

## A G E N D A

### SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

**May 16, 2011 – 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.*

#### **BUSINESS MEETING**

1. APPROVAL OF AGENDA OF BUSINESS MEETING of May 16, 2011 *CHAIRMAN BECK*
2. APPROVAL OF MINUTES OF BUSINESS MEETING of April 18, 2011 (Tab 1) *CHAIRMAN BECK*
3. GENERAL ANNOUNCEMENTS *MR. CANNON*
4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) *MR. SMITH*
5. DEPARTMENT DIRECTORS' REPORTS  
Administration – Financial Report (Tab 3) *MS. GANTT*  
Human Resources (Tab 4) *MS. FLOYD*  
Information Services (Tab 5) *MS. HARTMAN*  
Insurance & Medical Services (Tab 6) *MR. FICKLE*  
Claims (Tab 7) *MR. LINE*  
Judicial (Tab 8) *MS. CROCKER*
6. EXECUTIVE DIRECTOR'S REPORT (Tab 9) *MR. CANNON*
7. OLD BUSINESS *CHAIRMAN BECK*
  - A. Comments Received - Notice of Drafting - Regulation 67-1302(A) (10) *Mr. Cannon*
  - B. Medical Services Provider Manual Update (11) *Mr. Fickle*
8. NEW BUSINESS *CHAIRMAN BECK*
  - A. Administrative Policy and Procedures Manual (12) *Ms. Floyd*
9. EXECUTIVE SESSION *CHAIRMAN BECK*
  - A. Legal Briefing
10. ADJOURNMENT *CHAIRMAN BECK*

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<b>10</b>	<b>Notice of Drafting R.67-1302(A) Comments Received</b>
<b>11</b>	<b>Medical Services Provider Manual Update</b>
<b>12</b>	<b>Administrative Policy and Procedures Manual</b>

THE  
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION  
BUSINESS MEETING

**Monday, April 18, 2011**

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, April 18, 2011 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 at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN  
SUSAN S. BARDEN, VICE CHAIR  
DAVID W. HUFFSTETLER, COMMISSIONER  
G. BRYAN LYNDON, COMMISSIONER  
ANDREA C. ROCHE, COMMISSIONER  
AVERY B. WILKERSON, JR., COMMISSIONER  
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Greg Line, Claims Director; Brad Fickle, Insurance and Medical Services Director; Betsy Hartman, DSIT; Amanda Underhill, Senior Application Analyst; Cathy Floyd, Human Resources Manager; Diana Gantt, Accounting/Fiscal Manager; W.C. Smith, Self-Insurance Director; Wayne Ducote, Coverage Director; Virginia Crocker, Judicial Department Director; and Garry Smith, Compliance Director. Visitors present were Clara Smith and Mark Arden, South Carolina Injured Workers Advocates; and Ann Margaret McCraw, Midlands Orthopaedics/SC Orthopaedic Association.

Chairman Beck called the meeting to order at 10:38 a.m.

**AGENDA**

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

**APPROVAL OF MINUTES - BUSINESS MEETING OF MARCH 21, 2011**

Commissioner Roche moved that the minutes of the Business Meeting of March 21, 2011 be approved. Commissioner Williams seconded the motion, and the motion was approved.

**APPROVAL OF MINUTES - SPECIAL BUSINESS MEETING OF APRIL 1, 2011**

Commissioner Roche moved that the minutes of the Special Business Meeting of April 1, 2011 be approved. Commissioner Williams 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 W.C. Smith, Self-Insurance Director. Ten prospective members of two (2) funds were presented to the Commission for approval. The applications were:

**Palmetto Timber Fund**

Long Cane Logging, Inc.

**SC Home Builders SIF**

Beyond Contracting, Inc.  
Carolina Decks & Sunrooms, Inc.  
Dale Meetze Clearing & Grading, Inc.  
Durham Builders  
Eagle Windows & Doors, Inc.  
East Coast Granite & tile, Inc.  
James Henry Bledsoe  
Lone Wolfe Communications, LLC  
Thomas F. Scheibler

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 Williams seconded the motion. The motion was unanimously approved.

Mr. Smith presented a request from York County to self-insure. York County has been self-insured for workers' compensation as a member of the South Carolina Association of Counties Workers' Compensation Trust since 1997. The county's four year workers' compensation loss history in South Carolina is as follows:

<u>Year</u>	<u>Number of Claims</u>	<u>Paid</u>
2008	58	\$109,572
2009	82	\$769,038
2010	66	\$291,278

Mr. Smith presented the recommendation that the County of York be granted the privilege of self-insuring its workers' compensation claims liabilities contingent upon the County of York securing specific excess insurance with an initial retention of not more than \$450,000 and a statutory limit of liability. Commissioner Wilkerson made the motion to approve the recommendation. Commissioner Huffstetler asked why the increase in the dollar amount of claims paid in 2009. Following discussion, Commissioner Wilkerson withdrew his motion and recommended to carry the request over to next month. Commissioner Williams seconded, and the recommendation to carry over to next month was approved. Chairman Beck instructed Mr. Smith to gather additional information and report at the May 16 Full Commission meeting.

## **DEPARTMENT DIRECTORS' REPORTS**

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

### **Administration Department**

Diana Gantt presented the Summary of Revenues and Expenditures for the period ending March 31, 2011. The benchmark for March is 75%. The Commission's revenues are at 78.92% and overall expenses are at 68%.

### **Human Resources Department**

Cathy Floyd presented the Human Resources report for the period of March 16 -- April 12, 2011.

- Bradley (Brad) Fickle was selected for the position of Director of Insurance and Medical Services. All applicants were notified the position had been filled.
- The Community Health Charities statewide campaign will end April 22, 2011.
- The Employee Advisory Committee has ended their six-month term and completed their work on the Administrative Policy and Procedures Manual.
- The week of April 18-22, 2011 is designated as Wellness Week. Multiple workshops and activities will be available to staff.

### **Information Services**

Betsy Hartman presented the Information Services Department's report. The Image on Image Project for Consent Orders went into production this month in Commissioner Huffstetler's Office. She reported that in March 41% of attorneys reported representation through eCase rather than the postal system, and an increase of 35% of eCase queries.

### **Insurance & Medical Services**

Brad Fickle presented the Insurance & Medical Services Department's report. He thanked the Commission for the warm welcome he received over the past couple of weeks. He noted the self insurance tax revenue was substantially higher in March and that typically March and September are renewal months. He noted an increase in the number of compliance cases as well as an increase in total fines collected.

### **Claims Department**

Greg Line presented the Claims Department's report. The number of fines assessed and collected increased for the month of March. He reported the Claims Department processed 6,224 Form 18s for the month of March, the largest number processed in a one-month period. On average, the Claims Department is assessing 615 fines and collecting 553 fines per month.

### **Judicial Department**

Virginia Crocker presented the Judicial Department's report. Ms. Crocker presented proposed revisions to the Form 21 and Form 50. The proposed revisions to the Form 21 add pleadings currently provided by current statute and regulations, and expand the use of the form rather than submitting motions.

Form 21 Revised

Commissioner Roche moved to adopt the Form 21 as amended. Commissioner Barden seconded the motion, and the motion was approved.

Commissioner Barden moved to approve the proposed revision to the Form 50. Commissioner Williams seconded the motion.

There was discussion on provisions of the Regulations when the Form 50 is filed. Following discussion, Commissioner Barden withdrew her motion, which was duly seconded by Commissioner Williams.

After further discussion, the Commissioners requested Ms. Crocker to propose a Form 22, to avoid unintended consequences with amending the Form 50, for consideration at the May Full Commission Business Meeting.

**EXECUTIVE DIRECTOR'S REPORT**

Gary Cannon, Executive Director, presented his report which was also submitted to the Commission in written form.

Mr. Cannon reported that following State Appropriations budget deliberations the Commission received a 10% reduction in the general appropriations budget for FY 2012.

Training is underway for the Human Resources Director to assist with the responsibilities of the Constituent/Public Information Services program in the Executive Director's Office.

Mr. Cannon reported that he, Chairman Beck, and Commissioner Williams interviewed six first year law students from the University of South Carolina School of Law and two first year law students from the Charleston School of law as potential candidates for the SC Bar Diversity Clerkship program with the Agency.

The first meeting of the Surgical Implant Advisory Committee is scheduled for Thursday, April 21 in the First Floor Conference Room.

Nominations have been received for potential committee members to serve on the Pharmacy Fee Schedule Advisory Committee. Chairman Beck will make the committee appointments.

The Agency is conducting two workshops for individuals involved in the claims administration and legal proceedings of the workers' compensation system. The morning workshop will concentrate on claims administration and management for claims administrators, processors, and third party administrators in the insurance industry. The afternoon workshop will concentrate on the legal proceedings for attorney's paralegals, and legal assistants. The workshop will be May 5, 2011 at Seawell's on Rosewood Drive. Presently, 69 have registered.

The agency All Employee Meeting was held on March 24. Four employees participated in the employee focus group with the Executive Director on March 24. Executive Staff met on March 29 and Executive Staff Leadership Team met on April 12.

For the period March 16 through April 13 the Executive Director's Office had 210 communications with various system constituents.

### **OLD BUSINESS**

#### **A. Reconsideration of a Motion to Approve Appellate Panel Hearing Schedule**

Commissioner Huffstetler moved to reconsider the motion approved at the March 21, 2011 Full Commission meeting to change the appellate panel hearing schedule to two days, and when the number of days to get cases to an appellate panel hearing gets to as much as 105 to switch back to three days. Commissioner Barden seconded the motion to reconsider, and the motion was approved.

Commissioner Huffstetler moved to change the 105 day stipulation to 70 cases. Commissioner Williams seconded, and the motion carried.

### **NEW BUSINESS**

#### **A. 1333 Emergency Evacuation Plan**

Cathy Floyd reported that CBRE has created a Building Emergency Evacuation Manual. A copy of the manual will be placed in the hearing rooms and reception points. She announced the building will have a fire drill within the next couple of weeks. Searchers have been appointed on each hallway and will be responsible for ensuring everyone is evacuated from the building. Fire extinguishers will be installed in each hallway.

Commissioner Huffstetler expressed concern about the searchers and their responsibility to ensure the building is cleared. He suggested that staff assemble as departments at the designated area and department heads account for their staff and alert the fire department as to who may still be in the building.

Following discussion Chairman Beck requested Mr. Cannon convey those concerns to CBRE.

### **Miscellaneous**

Chairman Beck asked when a Form 21 is filed are we requiring a Form 14B for a hearing to be set. Ms. Crocker replied, "No." Chairman Beck stated there was discussion at a recent conference indicating confusion on the process and requested Ms. Crocker prepare clarification and post on the website.

### **ADJOURNMENT**

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

The April 18, 2011 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:21 a.m.

Reported May 6, 2011

Kim Ballentine, Office of the Executive Director

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**INTEROFFICE MEMORANDUM**

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**TO:** GARY CANNON, EXECUTIVE DIRECTOR  
**FROM:** DIANA GANTT, DIRECTOR OF ADMINISTRATION  
**SUBJECT:** FINANCIAL REPORT PERIOD ENDING APRIL 30, 2011  
**DATE:** 5/11/2011

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The Summary of Revenues and Expenditures for the period ending April 30, 2011, is attached.

- April 2011 is the 10<sup>th</sup> Fiscal Month of FY11.
- There were 49 payments made to vendors, travelers, and other State Agencies.
- The benchmark for April is 83.33%. The Commission's revenues are at 87.32% and expenses are at 76%.
- The following is a summary of each department expenditure benchmarks:

\*Salaries for April will all exceed the budgeted benchmark due to three (3) payrolls being posted in the month.

General Fund: Total Expenses are at 88%.

Earmark Fund:

*Commissioners –*

- Total expenditures are at 66% of budget (17.33% below benchmark).

*Administration –*

- Overall the expenditures are 74% of budget (9.33% below benchmark)
- **Equipment Data Processing** expenditures are high due to the one time purchase of computers.

*Claims –*

- Expenditures are at 85% of budget.
- **Contract Services** are up due to services that have been received (temp employee).
- **Supplies & Materials** are over the budgeted benchmark. This has accrued due to the number of items ordered or used by Claims personnel that are directly charged to the cost center. Other expenses come from overhead charges, by which all cost centers consume the cost, to replenish supply inventory or materials used in day to day operations of the agency.

*Insurance & Medical –*

- Total Expenses are at 84% of budget.
- **Contractual Services** are up due to onetime payments that have already been paid for the year.
- **Travel** is substantially over the benchmark due to employee travel for Informal Conferences.

*Judicial –*

- Total expenditures are at 81% of budget (2.33% below benchmark).

Activity Report from the Procurement Office:

SCEIS Shopping Carts	0	Staples Orders Placed	4
Vendors Contacted for Price Quotes	14	State Leased Vehicles taken for Service	2
Visa Procurement Card Orders Placed	8	State Reports filed by Procurement Officer	4
SC Dept of Corrections Orders Placed	0		

Mail Room Activity:

Files Copied for Outside Parties	238
See attached Mail Summary	

**South Carolina Workers' Compensation Commission**  
**Summary of Revenues and Expenditures**  
**2010 - 2011 Budget**

April 30, 2011

<b>STATE APPROPRIATIONS</b>	<b>Budget</b>	<b>FY To Date</b>	<b>Benchmark</b>	<b>83.33%</b>
General Appropriation	<u>\$ 1,919,955</u>	<u>\$ 1,599,963</u>		83.33%

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,471,636	\$ 1,297,730	\$ 173,906	88.2%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	448,319	389,667	58,652	86.9%
<b>Total</b>	<b><u>\$ 1,919,955</u></b>	<b><u>\$ 1,687,397</u></b>	<b><u>\$ 232,558</u></b>	<b><u>87.9%</u></b>

**OTHER APPROPRIATIONS**

<b>EARMARKED</b>	<b>Budgeted Revenues</b>	<b>Received thru 4/30/11</b>	<b>% Received</b>
Training Conference Registration Fee	\$ 1,000	\$ 6,460	646.00%
Sale of Publication and Brochures	8,000	20,388	254.85%
Workers' Comp Award Review Fee	75,000	63,900	85.20%
Sale of Photocopies	95,000	79,460	83.64%
Workers' Compensation Filing Violation Fee	1,891,000	1,698,715	89.83%
Sale of Listings and Labels	30,000	35,575	118.58%
Workers' Comp Hearing Fee	600,000	453,255	75.54%
Earmarked Funds - Original Authorization	<b><u>\$ 2,700,000</u></b>	<b><u>\$ 2,357,753</u></b>	<b><u>87.32%</u></b>
BD100 to Increase Authorization - July 2010	356,315		
BD100 to Increase Authorization - July 2010 (PC's)	62,500		
<b>Total Earmarked Revenues + Fund Balance</b>	<b><u>\$ 3,118,815</u></b>		

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,249,153	\$ 1,087,171	\$ 161,982	87.0%
Taxable Subsistence	80,000	58,167	21,833	72.7%
Other Operating Expenses	1,414,678	977,783	436,895	69.1%
Employer Contribution	375,000	309,935	65,065	82.6%
<b>Total Earmarked</b>	<b><u>\$ 3,118,831</u></b>	<b><u>\$ 2,433,056</u></b>	<b><u>\$ 685,775</u></b>	<b><u>78.0%</u></b>

<b>COMPUTER FUNDS CARRIED FORWARD</b>	<u>\$ 54,761</u>			
Computer Services - Carry forward	<u>\$ 54,761</u>	<u>\$ 21,378</u>	<u>\$ 33,383</u>	<u>39.0%</u>
<b>TOTAL OTHER APPROPRIATIONS</b>	<b><u>\$ 3,228,353</u></b>	<b><u>\$ 2,454,435</u></b>	<b><u>\$ 719,157</u></b>	<b><u>76.0%</u></b>

**South Carolina Workers' Compensation Commission**  
**2010 - 2011 Budget**  
 April 30, 2011

**Consolidated**

Year-To-Date : 83.33%

	Original Budget	Budget Amendments	Amended Budget	Expended April	Year to Date	%	Encumb	Balance
<b>Commissioners</b>								
<b>Salaries</b>	\$ 1,150,244	\$ -	\$ 1,150,244	\$ 144,117	\$ 994,630	86%	\$ -	\$ 155,614
<b>Other Operating Expenditures</b>								
Total Contractual Services	247,935	-	247,935	6,303	151,273	61%	-	96,662
Total Supplies & Materials	36,313	-	36,313	2,052	18,290	50%	-	18,023
Total Fixed Charges	159,652	-	159,652	11,353	117,533	74%	-	42,119
Total Travel	87,650	-	87,650	4,357	60,446	69%	-	27,204
<b>Total Other Operating Exp</b>	<b>531,550</b>	<b>-</b>	<b>531,550</b>	<b>24,064</b>	<b>347,542</b>	<b>65%</b>	<b>-</b>	<b>184,008</b>
<b>Total Commissioners</b>	<b>\$ 1,681,794</b>	<b>\$ -</b>	<b>\$ 1,681,794</b>	<b>\$ 168,182</b>	<b>\$ 1,342,172</b>	<b>80%</b>	<b>\$ -</b>	<b>\$ 339,622</b>
<b>Administration</b>								
<b>Salaries</b>	\$ 444,858	\$ -	\$ 444,858	\$ 55,786	\$ 394,119	89%	\$ -	\$ 50,739
<b>Other Operating Expenditures</b>								
Total Contractual Services	254,874	(5,000)	249,874	11,085	161,366	65%	-	88,508
Total Supplies & Materials	26,038	4,900	30,938	1,927	15,720	51%	-	15,218
Total Fixed Charges	135,600	100	135,700	8,661	93,886	69%	-	41,814
Total Travel	12,521	-	12,521	60	7,443	59%	-	5,078
Total Equipment	35,000	-	35,000	-	33,035	94%	1,965	(0)
<b>Total Other Operating Exp</b>	<b>464,033</b>	<b>-</b>	<b>464,033</b>	<b>21,733</b>	<b>311,449</b>	<b>67%</b>	<b>1,965</b>	<b>150,618</b>
<b>Total Administration</b>	<b>\$ 908,891</b>	<b>\$ -</b>	<b>\$ 908,891</b>	<b>\$ 77,519</b>	<b>\$ 705,569</b>	<b>78%</b>	<b>\$ 1,965</b>	<b>\$ 201,357</b>
<b>Claims</b>								
<b>Salaries</b>	\$ 361,417	\$ -	\$ 361,417	\$ 46,283	\$ 317,129	88%	\$ -	\$ 44,288
<b>Other Operating Expenditures</b>								
Total Contractual Services	47,405	-	47,405	223	40,021	84%	-	7,384
Total Supplies & Materials	22,138	-	22,138	2,917	25,518	115%	-	(3,380)
Total Fixed Charges	78,689	-	78,689	5,854	59,082	75%	-	19,607
Total Travel	1,750	-	1,750	93	1,302	74%	-	448
<b>Total Other Operating Exp</b>	<b>149,982</b>	<b>-</b>	<b>149,982</b>	<b>9,086</b>	<b>125,923</b>	<b>84%</b>	<b>-</b>	<b>24,059</b>
<b>Total Claims</b>	<b>\$ 511,399</b>	<b>\$ -</b>	<b>\$ 511,399</b>	<b>\$ 55,369</b>	<b>\$ 443,052</b>	<b>87%</b>	<b>\$ -</b>	<b>\$ 68,347</b>
<b>Insurance and Medical Services</b>								
<b>Salaries</b>	\$ 460,408	\$ -	\$ 460,408	\$ 59,911	\$ 403,890	88%	\$ -	\$ 56,518
<b>Other Operating Expenditures</b>								
Total Contractual Services	37,701	-	37,701	1,934	40,426	107%	-	(2,725)
Total Supplies & Materials	33,500	-	33,500	1,512	12,534	37%	-	20,966
Total Fixed Charges	62,220	-	62,220	4,250	44,946	72%	-	17,274
Total Travel	258	-	274	57	1,113	406%	-	(839)
<b>Total Other Operating Exp</b>	<b>133,679</b>	<b>-</b>	<b>133,695</b>	<b>7,753</b>	<b>99,019</b>	<b>74%</b>	<b>-</b>	<b>34,676</b>
<b>Total Insurance and Medical Services</b>	<b>\$ 594,087</b>	<b>\$ -</b>	<b>\$ 594,103</b>	<b>\$ 67,664</b>	<b>\$ 502,909</b>	<b>85%</b>	<b>\$ -</b>	<b>\$ 91,194</b>
<b>Judicial</b>								
<b>Salaries</b>	\$ 383,862	\$ -	\$ 383,862	\$ 47,449	\$ 333,301	87%	\$ -	\$ 50,561
<b>Other Operating Expenditures</b>								
Total Contractual Services	43,078	-	43,078	300	20,904	49%	-	22,174
Total Supplies & Materials	22,024	-	22,024	1,478	16,553	75%	-	5,471
Total Fixed Charges	66,966	-	66,966	5,038	51,189	76%	-	15,777
Total Travel	3,350	-	3,350	1,027	3,238	97%	-	112
<b>Total Other Operating Exp</b>	<b>135,418</b>	<b>-</b>	<b>135,418</b>	<b>7,842</b>	<b>91,883</b>	<b>68%</b>	<b>-</b>	<b>43,535</b>
<b>Total Judicial</b>	<b>\$ 519,280</b>	<b>\$ -</b>	<b>\$ 519,280</b>	<b>\$ 55,290</b>	<b>\$ 425,184</b>	<b>82%</b>	<b>\$ -</b>	<b>\$ 94,096</b>
<b>Totals By Departments</b>								
<b>Department Totals</b>								
Commissioners	\$ 1,681,794	\$ -	\$ 1,681,794	\$ 168,182	\$ 1,342,172	80%	\$ -	\$ 339,622
Administration	908,891	-	908,891	77,519	705,569	78%	1,965	201,357
Claims	511,399	-	511,399	55,369	443,052	87%	-	68,347
Insurance & Medical	594,087	-	594,087	67,664	502,909	85%	-	91,194
Judicial	519,280	-	519,280	55,290	425,184	82%	-	94,096
<b>Total Departmental Expend</b>	<b>\$ 4,215,451</b>	<b>\$ -</b>	<b>\$ 4,215,451</b>	<b>\$ 424,025</b>	<b>\$ 3,418,886</b>	<b>81%</b>	<b>\$ 1,965</b>	<b>\$ 794,616</b>
Employer Contributions	823,319	-	823,319	86,065	699,602	85%	-	123,717
<b>Total General &amp; Earmarked Funds</b>	<b>\$ 5,038,770</b>	<b>\$ -</b>	<b>\$ 5,038,770</b>	<b>\$ 510,089</b>	<b>\$ 4,118,488</b>	<b>82%</b>	<b>\$ 1,965</b>	<b>\$ 918,333</b>

**South Carolina Workers' Compensation Commission**  
**2010 - 2011 Budget**  
**April 30, 2011**

**General Appropriation**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date to Date	%	Encumb	Balance
<b>Commissioners</b>								
<b>Salaries</b>								
Chairman	\$ 115,567	\$ -	\$ 115,567	\$ 13,846	\$ 97,285	84%	\$ -	\$ 18,282
Commissioner	664,602	-	664,602	83,675	585,363	88%	-	79,239
Classified Employees	290,075	-	290,075	36,259	253,815	87%	-	36,260
<b>Total Commissioners</b>	<b>1,070,244</b>	<b>-</b>	<b>1,070,244</b>	<b>133,780</b>	<b>936,463</b>	<b>87%</b>	<b>-</b>	<b>133,781</b>
<b>Administration</b>								
<b>Salaries</b>								
Director	\$ 94,152	\$ -	\$ 94,152	\$ 11,769	\$ 82,383	88%	\$ -	\$ 11,769
Classified Positions	132,206	-	132,206	17,173	116,473	88%	-	15,733
<b>Total Administration</b>	<b>226,358</b>	<b>-</b>	<b>226,358</b>	<b>28,942</b>	<b>198,856</b>	<b>88%</b>	<b>-</b>	<b>27,502</b>
<b>Claims</b>								
<b>Salaries</b>								
Classified Positions	\$ 55,417	\$ -	\$ 55,417	\$ 8,375	\$ 57,660	104%	\$ -	\$ (2,243)
<b>Total Claims</b>	<b>55,417</b>	<b>-</b>	<b>55,417</b>	<b>8,375</b>	<b>57,660</b>	<b>104%</b>	<b>-</b>	<b>(2,243)</b>
<b>Insurance and Medical Services</b>								
<b>Salaries</b>								
Classified Positions	\$ 57,755	\$ -	\$ 57,755	\$ 7,232	\$ 50,623	88%	\$ -	\$ 7,132
<b>Total Ins and Medical Svcs</b>	<b>57,755</b>	<b>-</b>	<b>57,755</b>	<b>7,232</b>	<b>50,623</b>	<b>88%</b>	<b>-</b>	<b>7,132</b>
<b>Judicial</b>								
<b>Salaries</b>								
Classified Positions	\$ 61,862	\$ -	\$ 61,862	\$ 7,733	\$ 54,129	87%	\$ -	\$ 7,733
<b>Total Judicial</b>	<b>61,862</b>	<b>-</b>	<b>61,862</b>	<b>7,733</b>	<b>54,129</b>	<b>87%</b>	<b>-</b>	<b>7,733</b>
<b>General Funds</b>								
<b>Department Totals</b>								
Commissioners	\$ 1,070,244	\$ -	\$ 1,070,244	\$ 133,780	\$ 936,463	87%	\$ -	\$ 133,781
Administration	226,358	-	226,358	28,942	198,856	88%	-	27,502
Claims	55,417	-	55,417	8,375	57,660	104%	-	(2,243)
Insurance & Medical	57,755	-	57,755	7,232	50,623	88%	-	7,132
Judicial	61,862	-	61,862	7,733	54,129	87%	-	7,733
<b>Total Departmental Expend</b>	<b>\$ 1,471,636</b>	<b>\$ -</b>	<b>\$ 1,471,636</b>	<b>\$ 186,062</b>	<b>\$ 1,297,730</b>	<b>88%</b>	<b>\$ -</b>	<b>\$ 173,906</b>
Employer Contributions	448,319	-	448,319	54,487	389,667	87%	-	58,652
<b>Total General Fund Appropriations</b>	<b>\$ 1,919,955</b>	<b>\$ -</b>	<b>\$ 1,919,955</b>	<b>\$ 240,549</b>	<b>\$ 1,687,397</b>	<b>88%</b>	<b>\$ -</b>	<b>\$ 232,558</b>

**South Carolina Workers' Compensation Commission**

**2010 - 2011 Budget**

April 30, 2011

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date	%	Encumb	Balance
<b>Commissioners</b>								
<b>Salaries</b>								
Taxable Subsistence	\$ 80,000	\$ -	\$ 80,000	\$ 10,337	\$ 58,167	73%	\$ -	\$ 21,833
<b>Total Salaries</b>	<b>80,000</b>	<b>-</b>	<b>80,000</b>	<b>10,337</b>	<b>58,167</b>	<b>73%</b>	<b>-</b>	<b>21,833</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Service	700	-	700	-	-	0%	-	700
Copying Equipment Service	200	-	200	-	-	0%	-	200
Print/Bind/Advertisement	510	-	510	-	510	100%	-	-
Print Pub Annual Reports	28	-	28	-	-	0%	-	28
Data Processing Services	68,535	-	68,535	-	23,460	34%	-	45,075
Freight Express Delivery	490	-	490	-	-	0%	-	490
Telephone	4,500	-	4,500	328	3,854	86%	-	646
Cellular Phone Service	12,000	-	12,000	531	6,590	55%	-	5,410
Legal Services/Attorney Fees	160,000	-	160,000	5,444	114,492	72%	-	45,508
Other Professional Services	972	-	972	-	2,368	244%	-	(1,396)
<b>Total Contractual Services</b>	<b>247,935</b>	<b>-</b>	<b>247,935</b>	<b>6,303</b>	<b>151,273</b>	<b>61%</b>	<b>-</b>	<b>96,662</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	8,500	-	8,500	698	5,589	66%	-	2,911
Copying Equipment	2,714	-	2,714	543	3,118	115%	-	(404)
Printing	1,750	-	1,750	-	732	42%	-	1,018
Data Processing Supplies	649	-	649	-	230	35%	-	419
Postage	21,500	-	21,500	683	7,836	36%	-	13,664
Communication Supplies	50	-	50	-	460	920%	-	(410)
Maint/Janitorial Supplies	75	-	75	30	169	226%	-	(94)
Motor Vehicle Supp/Gasoline	100	-	100	-	58	58%	-	42
Other Supplies	975	-	975	97	97	10%	-	878
<b>Total Supplies &amp; Materials</b>	<b>36,313</b>	<b>-</b>	<b>36,313</b>	<b>2,052</b>	<b>18,290</b>	<b>50%</b>	<b>-</b>	<b>18,023</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	4,800	-	4,800	234	2,445	51%	-	2,355
Rent-Non State Owned Property	149,750	-	149,750	11,119	111,194	74%	-	38,556
Rent-Other	250	-	250	-	212	85%	-	38
Insurance-State	3,633	-	3,633	-	3,633	100%	-	-
Insurance-Non State	169	-	169	-	-	0%	-	169
Fees & Fines	50	-	50	-	50	100%	-	-
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
<b>Total Fixed Charges</b>	<b>159,652</b>	<b>-</b>	<b>159,652</b>	<b>11,353</b>	<b>117,533</b>	<b>74%</b>	<b>-</b>	<b>42,119</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	650	-	650	-	280	43%	-	370
In State - Auto Mileage	10,000	-	10,000	957	7,846	78%	-	2,154
In State - Subsistence Allowance	25,000	-	25,000	3,400	22,408	90%	-	2,592
Out State - Meals	500	-	500	-	52	10%	-	448
Out State - Auto Mileage	1,500	-	1,500	-	460	31%	-	1,040
Leased Car	50,000	-	50,000	-	29,400	59%	-	20,600
<b>Total Travel</b>	<b>87,650</b>	<b>-</b>	<b>87,650</b>	<b>4,357</b>	<b>60,446</b>	<b>69%</b>	<b>-</b>	<b>27,204</b>
<b>Total Other Operating Expenditures</b>	<b>531,550</b>	<b>-</b>	<b>531,550</b>	<b>24,064</b>	<b>347,542</b>	<b>65%</b>	<b>-</b>	<b>184,008</b>
<b>Total Commissioners</b>	<b>\$ 611,550</b>	<b>\$ -</b>	<b>\$ 611,550</b>	<b>\$ 34,401</b>	<b>\$ 405,709</b>	<b>66%</b>	<b>\$ -</b>	<b>\$ 205,841</b>

**South Carolina Workers' Compensation Commission**

**2010 - 2011 Budget**

April 30, 2011

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date	%	Encumb	Balance
<b>Administration</b>								
<b>Salaries</b>								
Classified Positions	\$ 214,000	\$ -	\$ 214,000	\$ 26,264	\$ 187,640	88%	\$ -	\$ 26,360
Temporary Employees	3,500	-	3,500	580	6,789	194%	-	(3,289)
Terminal Leave	1,000	-	1,000	-	835	84%	-	165
<b>Total Salaries</b>	<b>218,500</b>	<b>-</b>	<b>218,500</b>	<b>26,844</b>	<b>195,264</b>	<b>89%</b>	<b>-</b>	<b>23,236</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Service	4,904	-	4,904	-	4,316	88%	-	588
Copying Equipment Service	2,000	-	2,000	-	-	0%	-	2,000
Print/Bind/Advertisement	4,650	-	4,650	-	404	9%	-	4,246
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	181,658	-	181,658	8,271	122,090	67%	-	59,569
Freight Express Delivery	15,500	(5,000)	10,500	85	329	3%	-	10,171
Telephone	4,493	-	4,493	426	3,844	86%	-	649
Cellular Phone Service	1,925	-	1,925	130	1,534	80%	-	391
Education & Training Services	1,000	-	1,000	-	1,050	105%	-	(50)
Attorney Fees	34,947	-	34,947	2,160	26,581	76%	-	8,366
General Repair	230	(13)	217	-	-	0%	-	217
Audit Acct Finance	100	-	100	-	100	100%	-	-
Catered Meals	1,000	-	1,000	-	611	61%	-	389
Non-State Employee Travel	-	13	13	13	13	98%	-	0
Other Professional Services	2,000	-	2,000	-	50	3%	-	1,950
Other Contractual Services	445	-	445	-	445	100%	-	-
<b>Total Contractual Services</b>	<b>254,874</b>	<b>(5,000)</b>	<b>249,874</b>	<b>11,085</b>	<b>161,366</b>	<b>65%</b>	<b>-</b>	<b>88,508</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	9,743	-	9,743	392	4,462	46%	-	5,281
Subscriptions	175	-	175	-	-	0%	-	175
Copying Equipment Supplies	3,934	-	3,934	612	2,646	67%	-	1,288
Printing	1,964	-	1,964	-	872	44%	-	1,092
Data Processing Supplies	2,075	-	2,075	-	200	10%	-	1,875
Postage	7,100	4,150	11,250	812	6,914	61%	-	4,336
Maint/Janitorial Supplies	98	-	98	24	134	137%	-	(36)
Fees & Fines	174	750	924	-	275	30%	-	649
Gasoline/ Motor Vehicle Supply	36	-	36	10	94	261%	-	(58)
Promotional Supplies	75	-	75	-	-	0%	-	75
Employee Recog Award	564	-	564	-	46	8%	-	518
Other Supplies	100	-	100	77	77	77%	-	23
<b>Total Supplies &amp; Materials</b>	<b>26,038</b>	<b>4,900</b>	<b>30,938</b>	<b>1,927</b>	<b>15,720</b>	<b>51%</b>	<b>-</b>	<b>15,218</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	5,979	-	5,979	635	3,239	54%	-	2,740
Rent-Non State Owned Property	107,101	-	107,101	7,195	71,949	67%	-	35,152
Rent-Other	225	1,500	1,725	275	2,103	122%	-	(378)
Insurance-State	7,490	(1,400)	6,090	-	6,090	100%	-	-
Insurance-Non State	134	-	134	-	-	0%	-	134
Dues and Memberships	3,985	-	3,985	-	3,735	94%	-	250
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Sales Tax Paid	9,686	-	9,686	556	6,770	70%	-	2,916
<b>Total Fixed Charges</b>	<b>135,600</b>	<b>100</b>	<b>135,700</b>	<b>8,661</b>	<b>93,886</b>	<b>69%</b>	<b>-</b>	<b>41,814</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals Non/ Reportable	21	(9)	12	28	28	233%	-	(16)
Reportable Meals	-	9	9	-	9	100%	-	-
Out of State - Milage	-	86	86	-	86	99%	-	0
In State - Registration Fees	-	150	150	32	182	121%	-	(32)
Leased Car	12,500	(236)	12,264	-	7,139	58%	-	5,125
<b>Total Travel</b>	<b>12,521</b>	<b>-</b>	<b>12,521</b>	<b>60</b>	<b>7,443</b>	<b>59%</b>	<b>-</b>	<b>5,078</b>
<b>Equipment</b>								
Equipment Data Processing- PC's	35,000	-	35,000	-	33,035	94%	1,965	(0)
<b>Total Equipment</b>	<b>35,000</b>	<b>-</b>	<b>35,000</b>	<b>-</b>	<b>33,035</b>	<b>94%</b>	<b>1,965</b>	<b>(0)</b>
<b>Total Other Operating Expenditures</b>	<b>464,033</b>	<b>-</b>	<b>464,033</b>	<b>21,733</b>	<b>311,449</b>	<b>67%</b>	<b>1,965</b>	<b>150,618</b>
<b>Total Administration</b>	<b>\$ 682,533</b>	<b>\$ -</b>	<b>\$ 682,533</b>	<b>\$ 48,577</b>	<b>\$ 506,713</b>	<b>74%</b>	<b>\$ 1,965</b>	<b>\$ 173,855</b>

**South Carolina Workers' Compensation Commission**

**2010 - 2011 Budget**

April 30, 2011

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date	%	Encumb	Balance
<b>Claims</b>								
<b>Salaries</b>								
Classified Positions	\$ 301,000	\$ (6,000)	\$ 295,000	\$ 36,437	\$ 245,262	83%	\$ -	\$ 49,738
Temporary Positions	4,000	3,000	7,000	1,472	11,115	159%	-	(4,115)
Terminial Leave	1,000	3,000	4,000	-	3,092	77%	-	908
<b>Total Salaries</b>	<b>306,000</b>	<b>-</b>	<b>306,000</b>	<b>37,908</b>	<b>259,469</b>	<b>85%</b>	<b>-</b>	<b>46,531</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Services	200	-	200	-	90	45%	-	110
Print / Bind / Adv	750	-	750	-	404	54%	-	346
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	26,933	-	26,933	-	18,505	69%	-	8,428
Freight Express Delivery	500	-	500	-	-	0%	-	500
Telephone	3,000	-	3,000	223	2,258	75%	-	742
Temporary Services	13,000	-	13,000	-	18,674	144%	-	(5,674)
Other Professional Services	3,000	-	3,000	-	90	3%	-	2,910
<b>Total Contractual Services</b>	<b>47,405</b>	<b>-</b>	<b>47,405</b>	<b>223</b>	<b>40,021</b>	<b>84%</b>	<b>-</b>	<b>7,384</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	3,913	-	3,913	316	8,933	228%	-	(5,020)
Copying Equipment	2,000	-	2,000	430	2,277	114%	-	(277)
Printing	2,000	-	2,000	-	579	29%	-	1,421
Data Processing Supplies	75	-	75	-	53	71%	-	22
Postage	14,000	-	14,000	2,066	13,458	96%	-	542
Maint./Janitorial Supplies	50	-	50	30	140	281%	-	(90)
Other Supplies	100	-	100	74	77	77%	-	23
<b>Total Supplies &amp; Materials</b>	<b>22,138</b>	<b>-</b>	<b>22,138</b>	<b>2,917</b>	<b>25,518</b>	<b>115%</b>	<b>-</b>	<b>(3,380)</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	2,500	-	2,500	294	1,460	58%	-	1,040
Rent-Non State Owned Property	73,750	-	73,750	5,560	55,597	75%	-	18,153
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,080	-	1,080	-	997	92%	-	83
Insurance-Non State	134	-	134	-	-	0%	-	134
Equipment- Copying	-	815	815	-	815	100%	-	(0)
Equipment Maintenance	1,000	(815)	185	-	-	0%	-	185
<b>Total Fixed Charges</b>	<b>78,689</b>	<b>-</b>	<b>78,689</b>	<b>5,854</b>	<b>59,082</b>	<b>75%</b>	<b>-</b>	<b>19,607</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	300	(8)	292	7	232	79%	-	60
In State - Lodging	500	-	500	-	565	113%	-	(65)
In State - Auto Mileage	600	-	600	-	277	46%	-	323
In-State Registration	-	8	8	8	8	100%	-	-
Reportable Meals	100	-	100	78	221	221%	-	(121)
Leased Car	250	-	250	-	-	0%	-	250
<b>Total Travel</b>	<b>1,750</b>	<b>-</b>	<b>1,750</b>	<b>93</b>	<b>1,302</b>	<b>74%</b>	<b>-</b>	<b>448</b>
<b>Total Other Operating Expenditures</b>	<b>149,982</b>	<b>-</b>	<b>149,982</b>	<b>9,086</b>	<b>125,923</b>	<b>84%</b>	<b>-</b>	<b>24,059</b>
<b>Total Claims</b>	<b>\$ 455,982</b>	<b>\$ -</b>	<b>\$ 455,982</b>	<b>\$ 46,994</b>	<b>\$ 385,392</b>	<b>85%</b>	<b>\$ -</b>	<b>\$ 70,590</b>

**South Carolina Workers' Compensation Commission**

**2010 - 2011 Budget**

April 30, 2011

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date	%	Encumb	Balance
<b>Insurance and Medical Services</b>								
<b>Salaries</b>								
Classified Positions	\$ 383,000	\$ -	\$ 383,000	\$ 48,099	\$ 332,790	87%	\$ -	\$ 50,210
Temporary Employees	15,018	-	15,018	4,581	20,477	136%	-	(5,459)
Special Contractual Employee	4,635	-	4,635	-	-	0%	-	4,635
<b>Total Salaries</b>	<b>402,653</b>	<b>-</b>	<b>402,653</b>	<b>52,679</b>	<b>353,267</b>	<b>88%</b>	<b>-</b>	<b>49,386</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Service	200	-	200	-	-	0%	-	200
Copying Equipment Service	1,000	-	1,000	-	-	0%	-	1,000
Print/Bind/Advertisement	3,400	-	3,400	-	446	13%	-	2,954
Print Pub Annual Report	24	-	24	-	-	0%	-	24
Data Processing Services	24,864	-	24,864	1,605	33,917	136%	-	(9,053)
Telephone	2,626	-	2,626	229	2,204	84%	-	422
Other Professional Services	2,387	-	2,387	100	1,345	56%	-	1,042
Other Contractual Services	3,200	-	3,200	-	2,515	79%	-	685
<b>Total Contractual Services</b>	<b>37,701</b>	<b>-</b>	<b>37,701</b>	<b>1,934</b>	<b>40,426</b>	<b>107%</b>	<b>-</b>	<b>(2,725)</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	6,000	-	6,000	328	2,324	39%	-	3,676
Copying Equipment	3,000	-	3,000	475	2,517	84%	-	483
Printing	1,500	-	1,500	-	744	50%	-	756
Data Processing Supplies	1,000	-	1,000	-	-	0%	-	1,000
Postage	21,825	(45)	21,780	597	6,672	31%	-	15,108
Maintenance/Janitorial Supplies	75	-	75	26	148	198%	-	(73)
Fees & Fines	-	45	45	-	45	100%	-	-
Other Supplies	100	-	100	85	85	85%	-	15
<b>Total Supplies &amp; Materials</b>	<b>33,500</b>	<b>-</b>	<b>33,500</b>	<b>1,512</b>	<b>12,534</b>	<b>37%</b>	<b>-</b>	<b>20,966</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	2,104	-	2,104	222	2,102	100%	-	2
Rent-Non State Owned Property	56,400	-	56,400	3,924	39,245	70%	-	17,155
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,101	-	1,101	-	1,018	92%	-	83
Insurance-Non State	148	-	148	-	-	0%	-	148
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	1,300	-	1,300	103	2,368	182%	-	(1,068)
<b>Total Fixed Charges</b>	<b>62,220</b>	<b>-</b>	<b>62,220</b>	<b>4,250</b>	<b>44,946</b>	<b>72%</b>	<b>-</b>	<b>17,274</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals (Non-Reportable)	50	-	50	14	348	696%	-	(298)
In-State Registration	-	-	16	16	16	100%	-	-
Reportable Meals	50	-	50	27	89	178%	-	(39)
In State - Lodging	158	-	158	-	660	417%	-	(502)
<b>Total Travel</b>	<b>258</b>	<b>-</b>	<b>274</b>	<b>57</b>	<b>1,113</b>	<b>406%</b>	<b>-</b>	<b>(839)</b>
<b>Total Other Operating Expenditures</b>	<b>133,679</b>	<b>-</b>	<b>133,695</b>	<b>7,753</b>	<b>99,019</b>	<b>74%</b>	<b>-</b>	<b>34,676</b>
<b>Total Insurance and Medical Services</b>	<b>\$ 536,332</b>	<b>\$ -</b>	<b>\$ 536,348</b>	<b>\$ 60,432</b>	<b>\$ 452,286</b>	<b>84%</b>	<b>\$ -</b>	<b>\$ 84,062</b>

**South Carolina Workers' Compensation Commission**  
**2010 - 2011 Budget**  
 April 30, 2011

**Earmarked Funds**

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 83.33%				
				Expended April	Year to Date	%	Encumb	Balance
<b>Judicial</b>								
<b>Salaries</b>								
Classified Positions	\$ 322,000	\$ (784)	\$ 321,216	\$ 39,716	\$ 278,387	87%	\$ -	\$ 42,829
Terminal Leave	-	784	784	-	784	100%	-	(0)
<b>Total Salaries</b>	<b>322,000</b>	<b>-</b>	<b>322,000</b>	<b>39,716</b>	<b>279,172</b>	<b>87%</b>	<b>-</b>	<b>42,828</b>
<b>Other Operating Expenditures</b>								
<b>Contractual Services</b>								
Office Equipment Services	180	-	180	-	-	0%	-	180
Print/Bind/Advertisement	500	-	500	-	361	72%	-	139
Print Pub Annual Reports	20	-	20	-	-	0%	-	20
Data Processing Services	37,803	-	37,803	-	17,680	47%	-	20,123
Freight Express Delivery	150	-	150	-	-	0%	-	150
Telephone	3,000	-	3,000	211	1,910	64%	-	1,090
Cellular Phone Service	1,225	-	1,225	89	953	78%	-	272
Other Professional Services	200	-	200	-	-	0%	-	200
<b>Total Contractual Services</b>	<b>43,078</b>	<b>-</b>	<b>43,078</b>	<b>300</b>	<b>20,904</b>	<b>49%</b>	<b>-</b>	<b>22,174</b>
<b>Supplies &amp; Materials</b>								
Office Supplies	4,775	-	4,775	266	4,769	100%	-	6
Copying Equipment Supplies	1,949	-	1,949	385	2,051	105%	-	(102)
Printing	2,500	-	2,500	-	518	21%	-	1,982
Data Processing Supplies	75	-	75	-	-	0%	-	75
Postage	12,580	-	12,580	737	9,039	72%	-	3,541
Maintenance/Janitorial Supplies	50	-	50	21	107	214%	-	(57)
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	75	-	75	69	69	92%	-	6
<b>Total Supplies &amp; Materials</b>	<b>22,024</b>	<b>-</b>	<b>22,024</b>	<b>1,478</b>	<b>16,553</b>	<b>75%</b>	<b>-</b>	<b>5,471</b>
<b>Fixed Charges</b>								
Rental-Cont Rent Payment	1,750	-	1,750	132	737	42%	-	1,013
Rent-Non State Owned Property	63,750	-	63,750	4,906	49,056	77%	-	14,694
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,121	-	1,121	-	1,183	106%	-	(62)
Insurance-Non State	120	-	120	-	-	0%	-	120
<b>Total Fixed Charges</b>	<b>66,966</b>	<b>-</b>	<b>66,966</b>	<b>5,038</b>	<b>51,189</b>	<b>76%</b>	<b>-</b>	<b>15,777</b>
<b>Travel (Includes Leased Car)</b>								
In State - Meals / Non-Reportable	250	-	250	132	242	97%	-	8
Reportable Meals	100	-	100	27	152	152%	-	(52)
In State - Lodging	400	-	400	451	749	187%	-	(349)
In State - Auto Mileage	2,200	-	2,200	396	2,030	92%	-	170
In State - Misc Travel Expense	100	-	100	13	56	56%	-	44
In-State Registration	-	8	8	8	8	100%	-	-
Out State - Auto Mileage	300	(8)	292	-	-	0%	-	292
<b>Total Travel</b>	<b>3,350</b>	<b>-</b>	<b>3,350</b>	<b>1,027</b>	<b>3,238</b>	<b>97%</b>	<b>-</b>	<b>112</b>
<b>Total Other Operating Expenditures</b>	<b>135,418</b>	<b>-</b>	<b>135,418</b>	<b>7,842</b>	<b>91,883</b>	<b>68%</b>	<b>-</b>	<b>43,535</b>
<b>Total Judicial</b>	<b>\$ 457,418</b>	<b>\$ -</b>	<b>\$ 457,418</b>	<b>\$ 47,558</b>	<b>\$ 371,055</b>	<b>81%</b>	<b>\$ -</b>	<b>\$ 86,363</b>
<b>Earmarked Funds</b>								
<b>Department Totals</b>								
Commissioners	\$ 611,550	\$ -	\$ 611,550	\$ 34,401	\$ 405,709	66%	\$ -	\$ 205,841
Administration	682,533	-	682,533	48,577	506,713	74%	1,965	173,855
Claims	455,982	-	455,982	46,994	385,392	85%	-	70,590
Insurance & Medical	536,332	-	536,348	60,432	452,286	84%	-	84,062
Judicial	457,418	-	457,418	47,558	371,055	81%	-	86,363
<b>Total Departmental Expend</b>	<b>\$ 2,743,815</b>	<b>\$ -</b>	<b>\$ 2,743,831</b>	<b>\$ 237,962</b>	<b>\$ 2,121,155</b>	<b>77%</b>	<b>\$ 1,965</b>	<b>\$ 620,710</b>
Employer Contributions	375,000	-	375,000	31,578	309,935	83%	-	65,065
<b>Total Earmarked Funds</b>	<b>\$ 3,118,815</b>	<b>\$ -</b>	<b>\$ 3,118,831</b>	<b>\$ 269,540</b>	<b>\$ 2,431,091</b>	<b>78%</b>	<b>\$ 1,965</b>	<b>\$ 685,775</b>
<b>Capital / Computer Project Carryforward</b>	<b>\$ 54,761</b>	<b>\$ -</b>	<b>\$ 54,761</b>	<b>\$ 10,325</b>	<b>\$ 11,905</b>	<b>22%</b>	<b>\$ 9,473</b>	<b>\$ 33,383</b>

## MEMORANDUM

May 11, 2011

**TO:** Mr. Gary Cannon  
Executive Director

**FROM:** Cathy Floyd  
Human Resources

**SUBJECT:** Human Resource Report Period of April 13 – May 9, 2011

Below is a summary of the Human Resource activity for the period of April 13 – May 9, 2011.

### Employee Relations (ER)

- Three ER issues were addressed during the activity period
- An employee injury was reported to CompEndium.
- Employee of the Year Selection Committee met on April 15, 2011 and selected the 2010 Employee of the Year recipient to be named at the Employee Appreciation Luncheon on Tuesday, May 17, 2011.
- The week of May 2 – 6, 2011 was Employee Appreciation Week
  - Daily activities were held during the week
  - Wednesday, May 4, 2011 was declared State Employee Appreciation Day by the Governor
- The Employee Appreciation Luncheon has been scheduled for Tuesday, May 17, 2011 in the First Floor Conference Room

### Reporting

- Distributed a monthly Leave Summary Report to all eligible employees
- Submitted two annual reports to the State Office of Human Resources (OHR)

### Benefits

- Processed enrollment forms for insurance and retirement
- Assisted a former employee with retirement service purchases
- Issued two COBRA Notices

### SC Enterprise Information System (SCEIS)

- Two employment verifications
- Seventeen transactions were keyed into the system

### Training

- Attended a one-day Leadership Seminar
- Attended the Claims Administration Workshop
- Coordinated daily training sessions and events for the Wellness Week

# CC IT Projects Status Report

Period: 05/16/11 Status Key: Not Started Timing

#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments
3	Phase II - Claims EDI			HOLD	50%	0%	IT Staff	been reassigned to other priorities. Need to reset the project date.
4g	Electronic Service Initiatives Consent Orders	Electronic Service Initiatives Consent Orders	67-213	May 2011	75%	40%	Amanda	begin pilot
4h	Electronic Service Initiatives Clinchers	Electronic Service Initiatives Clinchers	67-213	TBD	0%	0%		Will begin after Consent orders
4i	Electronic Service Initiatives Fee Petitions	Electronic Service Initiatives Fee Petitions	67-213	TBD	0%	0%		
4j	Electronic Service Initiatives - Receipt of electronic pleadings	Electronic Service Initiatives - Receipt of electronic pleadings	67-211	January 2012	0%	0%		
4k	Electronic receipt of any form or document	Electronic receipt of any form or document	67-205	January 2012	0%	0%		
4l	12 M Revamp of current Minor Medical Reporting from Carriers	12 M Revamp of current Minor Medical Reporting from Carriers	67-412	January 2012	0%	0%		
4m	Electronic Service Full Commission Orders	Electronic Service Full Commission Orders	67-213	5/1/2011	42%	25%	Amanda	Final acceptance for original spec completed. In production. New request are in for enhancements
7	Compliance X-file Creation Automation	Automation of Compliance Investigation File Creation from ESC data		3/23/2011	100%	0%	Betsy/Amanda	
8	ISC Voc. Rehab			TBD	10%	5%	Betsy	Meeting set with Voc Rehab for 5/19/2011 to discuss

# CC IT Projects Status Report

Period: 05/16/11 Status Key: Not Started Timing

Projects								
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments
9	Show Cause enhancements	Automation of the Show Cause fines for printing invoices and letters automatically rather than manually		TBD	5%	5%	Betsy	Have requirements from Compliance - need to write
					Projects Amanda	55%		
					Projects Duane	0%		
					Projects Betsy	20%		

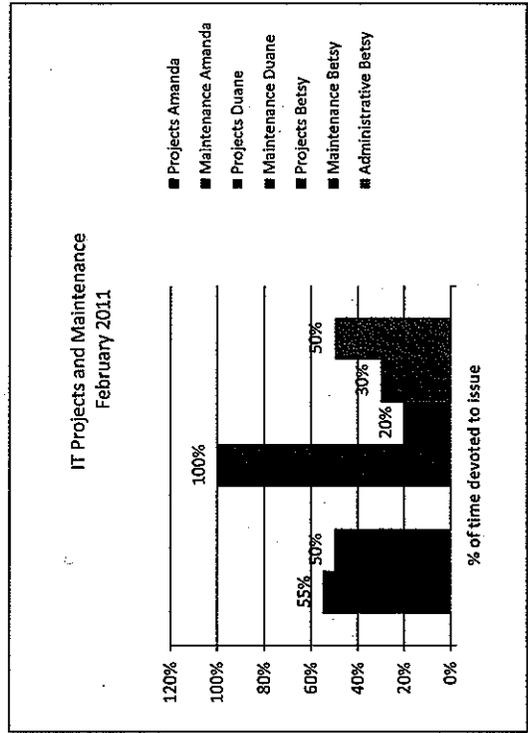
Maintenance								
Prio rity	Maintenance Issue	Project	Start date	Estimated completion	% complete	% of time devoted to issue	Assigned to	Status
1	Add warning on closed file with Jar	Judicial	4/5/2011	4/30/2011	100%	35%	Duane	Implemented
	NCCI issue relating to changes to key fields, such as FEIN's has been identified by NCCI 2 and has not been evaluated by WCC	EDI Coverage	August	4/30/2011	85%	35%	Duane	final research to verify all issues are resolved.
3	Modification to F18 functions in Progress	Progress	June	tbd		0%	Duane	have not touched
6	New report for tracking eService compliance	eService	tbd			0%	Duane	
7	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		20%	Duane	
8	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Duane	
					Maintenance Duane	100%		
	NCCI issue relating to changes to key fields, such as FEIN's has been identified by WCC 2 and has not been evaluated by WCC	EDI Coverage	August	ongoing		0%	Amanda	
	Closed File QA Verification / Destruction Preparation	Imaging	April	5/31/2011		20%	Amanda	
	eCase Enhancement issues & Training	eCase	December	ongoing		10%	Amanda	
	Systematic Email delivery of Notices	e-Service	April	5/20/2011		5%	Amanda	
	Add warning on closed file with Jar	Judicial				5%	Amanda	
	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Amanda	
					Maintenance Amanda	50%		

CC IT Projects Status Report

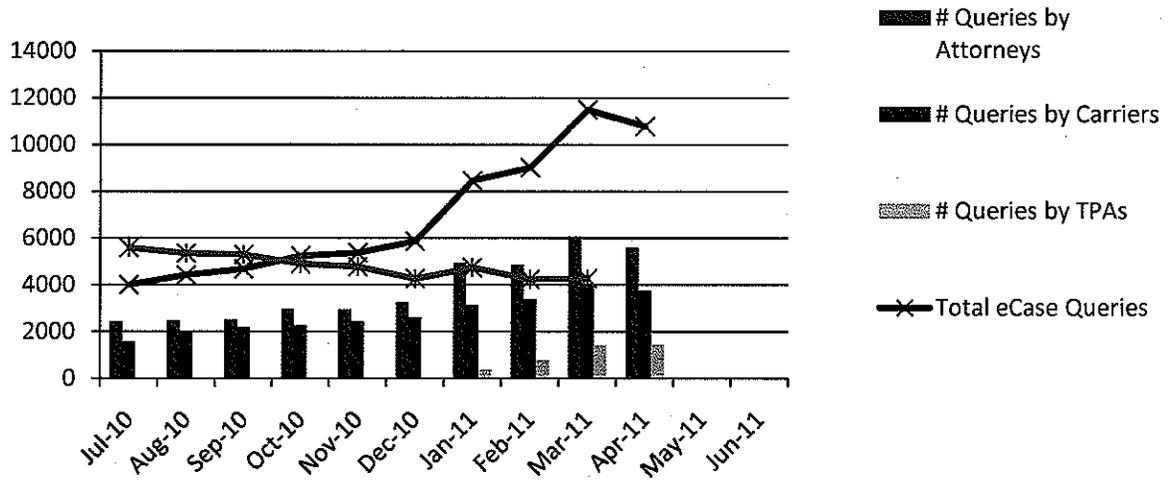
Period: 05/16/11 Status Key: Not Started Timing

#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments
2	NCCI issue relating to changes to key fields, such as FEIN's has been identified by NCCI and has not been evaluated by WCC	EDI Coverage	August	ongoing		0%	Betsy	
2	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		30%	Betsy	
					Maintenance Betsy	30%		

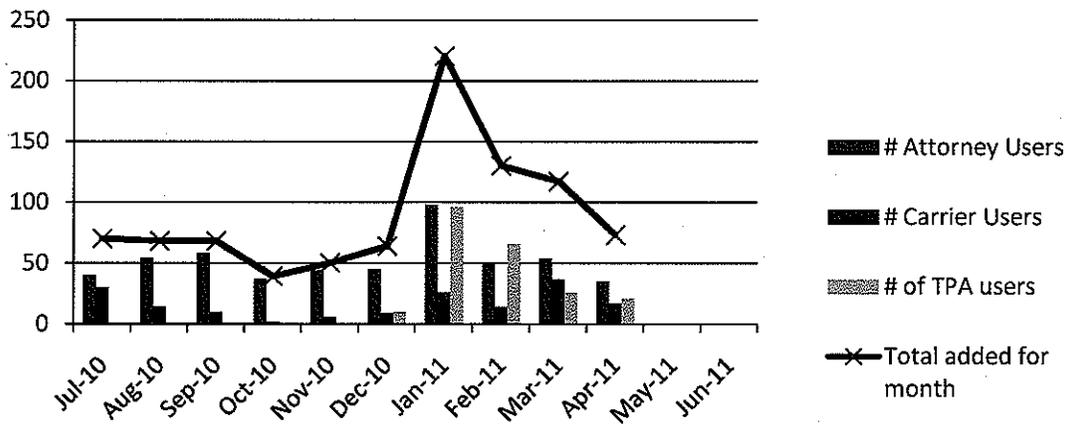
#	Project	Sub Project	Due Date	% of completion	% of time devoted to issue	Assigned to	Status
2	PC and Server Refresh	Refresh	TBD	50%	50%	Betsy	Server PO places. Will place PO for 25 PC's by 5/13/2010



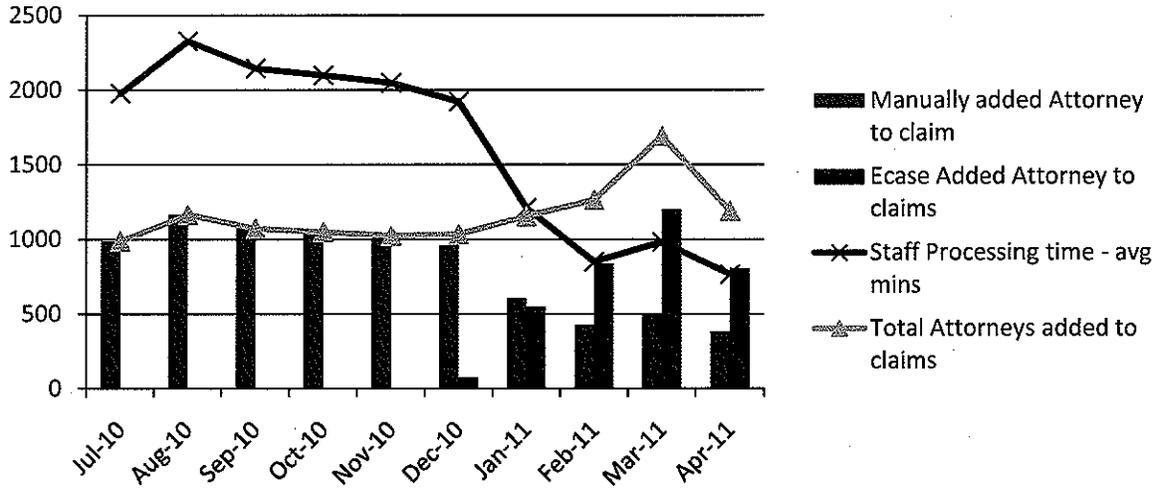
### eCase Queries By Month and Type of User



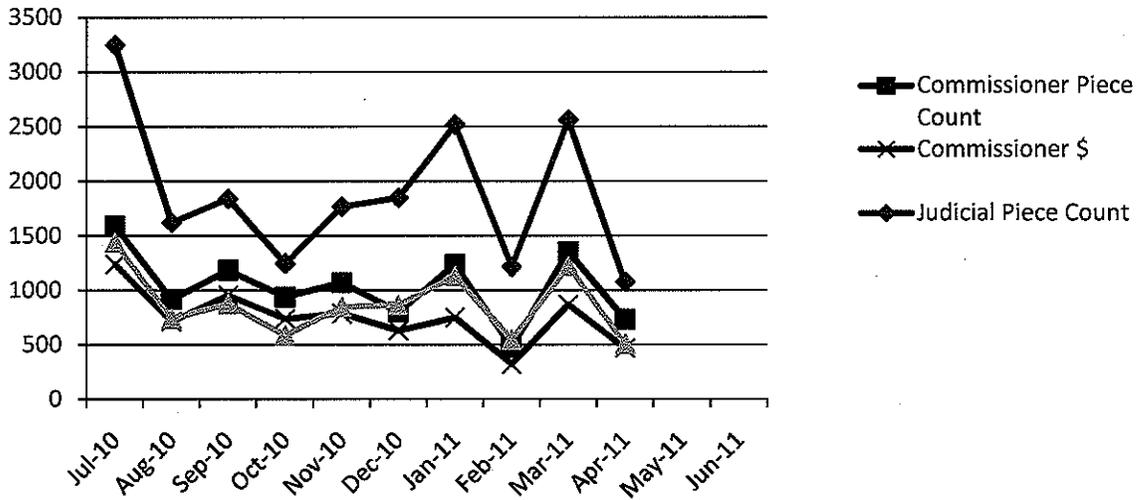
### eCase Users by Type and Date Added



### eCase - Attorney Added to Claim



### Mail Cost and Piece Count for Commissioners and Judicial



**TO: Gary M. Cannon, Executive Director**

**FROM: Brad Fickle**

**DATE: May 4, 2011**

**RE: Outstanding Fines Status**

The following is the requested status of outstanding fines in the Compliance and Coverage Divisions of the Insurance and Medical Services Department:

### **Compliance**

There are two categories for Compliance fines: cases with underlying claims; and cases without underlying claims. Cases with underlying claims are those cases in which a claim has been filed but there is no record of the employer having coverage. Cases with no underlying claims are the cases where employers are discovered to have no coverage through the search of the Department of Employment and Workforce records or a random coverage check.

The procedure for collection of fines is as follows:

1. Employers suspected of not having insurance are sent a letter requesting verification they have coverage and are given 14 days to respond. Failure to respond and to immediately acquire insurance will result in fines being assessed at \$1.00 per day for each employee, a minimum of \$10.00 per day and a maximum of \$100.00 per day.

**Thirty-two violation letters were issued during the month of April.**

2. For cases without an underlying claim, if the employer immediately comes into compliance after the initial notification, the assessed fine is \$750 for 10 or less employees and \$1,000 for 11-20 employees.

**Nineteen compliance agreements were received during the month of April.**

3. If there is no response and we can prove the employer is subject to the Workers' Compensation Act, the Compliance Division subpoenas the employer to an Order and Rule to Show Cause hearing. These hearings are scheduled every 30 days.

**Eight subpoenas were issued in April. The next Order and Rule to Show Cause hearing is scheduled for May 25, 2011.**

4. Along with the subpoena, the employer is provided a letter offering the opportunity to settle in lieu of attending the hearing. However, if the employer does not settle, and the employer is found to be subject to the Act at the hearing, an order is issued finding the employer in violation of the Act. In most instances, the order stipulates maximum fines and penalties. Orders are issued within 30 days after the hearing.

**1 order resulting from the April 18, 2011 Order and Rule to Show Cause hearing was published in April.**

5. If there is no response to the order, a civil judgment is filed within 45 days.

**No civil judgments were filed during the month of April.**

6. Further contact with the employer (telephone and letter) is attempted by the Director of Compliance. If the employer remains willfully uninsured, the Director of Compliance files a criminal complaint with the jurisdictional magistrate. This new procedure for the Department has yet to be finalized with legal counsel.

## **Coverage**

There are two types of fines assessed on carriers by the Coverage Division:

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- B. 12M Minor Medical Fines

In January - March 2010, approximately 200 carriers were sent a final notice on fines over 90 days old. Carriers were advised that failure to pay outstanding fines would result in a subpoena being issued requiring attendance at an Order and Rule to Show Cause Hearing. Initially, these carriers owed \$207,375 in fines over 90 days old. This total was reduced to \$17,296.33 as of May 4, 2011.

**Department of Insurance & Medical Services**  
**South Carolina Workers' Compensation Commission**  
**May 2011**

**FY2010**

	July	August	September	October	November	December	January	February	March	April	May	June	2009-2010
Violation letters	48	62	45	63	38	51	49	51	45	29	20	9	510
Compl. Agrmnt rcvd/Admin. Order	25	48	40	29	48	44	38	29	57	27	17	11	413
- Compliance Agreements received	25	44	40	28	47	40	36	25	41	21	10	10	367
- Administrative Orders	0	4	0	1	1	4	2	4	16	6	7	1	46
Subpoenas issued	0	0	34	38	19	43	12	11	15	18	39	14	243
Orders published	0	0	0	0	0	18	0	5	6	1	1	6	37
Civil Judgments filed	0	0	0	0	0	0	0	0	1	0	0	0	1

**FY2011**

	July	August	September	October	November	December	January	February	March	April	May	June	2010-2011
Violation letters - 102	14	9	39	36	18	40	20	33	49	32			290
Compl. Agrmnt rcvd/Admin. Order	13	35	23	27	28	20	18	25	26	27			242
- Compliance Agreements received	6	27	19	24	22	17	13	17	20	19			184
- Administrative Orders - 160	7	8	4	3	6	3	5	8	6	8			58
Subpoenas issued - 68	10	13	8	23	6	22	11	7	9	8			117
Orders published - 69	7	6	1	2	8	0	3	8	2	1			38
Civil Judgments filed - 149	0	4	12	0	0	0	0	5	0	0			21

Department of Insurance & Medical Services  
 South Carolina Workers' Compensation Commission  
 May 2011 Monthly Report

July August September October November December January February March April May June 2010 - 2011

**SELF INSURANCE**

New Self-Insurers Approved  
 Self Insurance Tax Collected

11	6	14	7	8	9	16	11	6	10	
\$35,282	\$147,818	\$1,647,285	\$16,989	\$33,269	\$319,996	\$42,040	\$126,462	\$1,996,076	\$246,679	

**COMPLIANCE**

Cases Active at Beginning of Period  
 Cases Initiated  
 Cases Closed  
 Cases Active at End of Period  
 Total Fines Assessed  
 - Employer wage / coverage screening  
 - Underlying claim / uninsured employer  
 - Random Investigation

422	600	754	672	768	884	778	832	867	960	
203	203	140	152	148	171	102	97	168	166	
25	49	222	56	32	277	48	62	75	155	
600	754	672	768	884	778	832	867	960	971	
\$49,965	\$63,553	\$112,292	\$105,730	\$49,740	\$109,114	\$86,660	\$56,024	\$69,074	\$61,124	
\$30,050	\$23,715	\$25,140	\$61,265	\$27,000	\$70,084	\$66,588	\$27,010	\$35,306	\$38,556	
\$19,915	\$36,188	\$87,152	\$44,365	\$22,740	\$39,030	\$20,072	\$29,014	\$33,768	\$22,568	
\$0	\$3,650	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	

Total Fines Collected  
 - Employer wage / coverage screening  
 - Underlying claim / uninsured employer  
 - Random Investigation  
 Fines Waived/Rescinded/Uncollectable  
 - Waived  
 - Rescinded  
 - Uncollectable

\$15,975	\$20,704	\$27,075	\$51,739	\$22,068	\$39,084	\$23,255	\$20,944	\$26,679	\$35,660	
\$14,175	\$13,634	\$17,435	\$20,375	\$15,625	\$32,584	\$18,375	\$13,875	\$18,111	\$23,489	
\$1,800	\$7,070	\$9,640	\$31,264	\$6,443	\$6,500	\$4,880	\$7,069	\$8,568	\$12,171	
\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	
\$25,770	\$77,180	\$43,411	\$38,949	\$45,874	\$24,330	\$37,942	\$26,637	\$22,107	\$34,177	
\$8,370	\$13,775	\$5,520	\$0	\$1,500	\$6,750	\$25,322	\$16,746	\$7,767	\$19,664	
\$17,400	\$63,405	\$37,891	\$38,949	\$44,374	\$17,580	\$12,620	\$9,891	\$14,340	\$13,013	
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

**COVERAGE & ACCIDENT RPTG**

Employers Withdrawing From the Act  
 Coverage Fines Assessed  
 Coverage Fines Collected  
 Coverage Fines Waived  
 Number of 12As Filed EDI  
 Number of 12As Filed Manually  
 Total Number of WCC Files Created  
 Number of Fatalities Filed on 12As

1	1	3	2	1	3	3	1	1	4	
\$18,400	\$19,600	\$4,400	\$7,800	\$13,200	\$11,000	\$8,200	\$7,400	\$6,200	\$6,200	20
\$67,795	\$21,600	\$18,500	\$10,600	\$12,240	\$10,400	\$9,200	\$9,800	\$8,000	\$8,200	\$102,400
\$1,000	\$2,400	\$1,604	\$13,360	\$1,600	\$2,275	\$1,600	\$400	\$0	\$1,450	\$176,335
1,762	1,747	1,689	1,554	1,601	1,573	1,444	1,426	1,735	1,511	\$25,689
336	458	376	386	394	345	242	283	427	435	16,042
2,098	2,205	2,065	1,940	1,995	1,918	1,686	1,709	2,162	1,946	3,682
7	9	4	8	3	11	2	3	7	7	19,724
										61

**MEDICAL SERVICES**

Bills Pending at Beginning of Period  
 Bills Received  
 Bills to be Reviewed  
 Bills Reviewed this Month  
 Bills Pending at End of Period

76	93	59	42	61	53	39	29	46	66	
83	90	85	107	67	64	59	70	80	65	770
159	183	144	149	128	117	98	99	126	131	
66	124	102	88	75	78	69	53	60	64	779
93	59	42	61	53	39	29	46	66	67	

98  
 \$4,611,896

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Subpoenas issued	0	0	34	38	19	43	12	11	15	18	39	14	243
Orders published	0	0	0	0	0	18	0	5	6	1	1	6	37
Civil Judgments filed	0	0	0	0	0	0	0	0	1	0	0	0	1

**FY2011**

	July	August	September	October	November	December	January	February	March	April	May	June	2010-2011
Violation letters - 102	14	9	39	36	18	40	20	33	49	32			290
Compl. Agrmnt rcvd/Admin. Order	13	35	23	27	28	20	18	25	26	27			242
- Compliance Agreements received	6	27	19	24	22	17	13	17	20	19			184
- Administrative Orders - 160	7	8	4	3	6	3	5	8	6	8			58
Subpoenas issued - 68	10	13	8	23	6	22	11	7	9	8			117
Orders published - 69	7	6	1	2	8	0	3	8	2	1			38
Civil Judgments filed - 149	0	4	12	0	0	0	0	5	0	0			21

Department of Insurance & Medical Services  
 South Carolina Workers' Compensation Commission  
 May 2011 Monthly Report

	July	August	September	October	November	December	January	February	March	April	May	June	2010 - 2011
<b>SELF INSURANCE</b>													
New Self-Insurers Approved	11	6	14	7	8	9	16	11	6	10			98
Self Insurance Tax Collected	\$35,282	\$147,818	\$1,647,285	\$16,989	\$33,269	\$319,996	\$42,040	\$126,462	\$1,996,076	\$246,679			\$4,611,896
<b>COMPLIANCE</b>													
Cases Active at Beginning of Period	422	600	754	672	768	884	778	832	867	960			
Cases Initiated	203	203	140	152	148	171	102	97	168	166			1550
Cases Closed	25	49	222	56	32	277	48	62	75	155			1001
Cases Active at End of Period	600	754	672	768	884	778	832	867	960	971			
Total Fines Assessed	\$49,965	\$63,553	\$112,292	\$105,730	\$49,740	\$109,114	\$86,660	\$56,024	\$69,074	\$61,124			\$763,276
- Employer wage / coverage screening	\$30,050	\$23,715	\$25,140	\$61,265	\$27,000	\$70,084	\$66,588	\$27,010	\$35,306	\$38,556			\$404,714
- Underlying claim / uninsured employer	\$19,915	\$36,188	\$87,152	\$44,365	\$22,740	\$39,030	\$20,072	\$29,014	\$33,768	\$22,568			\$354,812
- Random Investigation	\$0	\$3,650	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0			\$3,750
Total Fines Collected	\$15,975	\$20,704	\$27,075	\$51,739	\$22,068	\$39,084	\$23,255	\$20,944	\$26,679	\$35,660			\$283,183
- Employer wage / coverage screening	\$14,175	\$13,634	\$17,435	\$20,375	\$15,625	\$32,584	\$18,375	\$13,875	\$18,111	\$23,489			\$187,678
- Underlying claim / uninsured employer	\$1,800	\$7,070	\$9,640	\$31,264	\$6,443	\$6,500	\$4,880	\$7,069	\$8,568	\$12,171			\$95,405
- Random Investigation	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0			\$100
Fines Waived/Rescinded/Uncollectable	\$25,770	\$77,180	\$43,411	\$38,949	\$45,874	\$24,330	\$37,942	\$26,637	\$22,107	\$34,177			\$376,377
- Waived	\$8,370	\$13,775	\$5,520	\$0	\$1,500	\$6,750	\$25,322	\$16,746	\$7,767	\$19,664			\$105,414
- Rescinded	\$17,400	\$63,405	\$37,891	\$38,949	\$44,374	\$17,580	\$12,620	\$9,891	\$14,340	\$13,013			\$269,463
- Uncollectable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			\$0
<b>COVERAGE &amp; ACCIDENT RPTG</b>													
Employers Withdrawing From the Act	1	1	3	2	1	3	3	1	1	4			20
Coverage Fines Assessed	\$18,400	\$19,600	\$4,400	\$7,800	\$13,200	\$11,000	\$8,200	\$7,400	\$6,200	\$6,200			\$102,400
Coverage Fines Collected	\$67,795	\$21,600	\$18,500	\$10,600	\$12,240	\$10,400	\$9,200	\$9,800	\$8,000	\$8,200			\$176,335
Coverage Fines Waived	\$1,000	\$2,400	\$1,604	\$13,360	\$1,600	\$2,275	\$1,600	\$400	\$0	\$1,450			\$25,689
Number of 12As Filed EDI	1,762	1,747	1,689	1,554	1,601	1,573	1,444	1,426	1,735	1,511			16,042
Number of 12As Filed Manually	336	458	376	386	394	345	242	283	427	435			3,682
Total Number of WCC Files Created	2,098	2,205	2,065	1,940	1,995	1,918	1,686	1,709	2,162	1,946			19,724
Number of Fatalities Filed on 12As	7	9	4	8	3	11	2	3	7	7			61
<b>MEDICAL SERVICES</b>													
Bills Pending at Beginning of Period	76	93	59	42	61	53	39	29	46	66			770
Bills Received	83	90	85	107	67	64	59	70	80	65			
Bills to be Reviewed	159	183	144	149	128	117	98	99	126	131			
Bills Reviewed this Month	66	124	102	88	75	78	69	53	60	64			779
Bills Pending at End of Period	93	59	42	61	53	39	29	46	66	67			

TO: GARY CANNON, EXECUTIVE DIRECTOR  
FROM: GREGORY S. LINE, DIRECTOR OF CLAIMS  
SUBJECT: CLAIMS REPORT FOR THE MONTH OF APRIL  
DATE: May 6, 2011

Fines assessed for the month of April 2011:

- We assessed 631 fines for the month of April which was up from assessing 579 fines for the month of March.
- The dollar amount of the fines assessed for the month of April was **\$133,350** which was up from assessing **\$120,200** for the month of March.

Fines received for the month of April 2011:

- We received payment on **620** fines for the month of April which was up from receiving **552** fines for the month of March.
- The dollar amount of fines received for the month April was **\$119,525** which was up from receiving **\$110,650** for the month of March.

The number of fines assessed went up for the month of April and the number of fines collected went up slightly for the of April:

- |                                       |                                     |
|---------------------------------------|-------------------------------------|
| • July assessed <b>1,195</b> fines    | July fines collected <b>742</b>     |
| • August assessed <b>699</b> fines    | August fines collected <b>722</b>   |
| • September assessed <b>839</b> fines | September fine collected <b>580</b> |
| • October assessed <b>560</b> fines   | October fines collected <b>599</b>  |
| • November assessed <b>715</b> fines  | November fines collected <b>649</b> |
| • December assessed <b>661</b> fines  | December fines collected <b>488</b> |
| • January assessed <b>701</b> fines   | January fines collected <b>510</b>  |
| • February assessed <b>479</b> fines  | February fines collected <b>512</b> |
| • March assessed <b>579</b> fines     | March fines collected <b>552</b>    |
| • April assessed <b>631</b> fines     | April fines collected <b>620</b>    |

The fines assessed and collected went up this month. The Claims Department processed 5,889 Form 18's for the month of April which is a little higher than the average for the year. Since October, we are averaging assessing **615** fines and collecting **553** fines per month.

**Fine Report for November, December 2010 & January, February, March and April 2011**

	Nov	Dec	Jan	Feb	Mar	Apr
Amt assess	\$150,000	\$134,500	\$141,200	\$ 96,600	\$120,200	\$133,350
# fines assess	715	661	701	479	579	631
Amt coll	\$128,000	\$103,000	104,200	\$101,700	\$110,650	\$119,525
Fines coll	649	488	510	512	552	620
<b>Form 18's</b>						
Fines assess						
Daily	\$111,800	\$ 97,000	\$96,500	\$74,200	\$75,400	\$73,600
Fines assessed						
file review	\$ 9,000	\$1,800	\$5,000	\$1,400	\$5,800	\$14,200
Total amount						
Assessed	\$120,800	\$98,800	\$101,500	\$75,600	\$81,200	\$87,800
fines assess daily	554	478	485	366	353	344
# fines assess						
file review	7	9	24	7	29	39
Total fines assess	561	487	509	373	382	383
Amt coll	\$ 101,350	\$75,100	82,600	\$79,100	\$83,300	\$85,172
# coll	506	342	402	399	412	437
<b>All other fines assessed</b>						
<b>(Form 12-A, Form 15, Form 17, Form 19, denial letter, Form 20, failure to respond)</b>						
Amt assess	\$ 29,200	\$35,700	\$38,700	\$21,000	\$49,300	\$45,550
# fines assess	154	174	192	106	197	248
Amt paid	\$26,650	\$27,900	\$21,600	\$22,600	\$27,350	\$34,350
# fines pd	143	146	108	113	140	183

The dollar amount of fines assessed for each form, for the month of June, and fines collected for each form from April 1, 2011 through April 30, 2011  
 The number of fines assessed and collected, for each form, are in parenthesis.

	<u>Assessed</u>	<u>Collected</u>
Form 12A -	\$ 19,000.00 (95)	\$ 15,150.00 (79)
Form 15 Section I -	\$ 9,800.00 (46)	\$ 7,900.00 (41)
Form 15 Section II -	\$ 6,200.00 (31)	\$ 2,800.00 (15)
Form 15 S -	\$ 1,600.00 (8)	\$ 2,100.00 (11)
Form 17 -	\$ 1,400.00 (7)	\$ 800.00 (4)
Form 18 -	\$ 87,800.00 (383)	\$ 85,175.00 (437)
Form 19 -	\$ 1,550.00 (31)	\$ 250.00 (5)
Denial letter -	\$ 2,600.00 (13)	\$ 1,900.00 (10)
Failure to respond -	\$ 3,400.00 (17)	\$ 3,450.00 (18)
<b>TOTAL -</b>	<b>\$ 133,350.00 (631)</b>	<b>\$ 119,525.00 (620)</b>

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2010-2011													
Prepared MAY 4, 2011													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
I. Claims Services Division													
Forms 15 for TT/TF	2,205	2,244	2,349	2,188	2,123	2,075	1,891	2,117	2,249	2,026			21,467
Forms 16 for PP/D	314	508	399	323	227	402	307	284	330	227			3,321
Forms 18	6,013	6,130	5,913	5,219	5,223	5,601	5,741	5,890	6,224	5,889			57,843
Forms 20	1,113	1,162	1,304	963	1,073	1,048	838	924	1,267	1,018			10,710
Form 50 Claims Or	276	283	339	285	338	222	358	301	282	272			2,956
Form 61	663	775	713	673	787	616	781	658	812	708			7,186
Letters of Rep	117	380	336	324	326	315	297	251	240	214			2,800
Clinchers	708	893	824	753	767	703	813	715	823	1,043			8,042
Third Party Settlen	11	29	25	18	27	24	33	26	42	20			255
SSA Requests for	102	150	152	118	121	223	212	242	180	125			1,625
Cases Closed	2,268	2,508	2,914	2,206	2,249	2,579	2,132	2,210	2,586	2,616			24,268
Cases Reviewed	1,293	1,576	1,030	1,072	1,063	919	833	960	1,376	1,672			11,794

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2 2010-2011													
Prepared MAY 4, 2011													
II. Fines Assessed by Claims Department													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Number Assessed	1,195	699	839	560	715	661	701	479	579	631			7,059
Number Rescinded	250	275	186	165	158	169	169	155	208	161			1,896
Number Reduced	35	39	24	27	14	17	12	10	51	65			294
Number Paid	742	722	580	599	649	488	510	512	552	620			5,974
Number Outstanding	3,685	3,387	3,460	3,256	3,164	3,168	3,181	2,993	2,812	2,662			2,662
Total Amt. Assessed	\$245,850	\$147,800	\$170,800	\$114,800	\$150,000	\$134,500	\$141,200	\$96,600	\$120,200	\$133,350			\$1,455,100
Total Amt. Rescinded	\$49,150	\$54,850	\$37,600	\$33,950	\$29,500	\$34,400	\$32,900	\$31,600	\$50,400	\$32,550			\$386,900
Total Amt. Reduced	\$4,500	\$5,400	\$4,050	\$3,400	\$1,650	\$1,800	\$1,200	\$2,100	\$5,025	\$6,800			\$35,925
Total Amt. Paid	\$147,025	\$144,825	\$119,325	\$120,300	\$128,000	\$103,000	\$104,200	\$101,700	\$110,650	\$119,525			\$1,198,550
Total Outstanding	\$754,598	\$697,323	\$707,148	\$664,298	\$655,148	\$650,448	\$653,348	\$614,548	\$570,473	\$544,948			\$544,948



TO: Gary M. Cannon, Executive

FROM: Gregory S. Line  
Director of Claims

DATE: May 9, 2011

RE: Claims  
Outstanding Fines Status

Below is a list of four carriers that were sent a Second and Final Notice of fines Assessment on February 18, 2011

1. Williamsburg National Ins. Co. (01058)
  - a. Beginning bal \$ 1,200.00
  - b. Bal as of 5/9/11 \$ **200.00**
  
2. Safety National Casualty Corp. (01026)
  - a. Beginning bal \$ 1,800.00
  - b. Bal as of 5/9/11 \$ **400.00**
  
3. PA Manufacturers Assn. Ins. Co. (00394)
  - a. Beginning bal \$ 5,200.00
  - b. Bal as of 5/9/11 \$ **3,000.00**
  
4. Nash Johnson & Sons Farm, Inc. (00994)
  - a. Beginning bal \$ 4,800.00
  - b. Bal as of 5/9/11 \$ **800.00**

TO: Gary M. Cannon, Executive Director  
FROM: Gregory S. Line  
Director of Claims  
DATE: May 9, 2011  
RE: Claims  
Outstanding fine status

Below is a list of five carriers that were sent a Second and Final Notice of fines Assessment on February 28, 2011.

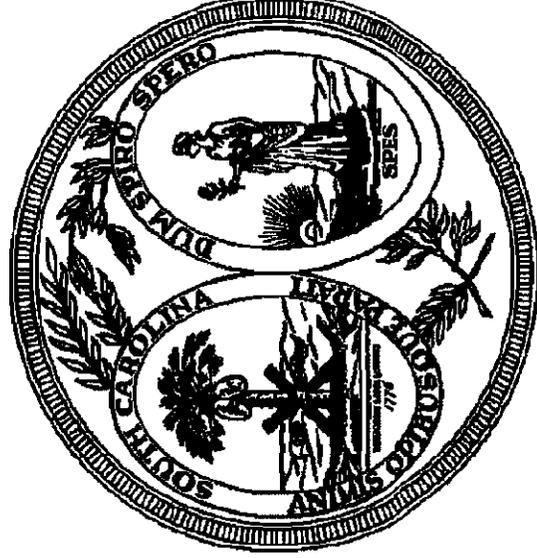
1. American Casualty Co. of Rdg PA (00017)
  - a. Beginning bal \$ 7,086.33
  - b. Bal as of 5/9/11 **\$ 2,886.33**
  
2. Lowe's Companies, Inc. (00946)
  - a. Beginning bal \$ 4,386.33
  - b. Bal as of 5/9/11 **\$ 3,486.33**
  
3. Kroger Company (01691)
  - a. Beginning bal \$ 4,000.00
  - b. Bal as of 5/9/11 **\$ 1,000.00**
  
4. SC School Board Self Ins. Trust Fund (00926)
  - a. Beginning bal \$ 9,600.00
  - b. Bal as of 5/9/11 **\$ 8,400.00**
  
5. Federal Express Corp. (00956)
  - a. Beginning bal \$ 1,400.00
  - b. Bal as of 5/9/11 **\$ 800.00**

TO: Gary M. Cannon, Executive Director  
FROM: Gregory S. Line  
DATE: May 9, 2010  
RE: Claims  
Outstanding Fines Status

Below is the status of 4 companies that were sent a Second and Final Notice of fines Assessment on February 18, 2011.

1. Lumbermens Mutual Casualty Co. (00056)
  - a. Beginning bal \$ 2,725.00
  - b. Bal as of 5/9/11 \$ **825.00**
  
2. Liberty Mutual Corporation (00417)
  - a. Beginning bal \$ 10,000.00
  - b. Bal as of 5/9/11 \$ **9,600.00**
  
3. Delhaize America, Inc (00891)
  - a. Beginning bal \$ 15,386.33
  - b. Bal as of 5/9/11 \$ **1,800.00**
  
4. Southeastern Freight Lines, Inc. (00898)
  - a. Beginning Bal \$ 1,400.00
  - b. Bal as of 4/5/11 \$ **1,400.00**

# SCWCC Judicial Report



**May 2011**



## Pleadings Assigned

Month	District						
	District 1	District 2	District 3	District 4	District 5	District 6	District 7
Jul-10	93	111	118	169	146	114	140
Aug-10	121	106	113	193	138	109	132
Sep-10	111	85	105	130	115	103	163
Oct-10	99	76	84	157	117	83	130
Nov-10	97	50	122	140	99	98	151
Dec-10	95	81	111	131	88	83	118
Jan-11	108	83	123	164	90	101	140
Feb-11	132	67	102	139	89	85	95
Mar-11	165	100	109	160	140	133	159
Apr-11	130	83	112	163	96	106	163
May-11							
Jun-11							
<b>Totals</b>	<b>1151</b>	<b>842</b>	<b>1099</b>	<b>1546</b>	<b>1118</b>	<b>1015</b>	<b>1391</b>
<b>FY 2010-2011</b>							

# Informal Conference & Mediations

Staff	Mileage/Hours	Month												Total		
		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11			
Staff 1	Greg	SVM	368.00	332.00	205.00	701.00	25.00	0.00	587.00	370.00	591.00	375.00				3554.00
		PVM	213.00	0.00	172.00	0.00	605.00	470.00	0.00	0.00	0.00	0.00				1460.00
		Time	43.00	47.00	69.50	48.00	61.00	48.00	44.00	44.00	25.00					453.50
		Hotel	0.00	115.06	214.67	110.00	0.00	39.00	160.00	0.00	0.00	0.00				638.73
Staff 2	Ginger	SVM	162.00	262.00	0.00	0.00	233.00	562.00	236.00	0.00	348.00	0.00				1803.00
		PVM	501.00	320.00	776.00	232.00	200.00	0.00	138.00	0.00	65.00	40.00				2272.00
		Time	35.00	51.00	59.00	20.00	26.00	33.00	25.00	0.00	52.00	12.00				313.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	264.00	0.00	0.00	0.00				264.00
Mediations		SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
		PVM	116.00	0.00	0.00	266.00	0.00	0.00	254.00	0.00	0.00	506.00				1142.00
		Time	33.00	0.00	0.00	13.00	0.00	0.00	27.00	0.00	0.00	144.00				217.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.81				450.81
Staff 3	John	SVM	192.00	456.00	339.00	0.00	0.00	0.00	0.00	0.00	0.00	202.00				1189.00
	Vivian	PVM	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				4.00
		Time	16.75	49.00	24.15	26.50	0.00	22.00	22.00	0.00	12.00	23.00				195.40
		Hotel	0.00	155.26	0.00	110.00	0.00	0.00	0.00	0.00	0.00	26.00				291.26
Staff 4	Garry	SVM	130.00	182.00	163.00	460.00	746.00	255.00	486.00	269.00	930.00	241.00				3862.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
		Time	4.00	24.00	48.45	61.50	128.00	34.50	70.50	31.00	39.50	20.00				461.45
		Hotel	0.00	0.00	198.00	65.00	164.25	102.95	132.84	78.00	0.00	0.00				741.04
Staff 5	Kelly	SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
		PVM	45.00	92.60	92.60	220.00	0.00	0.00	0.00	0.00	0.00	0.00				450.20
		Time	20.45	34.45	25.50	12.00	13.50	0.00	13.00	0.00	11.50	12.50				142.90
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
Staff 6	Robin	SVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
		PVM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
		Time	0.00	21.00	25.50	0.00	13.50	0.00	0.00	11.00	0.00	0.00				71.00
		Hotel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00

Totals FY 2010-2011	
SVM = State Vehicle Miles	10408.00
PVM = Personal Vehicle Miles	5328.20
T = Time	1854.25
H = Hotel Cost	2385.84

# *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  
FAX: (803) 737-5764

## *Workers' Compensation Commission*

### **Executive Director's Report May 16, 2011**

#### **Fines and Assessments Aging Report**

The attached Fines and Assessments Aging Report reflects the number and amount of fines assessed for the period ending April 30, 2011.

#### **Employee Meetings/Staff Training**

The agency All Employee Meeting was held on April 22. The employee focus group with the Executive Director scheduled for April 21 was postponed until May. Executive Staff met on April 26.

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

For the period April 14 through May 12 the Executive Director's Office had 159 contacts with various system constituents. 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.

#### **SC Bar Diversity Clerkship Program**

Amber Jones has been selected to work with our agency through the SC Bar Diversity Clerkship program. Ms. Jones will begin May 17 and work with us for six weeks.

#### **2011-2012 State Appropriations Budget**

The Senate has not completed deliberations of the FY 2011-12 Appropriations Budget.

#### **Other Meetings**

The Executive Director participated in an IAIABC Conference Call Forum for Executive Directors and Commissioners. Workers' compensation officials from 20 states participated.

The Executive Director and Amanda Underhill presented to the IWAA Spring Seminar on April 30 and the SCWCEA One Day Seminar on May 6.

**Pending Legislation**

The House approved H3111 on May 5 and sent the legislation to the Senate. The bill requires insurers to use the most recent loss cost data when filing a change in the loss cost multiplier. Also, the bill contains the language amending Section 42-15-90 to require the Commission to review the fee schedules on an annual basis. Should the Commission make changes to the fee schedule, it provides, under certain conditions, Commission's decision is reviewable by expedited appeal to the Administrative Law Court pursuant to the Administrative Procedures Act.

**Surgical Implant Advisory Committee**

The first meeting of the Surgical Implant Advisory Committee was held on April 21, 2011 in the first floor conference room. The Committee discussed the objectives and a strategic work plan. The next meeting is scheduled for June 21 at 2:00 PM in the CBRE First Floor Conference Room. Committee members representing the hospitals and ambulatory surgery centers will brief the Committee on the surgical implants billing policies and procedures under Medicare.

**Pharmacy Fee Schedule Advisory Committee**

Chairman Beck appointed Harold J. "Hal" Willson, Esq. to chair the Committee. Attached is a list of the stakeholder groups invited to participate.

**SCWCC Claims Administration Workshops**

The Claims Administration and Judicial Proceedings workshops were conducted on May 5 at Seawell's on Rosewood Drive. A total of 215 registered, 178 participated including thirty-one staff members.

**Emergency Evacuation Plan – 1333 Main Street**

Staff has communicated with CBRE about the Commissioners' concerns of designating certain employees as a searcher in the event an emergency evacuation is called for the tenants of the building.

Fines and Assessments Aging Report  
Monthly Totals

Summary All Depts.

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
<b>Total</b>	\$1,489,356	\$1,398,959	\$1,476,516	\$1,418,489	\$1,416,701	\$1,447,700	\$1,468,658	\$1,439,801	\$1,472,191	\$1,444,135		
<b>Count</b>	4,982	4,684	4,686	4,460	4,557	4,543	4,589	4,475	4,444	4,328		
<b>&gt; 91 Days</b>	\$922,663	\$958,379	\$1,036,625	\$1,029,732	\$1,028,054	\$1,058,690	\$1,073,180	\$1,108,478	\$1,126,823	\$1,103,150		
<b>Count</b>	2,706	2,991	3,111	3,200	3,116	3,197	3,205	3,316	3,285	3,126		
<b>61-90 Days</b>	\$113,563	\$111,665	\$91,009	\$95,493	\$90,455	\$66,292	\$93,575	\$69,475	\$65,544	\$65,523		
<b>Count</b>	552	431	417	256	331	196	371	241	192	234		
<b>31-60 Days</b>	\$210,132	\$140,749	\$126,743	\$119,771	\$93,672	\$124,975	\$120,789	\$111,359	\$98,699	\$96,093		
<b>Count</b>	687	598	386	450	320	513	371	338	354	350		
<b>&lt; 30 days</b>	\$240,942	\$188,166	\$222,139	\$173,493	\$204,520	\$197,743	\$181,114	\$150,489	\$181,125	\$179,369		
<b>Count</b>	1,037	663	772	554	790	637	642	580	613	618		
<b>Of Fines Over 90 Days Old</b>												
<b>Orders</b>	\$5,310	\$4,785	\$4,685	\$3,785	\$3,285	\$3,185	\$3,185	\$3,185	\$3,185	\$3,185		
<b>Count</b>	31	25	24	19	17	16	16	16	16	16		
<b>Judgments</b>	\$201,174	\$201,174	\$201,174	\$94,248	\$200,714	\$200,714	\$200,394	\$200,174	\$200,174	\$200,174		
<b>Count</b>	537	537	537	483	534	534	533	532	532	532		



Coverage	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$63,275	\$57,975	\$75,776	\$57,556	\$50,271	\$47,000	\$44,400	\$41,600	\$58,800	\$68,950		
Count	298	272	161	154	178	176	165	151	142	199		
> 91 Days	\$13,675	\$21,475	\$65,126	\$46,556	\$32,271	\$28,600	\$29,400	\$29,200	\$49,600	\$47,150		
Count	50	89	107	99	87	83	90	89	96	90		
61-90 Days	\$12,400	\$11,000	\$3,000	\$1,800	\$400	\$2,800	\$3,200	\$2,000	\$600	\$1,200		
Count	62	55	15	9	2	15	16	10	3	6		
31-60 Days	\$21,000	\$6,900	\$4,250	\$1,400	\$5,000	\$5,200	\$3,800	\$3,000	\$2,400	\$2,200		
Count	105	35	22	7	26	26	19	15	12	11		
< 30 days	\$16,200	\$18,600	\$3,400	\$7,800	\$12,600	\$10,400	\$8,000	\$7,400	\$6,200	\$18,400		
Count	81	93	17	39	63	52	40	37	31	92		
Of Fines Over 90 Days Old												
Orders												
Count												
Judgments												
Count												
Judicial												
Division Total	\$18,873	\$26,208	\$26,683	\$27,759	\$26,274	\$26,744	\$25,483	\$24,408	\$26,386	\$24,242		
Count	37	54	69	63	61	63	56	50	57	57		
> 91 Days	\$8,240	\$10,296	\$17,071	\$17,258	\$20,885	\$21,444	\$23,279	\$24,222	\$23,207	\$22,275		
Count	26	26	31	32	41	44	47	49	48	43		
61-90 Days	\$443	\$6,775	\$559	\$6,055	\$1,107	\$2,022	\$1,315	\$186	\$0	\$0		
Count	2	5	3	13	6	4	4	1	0	0		
31-60 Days	\$3,257	\$1,359	\$6,055	\$1,293	\$2,022	\$1,415	\$559	\$0	\$2,030	\$575		
Count	3	4	13	7	4	5	3	0	1	4		
< 30 days	\$4,877	\$7,778	\$2,998	\$3,153	\$2,260	\$1,863	\$330	\$0	\$1,149	\$1,393		
Count	6	19	22	11	10	10	2	0	8	10		

## Pharmacy Fee Schedule Advisory Committee – Invite List

---

Harold J. “Hal” Wilson (Chairman)  
Willson Jones Carter & Baxley, PA  
872 Pleasantburg Drive  
Greenville, SC 29607  
(864) 527-3270  
hjwillson@wjlaw.net

Dale P. Aldrich  
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(803) 345-1155 (w)  
(803) 920-1141 (m)  
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Carmelo Cinqueonce  
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Todd Atwater  
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Otis Rawl, President & CEO  
South Carolina Chamber of Commerce  
1717 Gervais Street  
Columbia SC 29201  
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otis.rawl@scchamber.net

## Pharmacy Fee Schedule Advisory Committee – Invite List

---

Frank Knapp, Jr., President & CEO  
SC Small Business Chamber of Commerce  
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Columbia SC 29201  
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sbchamber@scsbs.org

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Lewis Gossett  
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# *State of South Carolina*

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TEL: (803) 737-5700  
FAX: (803) 737-5764

## *Workers' Compensation Commission*

**TO: Commissioners**

**FROM: Gary M. Cannon**

**DATE: May 12, 2011**

**RE: Regulation 67-1302(A)  
Maximum Allowable Payments to Medical Practitioners**

The Commission approved the publication of the Notice of Drafting to R.67-1302(A) on February 22, 2011. The proposed amendment will remove the phrase related to the relative value scale and the conversion factor. The Notice of Drafting was printed in the *State Register* on March 25, 2011. The close of the comment period was 5:00 p.m. on April 26, 2011.

Attached are the comments received from the following organizations:

- American Physical Therapy Association – SC Chapter
- SC Medical Association
- American Insurance Association
- Fairpay Solutions

If the Commission desires to proceed with the proposed amendment, the next step will be to schedule a Public Hearing, which requires a 30-day notice. Notices for publication in the *State Register* must be submitted no later than the second Friday of the month to be included in that month's issue. The next opportunity to submit a Proposed Regulation for publication in the *State Register* is Friday, June 10. The *State Register* is published on the fourth Friday of each month. The earliest possible date for a Public Hearing would be after July 22, 2011, four days after the Commission's Business meeting in July.

Therefore the next opportunity to schedule a public hearing during a Commission Business Meeting is August 15.

4/22/2011

Gary M. Cannon  
Executive Director  
Workers' Compensation Commission  
1333 Main Street, 5<sup>th</sup> Floor  
Columbia, SC 29202-1715

RECEIVED

APR 25 2011

S. C. WORKERS' COMP. COMM.  
EXECUTIVE DIRECTOR

Dear Mr. Cannon:

We have reviewed the Workers' Compensation Commission's (WCC) memo to propose amending Regulation 67-1302(A) by removing the limitation of using one conversion factor with the a relative value scale and we respectfully ask that you accept this correspondence as our comments in regard to the proposed changes.

### **Regulation 67-1302 (A)**

We support the WCC's proposal to remove the limitation of using one conversation factor in conjunction with a relative value scale. By removing the limitation, it affords the Commission flexibility in reimbursement levels by procedure category and even by provider specialties. The Tennessee fee schedule takes into consideration both procedure categories and provider specialties. For instance, the Tennessee fee schedule sets a higher conversion factor for board certified or boards eligible Orthopedic Surgeons and Neurosurgeons. Also, procedure categories such as radiology have a higher conversion factor in the Tennessee fee schedule than general medicine, PT, OT, and dentistry.

When setting the conversion factors, it's important for the Commission to know the reimbursement payment standard and use relevant medical data to determine the conversion factor. Some states simply reimburse different percentages of Medicare payment by procedure categories and provider specialties to reduce the data research which also reduces the delay in implementing a new fee schedule reimbursement.

We respectfully recommend the Commission set the fee schedule reimbursement at a higher payment percentage of Medicare for Orthopedic Surgeons and Neurosurgeons. Furthermore, we suggest the Commission set the Evaluation and Management codes at a higher payment percentage of Medicare than other procedure categories and advocate that the Commission set the codes without a Medicare payment at rates that prevail in the provider's geographic area.

### **Surgical Implants**

We agree with the Commission to allow a separate reimbursement of surgical implants based on costs for DRG fee schedule reimbursed hospital bills; however, we were unable to attend the first meeting of the Surgical Implant Advisory Committee and would like to submit recommendations for the Committee to consider in their development of the implant reimbursement proposal. We

strongly advise that implants, implant invoice and eligible providers be clearly defined in the rule to ensure proper reimbursement to provider, proper implant costs and eliminate duplicate implant payments.

In the implant definition, the commission should consider including disposable instrumentation in the implant definition for instrumentation that is needed to install special implant systems. However, we suggest the disposable instrumentation should not be reimbursed at the same level as the actual implant and we suggest reimbursement be set at 100% of invoice cost. Since the cost of implants like mesh are more than compensated for in the DRG payment, the commission may want to consider only allowing additional reimbursement for more costly implants such as knee systems, spinal implants and pacemakers. Even the small details like requiring hospitals to bill implant charges under revenue code 278 are important to include in the implant definition.

It is equally important for the Commission to define a proper implant invoice and require the implant invoice as a payment requirement so that the correct documented cost is used as the reimbursement base. A proper implant invoice should have an invoice date within 90 days of the actual surgery as most of these implants are specifically ordered for the patient's body build. When invoices are required, it is not unusual to receive invoices dated years before the surgery because the invoice reflects a higher cost which results in an overpayment and more cost to the program. Also, the commission should not accept purchase orders as satisfaction of the invoice requirement since the purchase orders do not reflect any discounts that the provider may have received and the rule needs to include the passing on to the payer of any discounts afforded the provider on implants.

To eliminate the possibility of duplicate implant payments and to verify the implants are relevant to the performed procedure, we strongly encourage the Commission to restrict the billing of implants to the facilities.

In closing, I would like to thank you for the opportunity to comment on the proposed rule changes.

Sincerely,

Teri Jones  
Director, Product Development



American Insurance Association

RECEIVED

APR 26 2011

S. C. WORKERS' COMP. COMM.  
EXECUTIVE DIRECTOR

2101 L Street NW

Suite 400

Washington, DC 20037

202-828-7100

Fax 202-293-1219

www.aiadc.org

VIA ELECTRONIC MAIL

April 26, 2011

Gary M. Cannon  
Executive Director  
South Carolina Workers' Compensation Commission  
Post Office Box 1715  
Columbia, SC 29202-1715

Re: Proposed Amendment of Regulation 67-1302(A)

Dear Mr. Cannon:

The American Insurance Association (AIA) appreciates the opportunity to provide comments on Regulation 67-1302(A), Maximum Allowable Payments to Medical Practitioners. AIA represents approximately 300 major property and casualty insurers that write nearly \$100 billion in premiums each year, including more than \$1 billion in South Carolina. AIA's member companies write nearly \$194 million in workers' compensation insurance in South Carolina, representing 33% of the market.

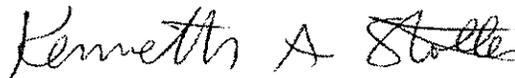
AIA strongly opposes discontinuing the use of Medicare's Resource-Based Relative Value Scale (RBRVS) with a uniform conversion factor as the means for determining reimbursements for medical practitioners in the workers' compensation system. The purpose of the RBRVS construct is to set relative reimbursement levels for various medical specialties in order to incentivize appropriate utilization of each specialty. As a result, the viability of the RBRVS depends upon maintenance of its internal consistency, which is accomplished by adhering to the relative values assigned by the Centers for Medicare and Medicaid Services (CMS) as a result of objective, scientifically-based analysis. Granting a higher relative reimbursement level to a particular specialty (e.g., surgical services) would upset the delicate balance achieved by the RBRVS and lead to overutilization of those services, with negative consequences for injured workers and payors alike. There is evidence that states which unduly incentivize surgical interventions in this manner have a greater percentage of lost-time claims than states which adhere to the relative values assigned by CMS.

Surgeons oppose Medicare-based fee schedules because they chafe at RBRVS valuation, which shifts reimbursements away from specialists and towards general medicine to correct longstanding imbalances. This is why surgeons in Tennessee a few years ago were able to defeat a Medicare-based fee schedule with a uniform conversion factor, resulting in variable reimbursement rates that neutered the predicate of the RBRVS approach, with surgery over 300% of Medicare. This is why orthopedic surgeons in Maryland subsequently won a "raise" in their reimbursements to over 140% of Medicare, eliminating the uniform conversion still applicable to other services at 109%.

However, the mere fact that surgeons object to how their services are valued in an RBRVS construct does not make adoption of an RBRVS approach bad policy. Medicare is the most ubiquitous reimbursement system in the country, and its RBRVS approach is unique to Medicare. It is a political judgment at what level to reimburse – whether at 100% of Medicare or some multiple thereof – but preserving a uniform conversion factor is the only means of preserving the RBRVS approach. Changing course will result in an endless parade of special pleaders, intent on cutting a better deal for themselves than other medical specialties. The result will be a politicized fee schedule, with the Commission embroiled in endless controversy over what is deemed "fair" to this practitioner group or another.

Please call me at (202) 828-7167 if you have any questions about these comments.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kenneth A. Stoller".

Kenneth A. Stoller  
Senior Counsel



Gregory Tarasidis, MD  
President

Gary A. Delaney, MD  
President-Elect

**South Carolina Medical Association**  
*Voice of One. Power of Many.*

Marshall L. Meadors, III, MD  
Secretary

Todd E. Schlesinger, MD  
Treasurer

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H. Timberlake Pearce, Jr., MD  
Chairman of the Board

Fax: (803) 772-6783

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Todd K. Arwater, JD  
Chief Executive Officer

April 25, 2011

Mr. Gary Cannon  
Executive Director  
Workers' Compensation Commission  
1333 Main Street  
Post Office Box 1715  
Columbia, South Carolina 29202

**RECEIVED**

**APR 26 2011**

**S. C. WORKERS' COMP. COMM.  
EXECUTIVE DIRECTOR**

Re: Notice of Drafting to Amend Regulation 67-1302(A)

Dear Mr. Cannon:

Please let the following serve as written comments on behalf of the South Carolina Medical Association with respect to the South Carolina Workers' Compensation Commission's proposal to amend Regulation 67-1302(A), Maximum Allowable Payments to Medical Practitioners.

According to the notice of drafting in the March 25, 2011, South Carolina State Register, the Workers' Compensation Commission intends to amend Regulation 67-1302(A) to remove the limitation of using a relative value scale and one conversion factor set by the Commission.

The South Carolina Medical Association supports allowing the Workers' Compensation Commission to have additional flexibility with respect to the conversion factors. Because of the complexity of physician payment, setting fees for physicians without the flexibility to use various conversion factors can, as it did in the most recent update to the physician fee schedule, result in payment disparities that neither reflect the mission of the Workers' Compensation Commission nor are commensurate with the physician expertise required to control costs and facilitate more effective treatment of injured workers. The South Carolina Medical Association, however, does not support the use of multiple conversion factors to create unfair disparities between physician specialties.

The South Carolina Medical Association does not support removing the requirement that a relative value scale be used for establishing the physician fee schedule. Of all available frameworks that could be used for setting physician payments, the relative value scale provides the most accurate baseline for setting physician fees within the context of the delivery of workers' compensation care. Because alternatives to the relative value scale are not structured in

Mr. Gary Cannon

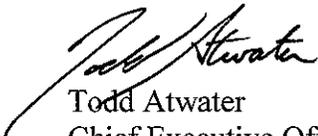
Page Two

Written Comments Regarding Notice of Drafting

a manner that is conducive to the delivery of workers' compensation care, the result when using these alternatives would likely be more difficult access to quality care for workers' compensation patients, longer and more difficult recoveries, and additional costs and unpredictability in the system. Any issues with physician payments arising out of the use of the relative value scales can be resolved with the flexibility that would come from being able to utilize multiple conversion factors.

Thank you for this opportunity to present comments with regard to the Notice of Drafting. Should you have any questions or need for clarification, please contact our General Counsel, Scott Hultstrand, at 803-798-6207 x400.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Todd Atwater".

Todd Atwater  
Chief Executive Officer



American Physical Therapy Association  
South Carolina Chapter

3581 Centre Circle  
Suite 104  
Fort Mill, SC 29715  
(803) 802-5450  
(815) 371-1499 fax

April 21, 2011

Executive Committee

Jim Stoker, PT  
President

Leo Albano, PT  
Vice-President

Tracie Rodak, PT  
Treasurer

Jill Boorman, PT  
Secretary

Lisa Saladin, PhD, PT  
Chief Delegate

Lisa Saladin, PhD, PT  
Past President

Jane Boston  
Executive Director

Board of Directors

Aaron Embry, PT  
Nina Chitty, PT  
Mark Murphy, PT  
Dave Clark, PTA  
Tony Benedetto, PT  
Greg Sills, PTA

Gary Cannon, Executive Director  
SC Workers Compensation Commission  
PO Box 1715  
Columbia, SC 29202-1715

Dear Mr. Cannon,

The South Carolina Chapter of the American Physical Therapy Association (SCAPTA) appreciates the opportunity to comment on the Commission proposal to amend Regulation 67-1302 (A), Maximum Allowable Payments to Medical Practitioners. It is my understanding that the Commission is considering various methodologies and comment on each methodology would require more detail. As to the March 25, 2011 notification it appears the Commission is taking into consideration multiple conversion factors applied to a relative value scale.

SCAPTA would oppose multiple conversion factors utilizing the Resource Based Relative Value System (RBRVS). The basis of the RBRVS system is that all CPT codes are valued relative to one another. The Relative Value Update Committee (RUC) regularly reviews code values and assigns values to new codes as they are developed. The value of each code includes consideration of the practice expense, work expense and malpractice expense that is incurred with performance of that procedure. Based on this, the use of multiple conversion factors is inconsistent with the premise of adopting RBRVS as the basis for payment.

In summary, SCAPTA does not support the adoption of multiple conversion factors based on provider type or specialty. Should there be specifics on other payment methodologies available, we would appreciate the opportunity to comment. Thank you for your time.

Sincerely,

Janet M Shelley PT, DPT  
Chair, Payment Policy Committee  
SC Physical Therapy Association  
P: (864) 679-1600 Ext. 301 | F: (864) 679-1605  
Email: [jshelley@4mbc.com](mailto:jshelley@4mbc.com) | Web: [www.scapta.org](http://www.scapta.org)

**RECEIVED**

APR 21 2011

**S. C. WORKERS' COMP. COMM.  
EXECUTIVE DIRECTOR**

**TO: Commissioners**

**FROM: Gary M. Cannon**

**DATE: May 11, 2011**

**RE: Medical Services Provider Manual - Update**

In January 2009 the Commission's consultant began work on updating the Medical Services Provider Manual (MSPM). The MSPM had not been revised since 2003. The consultant was contracted to work twenty hours per week. The work was completed and on January 25, 2010 the Commission approved the following with regard to the Medical Services Provider Manual.

1. Approved Medicare's 2010 relative value units and a conversion factor of \$50 and \$30 for anesthesia.
2. The MSPM be reviewed annually unless the majority of the Commission votes to extend the period.
3. Allow a public comment period following the release of the draft modifications to the MSPM in the future.
4. Create an advisory committee to determine whether the Commission is using the correct process to determine these values and whether or not there is a need for more than one conversion factor.
5. Approved an effective date of July 1, 2010 for the revisions to the MSPM.

The advisory committee was appointed and presented its recommendations at the July 19, 2010 Commission Business Meeting.

The former Director of Insurance and Medical Services began medical leave on February 7, 2011 and officially retired April 22, 2011. The Commission immediately began recruitment to fill the position. Brad Fickle was employed as the Director of Insurance and Medical Services effective April 25, 2011. Mr. Fickle was the most qualified candidate for the position however he did not possess the specific knowledge, skills and abilities to immediately begin conducting evaluation and analysis to complete the annual review of the MSPM by July 1, 2011. During this time I contacted a consulting firm to discuss the possibility of performing this annual review of the MSPM. The preliminary cost estimate for this work made this option cost prohibitive. I am of the opinion Mr. Fickle has the knowledge, skills and abilities to conduct the evaluation of the MSPM if the recommended schedule is approved.

Therefore, I respectfully request the Commission authorize a six month delay in the review and revisions to the Medical Services Provider Manual. The new effective date of the revised MSPM will be January 1, 2012. Attached is a proposed Development schedule. It includes the requirement for receiving comment from the public after the draft revisions are prepared.

*Medical Services Provider Manual Update*  
**Proposed Development Schedule**  
 May 11, 2011

Start	Completion	Task	Status
January	February	Order/Receive 2011 AMA CPT Manual	Completed
March	April 15	Review Medicare's Physicians Fee Schedule Final Rule for 2010	Completed
May 13	May 27	Request utilization data from carriers/self-insureds	
June 1	July 15	Analysis of impact of new/old relative values Update medical inflation MEI data	
July 18		WCC Business Meeting	
August 17		WCC Work session Review Preliminary Draft of Report	
August 18	Sept 19	Meetings with stakeholder groups	
September 19		WCC Business Meeting - Receive public comment from stakeholder groups	
October 24		WCC Business Meeting - Approval of Revised Fee Schedule	
November 1	November 15	Compilation of fee schedule Add new codes and descriptions, delete old codes Calculate new prices Revise narrative, including changes to payment policies Type fee schedule	
November 16	December 1	Publication of Update Fee Schedule	
January 1, 2012		Effective Date of Revised Schedule	

*State of South Carolina*

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Columbia, S.C. 29202-1715



TEL: (803) 737-5700  
FAX: (803) 737-5764

*Workers' Compensation Commission*

**TO: Commissioners**

**FROM: Gary M. Cannon**

**DATE: May 12, 2011**

**RE: Administrative Policy and Procedures Manual**

Attached is the summary of substantive changes for the Commission's Administrative Policies and Procedures Manual. The entire document is 316 pages. Printing individual copies for you would result in 2,212 pages being printed and copied. Therefore, we opted to provide you the entire manual in electronic (pdf) format. Three individual pdf files will be sent to you electronically.

If you wish us to provide you a paper copy of the manual please advise.

## MEMORANDUM

May 11, 2011

**TO:** Commissioners

**FROM:** Cathy Floyd  
Human Resources

**SUBJECT:** Administrative Policies and Procedures Manual – Summary of Substantive Changes

Below is a summary of the substantive changes that are being proposed to update the Administrative Policies and Procedures Manual. Attached is a complete copy of the proposed Administrative Policies and Procedures Manual. Changes are noted in the attachment by striking through deleted text and underlining newly added text.

Sections 2.24 Reduction in Force (RIF) Policy, 2.25 Progressive Discipline Policy and 2.26 Grievance Policy of the Administrative Policies and Procedures Manual require final approval through the State Office of Human Resources (OHR) before we can adopt the changes. It is requested that those Policies be submitted immediately to OHR for approval.

Section 2.15 Employee Performance Management Policy (EPMS), revised October 25, 2010, and Section 2.23 Employee of the Year Policy, revised February 22, 2011, have been adopted and require no additional changes. It is requested that all remaining changes be adopted updating the Administrative Policies and Procedures Manual.

### Summary of Substantive Changes

#### Table of Contents

- The order of the policies has been changed to reflect a more natural progression of topics.
- Some polices have been combined or eliminated, details will be provided by each section below.

#### Disclaimer and Acknowledgment

- This page has been created to acknowledge receipt of the Manual.
- A copy of the page is to be signed and returned to Human Resources for filing.

#### Section 1.00 – General Information

##### 1.01 – Purpose and Scope

- A change was made to reflect that the policies and procedures are applicable to all employees that are not specifically exempted by § 8-11-260 of the South Carolina Code of Laws.
- Terms “written,” “in writing,” or similar language shall also apply to electronic documents.
- Section on Definitions has been added.
- A statement was added that all employees shall sign an acknowledgement form advising they have been notified regarding the availability of the Administrative Policies and Procedures Manual.

#### FORMER SECTION 1.02 Organizational Structure of the Commission

- This section was redundant and removed from the manual.

#### 1.02 – Equal Employment Opportunity

- This section was added to provide notice to all employees that the Commission is an equal opportunity employer.

#### 1.03 – Ethics Act

- The two exhibits were incorporated into the verbiage of the policy.

#### 1.04 – Staff Conduct and Behavior

- No substantive changes were made; some sections were reworded to provide clarification on the content.

#### 1.05 – Visitors and Guests

- This section was updated to reflect the new building location and Commission layout.

#### FORMER SECTION 1.06 Travel and Budget Committee Policy

- The entire section was removed from the Administrative Policies and Procedures Manual.
- Travel policies and procedures have been incorporated into the newly combined Section 2.16 Staff Development and Training.

#### 1.06 – Full-time Equivalent (FTE) Positions

- This section was added to ensure all employees are aware they can only occupy one full-time equivalent position at a time.

#### FORMER SECTION 1.07 Drug-Free Workplace Act

- Combined with 2.04 Drug Free Workplace Policy

### **Section 2.00 – Human Resources**

#### 2.01 – Affirmative Action / Equal Employment Opportunity Policy

- The AA/EEO Policy Statement is no longer listed as an Exhibit, but rather a Section by itself.
- A statement was added to indicate the affirmative action is to remove any disparate effects of past discrimination.
- A former employee's name was removed as the EEO Officer and now refers to the Human Resources Director's responsibilities.

#### 2.02 – Affirmative Action / Equal Opportunity Plan

- There were no substantive changes made, limited to simple wording and grammatical changes.

#### 2.03 – Anti-Harassment Policy

- This Policy was changed from Section 2.31 to 2.03 to reflect a more natural progression.

- A Scope and Purpose Section was added to help summarize the Commission's zero tolerance policy regarding discrimination.
- A Training Section was added requiring all staff complete training within 10 days of receipt of the Policy.
- An acknowledgement form was created to ensure all employees have received the policy and completed the required training.

#### FORMER SECTION 2.04 – Employee Orientation

- This Section was removed from the manual and incorporated into the induction paperwork that is sent to the appropriate Department Director upon the hiring of an employee.

#### 2.04 – Drug Free Workplace Policy

- This Policy was changed from Section 2.25 to 2.04 to reflect a more natural progression.
- Policy was renamed from Employee Assistance Program (EAP) to Drug-Free Workplace Policy.
- Verbiage was incorporated from the Former Section 1.07 Drug-Free Workplace Act dated April 2006.
- All references to the inactive CARE program are removed and replaced with contact information for the SC Department Vocational Rehabilitation.

#### 2.05 – Classification Plan

- The sections of the policy have been reorganized and wording has been adopted to reflect the State Human Resources Regulation Section 17-702 Classification Plan.
- The administration of this plan has been delegated to the Commission and the policy has been updated to reflect that change.
- Former Section 2.27 Establishing and Maintaining Position Descriptions has been incorporated into this policy.

#### 2.06 – Recruitment and Selection

- This Policy was changed from Section 2.03 to 2.06 to reflect a more natural progression.
- The definitions section was removed because it has already been covered in Section 1.01.
- The Recruiting Activities Section was replaced with more detailed job posting information and freedom of information act requests section to reflect verbiage in the State Human Resources Regulation Section 17-703 Job Vacancy Announcements.

#### 2.07 – Movement and Status

- This Policy was changed from Section 2.05 to 2.07 to reflect a more natural progression and was renamed from Employee Appointments and Assignments to Movement and Status.
- The sections of the policy have been reorganized and wording has been adopted to reflect the State Human Resources Regulation Section 17-704 Movement and Status.

#### 2.08 – Classified Employee Pay Plan

- This Policy was changed from Section 2.11 to 2.08 to reflect a more natural progression and was renamed from Compensation Plan to Classified Employee Pay Plan.

- The sections of the policy have been reorganized and wording has been adopted to reflect the State Human Resources Regulation Section 17-705 Classified Employee Pay Plan.

#### FORMER SECTION 2.09 – Fringe Benefits

- This Section was removed from the manual and incorporated into the induction paperwork that is sent to the appropriate Department Director upon the hiring of an employee.

#### 2.09 – Attendance and Hours of Work

- This Policy was changed from Section 2.06 to 2.09 to reflect a more natural progression.
- The Hazardous Weather Section was removed and added to the Employee Leave Programs Policy.
- Some sections were rearranged and reworded to provide clarification on the content.

#### 2.10 – Overtime Policy

- This Policy was changed from Section 2.28 to 2.10 to reflect a more natural progression.
- There were no substantive changes made, limited to simple wording and grammatical changes.

#### 2.11 – Holidays

- This Policy was changed from Section 2.08 to 2.11 to reflect a more natural progression.
- Christmas Eve was added as one of the legal holidays.
- The Holidays Declared by the Governor section was removed because it is no longer valid.
- The State regulations concerning the extension of holiday compensation were revised in November 2009, the policy was updated to reflect that revision.

#### 2.12 – Employee Leave Programs

- This Policy was changed from Section 2.07 to 2.12 to reflect a more natural progression.
- Concurrent Family Medical Leave Act (FMLA) leave has been included.
- Many types of other paid leave were omitted from the previous version of this policy. The policy now contains a more inclusive list of all leave types available for eligible employees.

#### 2.13 – Leave Transfer Program

- This Policy was changed from Section 2.20 to 2.13 to reflect a more natural progression.
- The verbiage has been changed to reflect the State Human Resources Regulation Section 17-711 Leave Transfer Program.
- Related forms have been deleted due to the automation of the leave transfer program in the South Carolina Enterprise Information System (SCEIS).

#### 2.14 – Dual Employment

- This Policy was changed from Section 2.13 to 2.14 to reflect a more natural progression.
- Dual employment no longer needs the approval of the Budget and Control Board. The responsibility of final approval has been delegated to the Executive Director.
- A section on Compensation for Dual Employment has been added for clarification.

#### 2.15 – Employee Performance Management System (EPMS) Policy

- No changes are proposed; the policy was last updated and adopted October 25, 2010.

#### FORMER SECTION 2.16 – Occupational Safety and Health

- This section was removed since there is no longer a safety committee.

#### 2.16 – Staff Development and Training

- Former Sections 2.17 Continuing Education and Career Development, 2.18 Professional Conferences and Seminars and 2.19 Staff Development and Training have been combined to reduce redundancy.

#### 2.17 – Nepotism Policy

- A change was made to correct the regulation cited within the policy.
- The statement exempting 120 days temporary employees from the policy was removed.

#### 2.18 – Electronic Media Usage Policy

- This Policy was changed from Section 2.35 to 2.18 to reflect a more natural progression.
- The changes to the policy were made to model it after the policy used by the State Budget and Control Board.

#### 2.19 – Employee Injuries

- This Policy was changed from Section 2.32 to 2.19 to reflect a more natural progression.
- Information regarding CompEndium was added.
- The Workers' Compensation Election Form was created to capture the leave election of an employee missing over seven days related to the injury.

#### 2.20 – Smoking Policy

- This Policy was changed from Section 2.33 to 2.20 to reflect a more natural progression.
- Changes were made to the policy to reflect the designated smoking areas of the current building.

#### 2.21 – Distribution and Solicitation

- This Policy was changed from Section 2.23 to 2.21 to reflect a more natural progression.
- There were no substantive changes made, limited to simple wording changes.

#### 2.22 – Dress Code Policy

- This Policy was changed from Section 2.29 to 2.22 to reflect a more natural progression.
- No changes are proposed.
- Guidelines will be given to the department directors for clarification on appropriate attire.

#### 2.23 – Employee of the Year Policy

- No changes are proposed; the policy was last updated and adopted February 22, 2011.

#### FORMER SECTION 2.24 – Exit Interviews

- This section was removed and incorporated into the separation process.

#### 2.24 – Reduction in Force Policy

- This Policy was changed from Section 2.22 to 2.24 to reflect a more natural progression.
- The policy was updated to reflect the changes adopted in the EPMS policy that uses a three-point rating rather than a four-point rating scale.
- All updates to the policy follow the model policy provided by the State Office of Human Resources.

#### 2.25 – Progressive Discipline

- This Policy was changed from Section 2.13 to 2.25 to reflect a more natural progression.
- Under Disciplinary Actions, D. – change to from supervisors to Department Directors have the authority to send an employee home.
- Added a section on Types of Disciplinary Actions and updated the Progressive Discipline Chart to reflect the State Human Resources' progressive discipline model policy.

#### 2.26 – Grievance and Appeals Policy

- This Policy was changed from Section 2.14 to 2.26 to reflect a more natural progression.
- The verbiage has been changed to reflect the State Human Resources Regulation Section 17-718 State Employee Grievances and Appeals.
- A grievance procedures flowchart was added for clarification on the process and timelines.

#### FORMER SECTION 2.27 – Establishing and Maintaining Position Descriptions

- This section was removed and incorporated into Section 2.05 Classification Plan.

#### 2.27 – Recordkeeping

- This Policy was changed from Section 2.26 to 2.27 to reflect a more natural progression and the name changed from Personnel File to Recordkeeping Policy.
- The verbiage has been changed to reflect the State Human Resources Regulation Section 17-720 Recordkeeping.
- Sections have been added for Supervisory Employee File, Employee Insurance Benefits File, and Classification Records.
- The Freedom of Information Act Section has been expanded.

#### FORMER SECTION 2.34 – Severe Weather Policy

- This section was removed and incorporated into Section 2.12 Employee Leave Programs.

#### **Section 3.00 – Finance and Administration**

- Section 3.00 Finance and Administration and Section 4.00 Finance and Purchasing have been combined into the revised Section 3.00 Finance and Administration.

#### FORMER SECTION 3.01 – Maintenance

- This section was removed since we are currently leasing our office space with a maintenance agreement included in the lease.

#### 3.01 – Motor Vehicles

- This Policy was changed from Section 3.04 to 3.01.
- Verbiage was added to cover the use of electronic devices while using a State vehicle.

#### FORMER SECTION 3.02 – Credit Cards

- This section was removed since we are no longer issued individual credit cards.
- The use of credit cards to purchase gasoline for travel in State vehicles has been included in Section 3.01 Motor Vehicles Policy.

#### 3.02 – Travel and Subsistence Expenses

- This Policy was changed from Section 4.04 Reimbursement for Travel and subsistence Expenses to 3.02 Travel and Subsistence Expenses.
- Information was added regarding the GSA allowable per diem rates.
- Obsolete references to Stars Form 62 have been removed due to the automated functionality of the South Carolina Enterprise Information System (SCEIS).

#### FORMER SECTION 3.03 – Insurance

- This section has been removed; it is a desk procedure for a position and not suited for an agency wide manual.

#### 3.03 – Mail and Copy Room

- This Policy was changed from Section 3.06 to 3.03 to reflect a more natural progression.
- Adjustments were made to the time mail is to be dropped off and picked up.
- A Section was added regarding the check deposit box.

#### 3.04 – Office Supplies and Purchasing Procedures

- This Policy was changed from Section 3.05 Inventory to 3.04 Office Supplies and Purchasing Procedures and combined with portions of Former Section 4.02 Internal Purchasing Procedures to reduce redundancy.
- No substantive changes were made; some sections were reworded to provide clarification on the content.

#### FORMER SECTION 3.05 – Inventory Policy

- This section was removed, it is a desk procedure and not suited for an agency wide manual.

#### 3.05 – Financial Reference Tables

- This Policy was added for reference regarding cost allocation.

#### FORMER SECTION 3.07 – Telecommunications

- This section was removed, portions of the policy have been incorporated into Section 1.05 Visitors and Guests.
- The State no longer utilizes the distribution of individual calling cards.

**FORMER SECTION 3.08 – Front Desk Procedures**

- This section was removed, it is a desk procedure and not suited for an agency wide manual.

**FORMER SECTION 4.00 – Finance and Purchasing**

- Section 3.00 Finance and Administration and Section 4.00 Finance and Purchasing have been combined into the revised Section 3.00 Finance and Administration.

**FORMER SECTION 4.01 – Minority Business Plan**

- This section was removed, it is a desk procedure for a position and not suited for an agency wide manual.

**FORMER SECTION 4.03 – Check Distribution**

- This policy has been deleted due to the automation provided with the South Carolina Enterprise Information System (SCEIS).

**FORMER SECTION 4.04 – Reimbursement for Travel and Subsistence Expenses**

- This section was removed and incorporated into 3.02 – Travel and Subsistence Expenses.

**FORMER SECTION 4.05 – Revenue Collection**

- This section was removed, it is a desk procedure and not suited for an agency wide manual.
- Portions of the policy have been included in Section 3.03 mail and Copy Room.

**Attachment:**

**cc: Mr. Cannon**