

AGENCY NAME:	Workers' Compensation Commission	
AGENCY CODE:	R080	SECTION:

**Fiscal Year 2019-2020
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	The mission of the South Carolina Workers' Compensation Commission is to provide an equitable and timely system of benefits to injured workers and employers in the most responsive, accurate, and reliable manner possible.
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AGENCY VISION	The vision of the SC Workers' Compensation Commission is to judiciously consider the facts of each case and render decisions based on the application of those facts to the law; for all stakeholders to be treated fairly and equitably and in a timely manner; to have an organizational culture that promotes efficiency and effectiveness; and to always keep in mind each case involves a human being.
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Please select yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

	Yes	No
RESTRUCTURING RECOMMENDATIONS:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

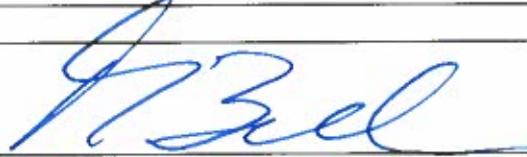
Please identify your agency's preferred contacts for this year's accountability report.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Gary M Cannon	803-737-5726	gcannon@wcc.sc.gov
SECONDARY CONTACT:	Sandee Sprang	803-737-5685	ssprang@wcc.sc.gov

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I have reviewed and approved the enclosed FY 2016-2017 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR (SIGN AND DATE):		
	(TYPE OR PRINT NAME): Gary M Cannon	

BOARD/CMSN. CHAIR (SIGN AND DATE):		
	(TYPE OR PRINT NAME): T. Scott Beck	

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AGENCY’S DISCUSSION AND ANALYSIS

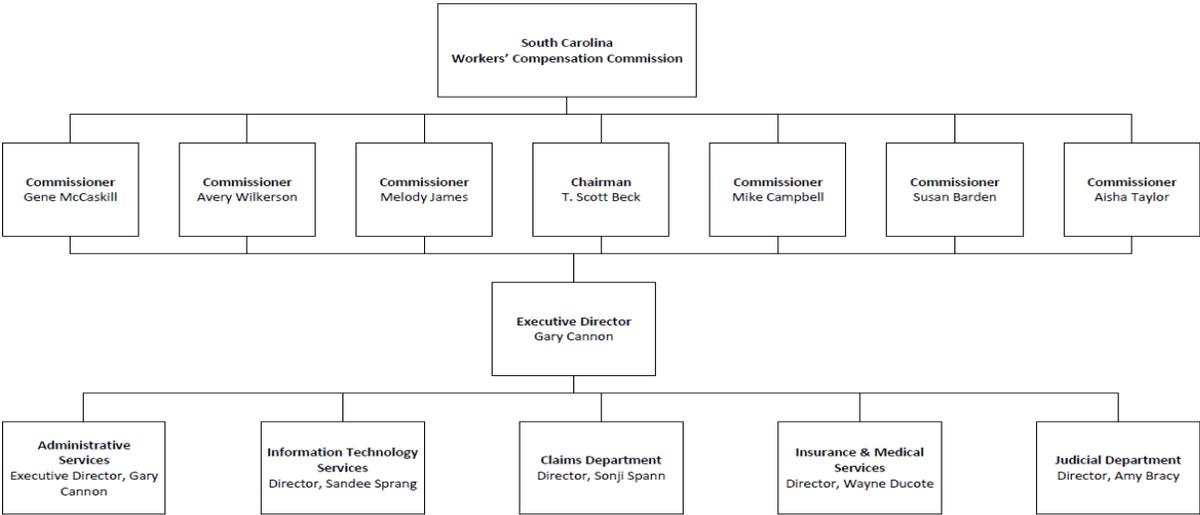
Established in 1935 as the South Carolina Industrial Commission, the South Carolina Workers’ Compensation Commission is charged with administration of the South Carolina Workers’ Compensation Act (the Act) found in Title 42 of the Code of Laws of South Carolina. In accordance with the Administrative Procedures Act, the Commission also promulgates rules and regulations necessary to implement the provisions of Title 42. Every South Carolina employer and employee, with certain notable exceptions, is presumed to be covered by the Act. The system is based on a “no-fault” premise. The Act establishes “loss parameters” that limit the employers’ losses to defined amounts while ensuring workers in South Carolina receive quality medical treatment and compensated wages if injured in the workplace.

Employers covered by the provisions of the Act are required to maintain insurance sufficient for the payment of compensation, or they may become self-insured by furnishing the Commission satisfactory proof of their ability to pay the compensation in the amount and manner due an injured employee. The South Carolina Department of Insurance is responsible for approving rates and classifications for all workers' compensation insurers.

Workers’ Compensation Commission has a total of 63 authorized positions. During FY20 the Commission employed 51 FTEs and five temporary employees; 8 unclassified positions and 43 classified positions.

Commissioners

The Commission consists of seven Commissioners appointed by the Governor with the advice and consent of the Senate for terms of six years. The Governor designates one commissioner as Chairman for a term of two years. The Chair is the chief executive officer of the Commission and responsible for implementing policies established by the Commission in its capacity as the governing board. In its judicial capacity the Commissioners are responsible for hearing and determining all contested cases, conducting informal conferences, approving settlements, approving fee petitions and hearing appeals. The following is an organization chart.



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Administration

The Commission's annual operating budget is categorized in five departments in the Annual Appropriations Act: Administration, Commissioners, Judicial Management, Insurance and Medical Services and Claims. The department directors report to the Executive Director. The Executive Director is responsible for direct oversight of the administrative support services, human resources, budgeting and finance, procurement, facility management and legal services. The Information Technology (IT) Services function is budgeted under Administration in the Appropriations Act, however the department operates like the other functional departments where the department head reports to the Executive Director. The IT Director reports to the Executive Director.

Executive Director's Office

The Executive Director's Office provides oversight of the administrative functions of the agency. This includes budget preparation, financial management and accounting, requisition and procurement, human resources, legal counsel, public information and ombudsman services.

As a result of the employee in the Finance Accounting Technician position leaving the employment of the Commission, management decided to contract with the SC Department of Administration for administrative support services. In July 2019 the Commission entered a Memorandum of Understanding with the SC Department of Administration for procurement services and finance and accounting services. The procurement services include purchasing solicitations, purchase order creation, purchase order sourcing, and procurement reporting. Finance and accounting services include general accounting, accounts receivable and payable, deposit processing, preparation of monthly financial reports, assistance with preparation of the annual operating budget, and completion of year-end reporting packages. This resulted in a savings of \$10,000 to the Commission. However, certain duties were retained in-house and assumed by the Executive Director's Executive Assistant. During FY20 the Executive Assistant processed ten purchase requisitions, 257 deposits, 639 invoices, and 131 travel expense reports.

As a part of the public information, outreach and ombudsman services the Executive Director's office logged 8,400 telephone communications, electronic and personal contacts with external stakeholders. Thirty-four general notices, policy advisories, updates and fourteen agendas and supporting documents for the Commission Business Meetings were posted on the Commission's website and emailed to 785 individuals and organizations on a distribution list. Fifteen email addresses were added to the list during FY20.

Office of the General Counsel

The Office of the General Counsel is part of the Executive Director's Office and operates with two FTEs, a General Counsel and Staff Attorney, and 3 part time Law Clerks. The General Counsel was directly involved in seven litigated cases in FY 2019-2020; three cases pending before the Court of Common Pleas, one case pending before the Chief Procurement Officer, and three cases pending before the SC Court of Appeals. General Counsel also advised on issues involving the State Ethics Commission and security matters with law enforcement. The Office of General Counsel Legal assisted the Commissioners with drafting orders, giving assistance an average of 3 times per week, and regularly consulted with Commissioners on questions of workers' compensation law and their judicial duties. The Office wrote twenty-two proposed orders for single Commissioners or the Full Commission. General Counsel also was the lead on developing the case study, coordinating staff involvement and was the primary presenter at Commission's annual "Nuts and Bolts" seminar for stakeholders.

The Staff Attorney oversees the enforcement of fines and penalties due the Commission through the use of Order and Rule to Show Cause Hearings. Staff Attorney represented the Commission in 101 cases set for these Hearings and appeared at nine Hearings resulting in Rule to Show Cause Orders. This number was significantly less due to Covid-19 restrictions.

Human Resources

The primary focus for Human Resources during fiscal year 2019-2020 was twofold. From July 2019 through February 2020 Human Resources was focused on providing staff with information regarding benefits and assisting

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them with Human Resource issues. In addition, the HR Manager worked to recruit, train, measure and evaluate performance and to provide data to support recommended changes in policies and procedures. In 2019 the HR Manager attended two PEBA training sessions, and two SCEIS training sessions. Additionally, the HR Manager attended and participated in the annual State SHRM conference, in two State HR Advisory meetings and was asked to join the State Training and Development Consortium. The Commission had fifty-three approved FTEs. During FY20, one employee retired, on part-time intern separated, one employee was promoted internally, and one new staff member was hired from eighty-one applications. Three law clerk interns were employed during the summer and assigned to the General Counsel's office during this period.

Beginning in March 2020 the HR Office took on additional responsibilities related to COVID-19. This included preparing work from home policies, procedures, setting expectations, and providing employees Personal Protective Equipment, signage, and sanitation supplies for employees working on-site and coordinating the delivery of equipment for employees working from home. Written and oral communications occurred with the employees regarding the COVID-19 virus. Daily, the HR Manager was required to report to State HR (DSHR) the number employees are working onsite, the number are working from home, the number on leave because of COVID-19 and the number using sick/annual leave. Since March 23, 2020 the South Carolina Workers' Compensation Commission has had a daily average of 14 employees working onsite, thirty-nine employees working off-site and one employee using authorized sick or annual leave. To monitor production levels of employees working off-site, the HR Manager received production reports from the department directors. The information was summarized into a weekly report for management's review.

Information Technology Department

The IT Department is staffed with 5 employees who support the internal stakeholders by providing the appropriate technology to allow staff to work efficiently. The department supports the agency's external stakeholders by providing assistance with EDI transmissions, electronic submission of files, and end user support of the eCase portal. During FY20, the IT Department's resources were challenged to maintain agency operations while dedicating 4 staff to the Legacy Modernization Project, KERMIT. Despite all efforts by the agency, the deficiencies in the functionality of the system developed by vendor were so significant, the implementation was stopped, and the legacy system was re-activated. Subsequently, the vendor walked away from the project, discontinuing their effort to correct the system's issues. The Commission filed a Request for Resolution for breach of contract against vendor with the Procurement Department of the State Fiscal Affairs Authority. The IT Team then engaged with Microsoft to complete a gap analysis of the system. This analysis is on-going and will assess the scope of the problems in the KERMIT system, helping the Commission to define the most efficient path to the completion and implementation of a fully functional system.

Early in FY20, the IT department configured one of the Commission's hearing rooms with the technology needed to conduct virtual hearings. This, along with the department's standardization on laptops, positioned the agency to efficiently and effectively transition 80% of staff to a remote work strategy. The IT department continues to be very successful in executing all measures needed to enable and support a remote workforce and provide technology to ensure the continuity of business operations during these unusual times.

Insurance and Medical Services

The IMS Department is divided into three functional divisions: Coverage and Compliance, Medical Services and Self-insurance.

Coverage and Compliance Division

Coverage is responsible for receiving all first reports of injury in order to ensure employers have workers' compensation insurance for the injured employee. The number of accidents reported to the Commission during FY20 was 64,093. This reflects a 2% increase over the number report in the previous year. Of the number reported 39,100 were Minor Medical Reports which involved no lost time and the cost of medical was less than \$2,500. The number of cases re-opened totaled 2,732 which reflects a 11% decrease in the number reported last year.

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Employers meeting certain statutory requirements are required to carry workers' compensation insurance for their employees. The Compliance Division verifies employers are complying with the coverage requirement by examining each first report of injury filed with the Commission, reviewing quarterly wage and employment data obtained from the Department of Employment and Workforce (DEW) for the 62,000 employers in the State and following up on individual citizen reports of potential non-compliance by employers. During FY20 the Division caused 469 employers to obtain insurance coverage for approximately 3,813 previously uninsured workers. A total of \$1.1 million in fines and penalties were collected from these violations. The Division is responsible for collecting unpaid fines from insurance carriers for failure to submit required reports in a timely manner. Failure to pay the fine results in a Rule to Show Cause Hearing before a Commissioner. Two hundred sixty-eight cases were set for Rule to Show Cause Hearings, resulting in \$70,525 fines being collected.

Medical Services Division

The Medical Services Division is responsible for overseeing the implementation of the medical fee schedules which establishes a maximum allowable payment for services provided in workers' compensation injuries. The In-hospital Fee Schedule and the Ambulatory Surgery Fee Schedule values are updated January 1 with the Center for Medicare and Medicaid Services (CMS). The values for these schedules are calculated by using the CMS values plus 40%. The Medical Services Provider Manual (MSPM) is updated annually in April. The maximum allowable payment is calculated by using medical codes from the American Medical Association, values established by the CMS and a dollar-based conversion factor approved by the Commission. The Commission has a formal dispute process for medical service providers and insurance carriers to utilize when billing and payment disputes arise. In FY20 the Division responded to 134 formal disputes through the Medical Fee Dispute Process as well as responding to 964 general inquiries from medical service providers and payers.

Self-Insurance Division

The Commission approves all applications for employers to be self-insured for workers' compensation insurance. The Self-Insurance Division of the IMS Department is responsible for reviewing all applications and to ensure the employer meets and maintains the qualifications and financial requirements to be approved to self-insure. During FY20 the Division recommended and the Commission approved 128 applications for self-insurance. The Division oversees eighty-five self-insured employers and nine funds providing coverage to over 60,000 workers. Forty-eight audits were conducted to monitor the financial stability of the self-insured employers and funds. The Division collects the 2.5% Self-Insurance Tax on the calculated premiums of self-insurers which resulted in \$4.7 million being collected. \$2.4 million was remitted to the State General Fund.

KERMIT and COVID 19

During FY 19-20 the processes and production of the IMS department were significantly impacted by two major factors. The first factor was the preparation for the implementation of the Commission's new claims management system, KERMIT. Significant amounts of time and resources were spent on planning, training, coordinating, and implementing the new KERMIT system whose launch was unsuccessful. KERMIT's failure to launch impacted the compliance division's ability to enforce employer and carrier compliance, which resulted in reduced fine assessments and collections. The second factor was the COVID-19 pandemic. The pandemic forced the employees of the IMS Department to work from home which slowed the production time for the compliance division. Additionally, the Department had difficulties contacting employers to verify coverage, require them to obtain coverage and collect fines assessed for not having coverage.

Claims Department

The Claims Department processes periodic reports filed by carriers, reviews all final settlements and responds to request for claims history data. During FY20, the department processed 25,252 initial notices/termination of payments (Forms 15,15II, 17), and 58,724 Carrier's Periodic Report (Form 18). The department continues to encourage the use of electronic filing. Of total Form 18s received, 32,325 were filed electronically through Electronic Data Interface (EDI); 20,331 were filed as an attachment to an email and 3,664 were received through the US Postal Service. The Department processed 9,979 Clinchers, 2,504 Form 16s, and 165 Third Party

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Settlements. The Department continues to conduct outreach efforts to educate and inform stakeholders on the correct procedures for filing reports timely in order to avoid assessments of fines.

KERMIT

The Department Director was heavily involved in the planning and development of KERMIT. Other department employees were involved in the planning and development of business processes associated with their work. They also attended the regular reviews (SPRINTS) of the work prepared by the vendor. Department production was impacted during the implementation date scheduled for December and then re-scheduled for January. The existing system, Progress, was taken off-line in preparation of the launch in December. Stakeholders were unable to submit forms. As a result, the number of forms received and processed by the department during November and December decreased from a monthly average of 15,000 to 9,000. However, during January the number of forms received and processed was over 19,000. Revenues from assessment of fines were substantial lower during this period. The agency suspended the assessment of fines from December 1, 2019 to May 1, 2020. This resulted in a 45% decrease in the amount of revenue the agency received from these assessments.

COVID 19

COVID had little impact on the Claims Department. Four employees worked from home and four employees continued to work on-site to process incoming and outgoing mail, invoices, deposits and forms. The processing of Form 61 was changed to deliver the form to the Commissioner's office electronically as an attachment to an email rather than delivering the paper form.

Judicial Department

The Judicial Department monitors, reviews and assigns all contested workers' compensation cases for hearings with a single Commissioner, processing requests for scheduling Informal Conferences, and processing appeals of single Commissioner decisions and orders for hearing before an Appellate Panel. During FY20, the department processed over 33,000 pleadings, motions, appeals, and mediation documents. The department effectively continued to obtain and coordinate the use of 100 different locations across the state with local governments, educational institutions and state agencies to schedule venues for Single Commissioner Hearings and Informal Conferences in the seven jurisdictional districts.

Informal Conferences

An informal conference is an opportunity for the claimant and a representative of the employer's insurance carrier to meet with a Claims Mediator or a Commissioner to discuss the settlement of the claim. The Commission assigned 3,615 cases for Informal Conferences of which 2,422 were conducted. A Commissioner is responsible for conducting an Informal Conferences when an agreement is not reached during the meeting with the Claims Mediator or the medical costs exceed \$50,000. Fifty-six were conducted by Commissioners during FY20.

Single Commissioner Hearings and Other Case Related Activity

The department assigned 9,667 of cases to the Commissioners offices during FY20. This number is relatively the same as the previous year. The Commissioners conducted 677 hearings which was 10% less than the previous year. The Commissioners are responsible for all aspects of a case which includes more than hearing cases and issuing Decisions and Orders. During FY20 the Commissioners approved 11,312 settlements and 8,314 attorney fee petitions; issued 283 administrative orders; issued 2,432 single commissioner orders and 3,175 consent orders; conducted 1,725 clincher conferences and 415 pre-hearing conferences; reviewed 1,406 motions and approved 868 relief of counsel motions.

Processing Time

The amount of time for a disputed case to be resolved is critical to the employee and employer. Time will impact the cost of the claim to the employer in the form of temporary compensation. To the injured employee a delay may result in medical services not provided or payment not made to the injured worker in a timely manner. The Commission constantly monitors the average number of days for processing a hearing request and docketing a

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hearing. The request is processed in an average of 30 days and a hearing is docketed in an average of 89 days. Both averages include the required notice period for each case. After the hearing the Commissioner issues order instructions within 90 days.

Full Commission Appellate Activity

During FY20 there was an overall decrease in the Appellate activity. Single Commissioner decisions appealed decreased by 42%; the number of cases reviewed by the Appellate Panels decreased by 42%; and the number of Appellate Panel decisions appealed to a higher court decrease 33%.

Mediations

During FY20 the Commission received 804 reports of mediation via the Form 70. Of those 606 were resolved, 186 failed to be resolved and twelve remained unresolved with pending issues. Eighteen mediations occurred as a result of an Order by a Commissioner.

KERMIT

The number of pleadings processed during the month of December decreased more than usual due to the system being off-line for in preparation of the launch of KERMIT. This resulted in the number of pleadings filed in January to be higher than normal. Judicial Department staff served as subject matter experts to assist the vendors in the planning and development of KERMIT. Further, staff participated in testing and training which required additional work hours to complete the daily work activities. As a result of KERMIT being taken offline after a failed implementation Progress was brought back on-line. This resulted in 500 Letters of Representation being removed from KERMIT and processed in Progress.

COVID 19

Processing and service delivery by the Judicial Department did not decrease as a result of COVID 19. Most of the Judicial employees began working from home March 2020. An average of two employees worked on site to process and prepare pleadings for distribution to the employees working off site. Other changes to business processes on-site related to the receipt and handling of US Mail. Mail was held for twenty-four hours before processing and the Commission stopped accepting personally delivered documents.

The number of single Commissioner hearings held began dropping in March and further dropped in April and May due to in-person hearings being suspended. In FY 18-19 hearings averaged sixty-three month but that decreased to an average of fifty-seven a month in FY19-20.

Appellate hearings were conducted electronically with the Commissioners participating from separate locations via Zoom.

SC Department of Vocational Rehabilitation

The Commission continues to foster the good working relationship with S.C. Vocational Rehabilitation Department (SCVRD) for the benefit of the injured workers in South Carolina to coordinate claimants' access to their services. SCVRD has one employee assigned the Commission to review claims and attend hearings and Informal Conferences to ascertain if the claimants would benefit from SCVRD services. SCVRD staff in local offices continued to access electronic portal to case records to contact claimants about SCVRD services. Due to the coronavirus, SCVRD was unable to contact workers' compensation claimants from April 1, 2020 through June 30, 2020. However, for the nine-month period the data was collected, 1,886 claimants were contacted, a 254% increase over FY18-19.

Risk Assessment and Mitigation Strategies

The greatest negative impact on the public for the Commission's failure to accomplish its goals and objectives would be an increase in time the injured worker is out of work; an increase in the medical cost and compensation cost for the injured worker; an increase in cost to the employer's workers compensation insurance and potentially

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lost profits due to the loss of productivity. During the pandemic experienced during FY2020 the Commission was required to focus on changing the business processes to ensure the continuity in claims processing and adjudication of disputed claims so claimants continued to receive benefits afforded them under the Act in a fair and timely manner. The safety and well being of the Commission's personnel was foremost. Without staff resources to process claims and the Commissioners availability to conduct hearings the system would suffer greatly. The Commission implemented a plan to designate about 20% of the employees as essential and continue to work on site at the Commission's office. The Commission implemented CDC and DHEC recommended safety protocols for these employees. The remaining 80% of employees were able to work from home to perform their primary duties and responsibilities. The essential employees processed incoming mail, including pleadings, claims, forms, and deposits then forwarded those items to the appropriate employee working from home. The Commission was able to sustain a level of productivity like the pre-pandemic level. Fortunately, the existing IT infrastructure was adequate for the Commission to implement this plan.

While the Commission's IT Legacy System was adequate to allow this plan to be implemented it is woefully inadequate for the future. The Legacy System was 30 years old and major changes would be required for it to keep pace with requirements of a modern IT system. In 2018 the Commission embarked on a project to modernize the IT Legacy System by contracting with a vendor, evaluating business processes, and assisting the vendor with the development of the new system. The new system is designed to provide new functionality previously unavailable to stakeholders and increased security to meet the state and federal requirements. The system allows stakeholders the ability to create and transmit electronic files and to make electronic financial transactions efficiently and securely thereby eliminating the need for paper forms, pleadings and checks.

During the second quarter of FY2020 the modernized system was scheduled to be implemented. During two unsuccessful launches of the new system, it failed to provide the required functionality which ultimately led to a dispute with the vendor indefinitely delaying the implementation. The dispute is currently before the State Procurement Office for review. The Commission is currently having a third party conduct a gap analysis of the new system to ascertain the functional deficiencies when compared to the functionality expected to be delivered by the vendor in the original contract.

The long-term risk to the agency lies with the ability to modernize the IT Legacy System. The General Assembly provided funding for elements of the project to date. However, until the dispute is resolved and a final of the functional deficiencies is determined, funding for completion is an unknown factor. An option for the General Assembly to aid with mitigation is to approve the expenditure of existing funding to complete the project.

Financial Report

The chart at the end of this section contains the final year-end report of the Monthly Budget versus Actual Details for FY20. The General Fund ended the year with total expenditures of \$2.6 million, 8% less than the budget. This resulted in a surplus of \$235,000. The Earmarked Fund ended the year with total expenditures of \$4.3 million, 22% less than the budgeted amount.

The Commission projected \$3.3 million in Earmarked Fund revenues for FY20. We missed the projection by 7%, or \$242,000. While some revenue accounts underperformed others performed better than expected. Fines and penalties and filing fees account for 95% of the total projected revenues for the Commission. We projected receiving \$1.9 million in fines and penalties however we only received \$1.6 million, \$343,000 or 17% less than projected. Filing fees generated \$37,000 more than the \$1.1 million projected. We projected collecting \$66,000 from photocopying fees and sales of listings and labels but the total receipts for these accounts was \$169,000. While any amount of deficit in revenues received and revenues projected may be considered unsatisfactory, the key factors that resulted in the decrease in revenues can be attributed the problems associated with the preparation for the implementation of KERMIT and COVID-19. As anticipated Commission staff allotted many hours planning and preparing for the scheduled launch of KERMIT in October, which was subsequently delayed until December. However, with the unsuccessful launch in December and again in January staff did not anticipate the amount of

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time dealing with the problems associated these events and the negative impact it would have on their normal operations. Another event that occurred during the last half of FY20 that impacted the revenues was COVID-19. The effects of the pandemic on the economy and our stakeholders in the system had a direct impact our revenues.

SC Workers' Compensation Commission			
Financial Summary			
FY2019-20			
July 1-2019 - June 30, 2020			
	Budget	Actual	% of Budget
General Fund (1001)			
Appropriations	\$ 2,788,954	\$ 2,788,954	100%
Expenditures	\$ 2,788,954	\$ 2,588,449	93%
IT Legacy Modernization Project	\$ 1,800,000	\$ 104,916	6%
Earmarked Fund (3844)			
Operating Revenues	\$ 3,213,912	\$ 3,000,984	93%
Operating Expenditures	\$ 5,607,845	\$ 4,427,725	79%
Self-Insurance Tax (3037)	\$ 2,500,000	\$ 2,313,254	93%

The following is a comparison of the key statistical data of the Commission FY2019-20.

South Carolina Workers' Compensation Statistical Summary	2018-2019	2019-2020	% chg
1. Number of Employers Purchasing Insurance	97,124	100,684	3.7%
2. Number of Employers Qualifying as Self-Insurers	2,285	2,019	-11.6%
3. Investigations Active Beginning of Fiscal Year	369	528	43.1%
4. Investigations Initiated	2,234	1,300	-41.8%
5. Investigations Set for Show Cause Hearings/ Consent Agreements Received	902	657	-27.2%
6. Total Investigations Closed	1,940	1,687	-13.0%
7. Investigations Active at Close of Fiscal Year	528	253	-52.1%
8. Number of Accident Cases Filed with the Commission	65,827	66,825	1.5%
A. New Cases	62,751	64,093	2.1%
i. WCC Cases Created	24,155	24,993	3.5%
ii. Minor Medical Reported (12M)	38,596	39,100	1.3%
B. Reopened cases	3,076	2,732	-11.2%
9. Number of Cases Closed during Fiscal Year	64,419	64,345	-0.1%
A. Individually Reported Accidents	25,823	25,245	-2.2%
B. Minor Medical Only Accidents Reported in Summary	38,596	39,100	1.3%
10. Total Compensation & Medical Cost Paid on Closed Cases	\$ 995,364,542	\$ 1,038,143,872	4.3%
A. Medical Costs	\$ 381,345,767	\$ 451,423,755	18.4%
i. WCC Closed Cases	\$ 346,710,512	\$ 417,067,771	20.3%
ii. Minor Medical Reported (12M)	\$ 34,635,255	\$ 34,355,985	-0.8%
B. Compensation	\$ 614,018,775	\$ 586,720,116	-4.4%
11. Temporary Total Compensation Agreements	13,957	13,650	-2.2%
12. Supplemental Compensation Agreements	2,842	2,501	-12.0%
13. Applications for Stop Payment expedited hearing	1,480	1,355	-8.4%
14. Cases Docketed for Hearings	10,031	9,667	-3.6%
15. Cases Assigned for Informal Conferences	4,033	3,615	-10.4%
16. Hearings Conducted by Single Commissioners	752	677	-10.0%
17. Informal Conferences Conducted	2,780	2,422	-12.9%
18. Decisions, Opinions & Orders, Single Commissioners	2,834	2,460	-13.2%
19. Cases Appealed to Full Commission for Review	298	173	-41.9%
20. Reviews Conducted by Full Commission or Panel	118	69	-41.5%
21. Decisions and Opinions by Full Commission or Panel	199	107	-46.2%
22. Commission Decisions Appealed to Higher Court	61	41	-32.8%
23. Common Law Settlements	11,312	10,765	-4.8%
24. Attorney Fee Approvals	8,314	8,382	0.8%
25. Self-Insurance Tax Collected	\$ 5,056,527	\$ 4,716,294	-6.7%

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Agency Name: WORKER'S COMPENSATION COMMISSION

Fiscal Year 2019-2020

Accountability Report

Agency Code: #N/A R080 #N/A

Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	G	1										
-	-	1.1.1			Conduct 12 Judicial Conferences per year to review pleadings and higher court decisions	12	12	12	Monthly			
-	-	1.1.2			General Counsel to conduct legal review higher court decisions with Commissioners	6	6	12	Monthly			
-	-	1.1.3			General Counsel to provide legal counsel to individual Commissioners on specific cases	10	10	22	Daily			
-	-	1.1.4.1			Review policies and procedures with department heads and supervisors	6	6	6	Quarterly			
-	-	1.1.4.2			Each department to conduct monthly meetings to discuss policies and procedures	12	12	12	Monthly			
-	-	1.1.4.3			Review questionable policies and procedures at each all employee meeting	6	6	4	Quarterly			
-	-	1.1.4.4			Educate stakeholders concerning Commission processes and procedures	8	8	8	As needed			
-	-	1.2.1			Conduct 2 Claims Administration workshops for stakeholders	2	2	1	Semi annual			
-	-	1.2.2.1			Provide Claims Administration instructional guide to stakeholders via website	1	1	1	Semi annual			
-	-	1.2.3			Issue regular email communications to stakeholder distribution list-serve recipients	30	30	44	Daily			
-	-	1.2.4			Make instructional presentations to stakeholder groups	8	8	8	Quarterly			
-	-	1.2.4.1			Conduct 8 presentations to professional associations and employer groups	8	8	8	Quarterly			
-	-	1.3			Educate staff concerning proper administration of Act	1	1	1	Quarterly			
-	-	1.3.1			Conduct monthly departmental meetings	12	12	6	Monthly			
-	-	1.3.1.1			Review business processes for improvement	1	1	1	Quarterly			
-	-	1.3.2			Conduct ethics training for Commissioners, AAs, Department Heads and Executive Staff	1	1	1	Annually			
-	-	1.3.3			Conduct 8 Department Head meetings	8	8	8	Bi-Monthly			
-	-	1.3.4			Hold 4 Executive Leadership Team meetings	4	4	3	Quarterly			
-	-	1.3.5			Conduct monthly All Employee meetings	12	12	6	Quarterly			
-	-	1.4			Ensure business practices and procedures align with statutory and regulatory authority	1	1	1	On-going			
-	-	1.4.1			Establish strategic plan to conduct complete review of business processes by division	1	1	1	Sep-20			
-	-	1.4.2			Conduct review of Compliance Program to ensure equity of fines assessment	1	1	1	Mar-20			
-	-	1.5			Monitor mediation program reporting	800	800	804	Annually			
-	-	1.5.1			Review monthly required reports submitted by stakeholders on mediation outcomes	800	800	804	Monthly			
-	-	1.5.2			Schedule requests for Informal Conferences	2,500	2,500	3,615	Annually			
-	-	1.5.3			Conduct Informal Conferences	2,500	2,500	2,422	Annually			
-	-	1.6			Continue to assist SC Depart of Vocational Rehabilitation outreach program to claimants	1	1	1	Daily			
-	-	1.6.1			Continue to provide SCDVR electronic remote access to claims data base	1	1	1	Daily			
-	-	1.7			Monitor required reports and assess fines to ensure compliance with Act	150,000	144,000	86,000	Annually			
-	-	1.7.1			Assess Fines for failure to file required reports	2,500	2,500	2,464	Annually			
Government and Citizens	G	2			Implementation of policies and regulations to control system costs							
-	-	2.1			Maintain up to date medical fee schedules	3	3	3	Annually			
-	-	2.1.1			Update Medical Services Provider Manual annually	1	1	1	Annually			
-	-	2.1.2			Provide timely response to medical billing questions	100	100	962	Annually			
-	-	2.1.3			Conduct bill review disputes as required	100	100	134	Annually			
-	-	2.1.2.1			Identify special areas of Medical Fee Schedule to determine if adjustments are needed	1	1	1	Annually			
-	-	2.1.3			Review Statutes and Regulations for needed revisions and prepare edits	1	1	1	Annually			
-	-	2.2			Review all first reports of injuries for coverage	65,000	65,000	64,093	Annually			
-	-	2.2.1			Conduct a minimum of 1,500 Compliance Investigations	1,500	2,000	2,034	Annually			
-	-				Initiate Rule to Show Cause Hearings for non-compliance	250	250	268	Annually			
-	-				Compel employers to obtain coverage	500	500	469	Annually			
-	-	2.2.2			Obtain wage data from DEW	4	4	4	Quarterly			
-	-				Evaluate data wage data from DEW initiate non-compliance investigations	4	4	4	Daily			
Government and Citizens	G	3			Ensure effective communication between Commission and Stakeholders							
-	-	3.1			Implement and maintain information communication methods	1	1	1	Daily			
-	-	3.1.1			Conduct 2 Claims Administration workshops for stakeholders	1	1	1	Bi-Annually			
-	-	3.1.2			Maintain e-mail list-serve mechanisms	1	1	1	Daily			
-	-	3.1.3			Maintain web presence with current, up to date content	12	12	12	Daily			
-	-	3.1.4			Make instructional presentations to 6 stakeholder groups	6	6	6	Quarterly			

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
-		3.1.5			Make presentation to general public and civic groups requested	6	6	2	Quarterly			
-		3.2			Interact with Stakeholders to determine communication needs and preferences	1	1	1	Daily			
-		3.2.1			Meet with Workers' Compensation Advisory committee	1	1	1	Quarterly			
-		3.2.2			Convene ad hoc focus groups to discuss proposed changes to policies and procedures	1	1	1	Quarterly			
-		3.2.3			Conduct outreach program at stakeholder professional association meetings	3	3	3	Quarterly			
-		3.3			Explore applicability of new communication techniques /mediums	1	1	1	Quarterly			
-		3.3.1			Implement survey among peer organizations	1	1	-	Quarterly			
-		3.3.2			Query other state agencies concerning customer communication practices	2	2	2	Quarterly			
Government and Citizens	G	4										
-		4.1			Interact with Stakeholder groups to determine stakeholder needs	4	4	4	Daily			
-		4.1.1			Meet with Governor's Advisory Committee as necessary	4	4	-	Quarterly			
-		4.1.2			Meet with Claims Adjustors focus group semi annually	2	2	-	Semi-Annual			
-		4.1.3			Meet with Medical Services Advisory Panel at a minimum semi annually or as needed	12	12	12	Semi-Annual			
-		4.1.4			Constitute and convene stakeholder's focus groups as necessary	6	6	6	Quarterly			
-		4.1.5			Monthly Commission Business Meetings to review departmental project status reports	12	12	12	Monthly			
-		4.2			Research peer agency structures and processes	1	1	4	On-going			
-		4.2.1			Participate in professional association meetings and conference calls (SAWCA; IAIABC)	3	3	3	Quarterly			
-		4.3			Review process improvements through attrition/succession planning	1	1	1	On-going			
-		4.3.1			Continue to evaluate financial resources and staffing plan	1	1	1	On-going			
-		4.3.2			Develop annual year process improvement plan associated with budgeted resources	1	1	1	On-going			
-		4.3.4			Develop plan for continuity of Informal Conference program	1	1	1	March 2020			
-		4.4			Implement IT Legacy System Modernization Project	1	1	1	Dec 2019			
-		4.4.1			Update EDI to 3.1	1	1	1	Dec 2019			
-		4.4.2			Improve security enhancements	1	1	1	Dec 2019			
-		4.4.3			Allow stakeholders electronic access to file documents	1	1	1	Dec 2019			
-		4.4.4			Allow stakeholders to pay filing fees and fines electronically	1	1	1	Dec 2019			
-		4.5			Evaluate Self Insurance Program	1	1	-	March 2020			
-		4.5.1			Review application process for self-insurance approval	1	1	-	March 2020			
-		4.5.2			Monitor number of days to process self-insurance application	1	1	-	March 2020			
-		4.5.2			Monitor number of self-insured audits	50	50	47	Annual			
-		4.5.2.1			Conduct audits of 50% of self-insured	50	50	47	Annual			
-		4.5.3			Monitor number of days to conduct self-insured audits	1	1	-	Annual			
-		4.5.3.1			Establish goal for number of days to complete audit	1	1	-	Annual			
-		4.5.4			Establish strategic plan for continuity of quality of service	1	1	-	Annual			

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2020-2021			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Government and Citizens	G	1			Adjudication of Claims in a timely, efficient and fair manner							
	-		1.1.1		Comm - Conduct 12 Judicial Conferences per year to review pleadings and higher court d	12	12		Monthly			
			1.1.2		Judicial & Comm - Docket cases for hearing by jurisdictional Commissioner	10,000	10,000		Annual			
			1.1.3		Judicial - Monitor process and docketing time for cases assigned to jurisdictional Commis	89	89		Average days per case			
			1.1.4		Comm - Conduct single commissioner hearings as scheduled by jurisdictional commission	1,500	1,500		Annual			
			1.1.4.1		Comm - Issue Decision and Orders after jurisdictional hearing	2,500	2,500		Annual			
			1.1.4.2		Comm - Conduct pre-hearing conferences at single commissioner hearings	400	400		Annual			
			1.2		Judicial - Process cases appealed to Full Commission Review	200	200		Annual			
			1.2.1		Comm - Conduct 12 Judicial Conferences per year to review pleadings and higher court d	15	15		Monthly/as needed			
			1.2.2		Comm - Conduct Appellate hearings monthly	100	100		Annual			
			1.2.3		Comm - Issue Decision and Orders after Appellate hearing	150	150		Annual			
			1.3		Comm - Conduct Clincher Conferences	1,750	1,750		Annual			
			1.3.1		Comm - Approve Settlement Agreements	10,500	10,500		Annual			
			1.4		Comm - Approve Attorney Fee Petitions	8,300	8,300		Annual			
			1.5		Comm - Review for approval other requests for administrative orders and motions	5,500	5,500		Annual			
	-		1.6		General Counsel - Conduct legal review higher court decisions with Commissioners	6	6		Monthly			
	-		1.6.1		General Counsel - Provide legal counsel to individual Commissioners on specific cases	10	10		Daily			
			1.7		Judicial - Monitor mediation program	800	800		Monthly			
			1.7.1		Judicial - Process, schedule and conduct Informal Conferences	2,500	2,500		Annual			
			1.7.2		Judicial - Develop business continuity for Informal Conference Program	1	1		Annual			
			1.8		Comm, AAs, Exec Staff - Ethics required training program annually	1	1		Annual			
Government and Citizens	G	2			Compliance with statutes and regulations							
			2.1		IMS Review all claims filed to ensure employer has proper insurance coverage	65,000	65,000		Annual			
			2.1.1		IMS Initiate and conduct investigation if coverage not found	2,000	2,000		Daily			
			2.1.2		IMS Initiate legal proceedings to compel coverage	900	900		Annual			
			2.1.3		IMS Partner with outside resources to obtain data to assist compliance investigations	4	4		Quarterly			
			2.1.4		IMS Conduct review of Compliance Program to ensure equity of fines assessment	1	1		Annual			
			2.1.5		IMS - Make recommendations for changes in fines assessment to attain equity	1	1		Annual			
			2.1.6		General Counsel - Recommends changes in statute to implement fine equity	1	1		Annual			
			2.2		Claims - monitor required claims forms and reports for timely and proper filing	64,000	64,000		Annual			
			2.2.1		Claims - assess fines for violation of claims forms and reports required filing	2,500	2,500		Annual			
			2.3		Self-Insurance accept, review and process applications for employers to self-insure	130	130		Annual			
			2.3.1		Self-Insurance monitor all self-insured employers for financial compliance	100	100		Annual			
	-		2.3.1.1		Self-Insurance - audit 50% of self-insured employers annually	50	50		Annual			
			2.4		IMS - Update medical fee schedules	3	3		Annual			
			2.4.1		IMS - Utilize external consultant to review MSPM and recommend changes	1	1		Annual			
			2.5		IMS - Provide timely response to medical billing questions	900	900		Annual			
			2.5.1		IMS - Conduct bill review disputes as required	130	130		Daily			
Government and Citizens	G	3			Communication and Outreach							
			3.1		Admin, Exec Staff - Conduct Claims Administration workshops for stakeholders	2	2		Semi-annually			
			3.1.1		Admin, Exec Staff - explore alternate methods for presenting Claims workshop	1	1		Annual			
			3.1.2		Admin - Provide agency updates to stakeholder groups	10	10		Annual			
			3.1.3		Admin, Comm - Educational presentations to stakeholder groups, civic organizations	2	2		Annual			
			3.1.4		Admin - Respond to stakeholder communications from stakeholders	8,000	8,000		Annual			
			3.2.1		Admin - Prepare Annual and Accountability Reports	2	2		Annual			
			3.2.2		Admin - Update and maintain e-mail list-serve mechanisms	785	785		Annual			
			3.2.3		Admin - Publish Advisory Notices and distribute to stakeholders	50	50		Annual			
			3.2.4		Admin - Maintain web presence with current, up to date content	1	1		Annual			
			3.3.1		IMS - Program to educate small businesses and insurance agents about coverage	1	1		pending			
			3.4.1		Admin, Comm - Convene ad hoc focus groups to discuss proposed changes	1	1		as needed			
			3.5.1		Admin, Exec Staff - Sruvey other state agencies regarding communication practices	3	3		Annual			
			3.6.1		Admin - Explore applicability of new communication techniques /mediums	1	1		Annual			
Government and Citizens	G	4			Process Improvement							
			4.1		IT - Evaluate status of implementing Phase I IT Legacy System Modernization Project	1	1		Annual			









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Report and External Review Template

Item	Is this a Report, Review, or both?	Report or Review Name	Name of Entity Requesting the Report or Conducting Review	Type of Entity	Reporting Frequency	Current Fiscal Year: Submission Date or Review Timeline (MM/DD/YYYY)	Summary of Information Requested in the Report or Reviewed	Method to Access the Report or Information from the Review
1	External Review and Report	Small Business Minority Enterprise	Governor's office	State	Quarterly		Amount of purchases from vendors eligible as small minority business	Electronic
2	External Review and Report	EEOC	SC Human Affairs Office	State	Annually		Annual employment EEOC statistics	Electronic
3	External Review and Report	Accountability Report	Department of Administration	State	Annually		Strategic plan, performance measures	Electronic
4	External Review and Report	Recycling Report	DHEC	State	Annually		Amount of products recycled by agency	Electronic
5	External Review and Report	Commission Annual Report	General Assembly	State	Annually		Commission activities, achievements	Electronic
6	External Review and Report	Report of Revenues Collected under Act 95	General Assembly	State	Annually		Annual revenue received	Electronic
7	External Review and Report	CAFR Year End Reports	Comptroller General's Office	State	Annually		Financial Year End Closing reports	Electronic
8	External Review and Report	Outstanding Debt Collection	Comptroller General's Office	State	Annually		Amount of outstanding debt owed to Commission	Electronic
9	Internal Review and Report	Salaries and Wages Paid	DEW	State	Quarterly		Amount of wages paid to employees	Electronic
10	External Review and Report	Annual Workplace Accidents	SC Department of LLR	State	Annually		Number of accidents reported to the Commission	Electronic

