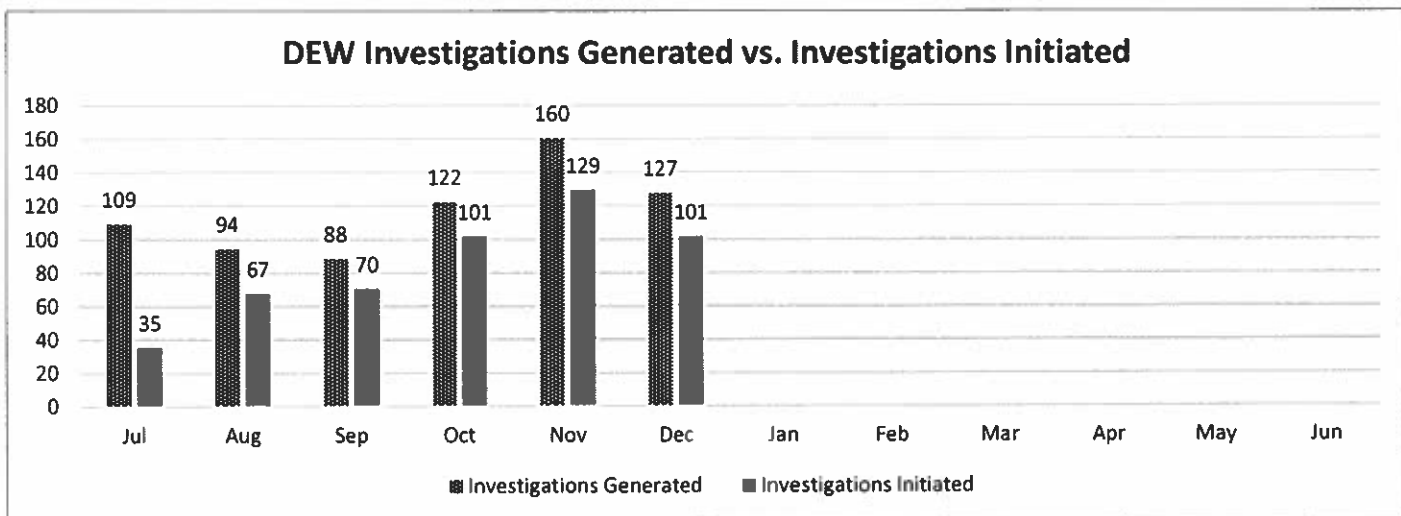


In December 2018, 127 compliance files were generated from the DEW data process.

YTD vs. Prior Year total (1,502): 47%
 Dec 2018 to Dec 2017: 202%
 Current Yr End trend: 93% of 2017-2018
 YTD 2018-2019 v. YTD 2017-2018: 79%



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 December 2018 with 462 cases active, compared to an active caseload of 412 at the close of December 2017.

Cases Resolved:

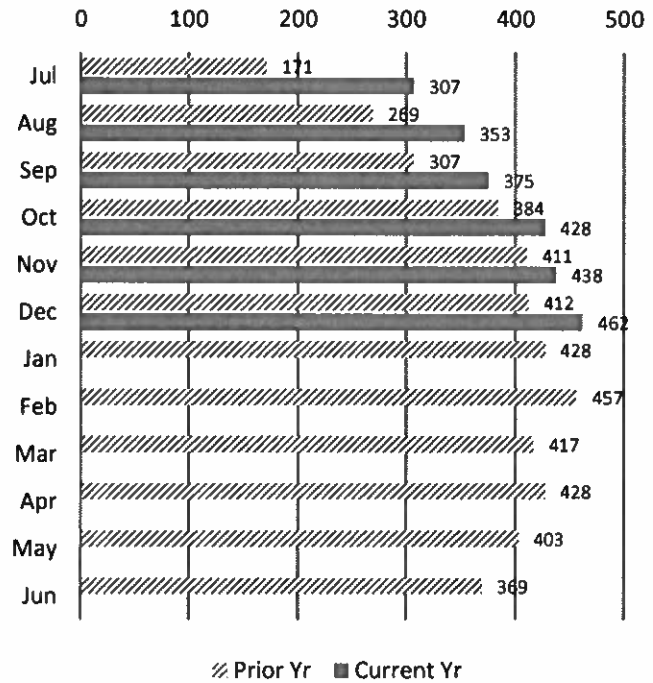
For the month of December 2018, Compliance Division staff closed-out 129 cases.

Compliance Fines:

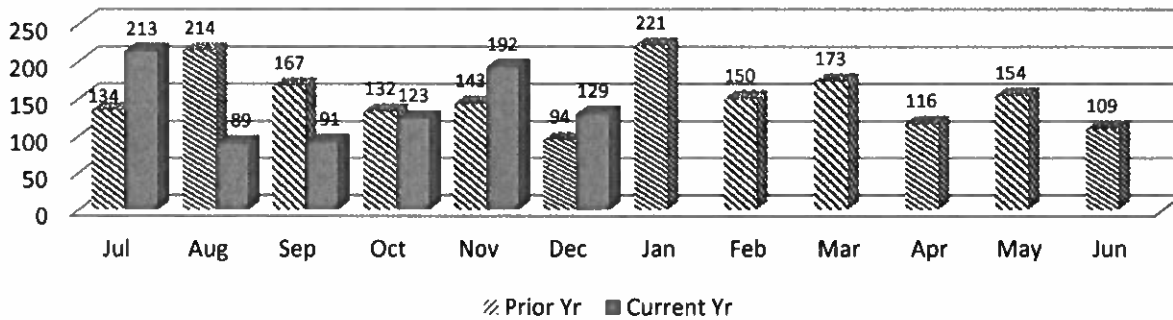
In December 2018, the Compliance Division collected \$119,575 in fines and penalties. Year to Date, the Compliance Division has collected \$520,008 in fines and penalties.

Year to Date vs Prior Year Total (\$1,507,751): 34%
 December 2017 vs. December 2018: 92%
 Current Year End trend is 69% of 2017-2018
 YTD 2018-19 (July - Dec) vs YTD 2017-2018: 77%

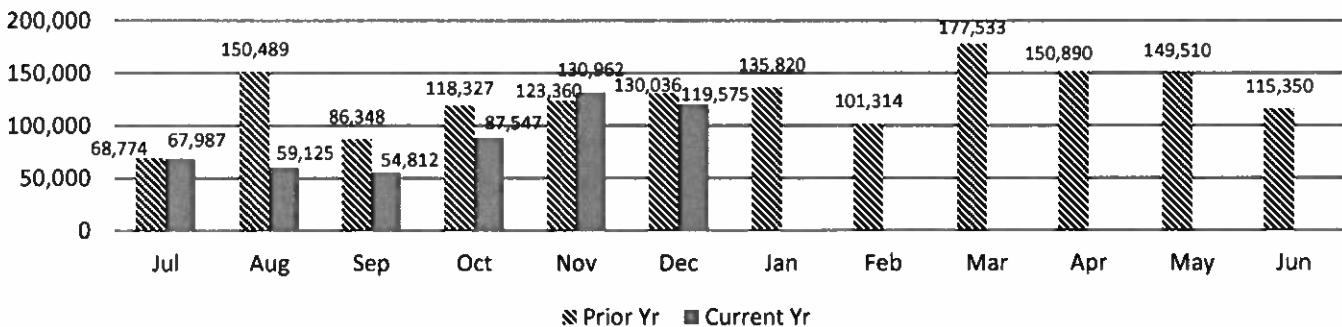
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year

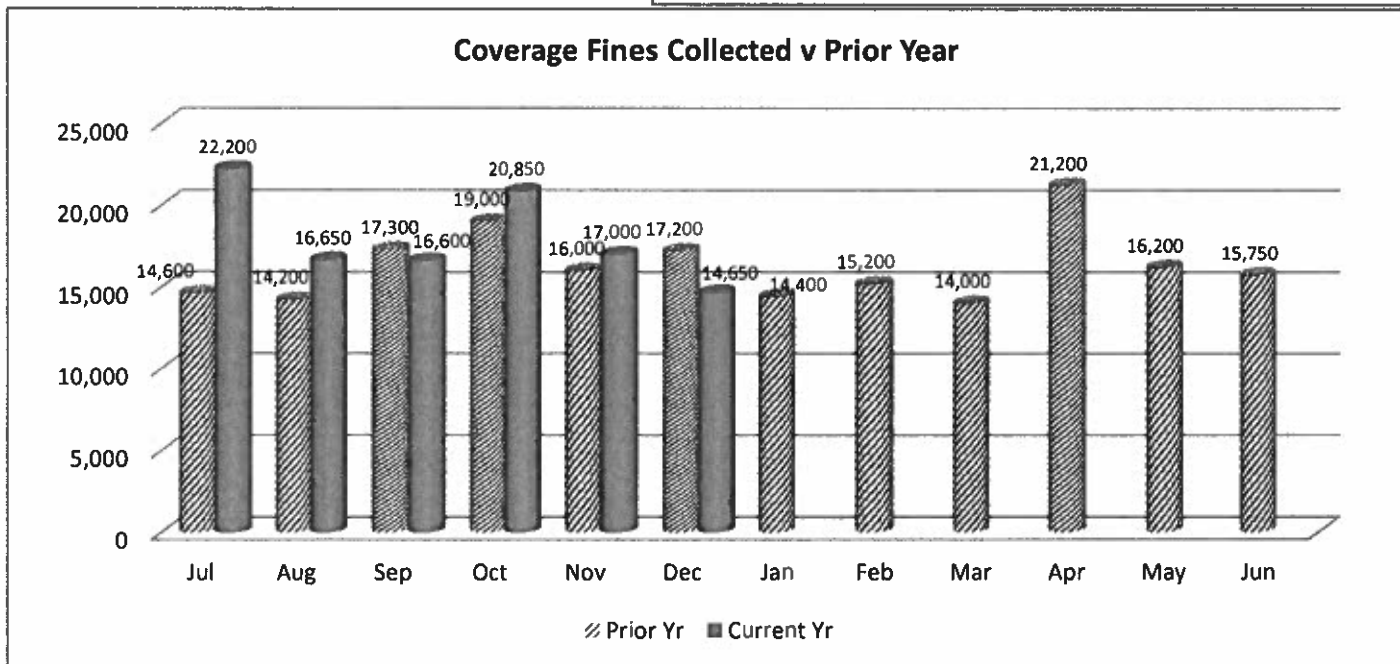
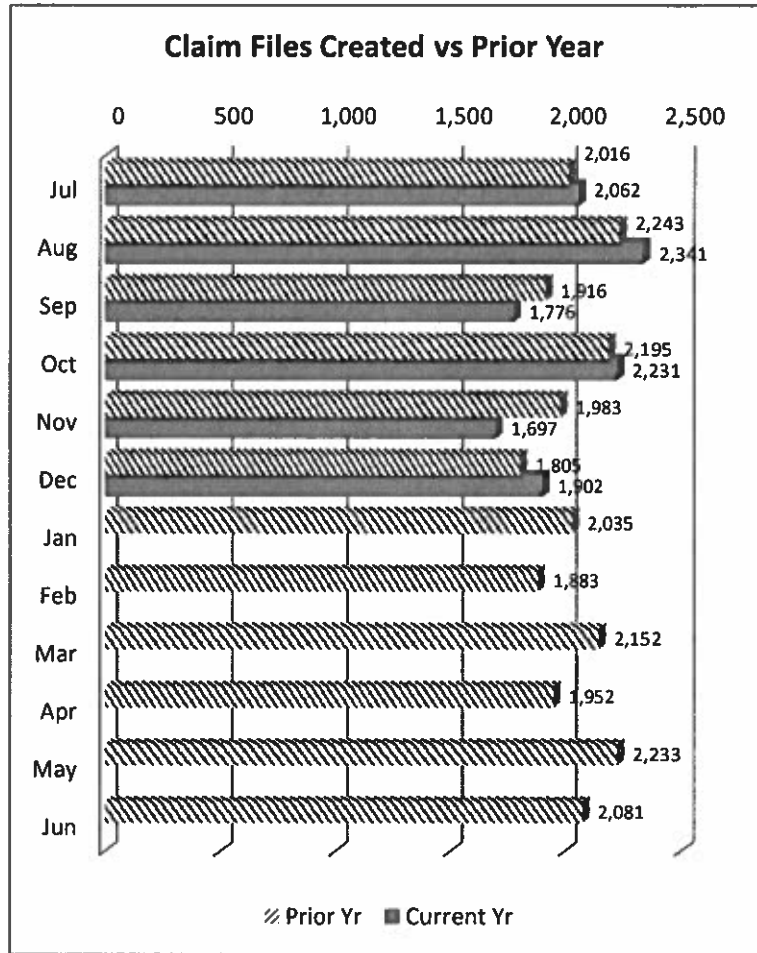


WCC Claim Files:

In December 2018, the Coverage Division received a total of 1,902 WCC Claim files. Of these, 1,752 were created through proper carrier filing of a 12A, and 150 were generated as a result of a Form 50 claim filing. Year to Date 12,009 Claim files have been created which is 49% of claim file volume prior year (24,494).

Coverage Fines:

The Coverage Division collected \$14,650 in fine revenue in December 2018, as compared to \$17,200 in Coverage fines/penalties accrued during December 2017. Year on Year, Coverage fines are at 55% of collections for prior year.



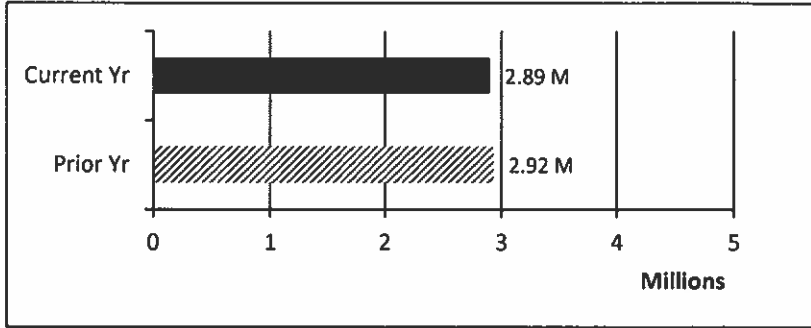
IMS SELF INSURANCE DIVISION

December 2018

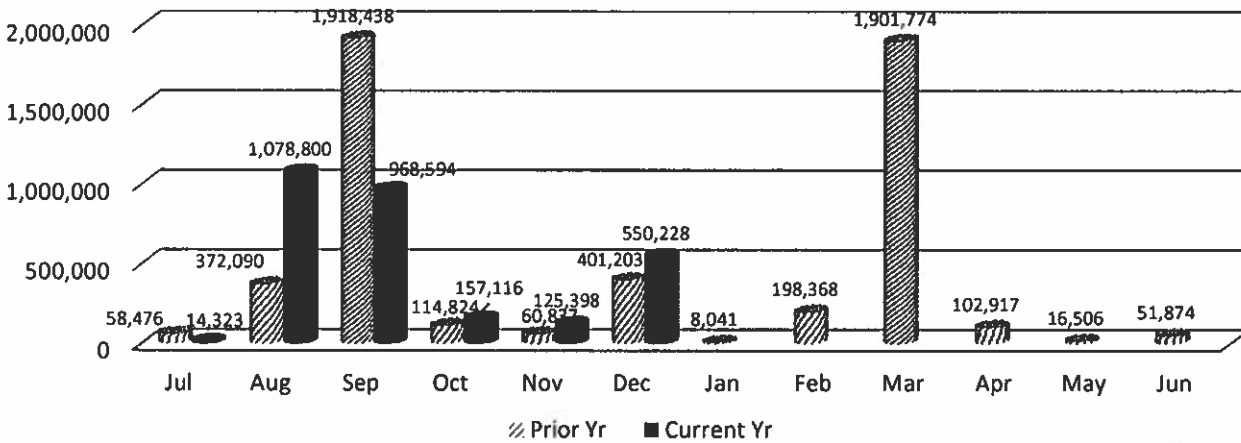
During the month of December 2018, the Self Insurance Division:

- * collected \$550,228 in self-insurance tax.
- * added 13 new self-insurers.
- * conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 99% of prior year and 23 Self Insurance audits have been completed.



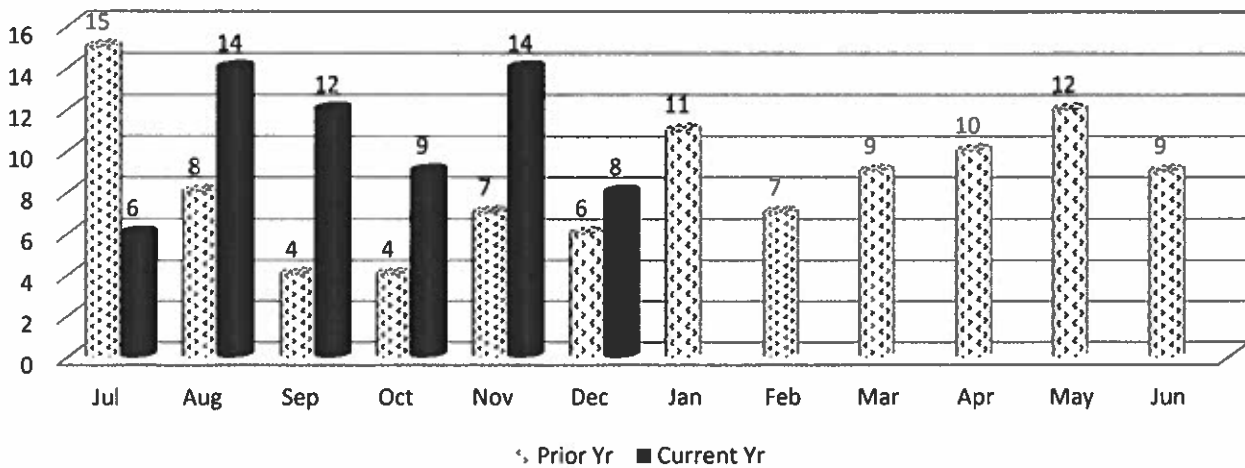
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In December 2018, the Medical Services Division began the month with 14 bills pending review, received an additional 4 bills for review, conducted 10 bill reviews and ended the month with 8 bills pending.

Medical Bills Pending Review v. Prior Year



State of South Carolina

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Workers' Compensation Commission MEMORANDUM

To: Gary Cannon, Executive Director
From: Sonji Spann, Claims Director
Date: January 7, 2019
Re: Claims Department –January 2019 Full Commission Report

Attached is Claims Department activity for the period ending December 31, 2018. The format of the Claims Department report highlights the key workflow benchmarks and compare to same month last fiscal year.

During the month of December, Claims processed 13,381 items, 1,403 less than the previous month. This includes 1,943 closed files and reviewed 2,462 files. When compared to the previous month, the number of Claims closed decreased 147 and the number cases reviewed decreased by 732. The number drop is related to staff absences due to the holiday and vacation. When compared to the same period in FY 17/18, the department closed 200 less cases and reviewed 376 less cases.

In efforts to reduce the number of carriers' open files, we reviewed 289 open files of 4 carriers. This resulted in 17 cases being closed, assessing 0 fines, and mailed requests for additional information on 0 cases.

The Claims Department collected \$30,250 in fine revenue, a decrease of \$1,515 compared to the previous month. When compared to the same period in FY 17/18, the department collected \$64,800 in fine revenue, a decrease of \$24,400.

The Claims Department assessed 299 fines, an increase of 45 compared to the previous month. Two-hundred seventy of the number of fines assessed were for the Form 18, an increase 59 compared to the previous month. When compared to the same period in FY 17/18, the department assessed 307 fines of which 242 were for the Form 18.

The Claims Department encourages the stakeholders to submit the forms electronically and/or by email. During the month of December, the department received 2048 Form 18s via SROI/EDI, 1577 via email, and 565 via USPS. When compared to the same period in FY 17/18, the number of Form 18s submitted via SROI/EDI increased 718, or 35%; the number of Form 18s submitted via email decreased 339, or 21%, and the number of Form 18s mailed via USPS decreased 74, or 13%.

The Claims Department received 682 Form 61s, a decrease of 68 when compared to the same period in FY 17/18. This month the department approved 577, 143 less than the number approved during the same period in FY17/18. The department received 0 Third Party Settlements and approved 0 during the same period in FY 17/18, the department received 25 Third Party Settlements and approved 34.

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

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

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Workers' Compensation Commission

January 15, 2019

To: Gary M. Cannon
Executive Director

From: Amy A. Bracy
Judicial Director

RE: **Monthly Judicial Report for December 2018**

During the month of December, the Judicial Department processed six hundred forty-eight (648) requests for hearings, one hundred eight (108) Motions and one hundred thirty-three (133) clincher conference requests that were sent to the Jurisdictional Commissioners.

There were sixty-five (65) Single Commissioner Hearings conducted during the past month, twenty-four (24) pre-hearing conferences held and thirteen (13) Full Commission hearings held. A total of four hundred sixty-three (463) 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 forty-two (142) were Motion Orders that were a result of Motions ruled upon by Commissioners.

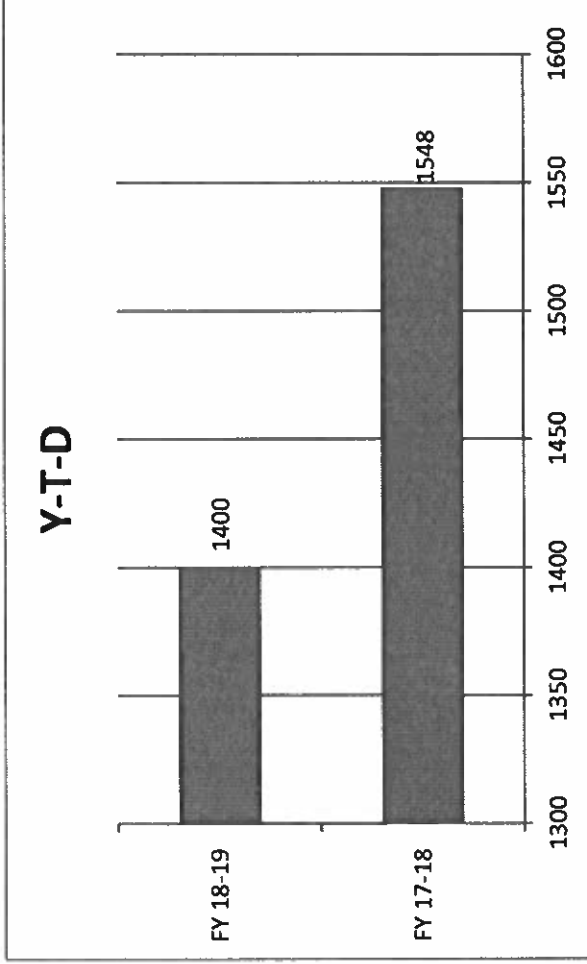
The Informal Conference system conducted two hundred seventy-seven (277) hearings during the last month.

There were thirty-three (33) regulatory mediations scheduled and twenty-eight (28) requested mediations. The Judicial Department was notified of fifty-two (52) matters resolved in mediation, with the receipt of Forms 70.

In the month of December, Judicial received five (5) Notices of Intent to Appeal to the Court of Appeals and zero (0) to the Circuit Court.

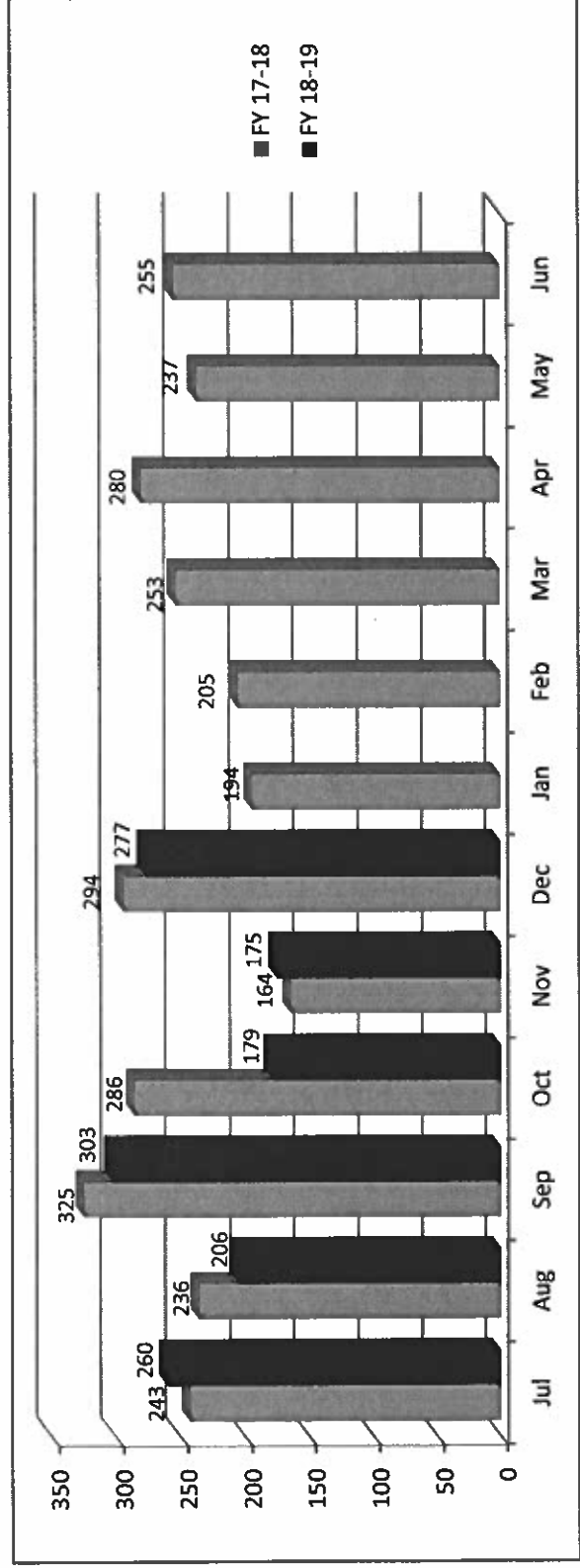
Informal Conf. Conducted

	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	
Feb	205	
Mar	253	
Apr	280	
May	237	
Jun	255	
Total	2972	1400



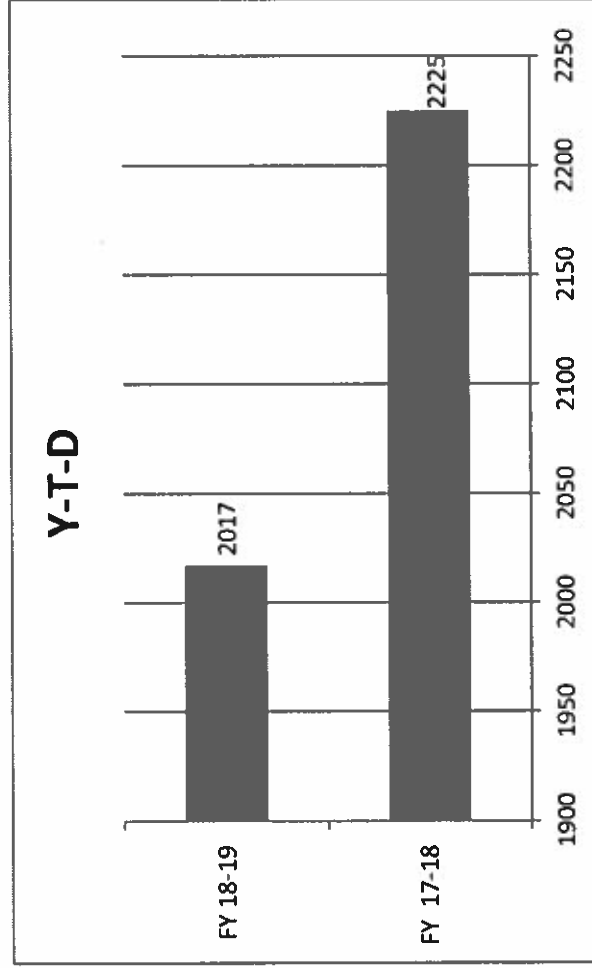
FY 17-18 1548
FY 18-19 1400

Y-T-D

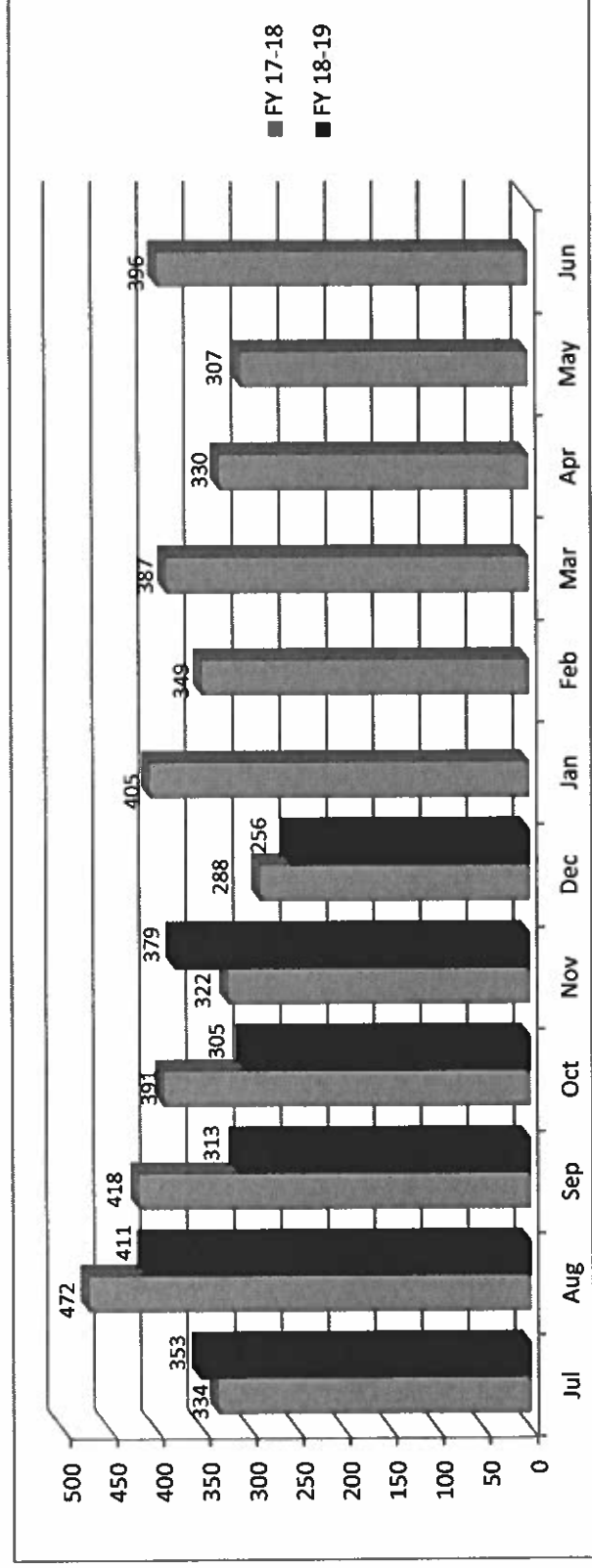


Informal Conf. Requested

	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	
Feb	349	
Mar	387	
Apr	330	
May	307	
Jun	396	
Total	4399	2017



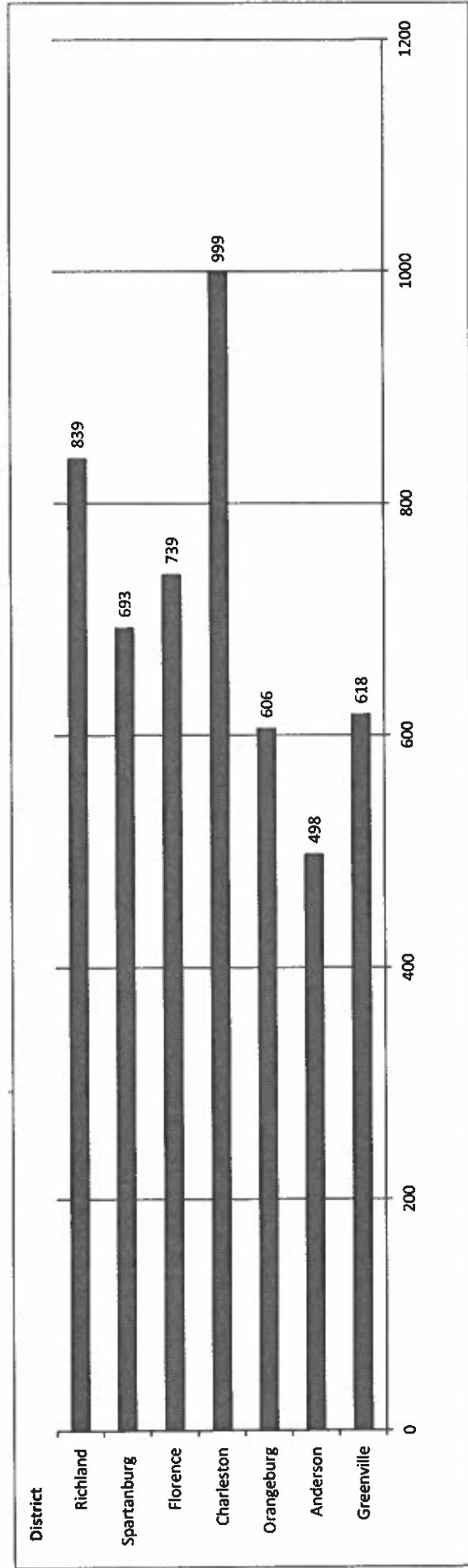
Y-T-D



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	149
Aug	118	113	92	71	97	97	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		87	93		72	92		88	97		138	184		112	157		94	119		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	618	1282	1270	498	1019	1104	606	1289	1230	999	1863	2020	739	1549	1663	693	1363	1343	839	1937	1835

Pleadings Assigned by District Year to Date





January 2019 Workers Compensation Update

- 37 letters mailed
 - Received 5 responses from letters and scheduled 3 appointments
- Attended:
 - 6 Clincher Conferences
 - Provided VR information to attorneys and Claimants

Felicia W. Johnson, Interim Commissioner

The South Carolina Vocational Rehabilitation Department prepares and assists eligible South Carolinians with disabilities to achieve and maintain competitive employment

Richland Area Office • 516 Percival Road • Columbia, South Carolina 29206 • scvrd.net
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Workers' Compensation Commission

Executive Director's Report Gary M. Cannon

January 22, 2019

Meetings/Activities

The Executive Director participated in the following meetings/activities:

- December 11- Met with Michael W. Jackson HWM Committee
- December 13- Attended Judicial Conference Agenda Meeting
- December 13- Attended ICAP reporting meeting
- December 13- Attended Claims Management System Carrier Focus Group
- December 14- Attended meeting regarding FOIAble data with ICAP and Chairman Beck
- December 14- Attended SROI Data Elements
- December 18- Met with Chairmen Beck to discuss LPT policy
- December 18- Met with staff to discuss LPT
- December 19- Met with staff to discuss meeting with DOI
- December 20- Met with Amy B to discuss UEF process
- December 21- Attended Sprint 9 demonstration
- January 3- Met with Neil Richards to discuss Legacy Project
- January 7- Met with Ray Farmer, and staff from DOI
- January 7- Met with Chairman Beck and Keith Roberts
- January 8- Met with staff to discuss Medical Fee Schedule update
- January 9- Met with staff to discuss NR50 & UEF procedures
- January 15- Met with Chairman Beck and Sandee to discuss FY19-20 budget

Constituent /Public Information Services

For the period December 10, 2018 to January 14, 2019, the Executive Director's Office and the General Counsel's office had 353 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. This number was lower than the average due to the office being closed over the holidays.

Financial Transactions Activity

The Executive Director's office has assumed the direct responsibility for budget, financial and purchasing transactions. Even though the Commission has a Memorandum of Understanding with the Department of Administration for assistance with procurement services and accounting and budgetary support, the following activities occurred in the Executive Director's office for the period December 6, 2018 through January 10, 2019: approved and processed 9 travel expense reimbursement payment related activities, 45 invoices, and 22 deposits. Procurement and purchasing activities included the entries of 25 goods received.

SCWCC Stakeholder Electronic Distribution List

For the period December 11, 2018, through January 14, 2019, we added seven (7) individuals, removed two (2) individuals by their request (1 had a position change and the other retired). Due to the receipt of email delivery failures, a total of twelve (12) email addresses were deleted. A total of 787 individuals currently receive notifications from the Commission.

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Workers' Compensation Commission

MEMORANUM

TO: COMMISSIONERS

**FROM: Gary Cannon
Executive Director**

DATE: January 17, 2018

RE: FINANCIAL REPORT - Period ending December 31, 2018

Attached is the Budget vs. Actual Report for the General Fund and Earmarked Fund for the one month period ending December 31, 2018. The benchmark for this period is 50%.

The expenditures are on pages 1-10 of the "Budget vs. Actual Report FY 2018. The total of expenditures and commitments in the General Fund (10010000) is \$958,185 or 45% of budget. Details are on pages 1-2. The total of expenditures, including Commitments, in the Earmarked Fund (38440000) is \$3,853,087 or 55% 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 \$1,380,195 or 72% of budget. We have received \$2,647,035 or 106% of the budgeted Self-Insurance Tax funds.

**SC Workers' Compensation Commission
BALANCE SHEET**

EARMARKED FUND

FY 2018-2019

Period Ending: December 31, 2018

	Budget	YTD	% of budget
Total Revenues	\$ 1,914,752	\$ 1,380,195	72%
Self-Insurance Tax	\$ 2,500,000	\$ 1,747,035	70%
Total Revenues	<u>\$ 4,414,752</u>	<u>\$ 3,127,231</u>	71%
 Total Expenditures	 <u>\$ 7,007,845</u>	 <u>\$ 2,349,596</u>	 34%
Total Commitments		<u>\$ 450,496</u>	
 Net Income/Expenditures		<u><u>\$ 327,139</u></u>	

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 10010000 - GENERAL FUND

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501015	DIRECTOR	102,129	51,064	50%		51,065
501058	CLASSIFIED POS	47,092				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	56,361	25%	0	166,271

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	77,223	39,493	51%		37,730
	Total Claims:	77,223	39,493	51%	0	37,730

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% 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	62,183	50%	0	63,025
501033	COMMISSIONER	720,918	360,880	50%	0	360,038
501058	CLASSIFIED POS	305,528	168,434	55%		137,094
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	600,605	52%	0	560,948

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	26,632	15,000	56%		11,632
	Total Insurance & Medical:	26,632	15,000	56%		11,632

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	246,727	41%		352,274
	Total Employer Contributions:	599,001	246,727	41%		352,274

Total GENERAL FUND: 2,116,307 958,185 45% 0 1,158,122

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

Administration

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	791,985	74,970	9%		717,015
501070	OTH PERS SVC	41,000				41,000
512001	OTHER OPERATING	2,607,462				
5020030000	PRINT / BIND / ADV		4,713			
5020080000	FREIGHT EXPRESS DELV		402			
5020120000	CELLULAR PHONE SVCS				442	
5021010000	LEGAL SERVICES		476			
5021020000	ATTORNEY FEES		150			
5021329000	BUILDING RENOVATION		4,800			
5021410000	EDUC & TRNG-STATE		450			
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		5,363		3,021	
5030010002	OFF SUP - MIN OFF EQ		2,343			
5030010003	OFF SUP&EQ-NON-IT PL		1,418			
5030010004	SUBSCRIPTIONS		1,729			
5030030000	PRINTED ITEMS		69			
5030067101	PRGM LIC - APP SUPP		15,500			
5030067170	EQUIP&SUPP- PRINT EU		1,909			
5030070000	POSTAGE		16,725		32,373	
5031029000	BLDG RENOVATION SUPP		5,022			
5031469309	PLUMBING SUPPLIES		270			
5033090000	EMPLOYEE RECOG AWARD		1,494		551	
5033990000	OTHER SUPPLIES		20			
5040010000	RENT-OFFICE EQUIP		1,897			
5040057000	IT- RENTAL-CONT RENT		113		1,023	
5040060000	RENT-NON ST OWN PROP		196,805		33,443	
5040490000	RENT-OTHER		7,135		16,200	

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

5041010000	DUES & MEMBER FEES		3,886			
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	303,266	12%	98,738	2,205,458
Total Administration:		3,440,447	378,236	11%	98,738	2,963,473

Inform. services

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS		168,986			-168,986
5020010000	OFFICE EQUIP SERVICE		71			
5020077100	SERVICES- APP SUP		0		842	
5020077110	SERVICES- DATA NET		500		2,700	
5020077220	SERVICES- VOICENET		7,785		12,960	
5020077230	IT CONTRACTORS		140,978		1,339,292	
5020077240	DP SERVICES – STATE		102,744			
5020080000	FREIGHT EXPRESS DELV				17	
5020120000	CELLULAR PHONE SVCS		9,731		12,645	
5021469316	SECURITY ALARM SRVC		3,215		944	
5030010000	OFFICE SUPPLIES		1,160		473	
5030010004	SUBSCRIPTIONS		450			
5030050000	PHOTO & VISUAL SUPP		2,223			
5030067130	EQUIP&SUPP- EUC		11,250			
5030067131	PLM- EUC				769	
5030067170	EQUIP&SUPP- PRINT EU		6,467		6,204	
5030067210	EQUIP&SUPP- STORAGE		667			

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

5030067220	EQUIP&SUPP- VOICENET	233		
5030090000	COMMUNICATION SUPP	475	492	
5031010000	LAUNDRY SUPPLIES	45		
5040057000	IT- RENTAL-CONT RENT	2,051	3,914	
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	176		
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	872		
Total OTHER OPERATING:		293,880	1,381,252	-1,675,132
Total Inform. services:		462,867	1,381,252	-1,844,118

Claims

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	277,786	130,394	47%		147,392
501070	OTH PERS SVC	3,725	3,064	82%		660
512001	OTHER OPERATING	19,039				
5020080000	FREIGHT EXPRESS DELV				102	
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%	1,101	17,053
Total Claims:		300,550	134,344	45%	1,101	165,105

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

Commissioners

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501050	TAXABLE SUBS	70,000	26,705	38%	0	43,295
512001	OTHER OPERATING	230,700				
5020080000	FREIGHT EXPRESS DELV		25			
5020120000	CELLULAR PHONE SVCS				1,134	
5021010000	LEGAL SERVICES		49,192			
5021410000	EDUC & TRNG-STATE		150			
5021540000	NON-IT OTHER PRO SRV		295		3,067	
5021540001	PROF SRV-LANG INTER		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		11,171			
5050050000	IN ST-OTHER TRANS		132			
5050060000	IN ST-MISC TR EXP		133			
5050080000	IN ST-SUBSIST ALLOW		4,128			
5050510000	OUT ST-MEALS-NON-REP		200			
5050570000	OUT ST-REGISTR FEES		945			
5051520000	REPORTABLE MEALS		146			
	Total OTHER OPERATING:	230,700	71,834	31%	5,095	153,771
	Total Commissioners:	300,700	98,539	33%	5,095	197,066

Information Services FY18

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
561000	Special Item	1,400,000	450,681	32%	19	949,300
	Total Information Services FY18:	1,400,000	450,681	32%	19	949,300

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

Insurance & Medical

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	459,463	212,133	46%		247,330
501070	OTH PERS SVC	22,881	7,843	34%		15,038
512001	OTHER OPERATING	54,500				
5020080000	FREIGHT EXPRESS DELV				102	
5020120000	CELLULAR PHONE SVCS				54	
5021540000	NON-IT OTHER PRO SRV		9,405		12,889	
5024990000	OTH CNT-NON-IT & REA		900			
5030010000	OFFICE SUPPLIES		740		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	11,954	22%	15,088	27,458
	Total Insurance & Medical:	536,844	231,929	43%	15,088	289,827

South Carolina Workers' Compensation Commission
Budget vs. Actual Report
FY 2019 As of 12/31/2018
50% of year elapsed

Fund 38440000 - EARMARKED FUND

Judicial

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
501058	CLASSIFIED POS	291,778	217,365	74%		74,413
501070	OTH PERS SVC	38,767	19,912	51%		18,855
512001	OTHER OPERATING	12,800				
5020010000	OFFICE EQUIP SERVICE		578		1,053	
5020080000	FREIGHT EXPRESS DELV				102	
5020120000	CELLULAR PHONE SVCS				75	
5021010000	LEGAL SERVICES		1,538			
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		598			
	Total OTHER OPERATING:	12,800	4,675	37%	2,198	5,927
	Total Judicial:	343,345	241,952	70%	2,198	99,195

Employer Contributions

Commitment Item	Commitment Item Description	Current Budget	YTD Expenditures	% Used	Commitments	Remaining Balance
513000	EMPLOYER CONTRIB	685,959	351,048	51%	0	334,911
	Total Employer Contributions:	685,959	351,048	51%	0	334,911

Total EARMARKED FUND: 7,007,845 2,349,596 34% 1,503,491 3,154,758

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	244,024
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:			321,933

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	17
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:			99,132

Claims

Commitment Item	Commitment Item Description	Vendor	Commitment
5020080000	FREIGHT EXPRESS DELV	FEDEX	102
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	76
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	453
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Claims:			1,156

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	102
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	400
5021540000	NON-IT OTHER PRO SRV	UPSTATE LEGAL SUPPORT SERVICES L	2,862
5021540000	NON-IT OTHER PRO SRV	WHITESSELL INVESTIGATIVE SERVICES	2,057
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	481
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Insurance & Medical:			22,047

Judicial

Commitment Item	Commitment Item Description	Vendor	Commitment
5020010000	OFFICE EQUIP SERVICE	AMERICAN TIME DATA INC	1,053
5020080000	FREIGHT EXPRESS DELV	FEDEX	102
5020120000	CELLULAR PHONE SVCS	VERIZON WIRELESS	75
5030010000	OFFICE SUPPLIES	FORMS & SUPPLY INC	492
5030010000	OFFICE SUPPLIES	STAPLES BUSINESS ADVANTAGE	525
Total Judicial:			2,247

Total EARMARKED FUND:

450,496

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.

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Workers' Compensation Commission

MEMORANDUM

TO: COMMISSIONERS

**FROM: Gary Cannon
Executive Director**

DATE: January 18, 2018

RE: Proposed Revisions to the 2019 Commission Calendar

The Commission approved the 2019 Commission Calendar on August 27, 2019. It was subsequently determined that the dates for the Full Commission meeting in April and the Ethics Training in November.

We request the Commission approve the following changes to the Commission Calendar for 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 Ethics training for Monday, November 18, 2019, following the Full Commission Business Meeting rather than Tuesday November 19.

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Workers' Compensation Commission

MEMORANDUM

To: Commissioners
Gary Cannon, Executive Director

From: Bryan Berthelette
Director, Self-Insurance

Date: January 22, 2019

Subject: Surety Release of Greenbax Enterprises, Inc.

The following recommendations are the result of staff's analysis of South Carolina Regulation 67-1507(D) that allows the Commission exercise release of the surety proceeds when executing a Loss Portfolio Transfer (LPT). The former self-insured, Greenbax Enterprises, Inc. (Greenbax), withdrew its privilege to be self-insured March 25, 2014 and has agreed to transfer its claims liabilities for the period when it was self-insured, to Safety National Insurance Company (Safety National). The Commission currently holds surety proceeds in a designated fund account at the South Carolina State Treasurer's Office. These proceeds will be used to pay for the LPT between Greenbax and Safety National.

At the request of the Commission, the South Carolina Department of Insurance (SCDOI) reviewed the LPT agreement and Safety National's actuarial report. Based on the comments provided by the SCDOI about the proposed LPT agreement and the financial standing of Safety National staff recommends approval of Greenbax request to withdraw the proceeds of the surety bonds held by the State in order to complete the LPT.

Safety National currently holds an A+ rating in the A.M. Best Key Rating Guide (Best). This U.S. based credit rating agency focuses on the insurance industry. Best issues financial strength ratings measuring insurance companies' ability to pay claims. The Best's financial strength rating scale has seven categories, ranging from superior to poor. The superior range is A+ to A++ which Best assigns to insurance companies that, in their opinion, has a superior ability to meet their ongoing insurance obligations.

Recommendation

The Self-Insurance Division, following its policies and procedures, recommends that the release of the surety be granted.

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Workers' Compensation Commission

MEMORANDUM

To: Commissioners
Gary Cannon, Executive Director

From: Bryan Berthelette
Director, Self-Insurance

Date: January 22, 2019

Subject: SELF-INSURED LOSS PORTFOLIO TRANSFER

In December 2010, CompTrustAGC (CompTrust) a former self-insurer, approved by the SC Workers' Compensation Commission (Commission) executed a Loss Portfolio Transfer (LPT) with CAGC Insurance Company (CAGC), a licensed workers' compensation insurance carrier in North and South Carolina. CompTrust paid CAGC to assume all of its claims liabilities incurred during the time it was self-insured. In November 2011, less than a year after the execution of the LPT, CAGC declared bankruptcy. In January 2012, SC Department of Insurance (SCDOI) suspended CAGC's license to transact insurance business in South Carolina.

In January 2014, a North Carolina court declared CAGC insolvent. Following normal procedures for insolvent commercial workers' compensation insurance carrier's, financial responsibility for outstanding claims is assumed by the SC Property and Casualty Insurance Guaranty Association (Guaranty Association). Therefore, the outstanding CompTrust claims assumed by CAGC were brought to the Guaranty Association. The Guaranty Association disputed its obligation to assume the responsibility of the transferred claims executed during the LPT from CompTrust to CAGC when CompTrust was self-insured. This resulted in litigation and the SC Court of Appeals recently remanded the case back to the Circuit Court (Appellate Case No. 2016-000192).

As a result of this court case the Commission determined that the policies and procedures in place during that time warranted a review and updates. Staff developed the following policies and procedures to approve a self-insurer or fund's request to withdraw their privilege to self-insure and transfer the liabilities to a commercial insurance carrier by a LPT.

South Carolina Workers' Compensation Commission Proposed Changes to the Self-Insurance Loss Portfolio Transfer Agreement Procedure
January 22, 2019

Procedures:

1. An individual self-insured employer or employer group (fund), may withdraw its privilege to self-insure (67-1512). After withdrawing their privilege, an individual self-insurer or fund may transfer 100% of its self-insured liabilities and obligations to a commercial insurance carrier licensed in the State of South Carolina. This transfer shall be defined as a Loss Portfolio Transfer (LPT). Captive insurance companies are not eligible to participate in a LPT of a self-insured employer or fund.
2. The carrier must be licensed by the SC Department of Insurance (SCDOI) to offer workers' compensation insurance in South Carolina and be in business for a minimum of five years. The licensed carrier must have a minimum rating of A+ in the A.M. Best Key Rating Guide in the most recent edition. The carrier must meet all the requirements or the LPT process will not be considered.
3. If the carrier fails to meet all the requirements the process of the LPT is canceled, and the Director of Self-Insurance will review the loss run of the former self-insurer to ensure claims continue to be paid on a timely basis. If claims are not being paid on a timely basis by the former self-insurer, the Director of Self-Insurance may hire a Third Party Administrator (TPA) to administer the claims on behalf of the Commission. All claims and associated fees, including service and legal fees, will be paid from the surety that is held on behalf of the Commission in a Designated Funds Account at the office of the South Carolina State Treasurer's Office.
4. The parties must provide the Commission with a copy of the LPT agreement and provide an actuarial report by a qualified actuary, approved by the Commission, of all current claims, estimated cost of future claims including claims incurred but not reported (IBNR). If all items are not provided to the Commission the process is deemed terminated (See step 3).
5. Once the required information is received, the Commission shall request the SCDOI review the LPT agreement and actuarial study as well as the latest loss run report.

6. The Director of Self-Insurance will consider the SCDOI comments on the proposed LPT agreement in making a recommendation to the Commission on the request.
7. If the LPT advances, the Director of Self-Insurance shall use the latest loss run and carrier case report, generated in Progress, and compare them to the actuarial report to ensure the accuracy of the figures.
8. Provided the above criteria is met, the Director of Self-Insurance will prepare a report and present it to the Full Commission for a vote at the next scheduled Business Meeting.
9. If the Commission approves of the release of surety funds being held, the LPT is approved and the surety funds will be released back to the former self-insured to use for payment of the LPT.
10. Upon approval of the release of surety funds, the Commission will take the appropriate actions to secure release of the funds held in escrow by the State Treasurer's Office.
11. If the Commission denies the release of the funds, the Director of Self-Insurance shall notify the parties that the Commission did not approve, and the director will follow step 3 by continuing to monitor that the claims are being paid on a timely basis by the former self-insured.

All LPT requests will be evaluated on a case by case basis. Approval of any LPT request does not create precedence, nor does it ensure that any future LPT request will be approved.

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Workers' Compensation Commission

January 22, 2019

TO: Commissioners

FROM: Proposed Changes

DATE: January 22, 2019

RE: Medical Services Provider Manual

In response to your request last year, attached you will find the documents related to the update of the Medical Services Provider Manual (Fee Schedule). The letter from Optum, Inc. contains the evaluation to consider any changes in the Conversion Factor. The second document contains the proposed text changes to the Fee Schedule policy manual.

The effective date of the updated Fee Schedule is April 1, 2019. The documents will be distributed to stakeholders and posted on the Commission's website. We recommend receiving public comment at the Business Meeting on February 19, 2019 with the Commission action on the updated Fee Schedule at the March 18, 2019 Business Meeting.



January 16, 2019

Gary M. Cannon
Executive Director
SC Workers' Compensation Commission

Dear Mr. Cannon,

At the request of the State of South Carolina, Workers' Compensation Commission, Optum performed an analysis to update and compare the current SC 2018 fee schedule to a proposed fee schedule using 2019 RBRVS and Optum's Essential RBRVS gap-fills. The National Council on Compensation Insurance, Inc. (NCCI) provided summary bill information for calendar year 2017 for the state of South Carolina for services corresponding to the current professional fee schedule. The NCCI data was used to determine the number of occurrences per procedure code to calculate a fee schedule neutral conversion factor.

Below is a summary regarding the NCCI data before validation.

NCCI Data (Before Validation)				
	Total Paid	Total Charged	Transactions	Units
CPT (Less Anesthesia)	\$58,138,443	\$121,719,537	688,968	924,308
Anesthesia*	\$1,665,945	\$10,364,252	6,980	1,448,742
HCPCS (Less Ambulance)	\$13,584,103	\$20,917,157	61,769	499,579
Ambulance**	\$2,812,989	\$4,014,128	11,054	203,769
Total	\$76,201,480	\$157,015,075	768,771	3,076,398

* assuming most units are minutes

** assuming most units are miles

The following bullets outline several validation steps made with the NCCI data.

- Records containing modifiers that could duplicate occurrences were removed from the database (i.e., assistant surgeon modifiers 80-82, AS)
- Because procedure frequency was the focus all other modifiers were assumed valid and treated as 'blank' except for modifiers equal to 26, TC, NU, UE and RR. These modifiers were retained as the fee schedule has specific fees for the professional and technical splits as well as new, used and rental indicators on durable medical equipment.
- There were several records where modifiers NU, UE or RR were billed with codes where the modifier was not expected or applicable. These modifiers were 'blanked' out. There were also some instances where an NU modifier was added to replace a 'blank' modifier in order to match it to the procedure/modifier combination found in the fee schedule.

Analysis

1. Using the NCCI frequency, Optum conducted an analysis of the 2018 Medical Services Provider fee schedule to the 2019 RBRVS (GPCI adjusted) and Optum Essential RBRVS gap-fills to calculate a fee schedule neutral conversion

factor. Overall the fee schedule neutral conversion factor calculates to be \$49.5. Records were only compared where the 2018 fee schedule and the 2019 relative values and frequency were all greater than zero.

2. Frequencies from deleted codes 97001 – 97004 were again cross walked to the corresponding new codes 97161-97168. Other deleted and new codes did not factor into overall totals.
3. Optum created draft fee schedules based on the 2019 relative values and conversion factors of \$49, \$50, \$51, and \$52 with caps of +/- 9.5%. The results are displayed below.
4. Ambulance data was not analyzed with this set of data.
5. Once a conversion factor is approved by the Commission, Optum will create a final fee schedule deliverable that will include: non-facility and facility place of service fees with corresponding professional and technical components (where appropriate), new, used, and rental modifiers (where appropriate), CMS follow-up days and CMS assistant surgery indicators.

Summary

Category	Frequency	Total RVUs	Total \$\$ SC 2018 FS	CF
EM	129,310	314,162	\$15,590,495	49.6
HCP	251,362	131,147	\$6,436,051	49.1
Lab	11,049	6,678	\$355,657	53.3
Med	18,434	35,337	\$1,769,829	50.1
PT	647,231	574,841	\$28,024,332	48.8
Rad	50,851	92,612	\$4,703,119	50.8
SPR	502	658	\$33,232	50.5
Sur	32,702	224,682	\$11,439,753	50.9
Grand Total	1,141,441	1,380,118	\$68,352,468	49.5

Category	Frequency	Total RVUs	Total \$\$ 2019 w/ CF 49 & Caps	CF49	Total \$\$ 2019 w/ CF 50 & Caps	CF50	Total \$\$ 2019 w/ CF 51 & Caps	CF51	Total \$\$ 2019 w/ CF 52 & Caps	CF52
EM	129,310	314,162	\$15,393,925	49.0	\$15,708,087	50.0	\$16,022,226	51.0	\$16,336,305	52.0
HCP	270,150	132,127	\$6,565,369	49.7	\$6,666,623	50.5	\$6,763,785	51.2	\$6,860,072	51.9
Lab	12,468	7,544	\$372,580	49.4	\$375,650	49.8	\$379,634	50.3	\$386,516	51.2
Med	18,436	35,345	\$1,747,625	49.4	\$1,781,028	50.4	\$1,814,414	51.3	\$1,847,774	52.3
PT	653,200	575,904	\$27,755,487	48.2	\$28,285,323	49.1	\$28,815,093	50.0	\$29,344,909	51.0
Rad	50,851	92,612	\$4,590,991	49.6	\$4,679,894	50.5	\$4,767,215	51.5	\$4,850,751	52.4
SPR	502	658	\$32,263	49.0	\$32,921	50.0	\$33,579	51.0	\$34,237	52.0
Sur	32,703	224,759	\$11,174,843	49.7	\$11,389,655	50.7	\$11,604,395	51.6	\$11,818,582	52.6
Grand Total	1,167,620	1,383,111	\$67,633,081	48.9	\$68,919,180	49.8	\$70,200,342	50.8	\$71,479,146	51.7

Sincerely,



Carla Gee
 VP/GM – Workers’ Compensation, Provider Data
 and Network Solutions

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Workers' Compensation Commission

January 22, 2019

Medical Services Provider Manual Proposed Changes Effective April 1, 2019

Attached is a summary of proposed text changes for the 2019 Medical Services Provider Manual and the fee schedule comparative analysis from Optum with the Conversion Factor calculations. The analysis reflects the impact on each category using the 2017 medical data from NCCI, the Center for Medicare and Medicaid Studies (CMS) Relative Values for 2019, and Optum's Essential RBRVS gap-fills. The categories are EM (Evaluation and Management); HCP (Healthcare Common Procedure Coding System); LAB (Laboratory); MED (Physical Medicine); PT (Physical Therapy); RAD (Radiology); SPR (Special Reports); and SUR (Surgery).

A summary of the proposed text changes to the MSPM follows.

~~Deleted language~~

New language

1. **Overview Section Chapter V. Completing and Submitting Claims (p. 23)** - Update instructions for Element number 9 on the CMS 1500 Claims Form.

~~9. **Other Insured's Name:** If known, enter the insurance carrier's 3-digit code.~~

9. **Other Insured's Name:** Not applicable

2. **Section 1. Evaluation and Management (E/M) Services (p. 31) & Section 6. Medicine and Injections (p. 375)** – The Commission has not adopted a telemedicine policy at this time, therefore codes and services specific to telemedicine, will be changed from a MAP to an "IC" and negotiated between parties.

3. **Section 7. Physical Medicine (p. 423)** – CMS adopted two new therapy modifiers to be paid at 85% of MAP (one for PT Assistants (PTA) and another for OT Assistant (OTA)) when services are furnished in whole or in part by a PTA or OTA. Proposed verbiage and insertion point within the MSPM is shown below:

CO - Outpatient occupational therapy services furnished in whole or in part by an occupational therapy assistant

CQ - Outpatient physical therapy services furnished in whole or in part by a physical therapist assistant

Physical Therapy and Occupational Therapy Assistants

When the services of a physical therapy assistant (PTA) or occupational therapy assistant (OTA) provide patient care the services are reported with the addition of modifiers CO or CQ. PTA services are reported with modifier CQ and OTA services are reported with modifier CO. Reimbursement is the lesser of the amount billed or 85 percent of the MAP.

P. 423 insert language after Billing Guidelines

The two new modifiers will also be added to the back of each section where Modifiers are referenced.

4. Section 8. Special Reports and Services (p. 431) – Copies of Reports and Records

It is the IMS Director's recommendation for this policy to more closely mirror the Physicians' Patient Records Act Section §44-115-80.

Section 8. Special Reports and Services Copies of Reports and Records

Providers are required to include supporting documentation when submitting claims, or when required by an insurance carrier, self-insured employer, or the Commission to submit substantiating documentation, and may not charge for these required reports. (See Regulation 67-1302 B(2).) However, when the records or reports are not for the purposes listed above, providers may charge for copying costs. Copying charges are sixty-five cents per page for the first thirty pages provided in an electronic format, and fifty cents per page thereafter provided in an electronic format, which may not exceed one hundred fifty dollars per request, plus a clerical and handling fee of \$15.00 plus tax and actual postage costs. Providers must respond to a request for copies within fourteen days of receipt or face a penalty of up to \$200.00. Section 42-15-95 of the S.C. Code, which governs charges for copies, can be found in Appendix A. Providers are entitled to charge for the cost of copying records and reports except when such documents are requested by the Commission or for the purpose of substantiating a charge and /or medical necessity.

Providers are required to include supporting documentation when submitting claims, or when required by an insurance carrier, self-insured employer, or the Commission to submit substantiating documentation, and may not charge for these required reports. (See Regulation 67-1302 B(2).) However, when the records or reports are not for the purposes listed above, providers may charge for copying costs. Copying charges are sixty-five cents per page for the first thirty printed pages, and fifty cents per printed page thereafter, which may not exceed two hundred dollars per request, plus a clerical and handling fee of \$15.00 plus tax and actual postage costs. Providers must respond to a request for copies within fourteen days of receipt or face a penalty of up to \$200.00. Section 42-15-95 of the S.C. Code, which governs charges for copies, can be found in Appendix A. Providers are entitled to charge for the cost of copying records and reports except when such documents are requested by the Commission or for the purpose of substantiating a charge and /or medical necessity.

Providers who use a medical records company to make and provide copies of medical records must ensure that neither the Commission nor the reviewer is billed for the cost of copies when the purpose of the copies is to substantiate a charge and/or medical necessity.

NOTE: Providers do not need to obtain authorization from the injured worker to release medical records relating to a workers' compensation claim. An employee who seeks treatment under the provisions of the Workers' compensation Act is considered to have given consent for the release of medical records relating to the examination or treatment.

5. **Section 9. HCPCS Level II (p. 435) & Section 10. Pharmacy (p. 633)** - Address issue of physicians' billing, pharmacy dispensing companies, and DME suppliers who are combining two or more products together as "Drug/Supply Kits". These packaged kits should be valued based on the individual products contained in the package that have an assigned CPT/HCPCS code with relative value (RV) amounts or non-payable supplies (bundled items) which are part of practice expense (PE) and are not separately billable supply items. The proposed verbiage and suggested insertion points within the MSPM are shown below:

Administration Kits

Administration kits packaged by the manufacturer and assigned a single National Drug Code (NDC) may be reimbursed the Average Wholesale Price (AWP) of the kit without additional mark-up. Kits packaged by the provider or other source are considered to be part of the administration of the pharmaceutical and are not separately reimbursed even if reported with an NDC or HCPCS Level II code. Only those supplies and materials "over and above" those usually provided in the physician or other qualified health care professional office may be reported in addition to the pharmaceutical drug and administration as discussed above and in Part I of the 2019 South Carolina Workers' Compensation Medical Services Provider Manual.

P. 12 insert language after Injectable Pharmaceuticals, Supplies, and Durable Equipment section

P. 32 insert language after Injectable Pharmaceuticals section

P. 378 insert language after Injectable Pharmaceuticals section

P. 435 insert language after HCPCS Modifiers section

P. 633 after Compound Drugs section

6. **Section 9. HCPCS Level II (p. 435)** – Physicians' routine office supplies are included their services and some of these have a zero value even for the physician. However, other valid supplies that are provided should be reimbursed. The proposed verbiage and suggested insertion points within the MSPM are shown below:

Medically unlikely edits (MUE's) are applied according to the provider type. If the supply is provided in the physician office use the physician MUE, if the medical service is in the inpatient or outpatient facility we use the facility MUE. For DME supply only a Medicare approved provider is not required to dispense the DME. The place of service (physician or facility) MUE schedule would be referenced for coverage. Significant supplies dispensed in the physician office may be reimbursed according to the guidelines in this Fee Schedule even if the MUE is 0. See Part I Chapter IV. Payment Policy for more details regarding reimbursing supplies.

P. 12 insert language after Injectable Pharmaceuticals, Supplies, and Durable Equipment section

P. 30 insert language after Services Not Listed in this Schedule

P. 435 insert language after Air/Ground Ambulance Transportation Service