### AGENDA

### SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

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

August 17, 2015 – 10:30 a.m.

### Commission Hearing Room A

This meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act.

1.	CALL TO ORDER	CHAIRMAN BECK
2.	APPROVAL OF AGENDA OF BUSINESS MEETING OF AUGUST 17, 2015	CHAIRMAN BECK
3.	APPROVAL OF MINUTES OF THE BUSINESS MEETING OF JULY 20, 2015 (Tab 1)	CHAIRMAN BECK
4.	GENERAL ANNOUNCEMENTS	MR. CANNON
5.	APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2)	MR. SMITH
6.	DEPARTMENT DIRECTORS' REPORTS Human Resources (Tab 3) Information Services (Tab 4) Insurance, Medical & Administrative Services (Tab 5 & 6) Claims (Tab 7) Judicial (Tab 8)	MS. OSBORNE MS. UNDERHILL MR. DUFFIELD MS. SPANN MS. BRACY
7.	EXECUTIVE DIRECTOR'S REPORT (Tab 9)	MR. CANNON
8.	OLD BUSINESS	CHAIRMAN BECK
9.	NEW BUSINESS  A. Approval of 2016 Commission Calendar (Tab 10)  B. Proposed Amendments to Regulations (Tab 11)	CHAIRMAN BECK Mr. Cannon Mr. Cannon
10.	ADJOURNMENT	CHAIRMAN BECK

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9	Executive Director's Report
10	Approval of 2016 Commission Calendar
11	Proposed Amendments to Regulations

# THE SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION BUSINESS MEETING

### Monday, July 20, 2015

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, July 20, 2015, at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present:

T. SCOTT BECK, CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
R. MICHAEL CAMPBELL, II, COMMISSIONER
MELODY L. JAMES, COMMISSIONER
GENE MCCASKILL, COMMISSIONER
AISHA TAYLOR, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Sonji Spann, Claims Director; Amy Bracy, Judicial Director; W.C. Smith, Self-Insurance Director; Wayne Ducote, Coverage & Compliance Director; Amanda Underhill, Business Analyst; and Keith Roberts, Attorney. Also present were: Lena Smith, Southern Strategy Group; and Betsy Hartman.

Chairman Beck called the meeting to order at 10:37 a.m.

### **AGENDA**

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

### APPROVAL OF MINUTES - BUSINESS MEETING OF JUNE 15, 2015

Commissioner Barden moved that the minutes of the Business Meeting of June 15, 2015 be approved. Commissioner McCaskill seconded the motion, and the motion was approved.

### SPECIAL RECOGNITION

Gary Cannon, Executive Director, recognized Betsy Hartman, retired Information Technology Director, for 20 years of service to the State of South Carolina, and presented her with a certificate and pin. On behalf of Governor Haley, Mr. Cannon presented Ms. Hartman with a certificate of appreciation upon retirement. Ms. Hartman expressed her appreciation for the opportunity to be a part of the work of the S.C. Workers' Compensation Commission.

### **GENERAL ANNOUNCEMENTS**

Mr. Cannon informed the Commission that the office lease agreement on the current space expires in May 2016. He reported that he has been in contact with the Division of General Services and they are working through the Request for Proposal (RFP) process. Pursuant to U.S. General Services Administration (GSA) requirements, the Commission may lose space based on the number of current employees, the number of future positions approved and the number of square footage space currently utilize. Mr. Cannon said he is working with Jonathan Harvey, Director of Business Development, CBRE, and an architect, to look at ways to

consolidate office space which will allow CBRE to rent space the Commission is not using. He expects a draft plan from the architect this week.

There was discussion on security concerns in the reception area and waiting room.

### APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Twenty-one (21) prospective members of four (4) funds were presented to the Commission for approval. The applications were:

### Palmetto Timber Fund

Sandy Run Timber Products

### **SC Home Builders SIF**

**Aaron Schmaus** 

Big E Drywall, LLC

Farmer Construction, LLC

Hamilton Builders of SC dba Framco

Herrington's since 1986, LLC

Isaac's Construction, LLC

James McGrew dba James McGrew Cabinetmakers

KA Nemeth Construction, Inc.

Llamas Painting, LLC

Lucas & Lucas Construction, LLC

M&B Electrical Service, LLC

M&M Interiors Meetze Jeremy dba

McLemore Thomas R.

Paul Rowland, dba Lakeside

SB Construction, Inc.

Smith Cleaning, LLC and Stuart Smith dba Newberry Contracting

The David R. Boyer Company

Wanda S. Morgan Designs, Inc.

### SC McDonald's Operators SIF

Cravco V, LLC dba McDonald's Restaurants

### **SC School Boards Insurance Trust**

Anderson School District Three

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

### DEPARTMENT DIRECTORS' REPORTS

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

### **Human Resources Department**

Alicia Osborne presented the Human Resources report for the period of June 1 through June 30, 2015. Ms. Osborne announced employee contribution rates for the S.C. Retirement System (SCRS) and State Optional Retirement Program (ORP) increased from 8.0 to 8.16

percent effective July 1, 2015 and will be reflected in the August 1, 2015 paychecks.

Information Technology Department

Amanda Underhill presented the Information Services Department's report. Ms. Underhill pointed out the following highlights from the report:

- IT is working with DTO and Progress/Bravepoint on replacing the current servers with multiple virtual servers
- All vendors are now in production for Subsequent Report transactions

• IT is working with Progress/Bravepoint on eCase improvements and upgrade to bring a more modern look to eCase and adding new functionalities

Chairman Beck asked about the status of the view images project. Ms. Underhill said it is

early in the process and a completion date is not projected at this time.

Ms. Underhill announced that DTO is migrating email accounts for the Commission to a new server. This change will require IT to update each device assigned to the Commissioners. She requested the Commissioners bring all devices used to access email to the office at the August business meeting and IT will make the updates.

Insurance, Medical & Administrative Services Department

On behalf of Grant Duffield, Wayne Ducote, Coverage and Compliance Director, presented the Insurance, Medical & Administrative Services Department's report. Mr. Ducote reported that the Medical Services Provider Manual (MSPM) is moving on schedule to completion. Work continues on reviewing the guidance language for the MSPM in preparation to present for Commission approval at the August Business Meeting.

Mr. Ducote reported a total of 313 more claims received in FY 2014-15 compared to FY 2013-14; Coverage fines are at 100% of collections for prior year; and Compliance revenue is at 125% of prior year. Of the \$5.9 million in fines the Compliance Division assessed, 82% were waived or rescinded as employers either obtained insurance coverage or were found not to be

subject to the Act. Year to date, Self-Insurance tax revenue is \$4.8 million.

Mr. Cannon presented the Summary of Revenues and Expenditures for FY 2014-15. The General Appropriation Budget ended with expenses totaling 99.5% of funding allocation, resulting in a positive balance of \$9,225. The Earmarked Funds Expense Budget ended with expenses totaling 98.3% of funding allocation, resulting in a positive balance of \$57,758. The Earmarked Funds Revenue Budget ended with revenues totaling 113.33% of projected budget, resulting in a transfer to fund balance of \$322,748.

Claims Department

Sonji Spann presented the Claims Department's report. Ms. Spann reported the following for the month of June:

- Closed 2,742 individual case files
- Received \$124,800 in fine revenue
- Claims examiners reviewed 1,461 individual case files
- 359 fines assessed
- 330 Form 18 fines assessed
- A total of 13,000 forms processed

Ms. Spann reported a total of 336 Form 18s processed through SROI and 1,796 Form 18s received via email for the month of June.

### **Judicial Department**

Amy Bracy presented the Judicial Department's report. She reported the following for June 2015:

- 148 Single Commissioner Hearings conducted
- 15 Full Commission Hearings conducted
- 238 informal conference cases

- 89 regulatory mediations scheduled
- 24 requested mediations
- 42 matters resolved in mediation with the receipt of Forms 70

### **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:

### Debit Card Ad Hoc Advisory Committee

The Debit Card Ad Hoc Advisory Committee is reviewing a proposed recommendation for Committee consideration. He anticipates a meeting will be scheduled within thirty days to discuss the recommendation.

### Narcotics Use Ad Hoc Advisory Committee

The Narcotics Use Ad Hoc Advisory Committee will meet on July 30, 2015 at the S.C. Pharmacy Association.

### Claims Administration Workshop

Registration has begun for the Claims Administration Workshop scheduled for Thursday, July 30, 2015. Mr. Cannon announced the Claims Administration Workshop was approved for five (5) CLE credit hours.

### Personnel

Mr. Cannon reported Brian Meyers was selected for the IT Consultant I position.

Mr. Cannon reported twenty-eight (28) applications were received for the IT Director's position. Five individuals were interviewed on July 13, 2015. Sandee Sprang was selected for the position and will begin her employment with the Commission on August 17.

### **OLD BUSINESS**

There was no old business.

### **NEW BUSINESS**

There was no new business.

### ADJOURNMENT

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

The July 20, 2015 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:13 a.m.

Reported August 17, 2015 Kim Ballentine Office of the Executive Director

### **MEMORANDUM**

**Date:** August 12, 2015

TO:

Mr. Gary Cannon

**Executive Director** 

FROM:

Alicia Osborne

**Human Resources** 

SUBJECT: Human Resources Report Period of July 1, 2015 to July 31, 2015

Below is a summary of the Human Resources activity for the period of July 1 - July 31, 2015.

### Employee Relations (ER)

- Ongoing Workers' Compensation Injuries
  - o One new claim filed
  - Three active claims
- Workforce Planning
  - o Pending:
    - Two positions ready to key on hold while HRD addresses system issues
- Accommodation Request(s)
  - o Researching medical accommodations procedure(s)
- Special Project(s)
  - o Insurance Claims Examiner II was assigned to exclusively review, prepare, and scan old files.
- Building Concerns
  - o No hot water concerns
  - o Water leak in Judicial area (twice)
  - o Stairwell concerns
- Addressed mandatory attendance by all staff to All Employee meetings

### Hire(s)

- IT Manager II
  - o Scheduled Interviews (5)
  - o Sandee Sprang Attorney General's Office
    - Start date August 17, 2015
  - o Notified interviewees that were not selected

### State Human Resources Division (HRD)

- Projects
  - o Still pending renaming of remaining IT position classifications by HRD
- HR Advisory Meeting July 29, 2015
  - o Bonus information update
  - Statewide classification study information provided
- FLSA Update Regarding Employees Now Eligible for Overtime
  - o No impact at this time for agency
- State Employee Grievance Committee
  - Nominated by Executive Director to represent WCC

### Fiscal Responsibilities (w/ Fiscal Technician II)

• Approved 32 SCEIS financial transactions

o Within the SCEIS system approved documents and travel requests submitted by the Fiscal Technician for June

### Reports

- Ran SCEIS Deductions Not Taken / Arrears report
  - o Report is cleared
- Ran SCEIS Wage Type Report
  - o No discrepancies
- Time Administration
  - o Approved Leave as requested by supervisors and commissioners
  - o Assisted Employees with leave corrections and working time corrections
  - o Notified supervisors and employees of missing time and ensured it was keyed in.

### **SCEIS**

- Reports
  - o Worked on requests by Department Head(s) and Executive Directors
- Assisted Director of IMAS with various SCEIS system issues
- Reviewed pay statements with current/former employees due to change in status
- Updated withholdings at employee(s) request
- Added additional viewing roles for Director of IMAS

### Mandatory All Employee Meeting – July 23, 2015

- o Created Agenda
- o Social Security Speaker Chris Jenkins
- o IT Update regarding e-mail migration
- o IT Tip by Brian Myers

### Miscellaneous

- Meeting(s) attended onsite
  - o Vocational Rehabilitation July 15, 2015
  - o CPD Report (Corporal Frederick) July 15, 2015
  - o Executive Staff July 15, 2015
  - o CAME Workshop Planning July 29
  - o SANS Securing the Human Training Program July 23, 2015
- Social Committee After Work Gathering July 16, 2015
- State Accident Fund Survey Submitted July 8, 2015
- CAME Workshop July 30, 2015
- · Assisted with survey results for NAUC
- Spoke with OSHA regarding potential concerns at WCC
- Employment verifications (2)

1333 Main St, Suite 500 P.O. Box 1715 Columbia, S.C. 29202-1715



Tel. (803) 737-5700 Fax. (803) 737-1258 www.wcc.sc.gov

### **Workers' Compensation Commission**

To: Gary Cannon

**SCWCC Executive Director** 

From: Amanda Underhill, Business Analyst

Date: August 7, 2015

Subject: IT Department August 2015 Full Commission Report

### IT Department Activities for the Month of July 2015

- DTO Infrastructure
  - Duane is working with DTO and Progress/Bravepoint for replacing our current servers with multiple virtual servers. This change will improve the Agency's security posture.
- Production issues
  - EDI RIs3 FROI & SROI
    - Processing error research and resolution based on email questions from TPA's and Carriers, coordinated through Barbara James in Accident Reporting.
    - Amanda conducted testing with 3 direct partners to implement SROI.
  - o Progress
    - Duane researched and corrected invoice/payment data issues. This involved manual data changes to balance the reports from Progress and SCEIS.
    - Duane created several ad hoc reports for Administration and Commissioners.
    - Amanda ran the Orders report for Judicial.
  - OnBase Production Maintenance and new requests
    - Amanda is working with DTO staff to coordinate an upgrade to Onbase
       13. The upgrade for SCWCC was postponed again by DTO.
    - Amanda is creating a SCWCC specific user guide for staff use in the new version of Onbase.
    - All new Onbase requests are on-hold, pending completion of the upgrade.
    - Brian assisted staff with F4 indexing issues when virtually printing documents to a case file.
  - o eCase
    - Amanda and Brian have been working with both internal and external users for upload Customer Service and registration. Training, questions and issues that come up and require technical support.
  - Hardware
    - IT is planning to purchase new computers for 1/3 of staff in July/August.
       IT aims to replace hardware every three years for 1/3 of staff to keep equipment up to date and secure.
- Desktop support
  - Brian handles most desktop support issues. During the past month this has included:

- Secure email questions, issues, including password resets.
- Resolved Outlook email problems for staff.
- Addressed 1 printer problem and 2 scanner issues.
- Provided password assistance for Commissioners and staff.
- Assisted staff working with PDF document problems.
- Addressed 2 viruses, requiring rebuild of staff computers.

### Projects

### o SROI Project

- The SROI team is beginning work on implementation of the MTC FN which is the replacement of the Form 19.
- The SROI team recommends after the FN transaction is complete, work should begin on implementation of the balance of the MTC's. This will make it easier on both the Claims staff and the end users for submission of claims data. It is the recommendation of this team that mandatory submission of the SA and FN be done together and should be one year from the completion of the FN coding. Recommended date for mandatory submission is July 2016.

### o IT Security / DIS Policies

- Duane and Brian are coordinating vulnerability remediation with DTO.
- Duane researched and tested Progress software upgrade process for restricted user access.

### o eCase Re-face

IT is working with Progress/Bravepoint to give eCase a face-lift.
 Progress has provided a new design for eCase screens. Amanda has spent the majority of her time this month working to document full requirements for development and implementation.

### o CAME Seminar

 Amanda created sample eCase data for presentation at the CAME seminar.

### Annual Report

 Amanda finalized Fiscal Year end statistics for Annual Reporting with the help of executive staff.

### Meetings

Amanda was involved in planning and presenting for the SCWCC CAME
 Workshop held on July 30. Brian and Sandee also attended the workshop. We were able to address many attendee questions regarding eCase and EDI.



### **Workers' Compensation Commission**

To: Mr. Gary Cannon

**SCWCC Executive Director** 

From:

**Grant Duffield IMAS Director** 

Date: 12 - August - 2015

Insurance, Medical and Administrative Services Department Subj:

July 2015 Full Commission Report

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

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

Compliance Division	1.	Reviewing organizational structure.
	2.	Reviewing revenue metrics.
	3.	Completed 12M assessment process.
Coverage Division	1.	Working with staff to review workflow processes and explore
		opportunities to enhance service provision.
	2.	Lapse in Coverage
Medical Services	1.	Finalized MSPM guidance policy text edits.
	2.	MSPM "pre-order" process for stakeholders completed.
	3.	Prepared for Sept 1, 2015 release.
	4.	Continue work with MedAssets to improve Medical Bill reviews.
Administrative Svcs	1.	Uploaded 2015-16 budget data.
	2.	Working through Year End reporting for CG's office.
IMAS Administration:	1.	Working with Division Mgrs to provide cross coordination of mgmt.
		functions.
	2.	Working with Executive Team concerning strategic planning and future
		needs forecasting.
	3.	Processing 43 files to go to GEAR

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 IMAS Department and provide measures by which the Department's effectiveness can be gauged. IMAS welcomes any guidance that you and/or our Commissioners can provide concerning our performance and direction.

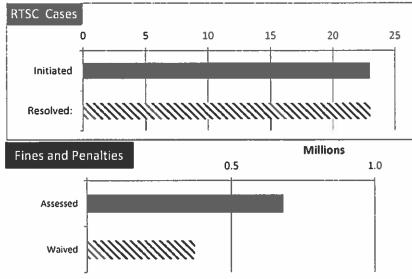
### IMS COMPLIANCE DIVISION

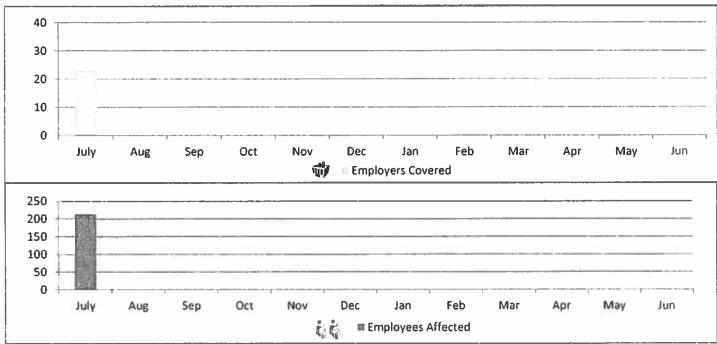
### **Employers Obtaining Coverage**

The Compliance Division works with great diligence to help uninsured employers become compliant with the South Carolina Workers'
Compensation Act. Year to date, the Compliance Division has compelled 23 employers in South Carolina to come into compliance with the Act. In so doing, approximately 214 previously uninsured workers are now properly covered.

### **Penalties Waived**

Although the Division has assessed \$681,000 in fines, over 54% of those fines (\$371,000) have been <u>waived</u> or <u>rescinded</u> as employers have either obtained insurance coverage or were found not to be subject to the Act.

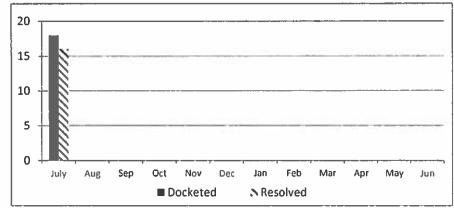




### **Carrier Rule to Show Cause Hearings**

The Compliance Division manages the Rule to Show Cause process involving the recovery of outstanding carrier fines and penalties. In the month of July 2015, 18 carrier RTSC cases were docketed; 16 cases were resolved and \$20,479 was recovered.

Year to date, 18 carrier RTSC cases have been docketed; 16 cases have been resolved; and \$20,479 has been recovered.



### **Carryover Caseload:**

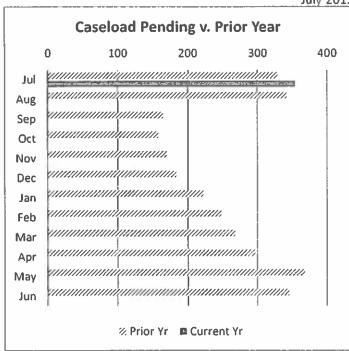
The Compliance Division closed July 2015 with 355 cases active, compared to an active caseload of 329 at the close of July 2014.

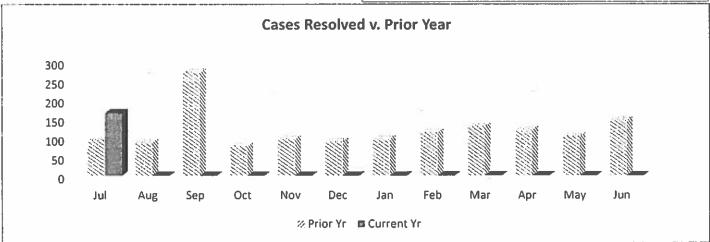
### **Cases Resolved:**

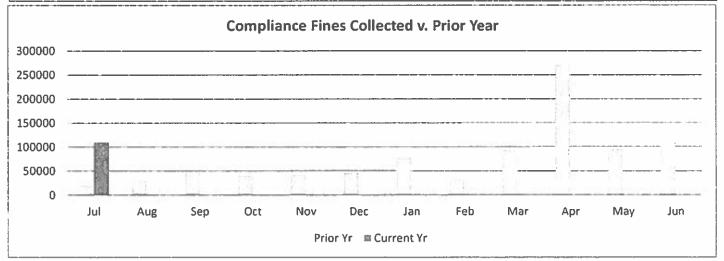
Due to the decrease in carry-over, greater effort is focused on case resolution. For the month of July 2015, Compliance Division staff closed-out 165 cases.

### **Compliance Fines:**

In July 2015, the Compliance Division collected \$109,375 in fines and penalties. Year to Date, the Compliance Division has collected \$109,375 in fines which represents 12% of prior year's year-end collection (\$906,833). The Compliance Division continues to find substantially greater compliance among employers in the State.







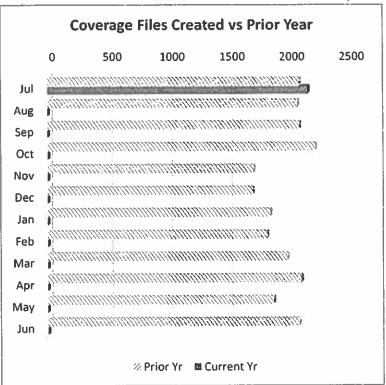
### **WCC Claim Files:**

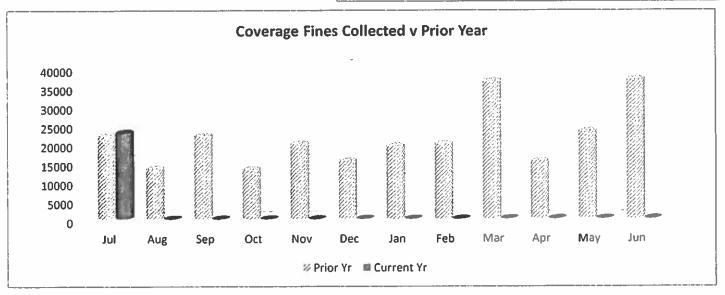
In July 2015, the Coverage Division recieved a total of 2,168 WCC Claim files. Of these, 1,824 were created through proper carrier filing of a 12A, and 344 were generated as a result of a Form 50 claim filing. Year to Date, 2,168 Claim files have been created which is 9% of claim file volume prior year (23,682).

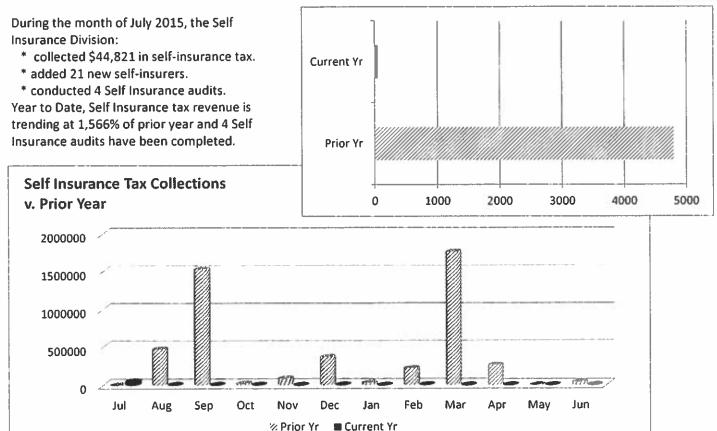
### **Coverage Fines:**

The Coverage Division collected \$22,650 in fine revenue in July 2015, as compared to \$21,880 in Coverage fines/penalties accrued during July 2014. Year on Year, Coverage fines are at 9% of collections for prior year.

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

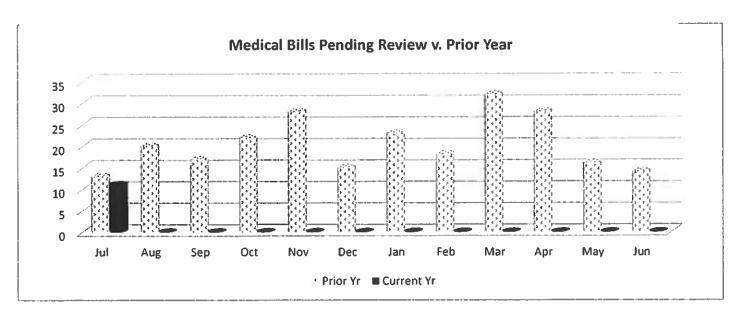






### IMS MEDICAL SERVICES DIVISION

In July 2015, the Medical Services Division began the month with 14 bills pending review, received an additional 9 bills for review, conducted 12 bill reviews and ended the month with 11 bills pending.



### **Summary of Fiscal Activity - July 2015**

### **Operational Funding**

The Workers' Compensation Commission derives its operational funding from three sources: General Fund Appropriation; Earmarked Funds (earned revenue); and Appropriated Fund Balance. The Commission's Fund Balance is supported by the retention of the greater of one-half of Self Insurance Tax receipts or \$2.4m annually.

For the month of July 2015, the Commission's operational funding of \$702,519 was received as follows:

General Fund Appropriation: \$250,017
Earmarked Funds: \$212,582
Fund Balance: \$239,920

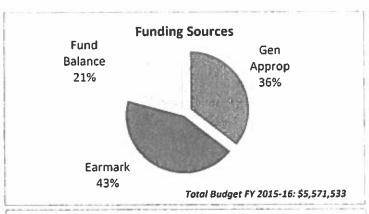
Self Insurance Tax Received:

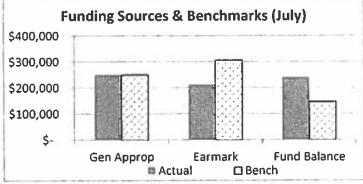
July 2015: \$44,821 FY15-16: \$44,821

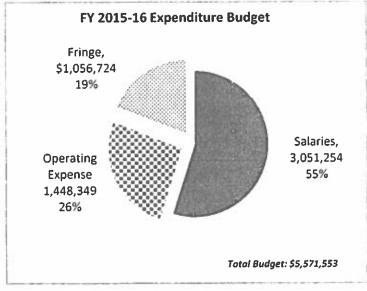
### Operational Expenditures

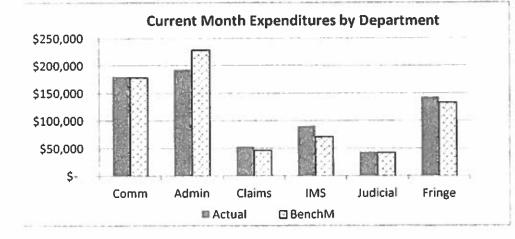
The Workers' Compensation Commission has budgeted expenditures for FY 2015-16 in the amount of \$5,571,553. In the current budget year, slightly more than 74% of budgeted costs are personnel related.

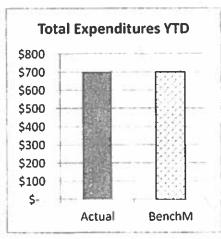
In July 2015, the Commission had expenditures totaling \$702,519. The standard benchmark for first period (July) is 8.33%. However, July included three payroll dates, therefore necessitating an adjusted benchmark of 12.6%. The expenditure activity in July was further impacted by several annual or semi annual obligations . These conditions caused the Commission's overall expenditures to slightly exceed benchmark (\$702,016) for the month.











# South Carolina Workers' Compensation Commission Summary of Revenues and Expenditures 2015-16 Budget July 2015 - Period 1

### **Appropriations and Revenues**

Period 1	Annual	July	Year to Date	Budget	July	Annual
	Budget	Received	Received	Remaining	Rcvd %	Rcvd %
General Fund Approp	\$ 1,984,261	\$ 250,017	\$ 250,017	\$ 1,734,244	12.6%	12.6%
•						

### **Earmarked Funds**

	ca i alias				 		
	Training Reg Fee	5,000	600	600	4,400		
	Sale of Publications	8,000	2800	2800	5,200		
	WC Award Review Fee	73,000	 2850	2850	70,150		-
	Sale of Photocopies	88,000	4774	4774	83,226		
	WC Violation Fee	1,660,000	160978	160978	1,499,022		
	Listings and Labels	25,000	1510	1510	23,490		
	WC Hearing Fee	 562,000	37850	37850	524,150		
	Parking	 5,900	765	765	5,135		
	Other	2000	455	455	1,545		
Ttl	Earmarked Funds	\$ 2,428,900	\$ 212,582	\$ 212,582	\$ 2,216,318	8.8%	8.8%

Appropriated Fund Balance \$ 1,158,392 \$ 239,920 \$ 239,920 \$ 918,472

Total Funding: \$ 5,571,553 \$ 702,519 \$ 702,519 \$ 4,869,034

# South Carolina Workers' Compensation Commission Summary of Revenues and Expenditures 2015-16 Budget July 2015 - Period 1

Evnanditurae			Jui	y 2013 - i	reii	ou 1				
Expenditures Bench: *12.6%	<del>,</del>	Annual		July	Vo	ar to Date		Budget	July	Annual
Bench: 12.6%		Budget		Spend		Spend		emaining	Spend %	Spend %
Commissioners	<del></del>	Jauget		орена		орена		uniumig	Орона л	Openia /o
Personnel GA		1,133,336		149,190		149,190				
Personnel EM		-		•		-				
Ttl Pers		1,133,336		149,190		149,190		984,146	13%	13%
Expense GA		-		-		•				
Expense EM		285,700		31,250		31,250				
Ttl Expense		285,700		31,250		31,250		254,450	11%	11%
Total Comm	\$	1,419,036	\$	180,440	\$	180,440	\$	1,238,596	13%	13%
Administration										
Personnel GA		146,007		19,134		19,134				
Personnel EM		606,119		58,526		58,526				
Ttl Pers		752,126		77,660		77,660		674,466	10%	10%
Expense GA		75,000								
Expense EM		987,849		115,488		115,488				
7.5	<u> </u>	1 000 0 10	<u> </u>	445 400		445 400	_	0.47.004	440/	440/
Ttl Expense		1,062,849		115,488		115,488		947,361	11%	11%
Total Admin	\$	1,814,975	\$	193,148	\$	193,148	\$	1,621,827	11%	11%
Claims										
Personnel GA		77,223		9,562	Г <u>.                                    </u>	9,562				
Personnel EM		272,010		40,862		40,862				
Ttl Pers		349,233		50,424		50,424		298,809	14%	14%
Expense GA										
Expense EM	<u> </u>	19,700	_	2,218	<u> </u>	2,218	_	15.155		4484
Ttl Expense	Ь—	19,700	ļ	2,218	<u> </u>	2,218	<u> </u>	17,482	11%	11%
Total Claims	\$	368,933	\$	52,642	\$	52,642	\$	316,291	14%	14%
IMS										
Personnel GA		26,632		3,329		3,329				
Personnel EM		467,881		63,033	İ	63,033				
Ttl Pers		494,513		66,362		66,362		428,151	13%	13%
Expense GA										
Expense EM		67,300	Ĺ	24,031		24,031				
Ttl Expense	<b>—</b>	67,300	_	24,031	_	24,031	<u> </u>	43,269	36%	36%
Total IMS	\$	561,813	\$	90,393	\$	90,393	\$	471,420	16%	16%
Judicial										
Personnel GA	Т	29,267	$\Box$	-	П	-				1
Personnel EM	$\overline{}$	292,779	Т	41,036		41,036	Г			
Ttl Pers		322,046		41,036		41,036		281,010	13%	13%
Expense GA		•		-		•				
Expense EM	<u> </u>	12,800		2,010		2,010	_			
Ttl Expense	Ь—	12,800	_	2,010	_	2,010	<u> </u>	10,790	16%	16%
Total Judicial	\$	334,846	\$	43,046	\$	43,046	\$	291,800	13%	13%
Employer Contribution										
GA	Г	496,796		55,000		55,000			ļ.	T
EM		559,928		87,850	$\vdash$	87,850				
Ttl Fringe	\$	1,056,724	\$	142,850	\$	142,850	\$	913,874	14%	14%
Total Assess									· · · · · · · · · · · · · · · · · · ·	
Total Agency	_	1 004 264		226 245		236,215		1,748,046	12%	12%
Ttl GA	$\vdash$	1,984,261 3,572,066	$\vdash$	236,215 466,304	-	466,304	$\vdash$	3,105,762	13%	13%
Carry Fwd	$\vdash$	15,226	$\vdash$	700,304	-	700,304	-	5,105,762	13/0	13/0
Total Agency	\$	5,571,553	\$	702,519	\$	702,519	s	4,869,034	13%	13%
		-,-, ,,,,,,,,,					1.7	.,,		

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

### **MEMORANDUM**

To: Gary Cannon, Executive Director

From: Sonji Spann, Claims Director

Date: August 3, 2015

Re: Claims Department - August 2015 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:

	July 2015	June 2015	July 2014
Individual Case Files Closed	2516	2742	2588
Fine Revenue Collected	\$69,250	\$124,800	\$43,300
# of individual case files reviewed by	845	1461	723
examiners			
Total Fines	355	359	413
Form 18 Fines	315	330	363
Total Forms Processed	12,479	13,000	12,177
SROI	403	336	
Email	1846	1796	1271
USPS	2384	2622	3092

A file review project began on July 8, 2015. Paper files are reviewed for closure and/or prepared for scanning in Progress. Thirteen days during the month was spent on the project. A total of 421 files were reviewed and 244 files were closed. This project is handled by one examiner and her work was redistributed to the other examiners. The examiners file numbers increased from 250 -333. The 16A's are handled by Debbie Backman.

The Claims Department is working with the State Accident Fund to review open UEF claims.

The Claims Department continues their efforts to educate stakeholders. In the month of July, presentations on how to complete WCC forms were given at CMIW, York Risk, AMTrust, York Risk, WJCB, and the Claims Administration Workshop. Files reviewed included Cossa/Sedgwick, AM Trust, York Risk and Carrier 1082-Accident Insurance Company

	Five Year Claims Fine Collection History	aims Fine C	ollection His	story								
i Lan	FY 2011-2012, 2012-2013, 2013-2014, 2014-2015 and 2015-2016	2, 2012-2013	, 2013-201	4, 2014-201	5 and 2015-	2016						
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
2011-2012	111,875		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	26,650	47,550	48,500
2013-2014	42,350	21,900	35,050	110,350	57,425	20,900	27,000	38,550	73,100	45,350	52,550	31,200
2014-2015	43,300	42,100	51,650	55,100	44,750	49,900	44,700	77,100	90,200	52,250	74,750	124,800
2015-2016	69,250											

					20	CLAIMS DEPARTMENT REPORT	RTMENT R	EPORT					
					STATIST	STATISTICS FOR FISCAL YEAR 2014-2015	SCAL YEAL	R 2014-20	5				
						Prepared ,	Prepared August 4, 2015	015					
I. Claims Services Division													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Forms 15-1	1,186												1,186
Forms 15-II/Forms 17	903												903
Forms 16 for PP/Disf	239												239
Forms 18	4,632												4,632
Forms 20	839												839
Form 50 Claims Only	299												299
Form 61	711												711
Letters of Rep	222												222
Clinchers	810												810
Third Party Settlements	32												32
SSA Requests for Info	06												06
Cases Closed	2,516												2,516
Cases Reviewed	845												845
Total	13.324	0	ō	0	0	0	0	0	0	0	0	0	13,324

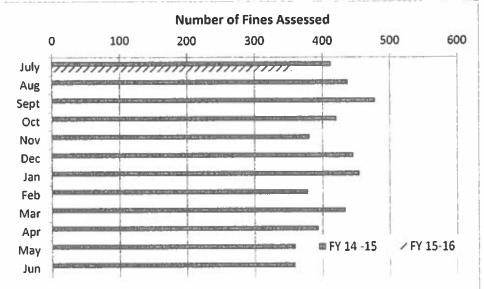
STATISTICS FOR FISCAL YEAR 2014 - 2015						CLAIMS	CLAIMS DEPARTMENT REPORT	MENT REF	ORT						
July   August   Sept   Oct   Nov   Dec   Jan   Feb   March   April   May   June   Total   15   15   15   15   15   15   15   1	Propagation of				Œ	STATIS	TICS FOR I	FISCAL YE	-AR 2014 -	2015					
July         August         Sept         Oct         Nov         Dec         Jan         Feb         March         April         May         June         Total           11         3         3         3         3         3         3         3         3         3         3         3         3         3         3         3         3         5         5         2         2         5         6         4         5         5         5	ines per Form					Prepare	d August 4	<b></b> .							
July August Sept Oct Nov Dec Jan Feb March April May June 101al 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1													1		
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1	Assessed Form 15II	•	=											in the second	
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Assessed Form 15S		-									3.5		-	
315 316 317 317 318 318 318 318 318 318 318 318 318 318	Assessed Form 17		_		-						-				_
s 0 0 0 0 0 0 0 1 0 0 0 0 0 0 0 0 0 0 0	Assessed Form 18	Ċ.	15											3	5
ts \$2,600	Assessed Form 19		0											0	
\$ \$2,600   \$ \$ 2 \$ 2 \$ 2 \$ 2 \$ 2 \$ 2 \$ 2 \$ 2 \$ 2	Assessed Denial Lette		6											8	
\$2,600  \$800  \$800  \$50  \$200  \$200  \$64,850  \$600 \$600	Assessed Requests		<del>ر</del>			-					-			က	e
\$ \$01 \$200 \$200 \$0 \$0 \$200 \$600 \$600	aid Form 15i	\$2,61	00									C.S			2,600
\$00 \$200] \$64,850] \$0 \$200 \$600	aid Form 15II	\$8	00			. be								S	800
\$500 \$0 \$200 \$200 \$600	aid Form 15S		0\$		-	_								S	
\$64,850  \$ 64,850  \$ 5 64,850	Paid Form 17	\$2	00			=					70				200
\$200 \$500	Paid Form 18	\$64,8	20												64,850
\$ 2000	Paid Form 19	S	0.						= =					us.	٠
\$ 009\$	Paid Denial Letter	\$20	0			E 9		-		- 1				S	200
	Paid Request	260	0						•	-				S	009
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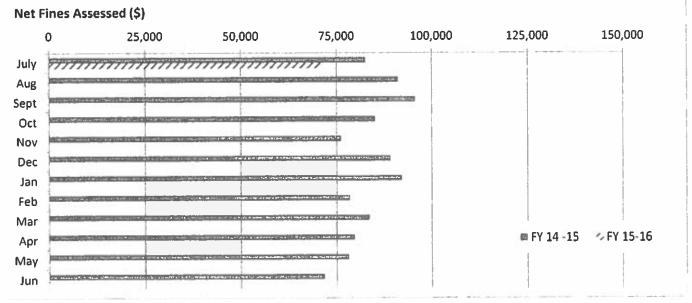
					CLA	<b>CLAIMS DEPARTMENT REPORT</b>	RTMENT	REPORT					
					STATISTIC	STATISTICS FOR FISCAL YEAR 2014-2015	SCAL YEA	R 2014-20	15				
						Prepared August 4, 2015	August 4,	2015					
II. Total Fines Assesed by Claims Department	by Claims Dep	partment											
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
# Assessed	355	-											355
# Rescinded	37												37
# Reduced	_												•
# Paid	341												341
# Outstanding*	922												922
Total Amt. Assessed	\$71,050												71,050
Total Amt. Rescinded	\$7,400												7,400
Total Amt. Reduced	\$100												100
Net Assessed													
Total Amt. Paid	\$69,250			1									69,250
Total Outstanding*	\$181,050		-										181,050

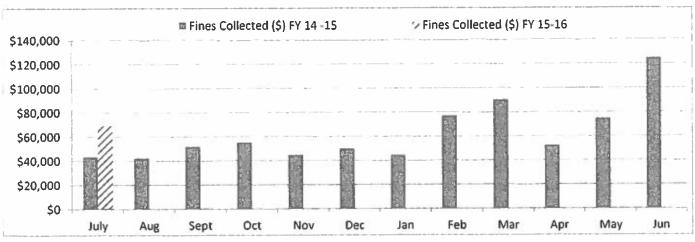
### **CLAIMS DEPARTMENT - Fine Activity Report July 2015**

The number of fines assessed by the Claims Department decreased in number to 355 from 359 in July. The number of Claims fines paid decreased from 604 in June to 341 in July.

Total fine dollars assessed in July was \$71,050 a decrease over prior month \$71,800. Fine revenue received in July was \$69,250 a decrease over prior month \$124,800.







Fines Asses	ssed (#)			Fines Receiv	ed (#)
	FY 14-15	FY 15-16		FY 14-15	FY 15-16
July	413	355	July	198	341
Aug	438	0	Aug	205	0
Sept	478	0	Sept	254	0
Oct	421	0	Oct	259	0
Nov	381	0	Nov	234	0
Dec	446	0	Dec	245	0
Jan	455	0	Jan	224	0
Feb	378	0	Feb	368	0
Mar	434	0	Mar	423	0
Apr	394	0	Apr	234	0
May	390	0	May	363	0
Jun	359	0	Jun	604	0
Total	4,987	355	Total	3,611	341
Mo Avg	416	355	Mo Avg	301	341
Net Fines A	Assessed (\$)*			Fines Collec	ted (\$)
	FY 14-15	FY 15-16		FY 14-15	FY 15-16

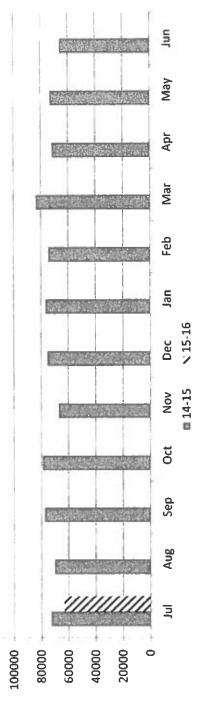
Net Fines	Assessed (\$)*			Fines Collect	ted (\$)
	FY 14-15	FY 15-16		FY 14-15	FY 15-16
July	82,650	71,050	July	\$43,300	69,250
Aug	91,250	0	Aug	\$42,100	0
Sept	95,700	0	Sept	\$51,650	0
Oct	85,200	0	Oct	\$55,100	0
Nov	76,200	0	Nov	\$44,750	0
Dec	89,200	0	Dec	\$49,900	0
Jan	92,100	0	Jan	\$44,700	0
Feb	78,400	0	Feb	\$77,100	0
Mar	83,600	0	Mar	\$90,200	0
Apr	79,700	0	Apr	\$52,250	0
May	78,100	0	May	\$74,750	0
Jun	71,800	0	Jun	\$124,800	0
Total	1,003,900	0	Total	750,600	69,250
Mo Avg	83,658	71,050	Mo Avg	62,550	69,250

<sup>\*</sup>after reductions and rescinded

# **FORM 18 FINE ASSESSMENTS**

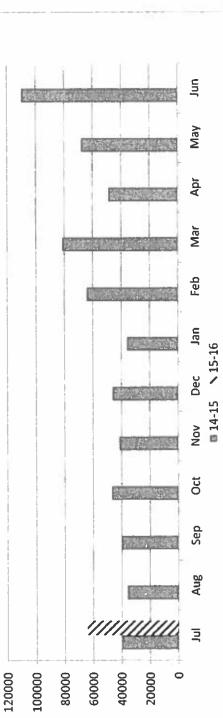
approaches that result in increased compliance levels and reduced Fine related costs to businesses in South Carolina. Consistent with overall Commission strategy, the Claims Department works with our Carrier partners to develop

A key "success measure" of this effort is the Form 18 Fine Assessment report. For the month of July 2015, this has resulted in a decrease in Form 18 Fine Assessments to \$63,050 as compared to June 2015 of \$66,000 The actual number of fines assessed decreased from 330 to 319 in July 2015.

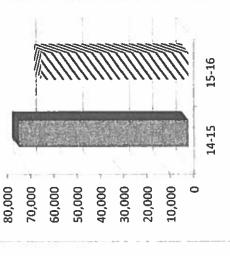


# **FORM 18 FINE COLLECTION**

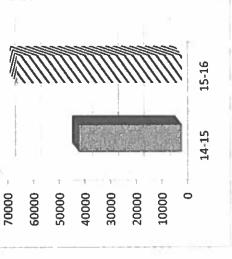
In July 2015, the Claims Department received payment on Form 18 Fines resulting in revenue of \$64,250.



# FORM 18 FINE ASSESSMENTS YTD Form 18 Fine Assessment is trending at 86% of prior year assessments.







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



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### Workers' Compensation Commission

August 12, 2015

To:

Gary M. Cannon

**Executive Director** 

From:

Amy A. Bracy

Judicial Director

RE:

Monthly Judicial Report for July 2015

There were one hundred nine (109) Single Commissioner Hearings conducted during the past month, and there were sixteen (16) Full Commission hearings held in July.

The Informal Conference system has conducted two hundred forty-seven (247) hearings during the last month.

There were eighty-one (81) regulatory mediations scheduled and forty-five (45) requested mediations. The Judicial Department was notified of forty-six (46) matters resolved in mediation, with the receipt of Forms 70.

The year end statistics for Judicial will be reported to the Full Commissioner in September along with the Annual Report.

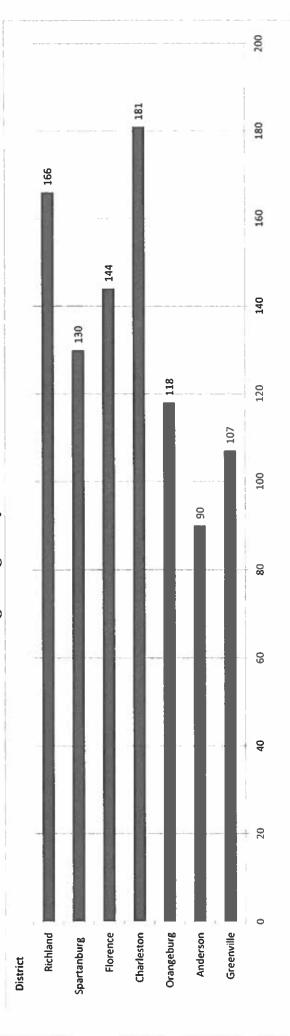
# Judicial Department Statisitcal Report Statistics For Fiscal Year 2015-2016

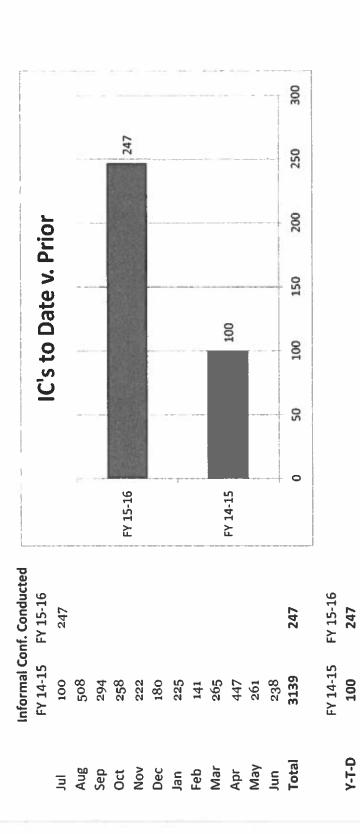
	Aluk	August	Sept	8	Nov	Dec	Jan	Feb	March	April	May	June	Totals YTD 2015-2016	Totals YTD 2014-2015
Claimant Pleadings	623												623	650
Defense Response to Pleadings	561												561	522
Defense Pleadings	267											_	267	284
Motions	141												141	127
Form 30	30												30	35
FC Hearings Held	16												16	10
FC Orders Served	11			i									11	26
Single Comm. Hearings Held	109												109	105
Single Comm. Orders Served	95												95	159
Consent Orders	280				-								280	202
Adminstrative Orders	85												85	62
Clincher Conference Requested	105												105	88
Informal Conference Requested	378												378	375
Informal Conference Conducted	247												247	100
Regulatory Mediations	81			·									81	109
Requested Mediations	45												45	27
Ordered Mediations	0												٠	,
Mediation Resolved	46							!					46	94
Mediation Impasse	28												28	28
Mediation Held; Issues Pending	0											j	٠	,
Claim Settled Prior to Mediation	14												14	27
Mediation Not Complete in 60 days	14												14	4

Pleadings Assigned - Three Year Comparison by Month

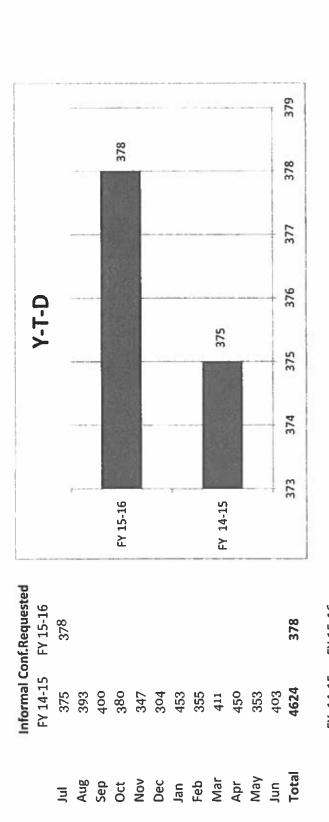
							0														
	District 1	ct 1		District 2	:t 2		District 3	t 3		District 4	:t 4		District 5	េះ		District 6	t 6		District 7	t 7	
	Greenville	ville		Anderson	ion		Orangeburg	burg		Charleston	ston		Florence	e i		Spartanburg	nburg		Richland	þı	
	15-16	15-16 14-15	13-14	15-16 14-15		13-14	15-16	14-15	13-14	91-51	14-15	13-14	12-16	14-15	13-14	15-16	14-15	13-14	15-16	14-15	13-14
Jul	107	103	911	90	92	96	118	119	121	181	140	164	144	145	117	130	116	111	166	141	135
Aug		98	121		96	17		120	121		153	170		146	131		104	119		164	141
Sep		105	102		84	89		105	6		155	163		126	137		70	90		124	132
Ö		83	124		78	84		115	128		143	170		146	159		112	106		156	160
Nov		80	115		56	29		93	115		115	163		135	115		80	79		127	112
Dec		66	78		98	93		108	102		133	123		119	108		85	95		146	113
Jan		109	92		88	56		120	100		163	151		158	95	i	108	88		174	119
Feb		86	93		98	96		92	86		141	157		110	146		111	93		114	106
Mar		112	101		16	9/		132	107		156	121		118	130		122	16		140	128
Apr		66	86		87	69		- 6	100		165	144		120	141		88	101		149	150
May		101	88		73	- 6		105	124		158	169		140	121		101	100		158	153
Jun		89	81		99	79		102	95		143	148		147	110		117	79		139	123
Totals	107	1164	1212	06	975	996	811	1308	1308	181	1765	1843	144	1610	1510	130	1214	1152	166	1732	1572

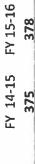














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### Workers' Compensation Commission

## Executive Director's Report Gary M. Cannon

August 13, 2015

### **Debit Card Ad Hoc Advisory Committee**

The next meeting of the Debit Card Ad Hoc Advisory Committee is scheduled for Wednesday, August 19, 2015, at 2:00 p.m. in the First Floor Conference Room.

### Narcotics Use Ad Hoc Advisory Committee

The Narcotics Use Ad Hoc Advisory Committee met on Thursday, July 30, 2015. Christie Frick, Director of DHEC's Prescription Drug Monitoring Program (PDMP) briefed the committee. The committee also discussed 5 proposals submitted by committee members. The next meeting has not been scheduled.

### **Claims Administration Workshop**

Staff conducted a Claims Administration Workshop on Thursday, July 30, 2015. A total of 105 stakeholders and 15 staff members participated. Sixteen (16) attorneys each received a total of five (5) CLE credit hours. Congratulations to Keith Roberts for his leadership in coordinating and his part of the program and Kim Ballentine for coordinating the logistics. Also, a special thanks to Amy Bracy, Sonji Spann, Greg Line, Grant Duffield, Amanda Underhill, Tracy Riddle, Amanda Young, Juliet Bush, Geneary Cole and DiAnn Davis who were presenters at the event. Participants' evaluations and comments rated this workshop the best one we have ever sponsored.

### Personnel

### IT Director

Twenty-eight (28) applications were received for the IT Director's position. Five individuals were interviewed on July 13, 2015. Sandee Sprang, currently Director of IT for the S.C. Attorney General's Office, was selected for the position. She will begin employment with the Commission on August 17, 2015.

### **Employee Meetings**

An All Employee meeting was held on July 23. The next All Employee meeting is scheduled for August 20. A Department Head meeting is scheduled for August 18, 2015.

### Other Meetings/Activities

The Executive Director participated in the following meetings/activities outside the normal scope of activities:

- July 24 Meeting to establish timeline on proposed amendments to regulations
- August 4 Attended Accountability Report training at State Library
- August 5 Participated in IAIABC Executive Committee Teleconference
- August 7 Served as panelist at S.C. Orthopaedic 2015 Annual Conference
- August 12 Met with the landlord and architect to discuss office space needs
- August 13 Presentation to SC Bar Workers' Compensation Practice Essentials Seminar

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

For the period July 16, 2015 through August 11, 2015 the Executive Director's Office and the General Counsel's office had 722 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 July 16, 2015 through August 11, 2015, we added 11 individuals to the Commission's stakeholder distribution list. A total of 571 individuals currently receive notifications from the Commission.

### SC Vocational Rehabilitation Department (SCVRD)

SCVRD reported 9 referrals in the following counties: Beaufort, Charleston, Dorchester, Lexington, Orangeburg, Richland and Spartanburg.

### **Commission 2016 Calendar**

### **JANUARY**

1 - New Year's Day 8, 9, 10 - IWA Paralegal Conference, Isle of Palms

18 - Martin Luther King Day

- 19 Commission Business
- Meeting 19, 20 - Commission Appellate **Panel Hearings**

		JAt	AUP	RY		
5	M	T	W	Th	F	\$
					*1	2
3	4	5	6	7	*8	*9
*10	11	12	13	14	15	16
17	*18	*19	*20	21	22	23
24	25	26	27	28	29	30
31						

### **FEBRUARY** W Th F S M T 1 2 3 4 5 6 8 9 10 12 13 \*16 \*17 19 \*15 18 20 24 25 26 27 22 23 \*28 \*29

### **FEBRUARY**

- 15 President's Day
- 16 Commission Business Meeting
- 16, 17 Commission Appellate Panel Hearings
- 28, 29 (thru March 1)- SCWCEA Medical Seminar (Myrtle Beach)

### MARCH

- 1 SCWCEA Medical Seminar (Myrtle Beach)
- 21 Commission Business Meeting
- 21, 22 Commission Appellate Panel Hearings

I			M	ARC	:H		
۰	\$	М	T	W	Th	F	\$
			*1	2	3	4	5
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	20	*21	*22	23	24	25	26
	27	28	29	30	31		

### APRIL м 5 S T W Th F 2 1 9 3 4 5 6 \*8 10 Н 12 13 14 15 16 17 \*18 \*19 20 21 22 23 28 29 30 25 26 27

APRIL
8 – IWA Spring Seminar, Isle of
Palms
TBD - SC Self-Insurers Conf
18 - Commission Business
Meeling
18, 19 - Commission Appellate
Panel Hearings

### MAY

- 10 Confederate Memorial Day (Observed)
- 16 Commission Business Meeting
- 16, 17 Commission Appellate Panel Hearings 30 - Memorial Day

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8	9	*10	11	12	13	14
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29	*30	31				

			ואטנ	E		
\$	M	T	W	Th	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	*20	*21	22	23	24	25
26	27	28	29	30		

JUNE
20 - Commission Business
Meeting
20, 21 - Commission Appellate
Panel Hearings

### JULY

- 4 Independence Day Holiday 18 - Commission Business Meeting
- 18, 19 Commission Appellate Panel Hearings
- 28, 29, 30 SCDTAA Conference, Asheville

			יוטני	Y		
S	М	T	W	Th	F	5
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3	*4	5	6	7	8	9
10	11	12	13	14	15	16
17	*18	*19	20	21	22	23
24	25	26	27	*28	*29	*30
31						

		Αl	JGU	ST		
\$	M	T	W	Th	F	S
	1	2	3	*4	*5	*6
7	8	9	10	11	12	13
14	*15	*16	17	18	19	20
*21	*22	*23	*24	25	26	27
28	29	30	31			

	AUGUST
<u>s</u>	4, 5, 6– SCAJ Convention, Hilton
	Head
*6	15 - Commission Business
13	Meeting
20	15, 16 – Commission Appellate
27	Panel Hearings
21	21, 22, 23, 24 - NAWCJ
	Judiciary College

### **SEPTEMBER**

- 5 Labor Day 19 - Commission Business Meeting
- 19, 20 Commission Appellate Panel Hearings

		SEPI	ΓΕΜ	BER		
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**NOVEMBER** 

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	OCTOBER					
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30	31					

)E	SER			OCTOBER
	Th	F	s	9, 10, 11, 12 – SCWCEA 40 <sup>th</sup> Annual Educational
			- 1	Conference, Marriott Grande
	6	7	8	Dunes, Myrtle Beach
2	13	14	15	17 – Commission Business Meeting
7	20	21	22	17, 18 – Commission Appellate
6	27	28	29	Panel Hearings

NOVEA	<b>ABER</b>
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- 3, 4, 5 Injured Workers' Advocates Conference, Ashville, NC
- 11 Veterans Day
- 14 Commission Business Meeting
- 14 Commissioners & AAs Ethics & APA Training
- 15 Commission Appellate Panel Hearings
- 24, 25 Thanksgiving Holidays

	DECEMBER						
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25	*26	*27	28	29	30	31	

### **DECEMBER**

- 12 Commission Business Meeting
- 12, 13 Commission Appellate Panel Hearings
- 23, 26 Christmas Holidays (observance)
- 27 Day after Christmas (expected observance)

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



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

### Workers' Compensation Commission

**TO:** Commissioners

FROM: Gary Cannon

**DATE:** August 12, 2015

RE: Proposed changes to Regulations – Chapter 67

Attached please find the proposed timeline for preparing and submitting changes to the Commission's regulation, Chapter 67, and the Notice of Drafting. The Notice contains a summary of the proposed changes.

Mr. Roberts will review the proposed changes and I will review the proposed timeline at the Business Meeting on August 17.

Staff proposes the Commission consider approval of the Notice of Drafting at the September 21 Business Meeting.

## Amendments to Regulations FY 2015 16 Proposed Timeline

	Task	Date
1	Commission receives proposed summary of changes	8/17
2	Commission Business Meeting – request approval of Notice of Drafting	9/21
3	Submit Notice of Drafting to State Register	10/9
4	Notice of Drafting Published in State Register Post Notice on website	10/23
5	Deadline for Comments	11/6
6	Proposed Regulation (Commissioners approval of proposed language at Commission Business Meeting	11/16
7	Submit Proposed Regulation to State Register	12/11
8	Proposed Regulation Published in State Register (Public hearing 30 days after publication in State Register – include deadline to receive comments)	12/25
9	Date of Public Hearing (30 days after publication in State Register)	02/16/16
10	Public Hearing Notice On Website One Month Out (Include Deadline to receive comments)	12/29
11	Document Number Assigned by State Registrar's Office (SRO)	SRO
12	Deadline to receive comments for Public Hearing	01/25/16
13	No later than 5 working days after public hearing presiding official issues a written report (unless presiding official orders an extension for not more than 20 days)	02/19/16
14	Agency Approval	03/21/16
15	Submit for General Assembly Review  Deadline for submission to General Assembly  Regulation must be submitted to the General Assembly for review within one year of the date of publication of the Notice of Drafting (Section 1-23-120(A)	04/08/16
16	General Assembly Approval – GA has 120 days to review – if no action, regulation is approved on the 120 <sup>th</sup> day and is effective upon publication in the <i>State Register</i>	

### SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

CHAPTER 67

Statutory Authority: 1976 Code Sections 42-3-30

### **Notice of Drafting:**

The South Carolina Workers' Compensation Commission proposes to amend regulations to Chapter 67 for clarification of certain regulations; to amend the subpoena process of a pro se litigant; to eliminate the use of the Form 18 to request an informal conference; to streamline the procedure for requesting a Hearing by abolishing the Form 15, Section III; to amend language to provide instructions for requesting copies of transcripts; correction of a typographical error; amendments recommended by Debit Card Advisory Committee; and amendment requiring parties to file a Form 70 at completion of mediation. Interested persons may submit written comments to Gary Cannon, Executive Director, South Carolina Workers' Compensation Commission, 1333 Main Street, Post Office Box 1715, Columbia, South Carolina 29202-1715. To be considered, all comments must be received no later than 5:00 p.m. November 6, 2015, the close of the drafting comment period.

### Synopsis:

The Commission is making revisions to address, but not necessarily limited to, the following subjects:

R.67-201: In response to *Rhame v. Charleston Co. School Dist.*, the Commission needs to clarify that Article 2 of the Regulations applies to all levels of proceedings before the Commission.

R.67-205: Clarification that the effective date of service when it is made electronically is the date it is sent and received as indicated by the parties' electronic mail service provider.

R.67-207: In order to streamline the procedure for requesting a Hearing, the Commission is abolishing the use of a superfluous form, the Form 15, Section III, and directing claimants requesting a Hearing on any issues involving the merits to use a Form 50 Employee Request for Hearing.

- R.67-211: Clarification that the effective date of service when it is made electronically is the date it is sent and received as indicated by the parties' electronic mail service provider.
- R.67-213: Clarification that the effective date of service when it is made electronically is the date it is sent and received as indicated by the parties' electronic mail service provider.
- R.67-214: Amend the process of a pro se litigant obtaining a subpoena to compel discovery. The amendments will provide Commission supervision of the content of the subpoenas before they are signed by a representative of the Commission on the pro se party's behalf. This will ensure an unrepresented litigant's access to meaningful discovery is preserved and reduce the use of subpoenas for abusive practices.
- R.67-215: In response to *Rhame v. Charleston Co. School Dist.*, the Commission needs to clarify that the Commission will not consider Motions addressing the merits, including Motions for Reconsideration of substantive issues, at any level of proceedings before the Commission.
- R.67-413: Eliminate the use of the Form 18 to request an informal conference by deleting subsubsection (A)(2) which currently reads "[file a Form 18 Status Report] to request an informal conference". Line 6 on the current Form 18 reading "Informal Conference is Requested: \_Yes \_No (check one)" will be

eliminated from the Form 18. This is necessary to implement the use of the Form 18 as Second Report of Injury (SROI) through Electronic Document Interface (EDI).

R.67-504: In order to streamline the procedure for requesting a Hearing, the Commission is abolishing the superfluous Form 15, Section III, and directing claimants requesting a Hearing under this section to use a Form 50 Employee Request for Hearing.

R.67-615: Amending language to direct parties to contact the Court Reporter directly for a copy of a transcript, not the Commission. This change is needed to reflect the changes made to S.C. Code Ann. § 42-3-60 and § 42-3-170.

R.67-712: In response to *Rhame v. Charleston Co. School Dist.*, the Commission needs to clarify that a party aggrieved by a final decision on the merits of the Commission must appeal in accordance with S.C. Code Ann. § 42-17-60 instead of filing a Motion for Reconsideration.

R.67-802: Amending the process for requesting an informal conference by clarifying that the employers' representative should file a letter requesting that an informal conference be held and file a current Form 18. Line 6 on the current Form 18 reading "Informal Conference is Requested: \_Yes \_No (check one)" will be eliminated from the Form 18. This is necessary to implement the use of the Form 18 as SROI through EDI.

R.67-804: Amending the process for requesting an informal conference by clarifying that the employers' representative should file a letter requesting that an informal conference be held and file a current Form 18. Line 6 on the current Form 18 reading "Informal Conference is Requested: \_Yes \_No (check one)" will be eliminated from the Form 18. This is necessary to implement the use of the Form 18 as SROI through EDI.

R.67-1515:Correction of a typographical error; removal of the word "the" from the clause ". . .the effective date of *the* such insurance program, . . ."

R.67-1602: The Commission will consider adopting the amendments recommended by the Debit Card Advisory Committee.

R.67-1802: The Commission will alter the listing of situations where mediation is mandatory to clarify that mandatory mediation is only triggered for claimants claiming permanent and total disability when the claimant has reached maximum medical improvement, and add to the list of situations where mediation is mandatory cases where there is a dispute amongst multiple defendants regarding who is the employer and/or carrier liable for payment of claimant's benefits.

R.67-1809: The Commission will provide sanctions for the failure of the parties to file a Form 70 Report of Mediation in a timely manner by barring the processing of a Form 19 until the Form 70 has been received.

Legislative review of this amendment is required.