

A G E N D A

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

October 14, 2013 – 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.

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|----|---|--|
| 1. | APPROVAL OF AGENDA OF BUSINESS MEETING
OF OCTOBER 14, 2013 | <i>CHAIRMAN BECK</i> |
| 2. | APPROVAL OF MINUTES OF THE BUSINESS MEETING
OF SEPTEMBER 16, 2013 (Tab 1) | <i>CHAIRMAN BECK</i> |
| 3. | GENERAL ANNOUNCEMENTS | <i>MR. CANNON</i> |
| 4. | APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) | <i>MR. SMITH</i> |
| 5. | DEPARTMENT DIRECTORS' REPORTS
Administration – Financial Report (Tab 3)
Human Resources (Tab 4)
Information Services (Tab 5)
Insurance & Medical Services (Tab 6)
Claims (Tab 7)
Judicial (Tab 8) | <i>MS. GANTT</i>
<i>MS. FLOYD</i>
<i>MS. HARTMAN</i>
<i>MR. DUFFIELD</i>
<i>MR. DUFFIELD</i>
<i>MS. CROCKER</i> |
| 6. | EXECUTIVE DIRECTOR'S REPORT (Tab 9) | <i>MR. CANNON</i> |
| 7. | OLD BUSINESS | <i>CHAIRMAN BECK</i> |
| 8. | NEW BUSINESS
A. Cases Set for Informal Conference (Tab 10) | <i>CHAIRMAN BECK</i>
<i>Mr. Cannon</i> |
| 9. | ADJOURNMENT | <i>CHAIRMAN BECK</i> |

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING

Monday, September 16, 2013

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, September 16, 2013 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AISHA TAYLOR, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Grant Duffield, Insurance and Medical Services Director; Virginia Crocker, Judicial Director; Betsy Hartman, IT Director; Diana Gantt, Accounting/Fiscal Manager; Cathy Floyd, Human Resources Manager; Wayne Ducote, Coverage Director; W.C. Smith, Self-Insurance Director; Amanda Underhill, Business Analyst; and Keith Roberts, Attorney. Also present was Clara Smith, Injured Workers' Advocates.

Chairman Beck called the meeting to order at 11:10 a.m.

AGENDA

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

APPROVAL OF MINUTES – BUSINESS MEETING OF AUGUST 12, 2013

Commissioner Barden moved that the minutes of the Business Meeting of August 12, 2013 be approved. Commissioner Roche 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. Twenty-seven (27) prospective members of two (2) funds were presented to the Commission for approval. The applications were:

Palmetto Timber Fund

Thompson Logging Co., Inc.

SC Home Builders SIF

4 H Cosntruction, Inc.

A&E Enterprises, LLC

Anthony Singleton dba Stucco Doctors

Building Maintenance Services, LLC

Byrnes Home Builders

Caw Caw Enterprises, Inc.

C.W. Construction, LLC

D.G. Walker Electric

Duane Ward dba Ward's Garden Center

Electric City Construction & Maintenance, LLC

Fancy Remodeling & Construction, LLC

George Allan Boggs dba Lonesome Pine Woodworks

Handcraft Woodwork & Design, LLC

Holland Waterproofing, LLC

Holley Inc. dba Cobra Concrete

JAG Contractors, LLC

Jimmy Williams dba Williams Floor Covering

Johnny Steadings Constructions

Jones Brothers Contracting, LLC

Matt O'Hara Builds, LLC

Miller Trim, Inc.

Simmons, Charles G. dba Simmons & Simmons Plumbing

Super Plumbers of Horry County LLC

T&D Grading / AMS Concrete

Wayne Sturkie & Son, LLC

William Henderson

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

DEPARTMENT DIRECTORS' REPORTS

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

Administration Department

Diana Gantt presented the Summary of Revenues and Expenditures for the period ending August 31, 2013. The benchmark for August is 16.67%. The Commission's revenues are at 14.24%, and expenses are at 19%. The salaries for August exceed the budgeted benchmark due to three payrolls being posted in the month.

Human Resources Department

Cathy Floyd presented the Human Resources report for the period of August 7, 2013 through September 10, 2013. This was received as information.

Information Services

Betsy Hartman presented the Information Services Department's report. Ms. Hartman announced the S.C. Vocational Rehabilitation Department Data Portal is in production mode. Chuck Hamden, SCVRD Counselor, will give a presentation to the SCVRD Core Leadership Team in September.

Insurance & Medical Services Department

Grant Duffield presented the Insurance & Medical Services Department's report. Mr. Duffield said the Department continues to work closely with Information Services to better define outstanding carrier fine debt to be addressed through the Order and Rule to Show Cause process. The Medical Services Division is engaging stakeholders and contract resources to begin preparing for ICD-10 Medical Coding transition. The Compliance Division year-to-date revenue trend is 308% of prior year. Mr. Duffield noted the correct number of claim files created year-to-date in Coverage Division is 4,275, which is 102% of claim file volume of prior year. Year-to-date, Self-Insurance tax revenue is trending at 100% of prior year.

Claims Department

Mr. Duffield presented the Claims Department's report. For the month of August, Claims Department closed 2,154 individual cases. Mr. Duffield reported Fine Revenue received in August was \$21,200. This amount is reduced in part by a shift in 12A fine posting from Claims Department to Insurance & Medical Services Department. Claims Examiners reviewed 473 individual case files.

Mr. Duffield referred to the pie chart on *Claims Questions Received Via Email – August 2012*, which was included in the handouts. The information will be used to discover types of requests received in the Claims Department on a fairly routine basis.

Judicial Department

Virginia Crocker presented the Judicial Department's report. Ms. Crocker said the management of regulatory mediation has been progressing well. She participated in the S.C. Bar Workers' Compensation Seminar with regards to the Mediation Regulation. She reported approximately 25% of the pleadings that are filed are mandatory mediation.

Ms. Crocker reported the number of days to process a hearing request is 24, and the number of days to process an appeal is 81.

EXECUTIVE DIRECTOR'S REPORT

Gary Cannon, Executive Director, presented his report which was also submitted to the Commission in written form. He pointed out the following highlights from his report:

Annual Report FY 2012-13

Mr. Cannon reported that the FY 2012-13 Annual Report is complete. The statistical information is based on cases closed during the fiscal year. Copies of the report are available in the Executive Director's Office upon request. The report is also posted on the website.

Informal Conference Mediators Training

The Informal Conference Mediators observed fourteen (14) clincher conferences conducted by Commissioners.

Chairman's Comments

Chairman Beck talked about the Commission's continued efforts and commitment on service to stakeholders. He used an analogy of rowing a boat and said, "As long as everybody is rowing the boat, that boat continues to go on a straight course and gets us toward the goal. When one of those oars comes out of the water, the boat just starts going in circles and nobody achieves the goal." He said he recently received an email from an insurance executive commending Grant Duffield and Betsy Hartman for their excellent service, and expressed his appreciation to them both for a job well done.

OLD BUSINESS

There was no old business.

NEW BUSINESS

A. Request – Production of Medical Records Pursuant to Form 27

Motion to carry over request concerning production of medical records pursuant to Form 27.

Commissioner Roche moved to carry over the matter, which was duly seconded by Commissioner McCaskill. The vote was taken, and the motion was approved.

B. Commissioners Annual Ethics Training

Mr. Cannon requested that the Commission approve November 18, 2013 from 2:00 – 5:00 p.m. as the date and time for the annual ethics training for Commissioners and their Administrative Assistants. Following discussion, the Commissioners approved the request as presented.

C. Amendments to EPMS Policy

Ms. Floyd presented a proposed combined EPMS Policy and PD/EPMS Form. The EPMS Policy, Section 2.15 of the Administrative Policy and Procedures Manual, is being revised to reflect the recent updated model EPMS policy issued by State Human Resources Department. The newly combined position description and EPMS form will ensure the information contained in the Commission's position descriptions accurately reflects the work being performed by the employees.

Motion to approve the proposed changes to EPMS Policy, Section 2.15, Administrative Policy and Procedures manual, to be effective immediately, and the newly combined PD/EPMS Form.

Commissioner Roche moved to approve the changes as recommended. Commissioner Taylor seconded the motion, and the motion was approved.

D. FY 2014-15 Budget Request

Mr. Cannon presented the proposed budget for FY 2014-15. The total budget is \$5,231,077, which is the same funding level approved by the General Assembly for FY 2013-14. The deadline for submission to the State Budget Office is October 1, 2013.

Motion to approve FY 2014-15 Budget Request

Commissioner Wilkerson made a motion to approve the FY 2014-15 Budget Request. Commissioner James seconded the motion, and the motion was approved.

ADJOURNMENT

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

The September 16, 2013 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:36 a.m.

Reported October 14, 2013
Kim Ballentine, Office of the Executive Director

INTEROFFICE MEMORANDUM

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: DIANA GANTT, DIRECTOR OF ADMINISTRATION
SUBJECT: FINANCIAL REPORT PERIOD ENDING SEPTEMBER 30, 2013
DATE: 10/9/2013

The Summary of Revenues and Expenditures for the period ending September 30, 2013, is attached.

- September is the 3rd Fiscal Month of Fiscal Year 2014.
- The benchmark for September is 25%. The Commission's revenues are at 20.49% and expenses are at 24%.
- There were 68 payment made to vendors, travelers, and other State Agencies
- The following is a summary of each department expenditure benchmarks:

General Fund: Total expenditures are at 25%.

Earmark Fund:

Commissioners –

- Total expenditures are at 25% of budget.

Administration –

- Overall the expenditures are 22% of budget.

Claims –

- Expenditures are at 25% of budget.

Insurance & Medical –

- Total expenditures are at 22% of budget

Judicial –

- Total expenditures are at 20% of budget.

Activity Report from the Procurement Office:

	MTD	YTD
SCEIS Shopping Carts	4	20
Vendors Contacted for Price Quotes	15	46
Visa Procurement Card Orders Placed	8	17
SC Dept of Corrections Orders Placed	0	1
Staples Orders Placed	3	8
State Leased Vehicles taken for Service	1	6
State Reports filed by Procurement Officer	5	11

Mail Room Activity:

	MTD	YTD
Files Copied for Outside Parties	294	705
Pages Copied	9,385	28,365

South Carolina Workers' Compensation Commission
Summary of Revenues and Expenditures
2013 - 2014 Budget
September 30, 2013

STATE APPROPRIATIONS	Budget	FY To Date	Benchmark	25.00%
General Appropriation	<u>\$ 1,763,619</u>	<u>\$ 440,904.75</u>		25.00%

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,378,405	\$ 350,461	\$ 1,027,944	25.4%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	480,606	121,279	359,327	25.2%
Total	<u>\$ 1,859,011</u>	<u>\$ 471,741</u>	<u>\$ 1,387,270</u>	25.4%

OTHER APPROPRIATIONS

EARMARKED	Budgeted	Received	% Received
	Revenues	thru 9/30/13	
Training Conference Registration Fee	\$ 5,000	\$ 2,340	46.80%
Sale of Publication and Brochures	8,000	1,650	20.63%
Workers' Comp Award Review Fee	73,000	11,550	15.82%
Sale of Photocopies	88,000	21,391	24.31%
Workers' Compensation Filing Violation Fee	1,660,000	323,170	19.47%
Sale of Listings and Labels	25,000	5,061	20.24%
Workers' Comp Hearing Fee	562,000	130,895	23.29%
Earmarked Funds - Original Authorization	<u>\$ 2,421,000</u>	<u>\$ 496,057</u>	<u>20.49%</u>
Increase Authorization	951,066		
	-		
Total Earmarked Revenues + Fund Balance	<u>\$ 3,372,066</u>		

SELF INSURANCE	Collected	Transferred to	Balance to WCC
	Revenue	State Fund	Fund Balance
Self Insurance	\$ 1,781,109	\$ -	\$ 1,781,109

<u>Account Description</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Balance</u>	<u>% Expended</u>
Personal Services	\$ 1,454,375	\$ 384,361	\$ 1,070,014	26.4%
Taxable Subsistence	72,350	18,092	54,258	25.0%
Other Operating Expenses	1,379,941	259,662	1,120,279	18.8%
Employer Contribution	465,400	126,191	339,209	27.1%
Total Earmarked	<u>\$ 3,372,066</u>	<u>\$ 788,305</u>	<u>\$ 2,583,761</u>	23.4%

TOTAL OTHER APPROPRIATIONS	<u>\$ 3,372,066</u>	<u>\$ 788,305</u>	<u>\$ 2,583,761</u>	23.4%
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South Carolina Workers' Compensation Commission
2013 - 2014 Budget
September 30, 2013

Consolidated

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb	Balance
Commissioners								
Salaries	\$ 1,175,584	\$ -	\$ 1,175,584	\$ 48,673	\$ 293,900	25%	\$ -	\$ 54,258
Other Operating Expenditures								
Total Contractual Services	201,275	-	201,275	17,551	41,645	21%	-	159,630
Total Supplies & Materials	12,120	-	12,120	986	3,018	25%	-	9,102
Total Fixed Charges	153,899	-	153,899	12,418	44,976	29%	-	108,923
Total Travel	57,600	-	57,600	13,917	18,582	32%	-	39,018
Total Other Operating Exp	424,894	-	424,894	44,872	108,221	25%	-	316,673
Total Commissioners	\$ 1,600,478	\$ -	\$ 1,600,478	\$ 93,545	\$ 402,121	25%	\$ -	\$ 370,931
Administration								
Salaries	\$ 471,969	\$ -	\$ 471,969	\$ 27,392	\$ 162,363	34%	\$ -	\$ 309,606
Other Operating Expenditures								
Total Contractual Services	294,063	-	294,063	7,128	11,803	4%	-	282,260
Total Supplies & Materials	33,134	-	33,134	1,109	3,931	12%	-	29,203
Total Fixed Charges	133,426	-	133,426	10,627	33,368	25%	-	100,058
Total Travel	20,000	-	20,000	2,174	3,845	19%	-	16,155
Total Equipment	-	-	-	-	-	0%	-	-
Total Other Operating Exp	480,623	-	480,623	21,038	52,948	11%	-	427,675
Total Administration	\$ 952,592	\$ -	\$ 952,592	\$ 48,431	\$ 215,310	23%	\$ -	\$ 737,282
Claims								
Salaries	\$ 394,463	\$ -	\$ 394,463	\$ 13,312	\$ 103,998	26%	\$ -	\$ 290,465
Other Operating Expenditures								
Total Contractual Services	40,570	-	40,570	3,874	6,352	16%	-	34,218
Total Supplies & Materials	24,600	-	24,600	1,047	5,619	23%	-	18,981
Total Fixed Charges	82,234	-	82,234	6,724	20,582	25%	-	61,652
Total Travel	2,100	-	2,100	13	13	1%	-	2,087
Total Other Operating Exp	149,504	-	149,504	11,658	32,567	22%	-	116,937
Total Claims	\$ 543,967	\$ -	\$ 543,967	\$ 24,971	\$ 136,565	25%	\$ -	\$ 407,403
Insurance and Medical Services								
Salaries	\$ 472,119	\$ -	\$ 472,119	\$ 20,460	\$ 113,122	24%	\$ -	\$ 358,997
Other Operating Expenditures								
Total Contractual Services	98,898	-	98,898	8,191	16,249	16%	-	82,649
Total Supplies & Materials	20,800	-	20,800	795	6,016	29%	-	14,784
Total Fixed Charges	63,090	-	63,090	5,030	15,629	25%	-	47,461
Total Travel	1,350	-	1,350	-	-	0%	-	1,350
Total Other Operating Exp	184,138	-	184,138	14,017	37,894	21%	-	146,244
Total Insurance and Medical Services	\$ 656,257	\$ -	\$ 656,257	\$ 34,477	\$ 151,016	23%	\$ -	\$ 505,241
Judicial								
Salaries	\$ 390,995	\$ -	\$ 390,995	\$ 12,443	\$ 79,531	20%	\$ -	\$ 311,464
Other Operating Expenditures								
Total Contractual Services	35,522	-	35,522	3,551	5,770	16%	-	29,752
Total Supplies & Materials	29,270	-	29,270	1,064	3,970	14%	-	25,300
Total Fixed Charges	70,545	-	70,545	5,809	18,153	26%	-	52,392
Total Travel	5,445	-	5,445	-	139	3%	-	5,306
Total Other Operating Exp	140,782	-	140,782	10,424	28,033	20%	-	112,749
Total Judicial	\$ 531,777	\$ -	\$ 531,777	\$ 22,867	\$ 107,564	20%	\$ -	\$ 424,213
Totals By Departments								
Department Totals								
Commissioners	\$ 1,600,478	\$ -	\$ 1,600,478	\$ 93,545	\$ 402,121	25%	\$ -	\$ 370,931
Administration	952,592	-	952,592	48,431	215,310	23%	-	737,282
Claims	543,967	-	543,967	24,971	136,565	25%	-	407,403
Insurance & Medical	656,257	-	656,257	34,477	151,016	23%	-	505,241
Judicial	531,777	-	531,777	22,867	107,564	20%	-	424,213
Total Departmental Expend	\$ 4,285,071	\$ -	\$ 4,285,071	\$ 224,290	\$ 1,012,576	24%	\$ -	\$ 2,445,070
Employer Contributions	930,371	15,635	946,006	38,192	247,470	26%	-	698,536
Total General & Earmarked Funds	\$ 5,215,442	\$ 15,635	\$ 5,231,077	\$ 262,483	\$ 1,260,046	24%	\$ -	\$ 3,143,606

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
September 30, 2013

General Appropriation

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date to Date	%	Encumb	Balance
Commissioners								
Salaries								
Chairman	\$ 118,890	\$ -	\$ 118,890	\$ 4,754	\$ 28,523	24%	\$ -	\$ 90,368
Commissioner	684,540	-	684,540	28,723	172,335	25%	-	512,205
Terminal Leave	-	-	-	-	-	0%	-	-
Classified Employees	299,804	-	299,804	12,492	74,951	25%	-	224,853
Total Commissioners	1,103,234	-	1,103,234	45,968	275,808	25%	-	-
Administration								
Salaries								
Director	\$ 96,976	\$ -	\$ 96,976	\$ 4,041	\$ 24,244	25%	\$ -	\$ 72,732
Classified Positions	46,169	-	46,169	1,924	11,542	25%	-	34,627
Total Administration	143,145	-	143,145	5,964	35,786	25%	-	107,359
Claims								
Salaries								
Classified Positions	\$ 63,487	\$ -	\$ 63,487	\$ -	\$ 6,891	11%	\$ -	\$ 56,596
Terminal Leave	13,736	-	13,736	-	13,736	100%	-	(0)
Total Claims	77,223	-	77,223	-	20,627	27%	-	56,596
Insurance and Medical Services								
Salaries								
Classified Positions	\$ 26,110	\$ -	\$ 26,110	\$ 1,088	\$ 10,377	40%	\$ -	\$ 15,733
Total Ins and Medical Svcs	26,110	-	26,110	1,088	10,377	40%	-	15,733
Judicial								
Salaries								
Classified Positions	\$ 28,693	\$ -	\$ 28,693	\$ 1,425	\$ 7,863	27%	\$ -	\$ 20,830
Total Judicial	28,693	-	28,693	1,425	7,863	27%	-	20,830
General Funds								
Department Totals								
Commissioners	\$ 1,103,234	\$ -	\$ 1,103,234	\$ 45,968	\$ 275,808	25%	\$ -	\$ 827,426
Administration	143,145	-	143,145	5,964	35,786	25%	-	107,359
Claims	77,223	-	77,223	-	20,627	27%	-	56,596
Insurance & Medical	26,110	-	26,110	1,088	10,377	40%	-	15,733
Judicial	28,693	-	28,693	1,425	7,863	27%	-	20,830
Total Departmental Expend	\$ 1,378,405	\$ -	\$ 1,378,405	\$ 54,446	\$ 350,461	25%	\$ -	\$ 1,027,944
Employer Contributions	464,971	15,635	480,606	17,004	121,279	25%	-	359,327
Total General Fund Appropriations	\$ 1,843,376	\$ 15,635	\$ 1,859,011	\$ 71,450	\$ 471,741	25%	\$ -	\$ 1,387,270

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
September 30, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb Balance	
Commissioners								
Salaries								
Taxable Subsistence	\$ 72,350	\$ -	\$ 72,350	\$ 2,705	\$ 18,092	25%	\$ -	\$ 54,258
Total Salaries	72,350	-	72,350	2,705	18,092	25%	-	54,258
Other Operating Expenditures								
Contractual Services								
Copying Equipment Service	1,300	-	1,300	-	-	0%	-	1,300
Data Processing Services	34,000	-	34,000	4,245	6,462	19%	-	27,538
Freight Express Delivery	100	-	100	-	-	0%	-	100
Telephone	3,500	-	3,500	307	923	26%	-	2,577
Cellular Phone Service	11,500	-	11,500	890	1,753	15%	-	9,747
Legal Services/Attorney Fees	150,675	-	150,675	12,109	32,507	22%	-	118,168
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	201,275	-	201,275	17,551	41,645	21%	-	159,630
Supplies & Materials								
Office Supplies	2,900	-	2,900	23	519	18%	-	2,381
Copying Equipment	2,300	-	2,300	-	664	29%	-	1,636
Printing	1,800	-	1,800	454	454	25%	-	1,346
Data Processing Supplies	50	-	50	-	-	0%	-	50
Postage	4,800	-	4,800	509	1,321	28%	-	3,479
Maint/Janitorial Supplies	150	-	150	-	35	24%	-	115
Motor Vehicle Supp/Gasoline	50	-	50	-	24	48%	-	26
Other Supplies	70	-	70	-	-	0%	-	70
Total Supplies & Materials	12,120	-	12,120	986	3,018	25%	-	9,102
Fixed Charges								
Rental-Cont Rent Payment	1,000	-	1,000	71	145	15%	-	855
Rent-Non State Owned Property	143,000	-	143,000	11,940	35,820	25%	-	107,180
Insurance-State	8,300	-	8,300	407	9,011	109%	-	(711)
Insurance-Non State	1,169	-	1,169	-	-	0%	-	1,169
Dues & Memberships	430	-	430	-	-	0%	-	430
Total Fixed Charges	153,899	-	153,899	12,418	44,976	29%	-	108,923
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	200	-	200	88	139	70%	-	61
In State - Auto Mileage	18,000	-	18,000	2,863	4,612	26%	-	13,388
In State - Subsistence Allowance	9,000	-	9,000	4,920	5,412	60%	-	3,588
Out State - Meals	100	-	100	137	232	232%	-	(132)
Out State - Auto Mileage	300	-	300	-	-	0%	-	300
Leased Car	30,000	-	30,000	5,908	8,187	27%	-	21,813
Total Travel	57,600	-	57,600	13,917	18,582	32%	-	39,018
Total Other Operating Expenditures	424,894	-	424,894	44,872	108,221	25%	-	316,673
Total Commissioners	\$ 497,244	\$ -	\$ 497,244	\$ 47,577	\$ 126,313	25%	\$ -	\$ 370,931

South Carolina Workers' Compensation Commission

2013 - 2014 Budget

September 30, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb	Balance
Administration								
Salaries								
Classified Positions	\$ 316,210	\$ -	\$ 316,210	\$ 19,277	\$ 115,660	37%	\$ -	\$ 200,550
Temporary Employees	12,614	-	12,614	2,151	10,916	87%	-	1,698
Terminal Leave	-	-	-	-	-	0%	-	-
Total Salaries	328,824	-	328,824	21,428	126,576	38%	-	202,248
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	8,100	-	8,100	502	1,602	20%	-	6,498
Copying Equipment Service	3,000	-	3,000	-	-	0%	-	3,000
Print/Bind/Advertisement	10,000	-	10,000	-	-	0%	-	10,000
Print Pub Annual Reports	6,000	-	6,000	-	-	0%	-	6,000
Data Processing Services	213,993	-	213,993	5,269	8,028	4%	-	205,965
Freight Express Delivery	1,800	-	1,800	-	29	2%	-	1,771
Telephone	7,060	-	7,060	282	872	12%	-	6,188
Cellular Phone Service	5,000	-	5,000	196	392	8%	-	4,608
Education & Training Services	5,000	-	5,000	-	-	0%	-	5,000
Attorney Fees	25,000	-	25,000	-	-	0%	-	25,000
General Repair	1,500	-	1,500	-	-	0%	-	1,500
Audit Acct Finance	110	-	110	-	-	0%	-	110
Catered Meals	4,000	-	4,000	435	435	11%	-	3,565
Other Professional Services	1,500	-	1,500	-	-	0%	-	1,500
Other Contractual Services	2,000	-	2,000	445	445	22%	-	1,555
Total Contractual Services	294,063	-	294,063	7,128	11,803	4%	-	282,260
Supplies & Materials								
Office Supplies	9,500	-	9,500	294	1,869	20%	-	7,631
Copying Equipment Supplies	4,434	-	4,434	-	574	13%	-	3,860
Printing	3,500	-	3,500	360	360	10%	-	3,140
Data Processing Supplies	2,300	-	2,300	4	9	0%	-	2,291
Postage	8,000	-	8,000	452	1,039	13%	-	6,961
Maint/Janitorial Supplies	1,000	-	1,000	-	80	8%	-	920
Fees & Fines	1,800	-	1,800	-	-	0%	-	1,800
Gasoline/ Motor Vehicle Supply	100	-	100	-	-	0%	-	100
Employee Recog Award	1,500	-	1,500	-	-	0%	-	1,500
Other Supplies	1,000	-	1,000	-	-	0%	-	1,000
Total Supplies & Materials	33,134	-	33,134	1,109	3,931	12%	-	29,203
Fixed Charges								
Rental-Cont Rent Payment	6,000	-	6,000	280	1,258	21%	-	4,742
Rent-Non State Owned Property	95,000	-	95,000	7,726	23,178	24%	-	71,822
Rent-Other	11,000	-	11,000	1,259	3,999	36%	-	7,001
Insurance-State	7,490	-	7,490	640	3,653	49%	-	3,837
Insurance-Non State	750	-	750	-	-	0%	-	750
Dues and Memberships	5,000	-	5,000	180	190	4%	-	4,810
Sales Tax Paid	8,186	-	8,186	542	1,091	13%	-	7,095
Total Fixed Charges	133,426	-	133,426	10,627	33,368	25%	-	100,058
Travel (Includes Leased Car)								
In State - Meals Non/ Reportable	1,000	-	1,000	63	136	14%	-	864
Reportable Meals	1,000	-	1,000	65	150	15%	-	850
In State - Lodging	1,000	-	1,000	156	234	23%	-	766
In State - Auto Mileage	-	1,000	1,000	-	127	13%	-	873
In State - Registration Fees	2,000	(1,000)	1,000	-	125	13%	-	875
Out State - Lodging	-	400	400	-	300	75%	-	100
Out State - Meals	-	100	100	-	75	75%	-	25
Leased Car	15,000	(500)	14,500	1,890	2,698	19%	-	11,802
Total Travel	20,000	-	20,000	2,174	3,845	19%	-	16,155
Equipment								
Equipment Data Processing- PC's	-	-	-	-	-	0%	-	-
Total Equipment	-	-	-	-	-	0%	-	-
Total Other Operating Expenditures	480,623	-	480,623	21,038	52,948	11%	-	427,675
Total Administration	\$ 809,447	\$ -	\$ 809,447	\$ 42,466	\$ 179,524	22%	\$ -	\$ 629,923

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
September 30, 2013

Earmarked Funds

Year-To-Date : 25.00%

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb	Balance
Claims								
Salaries								
Classified Positions	\$ 301,790	\$ -	\$ 301,790	\$ 12,646	\$ 79,331	26%	\$ -	\$ 222,459
Temporary Positions	15,450	-	15,450	667	4,040	26%	-	11,410
Terminal Leave	-	-	-	-	-	0%	-	-
Total Salaries	317,240	-	317,240	13,312	83,371	26%	-	233,869
Other Operating Expenditures								
Contractual Services								
Copying Equipment Service	1,800	-	1,800	-	-	0%	-	1,800
Data Processing Services	33,050	-	33,050	3,560	5,463	17%	-	27,587
Telephone	4,000	-	4,000	262	785	20%	-	3,215
Cellular Phone Service	1,720	-	1,720	52	104	6%	-	1,616
Total Contractual Services	40,570	-	40,570	3,874	6,352	16%	-	34,218
Supplies & Materials								
Office Supplies	2,000	-	2,000	-	161	8%	-	1,839
Copying Equipment	3,000	-	3,000	-	526	18%	-	2,474
Printing	1,500	-	1,500	360	360	24%	-	1,140
Data Processing Supplies	3,500	-	3,500	-	934	27%	-	2,566
Postage	14,000	-	14,000	688	3,610	26%	-	10,390
Maint/Janitorial Supplies	500	-	500	-	28	6%	-	472
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	24,600	-	24,600	1,047	5,619	23%	-	18,981
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	172	316	13%	-	2,184
Rent-Non State Owned Property	75,000	-	75,000	5,970	17,910	24%	-	57,090
Insurance-State	2,800	-	2,800	582	2,356	84%	-	444
Insurance-Non State	134	-	134	-	-	0%	-	134
Equipment- Copying	800	-	800	-	-	0%	-	800
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Total Fixed Charges	82,234	-	82,234	6,724	20,582	25%	-	61,652
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	300	-	300	-	-	0%	-	300
In State - Lodging	600	-	600	-	-	0%	-	600
In State - Auto Mileage	600	-	600	-	-	0%	-	600
In State Registration	200	-	200	-	-	0%	-	200
Reportable Meals	400	-	400	13	13	3%	-	387
Total Travel	2,100	-	2,100	13	13	1%	-	2,087
Total Other Operating Expenditures	149,504	-	149,504	11,658	32,567	22%	-	116,937
Total Claims	\$ 466,744	\$ -	\$ 466,744	\$ 24,971	\$ 115,938	25%	\$ -	\$ 350,806

South Carolina Workers' Compensation Commission
2013 - 2014 Budget
September 30, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb	Balance
Insurance and Medical Services								
Salaries								
Classified Positions	430,540	-	430,540	19,373	102,745	24%	-	327,795
Temporary Employees	15,469	-	15,469	-	-	0%	-	15,469
Terminal Leave	0	-	0	0	0	0%	-	-
Total Salaries	446,009	-	446,009	19,373	102,745	23%	-	343,264
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	100	-	100	-	-	0%	-	100
Copying Equipment Service	100	-	100	-	-	0%	-	100
Data Processing Services	55,000	-	55,000	7,108	10,821	20%	-	44,179
Telephone	2,300	-	2,300	213	641	28%	-	1,659
Cell Phone	1,000	-	1,000	53	134	13%	-	866
Catered Meals	1,600	-	1,600	-	-	0%	-	1,600
Other Professional Services	38,298	-	38,298	817	4,107	11%	-	34,191
Other Contractual Services	500	-	500	-	546	109%	-	(46)
Total Contractual Services	98,898	-	98,898	8,191	16,249	16%	-	82,649
Supplies & Materials								
Office Supplies	9,000	-	9,000	-	2,815	31%	-	6,185
Copying Equipment	2,500	-	2,500	-	581	23%	-	1,919
Printing	2,500	-	2,500	398	398	16%	-	2,102
Data Processing Supplies	500	-	500	-	467	93%	-	33
Postage	5,000	-	5,000	398	1,725	34%	-	3,275
Maintenance/Janitorial Supplies	150	-	150	-	31	21%	-	119
Building Materials	1,000	-	1,000	-	-	0%	-	1,000
Fees & Fines	50	-	50	-	-	0%	-	50
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	20,800	-	20,800	795	6,016	29%	-	14,784
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	76	110	4%	-	2,390
Rent-Non State Owned Property	52,000	-	52,000	4,214	12,642	24%	-	39,358
Rent-Other	2,000	-	2,000	117	222	11%	-	1,778
Insurance-State	2,500	-	2,500	582	2,554	102%	-	(54)
Insurance-Non State	148	-	148	-	-	0%	-	148
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	3,000	-	3,000	41	100	3%	-	2,900
Total Fixed Charges	63,090	-	63,090	5,030	15,629	25%	-	47,461
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	400	-	400	-	-	0%	-	400
In-State Registration	100	-	100	-	-	0%	-	100
Reportable Meals	150	-	150	-	-	0%	-	150
In State - Lodging	700	-	700	-	-	0%	-	700
Total Travel	1,350	-	1,350	-	-	0%	-	1,350
Total Other Operating Expenditures	184,138	-	184,138	14,017	37,894	21%	-	146,244
Total Insurance and Medical Services	\$ 630,147	\$ -	\$ 630,147	\$ 33,389	\$ 140,639	22%	\$ -	\$ 489,508

South Carolina Workers' Compensation Commission

2013 - 2014 Budget

September 30, 2013

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 25.00%				
				Expended September	Year to Date	%	Encumb	Balance
Judicial								
Salaries								
Classified Positions	\$ 360,302	\$ -	\$ 360,302	\$ 11,018	\$ 70,484	20%	\$ -	\$ 289,818
Temporary Employees	2000	-	2000	0	1184	59%	-	816
Total Salaries	362,302	-	362,302	11,018	71,668	20%	-	290,634
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	80	-	80	-	-	0%	-	80
Copy Equipment Services	850	-	850	-	-	0%	-	850
Print/Bind/Advertisement	800	-	800	-	-	0%	-	800
Data Processing Services	29,972	-	29,972	3,231	5,024	17%	-	24,948
Telephone	2,500	-	2,500	188	560	22%	-	1,940
Cellular Phone Service	1,120	-	1,120	53	107	10%	-	1,013
Other Professional Services	200	-	200	80	80	40%	-	120
Total Contractual Services	35,522	-	35,522	3,551	5,770	16%	-	29,752
Supplies & Materials								
Office Supplies	4,000	-	4,000	-	279	7%	-	3,721
Copying Equipment Supplies	2,500	-	2,500	378	849	34%	-	1,651
Printing	2,000	-	2,000	322	322	16%	-	1,678
Data Processing Supplies	2,500	-	2,500	-	467	19%	-	2,033
Postage	18,000	-	18,000	364	2,028	11%	-	15,972
Maintenance/Janitorial Supplies	150	-	150	-	25	17%	-	125
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	100	-	100	-	-	0%	-	100
Total Supplies & Materials	29,270	-	29,270	1,064	3,970	14%	-	25,300
Fixed Charges								
Rental-Cont Rent Payment	3,000	-	3,000	76	110	4%	-	2,890
Rent-Non State Owned Property	65,300	-	65,300	5,268	15,803	24%	-	49,497
Rent-Other	125	-	125	-	-	0%	-	125
Insurance-State	2,000	-	2,000	466	2,241	112%	-	(241)
Insurance-Non State	120	-	120	-	-	0%	-	120
Total Fixed Charges	70,545	-	70,545	5,809	18,153	26%	-	52,392
Travel (Includes Leased Car)								
In State - Meals / Non-Reportable	450	-	450	-	-	0%	-	450
Reportable Meals	770	-	770	-	7	1%	-	763
In State - Lodging	2,200	-	2,200	-	-	0%	-	2,200
In State - Auto Mileage	1,800	-	1,800	-	123	7%	-	1,677
In State - Misc Travel Expense	25	-	25	-	9	36%	-	16
In-State Registration	100	-	100	-	-	0%	-	100
Out State - Auto Mileage	100	-	100	-	-	0%	-	100
Total Travel	5,445	-	5,445	-	139	3%	-	5,306
Total Other Operating Expenditures	140,782	-	140,782	10,424	28,033	20%	-	112,749
Total Judicial	\$ 503,084	\$ -	\$ 503,084	\$ 21,442	\$ 99,701	20%	\$ -	\$ 403,383
Earmarked Funds								
Department Totals								
Commissioners	\$ 497,244	\$ -	\$ 497,244	\$ 47,577	\$ 126,313	25%	\$ -	\$ 370,931
Administration	809,447	-	809,447	42,466	179,524	22%	-	629,923
Claims	466,744	-	466,744	24,971	115,938	25%	-	350,806
Insurance & Medical	630,147	-	630,147	33,389	140,639	22%	-	489,508
Judicial	503,084	-	503,084	21,442	99,701	20%	-	403,383
Total Departmental Expend	\$ 2,906,666	\$ -	\$ 2,906,666	\$ 169,845	\$ 662,114	23%	\$ -	\$ 2,244,552
Employer Contributions	465,400	-	465,400	21,188	126,191	27%	-	339,209
Total Earmarked Funds	\$ 3,372,066	\$ -	\$ 3,372,066	\$ 191,033	\$ 788,305	23%	\$ -	\$ 2,583,761
Capital / Computer Project Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -

MEMORANDUM

Date: October 8, 2013

TO: Mr. Gary Cannon
Executive Director

FROM: Cathy Floyd
Human Resources

SUBJECT: Human Resources Report Period of September 11 – October 8, 2013

Below is a summary of the Human Resources activity for the period of September 11 – October 8, 2013.

Employee Relations (ER)

- Three ER issues were addressed during the activity period
- Worked five hours on three special projects/strategic planning initiatives
- Began coordinating the CAME Workshop scheduled for October 31
- EPMS Universal Review Date was October 1, 2013
 - Assisted various supervisors with EPMS related issues and inquiries
 - Currently 23% of the reviews have been submitted
- The United Way Campaign has begun and will conclude on Friday, October 11, 2013

Benefits

- Open Enrollment is being held month of October for 2014 insurance changes
- Assisted seven employees with benefit related matters
- Assisted an employee with retirement related issues
- Completed one inquiry with the Retirement Systems

SC Enterprise Information System (SCEIS)

- Processed one employment verification
- Assisted one employee with payroll related issues
- Continue to assist employees with leave and time issues caused by SCEIS
- Twenty-three transactions were keyed into the system

State Human Resources Department (HRD)

- Contacted HRD Consultant regarding an issue

Finance Related

- Processed 9 daily deposits
- Approved seventy-five SCEIS financial transactions



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director
From: Betsy Hartman
IT Director
Date: October 8, 2013
Subject: IT Department
September 2013 Full Commission Report

Summary of IT Department Activities for previous month

Director of IT

- ITSC Board Meeting
 - Received first two of the IT Security Policies from DSIT/Deloitte
 - Information Security Policy - Human Resource and Security
 - Information Security Policy - Asset Management
- SCVRD Business advisory Council Monthly meeting
- Annual Report review
- Strategic Planning Process
 - Development of process outline
 - EPMS Reviews
- Transfer of EDI Release 3 responsibilities to Data
 - Training Barbara James to handle all EDI Release 3 TP and Vendor questions

Implemented

- Final reports and notifications for Mediation
- SCVRD Portal
 - Production release to Counselors – project complete

Business requirement development

- Claims Department
 - Requirements for submitting questions via email from eCase
 - Requirements for emailing additional Claims fines and requests for documentation
 - SROI implementation planning
- APA paperless process

- Commissioner James is now working paperless
- Developing standard process for handling secure email
- Form 18 Fine
 - Review for accuracy
- LLR NAICS code request
 - Quarterly reporting for aggregate number of cases within NAICS codes
- View documents on Web via eCase
 - Gathering technical specifications from vendors
 - Obtaining quotes for licensing
- Enhancements to eCase
 - Upload documents
 - Ability to upload APA documents in lieu of secure email
 - ePayments
 - Start with View documents as an alternative for copies

Coding and Testing

- Form 18 fine process changes and or correction based on examples given by Claims staff
- 12 M fine process notification to print invoices

Projects – In Process

EDI Release 3

- Metrics

Daily Average	Release 1	R1 %	Release 3	R3 %
November	130	100%	0	0%
December	90	54%	78	47%
January*	66	43%	86	56%
February	53	40%	78	60%
March	42	29%	103	71%
April	37	30%	87	70%
May	41	22%	143	78%
June	39	30%	92	70%
July	20	14%	119	86%
August	16	11%	132	89%
September	14	10%	129	90%

Projects – to be started

DSIT Contract

- Waiting on DSIT for Security language to be added to the contract

Production Server Upgrade

- Upgrading Progress to Open Edge 10.2b 7
- Test

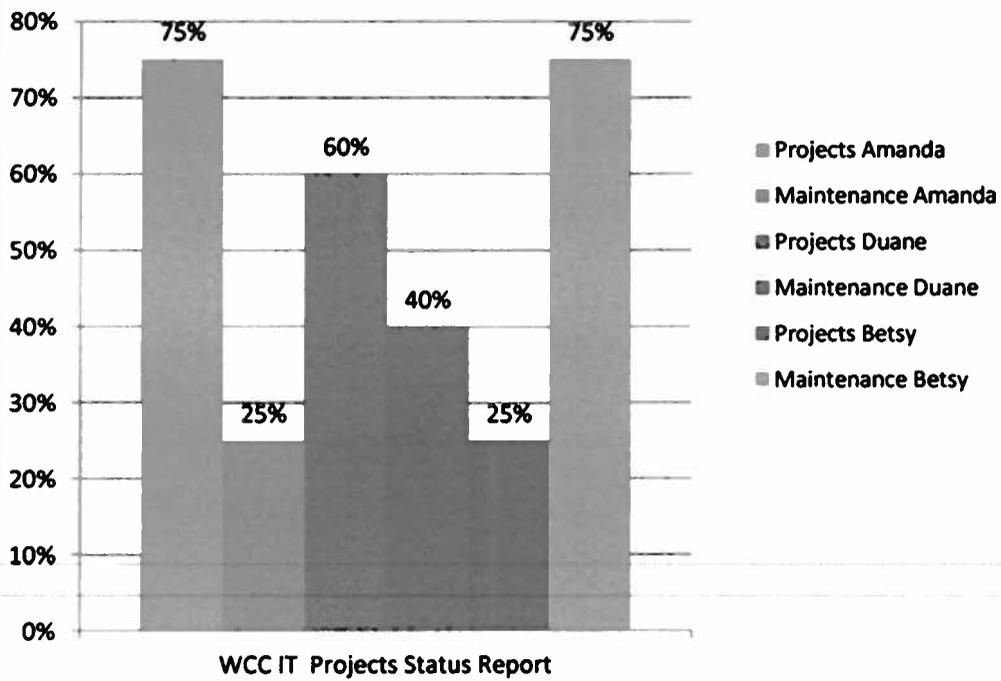
Medical Dispute Portal

- Move to a secure portal similar to eCase
- Need ability to upload HIPPA and PII documents securely – pattern after eCase and APA documents

WCC IT Projects Status Report								
Period			09/20/13		Status Key:	Not Started	On Track	Timing
Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments	
Phase II - Claims EDR release 3			December 2013	95%	10%	Duane	Not implemented issues	
Phase II - Claims EDR release 3			December 2013	95%	10%	Amanda	Testing and approval of Release 1 Partners	
Upgrade wccsql server to Windows 2008 R2, Progress 10.26.06			11/1/2012	90%	0%	Duane	testing and clean up	
SC Voc. Rehab	Upgrade to WCCSQL		7/1/2013	100%	5%	Betsy	Training of supervisors and counselors done. This project is complete	
Upgrade wccsqlprdProgress 10.26.06			TBD				after full testing of development	
RTSC process and automation	Carrier RTSC process		TBD	25%	0%	Amanda	On Hold	
Electronic Service Initiatives Clinchers	Electronic Service Initiatives Clinchers	07-213	TBD	5%	5%	Amanda	Requirements phase - documenting processes to allow for electronic signatures by Commissioner offices	
Electronic Service Initiatives Fee Petitions - Form 61	Electronic Service Initiatives Fee Petitions - Form 61	07-213	TBD	5%	5%	Amanda		
Electronic Service Initiatives - Receipt of electronic pleadings	Electronic Service Initiatives - Receipt of electronic pleadings	07-211	TBD	15%	20%	Betsy	Upload of ARA documents requirements at Brevard for coding. Need to develop online process	
Electronic receipt of any form or document	Electronic receipt of any form or document	07-205	TBD	25%	10%	Betsy	Part will be upload the rest will be handled by SFOI implementation	
Mediation	Mediation		10/30/2013	100%	0%	Amanda		
				100%	5%	Duane	Finalized the mediation notifications.	
Security plan	ITSC guidelines		ASAP	10%	10%	Betsy	HR and Asset Management Policies received	
12 M Automation	12M processing		April 2013	99%	10%	Duane	Finalize the automation - need notification that it is time to run invoices	
Form 18 Fine process	review of code for inconsistencies		ASAP	100%	5%	Amanda	Document issues and develop spec for department comments and needs. After coding test and validate	
				80%	35%	Duane	Review code and make changes needed	
							Projects Amanda 75%	
							Projects Duane 60%	
							Projects Betsy 25%	

Maintenance Issue							
FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		40%	Duane	
				Maintenance Duane	40%		
FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		25%	Amanda	
				Maintenance Amanda	25%		
FOIA report requests, general							

IT Projects and Maintenance August 2013



State of South Carolina



Workers' Compensation Commission

To: Mr. Gary Cannon
SCWCC Executive Director

From: Grant Duffield
IMS Director

Date: 9 – Oct – 2013

Subj: Insurance and Medical Services Department
September 2013 Full Commission Report

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

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

- | | |
|----------------------------|--|
| Compliance Division | <ol style="list-style-type: none">1. Working to improve Carrier Order and Rule to Show Cause notice process.2. Working in conjunction with IT staff to better define outstanding Carrier fine debt to be addressed through ORSC process. |
| Coverage Division | <ol style="list-style-type: none">1. Working with staff to review workflow processes and explore opportunities to enhance service provision. |
| Medical Services | <ol style="list-style-type: none">1. Identifying updates / edits needed within the Medical Services Provider Manual.2. Engaging stakeholders and contract resources to begin preparing for ICD-10 Medical Coding transition under the AHA. |
| IMS Administration: | <ol style="list-style-type: none">1. Working with team-members to review / improve team processes and key functions.2. Working with Department Mgrs to provide cross coordination of mgmt. functions.3. Working closely with IT staff to explore opportunities to improve function and processes within IMS.4. Working with in-house Counsel to improve RTSC case preparation process.5. Working with Executive Team concerning strategic planning and future needs forecasting. |

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

Carryover Caseload:

The Compliance Division closed September 2013 with 421 cases active, compared to an active caseload of 400 at the close of September 2012.

Cases Resolved:

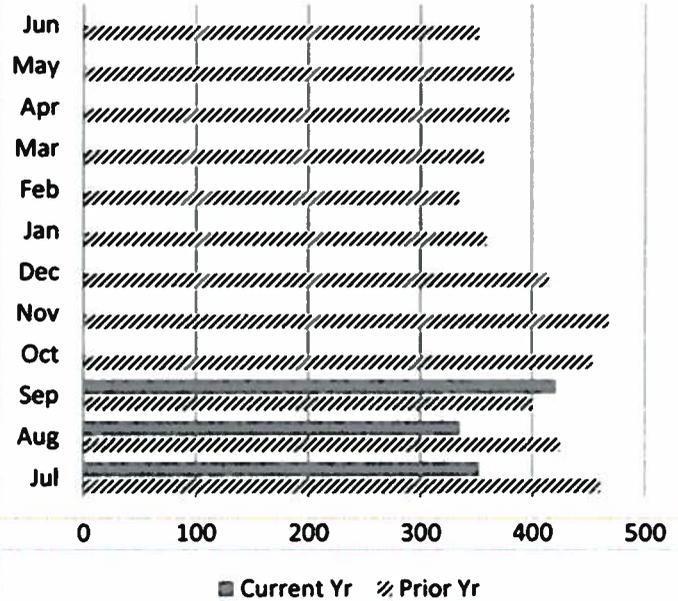
Due to the decrease in carry-over, greater effort is focused on case resolution. For the month of September 2013, Compliance Division staff closed-out 58 cases.

Compliance Fines:

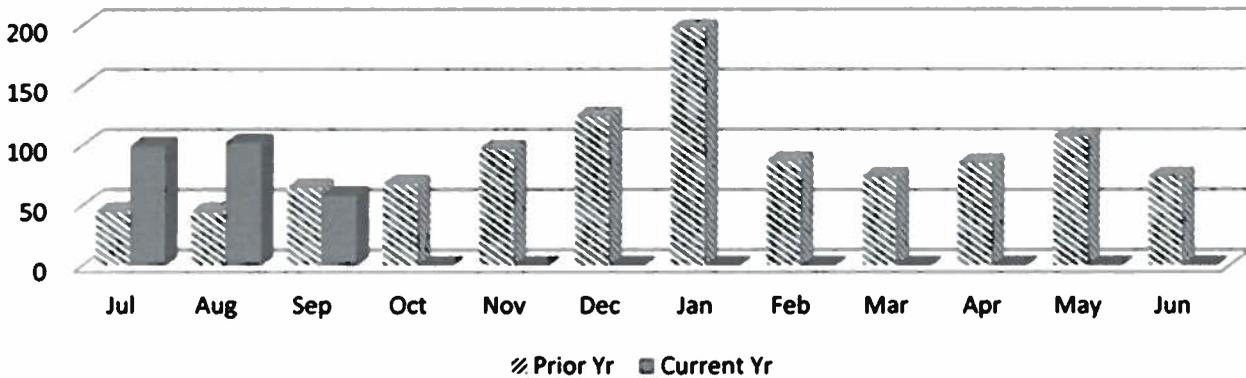
Year to Date, the Compliance Division has collected \$163,786 in fines which represents 28% of prior year's year-end collection (\$587,429). The Compliance Division Year-to-Date revenue trend is 339% of prior year, and month-on-month is at 468% of same month / prior year (August 2012).

Compliance fine revenue represents 19% of the Commission's annual earmarked revenue budget.

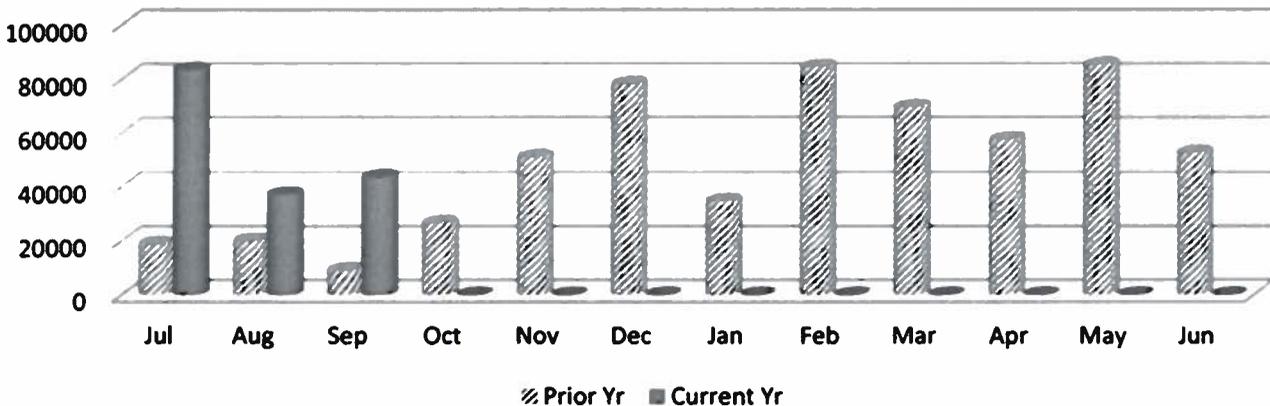
Caseload Pending v. Prior Year



Cases Resolved v. Prior Year



Compliance Fines Collected v. Prior Year



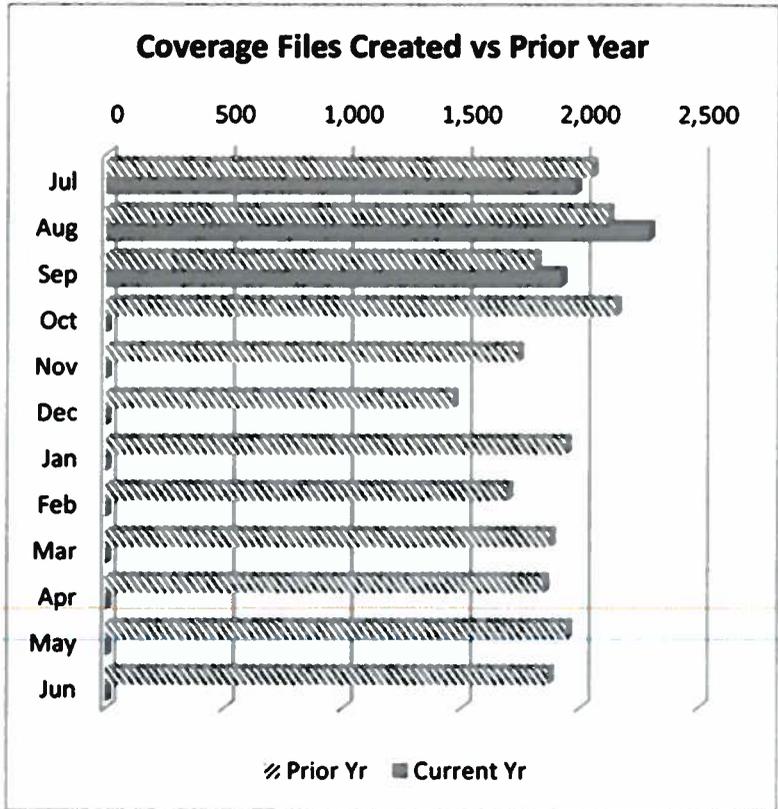
WCC Claim Files:

In September 2013, the Coverage Division created a total of 1,919 WCC Claim files. Of these, 1,521 were created electronically, and 398 were submitted in hard copy format. Year to Date, 6,194 Claim files have been created which is 103% of claim file volume for the same period in prior year(5,987).

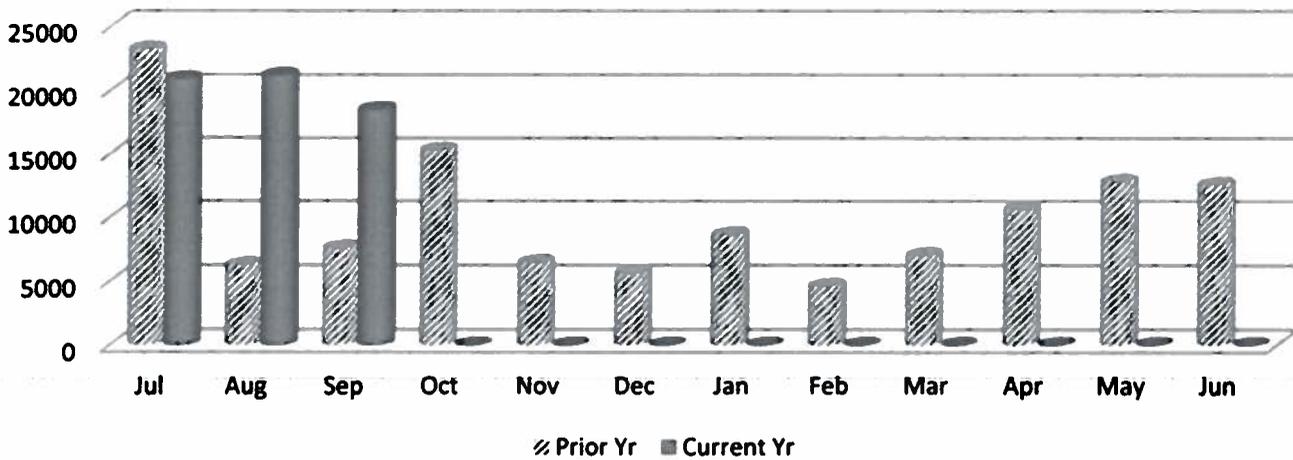
Coverage Fines:

The Coverage Division collected \$18,450 in fine revenue in September 2013, as compared to \$7,550 in Coverage fines/penalties accrued during September 2012. Year on Year, Coverage fines are at 163% of collections for the same period.

Coverage Division fines represent 10% of the Commission's annual earmarked budget.



Coverage Fines Collected v Prior Year



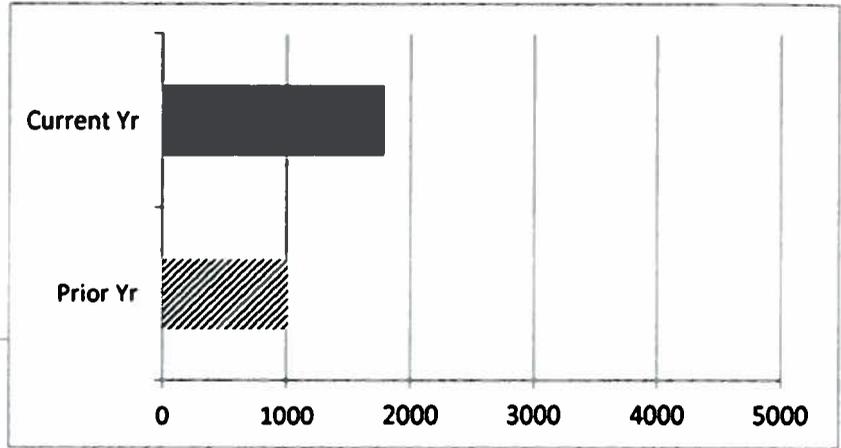
IMS SELF INSURANCE DIVISION

September 2013

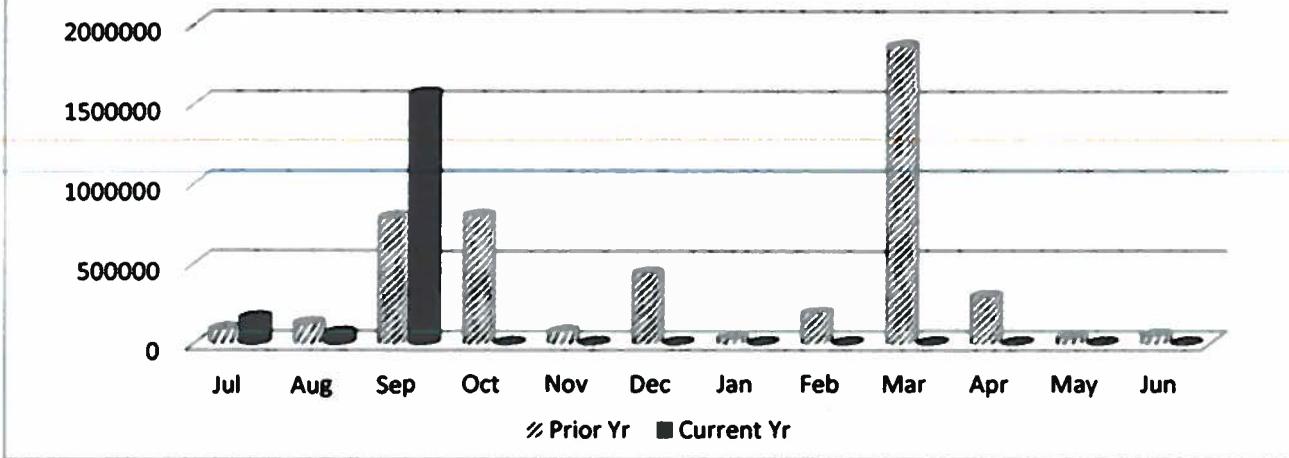
During the month of September 2013, the Self Insurance Division:

- * collected \$1,561,997 in self-insurance tax.
- * added 27 new self-insurers.
- * conducted 4 Self Insurance audits.

Year to Date, Self Insurance tax revenue is trending at 177% of prior year and 11 Self Insurance audits have been completed.



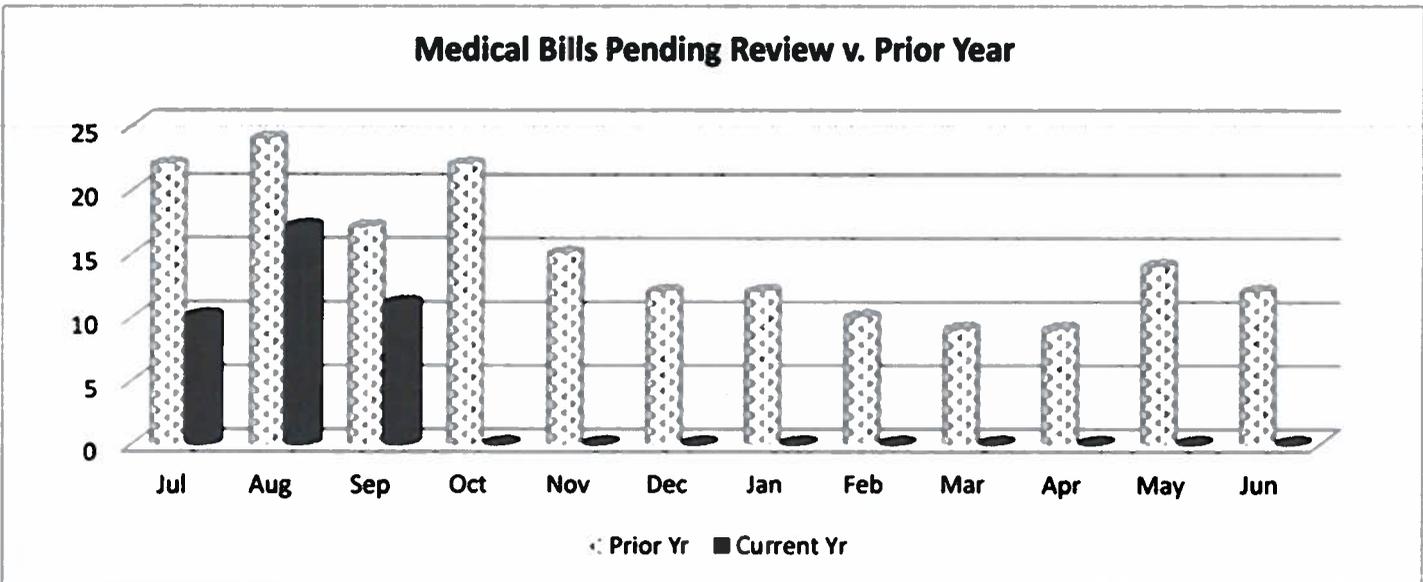
Self Insurance Tax Collections v. Prior Year



IMS MEDICAL SERVICES DIVISION

In September 2013, the Medical Services Division began the month with 17 bills pending review, received an additional 12 bills for review, conducted 18 bill reviews and ended the month with 11 bills pending.

Medical Bills Pending Review v. Prior Year



State of South Carolina



Workers' Compensation Commission

To: Gary Cannon
SCWCC Executive Director

From: Grant Duffield
Interim Claims
Director

Date: October 1, 2013

Subj: Claims Department
September 2013 Full Commission Report

Please find attached information provided to summarize key workflow benchmarks related to the functions of the Claims Department. In addition to the statistical data provided herein, please note the following information.

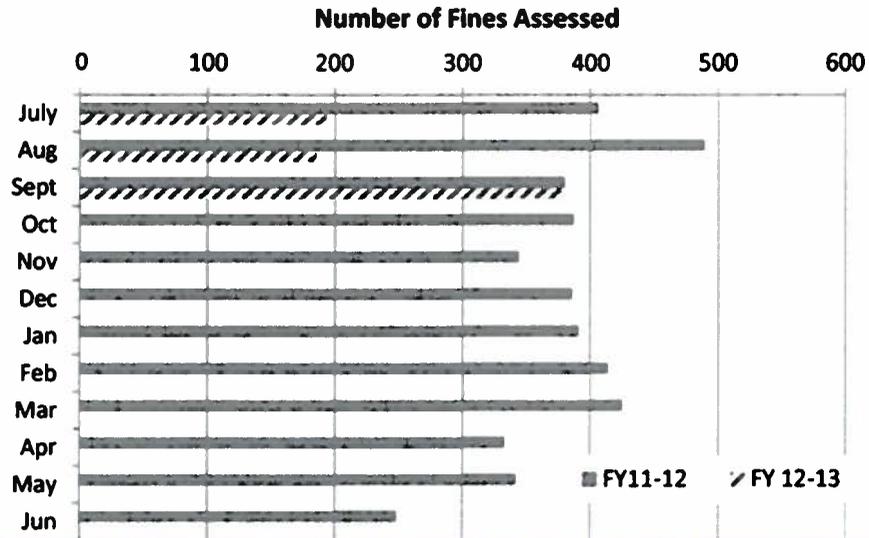
For the month of September 2013, the Claims Department has:

1. Closed 2561 individual case files.
2. Collected \$35,050.00 in Fine revenue.
3. The examiners reviewed 998 individual case files.
4. Working with staff to define opportunities to improve claims related processes.
5. Reallocated workflow priorities to allow for improved Form review and existing casefile audits.
6. Continued to assist IMS in the processing of Carrier related Order and Rule to Show Cause Hearing matters.
7. Working closely with IT to improve our intra departmental processes in an effort to continue to provide exceptional service.

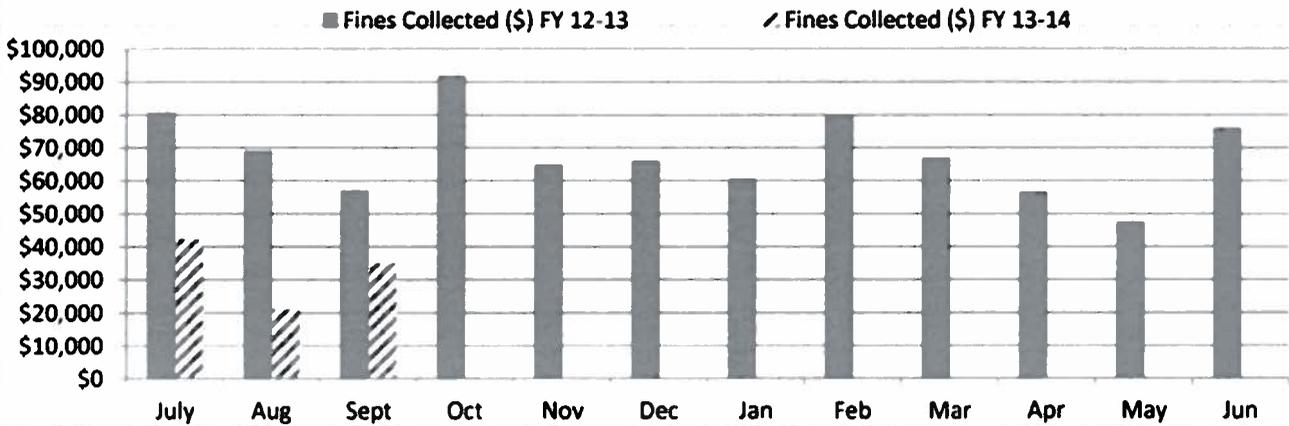
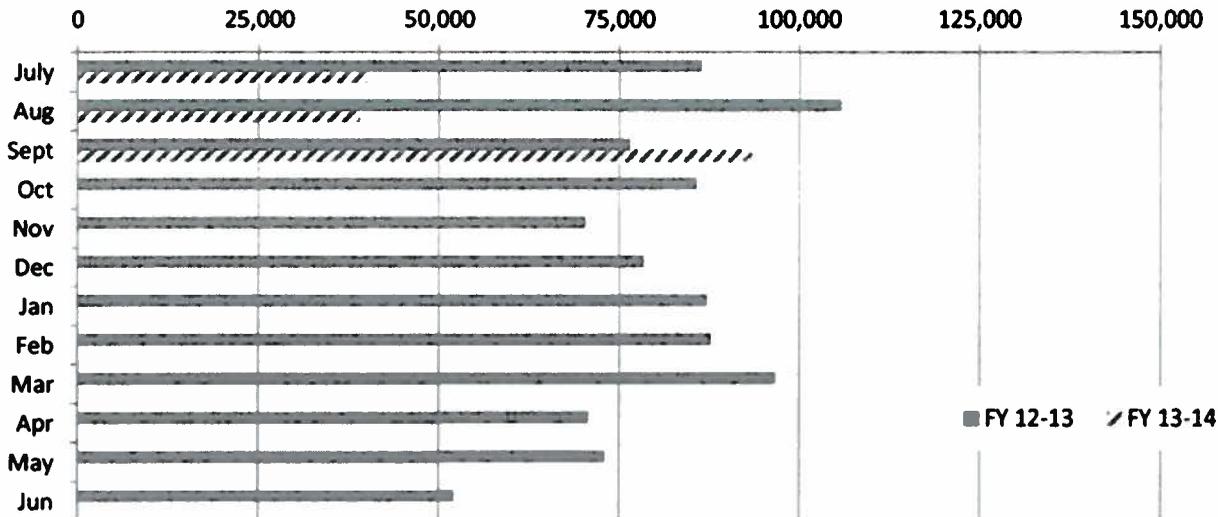
CLAIMS DEPARTMENT - Fine Activity Report Oct 2013

The number of fines assessed by the Claims Department increased in number to 377 from 185 in August. The number of Claims fines paid decreased from 190 in August to 174 in September.

Total fine dollars assessed in sept was \$93,500 an increase over prior month \$36,000. Fine revenue received in sept was \$35,050 an increase over prior month \$21,200



Net Fines Assessed (\$)



Claims Department - Fine Activity Report - July 2013

Fines Assessed (#)

	FY12 -13	FY 13-14
July	406	193
Aug	489	185
Sept	380	377
Oct	387	0
Nov	344	0
Dec	386	0
Jan	391	0
Feb	414	0
Mar	425	0
Apr	333	0
May	342	0
Jun	248	0
Total	4,545	755
Mo Avg	379	252

Fines Received (#)

	FY 11-12	FY 12-13
July	363	162
Aug	314	190
Sept	275	174
Oct	437	0
Nov	295	0
Dec	313	0
Jan	302	0
Feb	373	0
Mar	334	0
Apr	307	0
May	235	0
Jun	371	0
Total	3,919	526
Mo Avg	478	175

Net Fines Assessed (\$)*

	FY 12-13	FY 13-14
July	86,325	40,000
Aug	105,800	39,000
Sept	76,500	93,500
Oct	85,780	0
Nov	70,300	0
Dec	78,400	0
Jan	87,200	0
Feb	87,700	0
Mar	96,650	0
Apr	70,750	0
May	73,000	0
Jun	52,100	0
Total	970,505	172,500
Mo Avg	80,875	57,500

Fines Collected (\$)

	FY 12-13	FY 13-14
July	\$80,825	42,350
Aug	\$69,100	21,200
Sept	\$57,075	35,050
Oct	\$91,925	0
Nov	\$64,825	0
Dec	\$65,950	0
Jan	\$60,550	0
Feb	\$79,875	0
Mar	\$67,000	0
Apr	\$56,650	0
May	\$47,550	0
Jun	\$76,100	0
Total	817,425	98,600
Mo Avg	68,119	32,867

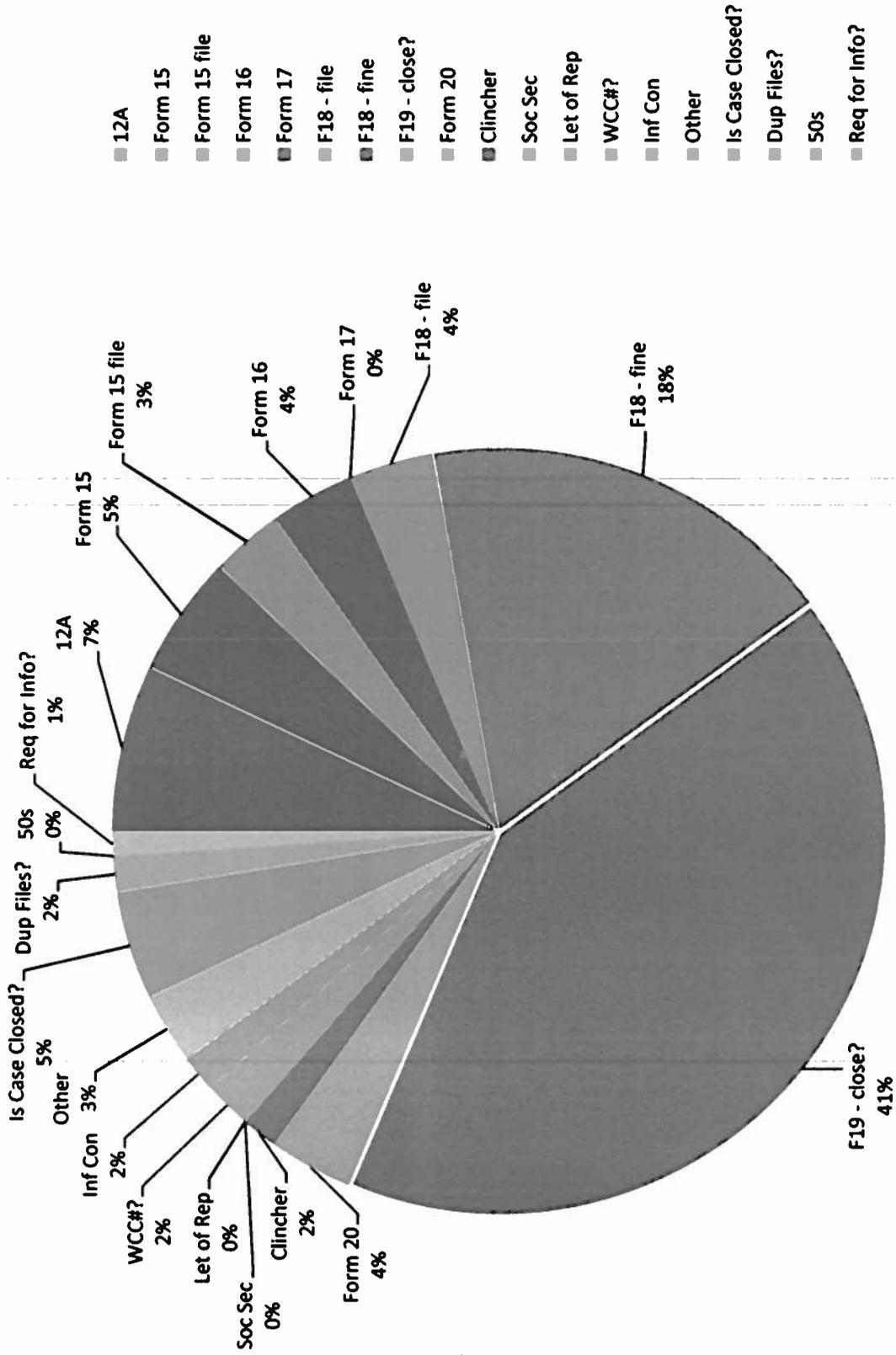
*after reductions and rescinded

Five Year Claims Fine Collection History												
FY 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014												
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
2009-2010	100,383	119,853	100,026	66,565	61,627	54,390	66,200	1,003,600	203,410	159,375	218,150	86,500
2010-2011	147,025	144,825	119,325	120,300	128,000	103,000	104,200	101,700	110,650	119,525	117,875*	124,650*
2011-2012	111,875	103,800	83,300	81,300	85,100	110,700	126,700	120,225	116,915	100,200	61,050	90,450
2012-2013	80,825	69,100	57,075	91,925	64,825	65,950	60,550	79,875	67,000	56,650	47,550	48,500
2013-2014	42,350	21,900	35,050									
*May collected figures include payments 5/1/2010 through 6/1/2010												
** June collected figure includes payments 6/1/2010 through 6/30/2010												

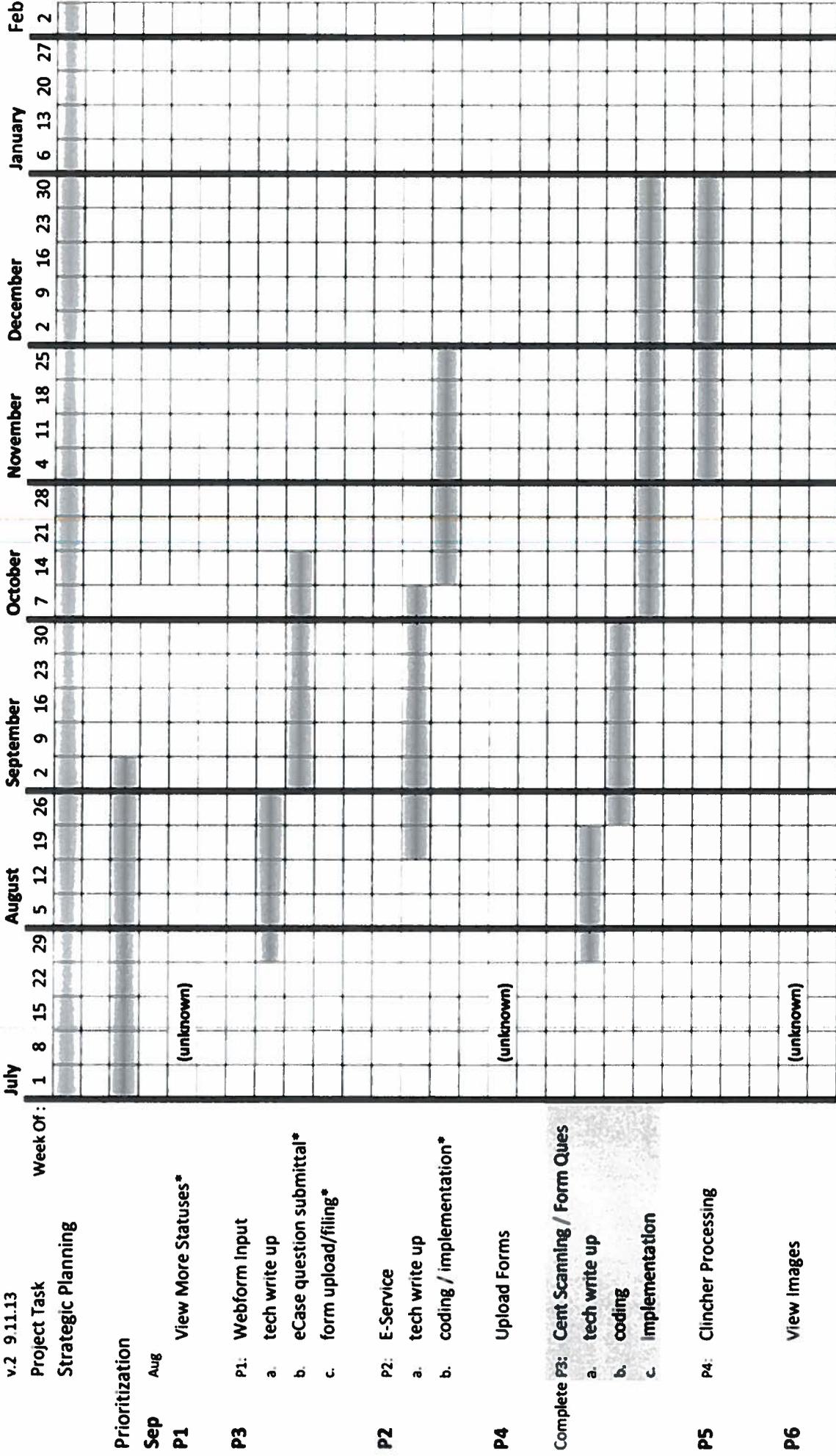
Claims Email Questions 9/1 - 9/30

Form Type	Count	Question / Comment
12A	14	"We wish to appeal the 12A fine"
Form 15	10	"We wish to appeal the fine for improper/incorrect filing of a Form 15"
Form 15 file	6	Attached, please find a Form 15 for filing"
Form 16	7	"Attached for processing"
Form 17	0	"Attached for processing"
F18 - file	7	"Form 18 attached for filing"
F18 - fine	35	"We wish to appeal the Form 18 fine"
F19 - close?	82	"We have submitted the Form 19; why doesn't this case show up as 'closed' on eCase?"
Form 20	7	"Has a Form 20 been issued for this case?"
Clincher	3	"We have submitted a Clincher agreement for approval. What is the status?"
Soc Sec	0	"Attached for processing"
Let of Rep	0	"Attached, please find a letter of representation."
WCC#?	4	"Has a WCC number been assigned for this case/injury?"
Inf Con	3	"We have requested an Inf Conf. Has a date been assigned?"
Other	6	
Is Case Closed?	9	"What further information does the Commission require in order to close this file?"
Dup Files?	3	"It appears that there are two WCC files established for the same injury/case. Are these duplicates? Which WCC number should we use?"
50s	0	"Please find attached a Form 50 concerning this case."
Req for Info?	2	"We have received a request for information from the Commission concerning this case. What information is needed?"

Claims Questions Received - September 2013



Claims Department - IT Priority Projects



* Bravepoint lead



Workers' Compensation Commission

MEMORANDUM

October 14, 2013

To: Gary Cannon
Executive Director

From: Virginia Crocker
Judicial Director

RE: MONTHLY REPORT

The Judicial Department continues to conduct the statewide Mediation Workshops, with the final one held October 10, 2013 in Greenville. More than one hundred attorneys, paralegals and insurance adjusters have participated. The input from our participants has been extremely helpful in our refining our mediation process.

We currently have four hundred and forty (440) cases scheduled for mediation. Eighty-one (81) have been resolved and thirty one (31) have resulted in impasse and have been forwarded to the Jurisdictional Commissioner for hearing.

We participated in the fourteenth round of mediation in our aggregate cases and resolved sixty five (65). We have an additional round of aggregate mediations scheduled for the week of October 21.

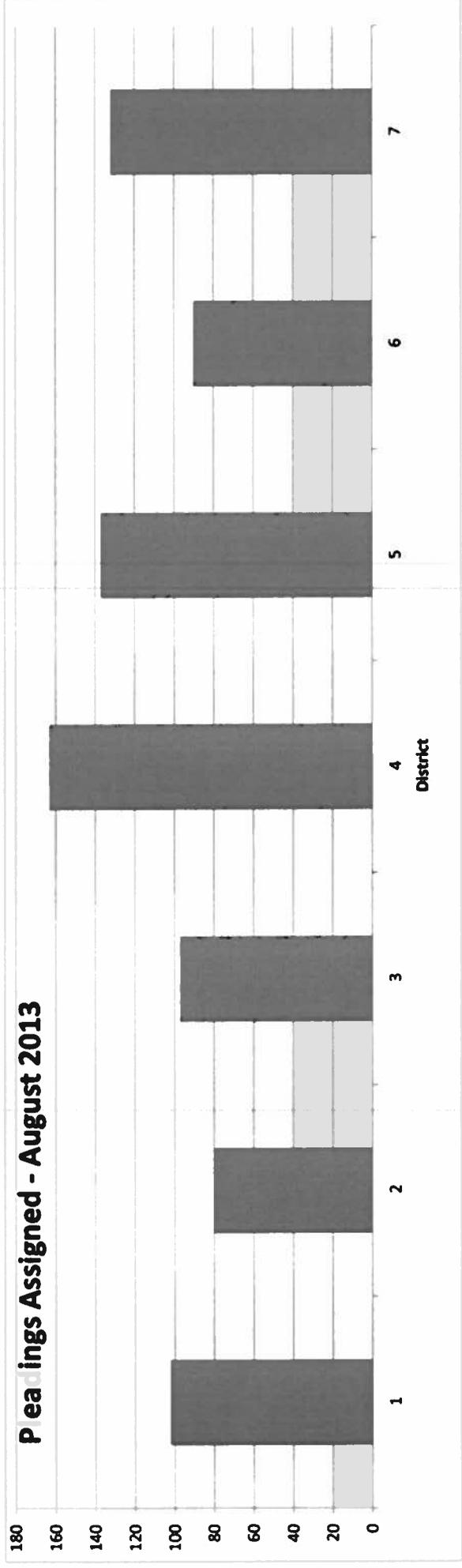
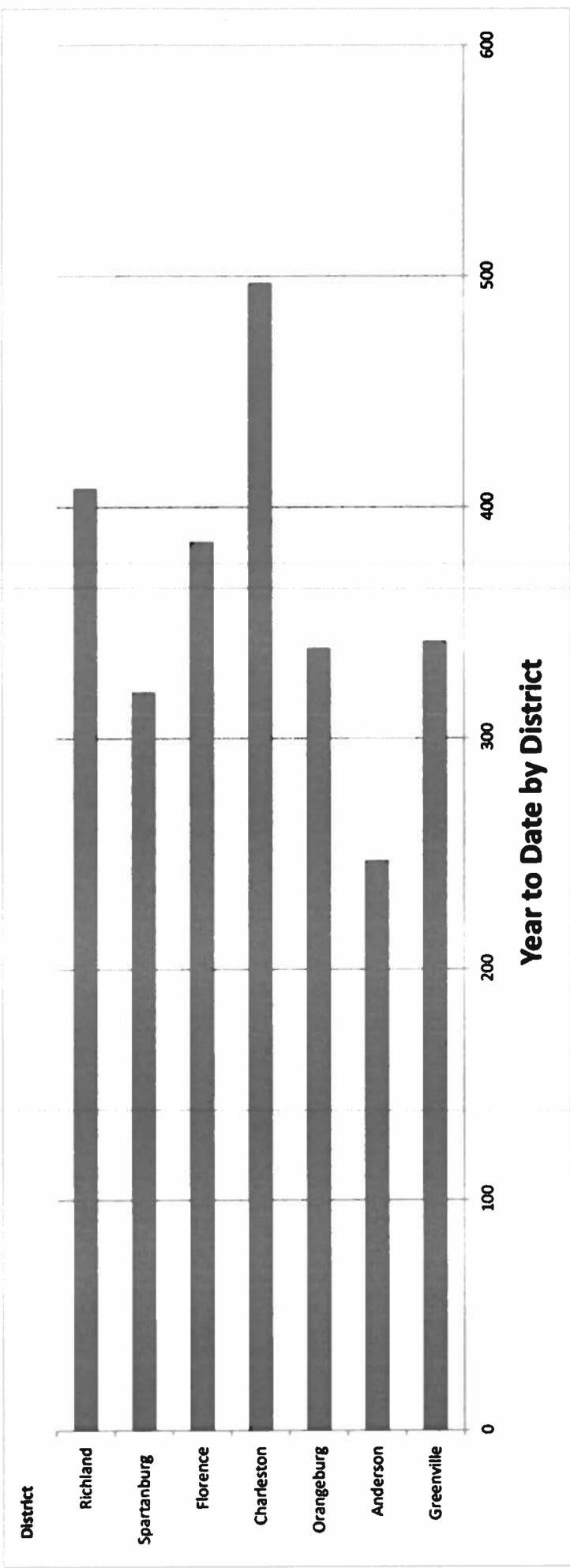
The department is managing the mediation docket as well as the hearing docket in an efficient manner and continues to address questions from our constituents throughout the state.

Pleadings Assigned

	District 1 Greenville			District 2 Anderson			District 3 Orangeburg			District 4 Charleston			District 5 Florence			District 6 Spartanburg			District 7 Richland		
	13-14	12-13	11-12	13-14	12-13	11-12	13-14	12-13	11-12	13-14	12-13	11-12	13-14	12-13	11-12	13-14	12-13	11-12	13-14	12-13	11-12
Jul	119	94	85	96	89	106	121	124	103	164	160	153	117	140	155	111	99	135	173	163	
Aug	121	133	140	71	100	104	121	126	122	170	176	199	131	153	149	119	149	141	215	183	
Sep	102	95	121	80	100	95	97	101	128	163	144	143	137	101	152	90	107	132	144	148	
Oct		118	118		97	97		120	134		188	198		138	128		115		146	144	
Nov		111	159		99	94		125	133		153	151		139	121		106		138	191	
Dec		74	164		80	142		142	104		126	181		118	117		116		108	144	
Jan		111	112		106	90		118	122		193	180		128	111		121		141	129	
Feb		106	163		98	114		115	112		165	141		114	136		89		133	153	
Mar		104	118		90	84		107	126		134	162		143	149		121		160	118	
Apr		122	121		73	89		107	101		155	126		108	143		103		162	185	
May		67	105		67	79		78	131		134	148		80	130		102		107	144	
Jun		98	112		80	94		121	119		163	170		121	134		110		144	154	
Totals	342	1233	1518	247	1079	1188	339	1384	1435	497	1891	1952	385	1483	1665	320	1338	408	1771	1856	

Pleadings Assigned 2013-14



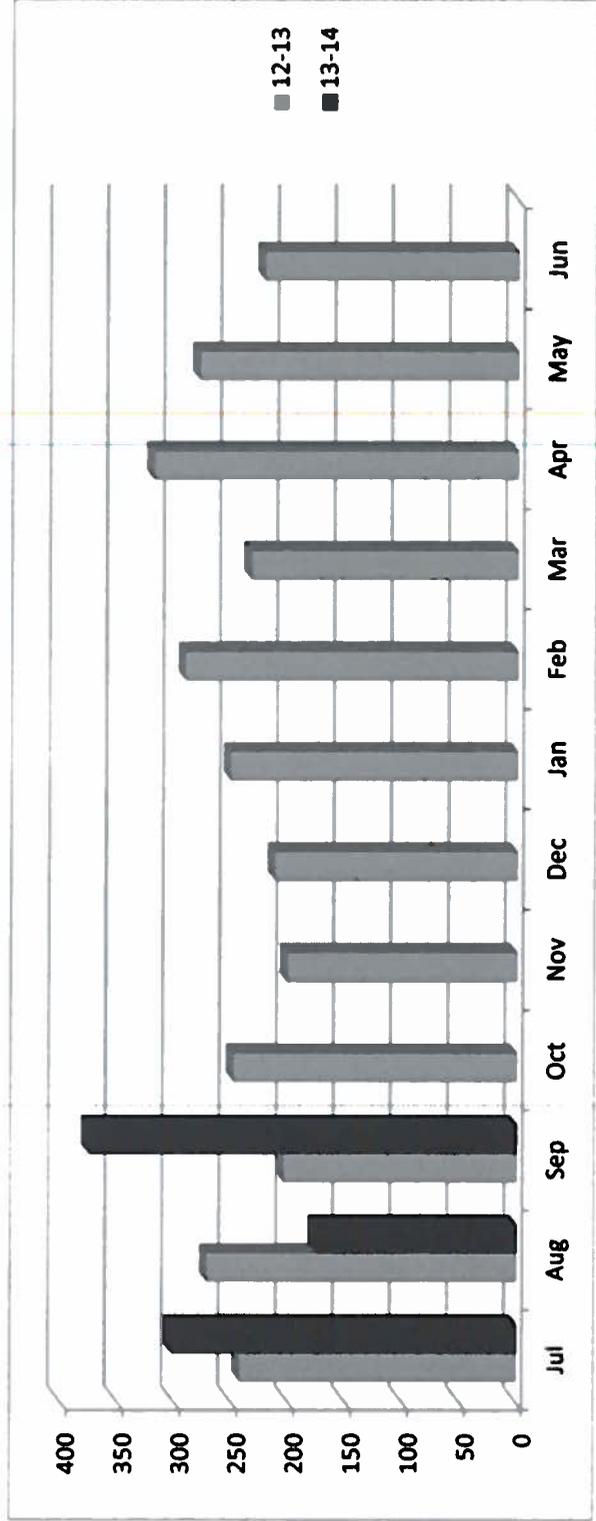
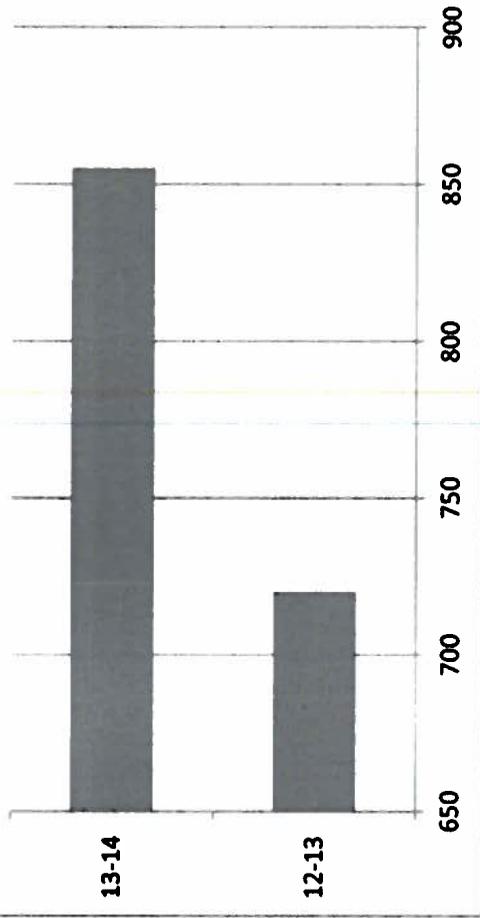


Informal Conf. Conducted

	12-13	13-14	
Jul	243	303	124.7%
Aug	272	176	64.7%
Sep	205	376	183.4%
Oct	249	0	0.0%
Nov	202	0	0.0%
Dec	213	0	0.0%
Jan	252	0	0.0%
Feb	292	0	0.0%
Mar	234	0	0.0%
Apr	320	0	0.0%
May	280	0	0.0%
Jun	223	0	0.0%
Total	2985	855	

Y-T-D **12-13** **13-14** **720** **855** **118.8%**

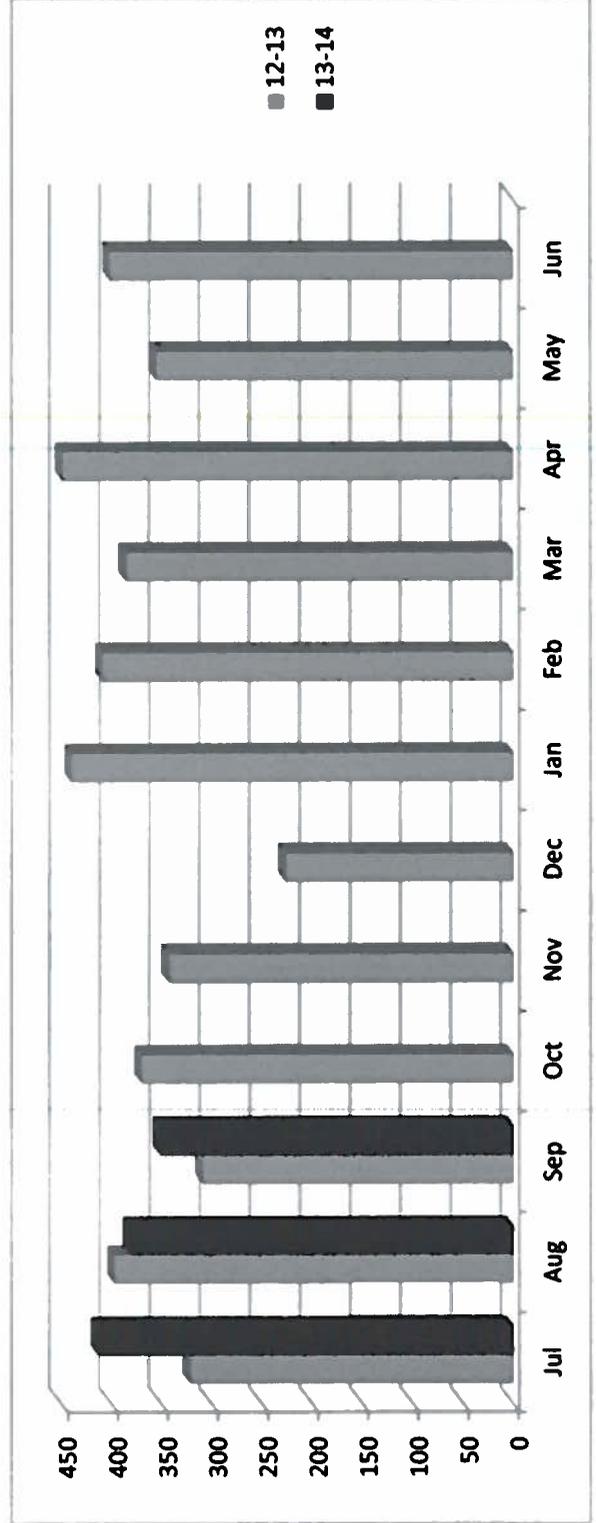
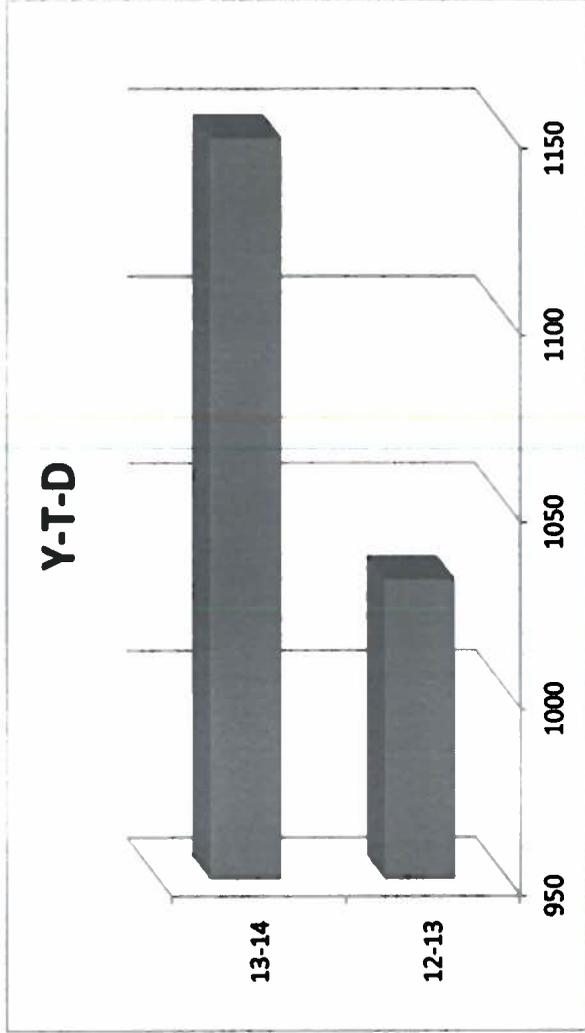
IC's to Date v. Prior



Informal Conf. Requested

	12-13	13-14
Jul	322	414
Aug	398	382
Sep	310	352
Oct	371	
Nov	343	
Dec	227	
Jan	441	
Feb	410	
Mar	386	
Apr	450	
May	356	
Jun	403	
Total	4417	1148

Y-T-D	12-13	13-14
	1030	1148
Y-T-D	1.114563	



State of South Carolina

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



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

Workers' Compensation Commission

Executive Director's Report Gary M. Cannon October 11, 2013

FY2012-2013 Accountability Report

The FY 2012-2013 Accountability Report was submitted to the Office of State Budget on October 4, 2013. The report is posted on the website.

FY2014-15 Budget Plan

The FY 2014-2015 Budget Plan was submitted to the Office of State Budget on October 1, 2013.

Mediation Regulation Workshops

A total of 135 registered for the Mediation Regulation Workshops conducted in Charleston on September 26, Columbia on October 3, and in Greenville on October 10. Below is a breakdown of the registration:

- Adjusters – 13
- Attorneys – 60
- Paralegals – 50
- Other – 12 (Risk Management; Mediator; HR; Office Manager; Legal Assistant; Claims Manager)

The responses from the participants have been very positive.

Claims Administration Workshop

Registration has begun for the Commission's Claims Administration Workshop scheduled for Thursday, October 31, 2013 at SC Department of Archives and History.

Employee Meetings/Staff Training

An All Employee meeting was held on September 19. The Executive Leadership Team met on September 24. The Executive Director held a strategic planning session with department heads on October 8. The Executive Director held meetings with each staff member in the Claims Department.

Other Meetings

The Executive Director participated in the following meetings/activities:

- September 17 – NCCI State Advisory Forum, Hilton, Columbia
- September 18 – Met with claimant

- September 25 – Budget and Control Board Agency Directors IT Meeting
- September 26 – Participated in Mediation Workshop in Charleston
- September 30 – Interviewed two Claims department employees
- October 1 - Interviewed one Claims department employee
- October 1 – CAME Planning Meeting
- October 2 – Meeting with representative with Conexia
- October 3 – Participated in Mediation Workshop in Columbia
- October 10 – Participated in Mediation Workshop in Greenville

Informal Conference Mediators Training

The Informal Conference mediators did not observe any clincher conferences conducted by individual Commissioners during the month of September.

Constituent /Public Information Services

For the period September 9, 2013 through October 7, 2013 the Executive Director’s Office and the General Counsel’s office had 664 contacts with various system constituents and stakeholders. The contacts included telephone communications; electronic and personal contacts with claimants or constituents, state agencies, federal agencies, attorneys, service providers, business partners; and letters with congressional offices.

SCWCC Stakeholder Electronic Distribution List

For the period September 9, 2013 through October 7, 2013, we added six individuals to the Commission’s stakeholder distribution list. A total of 428 individuals currently receive notifications from the Commission.

SC Vocational Rehabilitation Department

Attached is a report on SCVRD/WCC referrals provided by Chuck Hamden, SCVRD Counselor, for September 2013.



South Carolina Vocational Rehabilitation Department

*Enabling eligible South Carolinians with disabilities to prepare for,
achieve and maintain competitive employment.*

Barbara G. Hollis, Commissioner

MEMO

TO: Gary Cannon
FROM: Chuck Hamden, SCVRD Counselor
DATE: September 28, 2013
RE: SCVRD/WCC Referrals

As the SCVRD counselor assigned to the Workers Compensation Commission, I held office hours at WCC for two (2) days in the month of September 2013.

During the September office hours, SCVRD has continued to review the Workman's Compensation Commission files for Richland and Lexington counties for 2012. With the continued implementation of the WCC Query program, twenty-five (25) referral letters have been sent in August out to potential clients.

As of September 28th, 2013, nine (9) potential WCC referrals have responded to inquiry letters:

- Eight (8) referrals have been made for the Richland County SCVRD office and six (6) have opened cases
- One (1) referral from the McDaniels Law Firm was seen and a case was opened
- One (1) letter was returned with no forwarding address.

In regards to the SCWCC-SCVRD Portal, the site is in production mode and Area Supervisors are being loaded into the portal for use. The presentation to the SCVRD Core team was made on September 9th, 2013. WCC IT Team has been contacted for changes to the portal and next steps will be to begin briefings and training for Area Development Managers and Area Supervisors with a tentative implementation date of January 2014.

**SC Vocational Rehabilitation Dept
Workers' Comp Referrals SFY 2013**

Primary Disability	#
Mobility Impairments	0
Manipulation/dexterity impairments (hand/fingers)	0
Other Orthopedic Impairments (e.g. limited range of motion)	3
General physical debilitation (fatigue, weakness, chronic pain)	7
Hearing or visual impairments	0
Other physical impairments (not listed above)	1
Total	11

September 23, 2013

VIA E-MAIL ONLY

Honorable T. Scott Beck, Commissioner
SC Workers' Compensation Commission
1333 Main Street, Suite 500
Columbia, SC 29202-1715

RE: Zachary Underwood v. Michelin North America, Inc. (US5)
WCC File No.: 1116740
Date of Accident: 12/02/11
Claim No.: 002550-075103-WC-01
Our File No.: 6555/8009

Dear Chairman Beck:

As you obviously know, I represent numerous employers and workers' compensation carriers in the defense of workers' compensation claims in South Carolina. Relative to the above-referenced claim, I represent Michelin and its Third Party Administrator, Gallagher Bassett. After discussing a specific issue with several SCWCC staff as well as numerous prominent persons in the WC industry, I am writing to you and several other officials to voice some concern over an apparent unwritten policy at the SCWCC.

Specifically, the above-referenced claim involved a burn injury to Mr. Underwood. He was initially seen at the Joseph M. Still Burn Center in Augusta, Georgia. As you know due to prior litigation, the Burn Center is not subject to the SCWCC Medical Fee Schedule. In the above-referenced case, Mr. Underwood only missed 2 weeks of work before returning to employment full time at the end of 2011. He has continued to work regular duty for the employer since that time receiving his normal pay. Because the claim involved burns, and the treatment took place at the Augusta Burn Center, the medical bills eventually exceeded \$50,000, despite only 2 weeks of lost time from employment. Moreover, the ultimate rating shows Mr. Underwood to have received only 4% loss due to second degree burns on the hand, forearm and face. This equated to a 2% whole person loss per Dr. Hassan. After waiting the necessary healing time, and obtaining the Form 14B from Dr. Hassan, the parties together requested an Informal Conference. The case was set for same to take place August 16, 2013. However, just before same, the parties were advised that the case was "automatically set for a Hearing because medical expenses exceeded \$50,000." There was no request by Claimant or defendants for a Hearing. In fact, both acknowledged via e-mail that they wanted to proceed to the

Informal Conference. Nevertheless, this was not allowed and the resulting Hearing has been set for October 8, 2013, before Commissioner James. At this time, no formal discovery has yet taken place even though this matter has been set for a formal Hearing. The reason for same is the hope by the defendants that the matter can be reset for an Informal Conference to avoid both legal expense and possible discovery if the matter goes forward as a Hearing.

While I write to you about this specific case, because it is already in the posture of having an Informal Conference scheduled and unilaterally postponed and set for a Hearing, I am writing to you more in general about the issues that this unwritten procedure could create. Specifically, because the case has been set for a Hearing rather than an Informal Conference, Michelin is required to obtain legal counsel. If the matter proceeds to an Informal Conference this is not required. I have searched the Statutes and Regulations and see no requirement that cases with in excess of \$50,000 in medical expenses require a Hearing. Moreover, in today's WC world, 1 successful surgery with little to no impairment could easily exceed this threshold regarding medical expenses. In fact, as our specific case above points out, Mr. Underwood only missed work for 2 weeks and had in excess of \$50,000 in medical expenses due to the nature and location of the medical treatment. Obviously, one concern is that once the Defense Counsel issues a letter of representation to a pro se Claimant, the Claimant will proceed to obtain an attorney. This will generally result in likely discovery which may have been completely unnecessary had an Informal Conference been allowed to go forward first. This will do nothing more than increase legal expense, possibly create issues which may have never been raised and could result in Claimants receiving lower awards or settlements than they may have received otherwise, either because of the discovery which takes place, the animosity sometimes created by the litigation process, or the Claimants being required to share their awards/settlements with their own attorneys. Additionally, the process will likely result in appeals to the Full Commission and possibly beyond in cases which may have resolved satisfactorily at an Informal Conference had that process been allowed to go forward. Obviously, the position I am taking on behalf of my clients will decrease the legal fees that even I and other defense attorneys may receive if you agree with my request, however, I believe it is the proper approach in almost all claims whenever possible which are similar to this one.

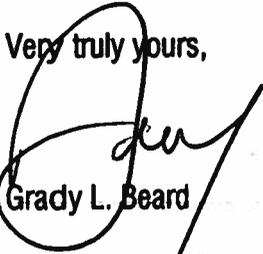
In summary, I am requesting on behalf of my clients that the SCWCC not have an arbitrary dollar figure for medical costs in a WC claim, but rather let the process proceed through the normal channels because if the case is not appropriate at an Informal Conference, those in charge are well versed in the issues and can then require a Hearing if necessary allowing the process to proceed as it should. As can be seen from the very basic facts of this case, the \$50,000 threshold for medical expenses was easily reached in this case due to the nature of the injuries; however, the problems have essentially resolved, Mr. Underwood has returned to regular duty for nearly 2 years, and he has a very low

impairment or possibly disfigurement. My clients do not wish to pay unnecessary legal expenses in these types of cases which will only increase in the future as legal expenses continue to escalate in our society. Therefore, we would request the SCWCC to eliminate this apparent unwritten procedure, allow this specific case to go through the Informal Conference process, and decide cases on a case by case basis in the future as I thought had always been the case before being advised by my clients of this procedure I had never heard about before. I believe if the SCWCC adopts my recommendation, then there will be less litigation, much better relations between employers and employees, and the SCWCC personnel in charge of deciding fairness at Informal Conferences will have the judgment to determine which cases should be set for Hearings.

I have copied several people with my letter as this was recommended to me by several staff I talked with regarding this issue, and with several prominent WC individuals. I have also copied Commissioner James and Mr. Underwood since the case is currently set for a Hearing on October 8, 2013. Again our hope is the case will be reset as an Informal Conference and if either Mr. Underwood or Michelin, or the SCWCC staff person who reviews the case are not satisfied then it will proceed to be reset as a Hearing like all other Informal Conference reviews. If it remains a Hearing, then there is the potential that formal discovery will be necessary, although that will be the decision of my clients in this specific case. I look forward to hearing from you or any of those copied below on this thought process. Please do not hesitate to call me if you have any questions.

With kindest personal regards, I remain

Very truly yours,



Grady L. Beard

GLB:amh

cc: Gary Cannon, Executive Director of the SCWCC (via e-mail only)
Virginia Crocker, Judicial Director of the SCWCC (via e-mail only)
Honorable Melody L. James, SCWCC Commissioner (via e-mail only)
Mr. Zachary Underwood (via certified mail - 7012 3460 0001 9343 3367)
Catherine Davis, Gallagher Bassett (via e-mail only)
Karen Helms, Gallagher Bassett (via e-mail only)